City Council/Successor Agency Agenda

Thursday, January 16, 2014
1:30 p.m.
City Hall Council Chambers at
44-950 Eldorado Drive, Indian Wells

WELCOME TO A REGULARLY SCHEDULED MEETING OF THE CITY COUNCIL. ALL PERSONS WISHING TO ADDRESS THE CITY COUNCIL SHOULD FILL OUT A BLUE PUBLIC COMMENT FORM BEFORE THE MEETING BEGINS AND GIVE IT TO THE CITY CLERK. WHEN THE MAYOR HAS RECOGNIZED YOU, PLEASE COME FORWARD TO THE PODIUM AND STATE YOUR NAME FOR THE RECORD. A 3-MINUTE TIME LIMIT IS CUSTOMARY. PLEASE NOTE THAT YOU MAY ADDRESS THE CITY COUNCIL ON AN AGENDA ITEM AT THE TIME IT IS DISCUSSED, BUT ONLY AFTER BEING RECOGNIZED BY THE MAYOR. ANY PUBLIC RECORD, RELATING TO AN OPEN SESSION AGENDA ITEM, THAT IS DISTRIBUTED WITHIN 72 HOURS PRIOR TO THE MEETING IS AVAILABLE FOR PUBLIC INSPECTION AT CITY HALL RECEPTION AREA 44-950 ELDORADO DRIVE, INDIAN WELLS DURING NORMAL BUSINESS HOURS.

1. CONVENE THE CITY COUNCIL/SUCCESSOR AGENCY, PLEDGE OF ALLEGIANCE AND ROLL CALL

MAYOR TED J. MERTENS
MAYOR PRO TEM TY PEABODY
COUNCIL MEMBER PATRICK MULLANY
COUNCIL MEMBER DOUGLAS HANSON
COUNCIL MEMBER MARY T. ROCHE

2. APPROVAL OF THE FINAL AGENDA

3. APPROVAL OF THE MEETING MINUTES.

A. December 19, 2013 Special Study Session Minutes. Page 33.
B. December 19, 2013 Regular Meeting Minutes. Page 38.

4. PROCLAMATIONS AND PRESENTATIONS

A. Presentation by the Queen and Her Court of the 2014 National Date Festival and County Fair.

B. Presentation of the 2014 Indian Wells Arts Festival Poster, Entitled "Indian Wells" by Julie Dunn.

5. PUBLIC COMMENTS

ALL PERSONS WISHING TO ADDRESS THE CITY COUNCIL SHOULD FILL OUT A BLUE PUBLIC COMMENT FORM IN ADVANCE AND HAND IT TO THE CITY CLERK. AT THE APPROPRIATE TIME, PLEASE COME FORWARD TO THE PODIUM AND STATE YOUR NAME FOR THE RECORD. SPEAKERS ARE LIMITED TO THREE MINUTES. PARTIES ARE ENCOURAGED TO SUBMIT THEIR COMMENTS IN WRITING WITH ANY ATTACHMENTS OR EXHIBITS THEY WISH FOR THE COUNCIL TO REVIEW, PREFERABLY 24 HOURS PRIOR TO THE MEETING. SPEAKERS CAN THEN USE THEIR THREE-MINUTES TO SUMMARIZE THE KEY POINTS OF THEIR COMMENTS. PLEASE NOTE THAT YOU MAY ADDRESS THE CITY COUNCIL ON AN AGENDA ITEM AT THE TIME IT IS DISCUSSED, BUT ONLY AFTER BEING RECOGNIZED BY THE MAYOR.

UNDER THE BROWN ACT, THE COUNCIL SHOULD NOT TAKE ACTION ON OR DISCUSS MATTERS RAISED DURING THE PUBLIC COMMENT PORTION OF THE AGENDA WHICH ARE NOT LISTED ON THE AGENDA. COUNCIL MEMBERS MAY REFER SUCH MATTERS TO STAFF FOR FACTUAL INFORMATION OR TO BE PLACED ON A SUBSEQUENT AGENDA FOR CONSIDERATION. NOTWITHSTANDING THE FOREGOING, COUNCIL

MEMBERS AND STAFF MAY BRIEFLY RESPOND TO STATEMENTS MADE OR QUESTIONS POSED DURING PUBLIC COMMENT, AS LONG AS SUCH RESPONSES DO NOT CONSTITUTE ANY DELIBERATION OF THE ITEM.

A. PUBLIC COMMENTS

B. RESPONSE TO PRIOR PUBLIC COMMENTS

6. CONSENT CALENDAR

ALL MATTERS LISTED ON THE CONSENT CALENDAR ARE CONSIDERED TO BE ROUTINE AND WILL BE ENACTED BY ONE VOTE. THERE WILL BE NO SEPARATE DISCUSSION OF THESE ITEMS UNLESS MEMBERS OF THE CITY COUNCIL OR AUDIENCE REQUEST THAT SPECIFIC ITEMS BE REMOVED FROM THE CONSENT CALENDAR FOR SEPARATE DISCUSSION AND ACTION. IF YOU WISH TO ADDRESS THE CITY COUNCIL, PLEASE FILL OUT A BLUE PUBLIC COMMENT FORM IN ADVANCE AND HAND IT TO THE CITY CLERK. PLEASE STATE YOUR NAME FOR THE PUBLIC RECORD. A THREE MINUTE LIMIT IS CUSTOMARY. FINANCIAL MATTERS WILL BE INDICATED AS BUDGETED OR NON-BUDGETED BELOW.

A. Approve Replacement of Four HVAC Units as Part of 45-200 Club Drive Rehabitation and Finds the Project Exempt from CEQA. [Budgeted]. Page 53.

RECOMMENDED ACTIONS:

COUNCIL FINDS THE PROPOSED PROJECT IS CATEGORICALLY EXEMPT FROM THE PROVISIONS OF THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) PER SECTION 15301(D), EXISTING FACILITIES; AND

AWARDS THE CONTRACT TO DESERT AIR CONDITIONING, INC. FOR THE INSTALLATION OF FOUR HVAC UNITS FOR 45-200 CLUB DRIVE, SUITES A AND D;

APPROVES THE CONSTRUCTION AGREEMENT BETWEEN DESERT AIR CONDITIONING, INC. AND THE CITY AND AUTHORIZES AND DIRECTS THE CITY MANAGER TO EXECUTE THE AGREEMENT; AND

APPROVES THE REQUISITION TO DESERT AIR CONDITIONING, INC. IN THE AMOUNT OF $44,828 FOR INSTALLATION OF FOUR HVAC UNITS, TWO SMOKE DUCT DETECTORS, AND AN AIR BALANCE REPORT.

B. Approve the City Council's 2014 Assignments. Page 76.

RECOMMENDED ACTION:

COUNCIL APPROVES THE CITY COUNCIL'S 2014 ASSIGNMENTS.

C. FAMD Warrant and Demands. Page 82.

RECOMMENDED ACTION:
COUNCIL APPROVES THE JANUARY 2, 2014 AND JANUARY 16, 2014 FAMD WARRANT AND DEMANDS.

D. City Warrant and Demands. Page 84.

RECOMMENDED ACTION:
COUNCIL APPROVES THE JANUARY 2, 2014 AND JANUARY 16, 2014 CITY WARRANT AND DEMANDS.

7. GENERAL BUSINESS

A. Approve Amendment No. 4 to the South of Miles Indemnification Agreement. Page 107.

RECOMMENDED ACTIONS:
COUNCIL APPROVES AMENDMENT NO. 4 TO THE SOUTH OF MILES INDEMNIFICATION AGREEMENT; AND

AUTHORIZES AND DIRECTS THE MAYOR TO EXECUTE THE AMENDMENT ON BEHALF OF THE CITY.

B. 2014-15 Strategic Planning Updates: Marketing & Community Services Department; Community Development and Public Works Departments. Page 113.

RECOMMENDED ACTIONS:
COUNCIL TAKES PUBLIC INPUT AS TO FISCAL YEAR 2014-15 MARKETING & COMMUNITY SERVICES PROGRAMS, AND COMMUNITY DEVELOPMENT AND PUBLIC WORKS PROGRAMS/PROJECTS; AND

RECEIVES AND FILES THESE UPDATES; AND

PROVIDES DIRECTION TO STAFF AS TO ANY MODIFICATIONS TO THE CITY COUNCIL DISCUSSION ISSUES LIST FOR THE FEBRUARY WORKSHOPS.

C. Approve the City's 2014 Legislative Priorities. Page 132.

RECOMMENDED ACTION:
COUNCIL APPROVES THE CITY'S 2014 LEGISLATIVE PRIORITIES.

D. Discussion and Direction Regarding CVAG's Draft Single-Use Plastic Bag Ordinance. Page 144.

RECOMMENDED ACTIONS:
COUNCIL DISCUSSES AND PROVIDES DIRECTION TO THE MAYOR AS TO THE CITY'S POSITION ON CVAG'S ORDINANCE PROHIBITING SINGLE-USE PLASTIC BAGS.

8. SUCCESSOR AGENCY

A. Adopt Resolution Approving the Issuance of Refunding Bonds. Page 177.

RECOMMENDED ACTIONS:
SUCCESSOR AGENCY ADOPTS RESOLUTION BILL SA NO. 2014-01 APPROVING THE ISSUANCE OF REFUNDING BONDS IN ORDER TO REFUND CERTAIN OUTSTANDING BONDS OF THE DISSOLVED REDEVELOPMENT AGENCY; AND

APPROVES THE EXECUTION AND DELIVERY OF AN INDENTURE OF TRUST RELATING THERETO; AND

REQUESTS OVERSIGHT BOARD APPROVAL OF THE ISSUANCE OF THE REFUNDING BONDS AND CERTAIN DETERMINATIONS BY THE OVERSIGHT BOARD; AND

PROVIDES FOR OTHER MATTERS PROPERLY RELATING THERETO.

