

CITY OF RANCHO CORDOVA



CITY COUNCIL MEETING Monday, February 3, 2025

**3:00 PM – Special Meeting
5:30 PM – Regular Meeting
David B. Roberts Council Chambers**

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

How to Observe or Listen to the Meeting:

- Online via Zoom: <https://cityofranchocordova.zoom.us/j/81630466928>
Webinar ID: 816 3046 6928
- By phone: +1 669 900 6833 or +1 253 215 8782
Webinar ID: 816 3046 6928

Public Comment

Members of the public who wish to address the City Council may do so in person during the meeting by completing and submitting a Speaker Card to the City Clerk.

Members of the public who wish to provide public comment via email will need to submit comments to CityClerk@cityofranchocordova.org no later than 1:00 p.m. on Monday, February 3, 2025. Written comments received no later than 1:00 p.m. will be distributed to the Council, filed in the record, and will not be read aloud. All comments submitted later than 1:00 p.m. will be distributed to the Council.

If you have questions related to the City Council Meeting, please contact the City Clerk's Office at (916) 851-8720 before Monday, February 3, 2025, at 1:00 p.m.

AGENDA

1. SPECIAL MEETING - CALL TO ORDER/ROLL CALL

Council Members Linda Budge, Garrett Gatewood, Joe Little, David Sander, and Mayor Siri

Pulipati

2. PUBLIC COMMENT

At a special meeting, citizens wishing to address the Council for any matter on the agenda may do so at the time the matter is discussed. Under the provisions of the California Government Code, the City Council is prohibited from discussing or taking action on any item not on the agenda.

3. SPECIAL MEETING

3.1. **Subject:** Mandatory AB 1234 Ethics Training.

Recommendation: City Council Members, Planning Commissioners, and Designated Filers, attend mandated Assembly Bill 1234 ethics training.

4. ADJOURNMENT OF SPECIAL MEETING

Mayor Pulipati will adjourn the special meeting to the regular meeting in the David B. Roberts Council Chambers.

5. REGULAR MEETING - CALL TO ORDER/ROLL CALL

Council Members Linda Budge, Garrett Gatewood, Joe Little, David Sander, and Mayor Siri Pulipati

6. METRO CABLE TV TELEVISION ANNOUNCEMENT

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

7. PLEDGE OF ALLEGIANCE

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

8. INVOCATION

David Hauser with Oasis Ministries will give the invocation.

9. PRESENTATIONS

9.1. Celebrating the Cordova High School Velo Lancers and the American River Bike Patrol.

10. PUBLIC COMMENT

Members of the public wishing to address the Council for any matter not on the agenda may do so at this time by completing and submitting a Speaker Card to 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.

11. COUNCIL REPORTS

12. CITY MANAGER'S REPORT

13. CONSENT CALENDAR ITEMS - ROLL CALL VOTE

- 13.1. **Subject:** Meeting Minutes from the Regular City Council Meeting of January 21, 2025, and the Special Meeting of January 28, 2025.

Recommendation: Adopt the minutes.

- 13.2. **Subject:** A Resolution Authorizing the City Manager to Execute Contract No. 2025-5 in an Amount not to Exceed \$391,600.00 with Zara Construction, Inc. to Construct the School Crossing Improvements Project in the Folsom Cordova and Elk Grove School Districts.

Recommendation: Adopt the Resolution.

- 13.3. **Subject:** A Resolution Authorizing the City Manager to Execute Contract No. 2025-4 in an Amount not to Exceed \$337,775.50 with Martin General Engineering, Inc. to Construct the HSIP Cycle 11 Traffic Signals and Grant Line Road Safety Improvements Project.

Recommendation: Adopt the Resolution

- 13.4. **Subject:** A Resolution Authorizing the City Manager to Execute Contract Amendment No. 2021-337-3 with R.E.Y. Engineers, Inc., Increasing the contract Amount from \$945,026 to an Amount not to Exceed \$1,155,362 for the Countryside Neighborhood Street Rehabilitation Project.

Recommendation: Adopt the Resolution.

- 13.5. **Subject:** A Resolution of Intention to Establish the City of Rancho Cordova The Preserve Community Facilities District No. 2025-1, to Levy a Special Tax Therein, and to Incur Bonded Indebtedness in and for the District to Finance the Acquisition and Construction of Certain Public Facilities in and for Such District.

Recommendation: Adopt the Resolutions.

14. CONSENT PUBLIC HEARING ITEMS - ROLL CALL VOTE

None.

15. PUBLIC HEARING ITEMS

None.

16. REGULAR CALENDAR ITEMS

- 16.1. **Subject:** Planning Commission Regular Members Nomination and Selection.

Recommendation: Receive a nomination from Council Members Little, Sander, Vice Mayor Gatewood, and Mayor Pulipati for the regular member Planning Commission vacancies and make a motion to approve the four (4) members.

- 16.2. **Subject:** A Resolution Authorizing the Issuance of Special Tax Bonds for and on Behalf of Improvement Area No. 2 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.

- 16.3. **Subject:** Appointment of Real Property Negotiators City Manager Micah Runner, and City Attorney Adam U. Lindgren, for the Following Properties and Assessor's Parcel Numbers

(APN): 3649 Femoyer St. APN 067-1040-005-0000, APN 067-0010-113-0000, a portion of APN 067-1040-006-0000, and 9978 Folsom Boulevard, APN 077-0010-001-0000.

Recommendation: Approve appointment of Real Property Negotiators.

17. COUNCIL REQUESTS FOR FUTURE AGENDA ITEMS

18. ADJOURN TO CLOSED SESSION

The Mayor will adjourn the meeting to closed session.

19. CLOSED SESSION - CALL TO ORDER/ROLL CALL

Council Members Linda Budge, Garrett Gatewood, Joe Little, David Sander, and Mayor Siri Pulipati

20. CLOSED SESSION

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

- 20.1. CONFERENCE WITH REAL PROPERTY NEGOTIATORS: Pursuant to Government Code Section 54956.8: Property: 10801 White Rock Road, Rancho Cordova APN: 072-0610-091-0000. City Negotiators: Micah Runner, City Manager, and Adam U. Lindgren, City Attorney. Negotiating Parties: Brooks Erickson. Under Negotiation: Price and Terms of Payment.
- 20.2. CONFERENCE WITH REAL PROPERTY NEGOTIATORS: Pursuant to Government Code Section 54956.8: Properties: APN 077-0050-058-0000, 10503 Armstrong Ave. APN 067-0990-005-0000, APN 067-0010-039-0000, APN 067-0010-093-0000 (southeast portion), 3659 Femoyer St. APN 067-0010-094-0000, APN: 072-0610-091-0000. City Negotiators: Micah Runner, City Manager, and Adam U. Lindgren, City Attorney. Negotiating Parties: County of Sacramento. Under Negotiation: Price and Terms of Payment.
- 20.3. CONFERENCE WITH REAL PROPERTY NEGOTIATORS: Pursuant to Government Code Section 54956.8: Properties: 3649 Femoyer St. APN 067-1040-005-0000, APN 067-0010-113-0000, and a portion of APN 067-1040-006-0000. City Negotiators: Micah Runner, City Manager, and Adam U. Lindgren, City Attorney. Negotiating Parties: County of Sacramento. Under Negotiation: Price and Terms of Payment.
- 20.4. CONFERENCE WITH REAL PROPERTY NEGOTIATORS: Pursuant to Government Code Section 54956.8: Properties: 9978 Folsom Boulevard, APN: 077-0010-001-0000. City Negotiators: Micah Runner, City Manager, and Adam U. Lindgren, City Attorney. Negotiating Parties: PENSICO TR C-O CUST FBO JD PICA. Under Negotiation: Price and Terms of Payment.

21. OPEN SESSION - REPORT FROM CLOSED SESSION

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

22. 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 agenda 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.cityofranchocordova.org on Thursdays or Fridays prior to the Regular City Council Meeting.

UPCOMING MEETINGS

February 11, 2025	5:30 PM Special Meeting/Work Session
February 18, 2025	5:30 PM Regular Meeting
February 25, 2025	5:30 PM Special Meeting/Work Session
March 3, 2025	4:00 PM Special Meeting/5:30 PM Regular Meeting
March 17, 2025	5:30 PM Regular Meeting
March 25, 2025	5:30 PM Special Meeting/Work Session
April 7, 2025	4:00 PM Special Meeting/5:30 PM Regular Meeting
April 18, 2025	5:30 PM Regular Meeting
April 26, 2025	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 and AT&T U-Verse Cable 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 February 3, 2025, Regular Meeting of the Rancho Cordova City Council was posted and available for review on January 30, 2025, 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.cityofranchocordova.org.

Signed January 30, 2025, at Rancho Cordova, California.



Stacy Leitner, CMC
City Clerk

MEMORANDUM



ITEM 3.1.

DATE: February 3, 2025
TO: Honorable Mayor and Council Members
FROM: Adam Lindgren, City Attorney
SUBJECT: **MANDATORY AB 1234 ETHICS TRAINING**

RECOMMENDATION

City Council Members, Planning Commissioners, and Designated Filers, attend mandated Assembly Bill 1234 ethics training.

RESULT OF RECOMMENDED ACTION

Upon completion of a two-hour training session, City officials will receive the minimum ethical standards and laws training, as required every two years.

BACKGROUND

AB 1234 requires that local agency officials obtain at least two hours of ethics training at least once every two years thereafter, if they receive compensation, a salary or stipend, and/or reimbursement for expenses. "Local agency officials" includes city council members and planning commissioners or other members of commissions or committees. AB 1234 also authorizes local agencies to designate local agency employees to obtain ethics training under AB 1234.

The required curriculum under AB 1234 includes:

- Laws relating to personal financial gain, including, but not limited to laws prohibiting bribery and conflict-of-interest laws;
- Laws relating to claiming prerequisites of office, including, but not limited to, gift and travel restrictions, prohibitions against the use of public resources for personal or political purposes, prohibitions against gifts of public funds, mass mailing restrictions, and prohibitions against acceptance of free or discounted transportation by transportation companies;
- Government transparency laws, including, but not limited to, financial interest disclosure requirements and open government laws such as the Brown Act and the Public Records Act; and
- Laws relating to fair processes, including, but not limited to, common law bias prohibitions, due process requirements, incompatible offices, competitive bidding

requirements for public contracts, and disqualification from participating in decisions affecting family members.

Recordkeeping

Following completion of the ethics training, City officials will be provided with a proof of participation.

ATTACHMENT(S)

1. Presentation



meyers | nave PUBLIC OFFICIAL TRAINING SERIES

AB 1234 ETHICS TRAINING



meyers | nave



City of Rancho Cordova City Council

General Training

Adam Lindgren, City Attorney
Anthony Amara, Associate

Why Are We Here?

- California state law (AB 1234)
- Cal. Govt. Code Sec. 53235.1



Must receive 2 hours of
training every 2 years

- Mandates ethics training within first year of appointment
- All local elected officials or members of legislative bodies who receive any compensation or expense reimbursements
- And employees designated by the legislative body

Training Overview

I. Personal Financial Gain by Public Officials

- Conflicts of Interest Under the Political Reform Act
- Contractual Conflicts of Interest (Gov't Code § 1090)
- Conflicts of Interest and Campaign Contributions
- Conflicts of Interest When Leaving Office
- Bribery

II. Laws Regarding Claiming

- Perquisites of Office
- Limitations on Receipt of Gifts
- Honoraria Ban
- Misuse of Public Funds
- Prohibitions Against Gifts of Public Funds
- Mass Mailing Restrictions
- Prohibitions Against Free or Discounted
- Transportation by Transportation Companies

III. Government Transparency Laws

- Economic Interest Disclosure under the Political Reform Act
- Brown Act
- Public Records Act

IV. Laws Relating to Fair Processes

- Common Law Bias Prohibitions
- Due Process Requirements
- Doctrine of Incompatible Offices
- Incompatible Activities
- Competitive Bidding Requirements for Public Contracts
- Disqualification from Participating in Decisions Affecting Family Members (Anti-Nepotism Laws)

General Ethics Principles

- Values such as transparency, trustworthiness, respect, fairness and responsibility promote public trust in government, and advance the reputation of the City
- Important to avoid even the appearance of impropriety
 - Ethics laws merely set minimum standards for conduct
- Ethics goes beyond meeting legal requirements
 - About doing what we ought to do
 - Doing more than what's minimally required
 - Set a higher standard



I. Personal Financial Gain by Public Officials

- Conflicts of Interest under the Political Reform Act (PRA)
- Contractual Conflicts of Interest (Gov't Code § 1090)
- Conflicts of Interest and Campaign Contributions
- Conflicts of Interest when Leaving Office
- Bribery



I. Personal Financial Gain by Public Officials

Conflicts of Interest under PRA

- Basic Rule
- Public officials* have a disqualifying conflict of interest under the Political Reform Act of 1974 when a decision has a:
 - Reasonably foreseeable material financial effect on an official's economic interest
 - Different from the effect on the public generally
 - * For purposes of this rule, a “Public Official” is every member, officer, or employee and certain consultants of a state or local government agency

I. Personal Financial Gain by Public Officials

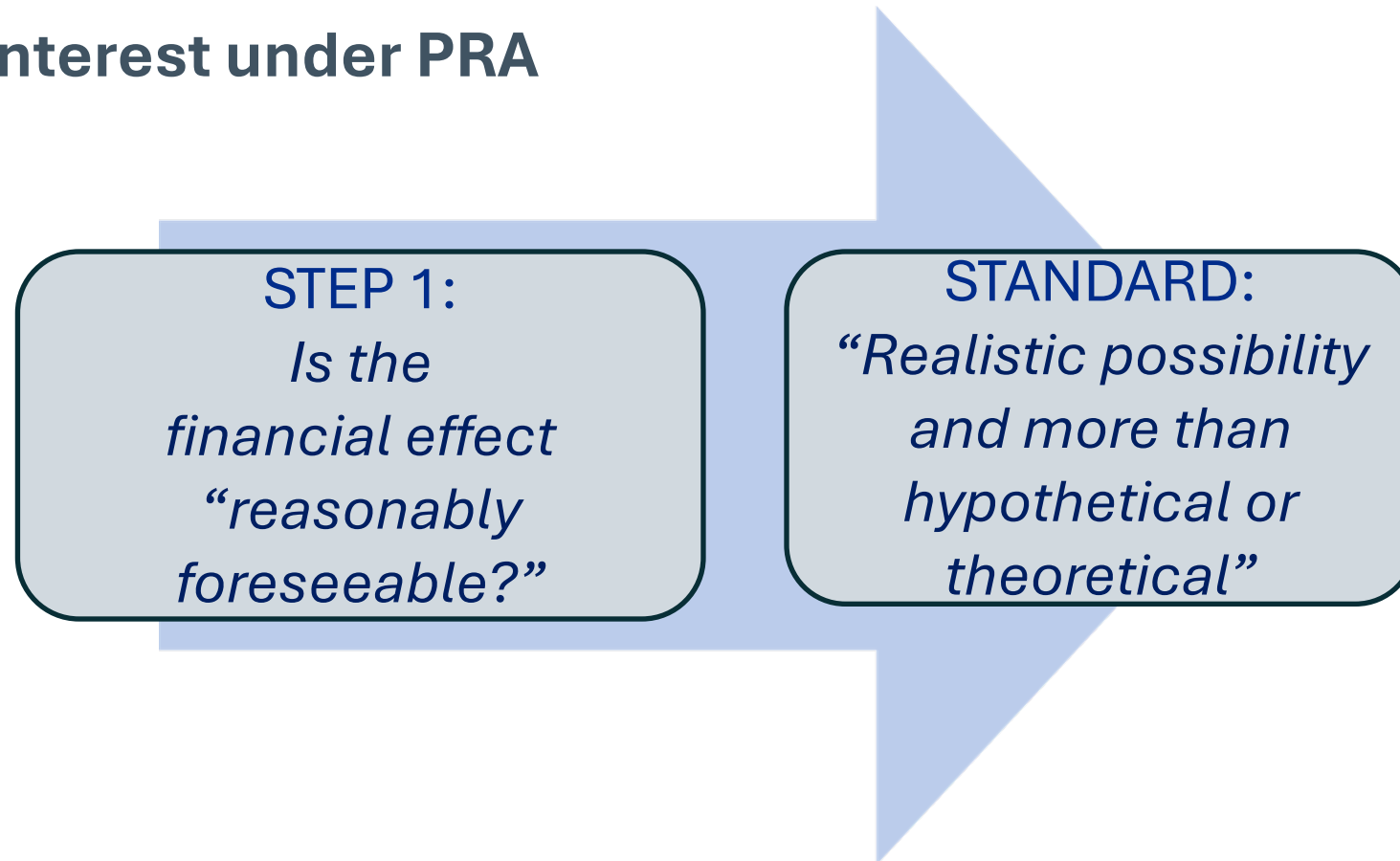
- What is an “Economic Interest” under the PRA?
- Business investments of \$2,000 or more
- Business management positions or employment in for-profit entities
- Real property Interests of \$2,000 or more
- Sources of income of \$500 or more (within previous 12 months)
- Sources of gifts of \$590 or more (within previous 12 months)

I. Personal Financial Gain by Public Officials

- How do you determine if the “Economic Interest” qualifies as a Conflict of Interest under the PRA?
- Four-Part Test
 1. Is the financial effect “reasonably foreseeable”?
 2. Is it material?
 3. Is the effect on the official the same as on the “public generally?”
 4. Is the official “making, participating in the making, or using their position to influence” the governmental decision from which the financial effects result?

I. Personal Financial Gain by Public Officials

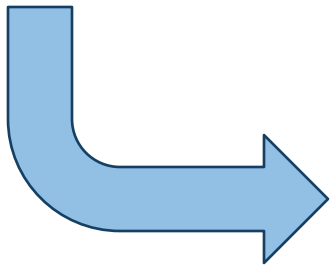
Conflicts of Interest under PRA



I. Personal Financial Gain by Public Officials

Conflicts of Interest under PRA

- Q: Is it material?
- A: Determine correct “materiality standard”



- Materiality is a measure of “how important” it is.
- Rules vary by type of financial interest.
- In general, materiality is presumed when the public official's financial interest is a party to, or the subject of, the governmental decision.

I. Personal Financial Gain by Public Officials

Conflicts of Interest under PRA

- Is the effect on the official the same as on the “public generally”?
- Effect on official is indistinguishable from its effect on the public generally if:
 - Significant segment of public is affected (i.e., 25% of all businesses, real property or individuals in the jurisdiction); and
 - Effect on their interest is not unique compared to the effect on a significant segment

I. Personal Financial Gain by Public Officials

Conflicts of Interest under PRA

- Is the official “making, participating in the making, or using their position to influence” the governmental decision from which the financial effects result?

Determine if the official is:

- Making a decision
- Participating in a decision
- Using official position to attempt to influence a decision

Official may still participate if an exemption applies

I. Personal Financial Gain by Public Officials

Conflicts of Interest under PRA: Recusal

- Public official with a disqualifying interest must:
 - Publicly identify interest in sufficient detail
 - Recuse self from discussions or acting on matter
 - Leave room, unless matter on consent agenda

Exception

*May speak during public
comment on certain
personal interests.*

Penalties for Violations of Political Reform Act

- **Administrative Fine** - \$5,000 fine per violation imposed by FPPC
- **Civil Remedy** - If official derived economic benefit from decision, fine could amount to 3 times the benefit received
- **Criminal Sanctions** - If the official knowingly or willingly violated the law: misdemeanor conviction, fine of \$10,000 or 3 times value of benefit conferred (whichever is greater, and the official disqualified from public office for 4 years)

I. Personal Financial Gain by Public Officials

Conflicts of Interest in Contracts

Basic Rule *(Gov. Code Section 1090)*

- Prohibits public officials and employees from having financial interests...
- In *contracts*...
- Made by them in their official capacities

Applies Broadly

- Applies to renewals, extensions, and oral contracts
- Financial interests in contracts are broadly construed

I. Personal Financial Gain by Public Officials

Conflicts of Interest in Contracts

- Legislative body deemed to make all agency contracts
- Legislative body members are deemed to have participated in making all contracts of the agency, except where an exception applies
 - Prevents the agency from entering into a contract in which a member of the agency's board or commission has a financial interest
- Employees can avoid prohibition by not participating in the making of the contract. Abstention does not always address a 1090 conflict.
- Tell staff and CA **as early** as possible.

I. Personal Financial Gain by Public Officials

Conflicts of Interest in Contracts

- Remote Interest Exceptions
- Public official does not have an interest in a contract if:
 - the interest is “remote”
 - the interest is disclosed to the legislative body and noted in official records
 - and the official does not vote (applies only to multi-member bodies)

I. Personal Financial Gain by Public Officials

Conflicts of Interest in Contracts

- Remote Interest Exceptions: Examples

- Employee or officer of non-profit
- Landlord or tenant of contracting party
- Salary or per diem from a directly involved government department
- Engineer, geologist, architect, or planner employed by a consulting engineering or architectural firm
- Owner/partner of a firm who serves as appointed member of unelected board or commission
- Supplier of same goods and services for 5 years prior to election/appointment

I. Personal Financial Gain by Public Officials

Conflicts of Interest in Contracts

- Non-Interest Exceptions
- Public official is deemed not interested and may participate in making of the contract.
- Examples:
 - Ownership of less than 3% of stock, constituting less than 5% of income
 - Spouse of officer/employee of public agency, if the office holding or employment has existed at least one year prior to the spouse's election/appointment
 - Salary or per diem from a non-directly involved government department
 - Non-salaried member of non-profit, with disclosure and noting records



I. Personal Financial Gain by Public Officials

Conflicts of Interest in Contracts

- Consequences of Violations
- Contract is void and unenforceable
 - Payments made to the contracting party must be returned to the public agency
 - Public agency may keep benefit of the contract
- Willful violations are criminal
 - Permanently disqualified from holding office
- FPPC now has jurisdiction and can issue administrative fines
 - Offering section 1090 advice

No Execution = No Violation

- If the prohibited contract is never executed, there is no violation of Section 1090
- If a potential Section 1090 conflict is discovered, City doesn't allow the contract to be executed

I. Personal Financial Gain by Public Officials

Conflicts of Interest in Campaign Contributions: Basic Rule

- Public officials are disqualified from making a decision involving a license, permit, or entitlement for use if official has accepted, solicited, or directed a campaign contribution exceeding \$500 in the preceding 12 months.
 - Official may not accept a campaign contribution exceeding \$500 while an application is pending, and for twelve months after the decision is made.
 - An appointed member of a planning commission seeking election to the same city council must abstain from a campaign contributor applying for a planning commission approval.

I. Personal Financial Gain by Public Officials

Conflicts of Interest When Leaving Office

Lobbying Former Agency

- One year ban on lobbying former agency
- Applies to elected officials, executives, and general managers
- Applies only if compensated and representing another person

Decisions Involving Prospective Employers

- Public officials and employees are prohibited from being involved in governmental decisions directly relating to a prospective employer

I. Personal Financial Gain by Public Officials

Sacramento has contracts of over \$1 million with leader accused of bribery in mayor's race

By Joe Rubin

Updated January 29, 2025 11:36 AM |  17

Former Oakland Mayor Is Indicted on Federal Corruption Charges

I. Personal Financial Gain by Public Officials

- Bribery
- Basic Rule
- Elements of the crime
 - A governmental official (elected, appointed, employed);
 - Requests, takes, or agrees to take a bribe; and
 - Represents that the bribe would unlawfully influence vote decision, or opinion.
 - Representation can be express or implied.
- Must have corrupt intent that official duty would be unlawfully influenced



“anything of value or advantage, present or prospective”

Quiz

Question #1

- The City Council will be hosting a regional event and they want City staff to contract with a restaurant to cater.
- The spouse of a City Council Member owns the restaurant and offers to provide the food at a discount.
- **Can the City enter into an agreement with the business?**

Answer to Question #1

- No, the City cannot enter into an agreement with a restaurant owned by the spouse of the Council Member even though the food will be provided at a discount.

Question #2

Can the City Councilmember participate in consideration of the Project?

A developer seeks a contract for services from the City.

The City Councilmember has plans to run for Council and received a \$400 campaign contribution from the Developer 10 months ago.

Answer to Question #2

- Yes, the threshold for a Council member or Planning Commissioner to abstain from a vote involving their contributor is \$500.

II. Laws Relating to Claiming Perquisites of Office

- Limitations on the receipt of gifts
- Honoraria ban
- Misuse of public funds
- Prohibitions against gifts of public funds
- Mass mailing restrictions
- Prohibitions against acceptance of free or discounted transportation from transportation companies



II. Laws Relating to Claiming Perquisites of Office

- Gift Limit Prohibition:
 - Public officials and employees...
 - May not accept...
 - Gifts...
 - From a single source...
 - During a calendar year...
 - In excess of \$630 (1/1/25).

CAUTION

- Gifts received in excess of \$50 from a single source in a calendar year must be reported
- Public Officials may not accept a gift in excess of \$630 from a single source in a calendar year.

II. Laws Relating to Claiming Perquisites of Office

What is a gift?

- Anything of value that provides a personal benefit for which the donor does not receive equivalent consideration



- Includes rebates or discounts unless given in the regular course of business to members of the public

II. Laws Relating to Claiming Perquisites of Office

When is a Gift received?

- The public official has actual possession of the gift; or
- When the official takes any action exercising direction or control over the gift, including discarding the gift or turning it over to another person.



Give it back or donate it to charity

II. Laws Relating to Claiming Perquisites of Office

Gifts: Numerous Exceptions

- Gifts Returned
- Gifts donated to charity (without claiming a deduction)
- Gifts from family members
- Informational material
- Inheritance
- Leave credits
- Disaster relief provisions
- Travel and subsistence as part of campaign activities
- Entrance to an event while performing a ceremonial role (includes one guest)
- Prizes received in a bona fide competition

II. Laws Relating to Claiming Perquisites of Office

Gifts: Numerous Exceptions to Gift Rule

- Benefits received as a guest attending a wedding
- Bereavement offerings
- Acts of neighborliness
- Reciprocal exchanges in a social relationship
- Personalized plaques or trophies valued at less than \$250
- Bona fide date or dating relationship
- Acts of human compassion
- Gifts from long-term, close personal friends

II. Laws Relating to Claiming Perquisites of Office

Special Exceptions for Travel Payments

- Some payments are not subject to limits and not reportable
 - Payments by government agency or non-profit
- Others are not subject to limits but are reportable
- Travel rules are very specific; check with legal counsel if your travel will be paid for by a third party

II. Laws Relating to Claiming Perquisites of Office

Honoraria Ban

- Elected officials, city managers, and city attorneys, may not accept any payment for:
 - Giving a speech,
 - Publishing an article, or
 - Attending a public or private conference, convention, meeting, social event, meal, or similar gathering.



II. Laws Relating to Claiming Perquisites of Office

Honoraria Ban Exceptions

- Bona fide business (teaching, practicing law, banking, medicine)
- Returned honorarium
- Donated to agency general fund
- Made directly to a bona fide non-profit
- Campaign contributions (but must be reported)

II. Laws Relating to Claiming Perquisites of Office

Misuse of Public Funds

- Public officials and employees may not use public resources for any private gain
 - Whether financial or political
 - Government cannot expend resources to promote a partisan position in an election campaign
 - But it can educate about ballot measures

II. Laws Relating to Claiming Perquisites of Office

Gifts of Public Funds: Constitutional Prohibition

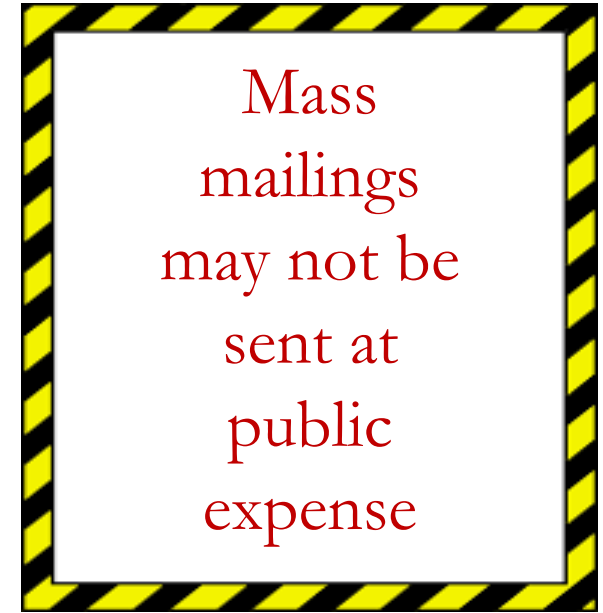
Public agencies
may not
make gifts of
public funds

- Legislative body's determination of a public purpose is given great deference
- An expenditure is not a gift if it serves a public purpose, even if it benefits a private party

II. Laws Relating to Claiming Perquisites of Office

Mass Mailing Prohibition Basic Rule

- A “mass mailing” is:
 - A tangible item sent or delivered
 - To 200 or more people within a calendar month
 - That “features” an elected officer by:
 - Including the photograph or signature, or
 - Singling out the officer by the manner of display of name or office in the layout, such as headlines, captions, type size, or type color
 - For which the costs of design, production, and printing exceed \$50 and are paid with public monies



II. Laws Relating to Claiming Perquisites of Office

Acceptance of Free or Discounted Travel From Travel Companies

- California Constitution prohibits public officers (not all employees) from accepting free passes or discounts from a transportation company
 - One who accepts forfeits his/her office
 - Prohibition does not apply to discounts offered to the general public



FREE TRAVEL

Quiz

Question #3

- Your neighbor, a local developer, is going on vacation and gives you two tickets to the A's game. Face value on each ticket is \$300.
- **Can you accept the tickets?**



Answer to Question #3

- Yes, the combined value of the tickets is less than \$630. Assuming your neighbor has not given you any other gifts such that you have received more than \$630 from them in the calendar year, you can accept the tickets. However, as the gift is in excess of \$50, you will need to disclose the gift.
- You can, but should you accept the tickets?
 - Best not to. Remember, strive for a higher standard.
- What about if the person giving you the tickets is a vendor on a contract that was approved the prior month by the City Council?
 - Answer: You can't accept it. The gift limit is \$630, but the Levine Act limit is \$500.

Question #4

- If I received a reportable gift of two tickets to a concert valued at \$100 each, but gave the tickets to a friend because I could not attend the concert, do I have any reporting obligations?

Answer to Question #4

- Yes. Since you accepted the gift and exercised discretion and control of the use of the tickets, you must disclose the gift.

III. Government Transparency Laws

- Economic interest disclosure under the Political Reform Act
- Brown Act
- Public Records Act



III. Government Transparency Laws

Public Policy Considerations

- Economic Interest Disclosure
 - Public has right to know public officials' economic interests that may affect their official decisions
- Right to access/information
 - People have a right to access information that enables them to monitor the functioning of government.
- Brown Act
 - The people have a right to be informed about the conduct of their business, and for deliberations to be conducted and actions to be taken openly (absent an exception).

III. Government Transparency Laws

Economic Interest Disclosure

- A Form 700 must be filed by enumerated public officials including those listed in an agency's Conflict of Interest Code
- Filed upon taking office, leaving office, and on an annual basis
- Requires disclosure of personal financial interests
- New law in 2025 requires electronic filing



It's a public document!

III. Government Transparency Laws

Form 700 Key Points

- Remember to list spouse/domestic partner income

Statement of
Economic Interests



Form 700
A Public Document

Also available on the FPPC website:

- **Form 700 in Excel format**
- *Reference Pamphlet for Form 700*

California Fair Political Practices Commission
428 J Street, Suite 620 • Sacramento, CA 95814
Email Advice: advice@fppc.ca.gov
Toll-free advice line: 1 (866) ASK-FPPC • 1 (866) 275-3772
Telephone: (916) 322-5660 • Website: www.fppc.ca.gov

December 2014

III. Government Transparency Laws

Ralph M. Brown Act

Government Code sections 54950 et seq.



Open & Public VI

A GUIDE TO THE RALPH M. BROWN ACT

REVISED JANUARY 2024



III. Government Transparency Laws

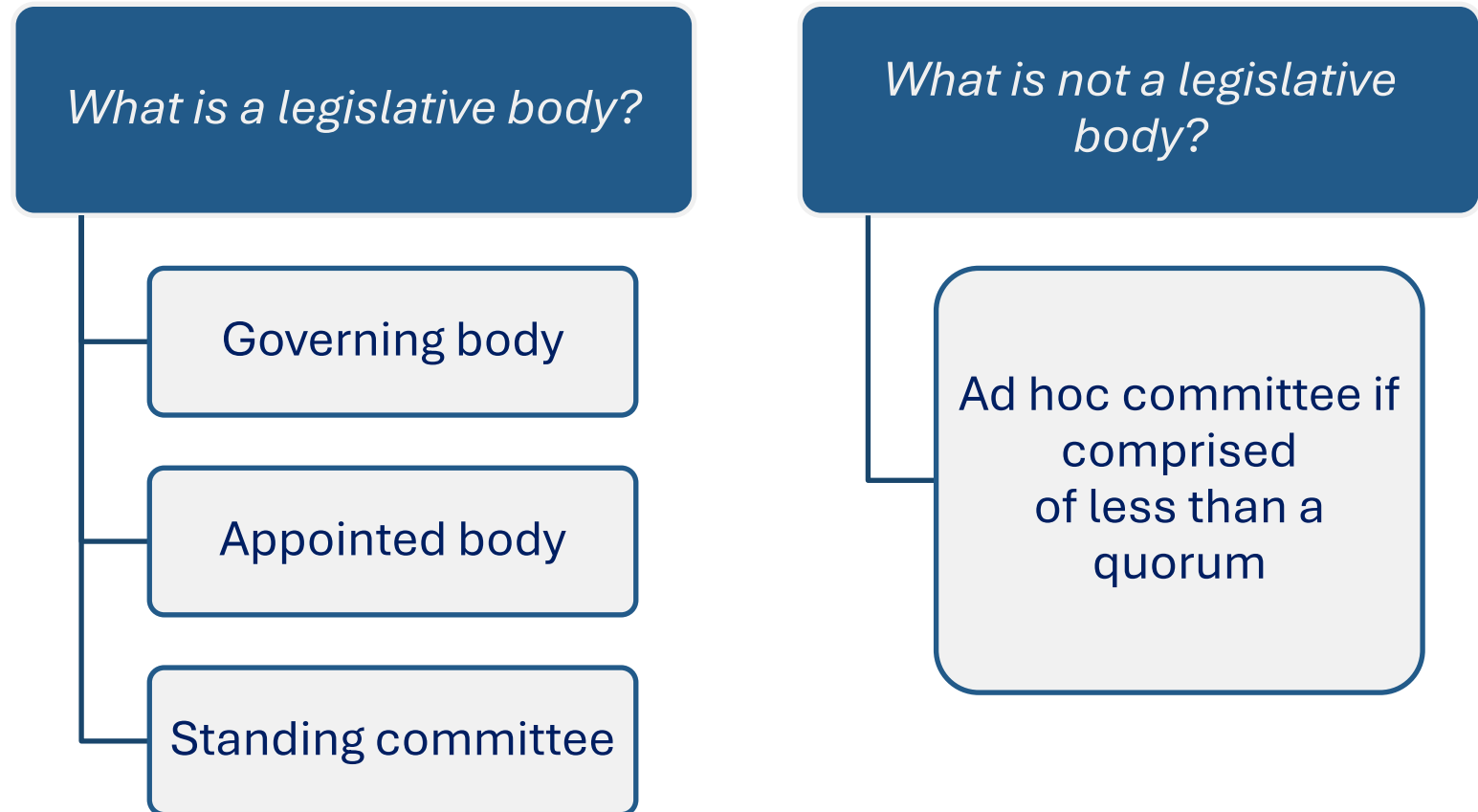
Brown Act: Open Meeting Requirements

- Meetings...
- Of Legislative Bodies...
- Shall be open and public



III. Government Transparency Laws

Legislative Bodies



III. Government Transparency Laws

Brown Act Definition of “Meetings”

- A congregation of a majority of the members at the same time and place to hear, discuss, or deliberate on an item of business within the agency’s subject matter jurisdiction
- Exceptions:
 - Conferences
 - Community meetings
 - Social or ceremonial occasions
 - Individual contacts
 - Standing committees
 - Meetings of other legislative bodies

III. Government Transparency Laws

Brown Act: Avoiding “Serial Meetings”

- A majority may not, outside a meeting, use a series of communications to discuss, deliberate, or take action on any item of business
 - Does not prevent employees and officials from engaging in separate conversations outside of a meeting provided that the comments or positions of other members are not communicated



III. Government Transparency Laws

Brown Act—Avoiding “Serial Meetings”

Examples:

- Hub and spoke
- A staff member (the hub) communicates with members of a legislative body (the spokes)

One-by-one for input on a proposed action and in the process reveals members' positions to other members

III. Government Transparency Laws

Brown Act—Avoiding “Serial Meetings”

Examples:

- Daisy Chain
- Member A contacts Member B, Member B contacts Member C, Member C contacts Member D and so on, until a quorum has discussed, deliberated or take action on an item within the legislative body’s subject matter jurisdiction

III. Government Transparency Laws

Brown Act: AB 992 (Social Media)

- Amends Government Code section 54952.2 to clarify that most communications on social media are permissible.
- Bright-line rule: Members of a legislative body may not respond directly to any communications posted on the internet by other members of the same legislative body regarding a matter within the jurisdiction of the legislative body.
- This includes “liking” posts on social media.

III. Government Transparency Laws

Brown Act: Closed Sessions

- Closed session discussions are confidential
- Required to publicly report certain actions taken in closed session
- Permissible Closed Session Topics:
 - Real estate negotiations
 - Pending or threatened litigation
 - Initiation of litigation
 - Personnel
 - Labor negotiations
 - Public security

III. Government Transparency Laws

Brown Act: May take action only on items on posted agenda

- Posting requirements:
 - Regular meetings must be posted 72 hours before meeting
 - Special meetings must be posted 24 hours before meeting
- Exceptions:
 - Emergency
 - Urgency → need for immediate action came to agency's attention after posting the agenda



III. Government Transparency Laws

Brown Act: Public Participation Rights

- Regular meetings must provide an opportunity for the public to speak regarding on any matter within the body's jurisdiction
 - Legislative body may briefly discuss these items and refer matters to staff, but cannot take action
 - Public can address the legislative body on matters on the agenda before or during consideration of the item



III. Government Transparency Laws

Brown Act: Public Participation Rights

- Public has the right to make audio/video recordings



Quiz

Question #5

A Commission member e-mails a newspaper article pertaining to an upcoming agenda item to the other four Commission members.

The Commission member indicates support for the agenda item based on the article and three members respond back to the email and indicate that they also support the item and that the information was very helpful.

- **Was this a Brown Act violation?**

Answer to Question #5

- Yes, the Commission members participated in a discussion of an item within the jurisdiction of the body that was not noticed, open or public.

III. Government Transparency Laws

Public Records Act

Transparency

Privacy



III. Government Transparency Laws

Public Records Act: Basic Rule

- All non-exempt, state and local government agency records in any form or medium are subject to public inspection during office hours or copying upon payment of duplication costs

Record
defined
broadly

- Any tangible thing containing information relating to the conduct of the public's business prepared, owned, used, or retained by any state or local agency regardless of physical form or characteristics.

III. Government Transparency Laws

Public Records Act: Duty to Assist Requestors

- Agencies are required to
 - Assist requestors with identifying records and information
 - Describe the information technology and physical location in which the records exist
 - Provide suggestions for overcoming any practical basis for denying access to the records or information sought

III. Government Transparency Laws

Public Records Act: Exemptions

- Drafts
- Pending litigation
- Personnel records
- Medical, dental, and other insurance records
- Closed session materials
- Records protected by the attorney-client privilege



III. Government Transparency Laws

Public Records Act

- Emails and text messages about public business on personal phones, devices, or accounts
 - CA Supreme Court held that these records are subject to disclosure in response to a Public Records Act request.
(City of San Jose et al. v. Superior Court)

III. Government Transparency Laws

Other Resources:

- Confer with legal counsel
- FPPC Website: Economic Disclosure Fact Sheet. www.fppc.ca.gov
- Open & Public VI: A User's Guide to the Ralph M. Brown Act

IV. Laws Relating to Fair Processes

- Common law bias prohibitions
- Due process requirements
- Doctrine of Incompatible Offices and Incompatible Activities
- Disqualification from participating in decisions affecting family members (anti-nepotism laws)
- Competitive bidding requirements for public contracts



IV. Laws Relating to Fair Processes

Common Law Bias Prohibition

- Elements:
 - A public officer...
 - Must exercise the powers conferred on him or her with disinterested skill, zeal, and diligence, and primarily for the benefit of the public
 - No pre-determined, unchangeable positions for or against a particular party or individual
- One cannot be tempted by personal or pecuniary interests
- Applies to non-financial interests
- Disqualifies one from participating

IV. Laws Relating to Fair Processes

Due Process Requirements

- Applies only to “quasi-judicial” matters (i.e., those involving the application of existing rules to a specific set of facts)
 - “Procedural due process” gives those with a property interest a right to:
 - Notice and opportunity to be heard by
 - A fair and impartial decision maker
 - Bias was found where a Council Member exchanged emails, had meetings, and said that “he had the votes” to deny the CUP. This demonstrated that he pre-judged the matter. (*Petrovich Development Co. LLC v. City of Sacramento.*)



IV. Laws Relating to Fair Processes

Doctrine of Incompatible Offices

- Government Code § 1099
- Elements
 - A person may not hold two public offices simultaneously
 - If the potential for conflict or overlap in the functions or responsibilities in the office exist
 - Forfeiture of first office
 - Often requires individual analysis of specific offices
 - Common law rule often overridden by statute

IV. Laws Relating to Fair Processes

Incompatible Activities

- Elements (Gov't Code § 1126):
 - Agency officers and employees
 - Shall not engage in any employment, activity, or enterprise
 - For compensation
 - Which is inconsistent, incompatible, in conflict with, or inimical to his or her duties



IV. Laws Relating to Fair Processes

Anti-Nepotism Laws and Policies

- Disqualification from participating in decisions affecting family members (anti-nepotism laws)



- Political Reform Act requires recusal when decisions have a material impact on one's spouse or dependent children.
- Section 1090
- Common law bias will require recusal in many cases.

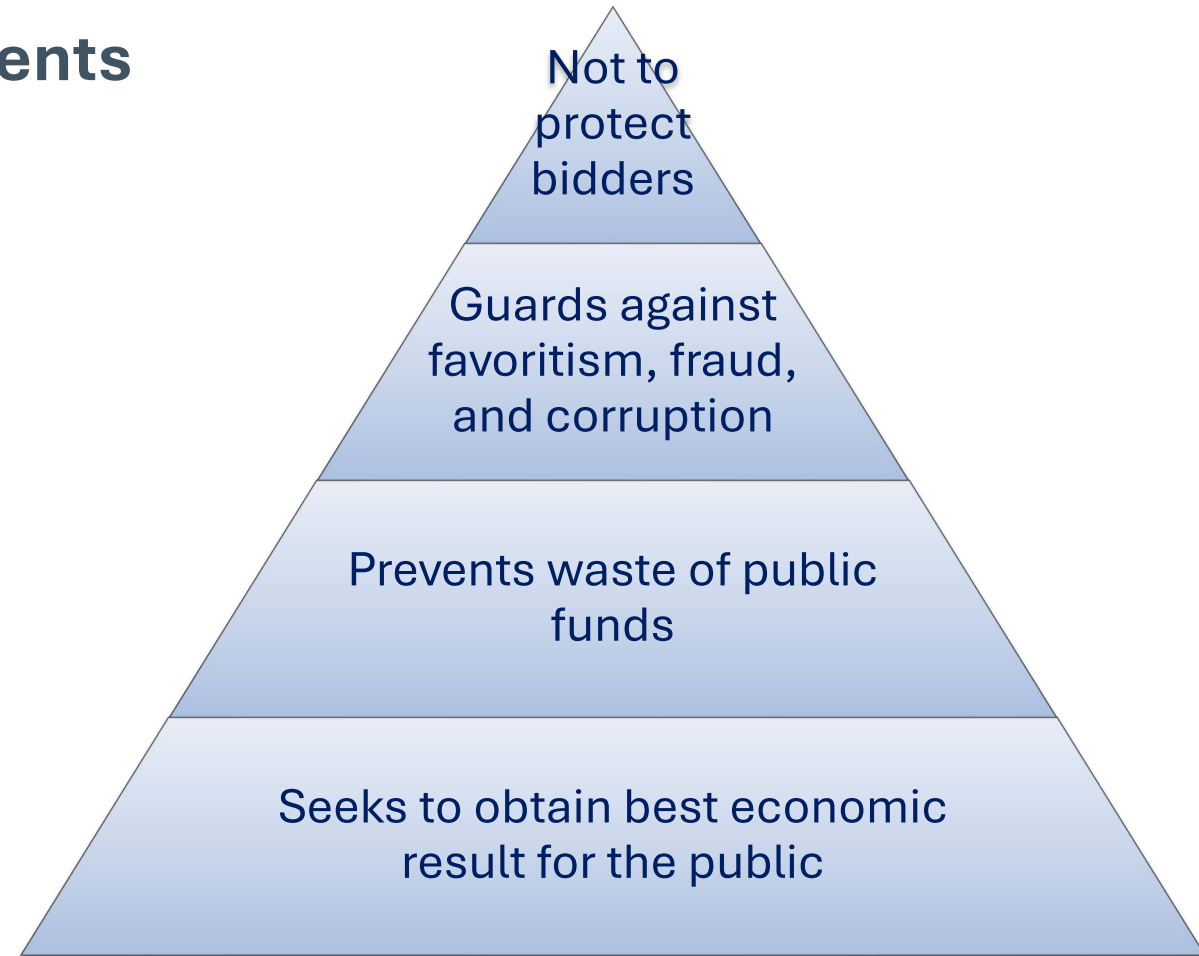
IV. Laws Relating to Fair Processes

Competitive Bidding Requirements

- Public works projects above a certain amount must be awarded to lowest responsible bidder
 - Generally, applies only to construction projects

IV. Laws Relating to Fair Processes

Competitive Bidding Requirements



Quiz

Question #6

- The City Council processes and approves a contract with Fun On Ice Co. to buy a portable iceskating rink with a state-of-the-art drone lights show and AI DJ.
- Eight months after approving the contract a City Council member and a Planning Commissioner call the owner Fun on Ice and ask for a \$1,000 contribution to each of their campaigns. Is this allowed?

Answer to Question #6

- A. Not allowed. A campaign contribution of over \$500 cannot be accepted within 12 months of the approval of the contract.
- Q. What if the Council member had asked for or accepted the contribution 18 months before they find out Fun On Ice was in consideration for the contract and 24 months before the contract was considered by Council?
- Q. Beyond the requirements of the law, how does it look?

Question #7



A Council Member's best friend is applying for a design review permit. The Council Member knows that their best friend will be very upset if she does not vote for the application, and it could affect their relationship.

- **Can the Council Member participate in the decision?**

Answer to Question #7

- It depends. If, despite the personal relationship, the Council Member can exercise their powers with disinterested skill, zeal, and diligence, and primarily for the benefit of the public, then she may participate in the decision. If the Council Member believes that the personal relationship would affect their ability to exercise their duties impartially, then she may have a common law conflict of interest and recusal is appropriate.

Question #8

I hold two other board positions in addition to my position with the county.

Must I file three statements of economic interests?



Answer to Question #8

Yes, three are required. However, you may complete one statement listing the county and the two boards on the Cover Page or an attachment as the agencies for which you will be filing. Report your economic interests using the largest jurisdiction and highest disclosure requirements assigned to you by the three agencies. Make two copies of the entire statement before signing it, sign each copy with an original signature, and distribute one original to the county and to each of the two boards. Remember to complete separate statements for positions that you leave or assume during the year.

Question #9



My spouse and I are currently separated and in the process of obtaining a divorce.

Must I still report my spouse's income, investments, and interest in real property?

Answer to Question #9

Yes. A public official must continue to report a spouse's economic interests until such time as dissolution of marriage proceedings is final. However, if a separate property agreement has been reached prior to that time, your estranged spouse's income may not have to be reported. Contact the FPPC for more information.

Question #10

I have an investment interest in shares of stock in a company that does not have an office in my jurisdiction.

Must I still disclose my investment interest in this company?



Answer to Question #10

Probably. The definition of "doing business in the jurisdiction" is not limited to whether the business has an office or physical location in your jurisdiction.

Question #11



My spouse and I have a living trust. The trust holds rental property in my jurisdiction, our primary residence, and investments in diversified mutual funds. I have full disclosure.

How is this trust disclosed?

Answer to Question #11

Disclose the name of the trust, the rental property and its income on Schedule A-2. Your primary residence and investments in diversified mutual funds registered with the SEC are not reportable.

Question #12



We have a Section 529 account set up to save money for our son's college education.

Is this reportable?

Answer to Question #12

If the Section 529 account contains reportable interests (e.g., common stock valued at \$2,000 or more), those interests are reportable (not the actual Section 529 account). If the account contains solely mutual funds, then nothing is reported.

Question #13

My agency is responsible for disbursing grants. An applicant (501(c)(3) organization) met with agency employees to present its application. At this meeting, the applicant provided food and beverages. **Would the food and beverages be considered gifts to the employees?** These employees are designated in our agency's conflict of interest code and the applicant is a reportable source of income under the code.

Answer to Question #13

Yes. If the value of the food and beverages consumed by any one filer, plus any other gifts received from the same source during the reporting period total \$50 or more, the food and beverages would be reported using the fair market value and would be subject to the gift limit.

Question #14

I received free admission to an educational conference related to my official duties. Part of the conference fees included a round of golf.

Is the value of the golf considered informational material?



Answer to Question #14

No. The value of personal benefits, such as golf, attendance at a concert, or sporting event, are gifts subject to reporting and limits.

Questions?

- Contact the City Attorney and staff as soon as you identify the potential conflict
- Contact the FPPC
 - Toll-free advice line: 1 (866) ASK-FPPC
 - Email advice: advice@fppc.ca.gov
- Contact the City Attorney



CITY OF RANCHO CORDOVA



CITY COUNCIL MEETING

Tuesday, January 21, 2025

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 Pulipati called the Regular meeting to order in the David B. Roberts Council Chambers at 5:35 p.m.

Council Members Present: Linda Budge, Garrett Gatewood, Joe Little, David Sander, and Mayor Siri Pulipati

Council Members Absent: None

Staff Members Present: Stacy Leitner, Adam Lindgren, Persephonie Riley, and Micah Runner

2. METRO CABLE TV TELEVISION ANNOUNCEMENT

The City Clerk read the meetings recordings and playback schedule.

3. PLEDGE OF ALLEGIANCE

Rancho Cordova Police Chief Matt Tamayo led the pledge.

4. INVOCATION

Dan DeShong with River City Christian Church gave the invocation.

5. PRESENTATIONS

None.

6. PUBLIC COMMENT

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

ITEM 13.1.

Rancho Cordova City Council - DRAFT MINUTES
Meeting of Tuesday, January 21, 2025

ATTACHMENT 1

1. Derald Langwell
2. Helen Whelan-Bashaw
3. Matt Cole

Mayor Pulipati closed the public comment period.

7. COUNCIL REPORTS

Council reported on events since the last meeting.

8. CITY MANAGER'S REPORT

City Manager Micah Runner gave his report.

9. CONSENT CALENDAR ITEMS - ROLL CALL VOTE

Mayor Pulipati opened the public comment period. Seeing no speakers, Mayor Pulipati closed the public comment period.

ACTION: Motion to approve item 9.1 and 9.2 by Budge second by Sander;
Motion passed with a 5:0 vote.

- 9.1. **Subject:** Meeting Minutes from the Regular City Council Meeting of January 6, 2025.

Recommendation: Adopt the minutes.

- 9.2. **Subject:** A Resolution Authorizing the City Manager to Purchase Server Infrastructure Equipment to Support the Planned Refresh of Aging Hardware, in the Amount of \$252,713.

Recommendation: Adopt the Resolution.

10. CONSENT PUBLIC HEARING ITEMS - ROLL CALL VOTE

None.

11. PUBLIC HEARING ITEMS

None.

12. REGULAR CALENDAR ITEMS

- 12.1. **Subject:** 2025 Legislative Update.

Recommendation: Presentations by Covino Smith & Simon and Joe A. Gonsalves & Son regarding key 2024 legislation affecting the City, as well as staff updates regarding 2025 legislative priorities and federal funding priorities. Receive consultant presentations and updates; provide direction and/or approval to staff on the City's 2025 Legislative Priorities.

RECESS 6:16 p.m. – 6:21 p.m.

Mayor Pulipati opened the public comment period. Seeing no speakers, Mayor Pulipati closed the public comment period.

ACTION: Motion to approve item 12.1 by Budge second by Little;
Motion Passed with a 5:0 vote.

- 12.2. **Subject:** Proposed Modifications to the Community Enhancement & Investment Fund Community Grant Process.

Recommendation: Receive the presentation and provide feedback on the proposed modifications to the Community Enhancement & Investment Fund (CEIF) grant process.

ITEM 13.1.

ATTACHMENT 1

Rancho Cordova City Council - DRAFT MINUTES
Meeting of Tuesday, January 21, 2025

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

1. Larry Ladd
2. James Garcia
3. Helen Whelan-Bashaw
4. Jim Garcia

Mayor Pulipati closed the public comment period.

ACTION: Input was received regarding Proposed Modifications to the Community Enhancement & Investment Fund Community Grant Process.

13. COUNCIL REQUESTS FOR FUTURE AGENDA ITEMS

None.

14. ADJOURN TO CLOSED SESSION

Mayor Pulipati adjourned the meeting to closed session at 7:52 p.m.

15. CLOSED SESSION - CALL TO ORDER/ROLL CALL

Mayor Pulipati called closed session to order at 7:55 p.m.

Council Members Present: Linda Budge, Garrett Gatewood, Joe Little, David Sander, and Mayor Siri Pulipati

Council Members Absent: None

Staff Members Present: Adam Lindgren and Micah Runner

16. CLOSED SESSION

Council met in closed session to discuss the following items:

- 16.1. CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION: Significant Exposure to Litigation Pursuant to Government Code Section 54956.9(d)(2)(two cases).

17. OPEN SESSION - REPORT FROM CLOSED SESSION

City Attorney Adam Lindgren reported that staff was given direction and no reportable action was taken in closed session.

18. ADJOURNMENT

Mayor Pulipati adjourned the meeting in memory of Bob Arellanes at 8:44 p.m.

Stacy Leitner, CMC
City Clerk

CITY OF RANCHO CORDOVA



CITY COUNCIL MEETING
Tuesday, January 28, 2025

9:00 AM - Special Meeting/Work Session
Canfield Room

Rancho Cordova Police Department
2897 Kilgore Road, Rancho Cordova, CA 95670

DRAFT MINUTES

1. SPECIAL MEETING - CALL TO ORDER/ROLL CALL

Mayor Pulipati called the Special meeting to order at 9:15 a.m.

Council Members Present: Linda Budge, Garrett Gatewood, Joe Little, David Sander, and Mayor Siri Pulipati

Council Members Absent: None

Staff Members Present: Stacy Leitner, Adam Lindgren, and Micah Runner

2. PUBLIC COMMENT

Mayor Pulipati opened the public comment period. Seeing no speakers, Mayor Pulipati closed the public comment period.

3. SPECIAL MEETING ITEM

- 3.1. **Subject:** City Council Workshop to Discuss Governance, Values, Governance and Strategic Visioning

RECESS 10:37 a.m. - 10:55 a.m.

RECESS 11:51 a.m. - 12:40 p.m.

RECESS 1:58 p.m. - 2:07 p.m.

Mayor Pulipati opened the public comment period. Seeing no speakers, Mayor Pulipati closed the public comment period.

ITEM 13.1.

ATTACHMENT 2

Rancho Cordova City Council - DRAFT MINUTES
Meeting of Tuesday, January 28, 2025

ACTION: Input was received regarding Governance, Values, Governance and Strategic Planning.

4. **ADJOURNMENT**

Mayor Pulipati adjourned the meeting at 2:21 p.m.

Stacy Leitner, CMC
City Clerk

MEMORANDUM



ITEM 13.2.

DATE: February 3, 2025

TO: Honorable Mayor and Council Members

FROM: Albert Stricker, Public Works Director
Edgar Medina, Principal Engineer
Austin Miller, Assistant Civil Engineer

SUBJECT: **A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE CONTRACT NO. 2025-5 IN AN AMOUNT NOT TO EXCEED \$391,600.00 WITH ZARA CONSTRUCTION, INC. TO CONSTRUCT THE SCHOOL CROSSING IMPROVEMENTS PROJECT IN THE FOLSOM CORDOVA AND ELK GROVE SCHOOL DISTRICTS**

RECOMMENDATION

Adopt the Resolution.

RESULT OF RECOMMENDED ACTION

Adoption of the Resolution would improve pedestrian safety at the four schools included in the Project through the installation of Rectangular Rapid Flashing Beacons and high visibility crosswalks at street crossings near the schools. The Project will also encourage students to walk to school by providing safer pedestrian crossings.

BACKGROUND

The School Crossing Improvements Project (Project) is located in the Walnut Wood, Prospect Park and Anatolia neighborhoods, Attachment 3. The Project will include the installation of solar powered Rectangular Rapid Flashing Beacons at crossing locations at four schools around Rancho Cordova. These school locations are W. E. Mitchell Middle School and Kinney High School in the Folsom Cordova School District and Sunrise Elementary School and Robert J. McGarvey Elementary School in the Elk Grove School District. The Project will also include replacing existing crosswalks near these schools with high visibility crosswalks.

In 2020, the City completed its Safe Routes to School (SRTS) Master Plan, which included recommendations for potential infrastructure projects that could improve student safety and support walking and bicycling to school. All of the improvements in the Project were also included in the City's SRTS Master Plan.

In 2024, the City received a grant award for \$249,470 in funds from the Highway Safety Improvement Program for this Project.

Bids for the Project were solicited on the City's Website and on OpenGov.com, on November

14, 2024. Bids for the project were publicly opened on December 12, 2024. A total of 9 bids were received. The lowest responsible and responsive bid was \$391,600.00 from Zara Construction, Inc. There were no Project bid alternatives. The contract award is based on the lowest, responsive and responsible bid. The Bid Summary is provided as Attachment 4.

On December 20, 2024, the City received a bid protest from B&M Civil LLC, Attachment 5. Staff researched the bid protest claims and found them to be unsubstantiated (see Attachment 6 response letter). Staff therefore recommends that the City Council award the contract to Zara Construction as the lowest, responsive, and responsible bidder.

The Project is expected to be under construction starting in Spring 2025 and completed in Summer 2025.

FISCAL IMPACT AND FUNDING SOURCE

This project is included in the Capital Improvement Plan budget for Fiscal Years 2023/2024 and 2024/2025. The Project budget consists of \$249,470 from the Highway Safety Improvement Program and \$186,000 in Measure A funds. There is no impact to the City's General Fund.

ATTACHMENT(S)

1. Resolution
2. Contract No. 2025-5
3. Project Area Map
4. Bid Summary
5. Bid Protest
6. Signed Bid Protest Response with Attachments

CITY OF RANCHO CORDOVA

RESOLUTION NO. XX-2025

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA, STATE OF CALIFORNIA, AUTHORIZING THE CITY MANAGER TO EXECUTE CONTRACT NO. 2025-5 WITH ZARA CONSTRUCTION, INC. IN AN AMOUNT NOT TO EXCEED \$391,600.00 TO CONSTRUCT THE SCHOOL CROSSING IMPROVEMENTS PROJECT IN THE FOLSOM CORDOVA AND ELK GROVE SCHOOL DISTRICTS

WHEREAS, the City of Rancho Cordova received Highway Safety Improvement Program (HSIP) funds in the amount of \$249,470.00 to construct the School Crossing Improvements Project (Project); and

WHEREAS, the project will include the installation of solar powered Rectangular Rapid Flashing Beacons and high visibility crosswalks at crossing locations at W. E. Mitchell Middle School, Kinney High School, Sunrise Elementary School, and Robert J. McGarvey Elementary School; and

WHEREAS, the City solicited bids for the Project under the requirements of the state and local laws and publicly opened bids on December 12, 2024; and

WHEREAS, the lowest responsible bidder was Zara Construction, Inc.; and

WHEREAS, adoption of this Resolution will award the Construction Contract No. 2025-5 to Zara Construction, Inc. in an amount not to exceed \$391,600 for the School Crossing Improvements Project; and

WHEREAS, funding for this project consists of HSIP Cycle 11 and local funds; and

WHEREAS, the 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 subsection (c) for existing 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. 2025-5 in an amount not to exceed \$391,600.00 with Zara Construction, Inc., in a form approved by the City Attorney.

PASSED AND ADOPTED by the City Council of the City of Rancho Cordova on the 3rd day of February 2025 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ITEM 13.2.

ATTACHMENT 1

ATTEST:

Stacy Leitner, CMC
City Clerk

Siri Pulipati, Mayor

**CONSTRUCTION SERVICES AGREEMENT BETWEEN
THE CITY OF RANCHO CORDOVA AND ZARA CONSTRUCTION, INC.
FOR THE SCHOOL CROSSING IMPROVEMENTS PROJECT
CITY PROJECT NO. CP24-2260**

THIS AGREEMENT made and entered into between the City of Rancho Cordova ("City") and Zara Construction Inc. ("Contractor") as of February 3, 2025.

W I T N E S S E T H:

WHEREAS, the City Council for the City heretofore caused plans and specifications for the School Crossing Improvements Project ("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 November 14, 2024 on OpenGov.com and the City of Rancho Cordova Website ("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, 2026.

Section 3. SCOPE OF WORK. The Contractor will furnish all labor, materials, services, transportation, appliances, and mechanical workmanship required for Contract No. 2025-5, as provided for and set forth in said Plans and Specifications, or in either of them, which said Plans

Revised 10-31-2023

Construction Services Agreement between
City of Rancho Cordova and Zara Construction, Inc.

February 3, 2025
Page 1 of 7

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: \$391,600 (Three Hundred and Ninety-One Thousand Six Hundred Dollars and Zero Cents). 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 Austin Miller ("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:

Atif Zahoor
Zara Construction, Inc.
2343 Donner Pass Ave
Sacramento, CA 95835
ubaid.zaraconstruction@gmail.com

Any written notice to City shall be sent to:

Austin Miller
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:

Micah Runner, City Manager

Atif Zahoor, 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

See Attached Bid Proposal



City of Rancho Cordova
Public Works
Albert Stricker, Director of Public Works
2729 Prospect Park Drive, Rancho Cordova, CA 95670

[ZARA CONSTRUCTION, INC.] RESPONSE DOCUMENT REPORT

IFB No. CP24-2260 CS 80091

School Crossing Improvements Project

RESPONSE DEADLINE: December 12, 2024 at 2:00 pm

Report Generated: Tuesday, January 21, 2025

Zara Construction, Inc. Response

CONTACT INFORMATION

Company:

Zara Construction, Inc.

Email:

mshahzeb895@gmail.com

Contact:

Atif Zack Zahoor

Address:

2343 Donner Pass Ave
Sacramento, CA 95835

Phone:

N/A

Website:

<https://zaraconstruction.com>

Submission Date:

Dec 12, 2024 1:51 PM (Pacific Time)

[ZARA CONSTRUCTION, INC.] RESPONSE DOCUMENT REPORT
IFB No. CP24-2260 CS 80091
School Crossing Improvements Project

ADDENDA CONFIRMATION

No addenda issued

QUESTIONNAIRE

1. Project Contact*

Pass

Please provide the following regarding the point of contact for your submittal:

- Full Name (First and Last)
- Title
- Phone Number
- Email

Atif Zahoor

President

650-353-8485

atiffza@gmail.com

2. Contractor's License*

Pass

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.

[ZARA CONSTRUCTION, INC.] RESPONSE DOCUMENT REPORT
IFB No. CP24-2260 CS 80091
School Crossing Improvements Project

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 the City his/her contractor's license information.

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.

Please enter the California Contractor's License Number for your company.

1063261

[Click to Verify](#) *Value will be copied to clipboard*

3. DIR Registration*

Pass

Enter your California Department of Industrial Relations (DIR) Contractor Registration Number.

Please Note:

If the City is unable to confirm that the bidder/contractor's DIR registration is current, the City must disqualify the bidder, as required by Labor Code section 1725.5."

PW-LR-1000854264

[Click to Verify](#) *Value will be copied to clipboard*

4. Equal Employment Opportunity Certification*

Pass

[ZARA CONSTRUCTION, INC.] RESPONSE DOCUMENT REPORT
IFB No. CP24-2260 CS 80091
School Crossing Improvements Project

This 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.

Bidder shall confirm whether or not Bidder, and any proposed subcontractors, have participated in previous contract or subcontract subject to the equal opportunity clauses, as required by Executive Orders 10925, 11114, or 11246, and that, where required, have 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.

Bidder and/or a Proposed Subcontractors Have Participated

5. Public Contract Code Section 10285.1 Statement*

Pass

In conformance with Public Contract Code Section 10285.1 (Chapter 376, Stats. 1985), the bidder shall declare under penalty of perjury under the laws of the State of California that the bidder **"HAS"** or **"HAS NOT"** 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.

[ZARA CONSTRUCTION, INC.] RESPONSE DOCUMENT REPORT
IFB No. CP24-2260 CS 80091
School Crossing Improvements Project

Note: The bidder must select "has" or "has not". The above Statement is part of the Proposal. Submitting this Proposal shall also constitute signature of this Statement. Bidders are cautioned that making a false certification may subject the certifier to criminal prosecution.

HAS NOT

6. Public Contract Code Section 10162*

Pass

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?

No

7. Public Contract Code 10232 Statement*

Pass

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. Submitting this Proposal 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.

Confirmed

[ZARA CONSTRUCTION, INC.] RESPONSE DOCUMENT REPORT
IFB No. CP24-2260 CS 80091
School Crossing Improvements Project

8. Subcontractors?*

Pass

Will you be using subcontractors for this project?

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.

Yes

SUBCONTRACTORS*

Pass

You have indicated that you will be using subcontractors for this project. Please download the attached form, complete it, and upload it back here as part of your submittal.

- [Subcontracting_Form.pdf](#)

Subcontracting_Form.pdf

9. Years of Experience Under Current Business Name*

Pass

Please state the number of years for which the Bidder has been engaged in the contracting of business under its current name.

[ZARA CONSTRUCTION, INC.] RESPONSE DOCUMENT REPORT
IFB No. CP24-2260 CS 80091
School Crossing Improvements Project

05

10. Years of Similar Experience*

Pass

Please state the number of years of experience the Bidder has in work of a nature similar to that noted in this Bid.

05

11. Failure to Complete Work Satisfactorily*

Pass

Has the Bidder, as a Contractor, ever failed to satisfactorily complete a Contract awarded to it?

No

12. Completed Contracts*

Pass

Provide information for at least three (3) contracts that have been satisfactorily completed by the Bidder in the last three (3) years.

For each contract, provide the following:

- Year
- Type of Work
- Contract Amount
- Owner/Agency for Whom Work Was Performed

Midblock Crosswalk Improvements

2024

ITEM 13.2.

ATTACHMENT 2

[ZARA CONSTRUCTION, INC.] RESPONSE DOCUMENT REPORT
IFB No. CP24-2260 CS 80091
School Crossing Improvements Project

Flashing beacons, trench and remove existing in -ground lights update striping, install signage, install painted bulb outs with delineators, install 2 ADA curb ramps, slurry seal.

\$332,000

City of pacifica

HSIP CYCLE 11 – CROSSWALK PROJECT PROJECT

2024

Flashing beacons, Thermoplastic striping, install signage, , install 2 ADA curb ramps,

\$179,617.84

Placer county

STARR ROAD SOUTH OF OLD REDWOOD HIGHWAY PEDESTRIAN CROSSING PROJECT

2024

Striping , ADA curb Ramps, Asphalt Paving, RRFB.

\$170,000

windsor CA

13. Equipment List*

Pass

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

[ZARA CONSTRUCTION, INC.] RESPONSE DOCUMENT REPORT
IFB No. CP24-2260 CS 80091
School Crossing Improvements Project

For each item, please provide:

- Quantity
- Name, Type and Capacity
- Condition
- Location
- A document with the equipment list can also be attached under the "Additional Information" question towards the end of this submittal. Please add "See Attachment in Additional Information" to the Response below.

1

36" Double drum ride on roller, AR14H, 1.2 Ton

Good

Tracy CA

1

HYD HMR -4K-7-5K, FX45CPQA

Good

Tracy CA

1

MINI EXCAVATOR , 7,500LB , BOBCAT MODEL: E32

Good

Tracy CA

ITEM 13.2.

ATTACHMENT 2

[ZARA CONSTRUCTION, INC.] RESPONSE DOCUMENT REPORT
IFB No. CP24-2260 CS 80091
School Crossing Improvements Project

1

Track skidsteer, 2100-2800LB, BOBCAT MODEL: T66

Best

Tracy CA

1

MINI EXCAVATOR, 7,500 LB, BOBCAT MODEL: E32

Best

Tracy CA

1

18",36" OMPACT EXCAVATOR BUCKET

14. Bid Bond*

Pass

Please download the below documents, complete, and upload.

- [Bid Bond Updated.pdf](#)

BB_Zara_12.3_Rancho_Cordova_CP24-2260_CS_80091.pdf

[ZARA CONSTRUCTION, INC.] RESPONSE DOCUMENT REPORT
IFB No. CP24-2260 CS 80091
School Crossing Improvements Project

15. Non-Collusion Affidavit*

Pass

NON-COLLUSION AFFIDAVIT

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

To the CITY of RANCHO CORDOVA
DEPARTMENT OF PUBLIC WORKS

The bidder confirms that they are the party making the foregoing bid and declares that the bid is not made in the interest of, or on behalf of, any undisclosed person, partnership, company, association, organization, or corporation. The bid is genuine and not collusive or sham. The bidder has not directly or indirectly induced or solicited any other bidder to put in a false or sham bid. The bidder has not directly or indirectly colluded, conspired, connived, or agreed with any bidder or anyone else to put in a sham bid, or to refrain from bidding. 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. All statements contained in the bid are true. 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, to any corporation, partnership, company, association, organization, bid depository, or to any member or agent thereof, to effectuate a collusive or sham bid, and has not paid, and will not pay, any person or entity for such purpose.

Any person executing this declaration on behalf of a bidder that is a corporation, partnership, joint venture, limited liability company, limited liability partnership, or any other entity, hereby represents that he or she has full power to execute, and does execute, this declaration on behalf of the bidder.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Confirmed

16. Debarment and Suspension Certification*

Pass

[ZARA CONSTRUCTION, INC.] RESPONSE DOCUMENT REPORT
IFB No. CP24-2260 CS 80091
School Crossing Improvements Project

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.

No Exceptions

17. CARB Certificate of Reported Compliance*

Does the Contractor and all sub-contractors have a valid Certificate of Reported Compliance for vehicle and equipment subject to California Air Resources Board (CARB) In-Use Off-Road Diesel-Fueled Fleets Regulations in accordance with CARB § 2449 General Requirements for In-Use Off-Road Diesel-Fueled Fleets?

No

18. Additional Information

Pass

For any additional information requested or required by any of your previously provided answers please upload that additional documentation here.

List_of_Machines_at_Site.docx

19. Submittal Confirmation*

Pass

The party submitting on behalf of the Company noted on the submittal is authorized to submit on behalf of said Company and has provided any authorization showing such if required by this Bid.

[ZARA CONSTRUCTION, INC.] RESPONSE DOCUMENT REPORT
 IFB No. CP24-2260 CS 80091
 School Crossing Improvements Project

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

Confirmed

PRICE TABLES

SCHEDULE OF QUANTITIES

Line Item	Description	Quantity	Unit of Measure	Unit Cost	Total
1	Mobilization	1	LS	\$30,000.00	\$30,000.00
2	Traffic Control Plan	1	LS	\$30,000.00	\$30,000.00
3	Construction Staking	1	LS	\$5,000.00	\$5,000.00
4	Water Pollution Control Program	1	LS	\$8,000.00	\$8,000.00
5	Clearing and Grubbing	1	LS	\$8,000.00	\$8,000.00
6	Roadway Excavation	46	CY	\$250.00	\$11,500.00
7	Remove Concrete (Sidewalk, Curb Ramp, and Curb & Gutter)	1,480	SF	\$10.00	\$14,800.00
8	Remove Pavement Markings	875	SF	\$8.00	\$7,000.00
9	Remove Storm Drain Pipe	14	LF	\$700.00	\$9,800.00
10	Remove Drainage Inlet	1	EA	\$500.00	\$500.00
11	Adjust Water Valve Box To Grade	1	EA	\$1,500.00	\$1,500.00

ITEM 13.2.**ATTACHMENT 2**

[ZARA CONSTRUCTION, INC.] RESPONSE DOCUMENT REPORT
IFB No. CP24-2260 CS 80091
School Crossing Improvements Project

Line Item	Description	Quantity	Unit of Measure	Unit Cost	Total
12	Hot Mix Asphalt (Type A)	20	TON	\$550.00	\$11,000.00
13	Class 2 Aggregate Base	36	CY	\$250.00	\$9,000.00
14	PCC Curb and Gutter	171	LF	\$100.00	\$17,100.00
15	PCC Sidewalk	340	SF	\$40.00	\$13,600.00
16	PCC Sidewalk Curb Ramp	610	SF	\$40.00	\$24,400.00
17	Detectable Warning Surface	104	SF	\$60.00	\$6,240.00
18	Install Sign	18	EA	\$700.00	\$12,600.00
19	Furnish and Install Drop Inlet Type B	1	EA	\$5,600.00	\$5,600.00
20	Furnish and Install 12" Storm Drain Inlet Lateral	30	LF	\$800.00	\$24,000.00
21	Thermoplastic Pavement Markings	1,390	SF	\$12.00	\$16,680.00
22	Paint Pavement Markings	720	SF	\$7.00	\$5,040.00
23	Curb Paint (2-Coat)	40	LF	\$6.00	\$240.00
24	Rectangular Rapid Flashing Beacon System	1	LS	\$120,000.00	\$120,000.00
TOTAL					\$391,600.00

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. Please complete the following form for each Subcontractor:

SUBCONTRACTOR (Name)	SUBCONTRACTOR (Location)	SUBCONTRACTOR (License Number)	SUBCONTRACTOR DIR #	DIR EXPIRATION	PORTION OF WORK	ESTIMATED DOLLAR AMOUNT
DG Striping Inc	2612 Sobrante Way Rancho Cordova, Ca 95670	1086970	PW-LR-1001089494	06-30-2026	Thermoplastic signs	\$27,565.0
Harrison Concrete cutting Inc	33522 County Road 24 Woodland, Ca 95695	764041	1000002611	06-30-2025	Remove Concrete and asphalt	\$12,000
LB Construction Inc	8655 Washington Blvd. Roseville, CA 95678	746823	1000002775	06-30-2025	Concrete SIDEWALK AND CURB RAMP	\$42,209

Zara Construction Inc
Contractor's Name (Printed)

12/12/2024
Date

Atif Zahoor

Bidder's Signature

Atif Zahoor
Bidder's Name (Printed)

President
Bidder's Title



State of _____ }
County of _____ } ss:

On this _____ day of _____, 2024, before me personally came _____ to me known and who being by me duly sworn, did depose and say that he is the _____ of _____ the corporation described in and which executed the above instrument; that he knows the seal of said corporation, that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said corporation, and that he signed his/her name thereto by like order.

My commission expires _____
Notary Public

Surety Acknowledgment

State of Massachusetts }
County of Middlesex } ss:

On this 12th day of December, 2024, before me personally came Colin Warner to me known, who, being by me duly sworn, did depose and say that he/she is an attorney-in-fact of United Surety Insurance Company the corporation described in and which executed the within instrument; that he knows the corporate seal of said corporation; that the seal affixed to the within instrument is such corporate seal, and that he signed the said instrument and affixed the said seal as Attorney-in-Fact by authority of the Board of Directors of said corporation and by authority of this office under the Standing Resolutions thereof.

My commission expires October 26, 2029

Andrea Hughes
Notary Public





UNITED CASUALTY AND SURETY INSURANCE COMPANY
 US Casualty and Surety Insurance Company
 United Surety Insurance Company

POWER OF ATTORNEY

Agency No: 171333

KNOW ALL MEN BY THESE PRESENTS: That United Casualty and Surety Insurance Company, a corporation of the State of Nebraska, and US Casualty and Surety Insurance Company and United Surety Insurance Company, assumed names of United Casualty and Surety Insurance Company (collectively, the Companies), do by these presents make, constitute and appoint: **Mark D. Leskanic, Matthew Leskanic, Greg Angel, Colin Warner, Lauren Leskanic**

its true and lawful Attorney(s)-in-Fact, each in their separate capacity if more than one is named above, with full power and authority hereby conferred in its name, place and stead, to execute, acknowledge and deliver any and all bonds, recognizances, undertakings or other instruments or contracts of suretyship to include riders, amendments, and consents of surety, providing the bond penalty does not exceed **Five Million & 00/100 Dollars (\$5,000,000.00)**. This Power of Attorney shall expire without further action on December 31st, 2024.

This Power of Attorney is granted under and by authority of the following resolutions adopted by the Board of Directors of the Companies at a meeting duly called and held on the 1st day of July, 1993:

Resolved that the President, Treasurer, or Secretary be and they are hereby authorized and empowered to appoint Attorneys-in-Fact of the Company, in its name and as its acts to execute and acknowledge for and on its behalf as Surety any and all bonds, recognizances, contracts of indemnity, waivers of citation and all other writings obligatory in the nature thereof, with power to attach thereto the seal of the Company. Any such writings so executed by such Attorneys-in-Fact shall be binding upon the Company as if they had been duly executed and acknowledged by the regularly elected Officers of the Company in their own proper persons.

That the signature of any officer authorized by Resolutions of this Board and the Company seal may be affixed by facsimile to any power of attorney or special power of attorney or certification of either given for the execution of any bond, undertaking, recognizance or other written obligation in the nature thereof; such signature and seal, when so used being hereby adopted by the Company as the original signature of such officer and the original seal of the Company, to be valid and binding upon the Company with the same force and effect as though manually affixed.

IN WITNESS WHEREOF, the Companies have caused this instrument to be signed and their corporate seals to be hereunto affixed, this 21st day of June, 2023



UNITED CASUALTY AND SURETY INSURANCE COMPANY
 US Casualty and Surety Insurance Company
 United Surety Insurance Company

Michael T. Porsch
 Michael T. Porsch, Treasurer

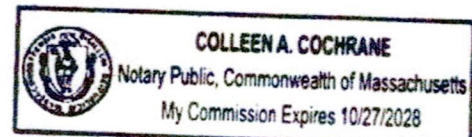
Corporate Seals

Commonwealth of Massachusetts
 County of Middlesex ss:

On this 21st day of June, 2023, before me, Colleen A. Cochrane, a notary public, personally appeared, Michael T. Porsch, Treasurer of United Casualty and Surety Insurance Company, US Casualty and Surety Insurance Company and United Surety Insurance Company, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person(s), or the entity on behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the Commonwealth of Massachusetts that the foregoing paragraph is true and correct.
 WITNESS my hand and seal.

Colleen A. Cochrane (Seal)
 Notary Public Commission Expires: 10/27/2028



I, Robert F. Thomas, President of United Casualty and Surety Insurance Company, US Casualty and Surety Insurance Company and United Surety Insurance Company do hereby certify that the above and foregoing is a true and correct copy of a Power of Attorney, executed by said Companies, which is still in full force and effect; furthermore, the resolutions of the Board of Directors, set out in the Power of Attorney are in full force and effect.

In Witness Whereof, I have hereunto set my hand and affixed the seals of said Companies at Newton, Massachusetts this 12th day of December, 2024

Corporate Seals



Robert F. Thomas
 Robert F. Thomas, President

TO CONFIRM AUTHENTICITY OF THIS BOND OR DOCUMENT EMAIL: CONFIRMBOND@UNITEDCASUALTY.COM

United Casualty and Surety Insurance Company
 DBA United Surety Insurance Company
 DBA US Casualty and Surety Insurance Company
 Statement of Assets, Liabilities, and Surplus
 Year Ended December 31

	Year Ended	
	2023	2022
<u>Admitted Assets</u>		
Cash and Short Term Investments	\$36,321,994	\$31,465,020
Stocks	2,176,755	8,768,938
Bonds	6,738,979	7,551,512
Uncollected Premiums & Agents' Balance:	2,272,570	1,435,198
Other Assets	2,402,610	1,545,047
<i>Total Net Admitted Assets</i>	<u>\$49,912,908</u>	<u>\$50,765,715</u>
<u>Liabilities</u>		
Funds Held as Collateral	\$14,101,531	\$21,026,579
Unearned Premium	8,098,812	6,512,401
Losses	1,919,898	1,469,311
Other Expenses	528,056	415,552
Taxes, Licenses, and Fees	147,927	180,394
Loss Adjustment Expenses	530,475	221,268
Payable to Parent or Affiliates	1,001,040	1,277,138
Ceded Reinsurance Payable	1,277,138	173,769
Other Liabilities	442,295	318
<i>Total Liabilities</i>	<u>\$28,047,172</u>	<u>\$31,276,730</u>
<u>Capital and Surplus</u>		
Paid In Surplus	\$17,364,311	\$16,615,161
Unassigned Surplus	2,005,680	378,079
Common Stock	2,600,000	2,600,000
Less: Treasury Stock	104,255	104,255
<i>Total Capital and Surplus</i>	<u>\$21,865,736</u>	<u>\$19,488,985</u>
<i>Total Liabilities and Capital and Surplus</i>	<u>\$49,912,908</u>	<u>\$50,765,715</u>

I, Raymond Kyle Fowler, Treasurer and Secretary of United Casualty and Surety Insurance Company, hereby certify that the above is an exact copy of the financial statements of the Company dated December 31, 2023 and is a true and correct statement of the condition of United Casualty and Surety Insurance Company as of that date.

IN TESTIMONY WHEREOF, I have set my hand and affixed the seal of the Company this 5th day of March 2024.

By R. Kyle Fowler
 R. Kyle Fowler, Treasurer and Secretary





**SURETY BOND
PROFESSIONALS**
INC.
YOUR BOND PARTNER

BID BOND ATTACHED

Thank you for choosing Surety Bond Professionals for support of all your bonding needs.

It is your responsibility to ensure the bid bond conforms with your needs and instructions to us, including but not limited to the correct coverages and parties, and with any laws applicable to your operations and/or the contract requiring the bid bond, and to advise us immediately, in writing, if the bid bond for so executed does not contain the proper information. Accordingly, it is incumbent upon you to carefully review the bond, and we will expect that you will, double-check all information, including signatures, dates, amounts and job descriptions for accuracy, and to verify that the bid bond form we executed is the form required by specification. This will avoid the possibility of having a low bid rejected because of a clerical error. We will also expect you to verify that anything unusual that has been requested by the obligee is attached.

If, following your review of the bond, you do not advise us in writing of any problem of deficiency in its terms and information but submit the bond as is, your submission will constitute your verification, and we will justifiably assume that the bond form as issued is correct and appropriate for the purpose for which it is being submitted. You further understand that we will have no liability for any deficiencies or discrepancies not brought to our attention in accordance with this letter.

THE BID BOND AUTHORIZATION IS BASED UPON YOUR ORIGINAL ESTIMATE. IF THE ACTUAL BID PRICE EXCEEDS THIS ESTIMATE BY 10% OR MORE, YOU MUST CONTACT US FOR ADDITIONAL AUTHORITY.

******* PLEASE PROVIDE BID RESULTS BELOW *******

Company Name: _____

Project: _____

Contractor Name:

Bid Amount:

1st

\$

2nd

\$

3rd

\$

Your Bid: _____

We greatly value the relationship we have established so if we can lend our support or assistance at any point in the future, please do not hesitate to contact us.

If you know of anyone whom might benefit from our bonding services, please let us know or provide them with our contact information.

Thank you!

205 UNION STREET, 2ND FLOOR, SOUTH NATICK, MA 01760

TOLL FREE: 855-5 SURETY (855-578-7389) | 781-559-0568 | FAX: 781-559-0569 | SURETYBONDPROFESSIONALS.COM



CSLB NUMBER: 1063261
 DIR NUMBER: 10000728148
 SB-PW ID: 2024361

List of Machines at Site

Project Name:

Site Location:

Date:

S. No.	Machine Name	Model/Type	Serial Number	Condition	Remarks
1	36" DOUBLE DRUM RIDE-ON ROLLER	AR14H	1P0801	Good	
2	HYD HMR-4K-7.5K	FX45CPQA	14608	Good	
3	7,500LB MINI EXCAVATOR	BOBCAT Model:E32	B57812787	Good	
4	2100-2800LB TRACK SKIDSTEER	BOBCAT Model: T66	B45B26640	Best	
5	7,500LB MINI EXCAVATOR	BOBCAT Model: E32	B57812783	Best	
6	F150 Utility	150		Best	
7	18", 36" COMPACT EXCAVATOR BUCKET				
8					
9					
10					

Prepared By:

Approved By:

infor@zaraconstruction.com



2343 Donner Pass Ave
 Sacramento CA 95835



+1 (650) 353-8485



California Environmental Protection Agency
Air Resources Board

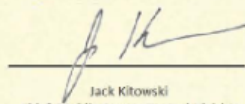
January 1, 2024

**CERTIFICATE OF REPORTED COMPLIANCE
OFF-ROAD DIESEL VEHICLE REGULATION**

is issued to

SUNBELT RENTALS 1560

This certificate indicates that the fleet listed above has reported off-road diesel vehicles to the California Air Resources Board and has certified they are in compliance with title 13 CCR, section 2449. All applicable vehicles owned by the individual, company, or agency must be reported and labeled, as specified in Section 2449, with all possible completeness, else this certificate is null and void. **Certificate expires 2/28/2025**



Jack Kitowski
Chief, Mobile Source Control Division
California Air Resources Board

Off-road Diesel Fleet Identification

1560

To verify the authenticity of this certificate, enter this number at
http://www.arb.ca.gov/doors/compliance_cert1.html

California Environmental Protection Agency
Air Resources Board

January 1, 2024

**CERTIFICATE OF REPORTED COMPLIANCE
OFF-ROAD DIESEL VEHICLE REGULATION**

is issued to

HARRISON CONCRETE CUTTING, INC.

This certificate indicates that the fleet listed above has reported off-road diesel vehicles to the California Air Resources Board and has certified they are in compliance with title 13 CCR, section 2449. All applicable vehicles owned by the individual, company, or agency must be reported and labeled, as specified in Section 2449, with all possible completeness, else this certificate is null and void. **Certificate expires 2/28/2025**


Jack Kitowski
Chief, Mobile Source Control Division
California Air Resources Board

Off-road Diesel Fleet Identification

3501

To verify the authenticity of this certificate, enter this number at
http://www.arb.ca.gov/doors/compliance_cert1.html

California Environmental Protection Agency
Air Resources Board

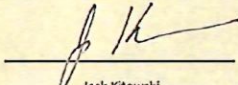
January 1, 2024

**CERTIFICATE OF REPORTED COMPLIANCE
OFF-ROAD DIESEL VEHICLE REGULATION**

is issued to

LB CONSTRUCTION INC.

This certificate indicates that the fleet listed above has reported off-road diesel vehicles to the California Air Resources Board and has certified they are in compliance with title 13 CCR, section 2449. All applicable vehicles owned by the individual, company, or agency must be reported and labeled, as specified in Section 2449, with all possible completeness, else this certificate is null and void. **Certificate expires 2/28/2025**

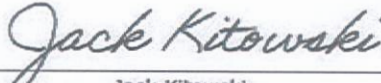


Jack Kitowski
Chief, Mobile Source Control Division
California Air Resources Board

Off-road Diesel Fleet Identification

5273

To verify the authenticity of this certificate, enter this number at
http://www.arb.ca.gov/doors/compliance_cert1.html

	
CALIFORNIA AIR RESOURCES BOARD	
Certificate of Reported Compliance With:	
Truck and Bus Regulation	
Issued to:	Harrison Concrete Cutting Inc
This certificate confirms that the fleet owner has attested under penalty of perjury that the statements and information they provided to the California Air Resources Board (CARB) are true, accurate, and complete regarding all relevant vehicles in the fleet required to show compliance. CARB hereby finds that the fleet listed has reported compliance with California Code of Regulations (CCR):	
Title 13 CCR 2025 (Truck and Bus Regulation)	
If CARB subsequently finds that the statements and information that have been provided are not true, accurate, and complete, this certificate shall be effectively revoked and the fleet subject to noncompliance penalties.	
This certificate is valid until December 31, 2024	
 Jack Kitowski Division Chief, Mobile Source Control Division California Air Resources Board	Printed on 2024-01-18 2 Vehicles
TRUCRS Fleet Identification 32868	
To verify the authenticity of this certificate, visit www.arb.ca.gov/msprog/onrdiesel/tblookup.php	

California Environmental Protection Agency
Air Resources Board

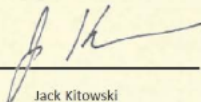
January 1, 2024

**CERTIFICATE OF REPORTED COMPLIANCE
OFF-ROAD DIESEL VEHICLE REGULATION**

is issued to

DG STRIPING INC

This certificate indicates that the fleet listed above has reported off-road diesel vehicles to the California Air Resources Board and has certified they are in compliance with title 13 CCR, section 2449. All applicable vehicles owned by the individual, company, or agency must be reported and labeled, as specified in Section 2449, with all possible completeness, else this certificate is null and void. **Certificate expires 2/28/2025**



Jack Kitowski
Chief, Mobile Source Control Division
California Air Resources Board

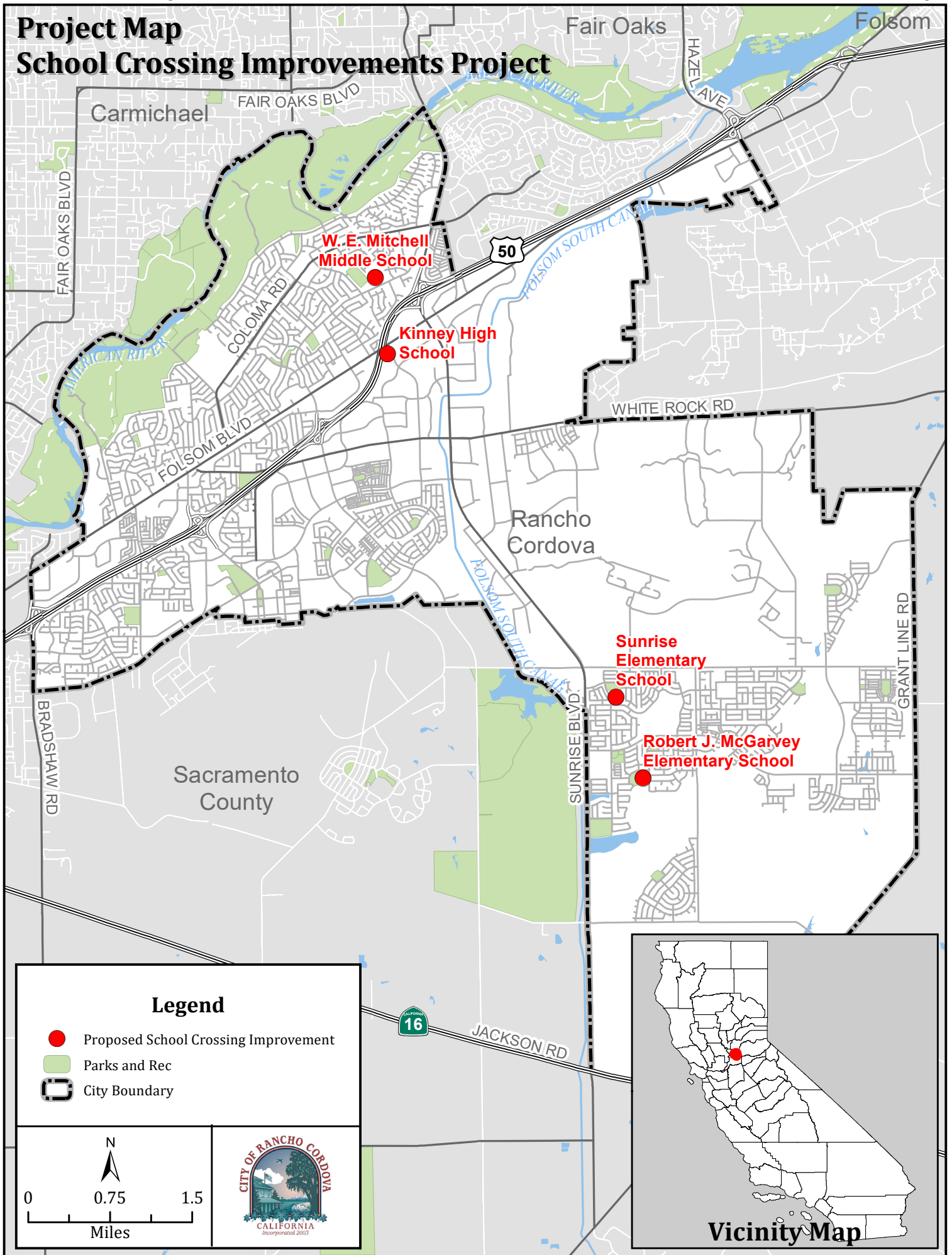
Off-road Diesel Fleet Identification

257924

To verify the authenticity of this certificate, enter this number at
http://www.arb.ca.gov/doors/compliance_cert1.html

Project Map

School Crossing Improvements Project



 School Crossing Improvements Project Bid Summary December 12, 2024, 2:00 pm, Open Gov															
	Construction Contractor	BID TOTAL	Bid Schedule	Project Contact	Contractors License	DIR Registration	Equal Employment	Public Contract Code 10285.1, 10162, 10232 Statements	Designation of Subcontractors	Experience / Qualifications Questions 9-13	Bidder's Bond	Non-Collusion Affidavit	Debarment & Suspension	CARB Certificate of Reported Compliance	Submittal Confirmation
A	Zara Construction, Inc.	\$391,600.00	X	X	X	X	X	X	X	X	X	X	X	X	X
B	B & M Civil LLC	\$394,420.00	X	X	X	X	X	X	X	X	X	X	X	X	X
C	TCW Concrete	\$399,383.00	X	X	X	X	X	X	X	X	X	X	X	X	X
D	Martin General Engineering, Inc.	\$401,371.00	X	X	X	X	X	X	X	X	X	X	X	X	X
E	FBD Vanguard Construction, Inc.	\$411,255.00	X	X	X	X	X	X	X	X	X	X	X	X	X
F	Central Valley Engineering, Inc.	\$416,855.00	X	X	X	X	X	X	X	X	X	X	X	X	X
G	E. E. Gilbert Construction	\$444,633.43	X	X	X	X	X	X	X	X	X	X	X	X	X
H	Globe Engineering Development	\$449,065.00	X	X	X	X	X	X	X	X	X	X	X	X	X
I	Martin Brothers Construction	\$457,558.00	X	X	X	X	X	X	X	X	X	X	X	X	X
Attendees: Austin Miller, Assistant Civil Engineer Kristine Courdy, Senior Civil Engineer  12/13/24 Date Kristine Courdy, Senior Civil Engineer															



B&M Builders, Inc.

11330 Sunrise Park Drive, Ste. C

Rancho Cordova, CA 95742

Phone: (916) 638-8626

Fax: (916) 352-6944

Lic. No. 861848 A, B, C-8, C-10, C-12, C-20, C-27, C-31, C-53, C-54

DIR No. 1000003277

B&M Builders, Inc.

11330 Sunrise Park Dr. Ste C

Rancho Cordova, CA 95742

(916) 638-8626

pmullen@bm-builders.com

12/19/2024

City of Rancho Cordova

Austin Miller

2729 Prospect Park Drive

Rancho Cordova, CA 95670

Bid Protest for School Crossing Improvements Project CP24-2260 CS 80091

Dear City of Rancho Cordova,

I am writing to formally protest the bid submitted for the **School Crossing Improvements Project CP24-2260 CS 80091**. After reviewing the bid documents and Section 17 of the bid questionnaire, I believe that the bidder, Zara Construction Inc. failed to comply with the following requirements:

1. **Failure to Provide CARB Forms:** The bid documents, specifically in Section 17 of the bid questionnaire, require the submission of CARB forms. Zara Construction Inc. did not provide the necessary CARB forms at the time of their bid submission. However, in section 13 they listed a 36" Double drum rise on Roller, AR14H, 1.2 Ton, 2 Mini Excavators, 7,500LB, Bobcat Model: E32, and a Track Skid steer, 21000-28000LB. Bobcat Model: T66. These are all diesel fueled off-road pieces of equipment that they own and will be used on the project, therefore that would mean that Zara Construction Inc. would need to have them registered with CARB DOORS. For their bid to be compliant with the specifications they should have turned in compliance certificates with their bid by providing a CARB certificate. They did not follow the bid documents and specifications and their bid should be rejected as nonresponsive.
2. **Failure to List an Electrician:** Zara Construction Inc. did not list an electrical subcontractor and does not possess a C10 license. In the state of California all electrical work needs to be completed by a contractor with a C10. This C10 contractor is also required to have 4,000 hours of verifiable experience as a journeyman with a license electrical contractor. If the contractor does not meet the specified qualifications, then they are not allowed to provide services.

As these failures constitute a violation of the bid requirements and California contracting law, I respectfully request that Zara Construction Inc. be disqualified from consideration for this project, and that the next lowest responsible bidder be awarded the contract.

Please advise on the next steps and the anticipated timeline for resolution of this protest. Thank you for your prompt attention to this matter.

Sincerely,

Patrick Mullen

President

B&M Builders, Inc.

January 16, 2025

B&M Builders, Inc.
11330 Sunrise Park Dr. Ste C
Rancho Cordova, CA 95670

Sent Electronically

Attention: Patrick Mullen, President

**SUBJECT: City of Rancho Cordova Response to Bid Protest per County Specification
Section 3-3.01.C for the School Crossing Improvements Project, City
Project CP24-2260**

Dear Mr. Mullen:

On December 20, 2024 the City of Rancho Cordova (City) received a bid protest for the City of Rancho Cordova School Crossing Improvements Project, City Project CP24-2260, from B&M Civil LLC (B&M) (see attached bid protest). Below is the City's written response to the bid protest:

Issue #1

B&M's first protest alleges that Zara Construction did not submit California Air Resources Board (CARB) forms at the time of their bid submission. CARB In-Use Off-Road Diesel-Fueled Fleets Regulations (§ 2449 General Requirements) requires that Public agencies receive the CARB certificates before contract award (see attached CARB Fact Sheet).

Zara Construction has verified that they are not utilizing any of their fleet vehicles subject to CARB § 2449 regulations for this Project. They are renting equipment, and their subcontractors are utilizing equipment subject to the program requirements. Zara Construction has provided valid CARB certificates from their subcontractors and equipment rental company to demonstrate CARB program compliance for this project.

Zara Construction has demonstrated compliance with the CARB § 2449 General Requirements by providing all subcontractor CARB certificates prior to contract award, B&M's bid protest based on the failure to provide CARB forms is not substantiated and the City finds Zara Construction's bid to be responsive to this requirement.

Issue #2

B&M's second protest alleges that Zara Construction has failed to list a licensed C-10 electrical subcontractor for the project. The project requires installation of pre-assembled, solar powered Rectangular Rapid Flashing Beacon (RRFB) equipment. Procurement and installation of RRFB equipment may be installed by a contractor with a valid Class A license. This project does not require any new electrical service connection to the grid to complete these installations.

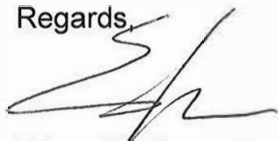
Zara Construction possesses a valid Class A license and prior experience of installing solar powered RRFB equipment. B&M's bid protest based on the failure to have an electrical subcontractor is not substantiated to disqualify the low bidder and therefore the City finds Zara Construction's bid to be responsive.

Conclusion

The City finds that Zara Construction is the lowest responsive and responsible bidder for the City of Rancho Cordova School Crossing Improvements Project, City Project CP24-2260. This contract will be recommended for award at the February 3, 2025 City Council Meeting.

If you have any questions, please contact Edgar Medina at emedina@cityofranhocordova.org

Regards,

A handwritten signature in black ink, appearing to be "Edgar Medina", written over a horizontal line.

Edgar Medina, PE
Principal Civil Engineer

Attachments:

- 1) B&M Builders (B&M) Bid Protest per County Specification Section 3-3.01C for the City of Rancho Cordova School Crossing Improvements Project, City Project CP24-2260
- 2) Fact Sheet: Contracting Requirements from the California Air Resources Board
- 3) Sacramento County Specifications Section 3-3.01.C Bid Award Protest



B&M Builders, Inc.

11330 Sunrise Park Drive, Ste. C

Rancho Cordova, CA 95742

Phone: (916) 638-8626

Fax: (916) 352-6944

Lic. No. 861848 A, B, C-8, C-10, C-12, C-20, C-27, C-31, C-53, C-54

DIR No. 1000003277

B&M Builders, Inc.

11330 Sunrise Park Dr. Ste C

Rancho Cordova, CA 95742

(916) 638-8626

pmullen@bm-builders.com

12/19/2024

City of Rancho Cordova

Austin Miller

2729 Prospect Park Drive

Rancho Cordova, CA 95670

Bid Protest for School Crossing Improvements Project CP24-2260 CS 80091

Dear City of Rancho Cordova,

I am writing to formally protest the bid submitted for the **School Crossing Improvements Project CP24-2260 CS 80091**. After reviewing the bid documents and Section 17 of the bid questionnaire, I believe that the bidder, Zara Construction Inc. failed to comply with the following requirements:

1. **Failure to Provide CARB Forms:** The bid documents, specifically in Section 17 of the bid questionnaire, require the submission of CARB forms. Zara Construction Inc. did not provide the necessary CARB forms at the time of their bid submission. However, in section 13 they listed a 36" Double drum rise on Roller, AR14H, 1.2 Ton, 2 Mini Excavators, 7,500LB, Bobcat Model: E32, and a Track Skid steer, 21000-28000LB. Bobcat Model: T66. These are all diesel fueled off-road pieces of equipment that they own and will be used on the project, therefore that would mean that Zara Construction Inc. would need to have them registered with CARB DOORS. For their bid to be compliant with the specifications they should have turned in compliance certificates with their bid by providing a CARB certificate. They did not follow the bid documents and specifications and their bid should be rejected as nonresponsive.
2. **Failure to List an Electrician:** Zara Construction Inc. did not list an electrical subcontractor and does not possess a C10 license. In the state of California all electrical work needs to be completed by a contractor with a C10. This C10 contractor is also required to have 4,000 hours of verifiable experience as a journeyman with a license electrical contractor. If the contractor does not meet the specified qualifications, then they are not allowed to provide services.

As these failures constitute a violation of the bid requirements and California contracting law, I respectfully request that Zara Construction Inc. be disqualified from consideration for this project, and that the next lowest responsible bidder be awarded the contract.

Please advise on the next steps and the anticipated timeline for resolution of this protest. Thank you for your prompt attention to this matter.

Sincerely,

Patrick Mullen

President

B&M Builders, Inc.

Fact Sheet: Contracting Requirements

[PRINT](#)**ATE** August 29, 2023

CONTACT

DOORS

Email doors@arb.ca.gov**Phone** (877) 593-6677 / (877) 59DOORS

CATEGORIES

Programs In-Use Off-Road Diesel-Fueled Fleets Regulation

Amendments to the In-Use Off-Road Diesel-Fueled Fleets Regulation

Introduction

The recent amendments, approved by the California Air Resources Board (CARB) in 2022 (2022 amendments) to the In-Use Off-Road Diesel-Fueled Fleets Regulation (Off-Road Regulation or regulation) incorporate new contracting requirements. CARB added the contracting requirements to establish a proactive check at the onset of a project or at contract renewal to encourage fleets to comply with the regulation. Contracting requirements also safeguard against the unfair monetary advantage of noncompliance and thus help level the playing field for all fleets. This fact sheet reviews key elements of the contracting requirements.

Background

Contracting requirements apply to both prime contractors and public works awarding bodies. As described below, some additional requirements solely apply to the prime contractor.

- prime contractor is the entity that directly holds the project contract for the owner or awarding body. The prime contractor is responsible for overseeing the project or a portion of the project. See section 2449(c)(44) of the 2022 amendments for the full definition. Note that work contracted with a homeowner for their personal residence, not for business, is exempt from the contracting requirements per section 2449(b)(2)(E).
- A public works awarding body is the public agency, such as the state, city, county, or school district, that awards or enters into contract for a project where there are vehicles subject to this regulation are used. These are projects on public lands, such as the construction of a public building or road. A complete definition of public works awarding body is available in section 2449(c)(46) of the regulation.

Contracting Requirements [*Section 2449(i)*]

All contracting obligations start January 1, 2024, for both prime contractors and public works awarding bodies.

- For a project involving the use of vehicles subject to the regulation, the prime contractor or public works awarding body must obtain copies of the valid Certificate of Reported Compliance (Certificate) for the fleets and subcontractors that are listed in the contract.
- Certificates must be obtained prior to awarding or renewing a contract.
- Noncompliant fleets, i.e., those without a valid Certificate, are prohibited from being contracted.
- Copies of the Certificates must be retained for three years after the project is complete.
- Records must be provided to CARB within five business days, upon request.

Exemption for Emergency Operations [*Section 2449(i)(4)*]

Emergency operations, as defined in section 2449(c)(18), where the prime contractor or public works awarding bodies are contracting for an emergency situation, are exempt from these contracting requirements. However, the exempted vehicle(s) must only be operated in the emergency situation and records of the exempted vehicles must be

maintained. Records must include a description of the emergency and the address or location of the emergency; dates when the emergency operations happened; and an attestation that the vehicles were only operated in that emergency situation.

Additional Prime Contractor Obligations [*Section 2449(j)*]

Prime contractors have additional obligations beyond the contracting requirements described above, these additional requirements do not apply to public works awarding bodies, as described further below:

- Prime contractors must collect new valid Certificates for fleets with ongoing contracts as of March 1 of each year.
 - Certificates must be collected between March 1 and June 1 of each year.
 - New contracts may not be written to evade this requirement.
- Prime contractors must only allow fleets with valid Certificates on the job site.
- The prime contractor must immediately disclose to CARB, upon request, the name and contact information of any fleet or vehicle owner on their job site; this requirement only applies to fleets or vehicles that are subject to the regulation.
- If the prime contractor discovers a fleet intending to operate vehicles at the job site does not have a valid Certificate or observes noncompliant fleets or vehicles operating on their job site, they must report it to CARB within five business days at: <https://calepacomplaints.secure.force.com/complaints/Complaint>, or at email: diesel.complaints@arb.ca.gov.

Reports must include:

- The date on which the violation was discovered or observed;
- name and business address of the responsible party;
- email and phone number of the responsible party, if known; the DOORS fleet ID number of the fleet, if known;
- the location of the job site on which the noncompliant fleet or vehicle was operating, if applicable; and
- statement specifying whether the fleet or vehicle is continuing to operate at the job site, if applicable.

- The prime contractor must prominently display a sign that provides key information about the regulation and how to report noncompliance. The sign must be posted where vehicles subject to this regulation will operate for eight or more calendar days; the sign must be posted by the eighth calendar day from when the first vehicle operates. Section 2449(j)(5) provides the exact language that must be on the signage, verbatim, along with other very specific directions about how and where to post it. The signage lettering must be larger than size 14-point type and must be displayed in a conspicuous place where employee notices are typically posted or where there is employee foot traffic. CARB has provided an example sign for contractors to use or reference at the following link and attached it below. For more

information, see section 449(j)(5) of the regulation.



In-Use Off-Road Diesel-Fueled Fleets Regulation

Who does the In-Use Off-Road Regulation Apply to?

The In-Use Off-Road Diesel-Fueled Fleets Regulation (Off-Road Regulation) applies to all self-propelled off-road diesel vehicles 25 horsepower or greater and most two-engine vehicles (except on-road two-engine sweepers) owned or operated in California. This includes vehicles that are rented or leased (rental or leased fleets).

In-Use Off-Road Regulation Requirements

Idling Limit

Vehicles cannot idle longer than five minutes.
There are exceptions for vehicles that need to idle to perform work.

Labeling

Vehicles must be labeled with a CARB assigned equipment identification number (EIN). The EIN shall be white on a red background, unless the vehicle is part of a captive attainment area fleet, in which case the EIN shall be white on a green background. The EIN shall be located in clear view on both sides of the outside of the vehicle.

How to Report Observed Noncompliance

If you have information regarding possible violations of the In-use Off-road Diesel Regulation, fill out a complaint form at calepacomplaints.secure.force.com/complaints/Complaint, or email diesel.complaints@arb.ca.gov the following information:



1. The name of the party that is responsible for the vehicle that was observed to be noncompliant;
2. The Business's name;
3. The job site location (including address, city, and Zip, or coordinates);
4. The following information for the vehicle you observed to be noncompliant:
 - a. EIN, if observed;
 - b. A description of the vehicle type if the EIN is unknown; and
 - c. Photos of the vehicle, where possible; and
5. A description of the noncompliance you observed.

For more information on the Off-Road Regulation, including Fact Sheets, Frequently Asked Questions (FAQs), and DOORS User Guides, please visit the Off-Road Zone at arb.ca.gov/offroadzone.

While this document is intended to assist fleets with their compliance efforts, it does not alter or modify the terms of any CARB regulation, nor does it constitute legal advice. It is the sole responsibility of fleets to ensure compliance with the Regulation for In-Use Off-

Road Diesel-Fueled Fleets.

800) 242-4450 | he@arb.ca.gov
1001 I Street, Sacramento, CA 95814
P.O. Box 2815, Sacramento, CA 95812



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contract award... Other than the Agency Contact, communication (of any form) with any Agency staff, including its consultants and Board members and their staff, is prohibited during the Cone of Silence period. Violation of this Cone of Silence shall be grounds for Bid rejection.

3-3.01.B Bid Documents Protest

Protests regarding bidding documents must be filed in writing (electronic or hard copy) to the County of Sacramento, Department of General Services, Contract and Purchasing Division, 9660 Ecology Lane, Sacramento CA 95827, within five (5) Working days after the Agency issues the NOIA. Protests received after the five (5) Working day deadline will not be considered by the Agency. A copy of the protest should be submitted to the Agency Contact designated in the Notice to Contractors on the same day.

3-3.01.C Bid Award Protest

After thorough review of the bids, the Agency will issue the NOIA to the lowest responsive, responsible bidder. The NOIA will be provided to all bidders in writing.

Only a Bidder may file a protest. Protests shall include a detailed statement of the factual and/or legal grounds for the protest and the remedies sought by the bidder submitting the protest. Bid protests must include copies of all documents forming the basis of the protest and must be signed by the person authorized to submit the protest on behalf of a Bidder.

A protest regarding bid opening procedures, Bids or the selection of the successful Bidder shall be submitted with supporting documentation in writing (electronic or hard copy) to the County of Sacramento, Department of General Services, Contract and Purchasing Division, 9660 Ecology Lane, Sacramento CA 95827, within five (5) business days after the Agency issues the NOIA. Protests received after the five (5) business day deadline will not be considered by the Agency. A copy of the protest should be submitted to Agency Contact designated in the Notice to Contractors on the same day.

The Agency will evaluate the merits of the protest and will make the final determination regarding a bid award protest. The Agency will issue its determination in writing and distributed to all Bidders prior to the Board meeting at which the proposed contract award will be considered. The Board Agenda will also be published indicating the recommended award consistent with the requirements of the Ralph M. Brown Act (Government Code section 54950 et seq.).

If the protestor disagrees with the Agency's decision, the protesting party may seek relief from the Board at the public hearing for award of the Contract.

Once the Board has awarded the Contract, the protesting party may appeal the Board's award to the Superior Court.

3-4 PERFORMANCE AND PAYMENT BONDS

The format of the Performance Bond and Payment Bond forms must be those contained in Appendix A of these Specifications.

As part of the execution of the Contract, the successful Bidder must furnish Performance and Payment corporate surety bonds for the benefit of the Agency. Bonds must be executed by a surety company authorized to do business in the State of California and listed in the current Federal Department of Treasury Circular 570.

3-4.01 Performance Bond

The Performance Bond to guarantee the performance of all covenants and stipulations of the Contract must be on a form approved by the Agency and must be in a sum not less than 100 percent of the original Total Contract Price.

MEMORANDUM



ITEM 13.3.

DATE: February 3, 2025

TO: Honorable Mayor and Council Members

FROM: Albert Stricker, Public Works Director
Edgar Medina, Principal Engineer
Kevin Velazquez, Assistant Civil Engineer

SUBJECT: **A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE CONTRACT NO. 2025-4 IN AN AMOUNT NOT TO EXCEED \$337,775.50 WITH MARTIN GENERAL ENGINEERING, INC. TO CONSTRUCT THE HSIP CYCLE 11 TRAFFIC SIGNALS AND GRANT LINE ROAD SAFETY IMPROVEMENTS PROJECT**

RECOMMENDATION

Adopt the Resolution.

RESULT OF RECOMMENDED ACTION

The adoption of the Resolution would bring various benefits to our community in terms of road safety and visibility. By upgrading traffic signal heads, we significantly improve the visibility of signals at intersections, which enhances safety for all road users. The signals help in reducing accidents and contribute to safer streets overall. Additionally, the proposed improvements on Grant Line Road, including the installation of LED warning signs, rumble strips, high-friction surface treatments, and shoulder paving further enhance safety to alert drivers, reduce vehicle skidding and help reduce collisions on this segment.

BACKGROUND

The City received a State Highway Safety Improvement Project (HSIP) Cycle 11 grant in 2023 for the amount of \$819,270 for the Traffic Signals and Grant Line Road Safety Improvements Project. This Project includes upgrading various vehicle signal heads along the corridors of Coloma Road, Mather Field Road and International Drive. This Project also includes the following improvements along a curve segment on Grant Line Road between White Rock Road and Raymer Way: LED warning signs, rumble strips, shoulder paving and high friction surface treatment, Attachment 3.

This project is essential and aligns with Rancho Cordova's City objectives to enhance its positive reputation, ensure a safe and livable community, and provide high quality public services while maintaining good financial management.

Bids for the Project were solicited on the City's Website and on OpenGov.com, on December 12th, 2024. Bids for the project were publicly opened on January 16, 2025. A total of 6 bids

were received. The lowest responsible and responsive bid was \$337,775.50 from Martin General, Inc. There were no Project bid alternatives. The contract award is based on the lowest, responsive and responsible bid. The Bid Summary is provided as Attachment 4.

The Project is expected to be under construction starting in Spring 2025 and completed in Summer 2025.

FISCAL IMPACT AND FUNDING SOURCE

This project is included in the Capital Improvement Plan budget for Fiscal Years 2023/2024 and 2024/2025. The Project budget consists of \$819,270 from the Highway Safety Improvement Cycle 11 state grant program and \$360,730 in Gas Tax. There is no impact to the City's General Fund.

ATTACHMENT(S)

1. Resolution
2. Contract No. 2025-4
3. Project Area Map
4. HSIP 11 Signals - Bid Summary Checklist

CITY OF RANCHO CORDOVA

RESOLUTION NO. XX-2025

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA, STATE OF CALIFORNIA, AUTHORIZING THE CITY MANAGER TO EXECUTE CONTRACT NO. 2025-4 WITH MARTIN GENERAL ENGINEERING, INC. IN AN AMOUNT NOT TO EXCEED \$337,775.50 TO CONSTRUCT THE HSIP CYCLE 11 TRAFFIC SIGNALS AND CURVE SAFETY IMPROVEMENTS PROJECT

WHEREAS, the City received a State Highway Safety Improvement Project (HSIP) Cycle 11 grant in 2023 for the amount of \$819,270; and

WHEREAS, the City allocated HSIP Cycle 11 funding to construct the Traffic Signals and Curve Safety Improvements Project; and

WHEREAS, the project will include vehicle signal head improvements along the corridors of Coloma Rd, Mather Field Rd and International Dr and also include LED warning signs, rumble strips, and high friction surface treatment along a segment of Grant Line Rd; and

WHEREAS, the City solicited bids for the HSIP Cycle 11 Traffic Signals and Curve Safety Improvements under the requirements of state and local law and publicly opened the bids on January 16, 2025; and

WHEREAS, the lowest responsive and responsible bidder was Martin General, Inc.; and

WHEREAS, adoption of this Resolution will award the construction Contract No. 2025-4 to Martin General, Inc. in an amount not to exceed \$337,775.50 for the HSIP Cycle 11 Traffic Signal and Curve Safety Improvements Project; and

WHEREAS, the 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 subsection (c) for existing 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. 2025-4 in an amount not to exceed \$337,775.50 with Martin General Engineering, 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 3rd day of February 2025 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ITEM 13.3.

ATTACHMENT 1

ATTEST:

Stacy Leitner, CMC
City Clerk

Siri Pulipati, Mayor

**CONSTRUCTION SERVICES AGREEMENT BETWEEN
THE CITY OF RANCHO CORDOVA AND MARTIN GENERAL ENGINEERING, INC
FOR THE
HSIP 11 TRAFFIC SIGNALS AND GRANT LINE ROAD SAFETY IMPROVEMENT PROJECT
CP24-2257, CS80088**

THIS AGREEMENT made and entered into between the City of Rancho Cordova ("City") and Martin General Engineering, Inc ("Contractor") as of February 3, 2025.

W I T N E S S E T H:

WHEREAS, the City Council for the City heretofore caused plans and specifications for HSIP 11 Traffic Signals and Grant Line Road Safety Improvement Project ("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 December 12, 2024, on OpenGov.com and the City of Rancho Cordova Website ("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 November 2024; 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, 2026.

Section 3. SCOPE OF WORK. The Contractor will furnish all labor, materials, services, transportation, appliances, and mechanical workmanship required for Contract No. 2025-4, as provided for and set forth in said Plans and Specifications, or in either of them, which said Plans and Specifications are hereby referred and by such reference incorporated herein and made a

Revised 10-31-2023

Construction Services Agreement between
City of Rancho Cordova and Martin General Engineering, Inc

February 3, 2025
Page 1 of 7

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: **\$337,775.50 (THREE HUNDRED THIRTY-SEVEN THOUSAND, SEVEN HUNDRED SEVENTY-FIVE DOLLARS AND FIFTY CENTS).** 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 Kevin Velazquez ("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:

Adrian Martin
Martin General Engineering, Inc.
12485 Quicksilver Drive
Rancho Cordova, CA 95742
amartin@martingeneral.net

Any written notice to City shall be sent to:

Kevin Velazquez
City of Rancho Cordova
Department of Public Works
2729 Prospect Park Drive
Rancho Cordova, CA 95670
kvelazques@cityofranchocordova.org

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:

MARTIN GENERAL ENGINEERING, INC.
CONTRACTOR:

Micah Runner, City Manager

Adrian Martin, Vice 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

See Attached Bid Proposal



City of Rancho Cordova
Public Works
Albert Stricker, Director of Public Works
2729 Prospect Park Drive, Rancho Cordova, CA 95670

[MARTIN GENERAL ENGINEERING, INC] RESPONSE DOCUMENT REPORT

IFB No. TBD

Traffic Signals and Curve Safety Improvements

RESPONSE DEADLINE: January 16, 2025 at 2:00 pm

Report Generated: Thursday, January 16, 2025

Martin General Engineering, Inc Response

CONTACT INFORMATION

Company:

Martin General Engineering, Inc

Email:

amartin@martingeneral.net

Contact:

Adrian Martin

Address:

12485 Quicksilver Drive
Rancho Cordova, CA 95742

Phone:

N/A

Website:

www.martingeneral.net

Submission Date:

Jan 16, 2025 1:29 PM (Pacific Time)

[MARTIN GENERAL ENGINEERING, INC] RESPONSE DOCUMENT REPORT

IFB No. TBD

Traffic Signals and Curve Safety Improvements

ADDENDA CONFIRMATION

Addendum #1

Confirmed Jan 13, 2025 11:13 AM by Adrian Martin

Addendum #2

Confirmed Jan 13, 2025 11:13 AM by Adrian Martin

QUESTIONNAIRE

1. Project Contact*

Please provide the following regarding the point of contact for your submittal:

- Full Name (First and Last)
- Title
- Phone Number
- Email
- Adrian Martin
- Vice President
- (916) 355-8101
- amartin@martingeneral.net

2. Contractor's License*

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

[MARTIN GENERAL ENGINEERING, INC] RESPONSE DOCUMENT REPORT

IFB No. TBD

Traffic Signals and Curve Safety Improvements

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 the City his/her contractor's license information.

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.

Please enter the California Contractor's License Number for your company.

844279

[Click to Verify](#) *Value will be copied to clipboard*

3. DIR Registration*

Enter your California Department of Industrial Relations (DIR) Contractor Registration Number.

Please Note:

If the City is unable to confirm that the bidder/contractor's DIR registration is current, the City must disqualify the bidder, as required by Labor Code section 1725.5."

1000001824

[Click to Verify](#) *Value will be copied to clipboard*

[MARTIN GENERAL ENGINEERING, INC] RESPONSE DOCUMENT REPORT

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4. Equal Employment Opportunity Certification*

This 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.

Bidder shall confirm whether or not Bidder, and any proposed subcontractors, have participated in previous contract or subcontract subject to the equal opportunity clauses, as required by Executive Orders 10925, 11114, or 11246, and that, where required, have 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.

Bidder and/or a Proposed Subcontractors Have NOT Participated

5. Public Contract Code Section 10285.1 Statement*

In conformance with Public Contract Code Section 10285.1 (Chapter 376, Stats. 1985), the bidder shall declare under penalty of perjury under the laws of the State of California that the bidder **"HAS"** or **"HAS NOT"** 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.

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Note: The bidder must select "has" or "has not". The above Statement is part of the Proposal. Submitting this Proposal shall also constitute signature of this Statement. Bidders are cautioned that making a false certification may subject the certifier to criminal prosecution.

HAS NOT

6. Public Contract Code Section 10162*

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?

No

7. 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. Submitting this Proposal 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.

Confirmed

8. Subcontractors?*

Will you be using subcontractors for this project?

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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.

Yes

SUBCONTRACTORS*

You have indicated that you will be using subcontractors for this project. Please download the attached form, complete it, and upload it back here as part of your submittal.

- [Subcontracting_Form.pdf](#)

Subcontracting_Form-_SIGNED.pdf

9. Years of Experience Under Current Business Name*

Please state the number of years for which the Bidder has been engaged in the contracting of business under its current name.

20 years

10. Years of Similar Experience*

Please state the number of years of experience the Bidder has in work of a nature similar to that noted in this Bid.

20 years

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11. Failure to Complete Work Satisfactorily*

Has the Bidder, as a Contractor, ever failed to satisfactorily complete a Contract awarded to it?

No

12. Completed Contracts*

Provide information for at least three (3) contracts that have been satisfactorily completed by the Bidder in the last three (3) years.

For each contract, provide the following:

- Year
- Type of Work
- Contract Amount
- Owner/Agency for Whom Work Was Performed

1) Northwood School Access Improvements Project

- 2024
- Concrete, striping, electrical, underground
- \$4,602,479.00
- City of Sacramento

2) Kennedy High School Parking Lot

- 2023
- Excavation, concrete, fencing, striping
- \$4,434,000.00
- Sacramento City Unified School District

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3) Power Inn Rd. & Pedestrian Improvements Project

- 2023
- Excavation, concrete, fencing, striping
- \$3,067,545.41
- County of Sacramento

13. Equipment List*

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

For each item, please provide:

- Quantity
- Name, Type and Capacity
- Condition
- Location
- A document with the equipment list can also be attached under the "Additional Information" question towards the end of this submittal. Please add "See Attachment in Additional Information" to the Response below.

See Attachment in Additional Information

14. Bid Bond*

Please download the below documents, complete, and upload.

- [Bid Bond Updated.pdf](#)

Bid_Bond_-_signed.pdf

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15. Non-Collusion Affidavit*

NON-COLLUSION AFFIDAVIT

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

To the CITY of RANCHO CORDOVA
DEPARTMENT OF PUBLIC WORKS

The bidder confirms that they are the party making the foregoing bid and declares that the bid is not made in the interest of, or on behalf of, any undisclosed person, partnership, company, association, organization, or corporation. The bid is genuine and not collusive or sham. The bidder has not directly or indirectly induced or solicited any other bidder to put in a false or sham bid. The bidder has not directly or indirectly colluded, conspired, connived, or agreed with any bidder or anyone else to put in a sham bid, or to refrain from bidding. 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. All statements contained in the bid are true. 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, to any corporation, partnership, company, association, organization, bid depository, or to any member or agent thereof, to effectuate a collusive or sham bid, and has not paid, and will not pay, any person or entity for such purpose.

Any person executing this declaration on behalf of a bidder that is a corporation, partnership, joint venture, limited liability company, limited liability partnership, or any other entity, hereby represents that he or she has full power to execute, and does execute, this declaration on behalf of the bidder.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Confirmed

16. Debarment and Suspension Certification*

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;

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- 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.

No Exceptions

17. CARB Certificate of Reported Compliance*

Does the Contractor and all sub-contractors have a valid Certificate of Reported Compliance for vehicle and equipment subject to California Air Resources Board (CARB) In-Use Off-Road Diesel-Fueled Fleets Regulations in accordance with CARB § 2449 General Requirements for In-Use Off-Road Diesel-Fueled Fleets?

Yes

CERTIFICATE UPLOAD*

Upload CARB Certificate of Reported Compliance

CARB_CERT-_EXP_2.28.25.pdf

18. Additional Information

For any additional information requested or required by any of your previously provided answers please upload that additional documentation here.

2022-2024_Completed_Work.pdf

Asset_List_-current-.pdf

19. Submittal Confirmation*

The party submitting on behalf of the Company noted on the submittal is authorized to submit on behalf of said Company and has provided any authorization showing such if required by this Bid.

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

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ITEM 13.3.**ATTACHMENT 2**

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Confirmed

PRICE TABLES**SCHEDULE OF QUANTITIES**

Line Item	Description	Quantity	Unit of Measure	Unit Cost	Total
1	Mobilization	1	LS	\$7,000.00	\$7,000.00
2	Traffic Control Plan	1	LS	\$20,000.00	\$20,000.00
3	Water Pollution Control Program	1	LS	\$1,500.00	\$1,500.00
4	Clearing and Grubbing	1	LS	\$3,200.00	\$3,200.00
5	Remove Roadside Sign	4	EA	\$120.00	\$480.00
6	Remove Thermoplastic Traffic Stripe	1,214	LF	\$2.25	\$2,731.50
7	High Friction Surface Treatment (HMA Open Graded)	83	TON	\$378.00	\$31,374.00
8	6" Thermoplastic Traffic Stripe	1,220	LF	\$4.45	\$5,429.00
9	12" Rumble Strip	660	LF	\$5.60	\$3,696.00
10	Install Sign	1	EA	\$500.00	\$500.00
11	Install LED Sign System	1	LS	\$62,700.00	\$62,700.00
12	Modifying Signal and Lighting Systems	1	LS	\$146,000.00	\$146,000.00

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ITEM 13.3.**ATTACHMENT 2**

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Line Item	Description	Quantity	Unit of Measure	Unit Cost	Total
13	Roadway Excavation	100	CY	\$161.00	\$16,100.00
14	Hot Mix Asphalt, Type A	80	TON	\$257.00	\$20,560.00
15	Class 2 Aggregate Base	60	CY	\$169.00	\$10,140.00
16	Transverse Rumble Strips	190	LF	\$33.50	\$6,365.00
TOTAL					\$337,775.50

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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. Please complete the following form for each Subcontractor:

SUBCONTRACTOR (Name)	SUBCONTRACTOR (Location)	SUBCONTRACTOR (License Number)	SUBCONTRACTOR DIR #	DIR EXPIRATION	PORTION OF WORK	ESTIMATED DOLLAR AMOUNT
Pacific Excavation, Inc	Elk Grove, CA	694400	1000000188	7/25	Electrical	\$187,741
Darren Taylor Construction, Inc	Anderson, CA	903262	1000005101	7/25	Striping, Rumble Strips	\$20,808

Martin General Engineering, Inc
Contractor's Name (Printed)

1/16/2025
Date



Bidder's Signature

Adrian Martin
Bidder's Name (Printed)

Vice President
Bidder's Title

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

We, Martin General Engineering, Inc
_____ as Principal, and

Fidelity and Deposit Company of Maryland

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 _____

Traffic Signals and Curve Safety Improvements in Rancho Cordova

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

for which bids are to be opened at Rancho Cordova, CA on January 16th, 2025
(Insert place where bids will be opened) (Insert date of bid opening)

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 a 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: January 13, 20 25.