9. CITY MANAGER'S REPORT/COMMENTS AND MATTERS FROM STAFF

10. COUNCIL MEMBERS' REPORTS AND COMMENTS

A. Council Member Roche

California Joint Powers Insurance Authority
Coachella Valley Mountains Conservancy
Cove Communities Services Commission
Coachella Valley Animal Campus
CVAG Conservation Commission
CVAG Energy Committee
Indian Wells Marketing Committee
Jacqueline Cochran Regional Airport Commission

B. Council Member Hanson

Coachella Valley Economic Partnership
CVAG Transportation Committee
Indian Wells Finance and Legal Services Oversight Committee
Indian Wells Golf Resort Advisory Committee
Indian Wells Tee Committee
Riverside County Transportation Committee
Sunline Transit Agency

C. Council Member Mullany

Cove Communities Services Commission
Indian Wells Golf Resort Advisory Committee
Indian Wells Public Safety Committee
Indian Wells Tee Committee

D. Mayor Pro Tem Peabody

CVAG Homelessness Committee
Indian Wells Community Activities Committee
Indian Wells Grants-in-Aid Committee
Indian Wells Finance and Legal Services Oversight Committee
Indian Wells Marketing Committee
Indian Wells Personnel Committee
Indian Wells Crossing Development Ad Hoc Committee
Tennis Stadium Ad Hoc Committee

E. Mayor Mertens

CVAG Executive Committee
CVAG Public Safety Committee
Greater Palm Springs Convention and Visitors Bureau
Indian Wells Personnel Committee
Indian Wells Public Safety Committee
Indian Wells Crossing Development Ad Hoc Committee
Tennis Stadium Ad Hoc Committee

11. CITY ATTORNEY REPORTS AND COMMENTS

12. SUCCESSOR AGENCY CLOSED SESSION

A. Conference with Legal Counsel Regarding Anticipated Litigation. Significant Exposure to Litigation Pursuant to Government Code Section 54956.9(d)(2). Number of Potential Cases: 1.

B. Conference with Legal Counsel Regarding Anticipated Litigation. Initiation of Litigation Pursuant to Government Code Section 54956.9(d)(4). Number of Potential Cases: 1.

13. CITY COUNCIL CLOSED SESSION

A. Conference with Legal Counsel Regarding Anticipated Litigation Pursuant to Government Code Section 54956.9(b)(1): Claimant: Peter Fleck.

B. Conference with Legal Counsel Regarding Anticipated Litigation. Significant Exposure to Litigation Pursuant to Government Code Section 54956.9(d)(2). Number of Potential Cases: 1.

14. ADJOURNMENT

TO A REGULARLY SCHEDULED MEETING OF THE CITY COUNCIL TO BE HELD AT 1:30 P.M. ON FEBRUARY 6, 2014 IN THE CITY HALL COUNCIL CHAMBERS.

IN COMPLIANCE WITH THE AMERICANS WITH DISABILITIES ACT, IF YOU NEED SPECIAL ASSISTANCE TO PARTICIPATE IN THIS MEETING, PLEASE CONTACT THE CITY CLERK AT (760) 346-2489. NOTIFICATION 48 HOURS PRIOR TO THE MEETING WILL ENABLE THE CITY TO MAKE REASONABLE ARRANGEMENTS TO ENSURE ACCESSIBILITY TO THIS MEETING. 128 CFR 35.102.35.104 ADA TITLE III

AFFIDAVIT OF POSTING

I, Anna Grandys, certify that on January 10, 2014, I caused to be posted a notice of a City Council/Successor Agency Meeting to be held on Thursday, January 16, 2014 at 1:30 p.m. in the City Hall Council Chambers/Executive Conference Room.

Notices were posted at Indian Wells Civic Center, Village 1 [Ralph's], and Indian Wells Plaza [Indian Wells Chamber of Commerce].

Anna Grandys
Chief Deputy City Clerk

UNOFFICIAL

City of Indian Wells

44-950 Eldorado Drive
Indian Wells, CA 92210-7497
(760) 346-2489

Meeting Minutes (Long)

Thursday, December 19, 2013

10:00 AM

City Hall Council Chambers/Executive Conference Room

Special Meeting

WELCOME TO A SPECIAL MEETING OF THE CITY COUNCIL. ALL PERSONS WISHING TO ADDRESS THE CITY COUNCIL SHOULD FILL OUT A BLUE PUBLIC COMMENT REQUEST FORM BEFORE THE MEETING BEGINS. GIVE IT TO THE CITY CLERK. WHEN THE MAYOR HAS RECOGNIZED YOU, PLEASE COME FORWARD TO THE PODIUM AND STATE YOUR NAME FOR THE RECORD. A 3-MINUTE TIME LIMIT IS REQUESTED. PLEASE NOTE THAT YOU MAY ADDRESS THE CITY COUNCIL ON AN AGENDA ITEM AT THE TIME IT IS DISCUSSED, BUT ONLY AFTER BEING RECOGNIZED BY THE MAYOR. ANY PUBLIC RECORD, RELATING TO AN OPEN SESSION AGENDA ITEM, THAT IS DISTRIBUTED WITHIN 72 HOURS PRIOR TO THE MEETING IS AVAILABLE FOR PUBLIC INSPECTION AT CITY HALL RECEPTION AREA 44-950 ELDORADO DRIVE, INDIAN WELLS, CA DURING NORMAL BUSINESS HOURS.

PLEASE TURN OFF CELL PHONES AND PAGERS

UNOFFICIAL

1. CONVENE THE CITY COUNCIL/SUCCESSOR AGENCY/HOUSING AUTHORITY, PLEDGE OF ALLEGIANCE AND ROLL CALL

Mayor Mertens convened the Special Meeting of the City Council/Successor Agency of the City of Indian Wells at 10:02 a.m. on December 19, 2013 in the City Hall Executive Conference Room.

Chair Mertens convened the Housing Authority at 11:35 a.m. on December 19, 2013 in the City Hall Executive Conference Room.

PRESENT: 7 - Chairman Ted Mertens, Vice Chairman Ty Peabody, Board Member Patick Mullany, Board Member Douglas Hanson, Board Member Mary T. Roche, Board Member Bobbi Fletcher, and Board Member Bob Mitchell

PRESENT: Mayor Ted Mertens, Mayor Pro-Tem Ty Peabody, Council Member Patrick Mullany, Council Member Douglas Hanson and Council Member Mary Roche

2. APPROVAL OF THE FINAL AGENDA

A motion was made by Mayor Pro-Tem Peabody, seconded by Council Member Hanson, to Approve the Agenda as Submitted. The motion carried unanimously.

3. PUBLIC COMMENTS

[10:03] None.

4. GENERAL BUSINESS

UNOFFICIAL

A. Discussion and Direction Relating to 2014 Council "Draft" of Assignments to Various Internal and External Committees. Page 6.

[10:03] Mayor Mertens led the discussion as to any modifications to existing committee's, council member assignment changes, and the number of ex-officio members serving on four committees. It was the CONSENSUS of the Council to ELIMINATE the Highway 111 Widening Ad-Hoc and the Village Underground Ad-Hoc committees, to have the Council Assignment matrix reflect the fact that Council Member Mullany is the alternate to Riverside County Transportation Committee not Mayor Pro Tem Peabody as currently shown, and to place the Coachella Valley Economic Partnership (CVEP) assignment on hiatus as the City is not contributing to the agency; therefore, the City believes it is not entitled to a board seat. The Council DIRECTED staff to receive clarification from CVEP as to the City's status. Council Member Mullany motioned, and Council Member Roche seconded that the funding for CVEP be revisited during the mid-year budget review process. The motion passed unanimously.

Mayor Mertens inquired if there were any changes Council Members wished to make to their existing assignments. Council Member Mullany stated he would like to be off CVAG Energy. Council Member Roche stated she would take CVAG Energy, and asked the Mayor if he would like her to take CVAG Conservation as those two meetings are back-to-back. It was the CONSENSUS of the Council that Council Member Roche is the City's representative to both CVAG Energy and CVAG Conservation, and Council Member Mullany is the alternate for CVAG Energy and Mayor Mertens is the alternate for CVAG Conservation.

There was discussion as to the number of Council Members on the Community Activities, Golf Resort Advisory, Grants-in-Aid and Marketing committees. It was the CONSENSUS of the Council that the Marketing Committee continue to have two voting Council Members, that the Community Activities and the Grants-in-Aid committees have one ex-officio member and one alternate, the Golf Resort Advisory continue to have two ex-officio members, and that there were no changes to Council Member assignments for those committees.

It was the CONSENSUS of the Council to set the formal approval of the 2014 Council committee assignments for the January 16, 2014 City Council meeting.

B. PARTICIPATE IN COMMITTEE DRAFT PROCESS:
Annual Draft Process for Council Committee Assignments.

There was no draft of Council assignments.

C. ANNUAL REVIEW OF APPLICABLE REGULATION/POLICY: Annual Review of Regulation/Policy Pertaining to FPPC Gift Restrictions, City Ticket Distribution Policy, and City Campaign Contribution Report Requirement. Page 17.

[10:25] City Attorney Stephen Deitsch reviewed the Fair Political Practices Commission's fact sheet on limitations and restrictions on gifts, focusing on the definition of gift, the annual limit, exceptions to the gift definition, returning of a gift within 30 days, and behested payments. He highlighted some of the government/public purposes the City has for city controlled ticket distribution. There were questions of Mr. Deitsch as to spousal attendance at city events/functions. Mr. Deitsch stated the FPPC, Measure S, and the City's ticket policy all allow the attendance of spouses at events that have a governmental or public purpose. Mr. Deitsch stated spousal attendance at dinners is also allowed. Mr. Deitsch finally reviewed the City's policy in relation to disclosure of campaign contributions.

UNOFFICIAL

5. CLOSED SESSION

[11:00] Mayor Mertens stated the City Council would hold a Closed Session to discuss the following agenda items:

A. Conference with Legal Counsel Regarding Anticipated Litigation Pursuant to Government Code Section 54956.9(b)(1): Claimant: Tyrone Colgrove.

At 3:46 p.m. City Attorney Stephen Deitsch stated there was no reportable action taken on this item.

B. Conference with Legal Counsel Regarding Anticipated Litigation Pursuant to Government Code Section 54956.9(b)(1): Claimant: Laurie Muhlhauser.