Martin General Engineering, Inc

Adrian Martin, V.P.
Principal

Fidelity and Deposit Company of Maryland

Elizabeth Collodi
Surety
By Elizabeth Collodi, Attorney-in-fact

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)

See Attached CA Notary Acknowledgment

Notary Public

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 _____ Butte _____

On January 13, 2025 before me, Deanna Quintero, Notary Public
(insert name and title of the officer)

personally appeared Elizabeth Collodi
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)



**ZURICH AMERICAN INSURANCE COMPANY
COLONIAL AMERICAN CASUALTY AND SURETY COMPANY
FIDELITY AND DEPOSIT COMPANY OF MARYLAND
POWER OF ATTORNEY**

KNOW ALL MEN BY THESE PRESENTS: That the ZURICH AMERICAN INSURANCE COMPANY, a corporation of the State of New York, the COLONIAL AMERICAN CASUALTY AND SURETY COMPANY, a corporation of the State of Illinois, and the FIDELITY AND DEPOSIT COMPANY OF MARYLAND a corporation of the State of Illinois (herein collectively called the "Companies"), by Robert D. Murray, Vice President, in pursuance of authority granted by Article V, Section 8, of the By-Laws of said Companies, which are set forth on the reverse side hereof and are hereby certified to be in full force and effect on the date hereof, do hereby nominate, constitute, and appoint **John Hopkins, Sara Walliser, Renee Ramsey, Jessica Monlux, Elizabeth Collodi, John J. Weber, Deanna Quintero, Joseph H. Weber, Matthew Foster, Samantha Watkins, Steven L. Williams, Phil Watkins, Jennifer Lakmann, Brad Espinosa, Paula Senna, Pam Sey, Claudine Gordon, Kristie Phillips, Michael K. Feeney, Breanna Boatright, Kathleen Le, Sharon Smith, Cassandra Medina, all of Chico, California** EACH its true and lawful agent and Attorney-in-Fact, to make, execute, seal and deliver, for, and on its behalf as surety, and as its act and deed: **any and all bonds and undertakings**, and the execution of such bonds or undertakings in pursuance of these presents, shall be as binding upon said Companies, as fully and amply, to all intents and purposes, as if they had been duly executed and acknowledged by the regularly elected officers of the ZURICH AMERICAN INSURANCE COMPANY at its office in New York, New York., the regularly elected officers of the COLONIAL AMERICAN CASUALTY AND SURETY COMPANY at its office in Owings Mills, Maryland., and the regularly elected officers of the FIDELITY AND DEPOSIT COMPANY OF MARYLAND at its office in Owings Mills, Maryland., in their own proper persons.

The said Vice President does hereby certify that the extract set forth on the reverse side hereof is a true copy of Article V, Section 8, of the By-Laws of said Companies, and is now in force.

IN WITNESS WHEREOF, the said Vice-President has hereunto subscribed his/her names and affixed the Corporate Seals of the said ZURICH AMERICAN INSURANCE COMPANY, COLONIAL AMERICAN CASUALTY AND SURETY COMPANY, and FIDELITY AND DEPOSIT COMPANY OF MARYLAND, this 14th day of December, A.D. 2023.



ATTEST:
ZURICH AMERICAN INSURANCE COMPANY
COLONIAL AMERICAN CASUALTY AND SURETY COMPANY
FIDELITY AND DEPOSIT COMPANY OF MARYLAND

By: *Robert D. Murray*
Vice President

By: *Dawn E. Brown*
Secretary

**State of Maryland
County of Baltimore**

On this 15th day of December A.D. 2023, before the subscriber, a Notary Public of the State of Maryland, duly commissioned and qualified, **Robert D. Murray, Vice President and Dawn E. Brown, Secretary** of the Companies, to me personally known to be the individuals and officers described in and who executed the preceding instrument, and acknowledged the execution of same, and being by me duly sworn, depose and saith, that he/she is the said officer of the Company aforesaid, and that the seals affixed to the preceding instrument are the Corporate Seals of said Companies, and that the said Corporate Seals and the signature as such officer were duly affixed and subscribed to the said instrument by the authority and direction of the said Corporations.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my Official Seal the day and year first above written.

Genevieve M. Maison

GENEVIEVE M. MAISON
NOTARY PUBLIC
BALTIMORE COUNTY, MD
My Commission Expires JANUARY 27, 2025



Authenticity of this bond can be confirmed at bondvalidator.zurichna.com or 410-559-8790

EXTRACT FROM BY-LAWS OF THE COMPANIES

"Article V, Section 8, Attorneys-in-Fact. The Chief Executive Officer, the President, or any Executive Vice President or Vice President may, by written instrument under the attested corporate seal, appoint attorneys-in-fact with authority to execute bonds, policies, recognizances, stipulations, undertakings, or other like instruments on behalf of the Company, and may authorize any officer or any such attorney-in-fact to affix the corporate seal thereto; and may with or without cause modify or revoke any such appointment or authority at any time."

CERTIFICATE

I, the undersigned, Vice President of the ZURICH AMERICAN INSURANCE COMPANY, the COLONIAL AMERICAN CASUALTY AND SURETY COMPANY, and the FIDELITY AND DEPOSIT COMPANY OF MARYLAND, do hereby certify that the foregoing Power of Attorney is still in full force and effect on the date of this certificate; and I do further certify that Article V, Section 8, of the By-Laws of the Companies is still in force.

This Power of Attorney and Certificate may be signed by facsimile under and by authority of the following resolution of the Board of Directors of the ZURICH AMERICAN INSURANCE COMPANY at a meeting duly called and held on the 15th day of December 1998.

RESOLVED: "That the signature of the President or a Vice President and the attesting signature of a Secretary or an Assistant Secretary and the Seal of the Company may be affixed by facsimile on any Power of Attorney...Any such Power or any certificate thereof bearing such facsimile signature and seal shall be valid and binding on the Company."

This Power of Attorney and Certificate may be signed by facsimile under and by authority of the following resolution of the Board of Directors of the COLONIAL AMERICAN CASUALTY AND SURETY COMPANY at a meeting duly called and held on the 5th day of May, 1994, and the following resolution of the Board of Directors of the FIDELITY AND DEPOSIT COMPANY OF MARYLAND at a meeting duly called and held on the 10th day of May, 1990.

RESOLVED: "That the facsimile or mechanically reproduced seal of the company and facsimile or mechanically reproduced signature of any Vice-President, Secretary, or Assistant Secretary of the Company, whether made heretofore or hereafter, wherever appearing upon a certified copy of any power of attorney issued by the Company, shall be valid and binding upon the Company with the same force and effect as though manually affixed.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed the corporate seals of the said Companies, this 13th day of January, 2025.



MJ Pethick

By: Mary Jean Pethick
Vice President

TO REPORT A CLAIM WITH REGARD TO A SURETY BOND, PLEASE SUBMIT A COMPLETE DESCRIPTION OF THE CLAIM INCLUDING THE PRINCIPAL ON THE BOND, THE BOND NUMBER, AND YOUR CONTACT INFORMATION TO:

Zurich Surety Claims
1299 Zurich Way
Schaumburg, IL 60196-1056
reportsfclaims@zurichna.com
800-626-4577

Authenticity of this bond can be confirmed at bondvalidator.zurichna.com or 410-559-8790

CALIFORNIA ALL- PURPOSE CERTIFICATE OF 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 January 13, 2025 before me, Deborah Monson, Notary Public,
(Here insert name and title of the officer)

personally appeared Adrian Martin,
who proved to me on the basis of satisfactory evidence to be the person(s) whose
name(s) (S) 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.



DMonson
Notary Public Signature

(Notary Public Seal)

ADDITIONAL OPTIONAL INFORMATION

DESCRIPTION OF THE ATTACHED DOCUMENT

BIDDER'S BOND

(Title or description of attached document)

(Title or description of attached document continued)

Number of Pages Document Date

CAPACITY CLAIMED BY THE SIGNER

☐ Individual (s)

☒ Corporate Officer

VICE PRESIDENT

(Title)

☐ Partner(s)

☐ Attorney-in-Fact

☐ Trustee(s)

☐ Other

INSTRUCTIONS FOR COMPLETING THIS FORM

This form complies with current California statutes regarding notary wording and, if needed, should be completed and attached to the document. Acknowledgments from other states may be completed for documents being sent to that state so long as the wording does not require the California notary to violate California notary law.

- State and County information must be the State and County where the document signer(s) personally appeared before the notary public for acknowledgment.
- Date of notarization must be the date that the signer(s) personally appeared which must also be the same date the acknowledgment is completed.
- The notary public must print his or her name as it appears within his or her commission followed by a comma and then your title (notary public).
- Print the name(s) of document signer(s) who personally appear at the time of notarization.
- Indicate the correct singular or plural forms by crossing off incorrect forms (i.e. ~~he~~/she/~~they~~, is /are) or circling the correct forms. Failure to correctly indicate this information may lead to rejection of document recording.
- The notary seal impression must be clear and photographically reproducible. Impression must not cover text or lines. If seal impression smudges, re-seal if a sufficient area permits, otherwise complete a different acknowledgment form.
- Signature of the notary public must match the signature on file with the office of the county clerk.
 - ❖ Additional information is not required but could help to ensure this acknowledgment is not misused or attached to a different document.
 - ❖ Indicate title or type of attached document, number of pages and date.
 - ❖ Indicate the capacity claimed by the signer. If the claimed capacity is a corporate officer, indicate the title (i.e. CEO, CFO, Secretary).
- Securely attach this document to the signed document with a staple.

California Environmental Protection Agency
Air Resources Board

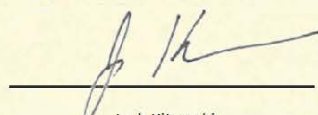
January 1, 2024

**CERTIFICATE OF REPORTED COMPLIANCE
OFF-ROAD DIESEL VEHICLE REGULATION**

is issued to

MARTIN GENERAL ENGINEERING, INC.

This certificate indicates that the fleet listed above has reported off-road diesel vehicles to the California Air Resources Board and has certified they are in compliance with title 13 CCR, section 2449. All applicable vehicles owned by the individual, company, or agency must be reported and labeled, as specified in Section 2449, with all possible completeness, else this certificate is null and void. **Certificate expires 2/28/2025**


Jack Kitowski
Chief, Mobile Source Control Division
California Air Resources Board

Off-road Diesel Fleet Identification

3598

To verify the authenticity of this certificate, enter this number at
http://www.arb.ca.gov/doors/compliance_cert1.html



Martin General Engineering, Inc.
 12485 Quicksilver Drive
 Rancho Cordova, CA 95742
 916-355-8101 Phone
 916-355-8108 Fax

Completed Projects 2022 - 2024

Project Name: **Dry Creek Outdoor Learning Shade Structure Project**
 Location: 1230 G St. Rio Linda, CA
 Prime: Martin General Engineering, Inc.
 Prime Contact: Adrian Martin (916) 355-8101 amartin@martingeneral.net
 Owner: Twin Rivers Unified School District
 Owner Contact: Perry Herrera perry.herrera@twinriversusd.org
 Type of Work: Paving, install metal shade structure
 Contract Amount: \$190,723.33
 Percentage complete: 100%
 Percentage of sub work: 0%
 Completion date: January 2022

Project Name: **Allison Elementary School Fencing Project**
 Location: 4315 Don Julio Blvd., High Lands, CA
 Prime: Martin General Engineering, Inc.
 Prime Contact: Adrian Martin (916) 355-8101 amartin@martingeneral.net
 Owner: Twin Rivers Unified School District
 Owner Contact: Perry Herrera perry.herrera@twinriversusd.org
 Type of Work: Concrete, Fencing
 Contract Amount: \$318,574.07
 Percentage Complete: 100%
 Percentage of sub work: 0%
 Completion date: June 2022

Project Name: **Kemma High School Fencing Project**
 Location: 1281 North Ave., Sacramento, CA
 Prime: Martin General Engineering, Inc.
 Prime Contact: Adrian Martin (916) 355-8101 amartin@martingeneral.net
 Owner: Twin Rivers Unified School District
 Owner Contact: Perry Herrera perry.herrera@twinriversusd.org
 Type of Work: Concrete, Fencing
 Contract Amount: \$210,083.15
 Percentage Complete: 100%
 Percentage of sub work: 0%
 Completion date: June 2022

ITEM 13.3.**ATTACHMENT 2**

Project Name: **Barrett Middle School (New)**
Location: 4243 Barrett Rd., Carmichael, CA
Prime: Martin General Engineering, Inc.
Prime Contact: Adrian Martin (916) 355-8101 amartin@martingeneral.net
Owner: San Juan Unified School District
Owner Contact: Victor Rodriguez (916) 663-1953
Type of Work: Fencing
Contract Amount: \$303,286.87
Percentage complete: 100%
Percentage of sub work: 0%
Completion date: July 2022

Project Name: **Power Inn Road Improvement Project**
Location: Power Inn Rd. From Loucreta Dr. to 52nd Ave., Sacramento, CA
Prime: Martin General Engineering, Inc.
Prime Contact: Adrian Martin (916) 355-8101 amartin@martingeneral.net
Owner: County of Sacramento
Owner Contact: Erik Dahl (916) 203-2488
Type of Work: Excavation, concrete, fencing, striping
Contract Amount: \$3,348,747.02
Percentage complete: 100%
Percentage of sub work: 20%
Completion date: December 2022

Project Name: **Power Inn Road Bicycle & Pedestrian Improvement Project**
Location: Power Inn Rd. – Else Ave. to McFadden Dr., Sacramento, CA
Prime: Martin General Engineering, Inc.
Prime Contact: Adrian Martin (916) 355-8101 amartin@martingeneral.net
Owner: County of Sacramento
Owner Contact: Kyle Cameron (510) 331-3996
Type of Work: Excavation, concrete, fencing, striping
Contract Amount: \$3,067,545.41
Percentage complete: 100%
Percentage of sub work: 20%
Completion date: May 2023

Project Name: **Multi-Site Fencing (CCAA K-6, Hagginwood ES, & Smythe P-6)**
Location: North Highlands & Sacramento, CA
Prime: Martin General Engineering, Inc.
Prime Contact: Adrian Martin (916) 355-8101 amartin@martingeneral.net
Owner: Twin Rivers Unified School District
Owner Contact: Perry Herrera perry.herrera@twinriversusd.org
Type of Work: Fencing
Contract Amount: \$498,500.00 / 332,300.00 / 457,800.00
Percentage complete: 100%
Percentage of sub work: 0%
Completion date: May 2023

ITEM 13.3.**ATTACHMENT 2**

Project Name: **Barrett Middle School (Mod)**
Location: 4243 Barrett Rd, Carmichael, CA
Prime: Martin General Engineering, Inc.
Prime Contact: Adrian Martin (916) 355-8101 amartin@martingeneral.net
Owner: San Juan Unified School District
Owner Contact: Victor Rodriguez (916) 663-1953
Type of Work: Fencing
Contract Amount: \$603,450.60
Percentage complete: 100%
Percentage of sub work: 0%
Completion date: August 2023

Project Name: **Davis Mobile Equipment Parking Lot**
Location: 5950 Chiles Rd., Davis, CA
Prime: Martin General Engineering, Inc.
Prime Contact: Adrian Martin (916) 355-8101 amartin@martingeneral.net
Owner: Dept. of Forestry & Fire Protection (CAL FIRE)
Owner Contact: Michael Alvarez (916) 206-1589 michael.alvarez@fire.ca.gov
Type of Work: Concrete, asphalt
Contract Amount: \$196,299.39
Percentage complete: 100%
Percentage of sub work: 0%
Completion date: October 2023

Project Name: **Kennedy High School Parking Lot**
Location: 6715 Gloria Dr., Sacramento, CA
Prime: Martin General Engineering, Inc.
Prime Contact: Adrian Martin (916) 355-8101 amartin@martingeneral.net
Owner: Sacramento City Unified School District
Owner Contact: Rami Wahhab (916) 787-4344
Type of Work: Excavation, concrete, fencing, striping
Contract Amount: \$4,434,000.00
Percentage complete: 100%
Percentage of sub work: 20%
Completion date: November 2023

Project Name: **Northwood School Access Improvements Project**
Location: El Camino Ave. to Evergreen St. to Clay St. to Fienza Ave & Taft St. Sacramento, CA
Prime: Martin General Engineering, Inc.
Prime Contact: Adrian Martin (916) 355-8101 amartin@martingeneral.net
Owner: City of Sacramento
Owner Contact: Zuhair Amawi (916) 808-7620 zamawi@cityofsacramento.org
Type of Work: Concrete, striping, electrical, underground
Contract Amount: \$4,602,479.00
Percentage complete: 100%
Percentage of sub work: 34%
Completion date: July 2024

ITEM 13.3.

Project Name: **Rio Linda High School Fencing Project**
 Location: 6309 Dry Creek Rd. Rio Linda, CA 95673
 Prime: Martin General Engineering, Inc.
 Prime Contact: Adrian Martin (916) 355-8101
 Owner: Twin Rivers Unified School District
 Owner Contact: Perry Herrera perry.herrera@twinriversusd.org
 Type of Work: Fencing & concrete
 Contract Amount: \$359,700.00
 Percentage complete: 100%
 Percentage of sub work: 0%
 Completion date: July 2024

Project Name: **Woodlake Elementary School Fencing Project**
 Location: 700 Southgate Rd, Sacramento, CA 95815
 Prime: Martin General Engineering, Inc.
 Prime Contact: Adrian Martin (916) 355-8101
 Owner: Twin Rivers Unified School District
 Owner Contact: Perry Herrera perry.herrera@twinriversusd.org
 Type of Work: Fencing & concrete
 Contract Amount: \$107,800.00
 Percentage complete: 100%
 Percentage of sub work: 0%
 Completion date: September 2024

Qty	Eq. #	Item	Purchase Description	Condition	Location
1	1-08	2003 Ford F250 Diesel P/U	2003 Ford F250 Diesel Pickup,1FTNX20F43EA66656	Good	12485 Quicksilver Dr. Rancho Cc
1	1-20	2004 GMC 3500 Utility Truc	2004 GMC 3500 1GDJC34224E385235	Good	12485 Quicksilver Dr. Rancho Cc
1	1-21	Chevrolet Silverado 2500	2014 Truck - Chev Silverado 2500 1GC1KXC85FF134581	Good	12485 Quicksilver Dr. Rancho Cc
1	1-22	Chevrolet Silverado 1500	2014 Truck Chev Silverado 1500 3GCUKREC6EG211287	Good	12485 Quicksilver Dr. Rancho Cc
1	1-23	GMC Sierra 1500 White	2015 Truck GMC Sierra 1500 - White	Good	12485 Quicksilver Dr. Rancho Cc
1	1-24	2011 Ford F350 Utility Tru	2011 Ford F350 Utility Truck	Good	12485 Quicksilver Dr. Rancho Cc
1	1-25	2008 Sterling Bullet	2008 Sterling Bullet	Good	12485 Quicksilver Dr. Rancho Cc
1	1-26	2017 Chevy Silverado 1500	2017 Chevy Silverado	Good	12485 Quicksilver Dr. Rancho Cc
1	1-28	2017 Ford S-DTY F-450	2017 Ford S-DTY F-450 Truck	Good	12485 Quicksilver Dr. Rancho Cc
1	1-29	2019 Ford S-Duty F-450	2019 Ford S-Duty F-450	Good	12485 Quicksilver Dr. Rancho Cc
1	1-30	2019 Ford F450	2019 Ford F450	Good	12485 Quicksilver Dr. Rancho Cc
1	1-37	2021 Chevy Silverado 1500	2021 Chevy Silverado 1500	Excellent	12485 Quicksilver Dr. Rancho Cc
1	1-39	2022 Chevrole Silverado 35	2022 Chevrolet Silverado 35	Excellent	12485 Quicksilver Dr. Rancho Cc
1	1-31	2019 Chevrolet Colorado	2019 Chevrolet Colorado	Good	12485 Quicksilver Dr. Rancho Cc
1	1-32	2019 Chevy Silverado 3/4 T	2019 Chevy Silverado 3/4 Ton	Good	12485 Quicksilver Dr. Rancho Cc
1	1-34	2020 Ford F-450	2020 Ford F450 S-Dty	Good	12485 Quicksilver Dr. Rancho Cc
1	1-35	2019 Ford F550/F5GT	2019 F550/F5GT	Good	12485 Quicksilver Dr. Rancho Cc
1	1-36	2020 Chevy 2500 HD	2020 Chevy 2500 HD	Good	12485 Quicksilver Dr. Rancho Cc
1	2-05	1979 19Ton Zieman Trailer	1979 19 Ton Zieman Trailer,ZP10188	Good	12485 Quicksilver Dr. Rancho Cc
1	2-06	1994 7Ton Zieman Trailer	1994 7 Ton Zieman Trailer,1ZCT22S23RZP17220	Good	12485 Quicksilver Dr. Rancho Cc
1	2-07	Ver-Mac Solar Arrow Board	Ver-Mac Solar Arrow Board 01-045990	Good	12485 Quicksilver Dr. Rancho Cc
1	2-12	2005 Magnum Water Buggy	2005 Magnum Water Buggy 5AJWS16195B000021	Good	12485 Quicksilver Dr. Rancho Cc
1	2-17	1998 Interstate 20DT Equip	1998 Interstate 20DT Equipment Trailer	Good	12485 Quicksilver Dr. Rancho Cc
1	2-20	Utility Trailer 10x6 T/A	2010 Carry-on 6x10 T/A Utility trailer	Good	12485 Quicksilver Dr. Rancho Cc
1	2-22	Vermac T. Message Board	Vermac T. Message Board S/N# 02-12102RS	Good	12485 Quicksilver Dr. Rancho Cc
1	2-23	Diamo Emulsion Tank	Diamo Emulsion Tank, S/N 217 Plate #SE485887	Good	12485 Quicksilver Dr. Rancho Cc
1	2-24	Atlas Copco Air Compressor	1998 Atlas Copco Air Compressor,298684	Good	12485 Quicksilver Dr. Rancho Cc
1	2-25	Wanco Solar Arrowboard	2001 Wanco Solar Arrowboard S/N 5F11S101211000718	Good	12485 Quicksilver Dr. Rancho Cc
1	2-26	Wanco Solar Arrowboard	2001 Wanco Solar Arrowboard S/N 5F11S101311000369	Good	12485 Quicksilver Dr. Rancho Cc
1	2-27	Wanco Solar Arrowboard	2001 Wanco Solar Arrowboard S/N 5F11S101011000359	Good	12485 Quicksilver Dr. Rancho Cc
1	2-28	Ingersoll-Rand P185	Ingersoll-Rand P185 185 CFM Air Compressor #OBL	Good	12485 Quicksilver Dr. Rancho Cc
1	2-30	MQ 500 Gal Water Trailer	500 Gal Water Trailer	Good	12485 Quicksilver Dr. Rancho Cc
1	2-35	02 Towmaster 16' Flatbed	2002 Towmaster 16' Flatbed Trailer	Good	12485 Quicksilver Dr. Rancho Cc
1	2-37	1998 Cimline 225MA	1998 225MA Portable Applicator	Good	12485 Quicksilver Dr. Rancho Cc
1	2-38	2006 Carriage Tilt Deck Tr	2006 Carriage Tilt Deck Trailer	Good	12485 Quicksilver Dr. Rancho Cc
1	2-39	Allmand Light Tower	Allmand Light Tower	Good	12485 Quicksilver Dr. Rancho Cc
1	2-40	Allmand Light Tower	Allmand Light Tower	Good	12485 Quicksilver Dr. Rancho Cc
1	2-41	P185 Air Compressor	2-41 P185 Air Compressor	Good	12485 Quicksilver Dr. Rancho Cc
1	2-42	2017 Vactron LP573SDT	2017 Vactron LP573SDT	Good	12485 Quicksilver Dr. Rancho Cc
1	2-43	525 Gal Water Buffalo QP2H	525 Gal Water Buffalo QP2H Pump	Excellent	12485 Quicksilver Dr. Rancho Cc
1	2-44	Message Board, Trailer	Message Board, Trailer, 96L3, 96x48, Full Matrix L	Good	12485 Quicksilver Dr. Rancho Cc
1	2-45	Message Board, Trailer	Message Board, Trailer, 96L3, 96x48, Full Matrix L	Good	12485 Quicksilver Dr. Rancho Cc

Qty	Eq. #	Item	Purchase Description	Condition	Location
1	2-46	2023 INAM 750 gal diesel t	2023 INAM 750 gal diesel tank T/A Trailer	Good	12485 Quicksilver Dr. Rancho Cc
1	3-04	1997 Cedar Rapids CR551	1997 Cedar Rapids CR551 Paver,46145	Good	12485 Quicksilver Dr. Rancho Cc
1	3-11	JD 862 Elevating Motor	JD 862 Elevating Motor Scraper,004068T	Good	12485 Quicksilver Dr. Rancho Cc
1	3-15	1997 Lincoln Windrow	1997 Lincoln Windrow Machine #392281	Good	12485 Quicksilver Dr. Rancho Cc
1	3-20	2001 Dynapac CA152PD Vib	2001 Dynapac CA152PD Vibratory Padfoot Compactor,	Good	12485 Quicksilver Dr. Rancho Cc
1	3-26	Volvo Mini- Excavator	2006 Volvo Compact Excavator Model #ECR58	Good	12485 Quicksilver Dr. Rancho Cc
1	3-27	Clark GCX20E Forklift Prop	Clark GCX20E 4000lb Propane Forklift	Good	12485 Quicksilver Dr. Rancho Cc
1	3-30	Clark Big Old Forklift	Big Old Clark Forklift	Good	12485 Quicksilver Dr. Rancho Cc
1	3-33	John Deere Backhoe 410J	2008 John Deere Backhoe LBF0467	Good	12485 Quicksilver Dr. Rancho Cc
1	3-34	Walk Behind Slipform Paver	MBW CG200 Walk Behind Slipform Paver	Good	12485 Quicksilver Dr. Rancho Cc
1	3-35	Terex TL310 Wheel Loader	2012 Terex TL310 Wheel Loader	Good	12485 Quicksilver Dr. Rancho Cc
1	3-36	Tanden Vibratory Roller	2010 Hamm HD+120 VVHF Tandem Vibratory Roller	Good	12485 Quicksilver Dr. Rancho Cc
1	3-37	Tandem Vibratory Roller	2015 Caterpillar CB14B Tandem Vibratory Roller	Good	12485 Quicksilver Dr. Rancho Cc
1	3-38	John Deere 550J Crawler	2008 John Deere 550J Crawler Tractor	Good	12485 Quicksilver Dr. Rancho Cc
1	3-39	Caterpillar 320EL Hy. Exca	2015 Caterpillar 320EL Hydraulic Excavator	Excellent	12485 Quicksilver Dr. Rancho Cc
1	3-40	John Deere 220DW	2008 John Deere 220DW Mobile Excavator	Good	12485 Quicksilver Dr. Rancho Cc
1	3-43	2011 CAT 140M2 VHP Grader	2011 CAT 140M2 VHP Plus Motor Grader	Good	12485 Quicksilver Dr. Rancho Cc
1	3-44	2003 CAT CP563E Vibratory	2003 CAT CP563E Vibratory Padfoot Compactor	Good	12485 Quicksilver Dr. Rancho Cc
1	3-45	Terex CR562 Crawler Paver	2008 Terex CR562 Crawler Asphalt Paver	Good	12485 Quicksilver Dr. Rancho Cc
1	3-47	MBW Slipform Paver Machine	MBW Slipform Paver Curb Machine	Good	12485 Quicksilver Dr. Rancho Cc
1	3-48	2007 CAT Skiploader 414E	2007 CAT Skiploader 414E	Good	12485 Quicksilver Dr. Rancho Cc
1	3-50	John Deere 210L Skiploader	John Deere 210L Skiploader #1T8210LXLGF893652	Good	12485 Quicksilver Dr. Rancho Cc
1	3-51	John Deere 332G Skid Steer	JD 332G Skid Steer	Good	12485 Quicksilver Dr. Rancho Cc
1	3-52	JD 210L Skiploader	JD 210L Skiploader 4.5L Turbo Diesel	Good	12485 Quicksilver Dr. Rancho Cc
1	3-53	Tandem Vibratory Roller	CC1200 Tandem Vibratory Roller	Good	12485 Quicksilver Dr. Rancho Cc
1	3-54	Laymor 6HC Sweeper	Laymor 6HC Sweeper	Good	12485 Quicksilver Dr. Rancho Cc
1	3-56	2016 CAT 420F2 Loader Back	2016 CAT 420F2 Loader Backhoe	Good	12485 Quicksilver Dr. Rancho Cc
1	3-57	2015 JD 310SL 4x4 Loader	2015 JD 310SL 4x4 Loader Backhoe	Good	12485 Quicksilver Dr. Rancho Cc
1	3-59	2018 JD 310L Backhoe Loade	2018 JD 310L Backhoe Loader	Good	12485 Quicksilver Dr. Rancho Cc
1	3-60	2018 JD 320E Skid Steer	2018 JD 320E Skid Steer Loader	Good	12485 Quicksilver Dr. Rancho Cc
1	3-61	2016 Volvo DD25B Vibratory	2016 Volvo DD25B Tandem Vibratory Roller	Good	12485 Quicksilver Dr. Rancho Cc
1	3-62	2017 Laymor SM300 Sweeper	2017 Laymor SM300 Sweeper	Good	12485 Quicksilver Dr. Rancho Cc
1	3-63	2018 Dynapac Compactor	3-63 2018 Dynapac Compactor	Good	12485 Quicksilver Dr. Rancho Cc
1	3-64	2011 HAMM HD14 Roller	3-64 2011 HAMM HD14 Roller	Good	12485 Quicksilver Dr. Rancho Cc
1	3-65	John Deer 60G Comp Excavat	2021 John Deer 60G Comp Excavat	Good	12485 Quicksilver Dr. Rancho Cc
1	3-67	500 Gal Sealcoat Machine	500 Gal Sealcoat Machine Model X3-500	Good	12485 Quicksilver Dr. Rancho Cc
1	3-68	2017 Deere 710L Backhoe	2017 Deere 710L Backhoe	Excellent	12485 Quicksilver Dr. Rancho Cc
1	3-69	2019 John Deere 210L Tract	3-69 2019 John Deere 210L Tractor Loader	Good	12485 Quicksilver Dr. Rancho Cc
1	3-70	2021 HAMM HDDD12VV Tanddr	2021 HAMM HDDD12VV Tanddem Roller (8 x 4.5 x 7.8 x	Good	12485 Quicksilver Dr. Rancho Cc
1	3-71	2018 Cat AP655F Track Asph	2018 Cat AP655F Track Asphalt Paver	Good	12485 Quicksilver Dr. Rancho Cc
1	3-72	2019 Takeuchi TB2150 Hydra	2019 Takeuchi TB2150 Hydraulic Excavator	Good	12485 Quicksilver Dr. Rancho Cc
1	4-01	1999 Holland Wacker Vibra	1999 Holland Wacker Vibra Plate, 5038343	Good	12485 Quicksilver Dr. Rancho Cc

Qty	Eq. #	Item	Purchase Description	Condition	Location
1	4-02	Billy Goat Blower	Billy Goat Blower	Good	12485 Quicksilver Dr. Rancho Cc
1	4-07	Jack Hammer	Jack Hammer	Good	12485 Quicksilver Dr. Rancho Cc
1	4-09	Pump	Pump	Good	12485 Quicksilver Dr. Rancho Cc
1	4-21	System 5 for Blade	System 5 for Blade	Good	12485 Quicksilver Dr. Rancho Cc
1	4-25	ACP Electric Shop Air Comp	ACP Electric Shop Air Compressor #3017	Good	12485 Quicksilver Dr. Rancho Cc
1	4-26	MQ Vibraplate	Multiquip Vibraplate S/N P-5242	Good	12485 Quicksilver Dr. Rancho Cc
1	4-27	14" Cut Off Saw K750	14" Husqvarna Cut off Saw K750	Good	12485 Quicksilver Dr. Rancho Cc
1	4-28	Jack Hammer	Sullair Jack Hammer MPB-90A	Good	12485 Quicksilver Dr. Rancho Cc
1	4-30	MQ Concrete Vibrator #PMA2	MQ Concrete Vibrator #PMA2	Good	12485 Quicksilver Dr. Rancho Cc
1	4-34	Roto Hammer	Bosch Roto Hammer #0611-241739	Good	12485 Quicksilver Dr. Rancho Cc
1	4-37	MQ 14" Gas Cut Off Saw	MQ 4" Gas Cut Off Saw #K700	Good	12485 Quicksilver Dr. Rancho Cc
1	4-38	MQ Concrete Vibrator	MQ Concrete Vibrator #CV2	Good	12485 Quicksilver Dr. Rancho Cc
1	4-39	MQ Plate Compactor	MQ Plate Compactor #MVC88VGHW	Good	12485 Quicksilver Dr. Rancho Cc
1	4-40	42" Vacuum plate & pump*	42" Vacuum plate & pump	Good	12485 Quicksilver Dr. Rancho Cc
1	4-42	Air Hammer & Spade	30lb Air Hammer & Spade	Good	12485 Quicksilver Dr. Rancho Cc
1	4-44	20" Walk Behind Saw	Husqvarna FS520 20" Walk Behind Saw	Good	12485 Quicksilver Dr. Rancho Cc
1	4-46	14" K760 Cut-off Saw	14" K760 Cut-off Saw	Good	12485 Quicksilver Dr. Rancho Cc
1	4-48	MQ Rammer	MQ Rammer LG #MTX70	Good	12485 Quicksilver Dr. Rancho Cc
1	4-50	Magnum X5 X7 ProX7 ProX9	Magnum Paint Gun	Good	12485 Quicksilver Dr. Rancho Cc
1	4-51	Soil Pipe Cutters	Soil Pipe Cutters	Good	12485 Quicksilver Dr. Rancho Cc
1	4-53	CPM 8 Striping Machine	CPM-8 Striping Machine	Good	12485 Quicksilver Dr. Rancho Cc
1	4-54	Mikasa Jumping Jack MTX70	Mikasa Jumping Jack MTX70	Good	12485 Quicksilver Dr. Rancho Cc
1	4-56	Rhino Air Powered Stake	Rhino Air Powered Stake Pounder	Good	12485 Quicksilver Dr. Rancho Cc
1	4-58	MQ Rammer 4cycle gas Honda	MQ Rammer 4cycle gas Honda	Good	12485 Quicksilver Dr. Rancho Cc
1	4-59	Multi Plate Compactor	Multi Plate Compactor MVC88VGHW	Good	12485 Quicksilver Dr. Rancho Cc
1	4-60	Stihl TS 420 Saw	4-60 Stihl TS 420 Saw	Good	12485 Quicksilver Dr. Rancho Cc
1	4-64	Apollo Marking Machine	Apollo System Pavement Marking Machine	Good	12485 Quicksilver Dr. Rancho Cc
1	4-65	Apollo Striper Machine	Apollo System Pavement Marking Machine	Good	12485 Quicksilver Dr. Rancho Cc
1	4-66	Midland Shoulder Machine	Midland Shoulder Machine	Good	12485 Quicksilver Dr. Rancho Cc
1	4-67	30" Walnroy XLS Bucket	30" Walnroy XLS Bucket	Good	12485 Quicksilver Dr. Rancho Cc
1	4-68	DeWalt Portable Vacuum	Dewalt Cordless 18v 1/2 Gal Portable Vacuum	Good	12485 Quicksilver Dr. Rancho Cc
1	4-72	J B Hendrix Q/C Plate Brac	J B Hendrix Q/C Plate Bracket	Good	12485 Quicksilver Dr. Rancho Cc
1	4-74	2011 Sealrite Sealer	2011 Sealrite Sealer	Good	12485 Quicksilver Dr. Rancho Cc
1	4-75	Infrared Asphalt Recycler	Infrared Asphalt Recycler Model #2-18 #030593	Good	12485 Quicksilver Dr. Rancho Cc
1	4-76	Sperian MultiPro 4 Gas Det	Sperian MultiPro 4 Gas detector Docking Station	Good	12485 Quicksilver Dr. Rancho Cc
1	4-77	Miller 7' Manhole Tripod	Miller MightEvac 7' Manhole Tripod	Good	12485 Quicksilver Dr. Rancho Cc
1	4-78	Kobalt Brushless Driver	Kobalt Brushless Impact Driver 1/4&1/2 inch	Good	12485 Quicksilver Dr. Rancho Cc
1	4-79	Air Compressor 160H	Air Compressor 160H Sullair	Good	12485 Quicksilver Dr. Rancho Cc
1	4-80	MQ Rammer MTX70	MQ Rammer MTX70	Good	12485 Quicksilver Dr. Rancho Cc
1	4-81	MQ Rammer MTX70	MQ Rammer MTX70	Good	12485 Quicksilver Dr. Rancho Cc
1	4-83	Stihl TS700 14"Gas Cutoff	Stihl TS700 14" Gas Cutoff Saw	Good	12485 Quicksilver Dr. Rancho Cc
1	4-85	ICS 695XL Diamond Saw	ICS 695XL Diamond Saw	Good	12485 Quicksilver Dr. Rancho Cc

Qty	Eq. #	Item	Purchase Description	Condition	Location
1	4-86	Wacker 14" Concrete Saw	Wacker 14" Concrete Saw	Good	12485 Quicksilver Dr. Rancho Cc
1	4-88	Ryobi Bench Saw	Ryobi Bench Saw	Good	12485 Quicksilver Dr. Rancho Cc
1	4-89	Makita Bench Saw	Makita Bench Saw	Good	12485 Quicksilver Dr. Rancho Cc
1	4-90	Honda EM 2500 Generator	Honda EM 2500 Generator	Good	12485 Quicksilver Dr. Rancho Cc
1	4-91	550PSI Hydro Test Pump	550PSI Hydro Test Pump	Good	12485 Quicksilver Dr. Rancho Cc
1	4-92	RDO Laser RL-SV25(RB)	Laser	Good	12485 Quicksilver Dr. Rancho Cc
1	4-93	RDO Laser RL-SV25(RB) w/at	Laser	Good	12485 Quicksilver Dr. Rancho Cc
1	4-94	Stihl Backpack Blower	Stihl BR700X Backpack Blower	Good	12485 Quicksilver Dr. Rancho Cc
1	4-95	Laser w/remote HL760	HL760 Grade w/remote Receiver/Rechge Kit	Good	12485 Quicksilver Dr. Rancho Cc
1	4-96	Stihl TS420 14" Gas Saw	Stihl TS420 14" Gas Cut-Off Saw	Good	12485 Quicksilver Dr. Rancho Cc
1	4-97	Stihl TS420 14"Cut-off Saw	Stihl TS420 14" Cut-off saw (#184773739)	Good	12485 Quicksilver Dr. Rancho Cc
1	4-98	Stihl TS420 14"Cut-off Saw	Stihl TS420 14" Cut-off saw (#184773752)	Good	12485 Quicksilver Dr. Rancho Cc
1	4-99	Champion Duel Fuel Generat	Champion Duel Fuel Generator S/N: 18MAR1901057	Good	12485 Quicksilver Dr. Rancho Cc
1	4-100	Mulquip Plate Compactor	Mulquip Plate Compactor MVC88	Good	12485 Quicksilver Dr. Rancho Cc
1	4-101	Mulquip Rammer	Mulquip Rammer with Honda	Good	12485 Quicksilver Dr. Rancho Cc
1	4-102	5.5HP Floor Saw Walk Behi	5.5HP Floor Saw Walk Behind	Good	12485 Quicksilver Dr. Rancho Cc
1	4-103	GP Rover Triple Frequency	GP Rover Triple Frequency System	Good	12485 Quicksilver Dr. Rancho Cc
1	4-104	McLaughlin G3	McLaughlin G3 Utility Pkg w/ coil clamp	Good	12485 Quicksilver Dr. Rancho Cc
1	4-105	Topcon 9142 Sonic Tracker	Topcon 9142 Sonic Tracker Ser. 103-19619	Good	12485 Quicksilver Dr. Rancho Cc
1	4-106	Mulquip MTX-70 Rammer	Mulquip MTX-70 Rammer with Honda GX100	Good	12485 Quicksilver Dr. Rancho Cc
1	4-107	Mulquip Plate Compactor	4-107 Mulquip Plate Compactor MVC88 with Tank	Good	12485 Quicksilver Dr. Rancho Cc
1	4-108	APT M190 90lb Hammer	4-108 American Pnematic Tools M190 90lb Hammer	Good	12485 Quicksilver Dr. Rancho Cc
1	4-109	DeWalt Impact Wrench	4-109 DeWalt Brushless High Torque Impact Wrench	Good	12485 Quicksilver Dr. Rancho Cc
1	4-110	APT Pneumatic Hammer	4-110 APT Pneumatic Breaker Hammer M160	Good	12485 Quicksilver Dr. Rancho Cc
1	4-111	98015441	SUA2300I - GE Generator	Good	12485 Quicksilver Dr. Rancho Cc
1	4-112	Generator SUA 2300I GR	Generator SUA 2300I GR	Good	12485 Quicksilver Dr. Rancho Cc
1	4-113	Ingersoll-Rand TC13 Trenc	Ingersoll-Rand TC-13 Trench Compactor	Good	12485 Quicksilver Dr. Rancho Cc
1	4-114	GT Robotic Total Station	GT Robotic Total Station FC-6000	Excellent	12485 Quicksilver Dr. Rancho Cc
1	4-115	Backfill Tamper	Backfill Tampers	Excellent	12485 Quicksilver Dr. Rancho Cc
1	5-06	2012 Freightliner Water tr	2012 Freightliner Water Truck	Good	12485 Quicksilver Dr. Rancho Cc
1	5-07	2017 Ford F750 Dump Truck	2017 Ford F750 Dump Truck	Good	12485 Quicksilver Dr. Rancho Cc
1	5-08	2011 Inter. Truck Tractor	2011 Inter. Truck Tractor	Good	12485 Quicksilver Dr. Rancho Cc
1	5-09	2019 Ford F750	2019 Ford F750	Good	12485 Quicksilver Dr. Rancho Cc
1	6-02	12" Wain Roy Backhoe Bucke	12" Wain Roy Backhoe Bucket	Good	12485 Quicksilver Dr. Rancho Cc
1	6-03	18" Wain Roy Backhoe Bucke	18" Wain Roy Backhoe Bucket	Good	12485 Quicksilver Dr. Rancho Cc
1	6-04	106" Side Dump Loader Buck	106" Side Dump Loader Bucket	Good	12485 Quicksilver Dr. Rancho Cc
1	6-05	16" Compaction Wheel	16" Compaction Wheel	Good	12485 Quicksilver Dr. Rancho Cc
1	6-06	18" Asphalt Planer CP400	18" Asphalt Planer CP400	Good	12485 Quicksilver Dr. Rancho Cc
1	6-07	20" Auger Attachment	20" Auger Attachment	Good	12485 Quicksilver Dr. Rancho Cc
1	6-08	36" Auger Attachment	36" Auger Attachment	Good	12485 Quicksilver Dr. Rancho Cc
1	6-09	36" Tag Excavator Bucket	36" Tag Excavator Bucket	Good	12485 Quicksilver Dr. Rancho Cc
1	6-10	42" Pin on Loader Backhoe	42" Pin on Loader Backhoe Forks	Good	12485 Quicksilver Dr. Rancho Cc

Qty	Eq. #	Item	Purchase Description	Condition	Location
1	6-11	36"Wain-Roy Loader Bucket	36" Wain-Roy Loader Backhoe Bucket	Good	12485 Quicksilver Dr. Rancho Cc
1	6-12	18" Wain-Roy Loader Bucket	18" Wain-Roy Loader Bucket	Good	12485 Quicksilver Dr. Rancho Cc
1	6-13	12" Wain-Roy Loader Bucket	12" Wain-Roy Loader Backhoe Bucket	Good	12485 Quicksilver Dr. Rancho Cc
1	6-14	24" CP Loader Bucket	24" CP Loader Backhoe Bucket	Good	12485 Quicksilver Dr. Rancho Cc
1	6-15	12" CP Loader Bucket	12" CP Loader Backhoe Bucket	Good	12485 Quicksilver Dr. Rancho Cc
1	6-16	42" Excavator Bucket	42" Excavator Bucket	Good	12485 Quicksilver Dr. Rancho Cc
1	6-17	30" Esco Excavator Bucket	30" Esco Excavator Bucket	Good	12485 Quicksilver Dr. Rancho Cc
1	6-18	24" Esco Excavator Bucket	24" Esco Excavator Bucket	Good	12485 Quicksilver Dr. Rancho Cc
1	6-19	16" Backhoe Bucket w/teeth	16" Backhoe Bucket w/ teeth	Good	12485 Quicksilver Dr. Rancho Cc
1	6-20	24" Excavator Compaction W	24" Excavator Compaction Wheel	Good	12485 Quicksilver Dr. Rancho Cc
1	6-21	PVC Pipe Tongs	PVC Pipe Tongs	Good	12485 Quicksilver Dr. Rancho Cc
1	6-22	Pipe Lifting Clamps	Pipe Lifting Clamps	Good	12485 Quicksilver Dr. Rancho Cc
1	6-23	42" Over the Bucket Forks	42" Over the Bucket Forks	Good	12485 Quicksilver Dr. Rancho Cc
1	6-24	36" Loader Backhoe Wheel	36" Loader Backhoe Compaction Wheel	Good	12485 Quicksilver Dr. Rancho Cc
1	6-25	58" Excavator Bucket	58" Excavator Bucket	Good	12485 Quicksilver Dr. Rancho Cc
1	6-26	28" Excavator Bucket	28" Excavator Bucket	Good	12485 Quicksilver Dr. Rancho Cc
1	6-27	36" Excavator Bucket	Rockland EB40 36" Excavator Bucket	Good	12485 Quicksilver Dr. Rancho Cc
1	6-28	36" Excavator Bucket	Rockland EB40 36" Excavator Bucket	Good	12485 Quicksilver Dr. Rancho Cc
1	6-29	Vail Ripper	Vail Ripper for John Deere 550J	Good	12485 Quicksilver Dr. Rancho Cc
1	6-30	30" Walnroy XLS Bucket	30"" Walnroy XLS Bucket	Good	12485 Quicksilver Dr. Rancho Cc
1	6-31	72" Hydraulic Brush Cutter	72" Hydraulic Skid Steer Brush Cutter	Good	12485 Quicksilver Dr. Rancho Cc
1	6-32	Grinder Head Attachment	Grinder Head Attachment	Good	12485 Quicksilver Dr. Rancho Cc
1	6-33	PL3000 Pipe-Lift	PL3000 Pipe-Lift	Excellent	12485 Quicksilver Dr. Rancho Cc
1	6-34	Skid Steer Breaker	Skid Steer Breaker	Excellent	12485 Quicksilver Dr. Rancho Cc
1	6-35	KBKC 750 KABONC Hydraulic	KBKC 750 KABONC Hydraulic Hammer	Excellent	12485 Quicksilver Dr. Rancho Cc

California Environmental Protection Agency
Air Resources Board

January 1, 2024

**CERTIFICATE OF REPORTED COMPLIANCE
OFF-ROAD DIESEL VEHICLE REGULATION**

is issued to

DARREN TAYLOR CONSTRUCTION

This certificate indicates that the fleet listed above has reported off-road diesel vehicles to the California Air Resources Board and has certified they are in compliance with title 13 CCR, section 2449. All applicable vehicles owned by the individual, company, or agency must be reported and labeled, as specified in Section 2449, with all possible completeness, else this certificate is null and void. **Certificate expires 2/28/2025**



Jack Kitowski
Chief, Mobile Source Control Division
California Air Resources Board

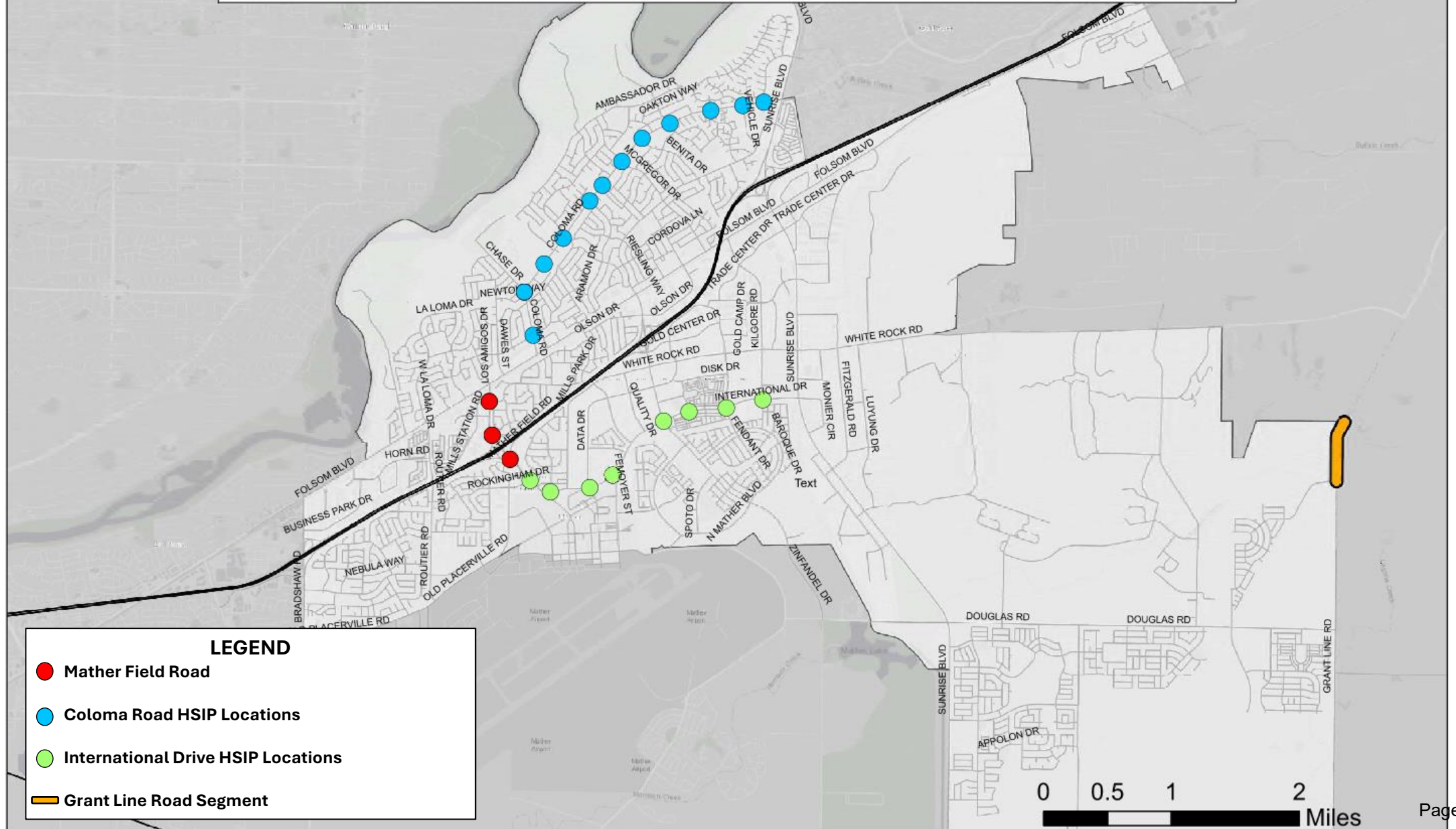
Off-road Diesel Fleet Identification

16910

To verify the authenticity of this certificate, enter this number at
http://www.arb.ca.gov/doors/compliance_cert1.html



Rancho Cordova HSIP Cycle 11 Project Locations





School Crossing Improvements Project Bid Summary

January 16, 2025, 2:00 pm, Open Gov

	Construction Contractor	BID TOTAL	Bid Schedule	Project Contact	Contractors License	DIR Registration	Equal Employment	Public Contract Code 10285.1, 10162, 10232 Statements	Designation of Subcontractors	Experience / Qualifications Questions 9-13	Bidder's Bond	Non-Collusion Affidavit	Debarment & Suspension	CARB Certificate of Reported Compliance	Addendum Acknowledgement	Submittal Confirmation
A	Martin General Engineering, Inc	\$337,775.50	X	X	X	X	X	X	X	X	X	X	X	X	X	X
B	B&M Civil LLC	\$406,795.00	X	X	X	X	X	X	X	X	X	X	X	X	X	X
C	Central Valley Engineering	\$454,379.50	X	X	X	X	X	X	X	X	X	X	X	X	X	X
D	Dutch Contracting	\$554,050.02	X	X	X	X	X	X	X	X	X	X	X	X	X	X
E	Globe Engineering Development	\$565,532.00	X	X	X	X	X	X	X	X	X	X	X	X	X	X
F	Zara Construction	\$606,650.00	X	X	X	X	X	X	X	X	X	X	X	X	X	X
G																
H																
I																

Attendees: Kevin Velazquez, Assistant Civil Engineer
 Kristine Courdy, Senior Civil Engineer
 Edgar Medina, Principal Civil Engineer


 Edgar Medina, Principal Civil Engineer

1/21/2025
 Date

MEMORANDUM



ITEM 13.4.

DATE: February 3, 2025
TO: Honorable Mayor and Council Members
FROM: Albert Stricker, Public Works Director
Jesse Yabes, Assistant Civil Engineer
SUBJECT: **A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE CONTRACT AMENDMENT NO. 2021-337-3 WITH R.E.Y. ENGINEERS, INC., INCREASING THE CONTRACT AMOUNT FROM \$945,026 TO AN AMOUNT NOT TO EXCEED \$1,155,362 FOR THE COUNTRYSIDE NEIGHBORHOOD STREET REHABILITATION PROJECT**

RECOMMENDATION

Adopt the Resolution.

RESULT OF RECOMMENDED ACTION

Adoption of the Resolution will authorize the City Manager to execute Contract Amendment No. 2021-337-3 with R.E.Y. Engineers, Inc, which will allow the City to finalize the design and deliver infrastructure improvements for Phase 2 the Countryside Neighborhood Street Rehabilitation Project.

BACKGROUND

The Countryside Neighborhood Street Rehabilitation Project (Project) is located in the neighborhood bordered by Routier Road, Folsom Boulevard, Mather Field Road, Rockingham Drive, and Old Placerville Road, Attachment 3. The Project will include an overlay of existing pavement to improve the road surfaces, sidewalk repairs and curb ramp upgrades to achieve compliance with the Americans with Disabilities Act, storm drain upgrades to improve flood protection and conveyance, and other incidental work as required.

On January 3, 2022, City Council approved Contract No. 2021-337 for R.E.Y. Engineers, Inc. (R.E.Y.) to provide on-call engineering and design services for the Countryside Neighborhood Street Rehabilitation Project in an amount not to exceed \$616,948.

On October 4, 2022, City Council approved Contract Amendment No. 2021-337-1 (Amendment 1) for R.E.Y. to provide additional engineering services including utility locating and survey monument investigation and field verification.

On September 18, 2023, City Council approved Contract Amendment No. 2021-337-2 (Amendment 2) for R.E.Y. to provide additional engineering services including traffic signal design, enhanced sidewalk design, drainage design, pavement investigation, survey monument

preservation and corner survey reports. At the time of Amendment 2, the project construction timeline was extended from 2023 to 2025 due to limited funding in the Capital Improvement Program.

In 2024, city staff transferred savings from recently completed projects to the Countryside Neighborhood Street Rehabilitation Project. These additional funds allowed city staff to separate the Project into two phases and advance Phase 1 into construction. On July 15, 2024, City Council approved Contract No. 2024-109 with Central Valley Engineering & Asphalt, Inc. to construct Phase 1 of the Project.

Additional funds are required for additional engineering services to deliver Phase 2. A second set of plans and specifications will need to be created to bid another construction project. City staff have also been advised by SMUD to perform additional utility verification. This work is required in order for SMUD to develop a utility relocation plan. Contract Amendment No. 2021-337-3 (Amendment 3) will add \$210,336 in funds to provide services for design, bidding support, construction engineering and utility coordination. Performing these proposed services will result in the complete design of infrastructure improvements and a thorough set of construction documents for Phase 2 of the Project.

City staff selected R.E.Y. as the project designer from a list of pre-qualified engineering consultants. City staff recommended award of the original contract with R.E.Y. based on their qualifications and experience designing similar projects. To maintain consistency of the project design and current project schedule, city staff recommend authorizing Amendment 3 with R.E.Y. Engineers, Inc.

It is anticipated that design for Phase 2 of the Project will be complete in 2025. Construction is anticipated to begin in the second half of 2025 and be complete in 2026.

FISCAL IMPACT AND FUNDING SOURCE

This Project is included in the Capital Improvement Plan Budget for Fiscal Years 2023/2024 and 2024/2025. The Project budget consists of funding from Infrastructure Replacement Fund, Gas Tax, Trench Cut Fees, Road Maintenance and Rehabilitation Account, New Measure A Maintenance Fund, Storm Drain Enterprise Fund and Local Partnership Formulaic Grant Program. There is no impact to the City's General Fund.

ATTACHMENT(S)

1. Resolution
2. Contract Amendment 2021-337-3
3. Project Location Map

CITY OF RANCHO CORDOVA

RESOLUTION NO. XX-2025

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA, STATE OF CALIFORNIA, AUTHORIZING THE CITY MANAGER TO EXECUTE CONTRACT AMENDMENT NO. 2021-337-3 WITH R.E.Y. ENGINEERS, INC., INCREASING THE CONTRACT AMOUNT FROM \$945,026 TO AN AMOUNT NOT TO EXCEED \$1,155,362 FOR THE COUNTRYSIDE STREET NEIGHBORHOOD STREET REHABILITATION PROJECT

WHEREAS, the Parties entered into a Professional Service Agreement No. 2021-337, on January 4, 2022, in an amount not to exceed \$616,948; and

WHEREAS, Amendment No. 1 was authorized on October 4, 2022, and increased the amount from \$616,948 to \$707,182; and

WHEREAS, Amendment No. 2 was authorized on September 18, 2023, to extend the contract term from June 24, 2024, to December 31, 2026, which increased the contract amount from \$707,182 to an amount not to exceed \$945,026; and

WHEREAS, Amendment No. 3 includes additional services for design, bidding support, construction engineering and utility coordination and verification to provide construction documents for Phase 2 of the Countryside Neighborhood Street Rehabilitation Project; and

WHEREAS, funding for Amendment No.3 consists of Infrastructure Replacement Funds, Gas Taxes, Trench Cut Fees, Road Maintenance and Rehabilitation Account Funds, New Measure A Maintenance Funds.

NOW, THEREFORE, BE IT HEREBY RESOLVED THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA does authorize the City Manager to execute Contract Amendment No. 2021-337-3 with R.E.Y. Engineers, Inc. and increase the contract amount from \$945,026 to an amount not to exceed \$1,155,362 in a form approved by the City Attorney.

PASSED AND ADOPTED by the City Council of the City of Rancho Cordova on the 3rd day of February 2025 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

Siri Pulipati, Mayor

Stacy Leitner, CMC
City Clerk

**THIRD AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT
BETWEEN THE CITY OF RANCHO CORDOVA AND
R.E.Y. ENGINEERS, INC.**

This Third Amendment to the Agreement for Professional Services ("Amendment") is made by and between the City of Rancho Cordova ("City") and R.E.Y. Engineers, Inc. ("Professional") as of February 3, 2025. City and Professional are hereinafter collectively referred to as the "Parties."

RECITALS

WHEREAS, the Parties entered into a Professional Services Agreement ("PSA") dated January 4, 2022 for the purpose of providing engineering and design services for the Countryside Neighborhood Street Rehabilitation Project (Project); and

WHEREAS, the Parties entered into the First Amendment to the PSA ("First Amendment") for the purpose of providing additional utility location and coordination, engineering services, and survey monument location for the Project and increased the contract compensation amount from \$616,948 to \$707,182; and

WHEREAS, the Parties entered into the Second Amendment to the PSA ("Second Amendment") for the purposes of performing traffic signal design ,enhanced sidewalk re-design, drainage design, pavement investigation, agency coordination, and additional survey monument preservation for the Project; and

WHEREAS, the Second Amendment updated the Contract Term from June 30, 2024, to December 31, 2026 which resulted in an increase to the compensation amount from \$707,182 to an amount not to exceed \$945, 026; and

WHEREAS, The City wishes to update the scope of work to add additional services and compensation for Phase 2 of Project

WHEREAS, this Third Amendment will include additional tasks outlined in Exhibit "E" for the Professional to complete the design and construction documents for Phase 2 of the Project, and provide bidding support and construction engineering; and

WHEREAS, this Third Amendment will result in an increase to the contract compensation amount from \$945,026 to an amount not to exceed \$1,155,362; and

WHEREAS, the Parties agree that changes to the term and services provided for in the PSA are necessary in order for the City to continue receiving services by Professional.

NOW, THEREFORE, the Parties hereto agree as follows:

AGREEMENT

1. Section 2 of the PSA Amendment 2, "Compensation," provides for the City to pay Professional a sum not to exceed Nine Hundred Forty-Five Thousand Twenty-Six Dollars and No Cents (\$945,026.00). The Parties agree to amend Section 2 of the PSA Amendment 2 in order to increase the compensation amount to pay Professional for additional services. The first sentence of Section 2 of the PSA is amended to read as follows:

"City hereby agrees to pay Professional a sum not to exceed One Million One Hundred Fifty-Five Thousand Three Hundred Sixty-Two Dollars and No Cents (1,155,362.00), notwithstanding any contrary indication that may be contained in Professional's proposal, for services to be performed and reimbursable costs incurred under this Agreement."

2. The attached Exhibit "E" is hereby added to the PSA which provides for additional services and compensation as specified therein.
3. All other terms and conditions in the PSA shall remain in full force and effect to the extent they are not in conflict with this Amendment.
4. The signatures of the Parties to this Amendment may be executed and acknowledged on separate pages or in counterparts which, when attached to this Amendment, shall constitute one complete Amendment.
5. **Contract Administration.** This Agreement shall be administered by Jesse Yabes ("Contract Administrator"). All correspondence shall be directed to or through the Contract Administrator or his or her designee.

Notices. Any written notice to Professional shall be sent to:

James Fisher, P.E., Principal

905 Sutter Street, Suite 200

Folsom, CA 95630

Email Address (for Insurance Update Requests):

jfisher@reyengineers.com

Any written notice to City shall be sent to:

Jesse Yabes, P.E.

2729 Prospect Park Drive

Rancho Cordova, CA 95670

jyabes@cityofranchocordova.org

IN WITNESS WHEREOF, the Parties have executed this Amendment on the day and year first above written.

CITY OF RANCHO CORDOVA

PROFESSIONAL

Micah Runner, City Manager

James Fisher, P.E., Principal

Date:_____

Date:_____

Attest:

Stacy Leitner, CMC, City Clerk

Date:_____

Approved as to Form:

Adam U. Lindgren, City Attorney

Date:_____

ITEM 13.4.

ATTACHMENT 2

Contract No. 2021-337-3



R.E.Y. ENGINEERS, INC.

CIVIL ENGINEERING | LAND SURVEYING | REMOTE SENSING

905 Sutter Street, Suite 200, Folsom, CA 95630
Phone: (916) 366-3040 | Fax: (916) 366-3303 | www.reyengineers.com

January 9, 2025

Jesse Yabes
City of Rancho Cordova
Public Works Department
2729 Prospect Park Drive
Rancho Cordova, CA 95670

sent via email: JYabes@cityofranchocordova.org

**Subject: Countryside Neighborhood Street Rehabilitation Project – Contract Amendment No. 3
Scope and Fee for Additional Final Design and Construction Services**

Dear Mr. Yabes,

Thank you for the opportunity to work with the City of Rancho Cordova (City) on the Countryside Neighborhood Street Rehabilitation Project (Project). Due to the availability of project funding, the City has elected to divide the construction of the Countryside Neighborhood Street Rehabilitation Project into two phases. Creating two construction phases duplicates efforts in creating project plans, specifications and estimates (PS&E), bidding, project coordination, and construction engineering services. This amendment request includes services corresponding to the division of the project as well as additional services requested for the betterment of the project.

Below is an overview of the proposed scope of work for Contract Amendment No. 3:

Task II.1 – Project Management - \$6,672

We are requesting a supplemental budget to perform project management tasks to facilitate the transition from one phase to two phases, as detailed below, including dividing the 90% PS&E submittal to create two standalone projects (Phase 1 and Phase 2) and performing the tasks needed to move each phase from design into construction. Additional Project Management tasks include, but are not limited to, phase planning, budget monitoring, schedule monitoring, internal oversight, subconsultant oversight, and coordination with City Staff.

Task II.5 – 90% PS&E - \$64,086

R.E.Y. will provide services to modify the existing plan set, project specifications, and engineer's estimate to include only the Phase 1 improvements. We will also create a new plan set, project specifications and engineer's estimate for the Phase 2 improvements.

Task II.6 – 90% PS&E Meeting - \$1,624

R.E.Y. will meet virtually with City staff to review the City's feedback on the 90% PS&E submittal for Phase 2 of the project.

Task II.7 – 100% PS&E/Bid Documents - \$30,342

R.E.Y. will revise the 90% PS&E submittal for Phase 2 based upon the City's comments and prepare the 100% PS&E submittal for Phase 2. We will prepare a comment resolution matrix with the feedback received on the 90% PS&E submittal which identifies comments addressed and responses for comments not addressed. After final approval, stamped and signed Bid Documents will be produced.

Task II.8 – Bid Support - \$4,128

R.E.Y. will assist with responding to bidder questions and providing clarifications during the bidding

process for Phase 2, as needed. We assume that the bid support will include assistance with up to four bidder questions and one bid addendum.

Task II.9 – Utility Coordination - \$65,660

R.E.Y. will continue utility coordination for this project by sending Utility ‘B’ Letters and associated exhibits for Phase 2, working with utility owners to determine who is liable for utility relocations, collaborating with utility owners on utility relocation plans, integrating relevant information in the project documents, and sending Utility ‘C’ Letters to utility owners. Recently, SMUD communicated that they will be requiring potholing to be completed as part of the project to verify conflicts with their facilities. As such, up to 20 utility potholes are included with this contract amendment request and surveying efforts to locate the potholes after completion.