At 3:46 p.m. City Attorney Stephen Deitsch stated there was no reportable action taken on this item.

C. Conference with Legal Counsel Regarding Anticipated Litigation Pursuant to Government Code Section 54956.9(b)(1): Claimant: Claire Joles.

At 3:46 p.m. City Attorney Stephen Deitsch stated there was no reportable action taken on this item.

3A

UNOFFICIAL

D. Conference with Legal Counsel Regarding Anticipated Litigation. Significant Exposure to Litigation Pursuant to Government Code Section 54956.9(d)(2). Number of Potential Cases: 1.

At 3:46 p.m. City Attorney Stephen Deitsch stated there was no reportable action taken on this item.

E. Conference with Legal Counsel Regarding Anticipated Litigation. Initiation of Litigation Pursuant to Government Code Section 54956.9(d)(4). Number of Potential Cases: 1.

At 3:46 p.m. City Attorney Stephen Deitsch stated there was no reportable action taken on this item.

6. SUCCESSOR AGENCY CLOSED SESSION

Mayor Mertens stated the Successor Agency would hold a Closed Session to discuss the following agenda item:

A. Conference with Agency's Real Property Negotiator Pursuant to Government Code Section 54956.8. Real Property: Property Generally Located on the Northeast Corner of Miles Avenue and Highway 111 Known as Miles Crossing, Also Known as APNs 633-310-005, 633-310-006, 633-310-011, 633-310-015, 633-310-016, 633-310-017, 633-310-020, 633-310-023, 633-410-036, 633-410-037, 633-410-041, 633-410-045 and 633-410-046. Agency Negotiator: Negotiating Parties: On Behalf of City of Indian Wells: Wade G. McKinney, City Manager. Other Negotiating Party: Miles Retail Crossing, LLC, Michael Kiner, and Excel Trust L.P. Under Negotiation: Price and Terms of Payment.

At 3:46 p.m. City Attorney Stephen Deitsch stated there was no reportable action taken on this item.

7. HOUSING AUTHORITY CLOSED SESSION

[11:36] Chair Mertens stated the Housing Authority would hold a Closed Session to discuss the following agenda items:

3A

A. Conference with Agency's Real Property Negotiator Pursuant to Government Code Section 54956.8. Real Property: Property Generally Located on the Northeast Corner of Miles Avenue and Highway 111 Known as Miles Crossing, Also Known as APNs 633-310-005, 633-310-006, 633-310-011, 633-310-015, 633-310-016, 633-310-017, 633-310-020, 633-310-023, 633-410-036, 633-410-037, 633-410-041, 633-410-045 and 633-410-046. Agency Negotiator: Negotiating Parties: On Behalf of City of Indian Wells: Wade G. McKinney, City Manager. Other Negotiating Party: Miles Retail Crossing, LLC, Michael Kiner, and Excel Trust L.P. Under Negotiation: Price and Terms of Payment.

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At 3:46 p.m. City Attorney Stephen Deitsch stated there was no reportable action taken on this item.

8. ADJOURNMENT

At 12:50 p.m., Mayor Mertens ADJOURNED the special meeting of the City Council/Successor Agency/Housing Authority to a regularly scheduled meeting of the Housing Authority to be held at 1:00 p.m. on December 19, 2013 in the City Hall Council Chambers; and thereafter to a regularly scheduled afternoon session of the City Council to be held at 1:30 p.m. on December 19, 2013 in the City Hall Council Chambers.

Respectfully submitted,

_____

Wade G. McKinney, City Manager/City Clerk

3A

UNOFFICIAL

City of Indian Wells

44-950 Eldorado Drive
Indian Wells, CA 92210-7497
(760) 346-2489

Meeting Minutes (Long)

Thursday, December 19, 2013

1:30 PM

City Hall Council Chambers

City Council

WELCOME TO A REGULARLY SCHEDULED MEETING OF THE CITY COUNCIL. ALL PERSONS WISHING TO ADDRESS THE CITY COUNCIL SHOULD FILL OUT A BLUE PUBLIC COMMENT REQUEST FORM BEFORE THE MEETING BEGINS. GIVE IT TO THE CITY CLERK. WHEN THE MAYOR HAS RECOGNIZED YOU, PLEASE COME FORWARD TO THE PODIUM AND STATE YOUR NAME FOR THE RECORD. A 3-MINUTE TIME LIMIT IS REQUESTED. PLEASE NOTE THAT YOU MAY ADDRESS THE CITY COUNCIL ON AN AGENDA ITEM AT THE TIME IT IS DISCUSSED, BUT ONLY AFTER BEING RECOGNIZED BY THE MAYOR. ANY PUBLIC RECORD, RELATING TO AN OPEN SESSION AGENDA ITEM, THAT IS DISTRIBUTED WITHIN 72 HOURS PRIOR TO THE MEETING IS AVAILABLE FOR PUBLIC INSPECTION AT CITY HALL RECEPTION AREA 44-950 ELDORADO DRIVE, INDIAN WELLS, CA DURING NORMAL BUSINESS HOURS.

PLEASE TURN OFF CELL PHONES AND PAGERS

3B

UNOFFICIAL

1. RECONVENE THE CITY COUNCIL/SUCCESSOR AGENCY, PLEDGE OF ALLEGIANCE AND ROLL CALL

[1:59:50] Mayor Mertens reconvened the City Council of the City of Indian Wells at 1:59 p.m. in the City Hall Council Chambers.

PRESENT: Mayor Ted Mertens, Mayor Pro-Tem Ty Peabody, Council Member Patrick Mullany, Council Member Douglas Hanson and Council Member Mary Roche

2. APPROVAL OF THE FINAL AGENDA

[2:00:35]

A motion was made by Council Member Hanson, seconded by Council Member Mullany, to Approve the Agenda as Submitted. The motion carried unanimously.

3. APPROVAL OF MEETING MINUTES

[2:00:46]

A. December 5, 2013 Special Meeting Minutes.
B. December 5, 2013 Regularly Scheduled Meeting Minutes.

A motion was made by Council Member Mullany, seconded by Council Member Hanson, to Approve the Minutes as Submitted. The motion carried unanimously.

4. PUBLIC COMMENTS

[2:00:59] Mr. Denny Booth, resident, read his written comments regarding the excellent job being done by the Indian Wells Golf Resort General Manager Steve Rosen and his staff.

Mr. Dana Reed, resident, stated there are 5,126 residents in Indian Wells according the 2012 Census of which 701 are designated as area renters. He remarked it is morally wrong not to allow those renters the benefits that the Property Identification Card provides to owners of homes.

5. PRESENTATION AND PROCLAMATIONS

3B

UNOFFICIAL

A. TENNIS GARDEN EXPANSION UPDATE:
Tennis Garden Expansion Construction Update by Dick Oliphant and Jody Watkins.

[2:10:42] Mr. Richard Oliphant, Owner's Representative in Constructing the Indian Wells Tennis Garden Project, stated they are ten months into construction of the new stadium at the Indian Wells Tennis Garden and they will meet their scheduled completion for the PNB Paribas Open in March 2014.

Mr. Jody Watkins, Owner of Watkins Landmark Construction, presented pictures of the Indian Wells Tennis Garden expansion in chronological order showing the progress and bringing the City up to the current status of the project.

6. PUBLIC HEARINGS

3B

UNOFFICIAL

A. ROOF DECK AT 45-410 COOK STREET:
Adopt Resolution Approving a Conditional Use Permit and Variance for Construction of a 256 Square Foot Roof Deck at 45-410 Cook Street, for which a CEQA Categorical Exemption has been Prepared. Page 103.

[2:35:25] Indian Wells Historical Preservation Foundation President Adele Huxton stated that the previous owners, the Hutton's, had submitted an application to the National Registry but Mr. Hutton had passed away and the house went on the market to be sold. Ms. Huxton stated a new application was given to the new owners, the Burgess's, but with the changes to the property, new pictures will have to be taken and submitted with the application to the National Registry.

Mayor Mertens opened the public hearing at 2:46 p.m. to hear testimony in favor of or against Resolution Bill No. 2013-67; hearing none, Mayor Mertens closed the public hearing.

It was determined that no further CEQA review is required as the project qualifies as a Class 3 categorical exemption, CEQA Code Section 15303(e) relating to new construction or conversion of small structures; and

to ADOPT Resolution No. 2013-55 [Resolution Bill No. 2013-67] to read as follows:

RESOLUTION NO. 2013-55

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF INDIAN WELLS, CALIFORNIA, APPROVING CONDITIONAL USE PERMIT NO. 2013-03 AND VARIANCE NO. 2013-05 FOR THE ADDITION OF A PROPOSED 235 SQUARE FOOT ROOF DECK TO THE EXISTING RESIDENTIAL STRUCTURE (HUTTON HOUSE) LOCATED AT 45-410 COOK STREET

A motion was made by Council Member Roche, seconded by Council Member Mullany, that this matter be Adopted. The motion carried unanimously.

3B

UNOFFICIAL

B. FY 2014-15 COMMUNITY DEVELOPMENT BLOCK GRANT: Adopt Resolution Approving Fiscal Year 2014-15 Community Development Block Grant (CDBG) Program and Authorizing Execution of Agreements by City Manager. Page 119.

[2:47:22] Mayor Mertens opened the public hearing at 2:50 p.m. to hear testimony in favor of or against Resolution Bill No. 2013-61; hearing none, Mayor Mertens closed the public hearing.

It was determined to ADOPT Resolution No. 2013-56 [Resolution Bill No. 2013-61] to read as follows:

RESOLUTION NO. 2013-56

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF INDIAN WELLS, CALIFORNIA, APPROVING THE PROJECT AND AUTHORIZING THE CITY MANAGER TO EXECUTE ALL NECESSARY AGREEMENTS FOR THE FISCAL YEAR 2014/2015 COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM; and

to AUTHORIZE the City Manager to execute all necessary agreements associated with the 2014-15 fiscal year CDBG program

A motion was made by Council Member Mullany, seconded by Mayor Pro-Tem Peabody, that this matter be Adopted. The motion carried unanimously.