Task II.12 – Pavement Preservation Memo - \$7,056

R.E.Y. assisted the City in creating a Pavement Preservation Memo to be used on this project and other City projects utilizing pavement preservation techniques such as slurry seals, microsurfacing, and cape seals. This additional work was included in Contract Amendment #2, however the actual effort exceeded our previously budgeted amount due to additional research, site visits, and document preparation. In an effort to partner with the City, R.E.Y. is only requesting compensation for one-half of our additional effort.

Task III.1 – Construction Documents - \$4,272

Once the Phase 2 bidding is complete and a contractor has been selected, R.E.Y. will prepare construction documents. All addendums will be merged into one complete set of conformed construction documents.

Task III.2 – Construction Engineering Support - \$21,200

R.E.Y. will provide as-needed engineering consultation during the construction of Phase 2 up to our available contract amount.

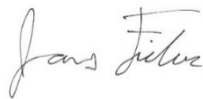
Task III.3 – As-Built/Record Drawings - \$5,296

R.E.Y. will prepare Record Drawings for Phase 2 of the project based on information supplied by the construction manager and contractor.

The above tasks sum to a total of \$210,336 which would increase our current contract amount from \$945,026 to \$1,155,362.

Thank you for your consideration of these additional project services. If you have any questions or comments, please don’t hesitate to contact me.

Sincerely,



Jim Fisher, PE, QSD/P

Attachments:

- Countryside Neighborhood Street Rehabilitation Project Contract Amendment 3 Fee Estimate
- Countryside Neighborhood Street Rehabilitation Project Fee Schedule (valid through 12/31/2026)



R.E.Y. ENGINEERS, INC.

Countryside Neighborhood
Street Rehabilitation Project
 City of Rancho Cordova

Contract Amendment 3 Fee Estimate

January 9, 2025

TASK DESCRIPTION	Labor Cost	ODC's	Total
Task II - Final Design			
1 Project Management	\$6,672		\$6,672
1.01 Project Management	\$6,672		\$6,672
5 90% PS&E	\$64,086		\$64,086
5.01 90% PS&E - Phase 1	\$28,388		\$28,388
5.02 90% PS&E - Phase 2	\$35,698		\$35,698
6 90% PS&E Meeting	\$1,624		\$1,624
6.01 90% PS&E Meeting - Phase 2	\$1,624		\$1,624
7 100% PS&E/Bid Documents	\$30,342		\$30,342
7.01 90% CRM - Phase 2	\$1,302		\$1,302
7.02 100% PS&E - Phase 2	\$19,472		\$19,472
7.03 Bid Documents - Phase 2	\$9,568		\$9,568
8 Bid Support	\$4,128		\$4,128
8.01 Bid Support - Phase 2	\$4,128		\$4,128
9 Utility Coordination	\$27,484	\$38,176	\$65,660
9.01 Utility Coordination - Phase 1	\$10,471		\$10,471
9.02 Utility Coordination - Phase 2	\$12,471		\$12,471
9.03 Potholing	\$4,542	\$38,176	\$42,718
12 Pavement Preservation Memo	\$7,056		\$7,056
12.01 Pavement Preservation Memo	\$7,056		\$7,056
SUBTOTAL	\$141,392	\$38,176	\$179,568
Task III - Construction			
1 Construction Documents	\$4,272		\$4,272
1.01 Construction Documents - Phase 2	\$4,272		\$4,272
2 Construction Engineering Support	\$21,200		\$21,200
2.01 Construction Engineering Support - Phase 2	\$21,200		\$21,200
3 As-Built/Record Drawings	\$5,296		\$5,296
3.01 As-Built/Record Drawings - Phase 2	\$5,296		\$5,296
SUBTOTAL	\$30,768		\$30,768
TOTAL DOLLARS	\$172,160	\$38,176	\$210,336

ITEM 13.4.



R.E.Y. ENGINEERS, INC.
CIVIL ENGINEERING | LAND SURVEYING | REMOTE SENSING
905 Sutter Street, Suite 200, Folsom, CA 95630
Phone: (916) 366-3047 | Fax: (916) 366-3303 | www.reyengineers.com

City of Rancho Cordova Countryside Neighborhood Street Rehabilitation Project

Fee Schedule

<u>Labor Classification</u>	<u>Rate*</u>
Technician I	\$104
Technician II	\$122
Technician III	\$141
Senior Technician I	\$154
Senior Technician II	\$174
Senior Technician III	\$196
LiDAR Technician I	\$167
LiDAR Technician II	\$189
LiDAR Technician III	\$210
Senior LiDAR Specialist I	\$221
Senior LiDAR Specialist II	\$247
Assistant I	\$128
Assistant II	\$140
Assistant III	\$153
Assistant IV	\$166
Assistant V	\$178
Associate I	\$163
Associate II	\$175
Associate III	\$188
Associate IV	\$200
Associate V	\$213
Senior I	\$220
Senior II	\$239
Senior III	\$259
Senior IV	\$278
Senior V	\$297
Principal I	\$305
Principal II	\$329
Expert Witness	\$464
1 Person Survey Crew	\$215
2 Person Survey Crew	\$356
3 Person Survey Crew	\$469
Project Administrator	\$64
Project Coordinator	\$139
<u>Expense Classification</u>	
Terrestrial LiDAR Equipment	\$164
Mobile LiDAR Equipment	\$600
UAV LiDAR Equipment (<i>per flight day</i>)	\$840
Bathymetric Survey Vessel (<i>per project day</i>)	\$1,074
Special Monuments, Iron Stakes, etc.	Cost
Filing Fees, Checking Fees, etc.	Cost
Outside Reproductions, Services, and Subconsultants	Cost + 10%
In-House Large Format Prints (B+W)	\$0.30/SF
In-House Large Format Prints (Color)	\$0.75/SF

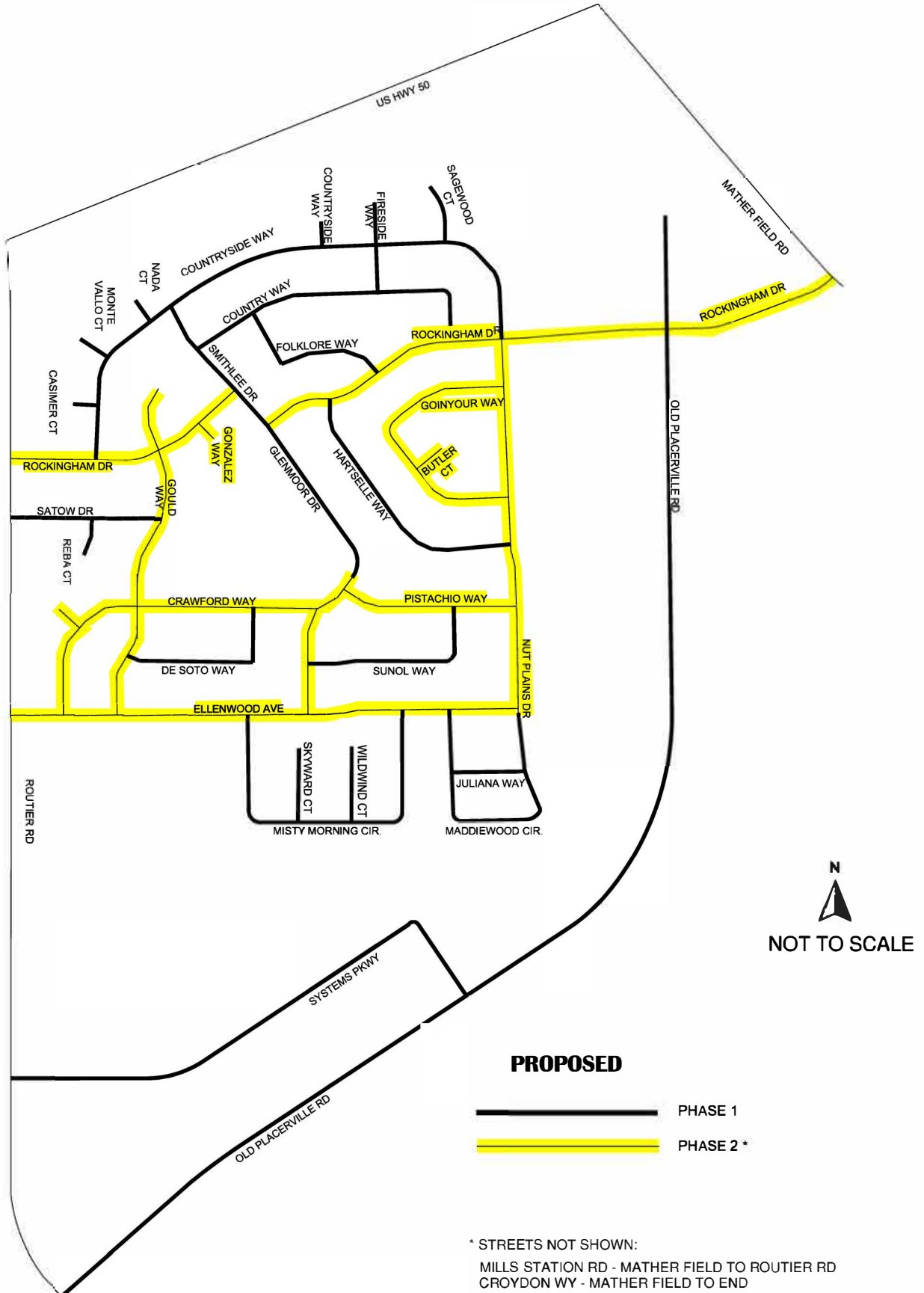
Legend

* Rates above are the hourly rate to be charged for each classification unless otherwise noted.

Notes

- Rates are valid through December 31st, 2026.
- Reimbursement for mileage is included in the rates above.
- Rate for overtime for field and non-exempt employees will be charged at 135% of rate listed above.
- Rate for double time for field and non-exempt employees will be charged at 170% of rate listed above.

COUNTRYSIDE NEIGHBORHOOD STREET REHABILITATION PHASE 2 PROJECT MAP



MEMORANDUM



ITEM 13.5.

DATE: February 3, 2025
TO: Honorable Mayor and Council Members
FROM: Michelle Mingay, Finance Manager
SUBJECT: **A RESOLUTION OF INTENTION TO ESTABLISH THE CITY OF RANCHO CORDOVA THE PRESERVE COMMUNITY FACILITIES DISTRICT NO. 2025-1, TO LEVY A SPECIAL TAX THEREIN, AND TO INCUR BONDED INDEBTEDNESS IN AND FOR THE DISTRICT TO FINANCE THE ACQUISITION AND CONSTRUCTION OF CERTAIN PUBLIC FACILITIES IN AND FOR SUCH DISTRICT**

RECOMMENDATION

Adopt the Resolutions.

RESULT OF RECOMMENDED ACTION

Adoption of these Resolutions begins the process of forming the City of Rancho Cordova The Preserve Community Facilities District No. 2025-1, with bonded indebtedness in the principal amount not to exceed twenty-three million eight-hundred thousand dollars (\$23,800,000) to pay for certain Public Facilities in and for such Community Facilities District, and sets 5:30 p.m. on March 17, 2025, as the time and date for a public hearing on the matter.

BACKGROUND

The property owner of The Preserve project has requested the City proceed with the formation of a Mello-Roos Community Facilities District ("CFD") to assist in the funding of public infrastructure and payment of certain fees within the project. The district is proposed to be called the City of Rancho Cordova The Preserve Community Facilities District No. 2025-1 (hereinafter referred to as "CFD No. 2025-1").

The Preserve project consists of 98 acres and is located north of Douglas Boulevard, east of Sunrise Boulevard, and north of the North Douglas subdivisions. The development anticipates a total of 439 single family homes. While the CFD will be formed over the full development project, the CFD will be phased in through the use of Improvement Areas. The first Improvement Area will include 259 single family homes with lots ranging in size from 45' x 90' to 55' x 105' in size. Through the subdivision map and entitlement process, the CFD properties will be required to construct all appropriate infrastructure, the CFD program simply provides a funding mechanism for a part of the total costs with the balance of the costs being funded by the developer.

City staff have reviewed the list of improvements and fees to be authorized by CFD No. 2025-1

to make certain they are appropriate for special tax bond funding. Keep in mind, however, that the underlying entitlement requirements and subdivision map processing are the governing documents for the scope and timing of improvements, the CFD simply provides a financing mechanism for the improvements.

The proposed special tax rates in Improvement Area 1 range between \$1,268 - \$2,053 per lot in the base year (Fiscal Year 2024-25) but may change in future annexation areas depending on market values at the time of annexation. These rates are consistent with current rates being levied on surrounding projects, including the Arist Del Sol CFD, which range between \$1,752 - \$3,264, the Preserve CFD, which range between \$2,122 - \$2,600, and the Ranch CFD, which range between \$1,397 - \$2,129, all of which are in 2021-22 dollars. The special tax will automatically increase annually, starting July 1, 2025, for the life of the CFD.

A Resolution of Intention to establish CFD No. 2025-1 is attached. The Resolution sets forth the City's intention to establish the CFD, designates the name of the district, identifies the facilities to be funded, calls for the preparation of a CFD Report and states the City's intention to levy a special tax to pay for these facilities. Attached to the Resolution of Intention is the proposed Rate and Method of Apportionment (RMA) of Special Tax for CFD No. 2025-1 (Exhibit A), which details how and when the special tax will be levied on properties within the district, a list of authorized facilities to be provided (Exhibit B), and a copy of the public hearing notice, in a form as required by the "Mello-Roos Community Facilities Act of 1982," being Chapter 2.5, Part 1, Division 2, Title 5 of the Government Code of the State of California, which requires publication in a newspaper of general circulation circulated within the Community Facilities District at least 7 days before the public hearing (Exhibit C). The Resolution also sets 5:30 p.m., or as soon thereafter as possible, on March 17th, as the time and date for a hearing on the matters set forth therein. Notice of the Public Hearing will be published in the Grapevine Independent at least seven days prior to the hearing date.

A Resolution Declaring the Intent to Incur Bonded Indebtedness is also attached. This Resolution declares there is a public convenience which requires bonded indebtedness and sets the not to exceed amount for the bonds at twenty-three million eight-hundred thousand dollars (\$23,800,000). The bonds are to be used to finance the acquisition and construction of, and the payment of fees for, the Facilities in and for the Community Facilities District.

This CFD is being formed with 100% property owner approval and the election by property owners is expected to generate a 100% favorable vote. It is anticipated the property owners will waive their rights to challenge the accelerated CFD formation process that is planned for this CFD.

FISCAL IMPACT AND FUNDING SOURCE

There is no Fiscal Impact to the City. Any Special tax Bonds to be issued on behalf of the CFD are secured solely by the Special Tax levies within the District and are not debt of the City's General Fund.

ATTACHMENT(S)

1. Resolution of Intention
2. Resolution of Intention to Issue Bonds
3. Boundary Map - The Preserve CFD No. 2025-1

CITY OF RANCHO CORDOVA

RESOLUTION NO. XX-2025

**A RESOLUTION OF INTENTION OF THE CITY COUNCIL OF THE
CITY OF RANCHO CORDOVA TO FORM
THE PRESERVE COMMUNITY FACILITIES DISTRICT NO. 2025-1,
DESIGNATE AN INITIAL IMPROVEMENT AREA THEREIN AND ESTABLISH A FUTURE
ANNEXATION AREA, AND LEVY SPECIAL TAXES THEREIN TO FINANCE THE
ACQUISITION AND CONSTRUCTION OF CERTAIN PUBLIC FACILITIES IN AND FOR
SUCH COMMUNITY FACILITIES DISTRICT**

WHEREAS, the City Council (the "City Council") of the City of Rancho Cordova (the "City") having received indications of interest on behalf of the owners of the area of land proposed to be included in a community facilities district, has duly considered the advisability and necessity of establishing a community facilities district in an area of the City described herein and levying a special tax therein to finance the acquisition and construction of certain public facilities in and for such community facilities district under and pursuant to the terms and provisions of the "Mello-Roos Community Facilities Act of 1982," being Chapter 2.5, Part 1, Division 2, Title 5 of the Government Code of the State of California (the "Act"); and

WHEREAS, the City Council desires to proceed with the establishment of a community facilities district in order to finance costs of public infrastructure necessary or incidental to new development in the City; and

WHEREAS, the Act provides that for purposes of financing of, or contributing to the financing of, all or a portion of public facilities to be financed by a community facilities district, the legislative body of the City may provide that a portion or portions of the district be established as one or more improvement areas and that after the designation of an improvement area, all proceedings for purposes of the Act will apply only to the improvement area for those specified facilities; and

WHEREAS, pursuant to Section 53339.3 of the Act, this Council further desires to provide for future annexation of territory to the proposed community facilities district; and

WHEREAS, the City Council has determined that the establishment of such community facilities district is substantially consistent with and follows the local goals and policies concerning the use of the Act that have been adopted by the City Council and are now in effect; and

WHEREAS, the City Council is fully advised in this matter;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA AS FOLLOWS:

1. It is the intention of the Council to establish a community facilities district, to designate Improvement Area No. 1, within the City of Rancho Cordova and identify and provide that certain territory within the City may be annexed thereto in the future upon the unanimous approval of the owner of each parcel or parcel to be annexed, which may include establishing additional improvement areas therein, all under the terms of the Act for the purpose of financing costs of public infrastructure necessary or incidental to new development in the City.

2. The name for the proposed community facilities district is the “City of Rancho Cordova The Preserve Community Facilities District No. 2025-1” (the “CFD”). Pursuant to Section 53350 of the Act, all of the territory to be initially included in the CFD (as shown on the map described in Section 3 hereof) is hereby designated as “Improvement Area No. 1 of City of Rancho Cordova The Preserve Community Facilities District No. 2025-1” (“Improvement Area No. 1”). The initial boundary of the CFD is coterminous with the boundary of Improvement Area No. 1.

The name proposed for the territory proposed to be annexed into the CFD in the future is City of Rancho Cordova The Preserve Community Facilities District No. 2025-1 (Future Annexation Area) (the “Future Annexation Area”).

3. The proposed boundaries of the CFD, Improvement Area No. 1 and the Future Annexation Area are as shown on the map on the Map of Proposed Boundary of a proposed community facilities district to be known as The Preserve Community Facilities District No. 2025-1, on file with the City Clerk, which the City Council approves as the map describing the extent of the territory included in the proposed community facilities district, Improvement Area No. 1 and the Future Annexation Area. The City Council finds that the map is in the form and contains the matters prescribed by Section 3110 of the California Streets and Highways Code. The City Council directs the City Clerk to certify the adoption of this resolution on the face of the map, and to file a copy of the map in the office of the City Clerk in accordance with Section 3111 of the California Streets and Highways Code and within 15 days of the date of adoption of this resolution but in no event later than 15 days prior to the public hearing provided for herein, transmit the map to the City Recorder for recording in the Book of Maps of Assessment and Community Facilities Districts in the office of the City Recorder of the City of Sacramento.

Parcels within the Future Annexation Area shall be annexed to the CFD only with the unanimous approval (each, a “Unanimous Approval”) of the owner or owners of each parcel or parcels at the time that parcel or those parcels are annexed and all or any portions of territory that annex into the CFD from the Future Annexation Area or otherwise may be annexed into Improvement Area No. 1 or into a separate Improvement Area then in existence or to be designated at the time of such annexation, all without any requirement for additional public hearings, resolutions of the City Council or other additional proceedings.

The Unanimous Approval shall specify annexation into Improvement Area No. 1 or into an Improvement Area then in existence or to be designated pursuant to a Unanimous Approval (a “Future Improvement Area”). In connection with establishing a Future Improvement Area, all proceedings for approval of an appropriations limit, the rate and method of apportionment and manner of collection of special taxes, and the authorization to incur bonded indebtedness may differ from Improvement Area No. 1 or any other Improvement Areas, all as set forth in the Unanimous Approval, and shall apply only to the parcel or parcels within such Improvement Area.

Likewise, all or any portions of territory that annex into the CFD from the Future Annexation Area or otherwise may be annexed into a separate zone of Improvement Area No. 1 or any Improvement Area then in existence or to be designated at the time of such annexation and no additional hearings or procedures are required and the rate and method of apportionment applicable to such zone may differ from other areas of the CFD as set forth in the Unanimous Approval and shall apply only to the parcel or parcels within such zone, all as provided in the Unanimous Approval.

4. Except to the extent that funds are otherwise available to the CFD to pay for the Facilities (as defined below), and/or the principal and interest as it becomes due on bonds issued by the City for the CFD to construct and/or acquire the Facilities, a special tax (the "Special Tax") sufficient to pay the costs thereof, secured by recordation of a continuing lien against all non-exempt real property in the CFD, will be levied annually within the CFD, and collected in the same manner as ordinary *ad valorem* property taxes, or in such other manner as the City Council or its designee shall determine, including direct billing of the affected property owners. The proposed rate and method of apportionment of the Special Tax among the parcels of real property within the CFD in sufficient detail to allow each landowner within the proposed CFD to estimate the maximum amount such owner will have to pay, are described in Exhibit B attached hereto and hereby incorporated herein.

Parcels within the Future Annexation Area shall be annexed to the CFD only with the unanimous approval (each, a "Unanimous Approval") of the owner or owners of each parcel or parcels at the time that parcel or those parcels are annexed, without any requirement for further public hearings or additional proceedings.

All or any portions of territory that annexes into the CFD from the Future Annexation Area or otherwise may be annexed into a separate improvement area (each, a "Future Improvement Area") then in existence or to be formed at the time of such annexation and no additional hearings or procedures are required. The designation of a parcel or parcels as a Future Improvement Area shall be specified and approved by the Unanimous Approval at the time that the parcel or parcels are annexed to the CFD. After the designation of a parcel or parcels as an improvement area, all proceedings for approval of an appropriations limit, the rate and method of apportionment and manner of collection of special taxes, and the authorization to incur bonded indebtedness may differ from other areas of the CFD, all as set forth in the Unanimous Approval, and shall apply only to the parcel or parcels within such improvement area.

The City Council hereby finds that the provisions of Section 53313.6, 53313.7 and 53313.9 of the Act (relating to adjustments to *ad valorem* property taxes and schools financed by a community facilities district) are inapplicable to the proposed CFD.

5. The type of public facilities, including development impact fees payable to the City for public facilities, proposed to be financed by the CFD, Improvement Area No. 1 and any Future Improvement Areas pursuant to the Act shall consist of those items listed as Facilities, and incidental costs related thereto (the "Facilities") on Exhibit A hereto and hereby incorporated herein. The financing of the costs of Facilities may include, without limitation, the payment of principal of and interest on bonds together with all direct, indirect periodic, and/or other related costs (including, without limitation, costs of administering the CFD, levying the Special Tax and administering the bonds, and establishing and replenishing reserve funds). The City Council hereby finds and determines that the public interest will not be served by allowing the property owners in the CFD to enter into a contract in accordance with Section 53329.5(a) of the Act. Notwithstanding the foregoing, the City Council, on behalf of the CFD, may enter into one or more contracts directly with any of the property owners with respect to the construction and/or acquisition of any portion of the Facilities.

6. It is the intention of the Council that, except as may otherwise be provided by law or by the rate and method of apportionment of the Special Tax for the CFD or any improvement area, all lands owned by any public entity, including the United States, the State of California

and the City, or any departments or political subdivisions thereof, shall be omitted from the levy of the Special Tax. In the event that a portion of the property within the CFD shall become for any reason exempt, wholly or in part, from the levy of the Special Tax, the City will, on behalf of the CFD, increase the levy to the extent necessary upon the remaining property within the CFD which is not exempt in order to yield the required debt service payments and other annual expenses of the CFD, if any, subject to the provisions of the rate and method of apportionment of the Special Tax. It is anticipated that the Special Tax will be billed as a separate line item on the regular property tax bill. However, the City Council reserves the right, under Section 53340, to utilize any method of collecting the Special Tax which it shall, from time to time, determine to be in the best interests of the City, including, but not limited to, direct billing by the City to the property owners and supplemental billing.

The proposed rate and method of apportionment of the Special Tax among the parcels of real property within a Future Improvement Area, in sufficient detail to allow each landowner within such Future Improvement Area to estimate the maximum amount such owner will have to pay, shall be set forth in the applicable Unanimous Approval. The Special Tax shall not be levied in a Future Improvement Area after the fiscal year identified in the rate and method for such Future Improvement Area, except that a special tax that was lawfully levied in or before the final tax year and that remains delinquent may be collected in subsequent years. Under no circumstances shall the special tax levied against any parcel in a Future Improvement Area for private residential purposes be increased as a consequence of delinquency or default by the owner of any other parcel or parcels within such Future Improvement Area by more than 10 percent.

For Future Improvement Areas, a different rate and method may be adopted than the Rate and Method adopted for Improvement Area No. 1 if the annexed territory is designated as a separate zone or improvement area. No supplements to the Rate and Method for any of the Future Improvement Areas and no new rate and method will cause the maximum tax rate in the then-existing territory of the CFD (including Improvement Area No. 1) to increase. The designation as an improvement area of any territory annexing to the CFD, the maximum amount of bonded indebtedness and other debt for such improvement area, the facilities to be financed, the rate and method of apportionment of special tax for such improvement area and the appropriations limit for such improvement area shall be identified and approved in the Unanimous Approval executed by the applicable property owner(s) in connection with each annexation to the CFD from the Future Annexation Area. The annexation and related matters described in the Unanimous Approval shall be implemented and completed without the need for Council approval as long as the following conditions are met:

- (i) The rate and method of apportionment of special tax for the new improvement area is prepared by a special tax consultant retained by the City.
- (ii) The rate and method of apportionment of special tax for the new improvement area substantially complies with the City's local goals and policies concerning the use of the Act.
- (iii) The rate and method of apportionment of special tax for the new improvement area includes a mechanism that protects against revenue loss as a result of land use changes.
- (iv) The Special Tax proposed to pay for the Facilities to be supplied within the territory annexed will be equal to the Special Taxes levied to pay for the same Facilities in previously-existing areas of the CFD and Improvement Area No. 1, except that (a) a higher Special Tax may be levied on territory annexing into the CFD to pay for the same Facilities to

compensate for the interest and principal previously paid from Special Taxes in the original area of the CFD and Improvement Area No. 1, less any depreciation allocable to the financed Facilities, and (b) a higher Special Tax may be levied on territory annexing into the CFD to pay for new or additional Facilities, with or without bond financing.

This Council hereby finds that the provisions of Section 53313.6, 53313.7 and 53313.9 of the Act (relating to adjustments to *ad valorem* property taxes and schools financed by a community facilities district) are inapplicable to the proposed CFD and Improvement Area No. 1.

7. The levy of the Improvement Area No. 1 Special Tax shall be subject to the approval of the qualified electors within Improvement Area No. 1 at a special election. The proposed voting procedure shall be by mailed or hand-delivered ballot among the landowners in Improvement Area No. 1, with each owner having one vote for each acre or portion of an acre such owner owns in Improvement Area No. 1 not exempt from the Improvement Area No. 1 Special Tax.

The Special Tax shall be levied in a Future Annexation Area only with the Unanimous Approval of the owner or owners of each parcel or parcels at the time that parcel or those parcels are annexed, without any requirement for further public hearings or additional proceedings. The designation as an improvement area of any territory annexing to the CFD, the maximum amount of bonded indebtedness and other debt for such improvement area, the facilities to be financed, the rate and method of apportionment of special tax for such improvement area and the appropriations limit for such improvement area shall be identified and approved in the Unanimous Approval executed by property owners in connection with their annexation to the CFD, without the need for any further public hearings or proceedings.

8. Pursuant to Section 53314.9 of the Act, at any time either before or after the formation of the CFD, the City may accept advances of funds or work in kind from any source, including, but not limited to, private persons or entities, and may provide, for the use of those funds or that work in kind for any authorized purpose, under all of the following conditions: (a) the proposal to repay the funds or the value or cost of the work in kind, whichever is less, is provided by resolution pursuant to Section 53325.1; (b) any proposed Special Taxes are approved by the qualified electors of the CFD pursuant to the Act; and (c) any work in kind accepted pursuant to Section 53314.9 of the Act is performed or constructed as if the work had been performed or constructed under the direction and supervision, or under the authority of a local public agency. This City Council finds that the City may accept advances of funds or work in kind if necessary, and may enter into an agreement (an "Acquisition Agreement"), with the person or entity advancing the work in-kind, to reimburse the person or entity for the value, or cost, whichever is less, of the work in-kind, as determined by the City Council, with or without interest, under the conditions specified in the Act and the Acquisition Agreement. The City and the developer of the project intend to enter into an Acquisition Agreement.

9. In order to finance the costs of the Facilities it is necessary to incur bonded indebtedness on behalf of the CFD and it is the intention of this Council, acting as the legislative body for the CFD, to cause bonds of the City to be issued for the CFD pursuant to the Act to finance in whole or in part the construction and/or acquisition of the Facilities.

10. The Administrative Services Director of the City, as the officer having charge and control of the Facilities, or the designee of such official, is hereby directed to cause and direct a study of said proposed CFD and the Facilities and to cause to be prepared for filing at the public

hearing the report required by Section 53321.5 of the Act (the “CFD Report”) presenting at least the following:

(a) A brief description of the Facilities by type which will be required to adequately meet the needs of the CFD.

(b) An estimate of the fair and reasonable cost of the Facilities including the cost of acquisition of lands, rights-of-way and easements, any physical facilities required in conjunction therewith and incidental expenses in connection therewith, including the costs of the proposed bond financing and all other related costs as provided in Section 53345.3 of the Act.

The CFD Report shall be made a part of the record of the public hearing specified below.

11. The City Council also intends to establish the annual appropriations limit of the CFD in the amount not to exceed the amount of bonds authorized for the CFD.

12. The City Council hereby sets Monday, March 17, 2025, at the hour of 5:30 P.M., at the regular meeting place of the City Council, City Council Chambers, Rancho Cordova City Hall, 2729 Prospect Park Drive, Rancho Cordova, California 95670, as the time and place when and where the City Council, as legislative body for the CFD, will conduct a public hearing on the establishment of the CFD, Improvement Area No. 1, the designation of Future Annexation Area, and consider and finally determine whether the public interest, convenience and necessity require the formation of the CFD, Improvement Area No. 1, and the Future Annexation Area, and the levy of the Special Tax. At the hearing, testimony concerning the CFD, the extent of the CFD or the furnishing of the particular types of public facilities will be heard and protests will be considered from registered voters residing within the CFD and persons owning real property within the CFD. Written protests by the owners of a majority of the land which would be subject to special taxation within the proposed CFD will require the suspension of proceedings for at least one year. Written protests must be filed with the City Clerk at or before the time fixed for the hearing. If such protests are directed only against certain elements of the proposed improvements or proposed special tax, and if such protests constitute a majority protest, only those elements shall be deleted from the proceedings.

13. The City Clerk is hereby directed to cause notice of the public hearing, in the form attached hereto as Exhibit C, to be given in the form required by the Act, which requires publication in a newspaper of general circulation circulated within the CFD, which such publication shall be made pursuant to Section 6061 of the Government Code of the State of California. The publication shall be completed at least 7 days before the date of the public hearing referenced above. The notice shall be substantially in the form specified in Section 53322 of the Act and attached hereto, with the form summarizing the provisions hereof hereby specifically approved.

14. Section 53314.9 of the Act provides that, either before or after formation of the CFD, the City may accept work in-kind from any source, including, but not limited to, private persons or private entities, may provide, by resolution, for the use of that work in-kind for any authorized purpose and the Council may enter into an agreement (an “Acquisition Agreement”), by resolution, with the person or entity advancing the work in-kind, to reimburse the person or entity for the value, or cost, whichever is less, of the work in-kind, as determined by the Council, with or without interest, under the conditions specified in the Act. Any work in-kind must be performed or constructed as if the work had been performed or constructed under the direction and supervision, or under the authority of, the City.

15. Section 53316.2 of the Act provides that a community facilities district may finance facilities to be owned or operated by a public agency other than the agency that created the district, or services to be provided by a public agency other than the agency that created the district, or any combination, only pursuant to a joint community facilities agreement or a joint exercise of powers agreement adopted pursuant to this section. The Administrative Services Director of the City and each other authorized officer of the City is hereby authorized and directed to enter into such joint community facilities agreements as are needed with respect to any entity other than the City that will own or operate any of the Facilities, as may be necessary to comply with the provisions of Section 53316.2 of the Act. The Council hereby declares that such joint agreements will be beneficial to owners of property in the area of the CFD.

16. 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).

17. This Resolution shall take effect from and after its adoption.

PASSED AND ADOPTED by the City Council of the City of Rancho Cordova this 3rd day of February 2025 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

Siri Pulipati, Mayor

Stacy Leitner, CMC
City Clerk

EXHIBIT A - CFD Facilities
EXHIBIT B - Rate and Method of Apportionment
EXHIBIT C – Notice of the Public Hearing

EXHIBIT A

**LIST OF AUTHORIZED FACILITIES
FOR THE COMMUNITY FACILITIES DISTRICT**

The Facilities and Services shown below are to be finance by the City of Rancho Cordova The Preserve Community Facilities District No. 2025-1 (the, "CFD").

Facilities

The Facilities which are proposed to be financed with the proceeds of the sales of bonds of the proposed CFD, or the payment of the fees to the appropriate jurisdiction with respect to such facilities proposed to be financed with the proceeds of the sale of bonds of the proposed CFD, are generally described as follows:

- Grantline Road & Raymer Way Traffic Signal

Impact, Development Agreement and Specific Plan Fees for Facilities

- City Transportation Impact Fee
- City Community Facilities Fee
- Sacramento County Regional Sanitation (Expansion) Fee
- Sacramento County Water Agency Zone 40 Fee

Other

- Any other facilities serving substantially the same purpose as the above described facilities.
- 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 District facilities that are primarily for the benefit of the District, or 2) repair or rehabilitate existing District facilities.

The foregoing description of the type of Facilities eligible to be financed is general in nature and includes any appurtenant work and incidental expenses related to the Facilities. The final nature and location of the facilities will be determined upon the preparation of final plans and specifications for such facilities.

Incidentals

The bond related expenses authorized include the City, underwriters discount, financial advisor, appraisals, reserve fund balance, capitalized interest, bond counsel, disclosure counsel, special tax consultant, bond and official statement printing and all other incidental expenses.

CFD formation costs and administrative fees include those of the City, the CFD, the bond trustee or fiscal agent, legal counsel, the special tax consultant and other costs related to the CFD or the Bonds.

EXHIBIT B

IMPROVEMENT AREA No. 1
CITY OF RANCHO CORDOVA
THE PRESERVE
COMMUNITY FACILITIES DISTRICT No. 2025-1

RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX

A Special Tax applicable to each Assessor's Parcel in Improvement Area No. 1 of the City of Rancho Cordova The Preserve Community Facilities District No. 2025-1 shall be levied and collected according to the tax liability determined by the City Council through the application of the appropriate amount or rate for Taxable Property, as described below. All of the property in Improvement Area No. 1, unless exempted by law or by the provisions of Section G below, shall be taxed for the purposes, to the extent, and in the manner herein provided, including property subsequently annexed to Improvement Area No. 1.

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 Map or other parcel map recorded at the County Recorder's Office.

"Act" means the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter 2.5, (commencing with Section 53311), Part 1, Division 2 of Title 5 of the Government Code of the State of California.

"Administrative Expenses" means any or all of the following: the fees and expenses of any fiscal agent or trustee (including any fees or expenses of its counsel) employed in connection with any Bonds, and the expenses of the City in carrying out its duties with respect to Improvement Area No. 1, the CFD and the Bonds, including, but not limited to, the levy and collection of Special Taxes, the fees and expenses of its counsel, charges levied by the County in connection with the levy and collection of Special Taxes, costs related to property owner inquiries regarding the Special Tax, costs associated with appeals or requests for interpretation associated with the Special Tax and this RMA, amounts needed to pay rebate to the federal government with respect to Bonds, costs associated with complying with continuing disclosure requirements for the City and any major property owners or other obligated parties, costs associated with foreclosure and collection of delinquent Special Taxes, and all other costs and expenses of the City and County in any way related to the establishment or administration of Improvement Area No. 1 and the CFD.

"Administrator" shall mean the person or firm designated by the City to administer the Special Tax according to this RMA.

"Assessor's Parcel" or "Parcel" means a lot or parcel shown on 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 Facilities” means the public facilities authorized to be financed, in whole or in part, by the CFD.

“Base Special Tax” means, for any Land Use Category, the applicable Special Tax initially identified in Table 1 in Section C, as may be adjusted pursuant to Sections D or H herein.

“Bonds” means bonds or other debt (as defined in the Act), whether in one or more series, secured by the Special Tax and issued or assumed by or for Improvement Area No. 1 to fund Authorized Facilities.

“Building Permit” means a permit that allows for vertical construction of a building or buildings, which shall not include a separate permit issued for construction of the foundation thereof.

“Capitalized Interest” means funds in any capitalized interest account available to pay debt service on Bonds.

“CFD” means the City of Rancho Cordova The Preserve Community Facilities District No. 2025-1.

“CFD Formation” means the date on which the Resolution of Formation to form the CFD and to designate Improvement Area No. 1 was adopted by the City Council.

“City” means the City of Rancho Cordova.

“City Council” means the City Council of the City of Rancho Cordova.

“County” means the County of Sacramento.

“Developed Property” means, in any Fiscal Year, all Parcels of Taxable Property that are not Taxable Owners Association Property, Taxable Public Property, or Taxable Welfare Exemption Property for which a Building Permit for new construction was issued prior to June 1 of the preceding Fiscal Year.

“Development Class” means, individually, Developed Property, Final Map Property, Undeveloped Property, Taxable Owners Association Property, Taxable Public Property, and Taxable Welfare Exemption Property.

“Expected Land Uses” means the number of Residential Units and the Acreage of Other Property expected within Improvement Area No. 1 at CFD Formation, as identified in Attachments 1 and 2 of this RMA. Pursuant to Section D of this RMA, the Administrator shall update Attachment 2 each time there is a Land Use Change. Such update(s) shall be maintained internally by the Administrator and shall not require recordation of an amended RMA.

“Expected Maximum Special Tax Revenues” means the aggregate Special Tax that can be levied based on application of the Base Special Tax to the Expected Land Uses. The Expected Maximum Special Tax Revenues at CFD Formation are shown in Attachment 2 and may be revised pursuant to Sections D or H herein. Such update(s) will be maintained internally by the Administrator and will not require recordation of an amended RMA.

“Final Map” means a final map, or portion thereof, approved by the City pursuant to the Subdivision Map Act (California Government Code Section 66410 *et seq*) that creates SFD Lots. The term “Final Map” shall not include any large-lot subdivision map, Assessor’s Parcel Map, or subdivision map or portion thereof, that does not create SFD Lots, including Assessor’s Parcels that are designated as remainder parcels.

“Final Map Property” means, in any Fiscal Year, all SFD Lots created within Final Maps that had recorded prior to June 30 of the preceding Fiscal Year and which have not yet become Developed Property.

“First Bond Sale” means issuance of the first series of Bonds secured, in whole or in part, by Special Taxes levied and collected from Parcels of Taxable Property in Improvement Area No. 1.

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

“Improvement Area No. 1” means Improvement Area No. 1 of the CFD.

“Improvement Fund” means the account (regardless of its name) identified in the Indenture to hold funds that are available for expenditure to acquire or construct Authorized Facilities.

“Indenture” means the bond indenture, fiscal agent agreement, trust agreement, resolution or other instrument pursuant to which Bonds are issued, as modified, amended, and/or supplemented from time to time, and any instrument replacing or supplementing the same.

“Land Use Category” means, individually, Single Family Property or Other Property.

“Land Use Change” means a proposed or approved change to the Expected Land Uses after CFD Formation.

“Master Developer” means Lennar Homes of California, a Limited Liability Company, and its successors and assigns.

“Maximum Special Tax” means the greatest amount of Special Tax that can be levied on a Parcel in any Fiscal Year, as determined in accordance with Sections C and D below.

“Other Property” means any Parcel of Developed Property in Improvement Area No. 1 that does not fit within the definition of Single Family Property.

“Owners Association” means a homeowners association or property owners association that provides services to, and collects assessments, fees, dues, or charges from, property within Improvement Area No. 1.

“Owners Association Property” means any property within the boundaries of Improvement Area No. 1 that is owned in fee or by easement by an Owners Association, not including any such property that is located directly under a residential structure.

“Proportionately” means, for each Development Class, that the ratio of the actual Special Tax levied in any Fiscal Year to the Maximum Special Tax authorized to be levied in that Fiscal Year is equal for all parcels assigned to the Development Class.

“Public Property” means any property within the boundaries of Improvement Area No. 1 that is owned by the City, federal government, State of California or other public agency.

“Required Coverage” means the amount by which the Expected Maximum Special Tax Revenues must exceed the Bond debt service and priority Administrative Expenses (if any), as set forth in the Indenture, Certificate of Special Tax Consultant, or other formation or bond document that identifies the minimum required debt service coverage.

“Residential Unit” means an SFD Unit or an individual residential unit within a duplex, halfplex, triplex, fourplex, townhome, or live/work or condominium structure. A second unit (granny flat) that shares a Parcel with an SFD Unit will not be considered a Residential Unit for purposes of levying the Special Tax.

“RMA” means this Rate and Method of Apportionment of Special Tax.

“SFD Lot” means an individual residential lot, identified and numbered on a recorded Final Map, on which a Building Permit has been or is permitted to be issued for construction of an SFD Unit without further subdivision of the lot and for which no further subdivision of the lot is anticipated pursuant to an approved Tentative Map.

“SFD Unit” means a residential unit that does not share a common wall with another residential unit.

“Single Family Property” means, in any Fiscal Year, all Parcels of Taxable Property for which a Building Permit was or is expected to be issued for: (i) construction of an SFD Unit, or (ii) construction of a residential structure consisting of two or more Residential 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 may be purchased by individual homebuyers (which shall still be the case even if the Residential Units are purchased and subsequently offered for rent by the owners of the Residential Units), including such residential structures that meet the statutory definition of a condominium contained in Civil Code Section 4125.

“Special Tax” means a special tax levied in any Fiscal Year on Parcels in Improvement Area No. 1 to pay the Special Tax Requirement.

“Special Tax Requirement” means the amount necessary in any Fiscal Year to: (i) pay principal and interest on Bonds that are due in the calendar year that begins in such Fiscal Year; (ii) pay periodic costs on the Bonds, including but not limited to, credit enhancement, liquidity support and rebate payments on the Bonds; (iii) replenish reserve funds created for the Bonds under the Indenture to the extent such replenishment has not been included in the computation of the Special Tax Requirement in a previous Fiscal Year; (iv) 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) pay Administrative Expenses; and (vi) pay directly for Authorized Facilities, so long as such levy under this clause (vi) does not increase the Special Tax levied on Final Map Property or Undeveloped Property. The amounts referred to in clauses (i) and (ii) of the definition of Special Tax Requirement 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 such costs pursuant to the Indenture; (b) in the sole and absolute discretion of the City, proceeds received by the CFD from the collection of penalties associated with delinquent Special Taxes; and (c) any other revenues available to pay such costs, each as determined in the sole discretion of the City.

“Tax Zone” means a mutually exclusive geographic area within which Special Taxes may be levied pursuant to this RMA. If, in any Fiscal Year, there is any doubt as to the Tax Zone within which a Parcel is located, the Administrator shall work with the City to make the final determination.

“Tax Zone 1” means that geographic area designated as Tax Zone 1 in Attachment 1 hereto.

“Tax Zone 2” means that geographic area designated as Tax Zone 2 in Attachment 1 hereto.

“Tax Zone 3” means that geographic area designated as Tax Zone 3 in Attachment 1 hereto.

“Tax Zone 4” means that geographic area designated as Tax Zone 4 in Attachment 1 hereto.

“Taxable Owners Association Property” means, in any Fiscal Year after the First Bond Sale, any Parcel of Owners Association Property that satisfies all three of the following conditions: (i) the Parcel had not been Owners Association Property on the date of the First Bond Sale, (ii) based on reference to Attachments 1 and 2 (as may be updated pursuant to Section D below), the Parcel was not anticipated to be Owners Association Property as determined by the Administrator, and (iii) if the Parcel were to be exempt from the Special Tax because it is Owners Association Property, the Expected Maximum Special Tax Revenues would be reduced to a point at which Required Coverage could not be maintained.

“Taxable Property” means all Parcels within the boundaries of Improvement Area No. 1 that are not exempt from the Special Tax pursuant to law or Section G below.

“Taxable Public Property” means in any Fiscal Year after the First Bond Sale, any Parcel of Public Property that satisfies all three of the following conditions: (i) the Parcel had not been Public Property on the date of the First Bond Sale, (ii) based on reference to Attachments 1 and 2 (as may be updated pursuant to Section D below), the Parcel was not anticipated to be Public Property as determined by the Administrator, and (iii) if the Parcel were to be exempt from the Special Tax because it is Public Property, the Expected Maximum Special Tax Revenues would be reduced to a point at which Required Coverage could not be maintained.

“Taxable Welfare Exemption Property” means in any Fiscal Year after the First Bond Sale, any Parcel of Welfare Exemption Property that satisfies all three of the following conditions: (i) the Parcel had not been Welfare Exemption Property on the date of issuance of the First Bond Sale; (ii) based on reference to Attachments 1 and 2 (as may be updated pursuant to Section D herein), the Parcel was not anticipated to be Welfare Exemption Property based on the Expected Land Uses, as determined by the Administrator; and (iii) if the Parcel were to be exempt from the Special Tax because it has become Welfare Exemption Property, the Expected Maximum Special Tax Revenues would be reduced to a point at which Required Coverage could not be maintained.

“Tentative Map” means a tentative map or substantial conformance exhibit for property in Improvement Area No. 1, including any adjustments or amendments thereto.

“Undeveloped Property” means, in any Fiscal Year, all Parcels of Taxable Property that are not Developed Property, Final Map Property, Taxable Welfare Exemption Property, Taxable Owners Association Property, or Taxable Public Property, as defined herein.

“Welfare Exemption Property” means, in any Fiscal Year, any Parcels in Improvement Area No. 1 that have received a welfare exemption under subdivision (g) of Section 214 of the Revenue and Taxation Code and for which such welfare exemption is still in place.

B. DATA FOR ADMINISTRATION OF THE SPECIAL TAX

Each Fiscal Year, the Administrator shall: (i) assign each Parcel of Taxable Property to the appropriate Tax Zone and the appropriate Development Class; (ii) for Developed Property, categorize each Parcel as Single Family Property or Other Property; (iii) for Other Property, determine the Acreage of each Parcel; and (iv) 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 below.

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.

C. MAXIMUM SPECIAL TAX

1. Developed Property and Final Map Property

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 below, or, (ii) the Maximum Special Tax determined pursuant to Section D.

Table 1
Base Special Tax
Developed Property and Final Map Property

Tax Zone	Land Use Category	Base Special Tax Fiscal Year 2024-25 *
Tax Zone 1	Single Family Property	\$1,268 per Residential Unit or SFD Lot
	Other Property	\$15,147 per Acre
Tax Zone 2	Single Family Property	\$1,539 per Residential Unit or SFD Lot
	Other Property	\$17,285 per Acre
Tax Zone 3	Single Family Property	\$1,533 per Residential Unit or SFD Lot
	Other Property	\$15,375 per Acre
Tax Zone 4	Single Family Property	\$2,053 per Residential Unit or SFD Lot
	Other Property	\$18,879 per Acre

* On July 1, 2025, and on each July 1 thereafter, all figures shown in Table 1 above shall be increased by an amount equal to 2.0% of the amount in effect for the prior Fiscal Year.

2. *Undeveloped Property, Taxable Owners Association Property, Taxable Public Property, and Taxable Welfare Exemption Property*

The Maximum Special Tax for Undeveloped Property, Taxable Owners Association Property, Taxable Public Property, and Taxable Welfare Exemption Property are provided in Table 2 below.

Table 2
Maximum Special Tax
Undeveloped Property, Taxable Owners Association Property,
Taxable Public Property, Taxable Welfare Exemption Property

Tax Zone	Maximum Special Tax Fiscal Year 2024-25 *
Tax Zone 1	\$15,147 per Acre
Tax Zone 2	\$17,285 per Acre
Tax Zone 3	\$15,375 per Acre
Tax Zone 4	\$18,879 per Acre

* On July 1, 2025, and on each July 1 thereafter, all figures shown in Table 2 above shall be increased by an amount equal to 2.0% of the amount in effect for the prior Fiscal Year.

D. CHANGES TO THE MAXIMUM SPECIAL TAX

1. *Land Use Changes*

The Expected Maximum Special Tax Revenues shown in Attachment 2 were originally calculated based on the Expected Land Uses at CFD Formation. Attachment 2 is subject to modification

upon the occurrence of Land Use Changes, as described below. The Administrator shall review all Land Use Changes and compare the revised land uses to the Expected Land Uses to evaluate the impact on the Expected Maximum Special Tax Revenues.

Prior to the First Bond Sale, if a Land Use Change is proposed or identified that will result in a change in the Expected Maximum Special Tax Revenues, no action will be needed pursuant to this Section D. Upon approval of the Land Use Change, the Administrator shall update Attachment 2 to show the revised Expected Maximum Special Tax Revenues.

After the First Bond Sale, if a Land Use Change is proposed or identified, Steps 1 through 3 must be applied:

- Step 1:** By reference to Attachment 2 (which shall be updated by the Administrator each time a Land Use Change has been processed according to this Section D or a prepayment has been made), the Administrator shall identify the Expected Maximum Special Tax Revenues prior to the Land Use Change.
- Step 2:** The Administrator shall calculate the Expected Maximum Special Tax Revenues that could be collected from Taxable Property in Improvement Area No. 1 after the Land Use Change based on application of the Base Special Taxes from Table 1.
- Step 3:** If the revenues calculated in Step 2 are (i) higher than those determined in Step 1 or (ii) less than those calculated in Step 1, but the reduction in Expected Maximum Special Tax Revenues does not reduce debt service coverage on outstanding Bonds below Required Coverage, no further action is needed, and the Administrator shall update Attachment 2 to show the revised Expected Maximum Special Tax Revenues.

If the revenues calculated in Step 2 are less than those calculated in Step 1, and the Administrator determines that the reduction in Expected Maximum Special Tax Revenues would reduce debt service coverage on outstanding Bonds below the Required Coverage, one of the following shall occur:

3.a. The landowner requesting the Land Use Change (the "Requesting Landowner") may make a prepayment in an amount that will ensure that the reduced Expected Maximum Special Tax Revenues are sufficient to provide Required Coverage, as determined pursuant to Section H below. If the Requesting Landowner notifies the Administrator that he/she would like to remedy the reduction by making a prepayment, such prepayment must be made by the earlier of (i) 30 days from the date of delivery of the prepayment estimate or (ii) the date of issuance of any Building Permits for any Parcel owned by the Requesting Landowner that was Final Map Property or Undeveloped Property at the time the Administrator prepared the prepayment estimate, or

3.b. If a prepayment is not received by the due date specified above, the Base Special Tax used to determine the Maximum Special Tax for each Parcel of Taxable Property in the area affected by the Land Use Change shall be increased

proportionately until the Expected Maximum Special Tax Revenues are sufficient to maintain Required Coverage.

Pursuant to this Section D.1, the Administrator may from time to time update Attachment 2 to reflect revised Expected Maximum Special Tax Revenues. Such update shall be maintained internally by the Administrator and shall not require recordation of an amended RMA.

If multiple Land Use Changes are proposed simultaneously by a single landowner (which may include approval of multiple Final Maps at one time), and the landowner requests that the impact of two or more of the Land Use Changes be considered together, the Administrator shall consider the combined effect of the Land Use Changes to determine if there is a reduction in Expected Maximum Special Tax Revenues. If there is a reduction that would reduce debt service coverage below the Required Coverage, and no prepayment has been received, then the Base Special Tax used to determine the Maximum Special Tax for each Parcel of Taxable Property in the areas affected by the Land Use Changes shall be increased proportionately until the aggregate amount that can be levied within such areas is equal to the amount that could have been levied prior to the proposed Land Use Changes. If Land Use Changes are proposed simultaneously by multiple landowners, or if an individual landowner proposing multiple Land Use Changes does not request that such Land Use Changes be considered together, the Administrator shall consider the proposed Land Use Changes individually.

Notwithstanding the foregoing, once a certificate of occupancy has been issued for a Residential Unit on a Parcel, the Maximum Special Tax for the Parcel cannot be increased because of subsequent Land Use Changes that may occur within the area in which the Parcel is located.

The duties imposed on the Administrator pursuant to this Section D to review Land Use Changes, and to review Final Maps and make certain calculations, are intended only to facilitate the administration of the Special Tax and to better assure the sufficiency of tax capacity to pay debt service on Bonds. Such duties are not intended to give any developer, subdivider, or owner of property the right to receive notice of the potential impact of Land Use Changes on the Special Tax applicable to a Parcel; and each developer, subdivider, or owner of property whose property is the subject of a Land Use Change shall be responsible for understanding the impact thereof on the Special Tax applicable to such property.

2. Partial Prepayments

If a Parcel makes a partial prepayment pursuant to Section H below, the Administrator shall recalculate the Maximum Special Tax for the Parcel pursuant to Section H.2. In addition, the Administrator shall update Attachment 2 to reflect the prepayment and the revised Expected Maximum Special Tax Revenues for Improvement Area No. 1. After the prepayment has been received, the application of Sections D and H of this RMA shall be based on the adjusted Expected Maximum Special Tax Revenues after the prepayment.

3. Conversion of a Parcel of Public Property to Private Use

If, in any Fiscal Year, a Parcel of Public Property is converted to private use, such Parcel shall be subject to the levy of the Special Tax. The Maximum Special Tax for each such Parcel shall be determined based on the applicable Base Special Tax for the Parcel, as determined by the

Administrator. In addition, the Administrator shall update Attachment 2 to reflect the conversion and the revised Expected Maximum Special Tax Revenues for Improvement Area No. 1.

4. *Reduction in Maximum Special Tax*

The Base Special Tax for Residential Units set forth in Table 1 may be reduced prior to the First Bond Sale. Such a reduction shall be made without a vote of the qualified CFD electors if the Master Developer requests a reduction in the Base Special Tax. Any such reduction shall occur at least 30 days prior to the First Bond Sale. Such reductions to the Base Special Tax need not be proportionate among the Tax Zones and/or Land Use Categories.

E. METHOD OF LEVY OF THE SPECIAL TAX

Each Fiscal Year, the Administrator shall determine the Special Tax Requirement to be collected in that Fiscal Year. A Special Tax shall then 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 of Developed Property until the amount levied is equal to the Special Tax Requirement prior to applying any Capitalized Interest that is available in the CFD accounts.
- 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 until the amount levied is equal to the Special Tax Requirement.
- Step 3:** If additional revenue is needed after Step 2, 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 until the amount levied is equal to the Special Tax Requirement.
- 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 for such Fiscal Year until the amount levied is equal to the Special Tax Requirement.
- 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 until the amount levied is equal to the Special Tax Requirement.
- 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 of Taxable Public Property until the amount levied is equal to the Special Tax Requirement.

F. MANNER OF COLLECTION OF SPECIAL TAX

The Special Tax shall be collected in the same manner and at the same time as ordinary ad valorem property taxes, provided, however, that prepayments are permitted as set forth in Section H below and provided further that the City may directly bill the Special Tax, may collect Special Taxes at a different time or in a different manner, and may collect delinquent Special Taxes through foreclosure or other available methods.

The Special Tax shall be levied and collected until principal and interest on Bonds have been repaid. However, in no event shall Special Taxes be levied after Fiscal Year 2064-65. Under no circumstances may the Special Tax on a Parcel of Developed Property in residential use be increased in any Fiscal Year as a consequence of delinquency or default in payment of the Special Tax levied on another Parcel or Parcels by more than ten percent (10%) above the amount that would have been levied in that Fiscal Year had there never been any such delinquencies or defaults.

G. EXEMPTIONS

Notwithstanding any other provision of this RMA, no Special Tax shall be levied in any Fiscal Year on the following:

- (1) Public Property, except Taxable Public Property.
- (2) Owners Association Property, except Taxable Owners Association Property.
- (3) Welfare Exemption Property, except Taxable Welfare Exemption Property.
- (4) Parcels that are owned by a public utility for an unmanned facility.
- (5) Parcels that are subject to an easement that precludes any other use on the Parcel.
- (6) Parcels that have fully prepaid the Special Tax obligation assigned to the Parcel pursuant to the formula set forth in Section H below.

H. PREPAYMENTS

The following definitions apply to this Section H:

“Outstanding Bonds” means all Previously Issued Bonds which remain outstanding, with the following exception: if a Special Tax has been levied against, or already paid by, an Assessor’s Parcel making a prepayment, and a portion of the Special Tax will be used to pay a portion of the next principal payment on the Bonds that remain outstanding (as determined by the Administrator), that next principal payment shall be subtracted from the total Bond principal that remains outstanding, and the difference shall be used as the amount of Outstanding Bonds for purposes of this prepayment formula.

“Previously Issued Bonds” means all Bonds that have been issued prior to the date of prepayment.

“Public Facilities Requirement” means either \$6 million in 2025 dollars, which shall increase on January 1, 2026, and on each January 1 thereafter by 2% of the amount in effect in the prior year or such other number as shall be determined by the City as sufficient to fund improvements that are authorized to be funded by Improvement Area No. 1. The Public Facilities Requirement shown above may be adjusted each time property annexes into Improvement Area No. 1 or there is an adjustment to the Expected Maximum Special Tax Revenues due to a Land Use Change.

“Remaining Facilities Costs” means the Public Facilities Requirement minus public facility costs funded by Previously Issued Bonds or Special Taxes, which amount shall not be less than \$0.

1. Full Prepayment

The Special Tax obligation applicable to a Parcel in Improvement Area No. 1 may be prepaid and the obligation of the Parcel to pay the Special Tax permanently satisfied as described herein, provided that a prepayment may be made only if there are no delinquent Special Taxes with respect to such Parcel at the time of prepayment. An owner of a Parcel intending to prepay the Special Tax obligation shall provide the City with written notice of intent to prepay. Within 30 days of receipt of such written notice, the City or its designee shall notify such owner of the prepayment amount for such Parcel. Prepayment must be made not less than 75 days prior to any redemption date for Bonds to be redeemed with the proceeds of such prepaid Special Taxes. The Prepayment Amount shall be calculated as follows: (capitalized terms as defined below):

	Bond Redemption Amount
plus	Remaining Facilities Amount
plus	Redemption Premium
plus	Defeasance Requirement
plus	Administrative Fees and Expenses
<u>less</u>	<u>Reserve Fund Credit</u>
equals	Prepayment Amount

As of the proposed date of prepayment, the Prepayment Amount shall be determined by application of the following steps:

- Step 1.** Compute the amount that could be collected from the Parcel prepaying the Special Tax in the Fiscal Year in which prepayment would be received by the City by applying the Base Special Tax to the Expected Land Uses for the Parcel. If this Section H is being applied to calculate a prepayment pursuant to Section D above, compute the amount by which the proposed Land Use Change would reduce Expected Maximum Special Tax Revenues below the amount needed for Required Coverage, and use this amount for purposes of this Step 1.
- Step 2.** Divide the Maximum Special Tax computed pursuant to Step 1 for such Parcel by the total Expected Maximum Special Tax Revenues for all property in Improvement Area No. 1, as shown in Attachment 2.

- Step 3. Multiply the quotient computed pursuant to Step 2 by the Outstanding Bonds to compute the amount of Outstanding Bonds to be retired and prepaid (*the "Bond Redemption Amount"*).
- Step 4. Compute the current Remaining Facilities Costs (if any).
- Step 5. Multiply the quotient computed pursuant to Step 2 by the amount determined pursuant to Step 4 to compute the amount of Remaining Facilities Costs to be prepaid (*the "Remaining Facilities Amount"*).
- Step 6. Multiply the Bond Redemption Amount computed pursuant to Step 3 by the applicable redemption premium, if any, on the Outstanding Bonds to be redeemed (*the "Redemption Premium"*).
- Step 7. Compute the amount needed to pay interest on the Bond Redemption Amount starting with the first Bond interest payment date after which the prepayment will be received and which has not been included in a tax levy until the next earliest redemption date for the Outstanding Bonds. However, if Bonds are callable at the first interest payment date after the prepayment has been received, Steps 7, 8 and 9 of this prepayment formula will not apply.
- Step 8: Compute the amount of interest the City reasonably expects to derive from reinvestment of the Bond Redemption Amount plus the Redemption Premium from the first Bond interest payment date after which the prepayment has been received and which has not been included in a tax levy until the next earliest redemption date for the Outstanding Bonds.
- Step 9: Subtract the amount computed pursuant to Step 8 from the amount computed pursuant to Step 7 (*the "Defeasance Requirement"*).
- Step 10. The administrative fees and expenses associated with the prepayment will be determined by the Administrator and include the costs of computing the prepayment, redeeming Bonds and recording any notices to evidence the prepayment and the redemption (*the "Administrative Fees and Expenses"*).
- Step 11. If and to the extent so provided in the Indenture, a reserve fund credit shall be calculated as a reduction in the applicable reserve fund for the Outstanding Bonds to be redeemed pursuant to the prepayment (*the "Reserve Fund Credit"*).
- Step 12. The Special Tax prepayment is equal to the sum of the amounts computed pursuant to Steps 3, 5, 6, 9, and 10, less the amount computed pursuant to Step 11 (*the "Prepayment Amount"*).
- Step 13. From the Prepayment Amount, the amounts computed pursuant to Steps 3, 6, and 9 shall be deposited into the appropriate fund as established under

the Indenture and be used to retire Outstanding Bonds or make debt service payments. The amount computed pursuant to Step 5 shall be deposited into the Improvement Fund. The amount computed pursuant to Step 10 shall be retained in the account or fund that is established to pay Administrative Expenses.

Once a full prepayment of a Parcel's Special Tax obligation has been received, a Notice of Cancellation of Special Tax Lien shall be recorded against the Parcel to reflect the discharge of the Parcel's obligation to pay the Special Tax. However, a Notice of Cancellation of Special Tax Lien shall not be recorded until all Special Taxes levied on the Parcel in the current or prior Fiscal Years have been collected.

2. Partial Prepayment

A partial prepayment may be made in an amount equal to any percentage of full prepayment desired by the party making a partial prepayment, except that the full amount of Administrative Fees and Expenses determined in Step 10 shall be included in the partial prepayment. The Maximum Special Tax that can be levied on a Parcel after a partial prepayment is made shall be equal to the portion of the Maximum Special Tax that was not prepaid. Once a partial prepayment has been received, an Amended Notice of Special Tax Lien shall be recorded against the Parcel to reflect the reduced Special Tax lien for the Parcel, and the Administrator shall update Attachment 2 to show the revised Expected Maximum Special Tax Revenues. However, an Amended Notice of Special Tax Lien shall not be recorded until all Special Taxes levied on the Parcel in the current or prior Fiscal Years have been collected.

3. Maintaining Required Coverage

Notwithstanding the foregoing, if at any point in time the Administrator determines that the Maximum Special Tax revenue that could be collected from Taxable Property that remains subject to the Special Tax after the proposed prepayment would be less than the Required Coverage on Bonds that will remain outstanding after defeasance or redemption of Bonds from proceeds of the estimated prepayment, the amount of the prepayment shall be increased until the amount of Bonds defeased or redeemed is sufficient to reduce remaining annual debt service to a point at which Required Coverage is maintained.

I. INTERPRETATION OF RMA

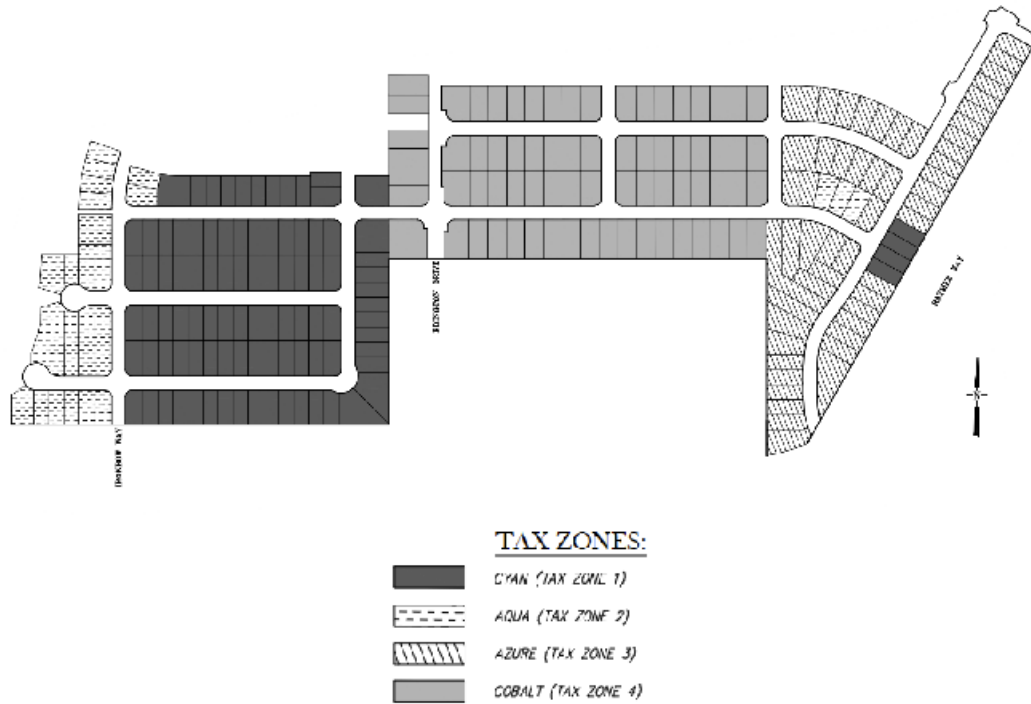
Interpretations may be made by Resolution of the City Council to interpret, clarify, and/or revise this RMA to correct any inconsistency, vagueness, or ambiguity as it relates to the Special Tax, method of apportionment, classification of properties, or any definition applicable to Improvement Area No. 1 of the CFD, as long as such correction does not materially affect the levy and collection of Special Taxes. The City, upon the request of an owner of land within Improvement Area No. 1 which is not Developed Property, may also amend this RMA in any manner acceptable to the City, by resolution or ordinance following a public hearing, upon the affirmative vote of such owner to such amendment and without the vote of owners of any other land within Improvement Area No. 1, provided such amendment only affects such owner's land. Under no circumstances may such revisions to the RMA decrease the Expected Maximum Special Tax Revenues to a level that will reduce debt service coverage below the Required Coverage.

ATTACHMENT 1

**Improvement Area No. 1
City of Rancho Cordova
The Preserve
Community Facilities District No. 2025-1**

**Identification of Tax Zones and Expected Lot Layout
in Improvement Area No. 1**

IMPROVEMENT AREA NO. 1, THE PRESERVE CFD 2025-1
IDENTIFICATION OF TAX ZONES AND EXPECTED LOT LAYOUT



ATTACHMENT 2

Improvement Area No. 1
City of Rancho Cordova
The Preserve
Community Facilities District No. 2025-1

Expected Land Uses and Expected Maximum Special Tax Revenues

Tax Zone	Land Use Category	Expected Residential Units/Acreage	Base Special Tax (FY 2024-25) *	Expected Maximum Special Tax Revenues (FY 2024-25) *
Tax Zone 1	Single Family Property Other Property	100 Residential Units 0 Acres	\$1,268 per Residential Unit \$15,147 per Acre	\$126,800
Tax Zone 2	Single Family Property Other Property	30 Residential Units 0 Acres	\$1,539 per Residential Unit \$17,285 per Acre	\$46,170
Tax Zone 3	Single Family Property Other Property	56 Residential Units 0 Acres	\$1,533 per Residential Unit \$15,375 per Acre	\$85,848
Tax Zone 4	Single Family Property Other Property	73 Residential Units 0 Acres	\$2,053 per Residential Unit \$18,879 per Acre	\$149,869
Expected Maximum Special Tax Revenues (FY 2024-25 \$)				\$408,687

* On July 1, 2025, and each July 1 thereafter, all dollar amounts shown above shall be increased by two percent (2%) of the amount in effect in the prior Fiscal Year.

EXHIBIT C

Notice of Public Hearing

NOTICE is hereby given that on **Monday, March 17, 2025**, at **5:30 p.m.**, or as soon thereafter as the matter may be heard, the City Council of the City of Rancho Cordova will hold a Public Hearing at the **Rancho Cordova City Hall, located at 2729 Prospect Park Drive, Rancho Cordova**, to consider the following:

PROPOSED "THE PRESERVE COMMUNITY FACILITIES DISTRICT NO. 2025-1"

The purpose of this public hearing is: **The City of Rancho Cordova is considering the formation of a community facilities district (the "CFD") under the authority of the Mello-Roos Community Facilities District Act of 1982, as amended, to fund certain public facilities related to new development within the City of Rancho Cordova.**

This Notice contains a brief summary of the proposal, but you are referred to the City Council's resolution "A Resolution of Intention of the City Council to Form a Community Facilities District and Levy a Special Tax in City of Rancho Cordova The Preserve Community Facilities District No. 2025-1 to Finance the Acquisition and Construction of Certain Public Facilities in and for such Community Facilities District" adopted _____, 2025 and its resolution "A Resolution of the City Council Declaring its Intention to Incur a Bonded Indebtedness to Finance the Acquisition and Construction of Certain Public Facilities in and for City of Rancho Cordova The Preserve Community Facilities District No. 2025-1" adopted _____, 2025 for the definitive description of the proposal.

The proposal is to subject the property within the CFD to a special tax which will be used to pay for facilities of benefit to land within the CFD, including paying principal and interest on bonds used to build facilities, and will expire when the bonds are retired and all eligible facilities are financed. The proceeds of the bonds will be used to pay for the facilities and other expenses set forth in the resolutions referred to in the preceding paragraph. A map showing the land proposed to be included in the CFD is on file with the City Clerk.

As set forth above, the City Council will hold a public hearing on the establishment of the CFD, the facilities to be financed by the CFD, and the levy of the special tax within the CFD.

The proposal also includes authority to issue up to \$23,800,000 in bonds to be repaid by the special tax. Neither the City of Rancho Cordova nor any person outside the CFD has any liability for the special tax or the bonds. The security for the bonds is limited to the property subject to the special tax within the CFD.

In order to confer the authority upon Rancho Cordova City Council to levy the special tax and to issue the bonds, a public hearing must be held on the proposal, then the City Council will decide whether to form the CFD, and finally the qualified electors within the CFD must approve the proposal by a two-thirds vote. Where the CFD is uninhabited (as is the case here) the qualified electors are, pursuant to law, the owners of property within the CFD.

At the hearing, the testimony of all interested persons or potential special taxpayers for or against the formation of the proposed community facilities district, the authorization to levy the special tax, and the authorization to issue the bonds will be heard. If written protests against

the proposed CFD are delivered to the City Clerk at or before the time set for the hearing by either registered voters residing within, or the owners of property within, the proposed CFD, they will be counted toward a possible majority protest. Such protests by a majority of the registered voters residing within the CFD or by the owners of a majority of the land area within CFD which is or will be subject to the special tax, if not withdrawn prior to the close of the hearing so as to reduce the value of the protests to less than a majority, will require the proposed CFD to be eliminated from immediate consideration, and prevent its being included in a subsequent proceedings for at least one year.

If the City Council, after the public hearing, determines that a majority protest under Section 53324 of the California Government Code was not made at the hearing, the City Council may conduct an election by mailed ballot to levy a special tax and incur bonded indebtedness.

The City of Rancho Cordova encourages interested parties to attend public meetings and comment on the issues being discussed. If you wish to provide testimony and are unable to attend the meeting, written comments that are delivered to the City Clerk's office prior to the time of the hearing will be made a part of the public record. Questions regarding this matter should be directed to the **City of Rancho Cordova Finance Department at (916) 851-8730.**

NOTICE REGARDING CHALLENGES TO DECISIONS

Pursuant to all applicable laws and regulations, including without limitation, California Government Code Section 65009 and/or California Public Resources Code Section 21177, if you wish to challenge in court any of the above decisions (regarding planning, zoning and/or environmental decisions), you may be limited to raising only those issues you or someone else raised at the public hearing(s) described in this notice/agenda, or in written correspondence delivered to the city at, or prior to, this public hearing.

ADA COMPLIANCE STATEMENT

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the City Clerk's Department at (916) 851-8720. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting.

Printed in the Grapevine Independent on **XXXXXX,XXXXXX, 2025**

CITY OF RANCHO CORDOVA

RESOLUTION NO. XX-2025

**A RESOLUTION OF INTENTION OF THE CITY COUNCIL OF THE
CITY OF RANCHO CORDOVA TO INCURE BONDED INDEBTEDNESS FOR
THE PRESERVE COMMUNITY FACILITIES DISTRICT NO. 2025-1 TO FINANCE THE
ACQUISITION AND CONSTRUCTION OF CERTAIN PUBLIC FACILITIES IN AND FOR
SUCH COMMUNITY FACILITIES DISTRICT**

WHEREAS, the City Council (the "City Council") of the City of Rancho Cordova (the "City") has duly adopted Resolution No. XX-2025 (the "Resolution of Intention") on February 3, 2025, wherein it declared its intention to establish a community facilities district under and pursuant to the terms and provisions of the "Mello-Roos Community Facilities Act of 1982," being Chapter 2.5, Part 1, Division 2, Title 5 of the Government Code of the State of California (the "Act"), to be known and designated as the "City of Rancho Cordova The Preserve CFD Community Facilities District No. 2025-1" (the "CFD") , designate therein "Improvement Area No. 1 of the City of Rancho Cordova The Preserve CFD Community Facilities District No. 2025-1" ("Improvement Area No. 1"), and form a future annexation area for the CFD (the "Future Annexation Area"), and to levy a special tax therein to finance the acquisition and construction of certain public facilities (collectively the "Facilities") listed in Exhibit A to the Resolution of Intention and incorporated therein and made a part hereof; and

WHEREAS, in order to finance the costs of the Facilities it is necessary to incur bonded indebtedness in the amount of not to exceed \$23,800,000 on behalf of the CFD and a bonded indebtedness limit for the CFD; and

WHEREAS, the City Council is fully advised in this matter;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA, AS FOLLOWS:

1. The above recitals are true and correct, and the City Council so finds and determines.

2. The City Council hereby declares that the public convenience and necessity require that a bonded indebtedness in the principal amount of not to exceed \$23,800,000 be incurred in one or more series to finance the acquisition and construction of the Facilities, which amount includes all costs and estimated costs incidental to, or connected with, the accomplishment of the purpose for which such bonded indebtedness is proposed to be incurred (the "Authorization"), initially allocated as follows: (i) for Improvement Area No. 1, the bonded indebtedness limit is \$13,700,000 and (ii) for land within the Future Annexation Area (the "Future Improvement Area, the bonded indebtedness limit is not to exceed \$10,100,000 (the "Future Improvement Area Indebtedness Limit"), provided that prior to any land in Improvement Area No. 1 becoming Developed Property (as defined in the Rate and Method) and prior to the first sale of bonds for Improvement Area No. 1, the Finance Director of the City may change the allocation upon receiving the affirmative vote for the reallocation from the owner of all the land in Improvement Area No. 1. Indebtedness subject to this limit shall only include indebtedness evidenced by bonds or notes and shall not include bonds described in Section 53364.2(e) of the Act.

Upon designation of a parcel or parcels annexed into the CFD from the Future Annexation Area as a Future Improvement Area, the Unanimous Consent shall include an authorization to incur bonded indebtedness for such Future Improvement Area in a maximum amount which does not cause the bonded indebtedness for the CFD to exceed the Authorization, and which limit shall be set forth in a Unanimous Consent. Such allocation may be made without any requirement for further public hearings, Council action or other additional proceedings, and the City shall include the Unanimous Consent in the records for the CFD.

3. This Council, acting as legislative body for the CFD, intends to authorize the issuance and sale of bonds and other debt in one or more series in the maximum aggregate principal amount of not to exceed the established Improvement Area No. 1 bonded indebtedness limit bearing interest payable semi-annually or in such other manner as this Council shall determine, at a rate not to exceed the maximum rate of interest as may be authorized by applicable law at the time of sale of such bonds and other debt, and maturing not to exceed 40 years from the date of the issuance of each series of the bonds and other debt.

This Council, acting as legislative body for the CFD, intends to authorize the issuance and sale of bonds and other debt in one or more series in the maximum aggregate principal amount with respect to the Future Improvement Areas to be determined at the time of annexation (not to exceed the Future Improvement Area Indebtedness Limit in the aggregate), bearing interest payable semi-annually or in such other manner as this Council shall determine, at a rate not to exceed the maximum rate of interest as may be authorized by applicable law at the time of sale of each series of bonds and other debt, and maturing not to exceed 40 years from the date of the issuance of the respective series of bonds and other debt.

4. Notice is given that Monday, March 17, 2025, at the hour of 5:30 P.M., at the regular meeting place of the City Council, City Council Chambers, Rancho Cordova City Hall, 2729 Prospect Park Drive, Rancho Cordova, California 95670, has been fixed by the City Council as the time and place for a public hearing to be held by the City Council to consider the incurring of such bonded indebtedness to finance the acquisition and construction of the Facilities in and for the CFD. At the hearing, testimony concerning the incurring of such bonded indebtedness secured by a special tax to be levied within the CFD to finance the acquisition and construction of the Facilities will be heard and protests will be considered from registered voters residing within the CFD and persons owning real property within the CFD. Written protests by the owners of a majority of the land which would be subject to special taxation within the proposed the CFD will require the suspension of proceedings for at least one year. Written protests must be filed with the City Clerk at or before the time fixed for the hearing.

5. The City Clerk is hereby directed to cause notice of the public hearing to be given in the form required by the Act, which requires publication in a newspaper of general circulation circulated within the CFD, which such publication shall be made pursuant to Section 6061 of the Government Code of the State of California. The publication shall be completed at least 7 days before the date of the public hearing referenced above. The notice shall be substantially in the form specified in Section 53346 of the Act and attached hereto, with the form summarizing the provisions hereof hereby specifically approved.

ITEM 13.5.

ATTACHMENT 2

PASSED AND ADOPTED by the City Council of the City of Rancho Cordova this 3rd day of February 2025, by the following vote:

AYES:

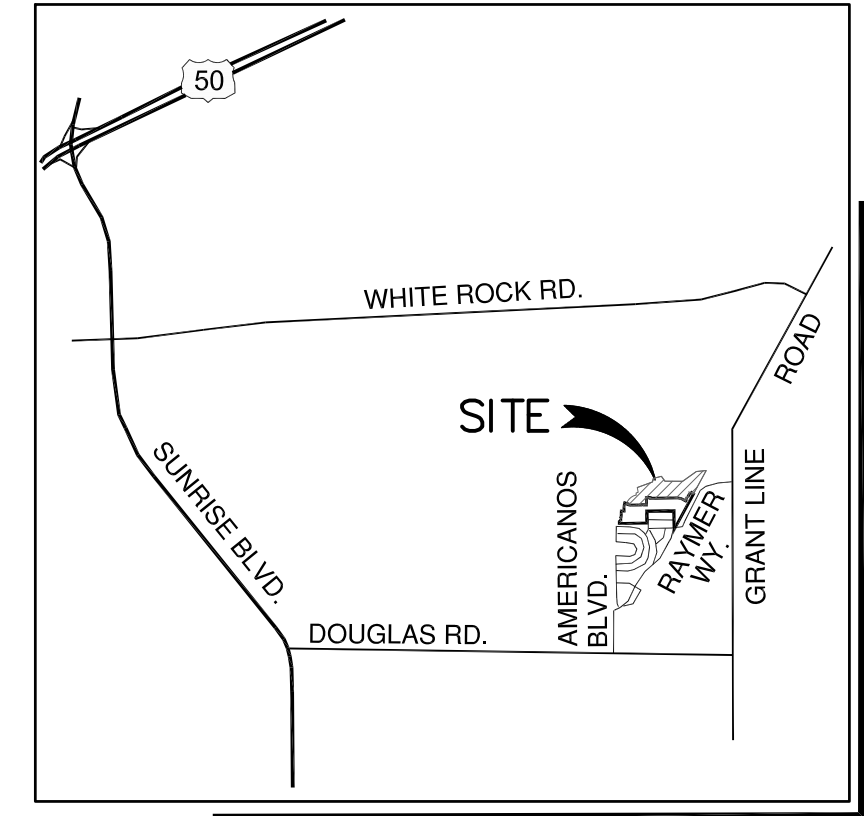
NOES:

ABSENT:

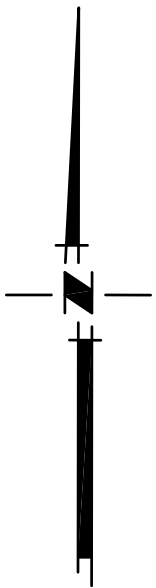
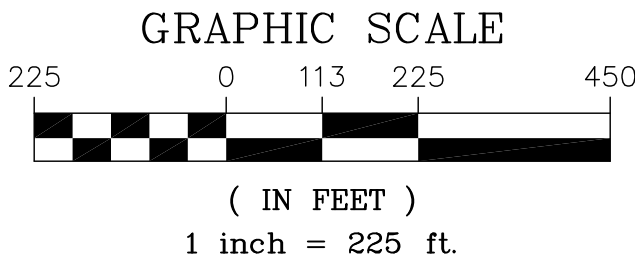
ATTEST:

Siri Pulipati, Mayor

Stacy Leitner, CMC
City Clerk



VICINITY MAP
N.T.S.



BOOK _____ OF COMMUNITY FACILITIES DISTRICTS, PAGE _____

PROPOSED BOUNDARIES
AND FUTURE ANNEXATION AREA OF

CITY OF RANCHO CORDOVA
THE PRESERVE
COMMUNITY FACILITIES DISTRICT NO. 2025-1
COUNTY OF SACRAMENTO, STATE OF CALIFORNIA

CLERK'S MAP STATEMENT

FILED IN THE OFFICE OF THE THE CITY CLERK OF THE CITY OF RANCHO
CORDOVA, THIS _____ DAY OF _____, 2025

CITY CLERK

CLERK'S MAP STATEMENT

I HEREBY CERTIFY THAT THE WITHIN MAP SHOWING THE PROPOSED
BOUNDARIES AND FUTURE ANNEXATION OF CITY OF RANCHO CORDOVA
COMMUNITY FACILITIES DISTRICT NO. 2025-1 (THE PRESERVE), COUNTY OF
SACRAMENTO, STATE OF CALIFORNIA, WAS APPROVED BY THE CITY COUNCIL OF
THE CITY OF RANCHO CORDOVA, AT A MEETING THEREOF, HELD ON THE ____
DAY OF _____, 2025, BY ITS RESOLUTION NO. _____.

CITY CLERK

COUNTY RECORDER'S FILING STATEMENT

FILED THIS _____ DAY OF _____, 2025, AT THE HOUR OF
____ O'CLOCK ____ M., IN BOOK _____ OF MAPS OF ASSESSMENT AND
COMMUNITY FACILITIES DISTRICTS AT PAGE _____ IN THE OFFICE OF THE
COUNTY RECORDER IN THE COUNTY OF SACRAMENTO, STATE OF CALIFORNIA.

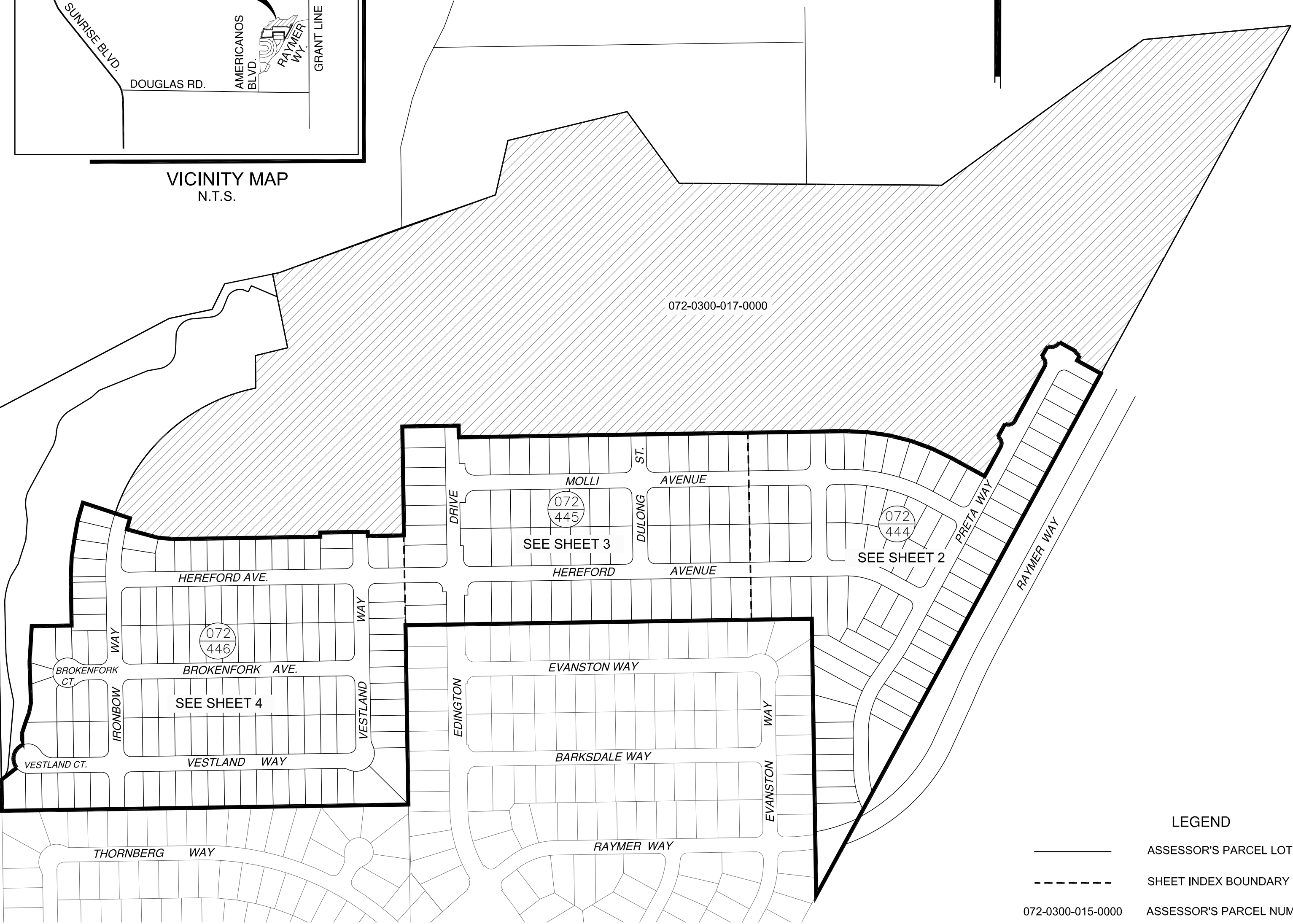
DONNA ALLRED
COUNTY RECORDER

FEE: \$ _____

BY:

FILE NO: _____

DEPUTY COUNTY RECORDER



NOTE:

REFERENCE IS HEREBY MADE TO THE MAPS AND DEEDS OF RECORD IN THE
OFFICE OF THE ASSESSOR OF THE COUNTY OF SACRAMENTO FOR THE
DETAILED DESCRIPTION OF THE LINES AND DIMENSIONS OF ANY PARCELS
SHOWN HEREON.

LEGEND

- ASSESSOR'S PARCEL LOT LINE
- SHEET INDEX BOUNDARY LINE
- ASSESSOR'S PARCEL NUMBER
- COMMUNITY FACILITIES DISTRICT NO. 2025-1
AND IMPROVEMENT AREA NO.1
- FUTURE ANNEXATION AREA
- ASSESSORS BOOK AND PAGE

GCG
GOODWIN CONSULTING GROUP

CITY OF RANCHO CORDOVA

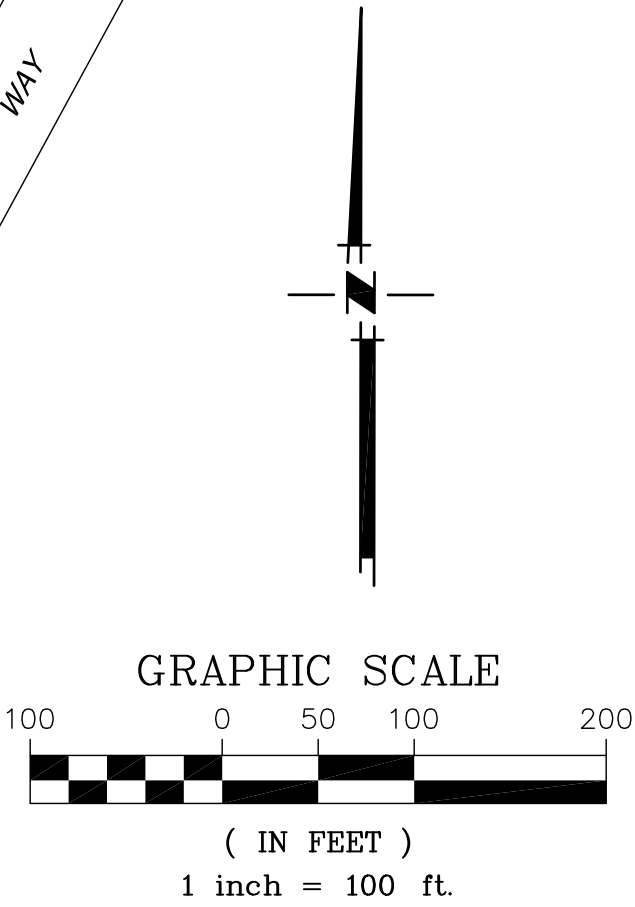
THE PRESERVE

COMMUNITY FACILITIES DISTRICT NO. 2025-1

PARCELS WITHIN IMPROVEMENT AREA NO. 1

MAP INDEX NO.	ASSESSORS PARCEL
1	072-4440-001-0000
2	072-4440-002-0000
3	072-4440-003-0000
4	072-4440-004-0000
5	072-4440-005-0000
6	072-4440-006-0000
7	072-4440-007-0000
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32	072-4440-032-0000
33	072-4440-033-0000
34	072-4440-034-0000
35	072-4440-035-0000
36	072-4440-036-0000

MAP INDEX NO.	ASSESSORS PARCEL
37	072-4440-037-0000
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39	072-4440-039-0000
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- LEGEND
- ASSESSOR'S PARCEL LOT LINE
- SHEET INDEX BOUNDARY LINE
- 20

ASSESSOR'S MAP INDEX NUMBER
- COMMUNITY FACILITIES DISTRICT NO. 2025-1 AND IMPROVEMENT AREA NO.1
- FUTURE ANNEXATION AREA
- 072
445

ASSESSORS BOOK AND PAGE

NOTE:

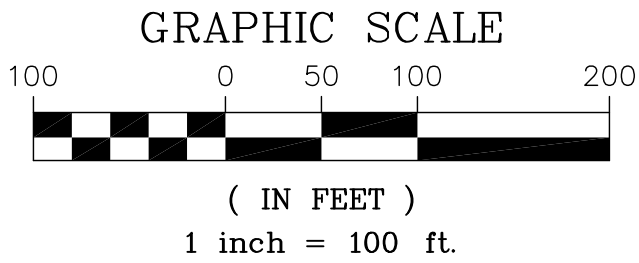
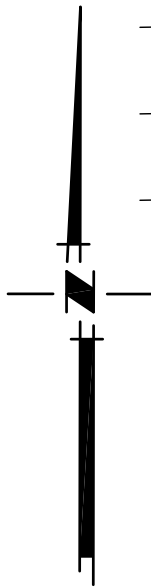
REFERENCE IS HEREBY MADE TO THE MAPS AND DEEDS OF RECORD IN THE OFFICE OF THE ASSESSOR OF THE COUNTY OF SACRAMENTO FOR THE DETAILED DESCRIPTION OF THE LINES AND DIMENSIONS OF ANY PARCELS SHOWN HEREON.

CITY OF RANCHO CORDOVA
THE PRESERVE
COMMUNITY FACILITIES DISTRICT NO. 2025-1

PARCELS WITHIN IMPROVEMENT AREA NO. 1

MAP INDEX NO.	ASSESSORS PARCEL
1	072-4450-001-0000
2	072-4450-002-0000
3	072-4450-003-0000
4	072-4450-004-0000
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MAP INDEX NO.	ASSESSORS PARCEL
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62	072-4450-062-0000



LEGEND

- ASSESSOR'S PARCEL LOT LINE
- SHEET INDEX BOUNDARY LINE
- ASSESSOR'S MAP INDEX NUMBER
- COMMUNITY FACILITIES DISTRICT NO. 2025-1 AND IMPROVEMENT AREA NO.1
- FUTURE ANNEXATION AREA
- ASSESSORS BOOK AND PAGE

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CITY OF RANCHO CORDOVA

THE PRESERVE

COMMUNITY FACILITIES DISTRICT NO. 2025-1

PARCELS WITHIN IMPROVEMENT AREA NO. 1

MAP INDEX NO.	ASSESSORS PARCEL
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MAP INDEX NO.	ASSESSORS PARCEL
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121	072-4460-121-0000
122	072-4460-122-0000
123	072-4460-123-0000
124	072-4460-124-0000
125	072-4460-125-0000

LEGEND

- ASSESSOR'S PARCEL LOT LINE
- SHEET INDEX BOUNDARY LINE
- 20

ASSESSOR'S MAP INDEX NUMBER
- COMMUNITY FACILITIES DISTRICT NO. 2025-1 AND IMPROVEMENT AREA NO.1
- FUTURE ANNEXATION AREA
- 072
445

ASSESSORS BOOK AND PAGE

NOTE:

REFERENCE IS HEREBY MADE TO THE MAPS AND DEEDS OF RECORD IN THE OFFICE OF THE ASSESSOR OF THE COUNTY OF SACRAMENTO FOR THE DETAILED DESCRIPTION OF THE LINES AND DIMENSIONS OF ANY PARCELS SHOWN HEREON.

MEMORANDUM



ITEM 16.1.

DATE: February 3, 2025
TO: Honorable Mayor and Council Members
FROM: Darcy Goulart, Community Development Director
SUBJECT: **PLANNING COMMISSION REGULAR MEMBERS NOMINATION AND SELECTION**

RECOMMENDATION

Receive a nomination from Council Members Little, Sander, Vice Mayor Gatewood, and Mayor Pulipati for the regular member Planning Commission vacancies and make a motion to approve the four (4) members.

RESULT OF RECOMMENDED ACTION

City Council nominate and vote on the four (4) Regular Member Planning Commission Members that would fill the seats that were vacated due to expired terms and the removal of a regular member. The terms for Vice Mayor Gatewood's nominee will coincide with his existing term and will expire in December 2026. The terms for the remaining three nominees will coincide with those Council Member terms and will expire in December 2028.

BACKGROUND

With the November 2024 General Municipal Election and terms of office, three of the five regular Planning Commissions Members terms expired in December 2024. An application period to fill the three vacant seats was opened on December 17, 2024. The term expiration date of these three vacant seats will be December 2028.

With the removal of a regular member at the January 6, 2025, City Council meeting, a special vacancy notice was posted following the requirements of Government Code Section 54974. The required posting of this notice extended the application period to January 22, 2025 to meet the requirements outlined in the referenced Government Code. The person selected to fill this regular member vacancy will have a term that expires in December 2026, which coincides with Vice Mayor Gatewood's term.

APPLICATIONS

The City opened up the application process for 5 weeks and received a total of ten (10) applications for the four vacant positions. All applicants meet the minimum required qualifications, which are:

1. Must be 18 years of age.

2. Shall reside within the incorporated boundaries of the City of Rancho Cordova.
3. Shall not be an elected or appointed official of another public entity whose jurisdiction includes any part of the City.

Council Members Little, Sander, Vice Mayor Gatewood, and Mayor Pulipati will each make a nomination for a regular member to fill a vacant spot. Each nominee requires a majority vote by the Council. The regular member will follow the term of office of their nominating Council Member. Therefore, Vice Mayor Gatewood's nominee will have a term that expires in December 2026. The remaining three regular members will have a term that expires in December 2028. The applications and resumes are included at Attachment 1. Staff has also included a map (Attachment 2) that depicts what neighborhood each current Planning Commissioner resides in and where the applicants reside. This is a reference provided during other nominations and selections and therefore, is being provided again.

Mayor Pulipati and Council Member Sander both indicated at the December 16, 2024, Regular City Council meeting that they intend to re-nominate their existing Planning Commissioner nominees. Both of the regular members, Lee Frechette and Surender Devarapalli, submitted applications as part of this open application process, signifying that they have an interest to remain on the Planning Commission.

SUMMARY

Staff is requesting that Council Members Little, Sander, Vice Mayor Gatewood, and Mayor Pulipati make individual nominations for the regular member Planning Commissioner and make a motion to approve the four (4) members.

FISCAL IMPACT AND FUNDING SOURCE

ATTACHMENT(S)

1. Planning Commission Applications
2. Planning Commission Applicants Map 2025
3. Presentation

From: [City of Rancho Cordova](#)
To: [Planning Services](#)
Subject: *NEW SUBMISSION* Planning Commission Application
Date: Saturday, January 11, 2025 8:04:29 PM

You don't often get email from ranchocordova@enotify.visioninternet.com. [Learn why this is important](#)

Planning Commission Application

Submission #: 3721894
IP Address: 108.195.126.130
Submission Date: 01/11/2025 8:04
Survey Time: 34 minutes, 54 seconds

You have a new online form submission.

Note: all answers displaying "*****" are marked as sensitive and must be viewed after your login.

Full Name

Brenda K. Keebaugh

Home Address

Email Address

Date of Birth

Home Phone

Cell Phone

Occupation

Retired

Do you reside within the incorporated boundaries of the City of Rancho Cordova?

Yes

Are you currently serving as an elected or appointed official of another public entity whose jurisdiction includes any part of the city? If so, please state the entity and your role.

No

If selected, will you be able to attend evening meetings regularly and devote the time necessary to fulfill your duties as a member, including yearly training that may require travel?

Yes

The following questions will assist the City Council with evaluating your application and learning more about your interest in becoming a Planning Commissioner.

In several paragraphs, please describe why would you like to be a planning commissioner. Please be as detailed as possible.

Since retiring from State service, I have been searching for a way to make a positive difference in Rancho Cordova and leave a legacy for my granddaughters. As a Planning Commissioner I would have a hand in shaping Rancho Cordova by ensuring development aligns with the community's needs and visions.

In several paragraphs, describe your interest and involvement in your neighborhood and the community as a whole. Please be specific and include examples.

I am going on my sixth year living in Rancho Cordova. Recently I have been afforded free time to become involved in the community. On a citywide scale, I participated in the Rancho Cordova volunteer day last year by clearing waste from creeks. I intend to volunteer again this year and encourage more of my family to participate. On a smaller scale but just as meaningful impact, I participated through church during Christmas to give back to the needy. Additionally, a member of our community experienced a number of medical emergencies over the past two years. The community established a food train so we could provide her with meals while she recovered. It was amazing to be a small part in assisting a community member overcome obstacles and thrive.

In several paragraphs, what do you like best about being a resident of the City of Rancho Cordova? Please be specific and include examples.

I chose to live in Rancho Cordova for the family oriented amenities like Hagen Park and the fabulous park and recreation activities. Living in Rancho Cordova affords me easy access to the American River and Lake Natomas for kayaking. The Somerset community specifically is fun, friendly and extremely safe.

Attach a copy of your resume.

Education Resume BK.doc

I declare, under penalty of disqualification and termination, that all statements in this application are true and complete to the best of my knowledge.

Applicant's Signature

Brenda K. Keebaugh

Date

01/11/2025 12:00 AM

Thank you,

City of Rancho Cordova

This is an automated message generated by Granicus. Please do not reply directly to this email.

Brenda K Keebaugh

Executive Summary

Over twenty years experience applying people, process, problem solving, consensus building, and technical skills to improve individual, team, and organizational performance. Outstanding background of leadership and expertise in providing solid system designs and project leadership including; obtaining CMM level III certification for the California Student Aid's Entitlement Grant Program (SB1644) project. Practiced in clarifying business requirements, performing gap analysis between goals and existing procedures/skill sets, and designing process and system improvements to increase productivity and reduce costs. Exhibits strong interpersonal skills and highly adept at diplomatically facilitating discussions and negotiations with stakeholders. Performs effectively under high-pressure situations while maintaining the highest ethical standards. Additional areas of expertise include:

- Management of Cross-Functional Teams
- Change Control Management
- Project & Delivery Methodologies
- Quality Assurance
- Process Analysis & Redesign
- Cost & Resource Estimate

Experience

State of California, Franchise Tax Board, (Jun 2006 – Jun
Data Processing Manager II/Systems Software Specialist III 2020)
(Technical)

Enterprise Architect collaborating across all business process functional areas and technology domains to identify opportunities for improving efficiency, enhancing quality of services, and reducing cost.

- Managed cross-functional teams of business and technical personnel to evaluate existing technologies and business processes while serving as the Identity and Access Management (IdAM) Solution Architect and as the Business Process Management (BPM) Solution Architect
- Performed As-Is, Could-Be, Opportunities, and Gap Analysis for the California Department of Revenue Project working in a cross departmental team with EDD business analysts
- Project manager for the Mainframe Workload Growth project to replace the mainframe and further increase capacity
- Project manager for the Print Transformation on AIX Proof of Concept to test the viability of converting print from PDF to AFP on an AIX server instead of on the mainframe
- Project manager for the Business Entities Taxation System (BETS) INSTALL/1 Decoupling Project to eliminate the dependence upon Accenture proprietary software and strategically position the BETS architecture for the future. The BETS generates 14.9% percent or approximately 10 billion dollars for California's General Fund. Managed the vendor and FTB staff in the creation of the current baseline and alternative analysis.
- Launched and managed several Centers of Excellence (CoE) to establish sound architecture, standards, and policies, and accomplish department initiatives
- Lead a multi-departmental team in creating the State Consumer Services Agency Enterprise Architecture charter and key initiatives for the calendar year
- Participated in the creation of the State Enterprise Architecture Committee Business Plan

- Served as the Enterprise Architecture (EA) Project Architect assessing projects and proposals for EA compliance; participated in EA refresh and EA compliance processes
- Member of the IT Strategic Plan refresh team

**State of California, California Student Aid Commission (CSAC),
Senior Programmer Analyst Specialist (Supervisor)**

(May 2001 – Jun
2006)

Managed the application development and SB1644 Project for the Commission's Grant Delivery System with over 1.2 million applicants and annual local assistance funding in excess of over \$700 million.

- Obtained CMM Level 3 certification for the \$10.9 million Entitlement Grant Program project that redesigned the Commission's Grant Delivery System by instituting process improvements and standardizing repeatable project and development methodologies
- Utilized a rolling wave planning methodology to successfully implement the Entitlement Grant Program timely, on budget, and with the required functionality
- Established an effective systems development lifecycle (SDLC) including a robust release process successful in decreasing repeat defects
- Supervised a staff of eight for maintaining the current Grant Delivery System including the web applications for addressing defects, developing system enhancements and designing and implementing new web-based technologies. During the 2004, completed 19 projects and over 900 defects.
- To ensure the timely delivery of new products and services, simultaneously worked with multiple vendors to develop critical outsourced portions of projects
- Analyzed, designed, and developed complex systems using Web application technology and PL-SQL

**State of California, Franchise Tax Board,
Systems Software Specialist I/II (Technical)**

(Dec 1996 – May
2001)

Member of a select team assigned to large complex engagements designing application architectures and improving business processes. Leveraged extensive experience in industries interviewing business and technical leaders to gather and clarify business requirements.

Chosen to lead educational seminars for clients

- Created and presented demonstration systems to executive management for education and action
- Analyzed, designed and developed complex systems using Web application technology and Object Oriented Project Management and Modeling Techniques
- Mentored staff in web technologies
- Lead for Procurement Re-Design Project using Object Oriented Modeling and Design
- Technical Lead for the Secure E-Mail Project – Digital Signatures and Encryption
- Technical Consultant for major business systems performing research and evaluation of new technology

**State of California
Associate Information Systems/Programmer Analyst Specialist**

(Nov 1990 – Dec
1996)

Senior analyst, specializing in mainframe tax related systems. Assigned to engagements based on demonstrated skills in business analysis and customer relationship management.

- Researched and analyzed new technology in light of business goals and objectives
- Provided liaison services for business groups and technical architects to enhance communication

- Analyzed complex applications using multiple languages and platforms to determine the affect of business process changes on the technical architecture
- Constructed issue papers and presentations
- Provided technical training and mentoring

**Cal Farm Life Insurance,
Associate Programmer/Systems Analyst Specialist**

(Aug 1990 – Nov
1990)

- Conducted design sessions to create requirements and redesign business processes
- Analyzed, designed, developed and maintained DB2 and COBOL sub systems

**Electronic Data Systems Corporation (EDS),
Systems Engineer – Government Contracts**

(Mar 1986 – Aug
1990)

- Worked on several rapid development projects in medicaid and student loan engagements

Education

University of California, Riverside, CA Bachelor of Science Administrative Studies, March 1986
ITIL Foundations – 2012

Certified Enterprise Architect with the Enterprise Architecture Center of Excellence 2010

Graduate of Information Technology Manager's Academy XIII, June 2006

Graduate of EDS' Systems Engineering Development Program, June 1988

Additional Training and Coursework

Non-Technical:

Business Process Modeling, Ken Miller: Change Agent's Guide to Radical Improvement, Project Management Professional (PMP)-PMBOK® Guide-Third Edition-aligned, Object Oriented Project Management, Effective Business Writing, Into to Leadership, Basic Leadership, Group Dynamics, INTERACT–Interpersonal Problem Solving, Basic Supervision, Effective Presentations, Collaboration, Van Write

Technical Courses:

Java, Client/Server, MS Visual Basic, C++, Sybase Adaptive Server Enterprise & SQL, MS Web Site Development, UNIX, ADABAS, Natural 2, Network Technologies, VIASOFT Existing Systems Workbench, LAN/Networking, DB2/SQL Application, Analysis, Design, and Programming Power Designer, XML, HTML, DHTML, ASP, Visual Basic, VBScript, Java Script, Java, SQL, C, COBOL, CICS, Natural 2, DB2, Assembler, PL1, Macromedia Flash, Photoshop, Rational Rose, PowerPoint, VISIO, and DOC-AID

From: [City of Rancho Cordova](#)
To: [Planning Services](#)
Subject: *NEW SUBMISSION* Planning Commission Application
Date: Wednesday, January 22, 2025 4:55:43 PM

Planning Commission Application

Submission #: 3746081
IP Address: 73.41.166.88
Submission Date: 01/22/2025 4:55
Survey Time: 23 minutes, 49 seconds

You have a new online form submission.

Note: all answers displaying "*****" are marked as sensitive and must be viewed after your login.

Full Name

Duane J. Lindsay

Home Address

Email Address

Date of Birth

Home Phone

Cell Phone

Occupation

Executive Project Manager | UC Davis Student Housing and Dining Services

Do you reside within the incorporated boundaries of the City of Rancho Cordova?

Yes

Are you currently serving as an elected or appointed official of another public entity whose jurisdiction includes any part of the city? If so, please state the entity and your role.

N/A

If selected, will you be able to attend evening meetings regularly and devote the time necessary to fulfill your duties as a member, including yearly training that may require travel?

Yes

The following questions will assist the City Council with evaluating your application and learning more about

your interest in becoming a Planning Commissioner.

In several paragraphs, please describe why would you like to be a planning commissioner. Please be as detailed as possible.

Being a planning commissioner is an opportunity to shape the future of a community, ensuring its growth is both sustainable and reflective of the needs and values of its residents. I would like to serve in this role because I am deeply passionate about fostering vibrant, inclusive, and well-designed communities. The prospect of contributing to a city's long-term vision and making informed decisions about land use, development, and infrastructure is both exciting and meaningful to me. First and foremost, I value the balance between economic growth and environmental sustainability. A planning commissioner has the unique ability to guide development in a way that promotes economic opportunity while preserving natural resources. I am committed to supporting projects that not only attract businesses and create jobs but also protect green spaces, improve air and water quality, and encourage environmentally responsible practices. Serving in this capacity would allow me to advocate for policies and plans that ensure our community thrives for generations to come. I am also deeply committed to inclusivity and equity in urban planning. A well-planned community should serve everyone, regardless of their socioeconomic background. I would prioritize affordable housing initiatives, accessible transportation systems, and public amenities that address the needs of all residents. My goal would be to ensure that the voices of underrepresented groups are heard and that the benefits of development are shared equitably.

In several paragraphs, describe your interest and involvement in your neighborhood and the community as a whole. Please be specific and include examples.

Since moving to Rancho Cordova at the tail end of 2020, our focus has been getting through the pandemic, setting our roots in our first home, and starting our family (we had our first child in 2023), so I have yet to get involved in the community outside of attending social events and supporting local business/economy. But part of my interest in this opportunity is to start getting involved in the community and giving back. One reason I am drawn to this role is my interest in fostering smart growth and innovation. I believe in the importance of thoughtful urban design, mixed-use developments, and the integration of technology to improve the quality of life. Whether it's enhancing walkability, supporting public transit, or encouraging sustainable building practices, I am eager to help implement forward-thinking solutions that make our community more livable and resilient. Additionally, I bring a strong sense of responsibility and a willingness to collaborate with others. As a planning commissioner, I would work closely with fellow commissioners, city staff, developers, and community members to achieve shared goals. I am prepared to engage in thorough research, listen to diverse perspectives, and make decisions based on both data and community input. I believe effective planning is a team effort, and I am ready to contribute my time, energy, and analytical skills to this important work. In summary, I am drawn to the role of planning commissioner because it aligns with my passion for sustainability, inclusivity, innovation, and community engagement. I am eager to contribute my skills, values, and dedication to shaping a community that meets the needs of today while preparing for the challenges and opportunities of tomorrow.

In several paragraphs, what do you like best about being a resident of the City of Rancho Cordova? Please be specific and include examples.

Possibility and well, maybe the Barrel District (ha)! In all seriousness, Rancho is a young city that has so much potential. From business amenities, location in the larger region and proximity to recreation and outdoor space, Rancho Cordova has a lot of possibility for anyone, including a newer family like ours. As a newer city, I am inspired by the idea of leaving a positive legacy. Communities evolve over decades, and the decisions made today have lasting impacts. By serving as a planning commissioner, I hope to help create a city that future generations will be proud to call home—a place where people can live, work, and play in harmony with their environment and each other.

Attach a copy of your resume.

Resume_DuaneJLindsay_2025.pdf

I declare, under penalty of disqualification and termination, that all statements in this application are true and complete to the best of my knowledge.

Applicant's Signature

Duane J. Lindsay

Date

01/22/2025 12:00 AM

Thank you,

City of Rancho Cordova

This is an automated message generated by Granicus. Please do not reply directly to this email.

DUANE J. LINDSAY



CLIFTONSTRENGTHS

Includer
 Woo
 Positivity
 Communication
 Developer

DEVELOPMENT/TRAININGS

"Helping Suicidal or Self-Harming Callers"; The Rape, Abuse, & Incest National Network
 -July 2013

Continued below...

EXPERIENCE

EXECUTIVE PROJECT MANAGER

Student Housing and Dining Services, UC Davis

January 2023 – present

Provide direct executive management, strategic planning, project management, and advanced analytical support to the AVC and leadership team (unit executive directors) in Student Housing and Dining Services (SHDS). Position serves as an advisor to the AVC, leadership team and SHDS on highly complex management level organizational issues/initiatives and provides advanced support in a variety of areas that support organizational effectiveness and broad organizational impact. Manage advanced administrative operations in the Office of the AVC (OAVC), including but not limited to administrative services (travel, purchasing, calendaring, etc.), management of the staff intranet site & communication systems, coordinate department events/gatherings, etc. Serve as the direct supervisor to an administrative team (2 Blank Ast 3s) in the OAVC unit. Oversight of annual fall "Moove-In" program including 11,000+ residents. Provide systemwide support to UC housing/dining groups in coordination with AVC & UCOP.

EXECUTIVE PROJECT ANALYST

Student Housing and Dining Services, UC Davis

August 2017 – December 2022 (internal promo/reclass)

Provide executive management and analytical support to the Associate Vice Chancellor (AVC)-Student Housing, Dining and Divisional Operations and the six-unit directors of Student Housing and Dining Services. Provide administrative support such as complex calendaring and travel for executive level managers, serve as the first point of contact and coordinate operations for the Office of the AVC, and provide project managerial support to directors. In addition, serve as the Unit Policy Coordinator for the division of Student Affairs and provide systemwide support to the UC housing/dining groups in coordination with AVC. Coordinate dept-level events and staff engagement opportunities. Serve in a lead capacity providing daily direction and support to the Administrative Coordinator in the Office of the AVC.

ORIENTATION PROGRAM ASSISTANT (INTERIM)

Student Housing and Dining Services, UC Davis

May 2017 – August 2017

Supports the front desk, daily traffic (office, phone, email) and all forms of customer service in regard to orientation participants/guests while simultaneously managing administrative functions for the program; purchasing/expenses, complex schedules, calendars, catering orders, and projects for the First-Year Experience (FYE) unit and their campus



*Pro-Act In Service; Professional Assault
 Crisis Training*
 -January 2014

*UC Davis LGBTQIA Foundations of
 Allyship*
 -August 2016

CliftonStrengths
**Strengths Assessment and*
Individual professional development
 -2009 and 2016+

Diversity Awareness Workshop
UC Davis
 -January 2017

UndocuAlly Educator Training
UC Davis
 -August 2018

Lean Six Sigma Yellow Belt Graduate
UC Davis
 -August 2019

Preparing for Supervision
Certificate Series
UC Davis
 -2021

Student Affairs Small Mentor Program
Mentor: Vice Chancellor for
Student Affairs, Dr. Pablo G. Reguerín
 -2021

partnership through the Residential Hall Advisory Team (RHAT).

SORORITY AND FRATERNITY LIFE ADVISOR
Student Housing and Dining Services, UC Davis
 December 2015 – June 2017

STUDENT DEVELOPMENT ASSISTANT
Student Housing and Dining Services, UC Davis
 October 2015 – May 2017

ADAPTIVE SKILLS TRAINER
Passage Department; Southside Art Center
 January 2014 – October 2015

EDUCATION

MASTER OF SCIENCE IN ADMINISTRATION | 2023
California State University, Bakersfield

SOCIAL & BEHAVIORAL SCIENCES B.A | 2013/2021
California State University, Monterey Bay - Bachelor's Degree

Relevant coursework includes a focus on the social, historical, and political factors that drive individuals, as well as environmental policy.

*Returned to complete degree in fall 2021.

CERTIFICATE OF COMPLETION | 2012
Panetta Institute of Public Policy

Emphasizing a concentration in public policy and the civic involvement of individuals and the government at large. Specialized program for CSU student body presidents.

CERTIFICATE OF GRADUATION | 2009
The Leadershape Institute

A community-centric program focused on the desire for participants to engage collectively and lead with integrity.



*Additional volunteer experience & leadership available upon request.

VOLUNTEER EXPERIENCE & LEADERSHIP

Association of College and University Housing Officers – International (ACUHO-I) | Business Operations Conference

Conference Chair | November 2022 – November 2023

Conference Chair-Elect | February 2022 – November 2022

Connections/Engagement Chair | February 2021–October 2021

Council on Student Affairs and Fees | UC Davis

Staff Member Representative (1/2)

September 2021 – May 2023

A Chancellor's Administrative Advisory Committee

University of California, Davis

Western Association of College and University Housing Officers (WACUHO)

Host Committee/Volunteers Chair

2019 and 2017 Conferences

Environmental Affairs/Sustainability Officer

July 2012 - June 2013

California State Student Association

California State University System

President and CEO

April 2012 - May 2013

Associated Students

California State University, Monterey Bay

*Additional years of experience in student government
(2008-2013)

Kappa Sigma Fraternity

Member, Various Leadership Positions

Spring 2009 - present

California State University, Monterey Bay

*Additional student leadership experiences available upon request including but not limited to Orientation Leader, Residential Housing Association, etc.



From: [City of Rancho Cordova](#)
To: [Planning Services](#)
Subject: *NEW SUBMISSION* Planning Commission Application
Date: Monday, January 13, 2025 3:35:22 PM

Planning Commission Application

Submission #: 3726310
IP Address: 76.158.179.111
Submission Date: 01/13/2025 3:35
Survey Time: 3 minutes, 35 seconds

You have a new online form submission.

Note: all answers displaying "*****" are marked as sensitive and must be viewed after your login.

Full Name

Elliott R. Stevenson, Esq.

Home Address

Email Address

Date of Birth

Home Phone

Cell Phone

Occupation

Attorney

Do you reside within the incorporated boundaries of the City of Rancho Cordova?

Yes

Are you currently serving as an elected or appointed official of another public entity whose jurisdiction includes any part of the city? If so, please state the entity and your role.

N/A

If selected, will you be able to attend evening meetings regularly and devote the time necessary to fulfill your duties as a member, including yearly training that may require travel?

Yes

The following questions will assist the City Council with evaluating your application and learning more about

your interest in becoming a Planning Commissioner.

In several paragraphs, please describe why would you like to be a planning commissioner. Please be as detailed as possible.

As a resident of Rancho Cordova with deep ties to the community, I am passionate about fostering its growth and ensuring its long-term success. My desire to serve as a planning commissioner stems from a commitment to building a thriving city that balances development, sustainability, and inclusivity. I have a strong appreciation for the unique character of our city and understand the importance of thoughtful planning in shaping its future. Through this position, I aim to leverage my professional expertise, community involvement, and vision to contribute meaningfully to Rancho Cordova's development. As a licensed attorney and real estate professional, I bring a unique perspective to city planning. My legal background has equipped me with a thorough understanding of land use, zoning laws, and regulatory frameworks, while my experience as a realtor has provided firsthand insight into the needs of residents and businesses. This combination of skills allows me to approach planning decisions with a balanced perspective, considering legal, economic, and community impacts. I am particularly motivated to advocate for responsible development that provides affordable housing, promotes economic growth, and preserves the city's natural and cultural heritage. Serving as a planning commissioner is an opportunity to give back to the city that has shaped my life. I envision Rancho Cordova as a place where innovation meets tradition, where diverse communities thrive, and where future generations are proud to call home. By applying my skills, experience, and dedication to this role, I hope to play a pivotal part in shaping a vibrant and inclusive future for our city.

In several paragraphs, describe your interest and involvement in your neighborhood and the community as a whole. Please be specific and include examples.

My interest and involvement in my neighborhood and the Rancho Cordova community are deeply rooted in my personal history and professional pursuits. Having grown up in a family with ties to the area since the 1960s, I have always felt a strong connection to the city and its residents. As the co-founder of 'I Love Rancho Cordova,' a nonprofit organization, I have worked to uplift our community through programs that celebrate local achievements and provide support to residents. One notable initiative is our partnership with Williamson Elementary School where we are providing the 5th grade class with branded hoodies to instill pride and community spirit. These efforts reflect my belief in the power of community-driven initiatives to inspire positive change. In addition to my nonprofit work, I have worked as a volunteer flag football coach and a basketball coach for the Cordova Recreation and Park District. This role has allowed me to mentor young athletes, teach teamwork, and contribute to the personal growth of local youth. My involvement in youth sports highlights my commitment to creating opportunities for children to build confidence and develop valuable life skills. Through these activities, I have gained a deep understanding of the challenges and aspirations of Rancho Cordova's residents. My involvement has reinforced my dedication to addressing the community's needs, from creating recreational opportunities to supporting economic growth. I am passionate about continuing this work to make Rancho Cordova a city where everyone feels valued and empowered.

In several paragraphs, what do you like best about being a resident of the City of Rancho Cordova? Please be specific and include examples.

What I like best about being a resident of Rancho Cordova is the sense of community and connection that defines our city. Rancho Cordova is not just a place to live; it's a place where people care about one another and actively contribute to a shared vision of growth and prosperity. From its rich history as a military town to its vibrant, diverse neighborhoods today, our city embodies resilience, pride, and opportunity. One of the things I appreciate most is how Rancho Cordova strikes a perfect balance between progress and preserving its small-town charm. As a community deeply rooted in family and tradition, the city offers events and activities that bring neighbors together. For example, the Fourth of July celebrations and community gatherings at Hagan Community Park exemplify the city's dedication to creating spaces where residents can connect and celebrate together. These events are a testament to the city's commitment to fostering a strong sense of belonging. I am also inspired by the diversity and inclusivity of Rancho Cordova. Our city is a vibrant mosaic of cultures, backgrounds, and perspectives, which is evident in everything from the local businesses that reflect our community's rich heritage to the programs and initiatives that embrace all residents. Being part of such a dynamic and welcoming community makes Rancho

Cordova a truly special place to call home. Ultimately, what I like best about Rancho Cordova is its people—the neighbors, friends, and community leaders who work together to build a brighter future. Whether it's supporting a local nonprofit, attending a city event, or simply connecting with neighbors, Rancho Cordova offers a sense of belonging and pride that is unmatched. This city isn't just where I live; it's where I find inspiration and purpose every day.

Attach a copy of your resume.

Resume_Legal.pdf

I declare, under penalty of disqualification and termination, that all statements in this application are true and complete to the best of my knowledge.

Applicant's Signature

Elliott R. Stevenson, Esq.

Date

01/13/2025 12:00 AM

Thank you,

City of Rancho Cordova

This is an automated message generated by Granicus. Please do not reply directly to this email.

Elliott Stevenson, Esq.

LICENSURE

State Bar of California — Member number: 333387, admitted to practice January 17, 2021

California Department of Real Estate — License number: 01994725, licensed since January 13, 2016

EDUCATION

Lincoln Law School, Sacramento, California

J.D. — May 2016

California State University, Sacramento, Sacramento, California

B.A. — Organizational Communication, May 2007

EXPERIENCE

Skyline Law Office, APC

Solo Practitioner

Rancho Cordova, California

2021 - Present

- Spearheaded case management processes to ensure comprehensive service delivery and support to clients, enhancing client satisfaction and case outcomes.
- Conducted detailed client consultations to accurately assess their legal needs and provide strategic, personalized guidance that empowers clients to make informed decisions.
- Performed in-depth legal research to develop robust case strategies, ensuring well-informed legal arguments and maximizing case success rates.
- Negotiated and drafted contracts, skillfully securing advantageous terms and effectively mitigating potential risks to safeguard client interests.
- Employed advanced mediation techniques to resolve disputes efficiently, promoting amicable solutions and maintaining positive relationships among involved parties.
- Vigorously represented clients in court, meticulously preparing and presenting persuasive arguments and evidence that advocate for client interests and achieve favorable judicial outcomes.

California State Guard

1st Lieutenant Judge Advocate

Rancho Cordova, California

2021 - Present

- Conducted thorough legal research to support robust case preparation, ensuring full compliance with applicable military and civilian laws.
- Analyzed and evaluated military justice cases, providing well-informed recommendations that adhere strictly to established military regulations and protocols.
- Led client consultations to collect essential information, crafting tailored legal strategies to address specific challenges and achieve favorable outcomes.
- Assessed and interpreted regulatory requirements to provide clear, actionable guidance to military personnel, enhancing understanding and compliance across the board.
- Collaborated with military and legal personnel to streamline processes and improve the efficacy of legal operations within the State Guard.
- Formulated and executed comprehensive financial strategies that aligned with organizational objectives; enhanced fiscal growth by integrating legal considerations, minimizing exposure, and capitalizing on legal opportunities.

Imperium Real Estate
*Real Estate Agent***Sacramento, California**
2016 - Present

- Conducted comprehensive market analysis to inform strategic decisions, significantly enhancing the competitive positioning of the portfolio.
- Developed and maintained strong client relationships by delivering effective communication and customized services, consistently exceeding client expectations.
- Performed accurate property valuations to determine optimal pricing strategies and maximize investment potential for clients.
- Expertly negotiated favorable terms and conditions in real estate transactions, ensuring maximum value and client satisfaction in each deal.
- Meticulously managed contract processes to ensure strict compliance and risk mitigation, safeguarding client interests throughout the transaction lifecycle.
- Orchestrated and coordinated open house events, strategically showcasing properties to maximize visibility and attract qualified prospective buyers.

California Department of Transportation
*Analyst***Sacramento, California**
2007 - 2016

- Analyzed complex datasets to extract actionable insights, significantly informing and enhancing strategic decision-making processes.
- Developed models of traffic patterns to optimize flow and enhance safety within urban infrastructures, leading to marked improvements in traffic management and pedestrian safety.
- Created detailed reports that effectively summarized research findings and strategic recommendations, facilitating informed decision-making among stakeholders.
- Conducted thorough evaluations of project outcomes to assess effectiveness and identify opportunities for continuous improvement, driving future project enhancements.
- Ensured strict regulatory compliance by designing and overseeing the implementation of processes in line with industry standards, maintaining high levels of operational integrity and safety.

From: [City of Rancho Cordova](#)
To: [Planning Services](#)
Subject: *NEW SUBMISSION* Planning Commission Application
Date: Wednesday, January 22, 2025 3:46:19 PM

Planning Commission Application

Submission #: 3745908
IP Address: 98.242.44.80
Submission Date: 01/22/2025 3:46
Survey Time: 9 minutes, 54 seconds

You have a new online form submission.

Note: all answers displaying "*****" are marked as sensitive and must be viewed after your login.

Full Name

Eunie L. Linden

Home Address

Email Address

Date of Birth

Home Phone

Cell Phone

Occupation

Attorney

Do you reside within the incorporated boundaries of the City of Rancho Cordova?

Yes

Are you currently serving as an elected or appointed official of another public entity whose jurisdiction includes any part of the city? If so, please state the entity and your role.

While I do not believe there is any overlap with the City's jurisdiction, I do serve as a public board member of the California State Board of Optometry.

If selected, will you be able to attend evening meetings regularly and devote the time necessary to fulfill your duties as a member, including yearly training that may require travel?

I look forward to the ability to participate as a member and to not only regularly attend meetings, but to show up fully informed and ready to contribute.

The following questions will assist the City Council with evaluating your application and learning more about your interest in becoming a Planning Commissioner.

In several paragraphs, please describe why would you like to be a planning commissioner. Please be as detailed as possible.

As a 15-year resident who is raising a family and has a policy background, I want to serve on the Commission to promote development that aligns with what residents seek and that is fiscally and environmentally sustainable. As the City seeks to update its last General Plan, I also believe it's an opportune time to be involved. I believe we all want the same things from our City: safety (e.g., by reducing areas for criminal activity or ensuring pedestrian and bicyclist safety); amenities and vibrant commercial centers (to build community, make life easier for residents, and keep dollars inside our City); a business-friendly environment (to support economic growth that benefits us all); and lastly, civic pride. As a Commissioner, I would ensure development aligns with our General Plan, but also promotes shared interests and is forward-looking. While I paused my career to focus on my family, my perspective as an attorney with a public policy background would allow me to contribute to the Commission's work. I have taken graduate-level courses on land use and planning, where I learned about the planning process, zoning laws, and how state and local law interact when it comes to development, particularly in environmental and housing issues. These experiences, and past work experience focused primarily on research and analysis, help me overcome the learning curve and make decisions objectively. Lastly, as a State Board member, I know the importance of showing up fully prepared so that discussions and meetings are constructive and do not unnecessarily stall action. I also believe that the best outcome is one that has full support and is grounded in common understanding. To achieve such results, I would support an environment that guarantees all member and stakeholder voices are heard and would relish the opportunity to search for creative solutions that could bind such decisions.

In several paragraphs, describe your interest and involvement in your neighborhood and the community as a whole. Please be specific and include examples.

At the City level, I have previously served as a member of the Community Enhancement Fund Oversight Board. In addition, I am a member of the Parent Faculty Organization at Robert J. McGarvey Elementary School, where I volunteer at school events. On a broader level, I previously volunteered with Legal Services of Northern California, which provides free legal services to low-income individuals within the Sacramento area, where I assisted clients with housing or health-related issues, such as being wrongfully evicted or not getting the health care they need from their health care providers. Currently, I am volunteering with Public Advocates, a nonprofit law firm and policy organization that seeks to, among other things, ensure all students have access to a quality education. Additionally, as a public member of the State's Board of Optometry, I focus on its primary mandate, which is protecting consumers, which drives all of my actions and decision-making. While not all of these experiences are at the local level, I hope they convey how much I value being able to serve the public interest and believe in the importance of being involved in our smaller and larger communities and the ability to make a positive difference around us.

In several paragraphs, what do you like best about being a resident of the City of Rancho Cordova? Please be specific and include examples.

I have lived in Rancho Cordova for the last 15 years, and my husband has lived here all his life, attending Rancho Cordova's public schools and graduating from Cordova High. His business is also here in the City. We are also surrounded by friends, family, family of friends, and friends of family, who all live within a few miles of each other in the City. All this is to say that my favorite part about being a resident of the City of Rancho Cordova is the way that this community is strong and so closely tied together, and always brings people back. Activities that foster this community include things like attending the annual Fourth of July Parade and celebrations in Hagan Park, enjoying the summertime concerts Village Green Park, riding on the American River Bike Trail, or signing up my children for the abundant programming available through the Parks and Recreation department. All of these touchpoints with the City and what it offers all contribute to the sense of community I feel within the City. As someone who lives in Anatolia, and has seen this part of the City grow over the years, in addition to other economic corridors and city centers throughout, I look forward to the opportunity to contribute to the sense of community and growth through smart, sustainable, forward-thinking planning and development.