7. CONSENT CALENDAR

[2:50:21] Mr. Andy Elchuck, resident, requested that Consent Items #7A, #7B and #7C be pulled for further information and discussion.

D. TREASURER'S REPORT: Receive/File City Treasurer's Cash Balance and Investment Report for August 2013. Page 174.

This Matter was Approved on the Consent Agenda.

E. WARRANTS & DEMANDS: Approve FAMD Warrants and Demands. Page 199.

This Matter was Approved on the Consent Agenda.

F. WARRANTS & DEMANDS: Approve CITY Warrants and Demands. Page 202.

This Matter was Approved on the Consent Agenda.

3B

UNOFFICIAL

Passed The Consent Agenda

A motion was made by Mayor Pro-Tem Peabody, seconded by Council Member Mullany, including all the preceding items marked as having been adopted on the Consent Agenda. The motion carried unanimously.

C. 2014 COUNCIL MEETING SCHEDULE:
Adopt 2014 City Council Meeting Schedule and First Quarter Special Meeting Schedule. Page 171.

[2:52:20] Council Member Hanson asked why the July 3 meeting was cancelled. Chief Deputy City Clerk Grandys stated the July 3 meeting was cancelled because of the Fourth of July holiday.

A motion was made by Council Member Hanson for Council to meet on July 3, 2014, cancel the proposed July 10, 2014 Council Meeting and then for Council to meet on August 28, 2014. The motion died for lack of a second.

It was determined to APPROVE the 2014 City Council Meeting Schedule and First Quarter Special Meeting Schedule as presented in the Staff Report; and

to DIRECT staff to disseminate the information on the City's website, newsletter, and any other necessary communication medium.

A motion was made by Mayor Pro-Tem Peabody, seconded by Council Member Mullany, that this matter be Approved. The motion carried by the following vote:

Votes: AYES: 4 - Mertens, Peabody, Mullany and Roche
NOES: 1 - Hanson

A. PRE-AUTHORIZATION OF COUNCIL ATTENDANCE AT 2014 EVENTS:
Approval and Authorization for City Council Members Attendance at 2014 Events. [Budgeted] Page 168.

[2:57:39] It was determined APPROVE the attendance of Council Member(s) to the events identified in the staff report; and

to AUTHORIZE any normal and reasonable reimbursement of expenses incurred by any Council Member for the events identified below.

A motion was made by Mayor Pro-Tem Peabody, seconded by Council Member Roche, that this matter be Approved. The motion carried unanimously.

3B

UNOFFICIAL

B. OVERNIGHT STAY AUTHORIZATION FOR DEPARTMENT HEAD WORKSHOP:
Authorization for Overnight Stay During Department Head Strategic Planning Workshop to be Held February 26-28, 2014. [Budgeted] Page 170.

[2:57:39] It was determined to AUTHORIZE the overnight stay for the City Manager and Department Heads during the Strategic Planning workshop to be held February 26-28, 2014 at a to be determined hotel within the Coachella Valley.

A motion was made by Mayor Pro-Tem Peabody, seconded by Council Member Roche, that this matter be Approved. The motion carried unanimously.

8. GENERAL BUSINESS

3B

UNOFFICIAL

A. FY 2013-14 GRANTS-IN-AID PROGRAM:
Approve Grants-in-Aid Committee Funding Recommendations.
Page 216.

[2:57:54] Council Member Roche stated she is advised by the City Attorney to name the individuals who have contributed to her campaign and in the abundance of caution will not limit it to Board Members as she is unsure of who is currently on the Boards of these charities who contributed more than $99 dollars. Ms. Roche named Mr. Robert Baltes, Mary Heckman and Patty Delgado-Service, Kevin McGuire from Shelter from the Storm; and Tom Flanagan from Big Brothers Big Sisters. Council Member Roche requested that the Board Members of each charity that are being considered to receive a grant be provided to Council so that Council Members may refer to it when they state campaign contributors prior to the vote.

It was determined to APPROVE the Grants-in-Aid Committee's funding which consists of $60,000 for homeless-related activities and $40,000 for other grant eligible activities for Fiscal Year 2013-13 as set forth below:

Homeless Related Activities:
Operation Safehouse $6,000
Coachella Valley Rescue Mission $20,000
Martha's Village and Kitchen $20,000
Olive Crest $6,000
Shelter from the Storm $8,000

Other Grant Eligible Activities:
Angel View $5,000
Animal Samaritans $4,000
Big Brothers Big Sisters $5,000
Desert Arc $4,000
Hidden Harvest $5,000
PS Scottish Rite Childhood Language Center $5,000
Pegasus Therapeutic Riding Academy $5,000
Ranch Recovery Centers $2,000
The Well in the Desert $5,000

to AUTHORIZE and DIRECT the City Manager to execute the funding contracts; and

to AUTHORIZE and DIRECT the staff to process the necessary requisitions.

A motion was made by Mayor Pro-Tem Peabody, seconded by Council Member Mullany, that this matter be Approved. The motion carried unanimously.

3B

UNOFFICIAL

B. RE-ESTABLISHMENT OF COMMITTEES:
Adopt Resolutions Re-establishing Four Committee with Consistent Governing Policies. Page 219.

[3:05:17] Chief Deputy City Clerk stated the Council met in special session this morning and determined Community Activities and Grants-in-Aid committees will have one ex-officio member and one alternate, the Golf Resort Advisory committee will continue to have two ex-officio members, and the Marketing committee will continue to have two voting members. She stated the resolutions have been amended and give to the Council at the dais.

It was determined to ADOPT AS AMENDED Resolution No. 2013-57 [Resolution Bill No. 2013-62] to read as follows:

RESOLUTION NO. 2013-57

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF INDIAN WELLS, CALIFORNIA, RESCINDING RESOLUTION NO. 2002-52 AND RE-ESTABLISH THE COMMUNITY ACTIVITIES COMMITTEE, and

to ADOPT AS AMENDED Resolution No. 2013-58 [Resolution Bill No. 2013-63] to read as follows:

RESOLUTION NO. 2013-58

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF INDIAN WELLS, CALIFORNIA, RESCINDING RESOLUTION NO. 2007-58 AND RE-ESTABLISH THE GOLF RESORT ADVISORY COMMITTEE; and

to ADOPT AS AMENDED Resolution No. 2013-59 [Resolution Bill No. 2013-64] to read as follows:

RESOLUTION NO. 2013-59

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF INDIAN WELLS, CALIFORNIA, RE-ESTABLISH THE GRANTS-IN-AID COMMITTEE; and

to ADOPT AS AMENDED Resolution No. 2013-60 [Resolution Bill No. 2013-65] to read as follows:

RESOLUTION NO. 2013-60

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF INDIAN WELLS, CALIFORNIA, RESCINDING RESOLUTION NO. 2002-45 AND RE-ESTABLISH THE MARKETING COMMITTEE

3B

UNOFFICIAL

A motion was made by Council Member Roche, seconded by Mayor Pro-Tem Peabody, that this matter be Adopted As Amended. The motion carried unanimously.

C. 2014-15 STRATEGIC PLANNING PROCESS:
General Overview of the FY 2014-15 Strategic Planning Process. Page 245.

[3:07:37] Council Member Roche made suggestions under the category of Environmental Scan under clients and customers, adding Homeowners Associations, Country Clubs, Country Club security, and Cove Communities. As to the Resource Providers, adding the medical community, CVAG, United Way and the Red Cross. Mr. McKinney stated United Way and Red Cross were grouped together under Non-Profits, under service groups but they can be listed individually.

It was determined to ADOPT a Planning Horizon of three years that encompasses the next budget cycle; and

to REAFFIRM the City's Mission Statement; and

to incorporate the comments received on the Environmental Scan; and

to accept, without additions or corrections, the preliminary list of current City Council discussion issues.

A motion was made by Council Member Mullany, seconded by Mayor Pro-Tem Peabody, that this matter be Approved. The motion carried unanimously.

D. ANNUAL COMMITTEE RECRUITMENT SCHEDULE:
Approve Schedule for Annual Recruitment for Various Commission and Committee Vacancies and Provide Direction as to Mosquito & Vector Control Board Recruitment Timing. Page 259.

[3:25:23] It was determined to DIRECT Staff to report back to the City Council on whether the City's appointment requires the Coachella Valley Mosquito and Vector Control Boards' approval at the next meeting; and

to APPROVE the proposed annual recruitment schedule as shown in the staff report; and

to DIRECT Staff to implement the annual recruitment schedule and disseminate the information on the City's website, newsletter, and any other necessary communication medium.

A motion was made by Council Member Mullany, seconded by Council Member Roche, that this matter be Approved. The motion carried unanimously.

3B

UNOFFICIAL

E. UPDATE FISCAL POLICY AND PROCEDURES MANUAL: Adopt Resolution Approving the 2013 Update to the Indian Wells Fiscal Policy and Procedures Manual. Page 263.

[3:30:03] It was determined to ADOPT Resolution No. 2013-61 [Resolution Bill No. 2013-66] to read as follows:

RESOLUTION NO. 2013-61

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF INDIAN WELLS, CALIFORNIA, APPROVING THE 2013 UPDATE TO THE INDIAN WELLS FISCAL POLICY AND PROCEDURES MANUAL

A motion was made by Council Member Roche, seconded by Council Member Mullany, that this matter be Adopted. The motion carried unanimously.

9. SUCCESSOR AGENCY BUSINESS

3B

UNOFFICIAL

A. INDIAN WELLS CROSSING RETAIL:
Approve the Assignment and Assumption Agreement for Miles Crossing Retail LLC's Interest to Excel Indian Wells LLC and Authorize the Executive Director to Execute Same. Page 316.

[3:33:25] City Attorney Stephen Deitsch stated the first of the two Recommendations in the Staff Report should start with "Subject to the conditions set forth hereafter," and then continue with the rest "Successor Agency APPROVES ...." and then in the second part of the recommendation it says "AUTHORIZES", Mr. Deitsch stated it should include "and Directs Executive Director ...". And Mr. Deitsch further stated he recommends that at the very end adding "On condition that the Executive Director first determines that EXCEL has been deemed to have a satisfactory background check". Mr. Deitsch stated the motion could simply be to ADOPT Staff's recommendations.

It was determined to APPROVE AS AMENDED subject to the conditions set forth hereafter by the City Attorney, the Successor Agency APPROVES the Assignment and Assumption Agreement of Miles Crossing Retail LLC's interest in the Disposition and Development Agreement (DDA) to Excel Indian Wells, LLC; and

to AUTHORIZE and DIRECT the Successor Agency's Executive Director to execute the Assignment and Assumption Agreement between Miles Crossing Retail LLC and Excel Indian Wells, LLC in substantially the form enclosed with this staff report, to confirm the Successor Agency's consent, on condition that the Executive Director first determines that Excel has been deemed to have a satisfactory background check.

A motion was made by Council Member Roche, seconded by Mayor Pro-Tem Peabody, that this matter be Approved As Amended. The motion carried unanimously.

10. CITY MANAGER'S REPORTS/COMMENTS AND MATTERS FROM STAFF

[3:40:46] None.

11. COUNCIL MEMBERS' REPORTS AND COMMENTS

[3:40:51]

A. Council Member Roche

Council Member Roche wished everyone a Merry Christmas and Happy Holidays.

3B

UNOFFICIAL

B. Council Member Hanson

Council Member Hanson reported he recently attended a Riverside County Transportation Commission ground breaking ceremony in Riverside for the 91 Freeway. Mr. Hanson said when this project is completed, the people who travel between the desert and the coast will love it.

Council Member Hanson commended the new SunLine General Manager Lauren Skiver for doing a great job.

Council Member Hanson stated Council should vote on whether the residents should be charged for some City events and requested this item be agendized for the next Council meeting.

C. Council Member Mullany

Council Member Mullany congratulated the Mayor on revising the Committee Assignment process which occurred this morning during a Special Meeting. Council Member Mullany thanked all the employees for their efforts stating "let us not take things for granted."

D. Mayor Pro Tem Peabody

No report.

E. Mayor Mertens

Mayor Mertens wished everyone a Merry Christmas and a Great 2014.

12. CITY ATTORNEY REPORTS AND COMMENTS

[3:46:55] City Attorney Stephen Deitsch stated the Council met this morning at a Special Meeting to review Closed Session Items #A to #E. Mr. Deitsch stated Closed Session #D related to a potential claim regarding a conditional use permit and construction of a driveway project. Mr. Deitsch stated there was no reportable action taken.

Mr. Deitsch stated under the Housing Authority, Closed Session Item #A there was no reportable action taken. Mr. Deitsch further stated under Successor Agency, Closed Session Item #A there was no reportable action taken.

UNOFFICIAL

13. CLOSED SESSION

At 11:00 a.m. Mayor Mertens stated the City Council would hold a Closed Session to discuss the following items.

A. Conference with Legal Counsel Regarding Anticipated Litigation Pursuant to Government Code Section 54956.9(b)(1): Claimant: Tyrone Colgrove.

At 3:46 p.m. City Attorney Stephen Deitsch stated there was no reportable action taken on this item.

B. Conference with Legal Counsel Regarding Anticipated Litigation Pursuant to Government Code Section 54956.9(b)(1): Claimant: Laurie Muhlhauser.

At 3:46 p.m. City Attorney Stephen Deitsch stated there was no reportable action taken on this item.

C. Conference with Legal Counsel Regarding Anticipated Litigation Pursuant to Government Code Section 54956.9(b)(1): Claimant: Claire Joles.

At 3:46 p.m. City Attorney Stephen Deitsch stated there was no reportable action taken on this item.

D. Conference with Legal Counsel Regarding Anticipated Litigation. Significant Exposure to Litigation Pursuant to Government Code Section 54956.9(d)(2). Number of Potential Cases: 1.

At 3:46 p.m. City Attorney Stephen Deitsch stated there was no reportable action taken on this item.

E. Conference with Legal Counsel Regarding Anticipated Litigation. Initiation of Litigation Pursuant to Government Code Section 54956.9(d)(4). Number of Potential Cases: 1.

At 3:46 p.m. City Attorney Stephen Deitsch stated there was no reportable action taken on this item.

14. SUCCESSOR AGENCY CLOSED SESSION

Mayor Mertens stated the Successor Agency would hold a Closed Session to discuss the following items.

UNOFFICIAL

A. Conference with Agency's Real Property Negotiator Pursuant to Government Code Section 54956.8. Real Property: Property Generally Located on the Northeast Corner of Miles Avenue and Highway 111 Known as Miles Crossing, Also Known as APNs 633-310-005, 633-310-006, 633-310-011, 633-310-015, 633-310-016, 633-310-017, 633-310-020, 633-310-023, 633-410-036, 633-410-037, 633-410-041, 633-410-045 and 633-410-046. Agency Negotiator: Negotiating Parties: On Behalf of City of Indian Wells: Wade G. McKinney, City Manager. Other Negotiating Party: Miles Retail Crossing, LLC and Michael Kiner. Under Negotiation: Price and Terms of Payment.

At 3:46 p.m. City Attorney Stephen Deitsch stated there was no reportable action taken on this item.

15. ADJOURNMENT

At 3:47 p.m. Mayor Mertens ADJOURNED to a regularly scheduled afternoon session meeting of the City Council to be held at 1:30 p.m. on January 16, 2014 in the City Hall Council Chambers.

Respectfully submitted,

_____

Wade G. McKinney, City Manager/City Clerk

This council meeting may be viewed on the City's website at http://www.cityofindianwells.org/city hall/citycouncil/viewmeetings.asp and the complete agenda packets are available on the City's website at http://www.cityofindianwells.org/cityhall/cagaends.asp

3B

At Dais, Item 4B

objet trouvé

found art festival

April 4-6, 2014

In the tradition of Pablo Picasso, Marcel Duchamp, Man Ray, Juan Gris and Georges Braque, 50 artists will exhibit and create one-of-a-kind artworks for sale. Featured objet trouvé categories will include assemblage, collage, sculpture, jewelry, painting and ceramics. In addition, hands-on, found art demonstrations will take place during the three day festival.

objet trouvé will join with award-winning found artists from all over the country. objet trouvé is a Found Art Festival within the Indian Wells Arts Festival.

Objet Trouve' Found Art Festival is the genesis of two Coachella Valley -based art organizations, the Coachella Valley Arts Alliance and the Student Creative Recycle Art Program (S.C.R.A.P. Gallery). Working together with the Indian Wells Arts Festival, rated one of the "100 Best Fine Art Shows in the country" by Sunshine Artist magazine, the Found Art Festival seeks to celebrate one of the most cutting-edge and innovative forms of art.

Festival Directors:
Karen Riley
Bill Schinsky

Email:
info@objettrouvefoundartfestival.com

Address/P.O. Box:
Coachella Valley Arts Alliance
45140 Towne Street
Indio, CA 92201

JUST DU IT.

"I had the happy idea to fasten a bicycle wheel to a kitchen stool and watch it turn." -Marcel Duchamp

In 1913, Marcel Duchamp put a new spin on art when he gathered found objects or objet trouvé and created a new art form using a bicycle wheel and a stool. Since the early 20th Century artists like Picasso, Duchamp, Man Ray, Braque and beyond have been known to reuse and recycle objects in their artworks and you can do it too.

As part of the S.C.R.A.P. Gallery's Recycle Bicycles Exhibit, we want you to reinterpret Duchamp's famous Bicycle Wheel. We will give you the basics to start—a stool and a wheel and then you decide how to make it your own objet trouvé . Your sculpture will then be exhibited as part of the Recycle Bicycles exhibit at the first ever **Objet Trouvé Found Art Festival** held April 4-6, 2014 in conjunction with the Indian Wells Arts Festival.

To get started on your objet trouvé bicycle wheel, contact the S.C.R.A.P. Gallery at info@scrapgallery.org or call 760/861-6479.

S.C.R.A.P. Gallery
The Art Museum for the Environment

Recycle Bicycles" is an environmental art experience. Artists of all ages are asked to create unique sculptures using recycled and/or non-functional bicycles and parts. Sculptures can be produced individually or as group projects.

The mission of the S.C.R.A.P. Gallery is to actively engage youth as stewards of their environment through a concentrated, hands-on, educational effort stressing the Four R's – Reduce, Reuse, Recycle, Responsibility. The S.C.R.A.P. Gallery is an innovative program that addresses two of today's most urgent issues – the environment and the education of our youth.

Public Comments

MARCH 3-16
2014

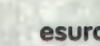
INDIAN WELLS • CALIFORNIA

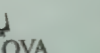
A STAR IS BORN
Coming in 2014

New Permanent Stadium 2 featuring 8,000 seats and restaurants to watch the action from including Nobu, The Chop House, Piero's PizzaVino and more!

Order Your Tickets Today Online
or Call the Indian Wells Tennis Garden Box Office.

bnpparibasopen.com
877.LOVE 10S (877.568.3107)





Your Official Preview Guide to the Best in Tennis

BNP PARIBAS OPEN 2014

The Indian Wells Tennis Garden would make for an eye-popping, time-lapse photo. Imagine watching in rapid-fire succession how the tournament has gone from a humble ATP charity event in the 1970s to the BNP Paribas Open, the most attended men's and women's tennis tournament in the world next to the Grand Slams.

Indeed, expansion has embodied the tournament's mission to serve tennis fans. This year, the BNP Paribas Open is set to unveil a permanent Stadium 2 that will feature 8,000 seats and three restaurants including world-renowned Nobu overlooking the court, a marquee site entrance with a new box office, a 19,000 square-foot shade structure identical to the one constructed in 2012 and four additional practice courts. Add to this the crown jewel of the Indian Wells Tennis Garden, the 16,000-plus stadium that debuted in 2000, and you'd be hard pressed to name one place that's better to watch professional tennis in a relaxing atmosphere. Oh, and don't worry: 2,000 additional parking spaces, an upgraded valet and more accessible parking areas are being added, too.