Attach a copy of your resume.

Eunie_Linden_Resume_1_25.docx

I declare, under penalty of disqualification and termination, that all statements in this application are true and complete to the best of my knowledge.

Applicant's Signature

Eunie L. Linden

Date

01/22/2025 12:00 AM

Thank you,

City of Rancho Cordova

This is an automated message generated by Granicus. Please do not reply directly to this email.

EUNIE LINDEN

COMMUNITY ENGAGEMENT**Public Advocates, Sacramento, California***Pro Bono Volunteer Attorney, April 2024 – Present*

Support the K-12 Education Team through a variety of means, including legal research and writing; legislative and policy research, writing, and advocacy; and participating in coalition-building efforts.

California State Board of Optometry, Sacramento, CA*Vice President, May 2021 – Present*

Responsibilities include, in part, promulgating regulations, establishing educational requirements for licensure, taking enforcement actions, and actively overseeing and monitoring the Board's budget, and relevant legislation.

Member, Measure H/Community Enhancement Fund Oversight Board, Rancho Cordova, CA*Board Member, May 2018 – 2020*

Review and provide feedback on how tax revenues from the City's Measure H Fund are spent.

Legal Services of Northern California, Sacramento, California*In-House Volunteer Attorney, Jan. 2017 – June 2019*

Conduct client intakes and provide legal counsel and advice to clients on healthcare and housing issues.

Awarded In-House Volunteer of the Year Award in 2018.

EXPERIENCE**California State Assembly Committee on Business and Professions, Sacramento, CA***Committee Consultant, Nov. 2013 – May 2016*

Drafted committee analyses and advised the Committee on legislation relating to consumer protection and professional licensing. Staffed and managed legislation, and researched and drafted oversight reports on professional licensing bodies.

Office of Legislative Counsel, Sacramento, CA*Deputy Legislative Counsel, Oct. 2011 – Oct. 2013*

Drafted legislation and provided advice, consultation, and written opinions to legislative staff on issues relating to health and human services, including Medi-Cal, CalWORKs, CalFresh, and public health.

City of Sacramento, Office of the City Attorney, Sacramento, CA*Law Clerk, Spring 2011*

Drafted legal memoranda, motions, and briefs relating to employment law, environmental law, negligence, enforcement of judgments, and bankruptcy.

Downey Brand, Sacramento, CA*Law Clerk, Summer 2010*

Drafted memoranda on issues relating to federal and state environmental laws, eminent domain, corporate negligence, and contracts.

EDUCATION AND CREDENTIALS**California State Bar, December 2011****University of California, Berkeley, School of Law, Berkeley, CA**

Juris Doctor, 2011

University of California, Los Angeles, School of Public Affairs, Los Angeles, CA

Master of Public Policy, 2008

Master's Applied Policy Project: Homelessness in the City of Burbank

California State University, Long Beach, Long Beach, CA

Bachelor of Arts, *cum laude*, in Political Science, 2005

From: [City of Rancho Cordova](#)
To: [Planning Services](#)
Subject: *NEW SUBMISSION* Planning Commission Application
Date: Monday, January 13, 2025 10:03:55 AM

Planning Commission Application

Submission #: 3724637
IP Address: 50.73.51.25
Submission Date: 01/13/2025 10:03
Survey Time: 18 minutes, 52 seconds

You have a new online form submission.

Note: all answers displaying "*****" are marked as sensitive and must be viewed after your login.

Full Name

Joseph David. Crosariol

Home Address

Email Address

Date of Birth

Home Phone

Cell Phone

Occupation

Project Land Surveyor

Do you reside within the incorporated boundaries of the City of Rancho Cordova?

Yes

Are you currently serving as an elected or appointed official of another public entity whose jurisdiction includes any part of the city? If so, please state the entity and your role.

No

If selected, will you be able to attend evening meetings regularly and devote the time necessary to fulfill your duties as a member, including yearly training that may require travel?

Absolutely

The following questions will assist the City Council with evaluating your application and learning more about

your interest in becoming a Planning Commissioner.

In several paragraphs, please describe why would you like to be a planning commissioner. Please be as detailed as possible.

I am excited about the opportunity to serve as a planning commissioner for our All-American city, a place I've worked for 20 years and have called home for nearly 10. Over this time, I've developed a deep appreciation for the community and its values, and I see this role as a chance to help shape its future in a way that balances growth with preservation. I'm eager to contribute to decisions about land use, zoning, and urban design—choices that directly impact the quality of life for residents and ensure the city remains vibrant, sustainable, and welcoming. What excites me most is the opportunity to work collaboratively with local officials, business leaders, and fellow residents. I believe in the power of thoughtful planning and value diverse perspectives in finding solutions that benefit the entire community. I'm confident that my ability to listen, mediate, and engage with others will be an asset to the planning commission as we work together to guide the city's development. Having lived here for almost a decade, I have a strong connection to the city and a genuine interest in ensuring its continued success. I'm motivated by the chance to help create a future that reflects the city's unique character while also meeting the needs of a growing population. I'm excited to bring my passion and dedication to this role and to contribute to a city that will continue to be a great place to live for generations to come.

In several paragraphs, describe your interest and involvement in your neighborhood and the community as a whole. Please be specific and include examples.

I have always been deeply involved in my neighborhood and the broader community, especially as a parent. My children and I regularly attend local events that bring our community together and help us stay connected to the city's culture and traditions. For example, we never miss the Kids Day at the Park, a fun event that allows families to gather and enjoy the outdoors while participating in games and activities. We also love attending the annual iFest, where we get to celebrate our city's diversity and enjoy the performances, food, and entertainment it offers. Additionally, we have made it a tradition to participate in the Memorial Day observance and the 4th of July celebrations every year for the past nine years. We have also had the pleasure of participating in the 4th of July parade multiple times, a cherished tradition that allows us to celebrate our community and show our pride. These events are important to us, not only because they are fun, but because they allow us to honor our community's history and foster a sense of belonging. Beyond attending events, my children and I regularly utilize the parks and outdoor spaces in the area. Hagen Park is one of our favorite spots, offering a beautiful setting where we can relax, play, and enjoy nature. We also love the American River Parkway, which provides countless opportunities for outdoor recreation, from biking and walking to picnicking and birdwatching. These spaces have become integral to our family's routine, and we are grateful for the city's commitment to maintaining them. Our connection to these places has only deepened my appreciation for the community and the role it plays in enhancing our quality of life. Being involved in these activities has also given me a sense of responsibility to help ensure our neighborhood and community continue to thrive. I believe it's important to be active in maintaining and improving the services, spaces, and events that make our city such a great place to live. My family'

In several paragraphs, what do you like best about being a resident of the City of Rancho Cordova? Please be specific and include examples.

What I like best about being a resident of Rancho Cordova is the diversity and kindness of the people. It's a welcoming community where you feel connected, whether through local events or everyday interactions. I've met people from various backgrounds, and the spirit of inclusivity and support makes living here feel special. One of the standout features of Rancho Cordova is the quality of its public spaces, particularly the American River and its adjoining Parkway. As someone who loves spending time outdoors, I consider the Parkway a true gem. It offers a serene and scenic setting that's perfect for activities like hiking, biking, or simply enjoying nature—a peaceful escape from the hustle and bustle of city life. The city's commitment to maintaining these natural spaces makes it an ideal place to live, stay active, and reconnect with the outdoors. I also appreciate the variety of businesses and restaurants in the city. From casual dining to more upscale options, there's something for every occasion. The convenience of having so many local businesses and eateries close by adds to the city's charm and makes it easy to enjoy life here. The KP International Market is a true landmark and a reflection of our city's rich diversity. It offers a

unique blend of cultural experiences, providing residents and visitors with access to a wide variety of goods and foods from around the world. This market not only highlights the diverse backgrounds of our community but also creates an inviting space for people to explore new flavors and traditions, further strengthening the city's sense of inclusivity and multiculturalism.

Attach a copy of your resume.

Joseph Crosariol - Resume.pdf

I declare, under penalty of disqualification and termination, that all statements in this application are true and complete to the best of my knowledge.

Applicant's Signature

Joseph David. Crosariol

Date

01/13/2025 12:00 AM

Thank you,

City of Rancho Cordova

This is an automated message generated by Granicus. Please do not reply directly to this email.

Joseph D. Crosariol



Professional Summary:

I am an expert draftsman with a high knowledge of AutoCAD Civil 3D. I am an experienced Project Surveyor with extensive business acumen and over 20 years of professional experience in the industry. I have a proven track record and retain the ability to produce finished products with minimal guidance.

Professional experience:

CTA Engineering & Surveying 2016 - Present

Project Land Surveyor

- Assist Licensed Surveyors in the preparation and production of the services outlined in each projects scope of work.
- Interpret Civil, Architectural, Structural, Electrical, and Plumbing plans + identify discrepancies.
- Calculate and coordinate necessary information for field crews relating to construction staking, boundary mapping, and project control; including point maps, exhibits and staking reports.
- Process field data relating to both conventional surveying and GNSS, i.e., construction staking, asbuilt surveys, topographic surveys, aerial surveys, boundary surveys, ALTA surveys, quantity surveys, well surveys, and etc. (some experience in working with point clouds)

CTA Engineering & Surveying 2011 - 2016

Field Surveyor/Office Surveyor

- Party Chief
- Chainman
- Interim Survey Manager
- Construction staking calculations
- Boundary Mapping
- Topographic Mapping

Cooper Thorne and Associates 2005 - 2011

Civil Engineering

- Civil Design & Drafting of large-scale subdivisions and medium scale commercial sites
- All types of design and drafting relating to land planning and tentative mapping
- Drafting Manager
- Quality Control

Automotive Service Industry 1998-2005**Automotive Service Technician**

- Thompsons Toyota of Placerville (Service Technician)
- Mazda of Folsom (Service Technician)
- Jiffy lube (Service Technician - multiple locations)

Computer Skills

- AutoCad Civil 3D
- Trimble Business Center
- Microsoft Office
- Adobe Acrobat Pro
- Corpscon
- Google Earth
- OPUS

Strengths

- Land Planning
- Topographic Mapping
- Terrain Modeling
- Quantity Calculations
- Survey Control Processing
- Construction Staking Calculations
- AsBuilts
- Subdivision/Boundary Mapping
- GNSS Data Processing
- Improvement Plans
- Plan Checking
- Exhibit Creation
- Communication Skills
- Coordinating with Clients

Project types

- Subdivisions
- High-rises
- Large and small scale commercial
- Bridges & overpasses
- Schools
- Parks
- Sports Complexes
- Landfills
- Miscellaneous Public Works projects
- Mass Rough Grading Design and Construction staking

From: [City of Rancho Cordova](#)
To: [Planning Services](#)
Subject: *NEW SUBMISSION* Planning Commission Application
Date: Wednesday, January 22, 2025 12:20:10 PM

Planning Commission Application

Submission #: 3745208
IP Address: 162.210.105.196
Submission Date: 01/22/2025 12:20
Survey Time: 56 minutes, 23 seconds

You have a new online form submission.

Note: all answers displaying "*****" are marked as sensitive and must be viewed after your login.

Full Name

Lee M. Frechette

Home Address

Email Address

Date of Birth

Home Phone

Cell Phone

Occupation

Engineer

Do you reside within the incorporated boundaries of the City of Rancho Cordova?

Yes

Are you currently serving as an elected or appointed official of another public entity whose jurisdiction includes any part of the city? If so, please state the entity and your role.

No

If selected, will you be able to attend evening meetings regularly and devote the time necessary to fulfill your duties as a member, including yearly training that may require travel?

Yes, I will be available for all meetings

The following questions will assist the City Council with evaluating your application and learning more about

your interest in becoming a Planning Commissioner.

In several paragraphs, please describe why would you like to be a planning commissioner. Please be as detailed as possible.

I have a steadfast dedication to the community and believe that by serving on the planning commission I can contribute in a positive way that will improve the quality of life for everyone in Rancho Cordova. My own experience has taught me that one person can make a big difference. In addition to my engineering background, I bring a unique set of experiences that provide insight into the decision-making the city planning commission must face. My work background is broad, including a 20-year career as a nuclear engineer, working on a wide range of projects across the United States. That was followed by 10 years of experience as vice president and general manager for a Bay Area development company and I was part of the development and planning team for CRPD at the dawn of the city In Rancho Cordova, my planning experience contributed to the City's Master Plan for parks and recreation. I have also had experience in negotiating development agreements, worked with tax engineers to develop revenue and budget plans sustainability. I have certifications in public facility maintenance management and planning. I have real world experience in both the public and private sectors. I am proud of the record of community service I have built here in Rancho Cordova. I have been where the rubber meets the road in ways that have helped shape Rancho Cordova into the dynamic forward thinking community it is today. I engineered the first ever carnival visit to Hagan Park, helped bring about the solutions to provide leading fireworks shows on the Fourth of July and solved the technical issues to installing a Christmas tree for all the community to enjoy at Village Green. These hands-on contributions to my city are now community fixtures and civic assets and are testaments not only to my devotion but to my understanding of our community. I look forward to bringing a deep understanding of the community and commitment to Rancho Cordova, to service on the planning commission.

In several paragraphs, describe your interest and involvement in your neighborhood and the community as a whole. Please be specific and include examples.

I am proud of my Rancho Cordova service record and can honestly say it has been an important part of my life. Here are some high points: · Board member for the Cordova Community Council. One of my board assignments includes "Event Engineer" and I am counted upon to resolve logistical challenges and provide solutions that contribute to the success of the Cordova Community Council. Most recently I have worked on Volunteer Awards, Summer Movies and Concerts, the Haunted House, the Christmas Tree Lighting and the Christmas Drive Through Light Show. I serve as board chair for Heartstoppers Haunted House and as chairman of the Rancho Cordova Fourth of July Celebration. My design for the Cordova Community Christmas Tree is a proud achievement. The Cordova Community Council and other community organizations have put my engineering background to good use for more than two decade. · Team member of the 2010 and 2019 All America City team. In those efforts I was a member of the presentation team and was responsible for the logistics of all the presentation materials. · Past President, Sacramento Valley Live Steamers Railroad · Past member, Rancho Cordova Rotary Club · Early pioneer of the California Capital Airshow, including two years as revenue manager. In recent years, I have been a volunteer with the show serving as support to the performing pilots. · Served as a member of the team writing the American River Parkway update, representing the Cordova Recreation and Park District. · Graduate of Leadership Rancho Cordova. My design for the class project, a complete update to the Welcome to Rancho Cordova signs, stands today at the gateways to our city. My record is a testament to my involvement and dedication to the community; I stand by it and am willingly measured by it. It demonstrates a love of community that will always put the community first.

In several paragraphs, what do you like best about being a resident of the City of Rancho Cordova? Please be specific and include examples.

Rancho Cordova is a city of great challenges as well as boundless opportunity. That is one of the things I appreciate most about my city. The challenges we face bring out the best in my neighbors and me. They help bring us together, give us purpose and give us a sense of great pride in our community as we overcome them. As I look around my community I see endless opportunities and that inspires me. This may be the single biggest thing that contributed to my love of Rancho Cordova. I first became involved in Rancho Cordova through the live steamers Railroad in Hagan Park. As I interacted with many community members at the park, I became enthused by the can-do attitude everybody had during the drive towards cityhood. As a result, I became involved in the community council. As my

involvement grew, I was introduced to more and more facets of the community and gained greater and greater appreciation for what a wonderful place Rancho Cordova truly is. What makes Rancho Cordova such a wonderful place is its citizens. Everywhere you look in this community you can find people who are going out of their way to do something extra to contribute to the community. From our many service clubs and organizations to our youth sports programs and mentoring groups at our schools, our senior organizations and even our music organizations, everywhere you look in Rancho Cordova you can find opportunity and inspiration. This is what I like best about Rancho Cordova.

Attach a copy of your resume.

Lee Frechette Resume.pdf

I declare, under penalty of disqualification and termination, that all statements in this application are true and complete to the best of my knowledge.

Applicant's Signature

Lee M. Frechette

Date

01/22/2025 12:00 AM

Thank you,

City of Rancho Cordova

This is an automated message generated by Granicus. Please do not reply directly to this email.

Lee M. Frechette
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]**SUMMARY OF QUALIFICATIONS**

Results-oriented, high-energy, hands-on professional, with a successful record of accomplishments in technically challenging industries. Major strengths include strong leadership, excellent communication skills, competent, strong team player, attention to detail, dutiful respect for compliance in regulated environments. Accustomed to working in fast paced environments with the ability to think quickly and successfully handle difficult assignments. Substantial experience and outstanding skills in collaborative public planning and serving as a liaison with community groups. Excellent interpersonal skills, ability to work well with others, in both supervisory or support staff roles.

PROFESSIONAL ACCOMPLISHMENTS**Nuclear Power Generation**

Began my career at SMUD's Rancho Seco Facility where I worked in the Health Physics/Rad Waste group before joining Bartlett Nuclear where I worked on various rad waste and health physics engineering assignments. Career highlights included:

Rad waste operations and health physics support at numerous commercial power reactors, included roles from team leader to assistant department manager, responsible for waste processing, packaging and accountability, waste stream identification, typification and quantification for curie calculation, waste classification and shipping paper preparation per applicable CFRs for transportation and disposal, systems start-up and acceptance testing, resolution of regulatory compliance and waste reduction issues, mitigation of mixed waste issues, procedure writing, training and two wet spent fuel rerack projects. Affiliated certifications: Numerous

Construction Engineering Management

Bidding, cost analysis, cost containment, construction project management, public hearing presentations and other duties for San Jose-based development and construction firm Mateo Associates with projects throughout the greater San Francisco and Los Angeles area.

Affiliated certifications: class work completed for Certified Welding Inspector; exam date to be determined.

Public Park Planning and Management

Served as Planning Superintendent for the Cordova Recreation and Park District with duties including assessing future park needs for a fast-growing park district, developing renovation plans for older facilities and identifying revenue sources for those projects,

meeting with developers and negotiating land dedication and development fees, working with city and county officials to raise land dedication standards while meeting the constraints of California title 22. Special assignments included serving on the Sacramento County Wastewater Recycling Advisory Board, American River Parkway Plan Update Project Management Team, the Sacramento County Easton Project Team and serving as park district liaison and logistics consultant to community groups producing large-scale events within CRPD facilities.

Affiliated certifications: Graduate of National Parks and Recreation Maintenance Management School; certified Aquatic Facility Operator, certified Maxicom professional, Crime Prevention Through Environmental Design (CEPTED)-trained, plus numerous other certifications in the areas of irrigation/water management, public space planning, public facility design, community development planning, turf management, native grass control and herbicide management. Extensive experience in collaborative response and community engagement in public planning projects.

Community Activities and Honors

Past Member, Rancho Cordova Rotary Club

Past President, Sacramento Valley Live Steamers Railroad Museum

Member, Cordova Community Council Board of Directors

References upon request

From: [City of Rancho Cordova](#)
To: [Planning Services](#)
Subject: *NEW SUBMISSION* Planning Commission Application
Date: Thursday, January 16, 2025 1:56:41 PM

Planning Commission Application

Submission #: 3734217
IP Address: 192.234.214.110
Submission Date: 01/16/2025 1:56
Survey Time: 14 minutes, 47 seconds

You have a new online form submission.

Note: all answers displaying "*****" are marked as sensitive and must be viewed after your login.

Full Name

Mitchell J. Mattos

Home Address

Email Address

Date of Birth

Home Phone

Cell Phone

Occupation

Legislative Director, California State Assembly

Do you reside within the incorporated boundaries of the City of Rancho Cordova?

Yes

Are you currently serving as an elected or appointed official of another public entity whose jurisdiction includes any part of the city? If so, please state the entity and your role.

N/A

If selected, will you be able to attend evening meetings regularly and devote the time necessary to fulfill your duties as a member, including yearly training that may require travel?

Yes

The following questions will assist the City Council with evaluating your application and learning more about

your interest in becoming a Planning Commissioner.

In several paragraphs, please describe why would you like to be a planning commissioner. Please be as detailed as possible.

I am deeply interested in becoming a Planning Commissioner for the City of Rancho Cordova because I am passionate about contributing to the thoughtful growth and development of my community. As someone who cares deeply about the future of our city, I want to be part of the decision-making process that shapes its landscape and ensures that it remains a thriving, sustainable, and vibrant place for all residents. My interest in urban planning and community development is driven by the belief that well-planned cities not only improve the quality of life for residents but also create lasting opportunities for future generations. Rancho Cordova is a city at an exciting point in its growth, with the opportunity to balance development with environmental sustainability, economic vitality, and community well-being. I see this as a pivotal moment where I can use my skills, knowledge, and passion to help guide the city's future. Becoming a Planning Commissioner would allow me to play an integral role in shaping development policies and land-use decisions that support the diverse needs of the community. I believe that planning decisions should reflect a commitment to creating inclusive spaces, ensuring affordable housing, promoting local businesses, and protecting natural resources. One of the primary reasons I am interested in this position is my desire to contribute to the betterment of Rancho Cordova. I am deeply invested in the community and believe that good planning is a tool for enhancing the quality of life for all its residents. As a Planning Commissioner, I would have the opportunity to review proposed projects, assess their impact on the city, and work collaboratively with fellow commissioners, city staff, and the public to make informed, balanced decisions. I want to ensure that development in Rancho Cordova not only meets the needs of today but also preserves the city's character and charm for future generations.

In several paragraphs, describe your interest and involvement in your neighborhood and the community as a whole. Please be specific and include examples.

While I have just moved to Rancho Cordova this past year, I have always had a strong connection to my neighborhood and the broader community, and I am deeply committed to contributing in meaningful ways. Over the years, I have been actively involved in several local initiatives that aim to improve the quality of life for residents and create a sense of belonging for all. One example of this is my participation in neighborhood clean-up efforts, where I have worked alongside fellow residents to maintain and beautify shared spaces. These efforts, while simple, foster a greater sense of pride in our surroundings and strengthen the bonds between neighbors. In addition to these volunteer efforts, I also make an effort to stay informed about local governance and city planning. I regularly attend city council meetings and community forums to stay engaged with the decision-making processes that shape our neighborhood. By doing so, I can better understand the challenges facing our community and advocate for changes that will improve our collective well-being. My goal is always to represent the interests of those around me, and I believe that being an active participant in these meetings allows me to bring back valuable information and ideas to share with my neighbors. Overall, my involvement in my neighborhood and community is motivated by a desire to create positive change, foster connections, and make Rancho Cordova a better place for everyone. Whether through volunteering, organizing events, or participating in local government, I strive to contribute in ways that will have a lasting, meaningful impact. I am dedicated to supporting my community and working alongside others to ensure it continues to grow and thrive.

In several paragraphs, what do you like best about being a resident of the City of Rancho Cordova? Please be specific and include examples.

One of the aspects I appreciate most about being a resident of the City of Rancho Cordova is its strong sense of community and neighborly spirit. Despite being a growing city, Rancho Cordova has managed to maintain a close-knit atmosphere where residents genuinely care about one another. This is reflected in the numerous community events held throughout the year, such as the annual Rancho Cordova Fourth of July Celebration, farmers' markets, and local charity drives. These events foster a sense of belonging and offer a great opportunity to connect with fellow residents, meet new people, and build lasting relationships. Whether it's attending a community event or simply interacting with neighbors in the park, there's an undeniable warmth and friendliness that makes Rancho Cordova feel like home. Another feature I love about living in Rancho Cordova is the city's dedication to providing

accessible and well-maintained parks and recreational areas. For example, the Cordova Community Pool and Hagan Community Park are fantastic spaces where families can spend quality time together. These parks offer not only recreational opportunities but also a chance for residents to connect with nature in an urban setting. As a resident, I appreciate that Rancho Cordova invests in its green spaces, offering a balance between urban living and outdoor activities. Whether it's enjoying a weekend picnic, walking the trails, or attending a local sports league game, these spaces contribute to a vibrant, active lifestyle. What stands out to me, though, is Rancho Cordova's continued growth and forward-thinking development. The city is home to a variety of businesses, from locally-owned shops to large employers, creating a thriving economic environment. This growth provides residents with opportunities for work, entertainment, and dining, making it an exciting place to live.

Attach a copy of your resume.

Mitchell Mattos Resume.pdf

I declare, under penalty of disqualification and termination, that all statements in this application are true and complete to the best of my knowledge.

Applicant's Signature

Mitchell J. Mattos

Date

01/16/2025 12:00 AM

Thank you,

City of Rancho Cordova

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MITCHELL MATTOS

Legislative Aide

CONTACT  [REDACTED]  [REDACTED]  [REDACTED]	PROFESSIONAL SUMMARY Results-oriented professional with a background in governmental, legislative, and advocacy experience. Effective communicator with demonstrated ability to build coalitions, shape policy initiatives, and strategically achieve organizational goals and objectives. Strong pragmatic and organized skill set. Exceptional interpersonal and relationship-building skills within varying work environments.
EDUCATION BA in Political Science Sacramento State University Spring 2022	EXPERIENCE Legislative Assistant <i>California State Assemblymember Mike Gipson January 2022 – Present</i> • Provide strategic counsel to the Assemblymember across multiple standing committees, including Revenue and Taxation, Transportation, Insurance, and the Select Committee on Gasoline Supply and Pricing.
KNOWLEDGE Member Portfolio Legislative Council LCMS Google Drive Microsoft Office	• Contribute to the development of policy initiatives in diverse areas such as Housing and Community Development, Local Government, Communications and Conveyance, Natural Resources, Transportation, and Utilities and Energy. • Supervise, train, and mentor Legislative interns, overseeing their professional development and daily responsibilities. • Serve as Chief Consultant for the Select Committee on Ports and Goods Movement, coordinating policy analysis and legislative strategies. • Review and analyze proposed legislation, providing the Assemblymember with detailed assessments of potential opposition and legislative impact. • Prepare comprehensive briefings, including talking points, background materials, and fact sheets to support legislative efforts.
SKILLS Analytical Thinker Attentive to Detail Collaborator Communicator Thorough Researcher Meticulous Writer Problem Solver	Democratic Caucus Consultant <i>California State Assemblymember Mike Gipson January 2023 - June 2023</i> • Coordinated events and receptions for Democratic Caucus members, fostering communication and collaboration among colleagues. • Facilitated the dissemination of Caucus priorities, ensuring all Democratic members were well-informed about legislative initiatives and key issues. Field Representative Intern <i>Roseville City Council District 4 August 2019 - March 2020</i> • Assisted constituents by participating in community engagement initiatives aimed at improving the quality of life in the district. • Attended City Council and School Board meetings, representing the office and gathering pertinent information for the Councilmember. • Supported office operations through administrative duties, including reviewing and organizing constituent casework, preparing certificates and recognition statements, and managing the Councilmember's schedule.

From: [City of Rancho Cordova](#)
To: [Planning Services](#)
Subject: *NEW SUBMISSION* Planning Commission Application
Date: Wednesday, January 22, 2025 11:49:16 AM

Planning Commission Application

Submission #: 3745085
IP Address: 98.208.76.221
Submission Date: 01/22/2025 11:49
Survey Time: 24 minutes, 38 seconds

You have a new online form submission.

Note: all answers displaying "*****" are marked as sensitive and must be viewed after your login.

Full Name

Rehana S. Rehman

Home Address

Email Address

Date of Birth

Home Phone

Cell Phone

Occupation

Executive Communications Manager

Do you reside within the incorporated boundaries of the City of Rancho Cordova?

Yes

Are you currently serving as an elected or appointed official of another public entity whose jurisdiction includes any part of the city? If so, please state the entity and your role.

No

If selected, will you be able to attend evening meetings regularly and devote the time necessary to fulfill your duties as a member, including yearly training that may require travel?

Absolutely. I am fully committed to attending evening meetings, required training, and the Cal Cities Planning Academy in May to fulfill my duties as Planning Commissioner with dedication and purpose.

The following questions will assist the City Council with evaluating your application and learning more about your interest in becoming a Planning Commissioner.

In several paragraphs, please describe why would you like to be a planning commissioner. Please be as detailed as possible.

Serving as a Planning Commissioner is an incredible opportunity to contribute to the strategic growth and development of Rancho Cordova—a city I am proud to call home. I bring extensive expertise in strategic planning, organizational leadership, and collaboration, honed through my professional career at Cisco. At Cisco, I managed business operations for an engineering division, requiring me to adapt quickly and navigate complex challenges outside my initial expertise. This experience taught me the value of adaptability, critical thinking, and problem-solving. I led strategic initiatives, streamlined processes, and engaged diverse stakeholders to deliver thoughtful, data-driven solutions aligned with organizational goals. These skills—strategic planning, synthesizing complex information, and fostering collaboration—will enable me to excel as a Planning Commissioner and make decisions that reflect Rancho Cordova’s best interests. Beyond my professional background, I am deeply passionate about serving the Rancho Cordova community and making a positive, lasting impact. As our city experiences rapid growth, I believe it is essential to approach development thoughtfully, ensuring it meets residents’ needs while preserving the unique diversity and spirit that make Rancho Cordova so special. This role represents an opportunity to contribute meaningfully to the city’s future by prioritizing equity, sustainability, and community well-being. I am eager to work alongside fellow commissioners to address challenges and seize opportunities that benefit both current residents and future generations. Rancho Cordova is where I’ve chosen to build my life, and I am committed to helping this city thrive for years to come.

In several paragraphs, describe your interest and involvement in your neighborhood and the community as a whole. Please be specific and include examples.

Community involvement has always been a priority for me, and I am passionate about making meaningful contributions to the spaces where I live, work, and raise my family. As Vice President of the Parent Faculty Organization and Vice President of the School Site Council, I actively collaborate with parents, teachers, and administrators to improve school safety and climate. These roles have given me insight into the importance of strategic decision-making and the value of fostering strong partnerships to create better outcomes for our schools and families. Additionally, as the Community Relations Board Member for the San Juan Soccer Club, I am committed to supporting youth development and building connections through sports. I look forward to expanding these efforts by creating stronger collaborations with the City of Rancho Cordova and the Chamber of Commerce to enhance opportunities for engagement across our community. As a former school board candidate, I gained invaluable experience in engaging with diverse stakeholders, building strong networks, and advocating for thoughtful, data-driven decision-making. These skills, combined with my ability to critically analyze complex issues, will enable me to contribute meaningfully to the Planning Commission by fostering collaboration and ensuring that decisions are both strategic and community-focused. Beyond these roles, I am an advocate for small businesses and regularly attend city events that celebrate Rancho Cordova’s diverse and dynamic spirit. Whether it’s volunteering at school functions, supporting local initiatives, or connecting with residents, I aim to be an active and engaged contributor to the community’s growth and success.

In several paragraphs, what do you like best about being a resident of the City of Rancho Cordova? Please be specific and include examples.

My family chose Rancho Cordova as our home because it offered a unique combination of opportunity, diversity, and community spirit. Out of all the places we considered, Rancho Cordova stood out as a place where we could truly build our roots. From its welcoming neighborhoods to its thriving elementary schools and recreational activities, this city has become the heart of our family’s life. I love that Rancho Cordova is a city where growth and innovation are balanced with a deep respect for its residents and their needs. Our parks, local events, and community programs are just a few examples of how this city fosters connection and inclusion. It’s a place where families thrive, small businesses grow, and neighbors come together to create something greater than the sum of its parts. Serving as a Planning Commissioner would give me the chance to give back to this incredible city by contributing to its continued success. I want to be a part of shaping a Rancho Cordova that remains welcoming,

diverse, and full of opportunities for generations to come. By working collaboratively and bringing my unique skills and passion to this role, I hope to make a meaningful impact that benefits everyone who calls this city home.

Attach a copy of your resume.

Rehana_Rehman .pdf

I declare, under penalty of disqualification and termination, that all statements in this application are true and complete to the best of my knowledge.

Applicant's Signature

Rehana S. Rehman

Date

01/22/2025 12:00 AM

Thank you,

City of Rancho Cordova

This is an automated message generated by Granicus. Please do not reply directly to this email.

Rehana Rehman

Creative change agent and savvy communications manager with extensive experience in crafting and delivering comprehensive Marketing, Brand, and PR campaigns to market. Applauded for identifying and implementing the newest tools, trends, and best practices, collaborating with influencers in the Social Media space to drive brand awareness, and working closely with C-level executives to expand their digital presence. Recognized for leadership, resourcefulness, and innovation while consistently delivering award-winning campaigns and events.

PROFESSIONAL EXPERIENCE

Cisco Systems via TekSystems

Executive Communications Manager

January 2025 - present

- Driving impactful communication strategies across executive messaging, social media, public relations, and organizational storytelling to elevate the voice of the Collaboration business.
- Partnering with cross-functional teams to craft compelling campaigns that deliver high-quality content for both internal and external audiences, supporting key leadership narratives
- Specializing in executive communications by designing impactful speeches, creating social media strategies, and developing PowerPoint presentations that resonate on a global scale
- Leveraging storytelling expertise and a deep understanding of organizational communications to enhance audience engagement and amplify business priorities for the SVP and Chief of Staff.
- Developing innovative communication campaigns and collaborating with global teams to align and strengthen the Collaboration business's message worldwide
- Blending creativity, analytical thinking, and design expertise to create content that informs, inspires, and connects diverse audiences
- Enhancing global communication efforts through cross-cultural understanding, strategic insights, and a passion for storytelling in the technology sector

ChargePoint via Employnet

Events & Communications Manager

November 2022 - May 2024

- Researched, designed, and assisted with the implementation of ChargePoint's presence/booth at high-profile EV charging, fleet, multifamily, CRE, and fuel & convenience industry conferences and national trade shows
- Worked cross-functionally to socialize communication plans with sales leadership/customer success teams and other stakeholders to align event strategy alongside the efficacy of business objectives for each vertical
- Planned, executed, and managed onsite company-wide events like Sales Kick Off and All Hands to enhance overall employee experience and elevated levels of engagement while maintaining positive relationships with executive leadership
- Cultivated relationships with legal, finance, and procurement partners to ensure compliant processing of vendor agreements, purchase orders, and payments
- Partnered closely with CRO and sales executives to discern organizational goals and effectively share key messaging and communication strategies across multiple global teams
- Developed and executed communication plans for campaigns, and events to inspire employee engagement, and highlight community impact through internal channels (Slack), tools (Asana), and platforms (Confluence)
- Managed and facilitated the creation of engagement surveys and eNPS and provided insightful recommendations derived from the analysis of the results and feedback

Amperage Capital via EL PR/Harris Agency

Sr. Social Media Manager

November 2022 - May 2023

- Built an external social media strategy for the CEO to create a thought leadership platform in the EV infrastructure and multifamily segment with a focus on addressing the growing gap in infrastructure investment
- Launched Amperage Capital as a new company with close alignment with the PR team to amplify media coverage around the launch and helped drive PR efforts for B2B and Trade Media to increase visibility in the multifamily segment
- Networked with industry professionals and e-mobility/EV charging influencers via social media channels to create a strong network and source speaking opportunities for partnerships/collaboration on interviews, podcasts, or media coverage
- Led Amperage Capital's social media strategy, planning, drafted copy, and highlighted multifamily housing storytelling with a laser focus on LinkedIn as the platform of choice

ChargePoint via Employonet

Corporate Communications and Social Media Manager

November 2021 - July 2022

- Built out an external social media strategy for the C-level executives to create a positive persona and consistent cultural tonality in the clean energy space while extending their thought leadership platform on LinkedIn and Twitter
- Led ChargePoint's social media strategy, planning, storytelling, and execution of content for digital consumption while effectively managing social customer support issues that needed to be triaged for prioritization
- Applied business knowledge, media relationships, public relations, and employee communications expertise to help design and draft content in support of executive strategic communication & PR plans, including briefing documents, talking points, internal town hall meetings, social media, visuals, and events.
- Sourced content, crafted social media copy for the company's corporate accounts weekly, and managed the editorial calendar in Sprout Social, ensuring a balance across segments, announcements, content type, owned/earned media, trending topics, and key focus areas to drive results
- Coordinated, produced content, and executed monthly employee global town hall meetings both virtual and in-person with varying topics to inform employees on current business priorities and distribute key company news materials while working closely with IT and AV for a seamless 1.5-hour presentation
- Served as an internal social champion and supported the company's employee advocacy social program, sourcing content, writing copy, and empowered employees to share using Bambu to strengthen company culture on social platforms
- Planned and executed ChargePoint Media Day with C-level executives to reinforce ChargePoint's corporate story, showcased impact across the EV ecosystem, and fostered new and existing media and analyst relations while educating attendees on the ChargePoint experience

Denise Young Smith (Former C-level Apple Executive)/Blue Organza Productions

Media Operations Manager

April 2017 - November 2021

- Led projects; developed and managed successful launches, events, and performances across US/Mexico
- Assisted in the successful 2020 Grammy submission
- Created and executed PR communications to amplify and drive the digital diversity, equity, inclusion, and belonging work in collaboration with affiliated organizations and educational institutions like SF Jazz & Cornell Tech
- Managed agency partners to oversee and deliver impactful content for web, social, and email marketing campaigns
- Consulted and curated persona social branding/executive communications for digital consumption, maintained an authentic social presence, and developed consistent engagement strategies to work with other like-minded micro-influencers
- Guided the creation of micro-content/assets such as social graphics, animated stories, and short-form video
- Identified and drafted media engagement strategies to strengthen partnerships with creators, artists, and influencers in the art and tech space through compelling storytelling
- Tracked performance and identified trends for social media content: paid and organic campaigns, optimization opportunities, and maintained the overall health of the assigned social handles

Cisco Systems

Business Operations Manager

October 2015 - October 2018

- Created original copy and blog content, curated in support of our SVP's social media presence with a focus on executive communications and provided updated strategy tactics to increase engagement and audience growth with authenticity
- Managed engagement, curated social media posts, and schedules for various channels – both paid and organic - to drive traffic to our Data Center sites and ensure engagement with target audiences
- Developed strategy and led implementation of internal and external communications initiatives that supported key Data Center marketing objectives
- Managed and tracked a 1.2M budget allocated towards internal and external Women in Engineering initiatives
- Program management of diamond sponsorship of the Grace Hopper Conferences for 3 years with full execution of event management for 300+ Cisco employees. Managed a team of 15 employees to assist with event execution
- Partnered closely with our SVP on overall communication strategy and provided resources in a monthly speaker series with our employee resource organization that focused on the underrepresentation of women in technical roles, and the importance of increasing diversity in tech

Cisco Systems via Experis

Social Media Strategist

April 2014 - September 2015

- Created original copy, curated, and loaded editorial calendar for @CiscoSocial Twitter handle via Sprinklr highlighting Social Media best practices and amplifying Cisco's Social Voice
- Strategized, measured, and analyzed metrics using Social Media listening tools to create customized reports for segmented audiences and communicate ROI to executive leadership
- Recruited, enrolled, and engaged Cisco employees to join the Internal Social Advocacy program (600+ members) to drive brand messaging through Social Media training and become Cisco brand ambassadors
- Drafted weekly amplification emails for the Social Ambassador program with targeted copy/content to be shared by Social Ambassadors on their personal social media channels
- Led, produced content, and moderated monthly Twitter chats, contests, and challenges for Social Ambassadors
- Tracked, measured, and reported performance metrics in quarterly review meetings with cross-functional partners

EDUCATION

Bachelor of Arts

University of California, Berkeley, CA, College of Letters and Sciences

B.A. English Literature; Concentration: Creative Writing and Victorian Literature

From: [City of Rancho Cordova](#)
To: [Planning Services](#)
Subject: *NEW SUBMISSION* Planning Commission Application
Date: Friday, January 3, 2025 10:49:39 AM

You don't often get email from ranchocordova@enotify.visioninternet.com. [Learn why this is important](#)

Planning Commission Application

Submission #: 3704214
IP Address: 98.192.165.44
Submission Date: 01/03/2025 10:49
Survey Time: 45 minutes, 39 seconds

You have a new online form submission.

Note: all answers displaying "*****" are marked as sensitive and must be viewed after your login.

Full Name

Surender R. Devarapalli

Home Address

Email Address

Date of Birth

Home Phone

Cell Phone

Occupation

Computer Professional and system architect

Do you reside within the incorporated boundaries of the City of Rancho Cordova?

Yes

Are you currently serving as an elected or appointed official of another public entity whose jurisdiction includes any part of the city? If so, please state the entity and your role.

No

If selected, will you be able to attend evening meetings regularly and devote the time necessary to fulfill your duties as a member, including yearly training that may require travel?

Yes I will be available to attend meetings regularly

The following questions will assist the City Council with evaluating your application and learning more about your interest in becoming a Planning Commissioner.

In several paragraphs, please describe why would you like to be a planning commissioner. Please be as detailed as possible.

As a candidate for the city planning commission, I believe that effective city planning is creating an inclusive, and resilient communities. By serving on the commission, I aim to have a voice in decision-making, ensuring that the needs and aspirations of our residents are represented in planning processes. I am particularly passionate about environmental and smart growth principles. I want to the policies for to promote sustainable land use, protect natural resources, and enhance public spaces. My goal is to contribute to a comprehensive plan that balances economic development with environmental sustainability, fostering a community where both current and future generations can thrive. Furthermore, I bring my engineering experience in evaluating proposals and making informed recommendations. I am eager to collaborate with fellow commissioners and city staff to navigate the complexities of zoning regulations and land use policies, ensuring they align with our community's vision. In summary, my desire to serve on the planning commission is driven by a commitment to public service, and a passion for sustainable urban development of our city.

In several paragraphs, describe your interest and involvement in your neighborhood and the community as a whole. Please be specific and include examples.

My interest in my neighborhood stems from a deep appreciation for the diverse of cultures, backgrounds, and experiences that define our community. I believe that a strong neighborhood is built on connections among residents, and I actively seek opportunities to foster these relationships. For instance, I participate in local events organized by the neighborhood association, such as block parties and seasonal festivals. These gatherings not only celebrate our community spirit but also provide a platform for residents to share their stories, talents, and traditions. I also believe in supporting local businesses as a way to strengthen our community's economy. I regularly participate in "Shop Local" campaigns that encourage residents to patronize neighborhood shops and restaurants. By promoting these businesses through social media and word-of-mouth, I help raise awareness about the unique offerings available right in our backyard. Overall, my involvement in my neighborhood reflects a commitment to building a cohesive community where everyone feels valued and connected.

In several paragraphs, what do you like best about being a resident of the City of Rancho Cordova? Please be specific and include examples.

Rancho Cordova is a vibrant city in California that offers a unique blend of community spirit, outdoor activities, and a rich cultural backdrop. As a resident, several aspects stand out as particularly appealing. One of the most notable features of Rancho Cordova is its strong sense of community. Community events, such as the annual Fourth of July parade and various festivals like the iFest International Festival, highlight the city's commitment to celebrating its diverse population. These gatherings not only bring residents together but also showcase the rich tapestry of cultures represented in the city, making it an inclusive place to live. Rancho Cordova city's location along the American River provides residents with access to miles of scenic trails perfect for hiking, biking, and fishing. The proximity to nature encourages an active lifestyle and allows residents to engage with the outdoors regularly. The overall quality of life in Rancho Cordova is another significant advantage. The city boasts a low cost of living compared to many other Californian cities, making it an attractive option for families and individuals. In summary, being a resident of Rancho Cordova means enjoying a rich community life filled with diverse cultures, abundant outdoor activities, high-quality living standards, engaging cultural events, and a safe environment. These elements combine to create an enriching experience that makes Rancho Cordova a desirable place to call home.

Attach a copy of your resume.

Surender Resume.docx

I declare, under penalty of disqualification and termination, that all statements in this application are true and complete to the best of my knowledge.

Applicant's Signature

Surender R. Devarapalli

Date

01/03/2025 12:00 AM

Thank you,

City of Rancho Cordova

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Surender Devarapalli

SUMMARY:

With 22+ years of IT experience as an accomplished, proactive leader of cross-functional teams, known for implementing projects across a wide spectrum of business and client environments in Healthcare(14+), Telecommunications(5), and Customer Service Systems (6+). A problem solver, facilitator of industry-preferred project methodologies, and best practices from large scale critical mainframe environments to distributed client-server applications. Managed and implemented system changes by following the SDLC life cycles with Waterfall and Agile methodologies. Experienced in analyzing business processes and perform assessments in an effort to align information technology solutions with business initiatives. Experienced in high-level solutions for business applications, systems, portfolios, and an entire enterprise. Also experienced in gathering requirements for the defined policies through interacting with different state (government) agencies or stakeholders and developing process flows using some of the specialized tools like Rational DOORS, Clear Case, Clear Quest, Blue works, JIRA and Version one.

EDUCATION:

Bachelor of Engineering, Osmania University, Hyderabad, Telangana, India.

Post Graduate Diploma in Computer Applications, San Infonite Institute, Hyderabad, Telangana, India.

Certified Scrum Master, Scrum Alliance.

SKILLS:

- **PROJECT MANAGEMENT:** Project Coordination, SDLC Process, Agile, SPARK-ITS, Quality Assurance, Release Management, Systems Integration, & Client Relations
- **ENTERPRISE PROCESSES:** Data Model Alignment, Business Use Case Development, Business Process Modelling & Narrative (BPM & BPMN), End-to-End process design, & Key Performance Indicators
- **PROGRAMMING LANGUAGES:** XML/XSL, J2EE, Java, JSF, HTML, JavaScript, SUN ONE UDS (Forté), Visual Basic, VB Script, .NET, ASP, UML, SQL, PL/SQL, & Hibernate
- **WEB TECHNOLOGIES:** XML/XSL, J2EE, JSF, HTML, JavaScript, ASP, WebSphere, Apache Ant, Tomcat, & Shell Scripts
- **OS:** DOS, Windows, Unix, Linux, SunOS, Solaris, TSO, ISPF, and MVS zO/S
- **DATABASES:** Oracle, TOAD, Informix, MS SQL Server, MS Access, MySQL, & Relational Database Design
- **ENTERPRISE:** SOA, ClearQuest, ClearCase, Crystal Reports, Business Objects, Business Intelligence Systems, Forté Fusion, Forté Conductor, & Rules Engines
- **NETWORK & SECURITY:** Active Directory, FTP, FTF, MQ Series, Self-signed certificates, Forté Load Balancer, Oracle Load Balancer, & BigIP Load Balancer
- **BUSINESS SOFTWARE/TOOLS:** Microsoft Office Suite, MS Project, Visio, Planview, TimeControl, Version One, Blueworks, Rational DOORS, MyEclipse, Interactive Voice Response, Hibernate, Apache & Tortoise Subversion, CVS, Dimension, Clear Case, ClearQuest, Rational Rose, SharePoint, Livelink, CloverETL, Adobe Suite, and Rational Performance Tester.

PROFESSIONAL EXPERIENCES:

DP Global Solutions LLC

Sr. Health Care Consultant, Sep 2019 – Present

Department of Health Care services.

Medi-Cal Rx, Sacramento, CA

DP Global solutions is a lead IT Consulting services offers full support to complete life cycle of IT projects like new business process automation approaches with latest technologies & tools in end to end IT Development process.

Department of Health Care Services (DHCS) transition all Medi-Cal pharmacy services from managed care (MC) to fee for service (FFS) by January 1, 2021. The Medi-Cal pharmacy benefits and services administered by DHCS in the FFS delivery system will be identified collectively as “Medi-Cal Rx”. Transitioning pharmacy services from MC to FFS will, among other things:

- Standardize the Medi-Cal pharmacy benefit statewide, under one delivery system.
- Improve access to pharmacy services with a pharmacy network that includes approximately 97% of the state’s pharmacies.
- Apply statewide utilization management protocols to all outpatient drugs.
- Strengthen California’s ability to negotiate state supplemental drug rebates with drug manufacturers.

The following activities are some of my responsibilities as part of the project.

- Drafting the RFP business and technical requirements for drug rebates features of the new product called Medi-Cal Rx according to the DHCS policies.
- Providing the training material for Medi-Cal Rx RFP response evaluators.
- Identified the gaps in RFP response against the RFP requirements through developing the traceability matrix.
- Perform research and provide appropriate responses to Magellan for the existing CA Drug Rebate policies.
- Co-ordinate data mapping and data transfer of all drug rebate related data.

ITEM 16.1.

ATTACHMENT 1

- Developed existing drug rebate system interface diagrams and associated detailed descriptions
- Provide details about existing drug rebate processes and policies to incorporate in requirement specification document by Magellan team.
- Working with the teams to get Drug Rebate system CMS certified
- Involved in developing the extract to match with CMS directed format.

Sr. Systems Architect, Feb 2018 – Aug 2019

Conduent Technology Services - State Healthcare.

Medi-Cal, West Sacramento, CA

- Lead Business and System Analysts for N-2 and non-mainframe projects (10 plus millions projects) along with SME responsibilities for CA MMIS legacy applications.
- Provided guidance to gather requirements and policy clarifications by the project team about CA MMIS non-mainframe systems (MCWeb, TAR and Rebate systems) functionality.
- Provide high-level solutions for business applications, systems, and portfolios.
- Involved in project and resource planning at an enterprise level.
- Responsible in creating and updating Business Process Models, and Use cases.
- Working with Conduent security team to resolve Systems Group (SG) security issues and audit findings.
- Worked with infrastructure teams to upgrade servers and refresh OS to be compatible with CA MMIS N-2 policy.
- Modified and re-packaged the Edit Resolution Tool application for suspended claims processing team.
- Aided the defect resolution and supported the Development and Quality Assurance teams with healthcare policy clarification and test scripts validation.
- Involved in projects like CMS guided HCPCS conversion from local codes.
- Organize project meetings with the DHCS (and other key stakeholders) and communication to ensure adherence to the project's governance process
- Skills used: MS Visio, SharePoint, Rational DOORS, MS TFS, Git, ClearQuest & ClearCase.

System Development Manager II, September 2014 – Feb 2018

Cognizant Technology Solutions - Healthcare.

Medi-Cal, West Sacramento, CA

- Lead a team of Business and System Analysts for very big and complex N-2 projects along with SME responsibilities.
- Responsible in assigning tasks to the team members and monitoring their progress regularly.
- Involved in project and resource planning.
- Coordinated with SCRUM Master, Product SME, the client (Xerox), and the client's customer (Department of Health Care Services) Product Owner to construct the Scope Definition Document per each release.
- Developed change request process for CA MMIS system replacement applications and responsible for assigning the appropriate releases for all the change requests.
- Lead the team to identify the system replacement impacts for the legacy CA MMIS changes.
- Involved in writing Change Requests for the enhancement & modification gap requirements, Business Process Models, User Stories and Acceptance Criteria, and Use cases.
- Guided and helped the teams as SME (Subject Matter Expert) in Member Eligibility, Drug Rebate and Pharmacy and Medical services Prior Authorization functional areas.
- Directed and analyzed the results of the extracted requirements from Rational DOORS and prioritize each requirement for the each Sprint and Release in Agile process.
- Developed the BPM & BPMNs for TAR processing systems and Pharmacy systems
- Determined the operational objectives by studying the business functions; MITA business processes, evaluating the output requirements and formats for Health Enterprise, SmartPA, and PBM/OS+ applications of the CA-MMIS System Replacement.
- Aided the defect resolution and supported the Development and Quality Assurance teams with healthcare policy clarification and test scripts validation.
- Organize project meetings with the DHCS (and other key stakeholders) and communication to ensure adherence to the project's governance process
- Skills used: Agile, SCRUM, Lean Six Sigma, MS Visio, Version One, Jira, Blueworks, SharePoint, Rational DOORS, ClearQuest & ClearCase.

Professional Systems Analyst/Lead Business Analyst/ Business Rules Manager, December 2010 - September 2014

Xerox State Healthcare LLC. CA.

Project Medi-Cal, West Sacramento, CA.

- Utilized the Agile and SCRUM for the planning, scheduling, and execution of multiple teams of Business Analysts for Medi-Cal Business Processes (BPs) to implement the MITA architecture for the System Replacement of CA-MMIS.
- Advised as the Subject Matter Expert (SME) for Prior Authorization and Formulary BPs during planning, scheduling, and directing the teams in revising requirements & writing business rules following SBVR, SMART, and WISE standards.
- Lead the team to extract business rules from the policy documents or requirements and load them into DOORS repository.
- Instituted and managed the Source Code Review Process to validate the extracted business rules against the source code for the Business Rule Extraction (BRE) team.
- Mentored team members about the CA-MMIS system, BRE Business Rules standards, and Xerox workplace expectations.
- Facilitated Elicitation & Validation workshops with the DHCS and key stakeholders to develop and approved requirements and linked them to approved business rules in Rational DOORS.
- Developed BPMs & BPMNs for member enrollment and eligibility processes using Blueworks.
- Managed a cross-functional team to develop, design, and test the Edit Resolution Tool application for the processing of the daily and weekly suspended Medi-Cal claims.
- Worked as SME (Subject Matter Expert) in Member Eligibility and Prior Authorization functional areas
- Skills used: Agile SCRUM, SPARK-ITS, Blueworks, Lean Six Sigma, MS Project, TimeControl, ClearCase, ClearQuest, Version One, Blueworks, SharePoint, Rational DOORS, SBVR, Adobe Suite, Visual Basic, VB Script, .NET, SQL, JCL, PROC, COBOL, CICS, TSO, ISPF, & Windows.

Services Information Developer III/ SURGE Team Leader, November 2004 - December 2010**Hewlett-Packard Enterprise Services (formerly EDS), March 2007 – December 2010****iTech US Inc., VT, November 2004 - February 2007****Project Medi-Cal, Rancho Cordova, CA**

- Lead, analyzed, delivered, and supported the real time & batch operations of the Treatment Authorization Request (TAR) or Prior Authorization sub-system (consisting of 33 application servers, 2 reporting applications, 6 database servers, data mart, 17 various applications, and 5+ CICS Mainframe Regions) and the Formulary sub-system (consisting of 1 application & server, 3 database servers, and a CICS Mainframe Region) for about 800+ users in 8 physical offices out of 36 logical offices in the state of California, while managing stakeholder communication.
- Skills used: Livelinks, Forté, Forté Load Balancer, J2EE (Struts, Jakarta, Spring, Ibatis, JUnit, Avalon, Hibernate, and MapQuest frameworks), HTML, JavaScript, Apache Subversion, Oracle, TOAD, Oracle Load Balancer, PL/SQL, SQL, BigIP Load Balancer, SDLC, Active Directory, MS Access, MS SQL Server, Informatica, Business Objects, Business Intelligence Systems, Adobe, SwiftView, Telnet, FTP, WebSphere, Apache, MQ Series, JCL, PROC, COBOL, CICS, TSO, CA-Endevor, CA-7, Mercury LoadRunner & WinRunner.

Senior Software Developer, September 2002 - November 2004**Goldstone Technologies, VA.****Project MCI WorldCom, Ashburn, VA**

WorldCom (formerly known as MCI WorldCom) was an American telecommunication corporation. WorldCom was the United States second largest long distance telephone company (after AT&T).

- Oversaw the development team that designed, developed and implemented major enhancements for LCOM (Local Component Order Manager), which is an Order Processing system for WorldCom. It uses workflow engine to integrate various external applications.
- Developed a web service with SOAP based xml message interface for DSL order management and Unbundled Network Element provisioning.
- Skills used: Forté, Forté Load Balancer, Forté Conductor, Forté Fusion, J2EE (Struts, Spring, JUnit), HTML, XML, XSL, SOAP, JavaScript, Oracle, TOAD, Oracle Load Balancer, PL/SQL, SQL, Active Directory, MS Access, FTP, & WebSphere.

Software Engineer May 2000 - September 2002**HEED net LLC., LA.****Project Qwest (formerly U S West Communications), Denver, CO**

Qwest Communications International, Inc. was a large United States telecommunications carrier. Qwest provided local phone service (Wireline Services, Wireless Services), Internet backbone data services, and digital television in 14 western U.S. states.

- Created Impacted Analysis documents, Use Cases, Class Diagrams, Sequence Diagrams and Technical Design document for each functional area in ROMS Plus and Consulting Plus (Forté TOOL distributed application) applications.
- Designed, developed, tested and maintained ROMS Plus & Consulting Plus applications (both are internally distributed client server applications to 1800+ users, deployed in 6 regional call centers throughout the West) following UML and CMMI standards.
- Skills used: Forté, Forté Load Balancer, Tortoise Subversion, Oracle, TOAD, SQL, Telnet, ASP, HTML, SDLC, UML, Linux,

ITEM 16.1.**ATTACHMENT 1**

Windows, Rational Rose, Select OMT & Visio.

From: [City of Rancho Cordova](#)
To: [Planning Services](#)
Subject: *NEW SUBMISSION* Planning Commission Application
Date: Tuesday, January 21, 2025 5:10:29 PM

Planning Commission Application

Submission #: 3743430
IP Address: 208.79.244.64
Submission Date: 01/21/2025 5:10
Survey Time: 2 minutes, 51 seconds

You have a new online form submission.

Note: all answers displaying "*****" are marked as sensitive and must be viewed after your login.

Full Name

Wendy Huynh

Home Address

Email Address

Date of Birth

Home Phone

Cell Phone

Occupation

Human Services Program Planner

Do you reside within the incorporated boundaries of the City of Rancho Cordova?

Yes

Are you currently serving as an elected or appointed official of another public entity whose jurisdiction includes any part of the city? If so, please state the entity and your role.

No

If selected, will you be able to attend evening meetings regularly and devote the time necessary to fulfill your duties as a member, including yearly training that may require travel?

Yes

The following questions will assist the City Council with evaluating your application and learning more about

your interest in becoming a Planning Commissioner.

In several paragraphs, please describe why would you like to be a planning commissioner. Please be as detailed as possible.

If given the opportunity, I think this role will play a crucial role in the growth and development of the city. As a planning commissioner, I would like to support the city's vision in shaping the future of existing communities, as well as newly established communities. It is important that residents' quality of life are improved and/or enhanced with new projects and sustainable developments. In addition, I would advocate for improvements in projects that further promote quality of life and safety, whether it be parks, infrastructure, housing, walkability, safer neighborhoods, etc.

In several paragraphs, describe your interest and involvement in your neighborhood and the community as a whole. Please be specific and include examples.

As a family with young children, I think it is important to model civic engagement with my children and have a sense of community involvement. While this role requires a time commitment, it also creates the opportunity for family discourse. I am encouraged to have my children grow up with a sense of pride in their community and exposure to a diverse community that is welcoming and respectful to all. Not from afar, I appreciate the dynamic activities that the city has to offer at the library, breweries, the Mills Station Arts and Culture Center, and more.

In several paragraphs, what do you like best about being a resident of the City of Rancho Cordova? Please be specific and include examples.

My family and I are Rancho Cordova transplants from Los Angeles. I am grateful to be in a place in our lives where we have become homebuyers for the first time. While this is my first instance living in Northern California and living in Rancho Cordova for close to 3 years I appreciate all of what the city has to offer. As a resident of the Capital Village community, I enjoy the walkability to the stores, retailers, restaurants, and entertainment in the area. Proximity to parks and green spaces is a notable benefit as it has been beneficial to us on beautiful sunny days for walks and bike rides. The city and our current location have enabled our family to truly thrive, and I am energized to become more active in our community.

Attach a copy of your resume.

Huynh,Wendy - Resume.pdf

I declare, under penalty of disqualification and termination, that all statements in this application are true and complete to the best of my knowledge.

Applicant's Signature

Wendy Huynh

Date

01/21/2025 12:00 AM

Thank you,

City of Rancho Cordova

This is an automated message generated by Granicus. Please do not reply directly to this email.

Wendy Huynh



Career Summary

Data-driven, results-oriented professional with transferable skills in data analytics, data management, human services, and digital learning. Experience collaborating with service providers, governmental agencies, and diverse community groups.

I seek creative solutions for complex problems as an analytical and critical thinker. As a cross-team collaborator, I am a champion of fostering positive relationships with stakeholders in the public and private sectors.

Formally a participant in a learning cohort to strengthen the capacity of advancing racial equity to achieve equitable outcomes through changes in policy, practice, and procedures. Eager to use my experience and knowledge to contribute to community-driven solutions to strengthen social justice.

Skill Set

- | | |
|----------------------------------|--|
| ✓ Adobe Creative Cloud | ✓ Graphic Design Tool |
| ✓ Business Intelligence Software | ✓ Microsoft Office Suite |
| ✓ Database Management System | ✓ Project Management, Process Refinement |
| ✓ Esri ArcGIS Suite | ✓ Ticketing Systems |

Career Experience

Sacramento County***Human Services Program Planner***

July 2023–Present

- The assigned Project Manager to the Sacramento Health Connect (SHC) functions for the Social Health Information Exchange (SHIE) implementation of program, compliance, and operations.
- Coordinates tasks and milestones across stakeholder buy-in and use case clarification, compliance issues, technical capacity, etc.
- Monitor, track, and report on the health of the project to leadership and stakeholders.

Sacramento Steps Forward (SSF)***Program Manager, HMIS***

April 2022–July 2023

- Ensured successful operations and implementations of the Sacramento & Yolo Continuum of Cares Homeless Management Information System (Sacramento & Yolo CoC HMIS).
- Served as the technical liaison between community partners and a database management system vendor.
- Developed and contributed to time-sensitive projects to encourage and promote the utility of HMIS.

Los Angeles Homeless Services Authority (LAHSA)***Supervisor, Data Systems***

October 2019–April 2022

- Ensured successful operations, implementations, and integrations of local use database systems in the Los Angeles Continuum of Care (LA CoC).
- Analyzed data, performed data validation, and packaged reports using data visualization tools for stakeholders and community partners.

Data Analyst

July 2016–October 2019

- Provided feedback to the leadership team concerning changes and/or modifications to enhance various database management systems in the Los Angeles Continuum of Care (LA CoC).
- Streamlined and created data maintenance procedures, facilitated data extractions, and integrated data across various platforms.

Trainer & Support Specialist

July 2013–June 2016

- Coordinated and conducted live, in-person, online, or webinar trainings to end-users for a database management system, Homeless Management Information System (HMIS).
- Developed and designed instructional materials, and presentations; provided technical assistance to resolve data collection discrepancies, system functionality errors, and database navigation.

AmeriCorps VISTA – Corporation for National and Community Service***School on Wheels, Inc. – Educational Technology/Digital Learning Specialist***

April 2013–July 2013

- Developed partnerships with organizations and companies to increase the use of technology for students experiencing homelessness by incorporating adaptive educational learning software and online tutoring.
- Researched and implemented adaptive educational learning programs to effectively measure students' and tutors' progress.

TSG Solutions, Inc.***Survey Specialist & Department of Defense (DoD) Contractor***

March 2011–February 2013

- Edited and processed digital maps using proprietary software, Tactical Survey System (TSS), and Visualization for Situational Awareness and Reality (ViSAR).
- Geo-referenced locations of GPS coordinates for various applications to create digital floor plans and customized HTML pages for a digital mapping system.

UCLA Department of Laboratory Animal Medicine (DLAM)***Procurement Specialist; Assistant Clerk III***

September 2008–July 2010

- Worked closely with the Procurement Manager with the ordering, processing, and delivery of orders.
- Processed orders for personnel investigators and lab technicians using proprietary software, eSirius.