Change has always been part of the tournament's DNA. When the Hawkeye Challenge system was introduced, the BNP Paribas Open became the only tennis event to use the instant-replay technology on all match courts....and still is. Equal prize money now tops out at $5,141,000 for each the men's and women's draws - $1 million for each of the singles champions. And in excess of 50 video walls are distributed on all match courts and throughout the grounds to enhance the viewing experience while you cool down with a beverage.

2013 Women's Champion Maria Sharapova
Photo Credit: Marc Glassman

2013 Men's Champion Rafael Nadal
Photo Credit: Marc Glassman

Last year, of course, Maria Sharapova and Rafael Nadal took home top honors, with 382,227 in attendance for the duration of the tournament. What's more, ESPN has renewed its commitment to broadcast the event through 2020 and Tennis Channel will provide a ½ hour pre-game show daily before live broadcast at 11am PT.

Who'll win the BNP Paribas Open in 2014? It's anyone's guess, but you can be sure of two things: the world's best players will be on hand to compete, and the experience watching them will be better than ever.

For more information, to order tickets and to watch live during the event, please visit www.bnpparibasopen.com or call the Indian Wells Tennis Garden Box Office 800-999-1585, where there is a complete listing and description of all tickets, packages and pricing.

FOLLOW US ON

INDIAN WELLS
CALIFORNIA

CC/HA ACTION _____ MTG. DATE: 1-16-14
APPROVED X DENIED ___ REC/FILE ___ CONT. ___
OTHER _____
VOTE: YES 5 NO 0 ABSTAIN _____

Indian Wells City Council *January 16, 2014*

Staff Report – Public Works

Approve Replacement of Four HVAC Units as Part of 45-200 Club Drive Rehabitation and Finds the Project Exempt from CEQA

RECOMMENDATIONS:

City Council **FINDS** the proposed project is categorically exempt from the provisions of the California Environmental Quality Act (CEQA) per Section 15301(d), Existing Facilities; and

AWARDS the contract to Desert Air Conditioning, Inc. for the installation of four HVAC units for 45-200 Club Drive, Suites A and D; and

APPROVES the construction agreement between Desert Air Conditioning, Inc. and the City and **AUTHORIZES** and **DIRECTS** the City Manager to execute the agreement; and

APPROVES the requisition to Desert Air Conditioning, Inc. in the amount of $44,828 for the installation of four HVAC units, two smoke duct detectors and an air balance report.

DISCUSSION:

Background:

The City Council authorized staff, in March 2013, to move forward in the complete lease out of the City owned 45-200 Club Drive building and established a budget of $75,000 for the rehabitation work. In the course of inspecting and maintaining the building amenities, staff has identified the current cooling system as inadequate and in need of replacement as the existing units are insufficient to maintain comfortable ambient office temperatures.

Analysis:

WM Medical Management the new tenant for Suites A and D is in the process of constructing their tenant improvements prior to occupying the suites, and this presents an opportunity for the City to install the new HVAC units while the tenant improvements are being completed. Staff requested bids from local air conditioning companies, and the City received two bids with Desert Air as the apparent low bidder. The bids received were as follows:

Desert Air	$44,828
Hugh Hoard, Inc.	$52,120
Kermit Larvy	Unresponsive (Did not bid)

The work will include the installation of four fan coils and all support equipment needed plus installation of two smoke duct detectors and an air balance report as identified in the project specifications.

CEQA:

The proposed project has been assessed in accordance with the authority and criteria contained in the California Environmental Quality Act (CEQA), the State and local CEQA Guidelines, and the environmental regulation of the city. The proposed modification is not expected to create new significant impacts or substantially increase the severity of previously assessed impacts. Furthermore, the project qualifies as a Class 1 Categorical Exemption pursuant to Section 15301(d), Existing Facilities, of the CEQA Guidelines.

FISCAL IMPACT:

The City budgeted $75,000 for capital improvements of the 45-200 Club Drive building. There are sufficient funds for the replacement of the HVAC units and the two alternates included in the proposal totaling $44,828.

ATTACHEMENTS:

1. Desert Air's bid document
2. Construction agreement with Desert Air Conditioning, Inc.

DESERT AIR
CONDITIONING, INC
Serving the Coachella Valley Since 1954

590 WILLIAMS ROAD • PALM SPRINGS, CA 92264
(760) 323-3383 • FAX (760) 323-8983
LICENSE NO. 276586

December 13, 2013

City of Indian Wells
45-200 Club Drive
Indian Wells, CA 92210

RE: Dr. Cosgrove Tenant Improvement
45-200 Club Drive Suites A & D
Indian Wells, CA 92210

Proposed HVAC Improvements
As Per Plans Dated11/22/2013, Sheet M1, M2, M3

Work To Include:

- Four Mitsubishi wall mount fan coils with condensate pumps and remote stats
- Two Mitsubishi condensing units
- Refrigeration piping between units
- Low voltage wiring between units
- Four wall mounted controller wireless thermostats
- Sheetmetal platform covers (platforms by others)
- Three Panasonic exhaust fans with humidity control
- Exhaust ductwork up thru roof with roof jacks and caps
- Supply and flex ductwork as shown on Sheet M1 6.0R
- Galvanized metal wyes with dampers and quadrants for air balance
- Duct wrap galvanized metal wyes
- Seal all ductwork
- Two new Programmable thermostats for the existing two units
- Service two existing air conditioning and heating units including filter changes
- Start up new and existing equipment
- Air adjustment to match required CFM listed on plans

Work Not Included:

- Permit
- Electrical wiring and connection including equipment disconnects
- Low voltage conduit (by Electrician)
- Condensate drains (by Plumber)
- Curbs for the two Mitsubishi condensing units

DESERT AIR CONDITIONING, INC
Serving the Coachella Valley Since 1954

590 WILLIAMS ROAD • PALM SPRINGS, CA 92264
(760) 323-3383 • FAX (760) 323-8983
LICENSE NO. 276586

- Framing for ductwork (if required)
- Patching of roof at piping and exhaust duct penetrations

COST FOR THIS WORK: **$40,599.00**

Alternate: Add for two smoke duct detectors with connection to existing equipment, if required (power to these items by the Electrician)
$ 729.00

Alternate: If Independent Air Balance Company with air balance report is required, Add $ 3,500.00

INDIAN WELLS
CALIFORNIA

CITY OF INDIAN WELLS
SHORT-FORM CONSTRUCTION CONTRACT

45-200 CLUB DRIVE, SUITE A & D
INDIAN WELLS HVAC IMPROVEMENTS

1. PARTIES AND DATE.

This Contract is made and entered into this **3rd** day of **January, 2014** by and between the **City of Indian Wells**, a municipal corporation and charter City in the State of California with its principal place of business at 44-950 Eldorado Drive, Indian Wells, California 92210-7497 ("City") and **Desert Air Conditioning Inc.**, a **California Corporation** with its principal place of business at **590 Williams Road, Palm Springs, CA 92264** ("Contractor"). City and Contractor are sometimes individually referred to as "Party" and collectively as "Parties" in this Contract.

2. RECITALS.

2.1 City. City is a municipal corporation organized under the laws of the State of California, with power to contract for services necessary to achieve its purpose.

2.2 Contractor. Contractor desires to perform and assume responsibility for the provision of certain construction services required by the City on the terms and conditions set forth in this Contract. Contractor represents that it is experienced in providing **HVAC Improvements** services to public clients, that it and its employees or subcontractors have all necessary licenses and permits to perform the Services in the State of California, and that is familiar with the plans of City.

2.3 Project. City desires to engage Contractor to render such services for the **45-200 Club Drive, Suite A & D, Indian Wells HVAC Improvements** ("Project") as set forth in this Contract.

2.4 Project Documents & Certifications. Contractor has obtained, and delivers concurrently herewith, **Insurance and Endorsement Certificate** as required by the Contract.

3. TERMS

3.1 Incorporation of Documents. This Contract includes and hereby incorporates in full by reference the following documents, including all exhibits, drawings, specifications and documents therein, and attachments and addenda thereto: **Insurance and Endorsement Certificate**.

3.2 Contractor's Basic Obligation; Scope of Work. Contractor promises and agrees, at its own cost and expense, to furnish to the Owner all labor, materials, tools, equipment, services, and incidental and customary work necessary to fully and adequately complete the Project, including all structures and facilities necessary for the Project or described in the Contract (hereinafter sometimes referred to as the "Work"), for a Total Contract Price as specified pursuant to this Contract. All Work shall be subject to, and performed in accordance with the above referenced documents, as well as the exhibits attached hereto and incorporated herein by reference. The plans and specifications for the Work are further described in Exhibit "A" attached hereto and incorporated herein by this reference. Special conditions, if any, relating to the Work are described in Exhibit "B" attached hereto and incorporated herein by this reference.

3.3 Change in Scope of Work. Any change in the scope of the Work, method of performance, nature of materials or price thereof, or any other matter materially affecting the performance or nature of the Work shall not be paid for or accepted unless such change, addition or deletion is approved in advance and in writing by a valid change order executed by the City.

3.4 Period of Performance and Liquidated Damages. Contractor shall perform and complete all Work under this Contract within **14 calendar days**, beginning the effective date of the Notice to Proceed ("Contract Time"). Contractor shall perform its Work in strict accordance with any completion schedule, construction schedule or project milestones developed by the City. Such schedules or milestones may be included as part of Exhibits "A" or "B" attached hereto, or may be provided separately in writing to the Contractor. Contractor agrees that if such Work is not completed within the aforementioned Contract Time and/or pursuant to any such completion schedule, construction schedule or project milestones developed pursuant to provisions of the Contract, it is understood, acknowledged and agreed that the City will suffer damage. Since it is impractical and infeasible to determine the amount of actual damage, it is agreed that the Contractor shall pay to the City as fixed and liquidated damages, and not as a penalty, the sum of **Two Hundred Fifty Dollars ($250per day)** for each and every calendar day of delay beyond the Contract Time or beyond any completion schedule, construction schedule or Project milestones established pursuant to the Contract.

3.5 Standard of Performance; Performance of Employees. Contractor shall perform all Work under this Contract in a skillful and workmanlike manner, and consistent with the standards generally recognized as being employed by professionals in the same discipline in the State of California. Contractor represents and maintains that it is skilled in the professional calling necessary to perform the Work. Contractor warrants that all employees and subcontractors shall have sufficient skill and experience to perform the Work assigned to them. Finally, Contractor represents that it, its employees and subcontractors have all licenses, permits, qualifications and approvals of whatever nature that are legally required to perform the Work, including a City Business License, and that such licenses and approvals shall be maintained throughout the term of this Contract. As provided for in the indemnification provisions of this Contract, Contractor shall perform, at its own cost and expense and without reimbursement from the City, any work necessary to correct errors or omissions which are caused by the Contractor's failure to comply with the standard of care provided for herein. Any employee who is determined by the City to be uncooperative, incompetent, a threat to the safety of persons or the Work, or any employee who fails or refuses to perform the Work in a manner acceptable to the

6A

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City, shall be promptly removed from the Project by the Contractor and shall not be re-employed on the Work.

3.6 Control and Payment of Subordinates; Contractual Relationship. City retains Contractor on an independent contractor basis and Contractor is not an employee of City. Any additional personnel performing the work governed by this Contract on behalf of Contractor shall at all times be under Contractor's exclusive direction and control. Contractor shall pay all wages,_ salaries, and other amounts due such personnel in connection with their performance under this Contract and as required by law. Contractor shall be responsible for all reports and obligations respecting such additional personnel, including, but not limited to: social security taxes, income tax withholding, unemployment insurance, and workers' compensation insurance.

3.7 City's Basic Obligation. City agrees to engage and does hereby engage Contractor as an independent contractor to furnish all materials and to perform all Work according to the terms and conditions herein contained for the sum set forth above. Except as otherwise provided in the Contract, the City shall pay to Contractor, as full consideration for the satisfactory performance by the Contractor of the services and obligations required by this Contract, the above referenced compensation in accordance with compensation provisions set forth in the Contract.

3.8 Compensation and Payment.

3.8.1 Amount of Compensation. As consideration for performance of the Work required herein, City agrees to pay Contractor the Total Contract Price of **Forty Thousand Five Hundred Ninety Nine and 00/100 Dollars ($40,599)** ("Total Contract Price") provided that such amount shall be subject to adjustment pursuant to the applicable terms of this Contract or written change orders approved and signed in advance by the City.

3.8.2 Payment of Compensation. If the Work is scheduled for completion in thirty (30) or less calendar days, City will arrange for payment of the Total Contract Price upon completion and approval by City of the Work. If the Work is scheduled for completion in more than thirty (30) calendar days, City will pay Contractor on a monthly basis as provided for herein. On or before the fifth (5th) day of each month, Contractor shall submit to the City an itemized application for payment in the format supplied by the City indicating the amount of Work completed since commencement of the Work or since the last progress payment. These applications shall be supported by evidence which is required by this Contract and such other documentation as the City may require. The Contractor shall certify that the Work for which payment is requested has been done and that the materials listed are stored where indicated. Contractor may be required to furnish a detailed schedule of values upon request of the City and in such detail and form as the City shall request, showing the quantities, unit prices, overhead, profit, and all other expenses involved in order to provide a basis for determining the amount of progress payments.

City shall review and pay all progress payment requests in accordance with the provisions set forth in Section 20104.50 of the California Public Contract Code. No progress payments will be made for Work not completed in accordance with this Contract.

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3.8.3 Contract Retentions. From each approved progress estimate, ten percent (10%) will be deducted and retained by the City, and the remainder will be paid to Contractor. All Contract retainage shall be released and paid to the Contractor and subcontractors pursuant to California Public Contract Code Section 7107.

3.8.4 Other Retentions. In addition to Contract retentions, the City may deduct from each progress payment an amount necessary to protect City from loss because of: (1) liquidated damages which have accrued as of the date of the application for payment; (2) any sums expended by the City in performing any of Contractor's obligations under the Contract which Contractor has failed to perform or has performed inadequately; (3) defective Work not remedied; (4) stop notices as allowed by state law; (5) reasonable doubt that the Work can be completed for the unpaid balance of the Total Contract Price or within the scheduled completion date; (6) unsatisfactory prosecution of the Work by Contractor; (7) unauthorized deviations from the Contract; (8) failure of the Contractor to maintain or submit on a timely basis proper and sufficient documentation as required by the Contract or by City during the prosecution of the Work; (9) erroneous or false estimates by the Contractor of the value of the Work performed; (10) any sums representing expenses, losses, or damages as determined by the City, incurred by the City for which Contractor is liable under the Contract; and (11) any other sums which the City is entitled to recover from Contractor under the terms of the Contract or pursuant to state law, including Section 1727 of the California Labor Code. The failure by the City to deduct any of these sums from a progress payment shall not constitute a waiver of the City's right to such sums.

3.8.5 Substitutions for Contract Retentions. In accordance with California Public Contract Code Section 22300, the City will permit the substitution of securities for any monies withheld by the City to ensure performance under the Contract. At the request and expense of the Contractor, securities equivalent to the amount withheld shall be deposited with the City, or with a state or federally chartered bank in California as the escrow agent, and thereafter the City shall then pay such monies to the Contractor as they come due. Upon satisfactory completion of the Contract, the securities shall be returned to the Contractor. For purposes of this Section and Section 22300 of the Public Contract Code, the term "satisfactory completion of the contract" shall mean the time the City has issued written final acceptance of the Work and filed a Notice of Completion as required by law and provisions of this Contract. The Contractor shall be the beneficial owner of any securities substituted for monies withheld and shall receive any interest thereon. The escrow agreement used for the purposes of this Section shall be in the form provided by the City.

3.8.6 Payment to Subcontractors. Contractor shall pay all subcontractors for and on account of work performed by such subcontractors in accordance with the terms of their respective subcontracts and as provided for in Section 10262 of the California Public Contract Code. Such payments to subcontractors shall be based on the measurements and estimates made and progress payments provided to Contractor pursuant to this Contract.

3.8.7 Title to Work. As security for partial, progress, or other payments, title to Work for which such payments are made shall pass to the City at the time of payment. To the extent that title has not previously been vested in the City by reason of payments, full title shall pass to the City at delivery of the Work at the destination and time specified in this Contract.

Such transferred title shall in each case be good, free and clear from any and all security interests, liens, or other encumbrances. Contractor promises and agrees that it will not pledge, hypothecate, or otherwise encumber the items in any manner that would result in any lien, security interest, charge, or claim upon or against said items. Such transfer of title shall not imply acceptance by the City, nor relieve Contractor from the responsibility to strictly comply with the Contract, and shall not relieve Contractor of responsibility for any loss of or damage to items.

3.9 Termination. This Contract may be terminated by City at any time by giving Contractor three (3) days advance written notice. In the event of termination by City for any reason other than the fault of Contractor, City shall pay Contractor for all Work performed up to that time as provided herein. In the event of breach of the Contract by Contractor, City may terminate the Contract immediately without notice, may reduce payment to the Contractor in the amount necessary to offset City's resulting damages, and may pursue any other available recourse against Contractor. Contractor may not terminate this Contract except for cause.

In the event this Contract is terminated in whole or in part as provided, City may procure, upon such terms and in such manner as it may determine appropriate, services similar to those terminated. Further, if this Contract is terminated as provided, City may require Contractor to provide all finished or unfinished documents, data, diagrams, drawings, materials or other matter prepared or built by Contractor in connection with its performance of this Contract.

3.10 Completion of Work. When the Contractor determines that it has completed the Work required herein, Contractor shall so notify City in writing and shall furnish all labor and material releases required by this Contract. City shall thereupon inspect the Work. If the Work is not acceptable to the City, the City shall indicate to Contractor in writing the specific portions or items of Work which are unsatisfactory or incomplete. Once Contractor determines that it has completed the incomplete or unsatisfactory Work, Contractor may request a reinspection by the City. Once the Work is acceptable to City, City shall pay to Contractor the Total Contract Price remaining to be paid, less any amount which City may be authorized or directed by law to retain. Payment of retention proceeds due to Contractor shall be made in accordance with Section 7107 of the California Public Contract Code.

3.11 City's Representative. The City hereby designates **Ken Seumalo, P.E.,** or his or her designee, to act as its representative for the performance of this Contract ("City's Representative"). City's Representative shall have the power to act on behalf of the City for all purposes under this Contract. Contractor shall not accept direction or orders from any person other than the City's Representative or his or here designee.

3.12 Contractor's Representative. Before starting the Work, Contractor shall submit in writing the name, qualifications and experience of its proposed representative who shall be subject to the review and approval of the City ("Contractor's Representative"). Following approval by the City, the Contractor's Representative shall have full authority to represent and act on behalf of the Contractor for all purposes under this Contract. The Contractor's Representative shall supervise and direct the Work, using his best skill and attention, and shall be responsible for all construction means, methods, techniques, sequences and procedures and for the satisfactory coordination of all portions of the Work under this Contract. Contractor's

Representative shall devote full time to the Project and either he or his designee, who shall be acceptable to the City, shall be present at the Work site at all times that any Work is in progress and at any time that any employee or subcontractor of Contractor is present at the Work site. Arrangements for responsible supervision, acceptable to the City, shall be made for emergency Work which may be required. Should Contractor desire to change its Contractor's Representative, Contractor shall provide the information specified above and obtain the City's written approval.

3.13 Contract Interpretation. Should any question arise regarding the meaning or import of any of the provisions of this Contract or written or oral instructions from City, the matter shall be referred to City's Representative, whose decision shall be binding upon Contractor.

3.14 Loss and Damage. Contractor shall be responsible for all loss and damage which may arise out of the nature of the Work agreed to herein, or from the action of the elements, or from any unforeseen difficulties which may arise or be encountered in the prosecution of the Work until the same is fully completed and accepted by City. However, Contractor shall be responsible for damage proximately caused by Acts of God, within the meaning of Section 7105 of the California Public Contract Code, only to the extent of five percent (5%) of the Total Contract Price as specified herein. In the event of damage proximately caused by "Acts of God," the City may terminate this Contract upon three (3) days advanced written notice.