University of California, Los Angeles (UCLA)

GIS & Geospatial Technology Certificate

2016

Bachelor of Arts: Geography / Environmental Studies

2010

Minor: Asian American Studies

Project Management Institute (PMI)

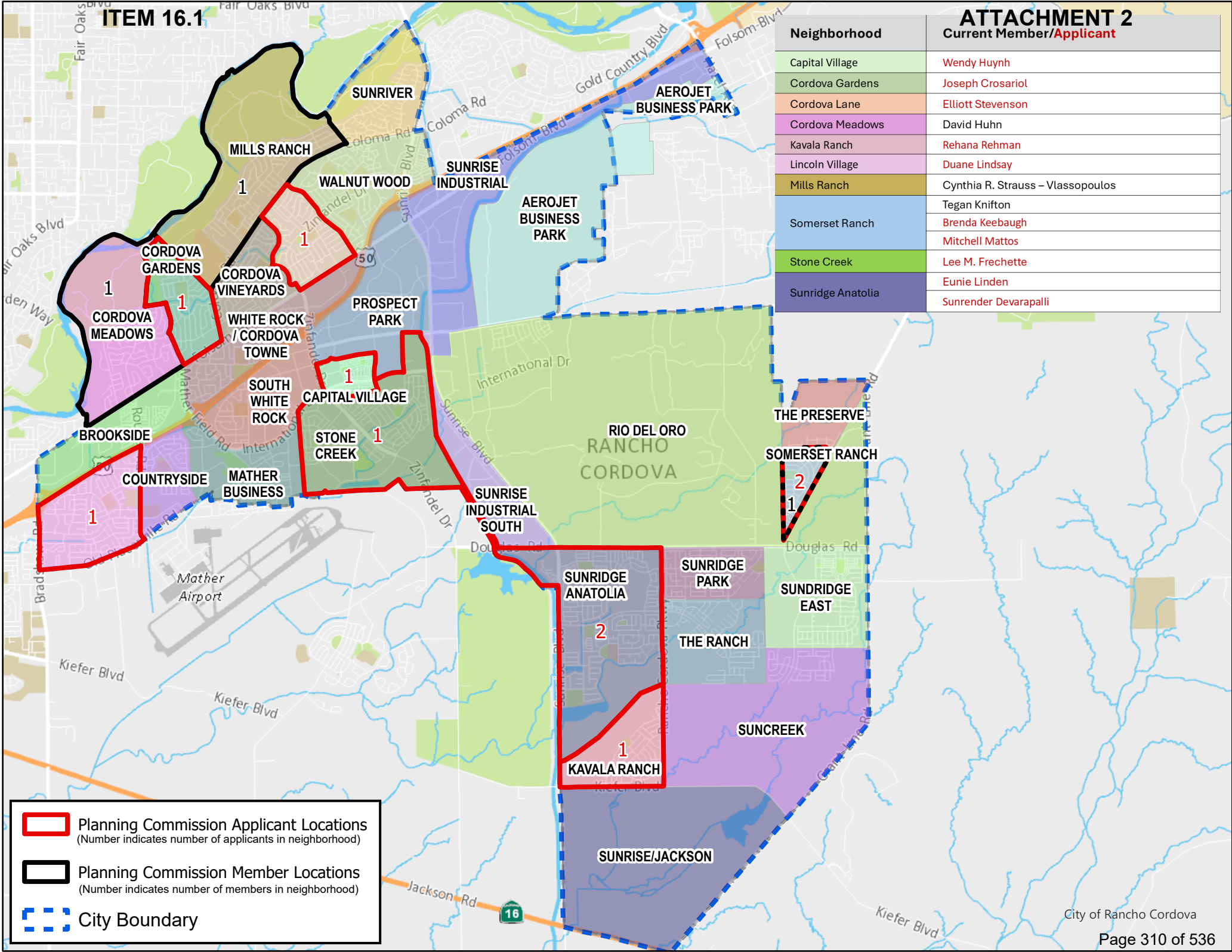
Project Management Professional (PMP)

In progress

ITEM 16.1

ATTACHMENT 2

Neighborhood	Current Member/Applicant
Capital Village	Wendy Huynh
Cordova Gardens	Joseph Crosariol
Cordova Lane	Elliott Stevenson
Cordova Meadows	David Huhn
Kavala Ranch	Rehana Rehman
Lincoln Village	Duane Lindsay
Mills Ranch	Cynthia R. Strauss – Vlassopoulos
Somerset Ranch	Tegan Knifton
Stone Creek	Brenda Keebaugh
Sunridge Anatolia	Mitchell Mattos
	Lee M. Frechette
	Eunie Linden
	Sunrender Devarapalli



Planning Commission Application and Selection

**Darcy Goulart, Community Development Director
February 3, 2025**



TONIGHT'S AGENDA

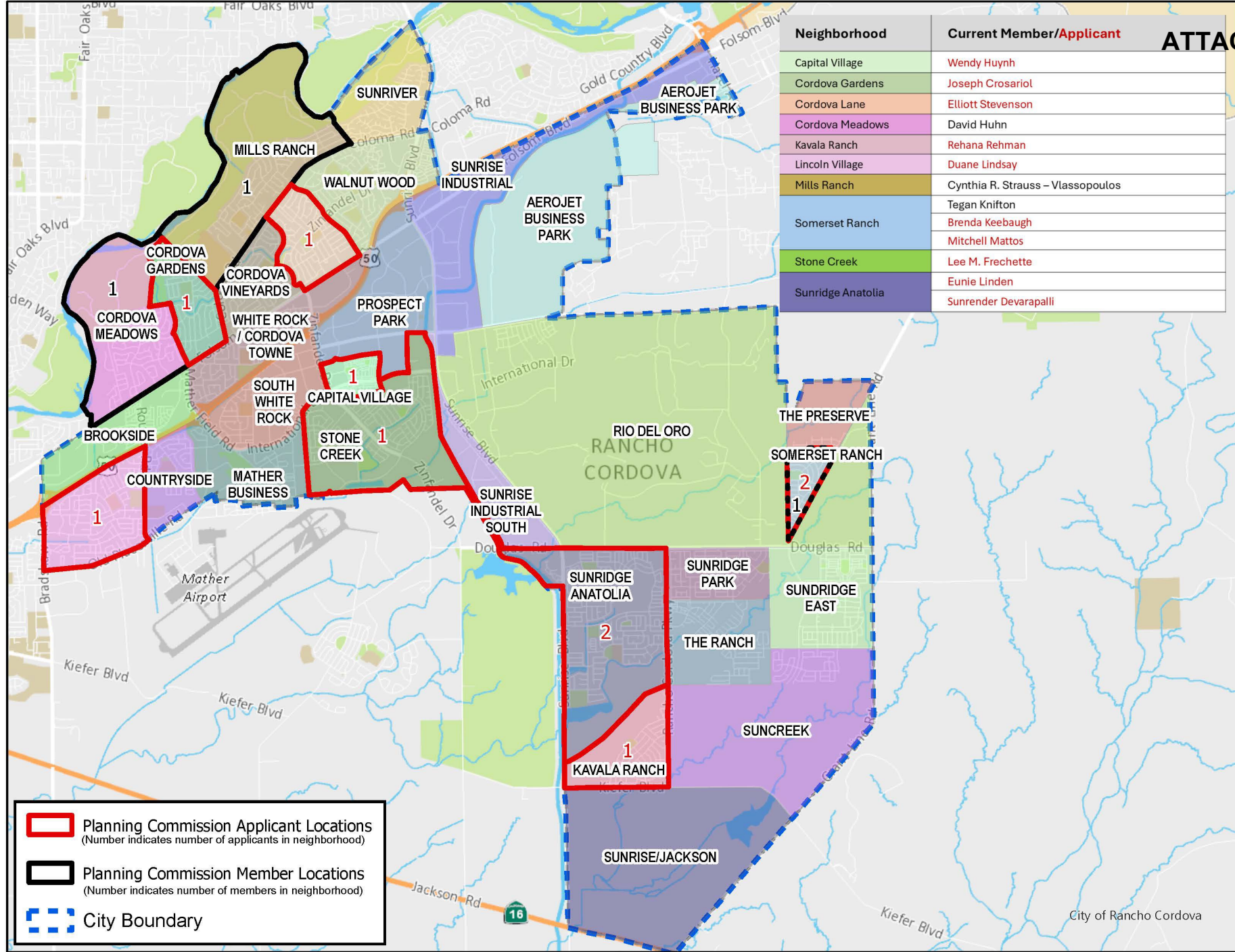
- Receive a brief report from staff
- Nominate and Select four (4) regular members

VACANCIES AND TERMS

- Four (4) regular member seats are vacant
 - Vice Mayor Gatewood – Term Expiration December 2026
 - Council Member Little – Term Expiration December 2028
 - Mayor Pulipati – Term Expiration December 2028
 - Council Member Sander – Term Expiration December 2028

SELECTION PROCESS

- Regular Member (5 members)
 - Each Council Member with a vacancy listed will nominate one (1) person, with second in mind if duplicate names are nominated
- All nominations require a majority vote by the Council.



FUTURE CODE CHANGES

- Streamlined process for re-nominations
 - Incorporate language to permit re-elected Council Members to easily re-nominate existing Planning Commissioners with an expired term if desired.
- Staff will also review Chapter 2, Planning Commission for any additional clean up or clarification items that may be needed.

SUMMARY

- Receive a brief report
- Nominate and Select four (4) regular members

THANK YOU

Questions & Discussion



MEMORANDUM



ITEM 16.2.

DATE: February 3, 2025
TO: Honorable Mayor and Council Members
FROM: Michelle Mingay, Finance Manager
SUBJECT: **A RESOLUTION AUTHORIZING THE ISSUANCE OF SPECIAL TAX BONDS FOR AND ON BEHALF OF IMPROVEMENT AREA NO. 2 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 Improvement Area No. 2 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, set an annual appropriations limit of \$20,350,000 for the territory within Improvement Area No. 1 and set an annual appropriations limit of \$14,000,000 for the territory within Improvement Area No. 2.

Based on the current status of the property within the District, the appraisal estimates the value of the property within the District at approximately \$53.7 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 \$13 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 February 10th 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 March 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: 5.30%; (2) estimated finance charge of the Bonds (sum of all fees and charges paid to third parties): \$568,640; (3) estimated amount of proceeds of the Bonds received by the City (net of finance charges, reserves and capitalized interest, if any): \$8,916,211; 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: \$22,145,035.

ATTACHMENT(S)

1. Resolution
2. Fiscal Agent Agreement
3. Bond Purchase Agreement

4. Preliminary Official Statement

CITY OF RANCHO CORDOVA

RESOLUTION NO. XX-2025

**A RESOLUTION AUTHORIZING THE ISSUANCE OF SPECIAL TAX BONDS
FOR AND ON BEHALF OF IMPROVEMENT AREA NO. 2 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. 2"), 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, 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), 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, this Council authorized land to be annexed to the District from the Future Annexation Area by unanimous consent of the owner(s) of land proposed to be annexed, and pursuant to a Unanimous Consent, Waiver and Vote of Sole Landowner, dated April 2, 2024 land designated as Improvement Area No. 2 of the District ("Improvement Area No. 2") was annexed to the District and bonded indebtedness for Improvement Area No. 2 was authorized in the amount not to exceed \$14,000,000 (the "Authorization"); and

WHEREAS, the City desires to issue the first series of special tax bonds for Improvement Area No. 2 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. 2, designated as the "City of Rancho Cordova The Ranch Community Facilities District No. 2021-1 Improvement Area No. 2 Special Tax Bonds Series 2025" (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, 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, the CFD and Improvement Area No. 2 of 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, with any deviations hereby approved.

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 \$13,000,000, 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. 2 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. 2.

SECTION 4. Fiscal Agent Agreement. The Fiscal Agent Agreement in substantially the form on file with the City Clerk is hereby approved. 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, 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. 2 to be in excess of the Authorization.

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 approved and executed by an Authorized Officer. The terms and provisions of the Fiscal Agent Agreement, as finally executed, are incorporated herein by reference as if fully set forth herein. 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 \$13,000,000 or result in an Underwriter's discount in excess of 1.30%, or a true interest cost in excess of 6.50%. 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. 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. 2 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 10. Effectiveness. This Resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED by the City Council of the City of Rancho Cordova on the 3rd day of February 2025, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Siri Pulipati, 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, 2025

Relating to:

**\$ _____
Improvement Area No. 2 of
City of Rancho Cordova
The Ranch Community Facilities District No. 2021-1
Special Tax Bonds Series 2025**

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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, 2025, 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, under the Act, the City Council is authorized to issue bonded indebtedness secured by special taxes levied within the District 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 District; and

WHEREAS, on December 6, 2021, the City Council, as legislative body of the District, 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 Act), 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, this Council has also authorized land to be annexed to the District from the Future Annexation Area by unanimous consent of the owner(s) of land proposed to be annexed, and pursuant to Resolution No. ____-2024 adopted by this Council on _____, 2024 and the Unanimous Consent, Waiver and Vote of Sole Landowner, dated April 2, 2024, land designated as Improvement Area No. 2 of City of Rancho Cordova The Ranch Community Facilities District No. 2021-1 ("Improvement Area No. 2") was annexed to the District and bonded indebtedness for Improvement Area No. 2 was authorized in the amount not to exceed \$14,000,000 (the "Authorization"); and

WHEREAS, under the provisions of the Act, on _____, 2025, the City Council of the City adopted its Resolution No. ____-2025 (the "Resolution"), which resolution authorized the issuance of its Improvement Area No. 2 of City of Rancho Cordova The Ranch Community Facilities District No. 2021-1 Special Tax Bonds Series 2025 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 October 1, 2022, by and between the City and 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 bonds other than the 2025 Bonds issued pursuant to Section 5.17 hereof.

"Administrative Expense Priority" means (i) for fiscal year 2025-26, \$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. 2. 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. 2 not to exceed \$14,000,000 (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, 2025.

“Bonds” means (i) the 2025 Bonds, and (ii) any 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.

“Capitalized Interest Account” means the fund by that name established pursuant to Section 4.02(A) hereof.

“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 _____, 2025, 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.

“Costs 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.

“Costs of Issuance Fund” means the fund by that name established pursuant to Section 3.05(A) hereof.

“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. 2” means Improvement Area No. 2 of City of Rancho Cordova The Ranch Community Facilities District No. 2021-1.

“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 September 1, 2025.

“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.

“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 the 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 Formation and pursuant to the Acquisition Agreement and any joint community facilities agreements.

“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. 2, 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 the least of (i) 125% of the average Annual Debt Service on the Bonds; (ii) Maximum Annual Debt Service on the Bonds; and (iii) 10% of the original principal amount of the Bonds (or, if the Bonds have 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) in no event shall the City be obligated to deposit an amount in the 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;

(b) the City may meet all or a portion of the Reserve Requirement with respect to the Bonds by depositing a Qualified Reserve Fund Credit Instrument in accordance with the Fiscal Agent Agreement; and

(c) the Reserve Requirement shall be set at the time of issuance of the Bonds and shall not increase thereafter but may decrease.

“*Resolution*” means Resolution No. _____-2025, adopted by the City Council of the City on _____, 2025, which resolution authorized the issuance of the Bonds.

“*Resolution of Formation*” means Resolution No. 195-2021, adopted by the City Council of the City on December 6, 2021, establishing the District, designating Improvement Area No. 1 as an initial improvement area therein, and establishing the Future Annexation Area.

“*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. 2 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 Taxes*” means the “Special Tax” as defined in the Rate and Method, levied within Improvement Area No. 2 pursuant to the Act, the Ordinance and this Agreement.

“*Special Tax Revenues*” means the proceeds of the Special Taxes annually received by the City, excluding any interest and penalties thereon collected in connection with delinquent Special Taxes, less an amount equal to the Administrative Expense Priority, including all scheduled payments and delinquent payments thereof, and proceeds of the redemption or sale of property sold as a result of foreclosure of the lien of the Special Taxes.

“*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.

“*2025 Bonds*” means the Improvement Area No. 2 of City of Rancho Cordova The Ranch Community Facilities District No. 2021-1 Special Tax Bonds Series 2025.

ARTICLE II

THE BONDS

Section 2.01. Principal Amount; Designation. 2025 Bonds in the aggregate principal amount of \$_____ are hereby authorized to be issued by the City for Improvement Area No. 2 under and subject to the terms of the Resolution and this Agreement, the Act and other applicable laws of the State of California. The 2025 Bonds shall be designated the "Improvement Area No. 2 of City of Rancho Cordova The Ranch Community Facilities District No. 2021-1 Special Tax Bonds Series 2025."

Section 2.02. Terms of 2025 Bonds.

(A) Form; Denominations. The 2025 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 2025 Bonds shall be lettered and numbered in a customary manner as determined by the Fiscal Agent.

(B) Date of 2025 Bonds. The 2025 Bonds shall be dated the Closing Date for the 2025 Bonds.

(C) CUSIP Identification Numbers. "CUSIP" identification numbers shall be imprinted on the 2025 Bonds, but such numbers shall not constitute a part of the contract evidenced by the 2025 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 2025 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 2025 Bonds shall be issued as serial bonds and term bonds and shall mature and become payable as follows:

<u>Maturity</u> <u>(September 1)</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>
---	-----------------------------------	--------------------------------

^(T) Term bonds.

(E) Interest. The 2025 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 2025 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 2025 Bond, interest is in default thereon, such 2025 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 2025 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 2025 Bonds; provided that so long as any 2025 Bonds are in book-entry form, payments with respect to such 2025 Bonds shall be made by wire transfer or such other method acceptable to the Fiscal Agent to the Depository. The principal of the 2025 Bonds and any premium on the 2025 Bonds are payable in lawful money of the United States of America upon surrender of the 2025 Bonds at the Principal Office of the Fiscal Agent. All 2025 Bonds paid by the Fiscal Agent pursuant to this Section shall be cancelled by the Fiscal Agent. The Fiscal Agent shall destroy the cancelled 2025 Bonds and issue a certificate of destruction thereof to the City.

Section 2.03. Redemption.

(A) Redemption Dates.

(i) Optional Redemption. 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, _____ 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, _____ through August 31, _____	103%
September 1, _____ through August 31, _____	102
September 1, _____ through August 31, _____	101
September 1, _____ and any date thereafter	100

(ii) Mandatory Redemption From Prepayments. The 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 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, _____	103%
September 1, _____ and March 1, _____	102
September 1, _____ and March 1, _____	101
September 1, _____ 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 2025 Bonds.

(iii) **Mandatory Sinking Fund Redemption.** The Bonds maturing September 1, _____, September 1, _____, September 1, _____ and September 1, _____ are subject to mandatory sinking payment redemption in part on September 1, _____, September 1, _____, September 1, _____ and September 1, _____, respectively, 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, _____ Term Bonds

Mandatory Redemption Date (<u>September 1</u>)	Sinking Fund Payment
---	---------------------------------

September 1, _____ Term Bonds

Mandatory Redemption Date (<u>September 1</u>)	Sinking Fund Payment
---	---------------------------------

September 1, _____ Term Bonds

Mandatory Redemption Date (<u>September 1</u>)	Sinking Fund Payment
---	---------------------------------

September 1, _____ Term Bonds

Mandatory Redemption Date (<u>September 1</u>)	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 2025 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 2025 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 2025 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 2025 Bonds pursuant to subsections (A)(i) and (A)(ii) not less than 45 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 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 2025 Bonds.

The proceeds of the purchase of the 2025 Bonds by the Original Purchaser in the amount of \$_____ (being 100% of the aggregate principal amount thereof, plus an original issue premium of \$_____, less an Underwriter's discount 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 Reserve Fund \$_____;
- (iii) Deposit \$_____ in the Capitalized Interest Account of the Bond Fund; and
- (iv) Deposit in the 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. 2 Special Tax Bonds, Series 2025, 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.

(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 and if not needed for those purposes shall be available, to the extent required under the Acquisition Agreement, to directly finance the Project (so-called pay-as-you-go funds).

(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. 2 Special Tax Bonds Improvement Fund to the credit of which a deposit shall be made as required by Section 3.02 and as required by Section 3.03. 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.

(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. Costs of Issuance Fund.

(A) Establishment of 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. 2 Special Tax Bonds Series 2025 Costs of Issuance Fund, to the credit of which a deposit shall be made as required by Section 3.02. Moneys in the 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 2025 Bonds.

(B) Disbursement. Amounts in the 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 2025 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 Costs of Issuance not listed on the initial Officer's Certificate delivered to the Fiscal Agent on the Closing Date of the 2025 Bonds. The Fiscal Agent shall maintain the Costs of Issuance Fund for a period of 6 months, from the Closing Date of the 2025 Bonds and then shall transfer any moneys remaining therein, including any investment earnings thereon, to the Improvement Fund, and if the Improvement Fund has been closed then to the Special Tax Fund, and the 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 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 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 2025 Bonds shall be secured by a pledge of all amounts in 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. 2 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 "Capitalized Interest Account" which account is hereby established for purposes of accounting for the disposition of 2025 Bonds, a portion of the proceeds of which will be deposited to such Capitalized Interest Account pursuant to Section 3.02. The amount deposited to the Capitalized Interest Account and any investment earnings thereon shall be used solely to make payments on the 2025 Bonds on March 1, 2025 and September 1, 2025. Any excess amounts therein on September 2, 2025 shall be transferred to the Special Tax Fund, and the 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. 2 Special Tax Bonds Reserve Fund," 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 Project has not been completed, 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 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. 2 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. 2 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. 2 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 it will enforce the lien of the Special Taxes by commencing, or cause to be commenced, foreclosure proceedings to judgment and sale in such manner and upon such timing as advised by legal counsel, taking into account the amounts delinquent, the estimate cost of legal proceedings, the status of Special Tax collections and available debt service reserves, under the following circumstances:

(a) if 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 enforce the lien on all delinquent parcels; or

(b) if property owned by any single property owner in Improvement Area No. 2 is delinquent on four or more consecutive semi-annual Special Tax installments (irrespective of the total delinquencies in Improvement Area No. 2) it will enforce the lien against such property.

Additionally, notwithstanding any of the foregoing, in certain instances the amount of a Special Tax delinquency on a particular parcel in relation to the cost of appropriate foreclosure proceedings may be such that the costs do not warrant the foreclosure proceedings costs. In such cases, foreclosure proceedings may be delayed by the City until there are sufficient Special Tax delinquencies accruing to such parcel (including interest and penalties thereon) to warrant the cost of such foreclosure 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. No Additional Bonds. The City covenants not to issue Additional Bonds payable from Special Taxes and by the Special Tax Revenues equally and ratably with Bonds previously issued, except that the City may issue bonds to refund all or part of the Bonds. The City may also issue bonds secured by Special Taxes on a subordinate basis to the pledge of Special Taxes for payment of the Bonds.

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. 2 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, but only from Special Tax Revenues, 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, and only from Special Tax Revenues as the source of funds, 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;

(E) to facilitate the issuance of Additional Bonds, to the extent permitted by Section 5.17.

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, 10th Floor
Seattle, Washington 98101
Attention: Global Corporate Trust
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. The exchange of copies of this Agreement and of signature pages by facsimile or PDF transmission shall constitute effective execution and delivery of this Agreement as to the parties hereto and may be used in lieu of the original Agreement and signature pages for all purposes.

Section 9.14. U.S.A. Patriot Act. The City and the District acknowledge that in accordance with Section 326 of the U.S.A. Patriot Act, the Fiscal Agent, like all financial institutions and in order to help fight the funding of terrorism and money laundering, is required to obtain, verify, and record information that identifies each person or legal entity that establishes a relationship or opens an account with the Fiscal Agent. The City and the District agree that they will provide the Fiscal Agent with such information as it may request in order for the Fiscal Agent to satisfy the requirements of the U.S.A. Patriot Act.

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, 2025.

CITY OF RANCHO CORDOVA, for itself and
on behalf of CITY OF RANCHO CORDOVA
THE RANCH COMMUNITY FACILITIES
DISTRICT NO. 2021-1

By: _____
Kim Juran-Karageorgiou
Administrative Services Director

**U.S. BANK TRUST COMPANY, NATIONAL
ASSOCIATION**, *as Fiscal Agent*

By: _____
Greg E. Skutnik
Vice President

EXHIBIT A
FORM OF BOND

UNITED STATES OF AMERICA
STATE OF CALIFORNIA

No. _____

\$_____

IMPROVEMENT AREA NO. 2 OF
CITY OF RANCHO CORDOVA
THE RANCH COMMUNITY FACILITIES DISTRICT NO. 2021-1
SPECIAL TAX BONDS SERIES 2025

INTEREST RATE:
%**MATURITY DATE:**
September 1, 20__**BOND DATE:**
__, 2025**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. 2 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 _____ 1, 2025 (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 _____, 2025 (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 "Improvement Area No. 2 of City of Rancho Cordova The Ranch Community Facilities District No. 2021-1 Special Tax Bonds Series 2025" (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, 2025, 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. 2 (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, _____ 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, _____ through August 31, _____	103%
September 1, _____ through August 31, _____	102
September 1, _____ through August 31, _____	101
September 1, _____ and any date thereafter	100

The 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 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, _____	103%
September 1, _____ and March 1, _____	102
September 1, _____ and March 1, _____	101
September 1, _____ and any Interest Payment Date thereafter	100

The Bonds maturing September 1, _____, September 1, _____, September 1, _____ and September 1, _____ are subject to mandatory sinking payment redemption in part on September 1, _____, September 1, _____, September 1, _____ and September 1, _____, respectively, 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, _____ Term Bonds

Mandatory Redemption Date (September 1)	Sinking Fund Payment
--	---------------------------------

September 1, _____ Term Bonds

Mandatory Redemption Date (September 1)	Sinking Fund Payment
--	---------------------------------

September 1, _____ Term Bonds

**Mandatory
Redemption Date
(September 1)**

**Sinking Fund
Payment**

September 1, _____ 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: _____, 2025

**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. 2
SPECIAL TAX BONDS
SERIES 2025

BOND PURCHASE AGREEMENT

_____, 2025

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 _____ 1, 2025 (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. 2 Special Tax Bonds, Series 2025 (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, less a net original issue discount 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 _____, 2025. 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. 2 of the Community Facilities District (“Improvement Area No. 2”); (ii) make a deposit into the debt service reserve fund for the Bonds; (iii) pay capitalized interest on a portion of the Bonds through and including September 1, 2025 and (iv) 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 _____, 2025, 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 _____, 2025 (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. 2 (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. 2 – 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. 2 – 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. 2 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 2025 BONDS" (other than by reference Appendix G – DTC and the Book-Entry Only System), "SECURITY FOR THE 2025 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. 2 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. 2, 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 CDIAF 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. 2 SERIES 2025 BONDS]**

APPENDIX A

\$ _____
CITY OF RANCHO CORDOVA
THE RANCH COMMUNITY FACILITIES DISTRICT NO. 2021-1
IMPROVEMENT AREA NO. 2
SPECIAL TAX BONDS
SERIES 2025

MATURITY SCHEDULE

<u>Maturity (September 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>Price</u>	<u>10% Test Satisfied*</u>	<u>10% Test Not Satisfied</u>	<u>Subject to Hold-The- Offering-Price Rule (<i>marked if used</i>)</u>
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⁽¹⁾ Term Bond.
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APPENDIX B

OPINION OF SPECIAL COUNSEL

_____, 2025

VIA OVERNIGHT MAIL

Piper Sandler & Co.
2321 Rosecrans Ave., Suite 3200
El Segundo, California 90245

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. 2 Special Tax Bonds, Series 2025

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. 2 Special Tax Bonds, Series 2025 (the “Bonds”). As such Counsel, we have reviewed the Bond Purchase Agreement, dated _____, 2025 (the “Purchase Agreement”), by and between Piper Sandler & Co. (the “Underwriter”) and the City, the Fiscal Agent Agreement, dated as of _____ 1, 2025 (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 _____, 2025, executed by the City (the “City Continuing Disclosure Certificate”), the Preliminary Official Statement, dated _____, 2025, relating to the Bonds (the “Preliminary Official Statement”), the Official Statement, dated _____, 2025, relating to the Bonds (the “Official Statement”), Resolution No. _____ adopted by the City Council of the City on _____, 2025 (“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. 2
SPECIAL TAX BONDS
SERIES 2025**

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 _____, 2025, 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. 2 – 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. 2 – 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. 2 – 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: _____, 2025

CITY OF RANCHO CORDOVA

By: _____

Its: _____

APPENDIX D

**CITY OF RANCHO CORDOVA
THE RANCH COMMUNITY FACILITIES DISTRICT NO. 2021-1
IMPROVEMENT AREA NO. 2
SPECIAL TAX BONDS
SERIES 2025**

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 _____ 1, 2025 (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 _____, 2025, 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: _____, 2025

U.S. BANK TRUST COMPANY,
NATIONAL ASSOCIATION,
as Fiscal Agent

By: _____
Authorized Officer

APPENDIX E

FISCAL AGENT'S COUNSEL OPINION

_____, 2025

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. 2 Special Tax Bonds, Series 2025

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 _____ 1, 2025 (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
IMPROVEMENT AREA NO. 2
SPECIAL TAX BONDS
SERIES 2025**

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 _____, 2025, for the City of Rancho Cordova The Ranch Community Facilities District No. 2021-1 (the “Community Facilities District”) Improvement Area No. 2 Special Tax Bonds, Series 2025 (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 _____ 1, 2025 (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 \$30,000 for Fiscal Year 2025-23 (subject to inflation at 2.00% per Fiscal Year effective for Fiscal Year 2024-25), 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 2025 BONDS – Special Taxes and – Special Tax Formula,” “IMPROVEMENT AREA NO. 2,” “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: _____, 2025

GOODWIN CONSULTING GROUP

By: _____

Title: _____

APPENDIX G

CITY OF RANCHO CORDOVA
THE RANCH COMMUNITY FACILITIES DISTRICT NO. 2021-1
IMPROVEMENT AREA NO. 2
SPECIAL TAX BONDS
SERIES 2025

CERTIFICATE OF PROPERTY OWNER

_____, 2025

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 of Property Owner (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. 2 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 Continuing Disclosure Certificate (Developer) 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 Continuing Disclosure Certificate (Developer).

(2) The Property Owner agrees to execute at Closing the Continuing Disclosure Certificate (Developer) 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 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 Continuing Disclosure Certificate (Developer), and the performance by the Property Owner of its obligations under the Continuing Disclosure Certificate (Developer), 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 Continuing Disclosure Certificate (Developer).

(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 Continuing Disclosure Certificate (Developer).

(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 Continuing Disclosure Certificate (Developer),

(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 Continuing Disclosure Certificate (Developer), 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, to the Actual Knowledge of the Undersigned, the information in the sections of the Preliminary Official Statement entitled "IMPROVEMENT AREA NO. 2 – Development in the District," "OWNERSHIP OF PROPERTY WITHIN IMPROVEMENT AREA NO. 2" (other than under the caption "--AG" for which no certification is provided), and "CONTINUING DISCLOSURE - K. Hovnanian," 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 Continuing Disclosure Certificate (Developer).

(14) To the Actual Knowledge of the Undersigned, the written information submitted by, or on behalf of and authorized by the employees of the Property Owner involved in the issuance of the Bonds to Integra Realty Resources (the "**Appraiser**") and contained in the sections of the Appraisal Report dated August 22, 2025 and highlighted in Exhibit A attached hereto, was, at the time of submission 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. 2 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 before any court, regulatory agency, public board or body, 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 party or 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. 2 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 other than from the proceeds of Bonds or Special Taxes.

(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, the undersigned has 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.

The undersigned has executed this Certificate solely in his or her capacity as an authorized officer or representative of the Property Owner and he or she will have no personal liability arising from or relating to this Certificate. Any liability arising from or relating to this Certificate may only be asserted against the Property Owner.

K. HOVNANIAN AT JAEGER RANCH, LLC,
a California limited liability company

By:_____

Name:_____

Title:_____

EXHIBIT A

EXCERPTS FROM THE APPRAISAL REPORT

(to be attached)

APPENDIX H

§ _____
CITY OF RANCHO CORDOVA
THE RANCH COMMUNITY FACILITIES DISTRICT NO. 2021-1
IMPROVEMENT AREA NO. 2
SPECIAL TAX BONDS
SERIES 2025

BRING-DOWN CERTIFICATE OF PROPERTY OWNER

The undersigned party certifies and represents he or she 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 Bring-Down Certificate of Property Owner (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 _____, 2025, 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 _____, 2025 (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 undersigned 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 Continuing Disclosure Certificate (Developer), and the Continuing Disclosure Certificate (Developer) 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.

The undersigned has executed this Bring-Down Certificate solely in his or her capacity as an authorized officer or representative of the Property Owner and he or she will have no personal liability arising from or relating to this Bring-Down Certificate. Any liability arising from or relating to this Bring-Down Certificate may only be asserted against the Property Owner.

Dated: _____, 2025

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. 2
SPECIAL TAX BONDS
SERIES 2025**

CERTIFICATE OF APPRAISER

Integra Realty Resources (the “Appraiser”), Rocklin, California prepared an appraisal of the properties within Improvement Area No. 2 of the City of Rancho Cordova The Ranch Community Facilities District No. 2021-1 (the “Community Facilities District”) dated August 22, 2025 (the “Appraisal”). The Appraisal is described and summarized in the Preliminary Official Statement dated _____, 2025 (the “Preliminary Official Statement”) and the Official Statement dated _____, 2025 (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: _____, 2025

INTEGRA REALTY RESOURCES

By: _____

APPENDIX J

\$ _____
CITY OF RANCHO CORDOVA
THE RANCH COMMUNITY FACILITIES DISTRICT NO. 2021-1
IMPROVEMENT AREA NO. 2
SPECIAL TAX BONDS
SERIES 2025

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.***

(a) Piper offered each Maturity of the Bonds to the Public for purchase at the respective initial offering prices listed in Schedule A (the “Initial Offering Prices”) on or before the Sale Date. A copy of the pricing wire or equivalent communication for the Bonds is attached to this certificate as Schedule B.

(b) As set forth in the Bond Purchase Agreement, dated _____, 2025, between the Issuer and Piper, Piper agreed in writing that, (i) for each Maturity of the Bonds, it would neither offer nor sell any of the Bonds of such Maturity to any person at a price that is higher than the Initial Offering Price for such Maturity during the Holding Period for such Maturity (the “hold-the-offering-price rule”), and (ii) any selling group agreement shall contain the agreement of each dealer who is a member of the selling group, and any retail distribution agreement shall contain the agreement of each broker-dealer who is a party to the retail distribution agreement, to comply with the hold-the-offering-price rule. Pursuant to such agreement, no Underwriter (as defined below) has offered or sold any Maturity of the Bonds at a price that is higher than the respective Initial Offering Price for that Maturity of the Bonds during the Holding Period.

2. ***Defined Terms.***

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

(b) *Issuer* means the City of Rancho Cordova.

(c) *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.

(d) *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.

(e) *Sale Date* means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is _____, 2025.

(f) *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: _____, 2025

PIPER SANDLER & CO.

By: _____
Managing Director

SCHEDULE A
SALE PRICES

(Attached)

SCHEDULE B

PRICING WIRE OR EQUIVALENT COMMUNICATION

(Attached)

PRELIMINARY OFFICIAL STATEMENT DATED _____, 2025

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 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. 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.

\$11,500,000*

**IMPROVEMENT AREA NO. 2 OF
CITY OF RANCHO CORDOVA
THE RANCH COMMUNITY FACILITIES DISTRICT NO. 2021-1
SPECIAL TAX BONDS
SERIES 2025**

Dated: Date of Delivery**Due: September 1, as shown on inside cover**

Authority for Issuance. The above-captioned bonds (the "Bonds"), are being issued by the City of Rancho Cordova (the "City") by and through Improvement Area No. 2 ("Improvement Area No. 2") of City of Rancho Cordova The Ranch Community Facilities District No. 2021-1 (the "District"). The 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 _____, 1, 2025 (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 BONDS – Authority for Issuance."

Security and Sources of Payment. The Bonds are secured by and payable from a pledge of Special Taxes (as defined herein) levied on property within Improvement Area No. 2 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. **Unpaid Special Taxes do not constitute a personal indebtedness of the owners of the parcels within Improvement Area No. 2. 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 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 BONDS."

Property in Improvement Area No. 2 subject to the Special Tax is comprised of land in the City of Rancho Cordova, Sacramento County, California, under development for 265 single-family homes. It is a continuation of a larger development under construction by homebuilder K. Hovnanian at Jaeger Ranch, LLC, a California limited liability company, that is planned for a total of 1,437 single-family homes, as well as public and quasi-public uses, parks and open space not subject to the Special Tax, as well as multifamily and commercial uses, at build-out. Home construction is underway, as described herein. See "IMPROVEMENT AREA NO. 2" and "OWNERSHIP OF PROPERTY WITHIN IMPROVEMENT AREA NO. 2."

Use of Proceeds. The 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. 2; (ii) make a deposit into the debt service reserve fund for the Bonds; (iii) pay capitalized interest on a portion of the Bonds through and including September 1, 2025; and (iv) pay the costs of issuance of the Bonds. See "FINANCING PLAN."

Bond Terms. Interest on the Bonds is payable semiannually on March 1 and September 1 of each year, commencing September 1, 2025. The Bonds will be issued in the denomination of \$5,000 or integral multiples of \$5,000 in excess thereof. The 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 Bonds. See "THE BONDS – Description of the Bonds" and "APPENDIX G – DTC and the Book-Entry Only System."

Redemption. The Bonds are subject to optional redemption, mandatory sinking fund redemption, and special mandatory redemption from prepaid Special Taxes. See "THE BONDS – Redemption."

THE 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 Bonds. Potential investors should read this entire Official Statement to obtain information essential for making an informed investment decision. Investment in the 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 Bonds.

The 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 Bonds, in book-entry form, will be available for delivery through the facilities of DTC on or about _____, 2025.

[PIPER LOGO]

The date of this Official Statement is: _____, 2025.

* Preliminary; subject to change.

MATURITY SCHEDULE

\$ _____ Serial Bonds
(Base CUSIP†: _____)

Maturity (September 1)	Principal Amount	Interest Rate	Yield	Price	CUSIP† ()
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\$ _____ % Term Bond due September 1, _____, Yield: _____%, Price: _____%;
CUSIP† _____

† CUSIP® is a registered trademark of the American Bankers Association. CUSIP Global Services (CGS) is managed on behalf of the American Bankers Association by FactSet Research Systems Inc. Copyright (c) 2024 CUSIP Global Services. All rights reserved. CUSIP® data herein is provided by CUSIP Global Services. This data is not intended to create a database and does not serve in any way as a substitute for the CGS database. CUSIP® numbers are provided for convenience of reference only. None of the City, the Underwriter, the Municipal Advisor, or their agents or counsel take any responsibility for the accuracy of such numbers.

CITY OF RANCHO CORDOVA

City Council

Siri Pulipati, Mayor
Garrett Gatewood, Vice Mayor
Linda Budge, Councilmember
David M. Sander, Ph.D., Councilmember
Joe Little, Councilmember

Staff

Micah Runner, 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

GENERAL INFORMATION ABOUT THIS OFFICIAL STATEMENT

Use of Official Statement. This Official Statement is submitted in connection with the sale of the 2025 Bonds referred to herein and may not be reproduced or used, in whole or in part, for any other purpose. This Official Statement is not to be construed as a contract with the purchasers of the 2025 Bonds.

Estimates and Forecasts. When used in this Official Statement and in any continuing disclosure by the City, in any press release and in any oral statement made with the approval of an authorized officer of the City, the words or phrases “will likely result,” “are expected to,” “will continue,” “is anticipated,” “estimate,” “project,” “forecast,” “expect,” “intend” and similar expressions identify “forward looking statements.” Such statements are subject to risks and uncertainties that could cause actual results to differ materially from those contemplated in such forward-looking statements. Any forecast is subject to such uncertainties. Inevitably, some assumptions used to develop the forecasts will not be realized and unanticipated events and circumstances may occur. Therefore, there are likely to be differences between forecasts and actual results, and those differences may be material. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, give rise to any implication that there has been no change in the affairs of the City since the date hereof.

Limit of Offering. No dealer, broker, salesperson or other person has been authorized by the City to give any information or to make any representations in connection with the offer or sale of the 2025 Bonds other than those contained herein and if given or made, such other information or representation must not be relied upon as having been authorized by the City or the Underwriter. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the 2025 Bonds by a person in any jurisdiction in which it is unlawful for such person to make such an offer, solicitation or sale.

Involvement of Underwriter. The Underwriter has reviewed the information in this Official Statement in accordance with, and as a part of, their responsibilities to investors under the Federal Securities Laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information. The information and expressions of opinions herein are subject to change without notice and neither delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the City since the date hereof. All summaries of the documents referred to in this Official Statement, are made subject to the provisions of such documents, respectively, and do not purport to be complete statements of any or all of such provisions.

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITER MAY OVERALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE 2025 BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

THE 2025 BONDS HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, IN RELIANCE UPON AN EXCEPTION FROM THE REGISTRATION REQUIREMENTS CONTAINED IN SUCH ACT. THE 2025 BONDS HAVE NOT BEEN REGISTERED OR QUALIFIED UNDER THE SECURITIES LAWS OF ANY STATE.

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OFFICIAL STATEMENT

\$11,500,000*
IMPROVEMENT AREA NO. 2 OF
CITY OF RANCHO CORDOVA
THE RANCH COMMUNITY FACILITIES DISTRICT NO. 2021-1
SPECIAL TAX BONDS
SERIES 2025

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 “Bonds”), for and on behalf of its Improvement Area No. 2 (“**Improvement Area No. 2**”) 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 Bonds to potential investors is made only by means of the entire Official Statement.

District Formation, Improvement Areas and Future Annexation Area. The District was established, Improvement Area No. 1 was designated as an improvement area within the District (“**Improvement Area No. 1**”), 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 (Section 53311, *et seq.*, of the Government Code of the State of California) (the “**Mello-Roos Act**”). Pursuant to a Unanimous Consent, Waiver and Vote of Sole Landowner, dated April 2, 2024 land designated as Improvement Area No. 2 of the District (“**Improvement Area No. 2**”) was annexed to the District. In 2022, bonds were issued for Improvement Area No. 1. The Bonds represent the first series of special tax bonds authorized and issued by the City for Improvement Area No. 2.

* Preliminary, subject to change.

The District. The District is located within The Ranch Special Planning Area (“**TRSPA**”), which is within the Sunridge Specific 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 designates approximately 1,690 dwelling units (single and multi-family) at build out.

Development in the District is being undertaken as part of a larger development under construction by K. Hovnanian at Jaeger Ranch, LLC, a California limited liability company (“**K. Hovnanian**”). The District currently includes completed homes, home construction underway and undeveloped land. In October 2022, bonds were issued for Improvement Area No. 1 in the principal amount of \$12,975,000; those bonds secured only by taxable parcels in Improvement Area No. 1 and as of _____, 2025, _____ homes have closed escrow in Improvement Area No. 1. *The Bonds are not secured by property in Improvement Area No. 1 or the Future Annexation Area.*

The Bonds. The Bonds are issued pursuant to the provisions of the Mello-Roos Act, a Fiscal Agent Agreement, dated as of _____ 1, 2025 (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 _____, 2025 by the City Council of the City, which authorized the issuance of the Bonds (the “**Resolution**”).

Registration of Ownership of the Bonds. The 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 Bonds is payable on March 1 and September 1 of each year (each an “**Interest Payment Date**”), commencing September 1, 2025. Ultimate purchasers of Bonds will not receive physical certificates representing their interest in the Bonds. So long as the 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 Bonds. Payments of the principal, premium, if any, and interest on the 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 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 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 Bonds will also be used to make a deposit in the Reserve Fund (defined herein), pay capitalized interest on a portion of the Bonds through and including September 1, 2025, and pay the cost of issuance of the Bonds.

Security and Sources of Payment of the Bonds. On December 6, 2021, the City Council, as legislative body of the CFD and Improvement Area No. 2, 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), initially allocated as follows: (i) for Improvement Area No. 2, \$20,350,000 and (ii) for land within the Future Annexation Area, \$66,120,000. Upon annexation of Improvement Area No. 2 to the District bonded indebtedness for Improvement Area No. 2 was authorized in the amount not to exceed \$14,000,000 (the “**Authorization**”). The Bonds are the first series of bonds being issued by the City for Improvement Area No. 2, and additional bonds secured on parity with the Bonds may only be issued for refunding purposes.

The 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. 2 under the Rate and Method of Apportionment of Special Tax for Improvement Area No. 2 (the “**Rate and Method**”), and “**Administrative Expense Priority**” means (i) for Fiscal Year 2025-26, \$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 Bonds are also payable from amounts held in certain funds and accounts pursuant to the City, including the Reserve Fund, all as more fully described herein. The Special Tax applicable to each taxable parcel in Improvement Area No. 2 will be levied and collected according to the tax liability determined by the application of the Rate and Method, 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. 2 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 taxable parcels and no proceedings to collect directly from an owner is permitted. See “SECURITY FOR THE BONDS – Rate and Method” 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 Bonds are outstanding, the City will annually levy the Special Tax against all taxable land within Improvement Area No. 2 in accordance with the proceedings for the authorization and issuance of the 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 Bonds as such becomes due and payable and to replenish the Reserve Fund (as defined herein) as necessary. See “SECURITY FOR THE BONDS – Special Taxes” herein.

In connection with the issuance of the Bonds, the City will direct the Fiscal Agent to establish a “**Reserve Fund**,” which will be funded in an amount equal to the Reserve Requirement (described herein) with respect to the Bonds. Amounts in the Reserve Fund are available for payment of the Bonds in the event of delinquencies in the payment of the Special Taxes to the extent of such delinquencies. See “SECURITY FOR THE BONDS – Reserve Fund.” 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.

Property Subject to the Special Tax. Improvement Area No. 2 consists of land developing into 265 single-family homes as a next phase following the 467 residential lots in Improvement Area No. 1 (which are not security for the Bonds), all as part of an approximate

1,437 residential project. Improvement Area No. 2 includes a continuation of K. Hovnanian's home construction in it "Reserve," "Canyon" and "Montrose" neighborhoods and adds a neighborhood marketed as "Silverbrook." As of the November 26, 2024 effective date of the Appraisal (described below), site development work is complete on Villages 1, 2, 7, and 10, permits had been issued for 50 lots and home construction is underway. See "IMPROVEMENT AREA NO. 2" and "OWNERSHIP OF PROPERTY WITHIN IMPROVEMENT AREA NO. 2" for additional details.

**Improvement Area No. 2 of
The Ranch Community Facilities District No. 2021-1
Status of Development – As of November 26, 2024**

Project	No. Lots	Finished Lots	Units under Construction
Reserve (Village 1) ⁽¹⁾	86	84	2
Canyon (Village 2)	49	35	14
Montrose (Village 7) ⁽²⁾	28	13	15
Silverbrook (Village 10) ⁽³⁾	69	65	4
Silverbrook (Village 11) ⁽⁴⁾⁽⁵⁾	33	0	0
Total	265	197	35

(1) _____ units owned by K. Hovnanian and _____ planned units owned by the Arroyo Cap Land Bank.

(2) _____ units owned by K. Hovnanian and _____ planned units owned by the Arroyo Cap Land Bank.

(3) _____ units owned by K. Hovnanian and _____ planned units owned by the Arroyo Cap Land Bank..

(4) _____ units owned by K. Hovnanian and _____ planned units owned by the Arroyo Cap Land Bank.

(5) Wet and dry utilities were completed in _____, and paving is scheduled for _____.

(6) Wet utilities are scheduled to be installed on _____, dry utilities are scheduled to be installed on _____, and paving is scheduled for _____, weather permitting.

Source: The Appraisal and K. Hovnanian.

Value of Property. Property in Improvement Area No. 2 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. 2 as of a November 26, 2024 date of value, prepared by Integra Realty Resources, Sacramento, California (the "**Appraiser**"). The Appraiser indicated a value estimate of \$53,681,000 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 Bonds. See "VALUE OF PROPERTY WITHIN IMPROVEMENT AREA NO. 2."

The principal amount of the direct and overlapping debt in Improvement Area No. 2 is \$684,299*, which consists of the estimated amount of Bonds (\$11,500,000*) and \$12,184,299 of overlapping general obligation and CFD bond debt. Consequently, the estimated value of property in Improvement Area No. 2 subject to the Special Tax lien (\$53,681,000), is approximately 4.4* times the principal amount of the direct and overlapping debt in Improvement Area No. 2. 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. 2 – Value to Special Tax Burden Ratios."

Simultaneously with the annexation of land comprising Improvement Area No. 2 into the District, separate land was annexed into the District as Improvement Area No. 3. Additional land remains in the Future Annexation Area and is expected to be annexed into the District as additional improvement areas as development of the project continues. *The Bonds are secured only by taxable land within Improvement Area No. 2.*

Risks of Investment. Investment in the 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 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 Bonds. The 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 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 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. 2 since the date hereof.

* Preliminary, subject to change.

FINANCING PLAN

The 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. 2 (referred to herein as the “**Facilities**”); (ii) make a deposit into the Reserve Fund equal to the Reserve Requirement with the Bonds; (iii) fund capitalized interest on a portion of the Bonds through and including September 1, 2025; and (iv) pay the costs of issuance of the Bonds.

A summary of the estimated sources and uses of funds associated with the sale of the Bonds follows:

Estimated Sources of Funds:

Principal Amount of the Bonds	\$
Plus/less: [Net] Original Issue Premium/Discount	_____
Total	\$

Estimated Uses of Funds:

Deposit to Improvement Fund	\$
Deposit to 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 Bonds.

(2) Used to pay capitalized interest on a portion of the Bonds through and including _____.

(3) Used to pay costs of issuance of the 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, Municipal Advisor, fees of Bond Counsel and Disclosure Counsel, and other costs of issuance.

THE BONDS

Authority for Issuance

The Bonds are issued pursuant to the Fiscal Agent Agreement, the Resolution adopted by the City Council on _____, 2025, and the Mello-Roos Act.

On December 6, 2021, the City Council, as legislative body of the CFD and Improvement Area No. 2, 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), initially allocated as follows: (i) for Improvement Area No. 2, \$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. 2 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. In October 2022, bonds were issued for Improvement Area No. 1 in the principal amount of \$12,975,000; those bonds secured only by taxable parcels in Improvement Area No. 1.

Pursuant to a Unanimous Consent, Waiver and Vote of Sole Landowner, dated April 2, 2024 land designated as Improvement Area No. 2 of the District was annexed to the District. The Bonds are the first series of bonds being issued by the City for Improvement Area No. 2 and the District; after issuance of the Bonds, additional bonds secured on parity with the Bonds may only be issued for refunding purposes.

Description of the Bonds

The 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 Bonds will not receive physical certificates representing their interest in the Bonds. So long as the 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 Bonds. Payments of the principal, premium, if any, and interest on the 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 Bonds, so long as DTC or Cede & Co. is the registered owner of the 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 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 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 Bonds.

Interest on the 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 September 1, 2025. Interest on the 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 Bonds; provided that so long as any Bonds are in book-entry form, payments with respect to such 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 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 Bond, interest is in default thereon, such 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 Bonds are registered in the name of Cede & Co., as nominee of DTC, payments of the principal, premium, if any, and interest on the 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 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

* Preliminary, subject to change.

Mandatory Redemption from Prepayments. The 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 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 Bonds to be priced with original issue premium and then be redeemed from Special Tax prepayments prior to maturity.

Mandatory Sinking Fund Redemption. The 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

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 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 Bonds.

In lieu of redemption, moneys in the Bond Fund may be used and withdrawn by the Fiscal Agent for purchase of Outstanding 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 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 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 number of each Bond to be redeemed or shall state that all Bonds between two stated 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 optional redemption of 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 Bonds then called for redemption, and such cancellation shall not constitute an event of default.

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, the 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 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.

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 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 Bonds

So long as the Bonds are registered in the name of Cede & Co., as nominee of DTC, transfers and exchanges of Bonds shall be made in accordance with DTC procedures. See APPENDIX G. Any 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 Bond for cancellation, accompanied by delivery of a duly written instrument of transfer in a form approved by the Fiscal Agent. Whenever any Bond or Bonds shall be surrendered for transfer or exchange, 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. 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 Bonds 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.

SECURITY FOR THE BONDS

The Bonds are secured 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. 2, 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 2025-26, \$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 Bonds are secured by a pledge of all amounts in the Reserve Fund, and any 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 Bonds as provided in the Fiscal Agent Agreement and in the Mello-Roos Act until all of the 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 Bonds only for refunding purposes; 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 Bonds. The Facilities are not in any way pledged to the repayment of the Bonds. Any proceeds of condemnation, destruction or other disposition of any Facilities are not pledged to the repayment of the 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. 2 will be levied and collected according to the tax liability determined by the City through the application of the Rate and Method 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. 2. Interest and principal on the Bonds is payable from the annual Special Taxes to be levied and collected on such property within Improvement Area No. 2, 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 Rate and Method approved by the City. See “Rate and Method” 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. 2, from which principal and interest on the Bonds is to be paid, is limited by the maximum rates approved by the qualified electors within Improvement Area No. 2 which are set forth as the “**Maximum Special Tax**” in the Rate and Method. Under the Rate and Method, 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 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 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 Rate and Method apportions the Special Tax Requirement (as defined in the Rate and Method and described below) among the taxable parcels of real property within Improvement Area No. 2 according to the rate and methodology set forth in the Rate and Method. See “– Rate and Method” 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. 2 as set forth in the Rate and Method 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 Bonds is limited to the Maximum Special Tax rates authorized as set forth in the Rate and Method, 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 Rate and Method, 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.

Rate and Method

The Special Tax authorized under the Mello-Roos Act applicable to land within Improvement Area No. 2 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 Rate and Method (defined terms set forth below in this section have the meanings set forth in the Rate and Method) 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. 2 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. 2.

Each year, the City will determine the Special Tax Requirement for the upcoming fiscal year. The “**Special Tax Requirement**” is defined in the Rate and Method 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 Rate and Method). 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. 2 except tax-exempt parcels as described in the Rate and Method.

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 Rate and Method. In any Fiscal Year, if it is determined that: (i) a parcel map for property in Improvement Area No. 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 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 Rate and Method describes in detail the precise method for assigning the Maximum Special Tax to parcels within Improvement Area No. 2, which generally provides that each year the City will use the definitions contained in the Rate and Method 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 Rate and Method. 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 Rate and Method which is reproduced below, or, (ii) the Maximum Special Tax determined pursuant to Section D of the Rate and Method. For additional details, see APPENDIX A.

Special Tax Category	Fiscal Year 2025-26 Special Tax ⁽¹⁾⁽²⁾
Single Family Property	
Village 1	\$3,354.24 per Residential Unit or SFD Lot
Village 2	\$2,620.76 per Residential Unit or SFD Lot
Village 7	\$2,390.84 per Residential Unit or SFD Lot
Villages 10 & 11	\$1,919.54 per Residential Unit or SFD Lot
Other Property	\$27,771.40 per Acre

(1) On July 1 each fiscal year, all figures shown shall be increased by 2% of the amount in effect in the previous fiscal year.

(2) Represents the Maximum Special Tax rates based on currently expected land uses in the District. Subject to change pursuant to Section D of the Rate and Method.

Source: Goodwin Consulting Group, Inc.

In addition to the Maximum Special Tax rate limitation in the Rate and Method, 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 steps set forth in the Rate and Method. See Section D of the Rate and Method set forth as APPENDIX A.

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 2064-65.

Prepayment of the Special Tax. The Special Tax obligation assigned to a particular parcel within Improvement Area No. 2 can be prepaid, which will release the parcel making the prepayment from the Mello-Roos special tax lien. Section H of the Rate and Method 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 BONDS – Redemption."

Projected Fiscal Year 2025-26 Special Tax Levy. The following table shows the projected Fiscal Year 2025-26 special tax levy by village for Improvement Area No. 2

**Projected Fiscal Year 2025-26
Special Tax Levy By Village ⁽¹⁾**

Village	Projected FY 2025-26 Maximum Special Tax	Projected FY 2025-26 Actual Special Tax ⁽²⁾
Village 1	\$288,465	\$259,232
Village 2	\$128,417	\$118,461
Village 7	\$66,944	\$64,272
Village 10	\$132,448	\$119,579
Village 11	\$63,345	\$56,267
Total	\$679,618	\$617,812

(1) Based on building permits issued and final maps recorded by November 26, 2024.

(2) Includes debt service due in 2026 on the Bonds and estimated administrative expenses of \$30,000. The Administrative Expense Priority for fiscal year 2025-26 is \$30,000 and escalates by 2% per year.

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 Bonds

The Bonds are additionally secured by certain amounts generated from proceeds of the Bonds, together with interest earnings thereon pledged under the Fiscal Agent Agreement. The proceeds of the initial purchase of the Bonds shall be paid to the Fiscal Agent, who shall deposit such proceeds in the 2025 Costs of Issuance Fund, the Improvement Fund, the Bond Fund (for capitalized interest) 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 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 it will enforce the lien of the Special Taxes by commencing, or cause to be commenced, foreclosure proceedings to judgment and sale in such manner and upon such timing as advised by legal counsel, taking into account the amounts delinquent, the estimate cost of legal proceedings, the status of Special Tax collections and available debt service reserves, under the following circumstances:

- (a) if 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 enforce the lien on all delinquent parcels; or
- (b) if property owned by any single property owner in Improvement Area No. 2 is delinquent on four or more consecutive semi-annual Special Tax installments (irrespective of the total delinquencies in Improvement Area No. 2) it will enforce the lien against such property.

Additionally, notwithstanding any of the foregoing, in certain instances the amount of a Special Tax delinquency on a particular parcel in relation to the cost of appropriate foreclosure proceedings may be such that the costs do not warrant the foreclosure proceedings costs. In such cases, foreclosure proceedings may be delayed by the City until there are sufficient Special Tax delinquencies accruing to such parcel (including interest and penalties thereon) to warrant the cost of such foreclosure proceedings.

The owners of the 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 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 Rate and Method, the City may adjust the Special Taxes levied on all property within Improvement Area No. 2 subject to the Special Tax to provide an amount required to pay debt service on the 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. 2 – 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 is expected to be applicable to the Special Tax levies, but no assurance can be given that it will continue in any or all of the years that the 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. 2, the County's Teeter Plan may help protect owners of the 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. 2 from its Teeter Plan permanently in any year while the 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, which is available for payment of the 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 Reserve Fund an amount that is equal to the Reserve Requirement with respect to the Bonds. The "**Reserve Requirement**" is the least of (i) 125% of the average Annual Debt Service on the Bonds; (ii) Maximum Annual Debt Service on the Bonds; and (iii) 10% of the original principal amount of the Bonds (or, if the Bonds have 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) in no event shall the City be obligated to deposit an amount in the 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;
- (b) the City may meet all or a portion of the Reserve Requirement with respect to the Bonds by depositing a Qualified Reserve Fund Credit Instrument in accordance with the Fiscal Agent Agreement; and
- (c) the Reserve Requirement shall be set at the time of issuance of the Bonds and shall not increase thereafter but may decrease.

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.

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 Resolution of Formation authorizes the issuance of up to \$14,000,000 of bonded indebtedness for Improvement Area No. 2; the Bonds represent the first series. In the Fiscal Agent Agreement the City covenants not to issue Additional Bonds payable from Special Taxes and by the Special Tax Revenues equally and ratably with Bonds previously issued, except that the City may issue bonds to refund all or part of the Bonds.

Debt Service Schedule. The annual debt service on the 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).

Period Ending Sept. 1	Bonds Principal	Bonds Interest ⁽¹⁾	Bonds Total Debt Service
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(1) A portion of the interest on the Bonds due through _____ will be paid from capitalized interest.
Source: Underwriter.

Projected Debt Service Coverage. The projected debt service coverage for Fiscal Year 2025-26 is set forth below, and is based on the current status of development and only the Bonds outstanding. To the extent that development status changes, the debt service coverage may be different than what is shown. The Bonds have been structured so there is at least 110% debt service coverage in every year the Bonds are outstanding.

**City of Rancho Cordova
The Ranch Community Facilities District No. 2021-1
Improvement Area No. 2
Special Tax Bonds Series 2025
Projected Fiscal Year 2025-26 Debt Service Coverage⁽¹⁾⁽²⁾**

Maximum Special Tax Developed and Final Map Property ⁽³⁾	Priority Administration ⁽⁴⁾	Estimated Series 2025 Debt Service*	Debt Service Coverage from Developed and Final Map Property *
\$679,618	(\$30,000)	\$587,813	110.51%

* 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 November 26, 2024. Assumes no future development.

(4) As defined in the Fiscal Agent Agreement. Equals \$30,000 in FY 2025-26, escalating by 2% per year thereafter.

Sources: Piper Sandler & Co.; Goodwin Consulting Group, Inc.

IMPROVEMENT AREA NO. 2

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 Rate and Method for Improvement Area No. 1 and set forth the necessity to incur bonded indebtedness for the District and Improvement Area No. 2 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 (the Future Annexation Area), \$66,120,000. On the same day, an election was held within Improvement Area No. 1 in which K. Hovnanian and the previous land-bank owner, 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. Pursuant to a Unanimous Consent, Waiver and Vote of Sole Landowner dated April 2, 2024, land designated as Improvement Area No. 2 of the District was annexed to the District and bonded indebtedness for Improvement Area No. 2 was authorized in the amount not to exceed \$14,000,000 (the “**Authorization**”).

In October 2022, bonds were issued for Improvement Area No. 1 in the principal amount of \$12,975,000; those bonds secured only by taxable parcels in Improvement Area No. 1.

Additional land remains in the Future Annexation Area and is expected to be annexed into the District as additional improvement areas as the project develops. *The Bonds are secured only by taxable land within Improvement Area No. 2.*

Description and Location

General. The District is locally referred to as the “The Ranch” project, which is located within The Ranch Special Planning Area (“**TRSPA**”), which lies within the Sunridge Specific 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.

Under the TRSPA “The Ranch” project was designated for development 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 Nos. 1, 2 & 3 therein), and the villages planned for the project.

[Insert CFD Boundary Map- after annexations]

[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 gross acres of property located in the City of Rancho Cordova being developed as The Ranch. Currently the project is expected to include approximately 1,437 single family residences at build out. 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 K. Hovnanian’s Four 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 café.

e.

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.

Improvement Area No. 1. Land in Improvement Area No. 1 is under development by K. Hovnanian and consists of Phases I and II of the Market Rate Project and is made up of 6 Villages comprising 467 single family residential units:

- Village 3 – 65 single family units being marketed as “Canyon.”
- Village 4, Unit 1 – 53 single family units being marketed as “Reserve.”
- Village 4, Unit 2 – 63 single family units being marketed as “Reserve.”
- 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.”

As of _____, 2025, _____ homes have closed escrow in Improvement Area No. 1 and Villages _____ have sold out.

In October 2022, bonds were issued for Improvement Area No. 1 in the principal amount of \$12,975,000. **Only the property in Improvement Area No. 2 serves as security for the Bonds.**

Improvement Area No. 2. The property in Improvement Area No. 2 consists of approximately 49 acres comprising for development into 265 residential lots as Phases III and IV of the overall The Ranch project. Development by K. Hovnanian is underway as multiple product lines of the Market Rate Project within 5 villages, comprising 4 marketing neighborhoods, as described herein. Typical lot sizes range from 2,730 to 6,300 square feet.

- Village 1 – 86 single family units being marketed as “The Reserve.”
- Village 2 – 49 single family units being marketed as “Canyon.”
- Village 7 – 28 single family units being marketed as “Montrose.”
- Village 10 – 69 single family units being marketed as “Silverbrook.”
- Village 11 – 33 single family units being marketed as “Silverbrook.”

K. Hovnanian is land banking a portion of the Market Rate Project with Arroyo Cap IV-2, LLC, a Delaware limited liability company (“**Arroyo Cap Land Bank**”). On July 31, 2024, K. Hovnanian Homes Northern California, Inc., a California corporation (“**KHOV NC**”), entered into an Option Agreement (the “**Option Agreement**”) with the Arroyo Cap Land Bank, whereby K. Hovnanian sold 253 lots in five villages in Improvement Area No. 2 (the “**IA No. 2 Option Lots**”) and 60 lots in three villages within Improvement Area No. 1 (the “**Non-IA No. 2 Option Property**”) and together with the IA No. 2 Option Lots, the “**Arroyo Property**”) to the Arroyo Cap Land Bank. By an Assignment and Assumption of Option Agreement, dated as of December 31, 2024 (the “**Option Assignment Agreement**”), KHOV NC assigned all of its right, title and interest in the the Option Agreement to K. Hovnanian, and K. Hovnanian assumed all of KHOV NC’s obligations under the Option Agreement. Under the Option Agreement, K. Hovnanian has the option – but not the obligation – to acquire such lots from the Arroyo Cap Land Bank pursuant to a takedown schedule.

For more information on K. Hovnanian and the Arroyo Cap Land Bank and ownership as of January 15, 2025, see "OWNERSHIP OF PROPERTY WITHIN IMPROVEMENT AREA NO. 2."

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 all Villages in Improvement Area Nos. 1 were recorded in late 2021 through summer of 2022 and Final Maps for all Villages in Improvement Area No. 2 have been recorded. See the table below for mapping dates applicable to the various villages.

Improvement Area No. 2

Village	Lots	Map Number	Recording Date
1	86	Subdivision Map _____	Small Lot Final Map Recorded _____
2	49	Subdivision Map _____	Small Lot Final Map Recorded _____
7	28	Subdivision Map _____	Small Lot Final Map Recorded _____
10	69	Subdivision Map _____	Small Lot Final Map Recorded _____
11	33	Subdivision Map _____	Small Lot Final Map Recorded _____
Totals	265		

Assuming that K. Hovnanian acquires the Arroyo Property pursuant to the Option Agreement, K. Hovnanian is developing the property in Improvement Area No. 2 in five product lines: Reserve, Canyon (continuation from Improvement Area No. 1), Montrose (continuation from Improvement Area No. 1), and Silverbrook. Each home in each product line will be a single-family, detached home.

All Improvement Area No. 2 product lines are the subject of the Option Agreement and are in active development. Each of these product lines is described and summarized below:

Reserve (Village 1 – 86 Lots). The Reserve product line is located in Village 1 and is being developed as 86 single-family residential units with 3 floor plans. The Reserve product line is subject to the Option Agreement with the Arroyo Cap Land Bank. Each Reserve lot is approximately _____' x _____. Reserve in Village 1 is anticipated to be opened for sales in _____. K. Hovnanian anticipates exercising its option with the Arroyo Cap Land Bank in a timely manner under the Option Agreement and developing the lots acquired to final build-out by _____. As of January 15, 2025, _____ Reserve units have been sold (but not closed) to homebuyers.

The following table provides the status of the proposed development of the 86 units of the Reserve neighborhood (assuming that all lots are acquired from the Arroyo Cap Land Bank under the Option Agreement) as of January 15, 2025.

**K. Hovnanian – Reserve
(as of January 15, 2025)**

Floor Plan	Approx. Square Footage	Total Number of Planned Units⁽¹⁾	Number of Building Permits Issued	Units Completed and Unsold or in Escrow⁽²⁾	Finished Lots	Units Under Construction⁽³⁾	Est. Base Price⁽⁴⁾
Plan 1	2,399						\$709,990
Plan 2	3,003						735,990
Plan 3	3,383						795,990
Totals		86					

(1) K. Hovnanian owns ____ units as of January 15, 2025; the lots for the other ____ planned units are owned by the Arroyo Cap Land Bank. K. Hovnanian intends to acquire the remaining lots and construct residential units thereon according to the 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 ____ building permits have been issued: ____ for the models; and ____ for units for which vertical construction has started.

(4) Base sale prices are estimated as of January 15, 2025. 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 2 - 49 Lots). The Canyon product line originated in Village 3 in Improvement Area No. 1 and is continued in Village 2 in Improvement Area No. 2. The property in the Canyon product line is subject to the Option Agreement with the Arroyo Cap Land Bank.. The Improvement Area No. 2 portion of Canyon is being developed as 49 single-family residential units with 5 floor plans. Lot is approximately 50' x 105'. Canyon in Village 2 is anticipated to be opened for sales in _____. K. Hovnanian anticipates exercising its option with the Arroyo Cap Land Bank in a timely manner under the Option Agreement and developing the lots acquired to final build-out by _____.

The following table provides the status of the proposed development of the 48 units of the Canyon neighborhood as of January 15, 2025.

**K. Hovnanian – Canyon
(as of January 15, 2025)**

Floor Plan	Approx. Square Footage	Total Number of Planned Units	Number of Building Permits Issued	Units Completed and Unsold or in Escrow	Undeveloped Lots	Units Under Construction	Est. Base Price
Plan 1	1,945						\$599,990
Plan 2	2,080						\$624,990
Plan 3	2,095						\$634,990
Plan 4	2,349						\$659,990
Plan 5	2,752						\$723,265
Totals		49					

(1) K. Hovnanian owns ____ units as of January 15, 2025; the lots for the other ____ planned units are owned by the Arroyo Cap Land Bank. K. Hovnanian intends to acquire the remaining lots and construct residential units thereon according to the 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 ____ building permits have been issued: ____ for the models; and ____ for units for which vertical construction has started.

(4) Base sale prices are estimated as of January 15, 2025. 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 7 – 28 lots). The Montrose product line originated on the sold out 85 lots in Villages 5 and 6 of Improvement Area No. 1 and is continued in Village 7 in Improvement Area No. 2. The Improvement Area No. 2 portion of Montrose is being developed as 28 single-family residential units with 4 floor plans. The Montrose product line is subject to the Option Agreement with the Arroyo Cap Land Bank. Each Montrose lot is approximately 45' x 85'. Montrose in Village 7 is anticipated to be opened for sales in _____. K. Hovnanian anticipates exercising its option with the Arroyo Cap Land Bank in a timely manner under the Option Agreement and developing the lots acquired to final build-out by the _____ quarter of _____. As of January 15, 2025, _____ Montrose units in Improvement Area No. 2 have been sold (but not closed) to homebuyers.

The following table provides the status of the proposed development of the 28 units of the Montrose neighborhood in Improvement Area No. 2 (assuming that all lots are acquired from the Arroyo Cap Land Bank under the Option Agreement) as of January 15, 2025.

**K. Hovnanian – Montrose
(as of January 15, 2025)**

Floor Plan	Approx. Square Footage	Total Number of Planned Units⁽¹⁾	Number of Building Permits Issued	Units Completed and Unsold or in Escrow	Finished Lots	Units Under Construction⁽²⁾⁽³⁾	Est. Base Price⁽⁴⁾
Plan 1	2,226						\$595,990
Plan 2	2,382						\$611,990
Plan 3	2,479						\$620,990
Plan 4	2,628						\$634,990
Totals		28					

(1) K. Hovnanian owns _____ units as of January 15, 2025; the lots for the other _____ planned units are owned by the Arroyo Cap Land Bank. K. Hovnanian intends to acquire the remaining lots and construct residential units thereon according to the 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 _____ building permits have been issued: _____ for the models; and _____ for units for which vertical construction has started.

(4) Base sale prices are estimated as of January 15, 2025. 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.

Silverbrook (Villages 10 (69 Lots) & 11 – (33 Lots)). The Silverbrook product line is located in Villages 10 and 11 and is being developed as a master planned community of 102 single-family residential units with 4 floor plans. The Silverbrook product line is subject to the Option Agreement with the Arroyo Cap Land Bank. Each Silverbrook lot is approximately _____' x _____. Silverbrook opened for sales in _____. K. Hovnanian anticipates exercising its option with the Arroyo Cap Land Bank in a timely manner under the Option Agreement and developing the lots acquired to final build-out by _____. As of January 15, 2025, _____ Silverbrook units have been sold (but not closed) to homebuyers.

The following table provides the status of the proposed development of the 86 units of the Silverbrook neighborhood (assuming that all lots are acquired from the Arroyo Cap Land Bank under the Option Agreement) as of January 15, 2025.

**K. Hovnanian – Silverbrook
(as of January 15, 2025)**

Floor Plan	Approx. Square Footage	Total Number of Planned Units⁽¹⁾	Number of Building Permits Issued	Units Completed and Unsold or in Escrow⁽²⁾	Finished Lots	Units Under Construction⁽³⁾	Est. Base Price⁽⁴⁾
Plan 1	1,850						\$548,990
Plan 2	2,007						556,990
Plan 3	2,084						563,990
Plan 4	2,150						575,990
Totals		102					

(1) K. Hovnanian owns ____ units as of January 15, 2025; the lots for the other ____ planned units are owned by the Arroyo Cap Land Bank. K. Hovnanian intends to acquire the remaining lots and construct residential units thereon according to the 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 ____ building permits have been issued: ____ for the models; and ____ for units for which vertical construction has started.

(4) Base sale prices are estimated as of _ January 15, 2025. 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. As of the valuation date of the Appraisal, site development work is complete on Villages 1, 2, 7, and 10 and home construction is underway. The lots within Village 11 reflect bluetop condition.

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. 2:

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. 2, Detention Basin 1 must be substantially complete, and prior to the first occupancy permit in the property in Improvement Area No. 2, 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. As of _____ 1, 2025, ____ building permits were issued 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. 2 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 Villages in Improvement Area No. 2, the following infrastructure has been completed: _____ [indicate by village... and include anticipated completion date]

Option and Construction Agreements. On July 31, 2024, K. Hovnanian Homes Northern California, Inc., a California corporation (“**KHOV NC**”), entered into an Option Agreement (the “**Option Agreement**”) with Arroyo Cap IV-2, LLC, a Delaware limited liability company (“**Arroyo Cap Land Bank**”), whereby K. Hovnanian sold 253 lots in five villages in Improvement Area No. 2 (the “**IA No. 2 Option Lots**”) and 60 lots in three villages within Improvement Area No. 1 (the “**Non-IA No. 2 Option Property**” and together with the IA No. 2 Option Lots, the “**Arroyo Property**”) to the Arroyo Cap Land Bank. By an Assignment and Assumption of Option Agreement, dated as of December 31, 2024 (the “**Option Assignment Agreement**”), KHOV NC assigned all of its right, title and interest in the the Option Agreement to K. Hovnanian, and K. Hovnanian assumed all of KHOV NC’s obligations under the Option Agreement. Under the Option Agreement, K. Hovnanian has the option – but not the obligation – to acquire such lots from the Arroyo Cap Land Bank pursuant to a takedown schedule.

Arroyo Cap Land Bank is a Delaware limited liability company that provides financing for single-family homebuilding and residential land development. Arroyo Cap Land Bank is not a developer or a merchant builder.

Under the terms of the Arroyo Option Agreement, the Arroyo Cap Land Bank agreed to provide K. Hovnanian the exclusive right and option to purchase the 253 IA No. 2 Option Lots and the 60 Non-IA No. 2 Option Property in consideration for (a) an initial option payment, which payment has been made to the Arroyo Cap Land Bank; (b) the covenants of K. Hovnanian to timely pay the option payments under the Arroyo 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 Arroyo Option Agreement and with some limitations, the Arroyo Cap Land Bank has granted K. Hovnanian a license to enter upon the property to construct homes before it acquires the lots from the Arroyo Cap Land Bank. It is K. Hovnanian’s intention to substantially complete all horizontal and vertical development on the lots it acquires prior to the applicable takedown.

Set forth below is a further description of the land subject to the Option Agreement:

	Canyon (50 x 105)		Montrose (45 x 85)		Paseo (30 x 78)	Reserve (60 x 105)	Silverbrook (35 x 78)
	IA No. 2	Non-IA No. 2	IA No. 2	Non-IA No. 2	Non-IA No. 2	IA No. 2	IA No. 2
Village #	Village 2	Village 3	Village 7	Village 6	Village 8	Village 1	Villages 10 and 11
Lots Per Village	45	11	20	6	43	86	69 and 33
Subtotal Product Line	56		26		43	86	102

In addition, also on July 31, 2024, the Arroyo Cap Land Bank and 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 IA No. 2 Option Lots and the Non-IA No. 2 Option Property (the “**Construction Agreement**”), whereby the Arroyo Cap Land Bank engaged the Contractor – at a fixed fee - to construct improvements to the IA No. 2 Option Lots and the Non-IA No. 2 Option Property necessary to bring the lots into finished lot condition.

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 Arroyo Option Agreement, the lots must be acquired pursuant to the following schedules:

Date	Canyon ⁽¹⁾ (50 x 105)	Montrose ⁽²⁾ (45 x 85)	Reserve (60 x 105)	Silverbrook (35 x 78)	Paseo ⁽³⁾ (30 x 78)	Totals
	Includes IA No. 2 Option Lots and Non-IA No. 2 Option Property		IA No. 2 Option Lots Only		Non-IA No. 2 Option Property Only	
2/28/25	--	2	4	2	--	8
3/31/25	--	2	3	3	--	8
4/30/25	2	4	4	4	--	14
5/31/25	3	3	4	4	--	14
6/30/25	4	3	3	3	2	15
7/31/25	3	3	3	4	4	17
8/31/25	4	2	3	4	3	16
9/30/25	3	3	3	4	3	16
10/31/25	4	4	4	4	3	19
11/30/25	3	--	2	4	3	12
12/31/25	3	--	3	3	2	11
1/31/26	3	--	3	3	3	12
2/28/26	2	--	2	2	3	9
3/31/26	2	--	3	3	2	10
4/30/26	5	--	4	4	3	16
5/31/26	4	--	4	4	4	16
6/30/26	3	--	3	3	4	13
7/31/26	4	--	3	4	4	15
8/31/26	4	--	3	4	--	11

Date	Canyon ⁽¹⁾ (50 x 105)	Montrose ⁽²⁾ (45 x 85)	Reserve (60 x 105)	Silverbrook (35 x 78)	Paseo ⁽³⁾ (30 x 78)	Totals
	Includes IA No. 2 Option Lots and Non-IA No. 2 Option Property		IA No. 2 Option Lots Only		Non-IA No. 2 Option Property Only	
9/30/26	--	--	3	4	--	7
10/31/26	--	--	3	4	--	7
11/30/26	--	--	2	4	--	6
12/31/26	--	--	3	3	--	6
1/31/27	--	--	4	3	--	7
2/28/27	--	--	3	2	--	5
3/31/27	--	--	3	3	--	6
4/30/27	--	--	4	4	--	8
5/31/27	--	--	--	4	--	4
6/30/27	--	--	--	5	--	5
	56	26	86	102	43	313

- (1) The schedule of takedowns for the Canyon product line includes both the 45 IA No. 2 Option Lots and the 11 lots of the Non-IA No. 2 Option Property.
- (2) The schedule of takedowns for the Montrose product line includes both the 20 IA No. 2 Option Lots and the 6 lots of the Non-IA No. 2 Option Property.
- (3) The schedule of takedowns for the Paseo product line includes only the 43 Non-IA No. 2 Option Property.

K. Hovnanian has the right under the Arroyo Option Agreement to extend the closing date on the takedown schedule for any takedown group of lots for up to a total of three (3) one-month periods (which may be exercised all on one takedown group or on different takedown groups at K. Hovnanian's election), which exercise of extension will also act to extend the deadline date by one month for the acquisition of subsequent takedown groups. In no event, however, shall the takedown schedule for any takedown group of lots be extended beyond June 30, 2027.

The option under the Arroyo 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 Arroyo Option Agreement. The failure to timely acquire lots (whether part of the IA No. 2 Option Lots or the Non-IA No. 2 Option Property) 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 Arroyo Option Agreement (including the IA No. 2 Option Lots). The Arroyo Option Agreement does provide K. Hovnanian a one-time option to acquire all of the lots at once. In the event that K. Hovnanian does not exercise its option, the Arroyo Cap Land Bank being an investor only and not a homebuilder, would likely attempt to sell such lots to another merchant builder.

During the term of the Arroyo Option Agreement and the Construction Agreement, K. Hovnanian is paying all property taxes on the IA No. 2 Option Lots and the Non-IA No. 2 Option Property.

Developer Financing Plan. To date, K. Hovnanian 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 and is proceeding the same way for Improvement Area No. 2.

As of _____ 1, 2025, K. Hovnanian has completed work estimated to cost approximately \$_____ on land development and approximately \$_____ on land acquisition, homebuilding, marketing and sales costs in Improvement Area No. 2. The Developer expects to complete work costing approximately \$_____ on remaining land development and approximately \$_____ on land acquisition, homebuilding, marketing, and sales costs in Improvement Area No. 2. The Developer expects to use internal funding to complete its development within Improvement Area No. 2, and believes that it will have sufficient funds available to complete its planned development as described in this Official Statement.

Although K. Hovnanian has not obtained any construction financing for Improvement Area No. 2, all of the property owned by K. Hovnanian is encumbered by a deed of trust that secures the original equity loan/line of credit of \$840,000,000 by Wilmington Trust, National Association (the "Wilmington Revolver"). The lien of the Wilmington Revolver does not apply to the property owned by the Arroyo Cap Land Bank, but does encumber the property after K. Hovnanian acquires property from the Arroyo Cap Land Bank pursuant to the takedown schedule. The lien of the Wilmington Revolver is also secured by other property owned by subsidiaries of Hovnanian Enterprise. The lien of the Wilmington Revolver on property in Improvement Area No. 2 has been, and will be, reconveyed with each home sale. If there is a default under the Wilmington Revolver, Wilmington Trust, National Association could seek foreclosure of the deed of trust on the property in Improvement Area No. 2 (as well as other property owned by subsidiaries of Hovnanian Enterprises) to cure the delinquency. As of _____ 1, 2025, the Wilmington Revolver is in good standing.

Although K. Hovnanian expects to have sufficient funds available to complete its development in Improvement Area No. 2 as described in this Official Statement, there can be no assurance that amounts necessary to finance the development costs will be available from K. Hovnanian or any other source when needed. Neither K. Hovnanian, 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. 2. Any contributions by K. Hovnanian 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 K. Hovnanian within Improvement Area No. 2 and other financing is not put into place, there could be a shortfall in the funds required to complete the planned development by K. Hovnanian in Improvement Area No. 2.

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, K. Hovnanian 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. 2 as described in the Official Statement. *Although the information in this Official Statement reflects the current development expectations of K. Hovnanian, no assurance can be given that lot acquisition from the Arroyo Cap Land Bank 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 the Arroyo Cap Land Bank 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

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 and a 1602 Streambed Alteration Agreement from CDFW for the overall project. In addition, the project has permits and approvals from the State and approximately 198 acres of wetland preserve.

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. 2 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. 2 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. 2 therein), as well as incidental expenses as authorized by the Mello-Roos Act.

The proceeds of the 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 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. 2 forms a part.

Table 2
Improvement Area No. 2 of City of Rancho Cordova
The Ranch Community Facilities District No. 2021-1
Special Tax Bonds Series 2025
Expected Cost of Facilities

<u>Facility Category</u>	<u>Estimated Cost</u>
Construction Costs	
(Streets, Drainage, Sewer, Water and Soft Costs)	
Development impact fees	
Total	

Source: CFD Hearing Report.

Acquisition by the City and other Local Agencies

In connection with the issuance of the bonds for Improvement Area No. 1, the City and K. Hovnanian entered 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 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 District bond proceeds, will be the responsibility of K. Hovnanian.

Joint community facilities agreements have been or will be entered into with the Cordova Recreation and Park District, Sacramento County Water Agency and/or the Sacramento Regional County Sanitation District so that a portion of the proceeds of the District bonds may finance the development impact fees and/or Facilities to be acquired by those local agencies.

The Rate and Method 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. 2

Unpaid Special Taxes do not constitute a personal indebtedness of the owners of the parcels within Improvement Area No. 2. 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. 2 of the Special Tax or the principal or interest on the Bonds, or the ability to control who becomes a subsequent owner of any property within Improvement Area No. 2.

K. Hovnanian has provided the respective information set forth under the heading “OWNERSHIP OF PROPERTY WITHIN IMPROVEMENT AREA NO. 2” 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 Bonds are secured only by the Special Taxes and moneys available under the Fiscal Agent Agreement. See “SECURITY FOR THE BONDS” and “BOND OWNERS’ RISKS” herein.

Current Ownership. As noted above, K. Hovnanian is land banking a portion of the Market Rate Project with the Arroyo Cap Land Bank. The Arroyo Cap Land Bank is serving as the owner and landbank of the 313 lots of the Arroyo 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 5 and 16 lots every month commencing February 2025 and ending in June 2027.

A summary of the ownership as of _____ 1, 2025 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>
1				K. Hovnanian
2				K. Hovnanian
7				K. Hovnanian
10				K. Hovnanian
11				K. Hovnanian
Total		265		

K. Hovnanian. K. Hovnanian is an indirect, wholly-owned subsidiary of Hovnanian Enterprises, Inc., a Delaware corporation (“**Hovnanian**”), which is based in Matawan, 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.*

Arroyo Cap Land Bank. [to come]

The Arroyo Cap Land Bank provides financing for single-family homebuilding and residential land development. the Arroyo Cap Land Bank is not a developer or a merchant builder.

VALUE OF PROPERTY WITHIN IMPROVEMENT AREA NO. 2

Assessed Valuation

The value of taxable property within Improvement Area No. 2 is a critical factor in determining the investment quality of the Bonds. The remedy for non-payment of the Special Tax is potential foreclosure of the delinquent real property.

Assessed Valuation Generally. As provided by Article XIII A of the California Constitution, county assessors' assessed values are to reflect market value as of the date the property was last assessed (or 1975, whichever is more recent), increased by a maximum of 2% per year. Properties may be reassessed by the County only upon a change of at least 51% ownership of existing property or upon new construction. The assessed values of parcels in the District thus reflect the estimate of the County Assessor (the "**Assessor**") of market value when acquired (or 1975, whichever is later), possibly increased by up to 2% per year, and for parcels on which construction has occurred since their date of acquisition, the Assessor's estimate of market value as of the time of construction, possibly increased by up to 2% per year.

The following table provides assessed valuations of taxable property in Improvement Area No. 2 for Fiscal Year 2024-25.

Fiscal Year	Assessed Land Value	Assessed Structure Value	Total Assessed Value	Building Permits Issued
2024-25	\$41,399,458	\$0	\$41,399,458	0

⁽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. As of June 1, 2024, no building permits had been issued; as of the date of value in the Appraisal 50 permits had been issued.

Source: Sacramento County Assessor's Office, Goodwin Consulting Group, inc.

Appraised Value

General. In order to obtain a more accurate estimate of the value of land in Improvement Area No. 2, the City ordered preparation of an appraisal report (the "**Appraisal**"), of the estimated value of the taxable land within Improvement Area No. 2 as of the November 26, 2024 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. 2, which, as of the date of value, encompasses land within The Ranch at Sunridge Specific Plan area at 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 provides for approximately 1,690 dwelling units (single and multi-family) at build out; "The Ranch" project comprising the District and Future Annexation Area contemplates 1,437 single family homes. Improvement Area No. 2 represents the taxable portion of Phases 3 and 4 of the specific plan, which encompasses approximately 49 acres of developable property approved for 265 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. 2 designated for public and quasi-public purposes and assumes completion of infrastructure funded by the 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 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 \$53,681,000 reported as follows.

Appraised Values by Ownership as of November 26, 2024

Market Value by Ownership	Appraised Value
Arroyo Cap IV-2, LLC	\$50,549,000
K Hovnanian at Jaeger Ranch, LLC	<u>3,132,000</u>
Aggregate Market Value, subject to hypothetical condition	\$53,681,000

Source: Appraisal.

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 the sales comparison approach and land residual analysis, as detailed in the Appraisal, as detailed in APPENDIX B.

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 Bonds will be used to fund certain improvements and/or impact fees, and/or to reimburse for certain improvements already completed. 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 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.

Limitations of Appraisal Valuation. Property values may not be evenly distributed throughout Improvement Area No. 2; 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. 2 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. 2 is \$684,299*, which consists of the estimated amount of Bonds (\$11,500,000*) and \$12,184,299* of overlapping general obligation and CFD bond debt. Consequently, the estimated value of property in Improvement Area No. 2 subject to the Special Tax lien (\$53,681,000), is approximately 4.4* times the principal amount of the direct and overlapping debt in Improvement Area No. 2. This is an average and individual parcels may vary considerably from this average.

* Preliminary, subject to change.

In comparing the value of the real property within Improvement Area No. 2 to the principal amount of the Bonds and other direct and overlapping debt for Improvement Area No. 2, 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. 2 cannot be foreclosed upon as a whole to pay delinquent Special Taxes of the owners of such parcels within Improvement Area No. 2 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. 2 could, without the consent of the City and in certain cases without the consent of the owners of the land within Improvement Area No. 2, impose additional taxes or assessment liens on the land within Improvement Area No. 2. The purpose would be to finance additional regional or local public improvements or services. The lien created on the land within Improvement Area No. 2 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. 2 or home loans may be obtained by ultimate homeowners. The deeds of trust securing such debt on property within Improvement Area No. 2, 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 an annual special tax of \$200 per parcel will be levied following issuance of a building permit. As additional development occurs in Improvement Area No. 2 the Elk Grove USD CFD lien amount may be larger than what is shown.

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. 2 for fiscal year 20____, based on the status of development as of _____, 2025 and assuming no further development. Value-to-lien ratios on individual parcels may vary considerably from any average.

Table 3
Improvement Area No. 2 of City of Rancho Cordova
The Ranch Community Facilities District No. 2021-1
Special Tax Bonds Series 2025
Value-to-Lien Ratios by Development Status – Projected for Fiscal Year 2025-26

Development Status ⁽¹⁾	No. of Expected Units	Appraised Value ^{(2)*}	Projected FY 2025-26 Maximum Special Tax*	Projected FY 2025-26 Special Tax Levy ^{(3)*}	Percent of Projected Special Tax Levy*	CFD Bonds ^{(4)*}	Overlapping Debt*	Total Debt*	Average Appraised Value-to-Lien*
Arroyo Cap IV-2, LLC									
<u>Residential Lots</u>									
Village 1	78	\$18,018,000	\$261,631	\$232,398	37.6%	\$4,325,874	\$200,451	\$4,526,325	4.0 : 1
Village 2	34	\$7,310,000	\$89,106	\$79,150	12.8%	\$1,473,304	\$100,487	\$1,573,791	4.6 : 1
Village 7	10	\$1,940,000	\$23,908	\$21,237	3.4%	\$395,307	\$28,892	\$424,199	4.6 : 1
Village 10	60	\$9,900,000	\$115,172	\$102,304	16.6%	\$1,904,288	\$176,227	\$2,080,515	4.8 : 1
Village 11	33	\$3,399,000	\$63,345	\$56,267	9.1%	\$1,047,358	\$34,911	\$1,082,269	3.1 : 1
<u>Lots with Building Permits Paid</u>									
Village 1	8	\$2,368,000	\$26,834	\$26,834	4.3%	\$499,489	\$20,559	\$520,048	4.6 : 1
Village 2	11	\$3,135,000	\$28,828	\$28,828	4.7%	\$536,614	\$32,510	\$569,124	5.5 : 1
Village 7	10	\$2,490,000	\$23,908	\$23,908	3.9%	\$445,033	\$28,892	\$473,925	5.3 : 1
Village 10	9	\$1,989,000	\$17,276	\$17,276	2.8%	\$321,574	\$26,434	\$348,008	5.7 : 1
Subtotal	253	\$50,549,000	\$650,009	\$588,202	95.2%	\$10,948,841	\$649,363	\$11,598,204	4.4 : 1
K Hovnanian at Jaeger Ranch, LLC									
<u>Lots with Building Permits Paid</u>									
Village 2	4	\$1,140,000	\$10,483	\$10,483	1.7%	\$195,132	\$11,822	\$206,954	5.5 : 1
Village 7	8	\$1,992,000	\$19,127	\$19,127	3.1%	\$356,026	\$23,114	\$379,140	5.3 : 1
Subtotal	12	\$3,132,000	\$29,610	\$29,610	4.8%	\$551,159	\$34,936	\$586,094	5.3 : 1
Total	265	\$53,681,000	\$679,618	\$617,812	100.0%	\$11,500,000	\$684,299	\$12,184,299	4.4 : 1

* Preliminary; subject to change.

(1) Based on status of development as of November 26, 2024, 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 and final maps recorded prior to November 26, 2024, and assumes no further development. Includes debt service due in 2026 on the Series 2025 Special Tax Bonds and estimated administrative expenses in the amount of \$30,000.

(4) Includes the \$11,500,000 par amount of the Series 2025 Special Tax Bonds. Allocated based on the Projected FY 2025-26 Special Tax Levy.

Sources: Integra Realty Resources, Inc.; Piper Sandler & Co.; California Municipal Statistics, Inc.; 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. 2 for Fiscal Year 2025-26.

Table 4
Improvement Area No. 2 of City of Rancho Cordova
The Ranch Community Facilities District No. 2021-1
Special Tax Bonds Series 2025
Value-to-Lien Ratio Ranges – Projected for Fiscal Year 2025-26

Appraised Value-to-Lien Category	No. of Parcels*	Appraised Value ^{(1)*}	Projected FY 2025-26 Special Tax Levy ^{(2)*}	Percent of Projected Special Tax Levy*	CFD Bonds ^{(3)*}	Overlapping Debt *	Total Debt*	Average Appraised Value-to-Lien*
5:1 to 10:1	42	\$10,746,000	\$99,622	16.1%	\$1,854,379	\$122,772	\$1,977,151	5.4 : 1
3:1 to 5:1	223	\$42,935,000	\$518,189	83.9%	\$9,645,621	\$561,527	\$10,207,147	4.2 : 1
Totals	265	\$53,681,000	\$617,812	100.0%	\$11,500,000	\$684,299	\$12,184,299	4.4 : 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 communities or the individual lots.
- (2) Includes building permits issued and final maps recorded prior to November 26, 2024, and assumes no further development. Includes debt service due in 2026 on the Series 2025 Special Tax Bonds and estimated administrative expenses in the amount of \$30,000.
- (3) Includes the \$11,500,000 par amount of the Series 2025 Special Tax Bonds. Allocated based on the Projected FY 2025-26 Special Tax Levy.

Sources: Integra Realty Resources, Inc.; Piper Sandler & Co.; Goodwin Consulting Group, Inc.

Priority of Lien

The principal of and interest on the Bonds are payable from the Special Tax authorized to be collected within Improvement Area No. 2, and payment of the Special Tax is secured by a lien on certain real property within Improvement Area No. 2. 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. 2. 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. 2. 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. 2, may be placed upon property in Improvement Area No. 2 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 December 1, 2024. 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. 2 in whole or in part. The second column shows the assessed value of the area common to Improvement Area No. 2 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. 2. 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. 2. See Table 8 for estimated amounts of these parcel charges, assessments and special taxes for Fiscal Year 20_____.

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 20_____, and given that no individual homeowners yet own property in Improvement Area No. 2, none of the parcels within Improvement Area No. 2 had a PACE lien.

Table 5
Improvement Area No. 2 of City of Rancho Cordova
The Ranch Community Facilities District No. 2021-1
Special Tax Bonds Series 2025
Direct and Overlapping Indebtedness
As of December 1, 2025

2024-25 Local Secured Assessed Valuation: \$17,671,458

<u>DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT:</u>	<u>% Applicable</u>	<u>Debt 12/1/24</u>	
Los Rios Community College District General Obligation Bonds	0.006%	\$ 21,982	
Elk Grove Unified School District General Obligation Bonds	0.033	140,344	
Elk Grove Unified School District Community Facilities District No. 1	0.286	521,971	
City of Rancho Cordova Community Facilities District No. 2021-1, I.A. 2	100.000	0	(1)
TOTAL DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT		\$684,297	
<u>OVERLAPPING GENERAL FUND DEBT:</u>			
Sacramento County General Fund Obligations	0.008%	\$ 6,964	
Sacramento County Pension Obligation Bonds	0.008	23,384	
Sacramento County Board of Education Certificates of Participation	0.008	125	
Elk Grove Unified School District Certificates of Participation	0.033	3,482	
City of Rancho Cordova Certificates of Participation	0.132	14,918	
Sacramento Metropolitan Fire General Fund Obligations	0.019	1,334	
Sacramento Metropolitan Fire Pension Obligation Bonds	0.019	4,313	
Cordova Recreation and Park District General Fund Obligations	0.083	4,695	
TOTAL GROSS OVERLAPPING GENERAL FUND DEBT		\$59,215	
Less: Sacramento County supported obligations		724	
TOTAL NET OVERLAPPING GENERAL FUND DEBT		\$58,491	
 GROSS COMBINED TOTAL DEBT		 \$743,512	(2)
NET COMBINED TOTAL DEBT		\$742,788	

Ratios to 2024-25 Local Secured Assessed Valuation:

Direct Debt (\$0)	0.00%
Total Direct and Overlapping Tax and Assessment Debt	3.87%
Gross Combined Total Debt.....	4.21%
Net Combined Total Debt.....	4.20%

(1) Excludes Mello-Roos Act bonds to be sold.

(2) 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 2024-25.

Table 6
Improvement Area No. 2 of City of Rancho Cordova
The Ranch Community Facilities District No. 2021-1
Special Tax Bonds Series 2025
Sample Tax Bill – Fiscal Year 2024-25

Net Taxable Value		Village 1 Amount	Village 2 Amount	Village 7 Amount	Village 10&11 Amount
Estimated Market Values ⁽¹⁾		\$751,848	\$650,853	\$619,069	\$554,038
Less: Homeowner's Exemption		(\$7,000)	(\$7,000)	(\$7,000)	(\$7,000)
Net Taxable Value		\$744,848	\$643,853	\$612,069	\$547,038
Ad Valorem Property Taxes		Rate	Amount	Amount	Amount
Base Property Tax	1.0000%		\$7,448	\$6,439	\$5,470
Los Rios College General Obligation Bond	0.0200%		\$149	\$129	\$109
Elk Grove Unified General Obligation Bond	0.0382%		\$285	\$246	\$209
Total Ad Valorem Property Taxes		1.0582%	\$7,882	\$6,813	\$5,789
Parcel Charges, Assessments, and Special Taxes ⁽²⁾⁽³⁾			Amount	Amount	Amount
Elk Grove USD CFD No. 1			\$200	\$200	\$200
Rancho Cordova CFD No. 2018-2			\$144	\$144	\$144
CRPD CFD No. 2018-1			\$503	\$503	\$503
Transit Related Services Zone 2			\$109	\$109	\$109
Rancho Cordova Lighting District 2012-1			\$3	\$3	\$3
Rancho Cordova CFD 2014-2			\$557	\$557	\$557
Rancho Cordova CFD No. 2013-2			\$675	\$675	\$675
The Ranch IA 2 CFD No. 2021-1 ⁽⁴⁾			\$3,288	\$2,569	\$1,882
Total Parcel Charges, Assessments, and Special Taxes			\$5,479	\$4,760	\$4,072
Total Taxes			\$13,361	\$11,573	\$9,861
Total Effective Tax Rate			1.78%	1.78%	1.78%

(1) Represents the estimated home prices for each tax zone provided by the developer.

(2) Based on fiscal year 2024-25 charges identified on the Sacramento County-issued property tax bills. Charges subject to change in future years.

(3) Does not include any PACE assessments or special taxes.

(4) Equal to the applicable Maximum Special Tax rate in FY 2024-25, no special tax was levied in FY 2024-25 for IA 2.

Sources: Sacramento County Assessor's Office; Goodwin Consulting Group, Inc.

Special Tax Collections and Delinquencies

Fiscal Year 2025-26 is the first fiscal year during which the Special Tax will be levied, with the first payment due in December 2025. Accordingly, there is no history of collections and delinquencies. The levy of Special Taxes in Improvement Area No. 2 is currently covered by the Teeter Plan in the County. See “SECURITY FOR THE BONDS – Delinquent Payments of Special Tax; Covenant for Superior Court Foreclosure –Teeter Plan.”

BOND OWNERS’ RISKS

The purchase of the 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 Bonds.

Limited Obligation of the City to Pay Debt Service

The City has no obligation to pay principal of and interest on the 2025 Bonds in the event Special Tax collections are delinquent, 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 on which levies of the Special Tax are delinquent, nor is the City obligated to advance funds to pay such debt service on the 2025 Bonds. The 2025 Bonds are not general obligations of the City but are limited obligations of the City, payable solely from the proceeds of the Special Tax and certain funds held under the Fiscal Agent Agreement, including amounts deposited in the Reserve Fund and investment income thereon, and the proceeds, if any, from the sale of property in the event of a foreclosure. See “SECURITY AND SOURCES OF PAYMENT FOR THE BONDS.” Any tax for the payment of the 2025 Bonds will be limited to the Special Tax to be collected within Improvement Area No. 2.

Concentration of Ownership of Undeveloped Property

All of the land within Improvement Area No. 2 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 Bonds depends upon the willingness and ability of all of the owners of taxable property within Improvement Area No. 2 to pay the Special Taxes when due. The only assets of the owners of property within Improvement Area No. 2 which constitute security for the Bonds are such owners’ real property holdings located within Improvement Area No. 2, 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. 2, choose to default on payments of the Special Tax on parcels. Also see “– Bankruptcy Delays” below.

Development of undeveloped property within Improvement Area No. 2 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 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. 2 – Development in the District."

Appraised Values

The Appraisal summarized in APPENDIX B estimates the market value of certain taxable property within Improvement Area No. 2. This market value is merely the present opinion of the Appraiser, and is subject to the assumptions and limiting conditions stated in the Appraisal. The City has not sought the present opinion of any other appraiser of the value of the taxed parcels. A different present opinion of value might be rendered by a different appraiser.

The opinion of value relates to sale by a willing seller to a willing buyer as of the date of valuation, each having similar information and neither being forced by other circumstances to sell or to buy. Consequently, the opinion is of limited use in predicting the selling price at a foreclosure sale, because the sale is forced and the buyer may not have the benefit of full information.

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 which affect the estimates as to value, in addition to hypothetical conditions, as set forth in the Appraisal (see APPENDIX B hereto). Some of the improvements to be financed by the 2025 Bonds were not in place as of the date of inspection; thus, the value estimate is subject to a hypothetical condition (of such improvements being in place)

In addition, the opinion is a present opinion of the Appraiser as of the indicated date of value. It is based upon present facts and circumstances. Differing facts and circumstances may lead to differing opinions of value. The appraised market value is not evidence of future value because future facts and circumstances may differ significantly from the present.

No assurance can be given that any of the appraised property in Improvement Area No. 2 could be sold in a foreclosure for the estimated market value contained in the Appraisal. Such sale is the primary remedy available to Bondowners if that property should become delinquent in the payment of Special Taxes.

Levy and Collection of the Special Tax

General. The principal source of payment of principal of and interest on the Bonds is the proceeds of the annual levy and collection of the Special Tax against property within Improvement Area No. 2.

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 Rate and Method. 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 Bonds.

In addition to the maximum annual Special Tax rate limitation in the Rate and Method, 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 Bonds.

No Relationship Between Property Value and Special Tax Levy. Because the Rate and Method 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. 2 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. 2 subject to a Special Tax and their proportionate share of debt service on the 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. 2 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 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 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 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. 2. 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. 2 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. 2; this would decrease the value to lien ratios of parcels in Improvement Area No. 2.

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. 2 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 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 Bonds. See "SECURITY FOR THE BONDS – Reserve Fund," and "SECURITY FOR THE 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 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. 2, to the extent permitted under the Rate and Method 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. 2 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 the taxable property within Improvement Area No. 2 is a critical factor in determining the investment quality of the 2025 Bonds. If a property owner defaults in the payment of the Special Tax, the City may bring an action to foreclose on the delinquent property in an attempt to obtain funds with which to pay debt service on the 2025 Bonds. Land development and land values could be adversely affected by economic and other factors beyond the City's control, such as: a general economic downturn; adverse judgments in future litigation that could affect the scope, timing or viability of development; relocation of employers out of the area; stricter land use regulations; shortages of water, electricity, natural gas or other utilities; destruction of property caused by earthquake, flood or other natural disasters; environmental pollution or contamination.

The Appraisal information included as APPENDIX B sets forth certain assumptions of the Appraiser in estimating the market value of the property within Improvement Area No. 2 as of the date indicated. No assurance can be given that the land values are accurate if these assumptions are incorrect or that the values will not decline in the future if one or more events, such as natural disasters or adverse economic conditions, occur. See "Appraised Values" above.

Neither the City nor the Underwriter has evaluated development risks. Since these are largely business risks of the type that property owners customarily evaluate individually, and inasmuch as changes in land ownership may well mean changes in the evaluation with respect to any particular parcel, the City is issuing the 2025 Bonds without regard to any such evaluation. Thus, the issuance of the 2025 Bonds in no way implies that the City or the Underwriter has evaluated these risks or the reasonableness of these risks. The following is a discussion of specific risk factors that could affect the timing or scope of property development in Improvement Area No. 2 or the value of property in Improvement Area No. 2.

Land Development. Land values are influenced by the level of development in the area in many respects.

First, undeveloped or partially developed land is generally less valuable than developed land and provides less security to the owners of the 2025 Bonds should it be necessary for the City to foreclose on undeveloped or partially developed property due to the nonpayment of Special Taxes.

Second, failure to complete development on a timely basis could adversely affect the land values of those parcels that have been completed. Lower land values would result in less security for the payment of principal of and interest on the 2025 Bonds and lower proceeds from any foreclosure sale necessitated by delinquencies in the payment of the Special Tax. See "VALUE OF PROPERTY WITHIN IMPROVEMENT AREA NO. 2 – Value to Special Tax Burden Ratios." No assurance can be given that the proposed development within Improvement Area No. 2 will be completed, and in assessing the investment quality of the 2025 Bonds, prospective purchasers should evaluate the risks of noncompletion.

Neither the Master Developer nor the Merchant Builders provide any assurances to the City that the project will be developed or that sources of financing that will actually be available will be sufficient to complete the currently projected development. Neither the Master Developer

nor the Merchant Builders have any obligation to the City or to owners of the 2025 Bonds to complete the project overall or their particular developments therein.

Risks of Real Estate Investment Generally. Continuing development of land within Improvement Area No. 2 may be adversely affected by changes in general or local economic conditions, fluctuations in the real estate market, increased construction costs, development, financing and marketing capabilities of individual property owners, water or electricity shortages, and other similar factors. Development in Improvement Area No. 2 may also be affected by development in surrounding areas, which may compete with development in Improvement Area No. 2. In addition, land development operations are subject to comprehensive federal, state and local regulations, including environmental, land use, zoning and building requirements. There can be no assurance that proposed land development operations within Improvement Area No. 2 will not be adversely affected by future government policies, including, but not limited to, governmental policies to restrict or control development, or future growth control initiatives. There can be no assurance that land development operations within Improvement Area No. 2 will not be adversely affected by these risks.

Natural Disasters. The value of the parcels in Improvement Area No. 2 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 parcels in Improvement Area No. 2 and the continued habitability and enjoyment of such private improvements. For example, the areas in and surrounding Improvement Area No. 2, like those in much of California, may be subject to earthquakes or other unpredictable seismic activity, however, Improvement Area No. 2 is not located in a seismic special studies zone.

Other natural disasters could include, without limitation, landslides, floods, droughts, wildfires or tornadoes. One or more natural disasters could occur and could result in damage to improvements of varying seriousness. Although the land in Improvement Area No. 2 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. 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 parcels may well depreciate.

Drought. California has been subject to droughts from time-to-time in the past. Although the City does not believe any future drought would impact development in Improvement Area No. 2, no assurances can be given in this regard.

Legal Requirements. Other events that may affect the value of a parcel 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. Development in Improvement Area No. 2 may also be adversely affected by the application of laws protecting endangered or threatened species.

Hazardous Substances. Any discovery of a hazardous substance detected on property within Improvement Area No. 2 would affect the marketability and the value of some or all of the property in Improvement Area No. 2. In that event, the owners and operators of a parcel within Improvement Area No. 2 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. California laws with regard to hazardous substances are also applicable to property within Improvement Area No. 2 and are as stringent as the federal laws. 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 parcels be contaminated 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 just as is the seller.

The values set forth in the Appraisal do not take into account the possible reduction in marketability and value of any of the parcels within Improvement Area No. 2 by reason of the possible liability of the owner (or operator) for the remedy of a hazardous substance condition on a parcel. Although the City is not aware that the owner (or operator) of any of the property within Improvement Area No. 2 has a current liability for a hazardous substance with respect to any of the parcels, 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 parcels within Improvement Area No. 2 resulting from the existence, currently, on the parcel of a substance presently classified as hazardous but which 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 which 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 a parcel within Improvement Area No. 2 that is realizable upon a foreclosure sale.

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 the Master Developer believes that no federally listed endangered or threatened species would be affected by the proposed development within Improvement Area No. 2, 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. 2 or reduce the value of undeveloped property.

Future Property Development

Continuing development of the parcels in Improvement Area No. 2 may be adversely affected by changes in general or local economic conditions, new legislation, 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. 2 may also be affected by development in surrounding areas, which may compete with the property in Improvement Area No. 2.

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. 2 –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. 2 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. 2 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. 2 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. 2 subject to a Special Tax and may be secured by a lien on a parity with the lien of the Special Tax securing the 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 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 Rate and Method 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. 2 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 BONDS – Rate and Method."

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 Bonds are outstanding.

FDIC. In the event that any financial institution making any loan which is secured by real property within Improvement Area No. 2 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 Rate and Method 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. 2 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 Bonds.

Depletion of the Reserve Fund

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 BONDS – Reserve Fund." The Reserve Fund will be used to pay principal of and interest on the Bonds if insufficient funds are available from the proceeds of the levy and collection of the Special Tax against property within Improvement Area No. 2. If 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 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 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 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 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 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 Bonds and the possibility of delinquent Special Taxes not being paid in full.

To the extent that property in Improvement Area No. 2 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 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 Glaspy 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. 2 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. 2 or the lending of money secured by property in Improvement Area No. 2. 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 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 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 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 Bonds might become includable in gross income for purposes of federal income taxation retroactive to the date the 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 Bonds were to become includable in gross income for purposes of federal income taxation, the 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 BONDS – Redemption."

Future legislative proposals, if enacted into law, clarification of the Code or court decisions may cause interest on the 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 Bonds will be selected for audit by the IRS. It is also possible that the market value of such 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 Bonds.

Proposition 218 – Voter Approval for Local Government Taxes—Limitation on Fees, Assessments, and Charges—Initiative Constitutional Amendment, added Articles XIIC and XIID 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 XIIC 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 XIIC 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. 2 were each authorized by not less than a two-thirds vote of the landowners within Improvement Area No. 2 who constituted the qualified electors at the time of such voted authorization. The City believes, therefore, that issuance of the 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. 2, there were fewer than 12 registered voters within Improvement Area No. 2 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. 2.

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. 2 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. 2 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 Bonds or, if a secondary market exists, that any 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 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 Bonds for audit examination, or the course or result of any IRS audit or examination of the Bonds or obligations that present similar tax issues as the Bonds.

Pandemic Diseases

In recent years, public health authorities have warned of threats posed by outbreaks of disease and other public health threats. Pandemic diseases arising in the future could have significant adverse health and financial impacts throughout the world, leading to loss of jobs and personal financial hardships, and/or actions by federal, State and local governmental authorities to contain or mitigate the effects of an outbreak.

Taxpayer assistance measures may include deferral of due dates of property taxes, which was an assistance program during the COVID-19 pandemic, and with or without a deferral some taxpayers may be unable to make their property and Special Tax payments. 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 Taxes. In addition, home values may be affected by a reduction in demand stemming from personal finances, or general widespread economic circumstances resulting from pandemic diseases.

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. 2, or the administration of the Bonds. The City is also reliant on other entities and service providers in connection with the administration of the 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. 2 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. 2, 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 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 Bonds that were purchased at a price greater than par could reduce the otherwise expected yield on such Bonds.

CONSTITUTIONAL LIMITATIONS ON TAXATION AND APPROPRIATIONS

Article XIII A of the California Constitution, commonly known as "**Proposition 13**," provides that each county will levy the maximum *ad valorem* property tax permitted by Proposition 13 and will distribute the proceeds to local agencies in accordance with an allocation formula based in part on pre-Proposition 13 *ad valorem* property tax rates levied by local agencies.

Article XIII A limits the maximum *ad valorem* tax on real property to 1% of "full cash value," which is defined as the County Assessor's valuation of real property as shown on the 1975-76 tax bill under full cash value, or, thereafter, the appraised value of real property when purchased, newly constructed, or a change in ownership has occurred after the 1975 assessment. The full cash value may be adjusted annually to reflect increases of no more than 2% per year or decreases in the consumer price index or comparable local data, or declining property value caused by damage, destruction or other factors.

Article XIII A exempts from the 1% tax limitation any taxes to repay indebtedness approved by the voters prior to July 1, 1978, and requires a vote of two-thirds of the qualified electorate to impose Special Taxes or any additional *ad valorem*, sales, or transaction taxes on real property. In addition, Article XIII A requires the approval of two-thirds of all members of the State Legislature to change any State laws resulting in increased tax revenues. On June 3, 1986, California voters approved an amendment to Article XIII A of the California Constitution to allow local governments and school districts to raise their property tax rates above the constitutionally mandated 1% ceiling for the purpose of paying off certain new general obligation debt issued for the acquisition or

improvement of real property and approved by two-thirds of the votes cast by the qualified electorate. If any such voter-approved debt is issued, it may be on a parity with the lien of the Special Tax on the parcels within Improvement Area No. 2.

State and local government agencies in the State, and the State itself are subject to annual appropriation limits, imposed by Article XIII B of the State Constitution. Article XIII B prohibits government agencies and the State from spending "appropriations subject to limitation" in excess of the appropriations limits imposed. "Appropriations subject to limitation" are authorizations to spend "proceeds of taxes," which consist of tax revenues, certain state subventions and certain other funds, including proceeds from regulatory licenses, user charges or other fees to the extent that such proceeds exceed the cost reasonably borne by such entity in providing the regulation, product or service. No limit is imposed on appropriations of funds which are not "proceeds of taxes" such as debt service on indebtedness existing or authorized before January 1, 1979, or subsequently authorized by the voters, appropriations required to comply with mandates of courts or the federal government, reasonable user charges or fees and certain other non-tax funds.

LEGAL MATTERS

Legal Opinion

The legal opinion of Jones Hall, A Professional Law Corporation, San Francisco, California, Bond Counsel, approving the validity of the 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 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 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 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. 2, or the issuance of the Bonds, the Fiscal Agent Agreement, the Continuing Disclosure Agreement or the purchase contract with respect to the 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 Bonds for federal income tax purposes, or (vi) in any other way questions the status of the 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 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. 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**”) relating to the exclusion from gross income for federal income tax purposes of interest on obligations such as the Bonds. 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 Bonds.

Tax Treatment of Original Issue Discount and Premium. If the initial offering price to the public at which a 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 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 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 Bonds to determine taxable gain upon disposition (including sale, redemption, or payment on maturity) of such Bond. The Tax Code contains certain provisions relating to the accrual of original issue discount in the case of purchasers of the Bonds who purchase the Bonds after the initial offering of a substantial amount of such maturity. Owners of such Bonds should consult their own tax advisors with respect to the tax consequences of ownership of Bonds with original issue discount, including the treatment of purchasers who do not purchase in the original offering, the allowance of a deduction for any loss on a sale or other disposition, and the treatment of accrued original issue discount on such Bonds under federal individual alternative minimum taxes.

Under the Tax Code, original issue premium is amortized on an annual basis over the term of the Bond (said term being the shorter of the 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 Bond for purposes of determining taxable gain or loss upon disposition. The amount of original issue premium on a Bond is amortized each year over the term to maturity of the 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 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 Bonds.

California Tax Status. In the further opinion of Bond Counsel, interest on the 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 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 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 Bonds, or as to the consequences of owning or receiving interest on the Bonds, as of any future date. Prospective purchasers of the 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 Bonds should also be aware that the ownership or disposition of, or the accrual or receipt of interest on, the 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 Bonds, the ownership, sale or disposition of the Bonds, or the amount, accrual or receipt of interest on the Bonds.

CONTINUING DISCLOSURE

The City

The City has covenanted for the benefit of owners of the Bonds to provide certain financial information and operating data relating to Improvement Area No. 2 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 Fiscal Year 2023-24 (due by April 1, 2025) and to provide notices of the occurrence of certain enumerated events; provided, the first City Annual Report may be satisfied solely with the City's audited financial statements for such period.

The City 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 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 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 semi-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 and the Arroyo Cap Land Bank (during the term of the Option Agreement) own property in Improvement Area No. 2 responsible for less than 20% of the special tax levy for Improvement Area No. 2.

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 Bonds and does not anticipate obtaining one on the Bonds in the future. Prospective purchasers of the Bonds are required to make independent determinations as to the credit quality of the Bonds and their appropriateness as an investment.

UNDERWRITING

The 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 Bonds (\$_____), [plus/minus][net] original issue [premium/discount] of \$_____, and less an Underwriter’s discount of \$_____).

The purchase agreement relating to the Bonds provides that the Underwriter will purchase all of the 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 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.

CONTINGENT FEES

In connection with the issuance of the Bonds, some or all of the fees or other compensation payable to the City and certain professionals involved with the offering of the Bonds is contingent upon the issuance and delivery of the Bonds. Those entities include:

- The City, as the issuer;
- 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.

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. 2.

CITY OF RANCHO CORDOVA

By: _____
Administrative Services Director

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 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, 2024.

**CITY OF RANCHO CORDOVA, COUNTY OF SACRAMENTO
AND STATE OF CALIFORNIA
Population Estimates
Calendar Years 2020 through 2024, as of January 1**

<u>Calendar Year</u>	<u>City of Rancho Cordova</u>	<u>County of Sacramento</u>	<u>State of California</u>
2020	78,872	1,580,826	39,535,623
2021	79,669	1,580,120	39,327,868
2022	80,378	1,572,254	39,114,785
2023	81,604	1,576,639	39,061,058
2024	82,109	1,578,938	39,128,162

Source: State Department of Finance.

Employment and Industry

The unemployment rate in the Sacramento--Roseville--Arden-Arcade MSA was 5.1 percent in July 2024, up from a revised 4.7 percent in June 2024, and above the year-ago estimate of 4.3 percent. This compares with an unadjusted unemployment rate of 5.8 percent for California and 4.5 percent for the nation during the same period. The unemployment rate was 4.7 percent in El Dorado County, 4.5 percent in Placer County, 5.3 percent in Sacramento County, and 5.4 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 2019 through 2023.

SACRAMENTO-ARDEN ARCADE-ROSEVILLE MSA (El Dorado, Placer, Sacramento, Yolo Counties) Employment by Industry (March 2023 Benchmark)

	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Civilian Labor Force ⁽¹⁾	1,099,300	1,093,500	1,105,400	1,112,100	1,129,200
Employment	1,059,200	996,600	1,034,400	1,069,700	1,080,500
Unemployment	40,100	96,900	71,000	42,400	48,600
Unemployment Rate	3.7%	8.9%	6.4%	3.8%	4.3%
Wage and Salary Employment ⁽²⁾					
Agriculture	8,700	8,300	9,000	8,600	9,100
Mining and Logging	500	500	500	500	500
Construction	69,400	70,200	74,900	77,100	74,700
Manufacturing	36,800	36,100	37,700	40,600	40,500
Wholesale Trade	28,600	26,600	26,900	28,300	28,500
Retail Trade	100,500	95,100	100,600	100,300	99,000
Transportation, Warehousing and Utilities	32,200	34,300	37,500	40,800	41,600
Information	11,900	10,200	10,100	10,500	9,900
Finance and Insurance	35,200	34,800	34,100	33,000	30,500
Real Estate and Rental and Leasing	17,300	16,900	17,700	18,800	18,400
Professional and Business Services	137,200	132,600	137,200	139,700	134,400
Educational and Health Services	166,600	164,000	168,800	175,600	188,700
Leisure and Hospitality	109,600	83,900	93,600	108,700	112,500
Other Services	35,400	31,000	33,300	36,100	38,300
Federal Government	14,200	14,800	14,500	14,400	14,500
State Government	121,900	121,700	127,300	129,800	134,400
Local Government	105,300	98,900	98,400	102,700	107,400
Total, All Industries ⁽³⁾	1,031,200	979,800	1,021,900	1,065,400	1,083,300

(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 Annual Comprehensive Financial Report for fiscal year ending June 30, 2023.

CITY OF RANCHO CORDOVA
Principal Employers
As of June 2023

Employer	Number of Employees	Percent of Total Employment
VSP Global	1,600	3.32%
Franklin Templeton	1,200	2.49
Cordova Folsom Unified School District	1,017	2.11
Accentcare Home Health	727	1.51
Health Net Federal Services	700	1.45
The Permanente Medical Group	559	1.16
Kaiser Foundation Hospitals	497	1.03
Plexus Optix, Inc	428	0.89
Nidec Motor Corporation	400	0.83
Automotive Importing Manufacturing	303	0.63

Source: City of Rancho Cordova, Annual Comprehensive Financial Report for the Fiscal Year Ended June 30, 2023.

Major Employers

The following table lists the major employers within the County as of September 2024, in alphabetical order.

**COUNTY OF SACRAMENTO
Major Employers
As of September 2024**

<u>Employer Name</u>	<u>Location</u>	<u>Industry</u>
Aerojet Rocketdyne Inc	Rancho Cordova	Aerospace Industries (mfrs)
Agreeya Solutions Inc	Folsom	Information Technology Services
American River College	Sacramento	Junior-Community College-Tech Institutes
Ampac Fine Chemicals LLC	Rancho Cordova	Electronic Equipment & Supplies-Mfrs
Apple Distribution Ctr	Elk Grove	Distribution Centers (whls)
California State Univ Scrmnt	Sacramento	Schools-Universities & Colleges Academic
Colliers International Ltd	Sacramento	Real Estate
Department-Corrections-Rehab	Sacramento	State Govt-Correctional Institutions
Disabled American Veterans	Sacramento	Veterans' & Military Organizations
Employment Development Dept	Sacramento	Outplacement Consultants
Environmental Protection Agcy	Sacramento	State Government-Air/Water/Solid Waste Manage
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	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, 2025 1st 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 2020 through 2024.

**CITY OF RANCHO CORDOVA, COUNTY OF SACRAMENTO, THE STATE OF CALIFORNIA
AND THE UNITED STATES
Effective Buying Income
As of January 1, 2020 through 2024**

Year	Area	Total Effective Buying Income (000s’ Omitted)	Median Household Effective Buying Income
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
2023	City of Rancho Cordova	\$2,533,621	\$71,022
	County of Sacramento	51,865,551	70,001
	California	1,461,799,662	77,175
	United States	11,454,846,397	65,326
2024	City of Rancho Cordova	\$2,710,561	\$78,751
	County of Sacramento	55,595,639	76,261
	California	1,510,708,521	80,973
	United States	11,987,185,826	67,876

Source: Claritas, LLC.

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 2024 in the City were reported to be \$470,554,173, a 9.12% decrease in the total taxable sales of \$517,784,817 reported during the comparable quarter of calendar year 2023.

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
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
2022	1,429	1,390,475	2,682	2,171,811
2023	1,400	1,343,043	2,634	2,083,028

Source: California Department of Tax and Fee Administration

Total taxable sales during the first quarter of calendar year 2024 in the County were reported to be \$8,140,687,169, a 2.30% decrease over the total taxable sales of \$8,332,218,981 reported during the comparable quarter of calendar year 2023.

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
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
2022	26,589	24,679,703	44,158	36,511,260
2023	25,913	24,180,843	43,252	35,572,695

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>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
<u>Permit Valuation</u>					
New Single-family	\$158,521.8	\$164,435.7	\$171,194.6	\$186,410.7	\$181,164.0
New Multi-family	0.0	0.0	0.0	<u>18,935.0</u>	<u>33,000.0</u>
Res. Alterations/Additions	<u>3,492.2</u>	<u>7,657.0</u>	<u>6,503.1</u>	<u>6,202.0</u>	<u>21,679.0</u>
Total Residential	162,014.0	172,092.7	177,697.7	211,547.7	235,843.0
New Commercial	2,320.7	28,635.4	2,672.0	12,093.0	4,191.0
New Industrial	366.0	0.0	0.0	2,030.0	0.0
New Other	1,336.2	2,150.6	5,970.7	11,624.9	50,216.0
Com. Alterations/Additions	<u>24,046.0</u>	<u>34,812.6</u>	<u>67,569.2</u>	<u>35,436.7</u>	<u>36,892.0</u>
Total Nonresidential	28,068.9	65,598.6	76,211.9	61,184.6	91,299.0
<u>New Dwelling Units</u>					
Single Family	561	575	552	620	602
Multiple Family	<u>0</u>	<u>0</u>	<u>0</u>	<u>149</u>	<u>331</u>
TOTAL	561	575	552	769	932

Source: Construction Industry Research Board, Building Permit Summary.

COUNTY OF SACRAMENTO
Total Building Permit Valuations
(Dollars in Thousands)

	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
<u>Permit Valuation</u>					
New Single-family	\$1,108,399.9	\$1,008,391.7	\$1,310,379.5	\$1,183,213.4	\$1,408,893.4
New Multi-family	265,188.8	265,418.7	323,462.6	413,368.8	421,365.8
Res. Alterations/Additions	<u>293,210.5</u>	<u>262,864.6</u>	<u>276,570.4</u>	<u>373,409.6</u>	<u>332,233.2</u>
Total Residential	1,666,799.2	1,738,675.0	1,910,412.5	1,969,991.8	2,162,492.4
New Commercial	666,664.3	449,494.3	197,946.8	268,582.0	256,310.9
New Industrial	31,851.4	31,155.0	83,171.4	38,163.3	0.0
New Other	105,555.1	75,356.7	104,932.9	155,071.3	294,989.6
Com. Alterations/Additions	<u>700,604.0</u>	<u>335,458.0</u>	<u>320,447.6</u>	<u>432,950.0</u>	<u>569,570.4</u>
Total Nonresidential	1,504,674.8	891,464.0	706,498.7	894,766.6	1,120,870.9
<u>New Dwelling Units</u>					
Single Family	3,981	3,588	4,205	3,832	4,181
Multiple Family	<u>2,008</u>	<u>2,868</u>	<u>2,266</u>	<u>3,419</u>	<u>6,074</u>
TOTAL	5,989	6,456	6,471	7,251	10,255

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. 2, Special Tax Bonds Series 2025

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 _____ 1, 2025, 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. 2
SPECIAL TAX BONDS
SERIES 2025

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 _____ 1, 2025 (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. 2” means Improvement Area No. 2 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, 2025, with the report for the 2023-24 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(b). The City shall provide a written certification with each Annual Report furnished to the Dissemination Agent to the effect that such Annual Report constitutes the Annual Report required to be furnished by the City hereunder.

(b) If the City does not provide, or cause the Dissemination Agent to provide, an Annual Report by the Annual Report Date 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. 2 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. 2.

(7) Until the fiscal year in which the Special Tax levied on the developed property in Improvement Area No. 2 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. 2.

(c) For so long as there is any owner of property in Improvement Area No. 2 whose properties collectively represent 10% or more of the Special Taxes, the following information regarding the status of development in Improvement Area No. 2:

- (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. 2 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 Fiscal Agent Agreement.

(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(b).

Section 8. Dissemination Agent. The City may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any 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(b).

Section 10. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the City from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a 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: _____, 2025

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. 2
SPECIAL TAX BONDS
SERIES 2025

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. 2 Special Tax Bonds Series 2025 (the “Bonds”). The Bonds are being executed and delivered pursuant to a Fiscal Agent Agreement, dated as of _____ 1, 2025 (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” means with respect to the Developer, means 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. 2 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. The Arroyo Cap Land Bank is not an Affiliate of the Developer.

“Arroyo Cap Land Bank” means Arroyo Cap IV-2, LLC, a Delaware limited liability company, the land bank for the Developer pursuant to the Option Agreement.

“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. 2), 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. 2 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. As set forth in Section 6(b), the sale of property to a Major Owner shall not require the execution of an Assumption Agreement if such Major Owner is already a party to a continuing disclosure certificate in form and substance similar to this Disclosure Certificate with respect to the Bonds, and under which the property conveyed to such Major Owner will become subject to future Semi-Annual Reports. In addition, the conveyance of property from the Arroyo Cap Land Bank to the Developer under the Option Agreement is subject to this Disclosure Certificate and shall not require the Developer to enter into an Assumption Agreement.

“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. 2” means Improvement Area No. 2 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 date of determination, a Person that, together with the Person’s Affiliates, owns, or has under option, ___ or more taxable parcels in Improvement Area No. 2. During the term of the Option Agreement, the Arroyo Cap Land Bank shall not be considered a Major Owner

“Official Statement” means the final official statement executed by the City in connection with the issuance of the Bonds.

“Option Agreement” means that certain Option Agreement dated July 31, 2024, between K. Hovnanian Homes Northern California, Inc., a California corporation (“KHOV NC”), and the Arroyo Cap Land Bank, as assigned by the Assignment and Assumption of Option Agreement, dated as of December 31, 2024, to the Developer, as it may be amended from time to time.

“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. 2 that is owned by (i) the Developer, (ii) any Affiliate of the Developer, (iii) the Arroyo Cap Land Bank (during the term of the Option Agreement), and (iv) the property in Improvement Area No. 2 that the Developer sold to a Major Owner who has not assumed the undertakings of this Disclosure Certificate under Section 6(b) that is owned by such Major Owner. For avoidance of doubt, any parcel that is exempt from the Special Taxes shall not be considered Property for purposes of this Disclosure Certificate.

“Report Date” means April 1 and October 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. 2.

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 October 1, 2025, 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 Agreement 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 the Developer is no longer a Major Owner, 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) The Developer's obligations hereunder shall terminate with respect to any portion of the Property on the date such portion of the Property is sold to a Person that is not a Major Owner. If any portion of the Property is sold to a Major Owner or if the Option Agreement is terminated and the Arroyo Cap Land Bank would be a Major Owner, the Developer shall remain obligated hereunder with respect to such Property unless the obligations have been assumed by the Major Owner or the Arroyo Cap Land Bank (if the Arroyo Cap Land Bank is then a Major Owner), as applicable, pursuant to an Assumption Agreement. The Developer's obligations under this Disclosure Certificate with respect to a Major Owner or the Arroyo Cap Land Bank (in the event the Option Agreement is terminated and the Arroyo Cap Land Bank is then a Major Owner) that has not executed an Assumption Agreement shall terminate upon the earlier to occur of (i) the date on which the Developer's obligations with respect to such Major Owner or the Arroyo Cap Land Bank are assumed under an Assumption Agreement entered into pursuant to this Section 6(b), or (ii) the date on which the Major Owner or the Arroyo Cap Land Bank is no longer considered a Major Owner. The Developer shall provide a copy of the executed Assumption Agreement to the City and the Participating Underwriter. However, a Major Owner shall not be required to enter into an Assumption Agreement if such Major Owner is already a party to a continuing disclosure certificate in form and substance similar to this Disclosure Certificate with respect to the Bonds, and under which the property conveyed to such Major Owner will become subject to future Semi-Annual Reports. In addition, the conveyance of property from the Arroyo Cap Land Bank to the Developer under the Option Agreement is subject to this Disclosure Certificate and shall not require the Developer to enter into an Assumption Agreement.

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 Agreement 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: rsprague@KHOV.com
To the City:	City of Rancho Cordova Attn: CFD Administrator 2729 Prospect Park Drive Rancho Cordova, CA 95670 Email: Kjuran@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 2025

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 the Arroyo Cap Land Bank (during the term of the Option Agreement) in Improvement Area No. 2 (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 Report

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. 2 by the Developer or an Affiliate (if any), or sales of land in Improvement Area No. 2 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. 2 – 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.