3.15 Indemnification. Contractor shall defend, indemnify and hold the City, its officials, officers, employees, volunteers and agents free and harmless from any and all claims, demands, causes of action, costs, expenses, liability, loss, damage or injury, in law or equity, to property or persons, including wrongful death, in any manner arising out of or incident to any acts, omissions or willful misconduct of Contractor, its officials, officers, employees, agents, consultants and contractors arising out of or in connection with the performance of the Work or this Contract, including without limitation the payment of all consequential damages and attorneys fees and other related costs and expenses. Contractor shall defend, at Contractor's own cost, expense and risk, any and all such aforesaid suits, actions or other legal proceedings of every kind that may be brought or instituted against City, its directors, officials officers, employees, agents or volunteers. Contractor shall pay and satisfy any judgment, award or decree that may be rendered against City or its directors, officials, officers, employees, agents or volunteers, in any such suit, action or other legal proceeding. Contractor shall reimburse City and its directors, officials, officers, employees, agents and/or volunteers, for any and all legal expenses and costs incurred by each of them in connection therewith or in enforcing the indemnity herein provided.

3.16 Insurance.

3.16.1 Time for Compliance. Contractor shall not commence Work under this Contract until it has provided evidence satisfactory to the City that it has secured all insurance required under this section. In addition, Contractor shall not allow any subcontractor to commence work on any subcontract until it has provided evidence satisfactory to the City that the subcontractor has secured all insurance required under this section.

3.16.2 Minimum Requirements. Contractor shall, at its expense, procure and maintain for the duration of the Contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the Work hereunder by the Contractor, its agents, representatives, employees or subcontractors. Contractor shall also require all of its subcontractors to procure and maintain the same insurance for the duration of the Contract. Such insurance shall meet at least the following minimum levels of coverage:

3.16.2.1 Minimum Scope of Insurance. Coverage shall be at least as broad as the latest version of the following: (1) *General Liability:* Insurance Services Office Commercial General Liability coverage (occurrence form CG 0001); (2) *Automobile Liability:* Insurance Services Office Business Auto Coverage form number CA 0001, code 1 (any auto); (3) *Workers' Compensation and Employers' Liability:* Workers' Compensation insurance as required by the State of California and Employer's Liability Insurance; and (4) *Builders'/All Risk:* Builders'/All Risk insurance covering for all risks of loss, including explosion, collapse, underground excavation and removal of lateral support (and including earthquakes and floods if requested by the City).

3.16.2.2 Minimum Limits of Insurance. Contractor shall maintain limits no less than: (1) *General Liability:* $2,000,000 per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability Insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to this Contract/location or the general aggregate limit shall be twice the required occurrence limit; (2) *Automobile Liability:* $1,000,000 per accident for bodily injury and property damage; (3) *Workers' Compensation and Employer's Liability:* Workers' compensation limits as required by the Labor Code of the State of California. Employers Liability limits of $1,000,000 per accident for bodily injury or disease; and (4) *Builders'/All Risk:* Completed value of the project.

3.16.3 Insurance Endorsements. The insurance policies shall contain the following provisions, or Contractor shall provide endorsements on forms supplied or approved by the City to add the following provisions to the insurance policies:

3.16.3.1 General Liability. (1) The City, its directors, officials, officers, employees, agents and volunteers shall be covered as additional insureds with respect to the Work or operations performed by or on behalf of the Contractor, including materials, parts or equipment furnished in connection with such work; and (2) the insurance coverage shall be primary insurance as respects the City, its directors, officials, officers, employees, agents and volunteers, or if excess, shall stand in an unbroken chain of coverage excess of the Contractor's scheduled underlying coverage. Any insurance or self-insurance maintained by the City, its directors, officials, officers, employees, agents and volunteers shall be excess of the Contractor's insurance and shall not be called upon to contribute with it.

3.16.3.2 Automobile Liability. (1) The City, its directors, officials, officers, employees, agents and volunteers shall be covered as additional insureds with respect to the ownership, operation, maintenance, use, loading or unloading of any auto owned, leased, hired or borrowed by the Contractor or for which the Contractor is responsible; and (2) the insurance coverage shall be primary insurance as respects the City, its directors, officials,

officers, employees, agents and volunteers, or if excess, shall stand in an unbroken chain of coverage excess of the Contractor's scheduled underlying coverage. Any insurance or self-insurance maintained by the City, its directors, officials, officers, employees, agents and volunteers shall be excess of the Contractor's insurance and shall not be called upon to contribute with it in any way.

3.16.3.3 Workers' Compensation and Employer's Liability Coverage. The insurer shall agree to waive all rights of subrogation against the City, its directors, officials, officers, employees, agents and volunteers for losses paid under the terms of the insurance policy which arise from work performed by the Contractor.

3.16.3.4 All Coverages. Each insurance policy required by this Contract shall be endorsed to state that: (1) coverage shall not be suspended, voided, reduced or canceled except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the City; and (2) any failure to comply with reporting or other provisions of the policies, including breaches of warranties, shall not affect coverage provided to the City, its directors, officials, officers, employees, agents and volunteers.

3.16.4 Builders'/All Risk Policy Requirements. The builders'/all risk insurance shall provide that the City be named as loss payee. In addition, the insurer shall waive all rights of subrogation against the City.

3.16.5 Separation of Insureds; No Special Limitations. All insurance required by this Section shall contain standard separation of insureds provisions. In addition, such insurance shall not contain any special limitations on the scope of protection afforded to the City, its directors, officials, officers, employees, agents and volunteers.

3.16.6 Professional Liability Insurance. All architects, engineers, consultants or design professionals retained by Contractor shall also procure and maintain, for a period of five (5) years following completion of the Contract, errors and omissions liability insurance with a limit of not less than $2,000,000 per occurrence. This insurance shall name the City, its directors, officials, officers, employees, agents and volunteers as additional and insureds with respect to Work performed, and shall otherwise comply with all requirements of this Section.

3.16.7 Deductibles and Self-Insurance Retentions. Any deductibles or self-insured retentions must be declared to and approved by the City. Contractor shall guarantee that, at the option of the City, either: (1) the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the City, its directors, officials, officers, employees, agents and volunteers; or (2) the Contractor shall procure a bond guaranteeing payment of losses and related investigation costs, claims and administrative and defense expenses.

3.16.8 Acceptability of Insurers. Insurance is to be placed with insurers with a current A.M. Best's rating no less than A:VII, licensed to do business in California, and satisfactory to the City.

3.16.9 Verification of Coverage. Contractor shall furnish City with original certificates of insurance and endorsements effecting coverage required by this Contract

on forms satisfactory to the City. The certificates and endorsements for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf, and shall be on forms supplied or approved by the City. All certificates and endorsements must be received and approved by the City before work commences. The City reserves the right to require complete, certified copies of all required insurance policies, at any time.

3.16.10 Subcontractors. All subcontractors shall meet the requirements of this Section before commencing Work. In addition, Contractor shall include all subcontractors as insureds under its policies or shall furnish separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to all of the requirements stated herein.

3.17 Bond Requirements.

3.17.1 Payment Bond. If required by law or otherwise specifically requested by City in Exhibit "B" attached hereto and incorporated herein by reference, Contractor shall execute and provide to City concurrently with this Contract a Payment Bond in an amount required by the City and in a form provided or approved by the City. If such bond is required, no payment will be made to Contractor until the bond has been received and approved by the City.

3.17.2 Performance Bond. If specifically requested by City in Exhibit "B" attached hereto and incorporated herein by reference, Contractor shall execute and provide to City concurrently with this Contract a Performance Bond in an amount required by the City and in a form provided or approved by the City. If such bond is required, no payment will be made to Contractor until the bond has been received and approved by the City.

3.17.3 Bond Provisions. Should, in City's sole opinion, any bond become insufficient or any surety be found to be unsatisfactory, Contractor shall renew or replace the effected bond within (ten) 10 days of receiving notice from City. In the event the surety or Contractor intends to reduce or cancel any required bond, at least thirty (30) days prior written notice shall be given to the City, and Contractor shall post acceptable replacement bonds at least ten (10) days prior to expiration of the original bonds. No further payments shall be deemed due or will be made under this Contract until any replacement bonds required by this Section are accepted by the City. To the extent, if any, that the Total Contract Price is increased in accordance with the Contract, the Contractor shall, upon request of the City, cause the amount of the bond to be increased accordingly and shall promptly deliver satisfactory evidence of such increase to the City. To the extent available, the bonds shall further provide that no change or alteration of the Contract (including, without limitation, an increase in the Total Contract Price, as referred to above), extensions of time, or modifications of the time, terms, or conditions of payment to the Contractor, will release the surety. If the Contractor fails to furnish any required bond, the City may terminate the Contract for cause.

3.17.4 Surety Qualifications. Only bonds executed by an admitted surety insurer, as defined in California Code of Civil Procedure Section 995.120, shall be accepted. The surety must be a California-admitted surety with a current A.M. Best's rating no less than A:VII and satisfactory to the City. If a California-admitted surety insurer issuing bonds does not meet these requirements, the insurer will be considered qualified if it is in conformance with

Section 995.660 of the California Code of Civil Procedure, and proof of such is provided to the City.

3.18 Safety. Contractor shall execute and maintain its work so as to avoid injury or damage to any person or property. Contractor shall comply with the requirements of the specifications relating to safety measures applicable in particular operations or kinds of work. In carrying out its Work, the Contractor shall at all times be in compliance with all applicable local, state and federal laws, rules and regulations, and shall exercise all necessary precautions for the safety of employees appropriate to the nature of the Work and the conditions under which the Work is to be performed. Safety precautions as applicable shall include, but shall not be limited to, adequate life protection and life saving equipment; adequate illumination for underground and night operations; instructions in accident prevention for all employees, such as machinery guards, safe walkways, scaffolds, ladders, bridges, gang planks, confined space procedures, trenching and shoring, fall protection and other safety devices, equipment and wearing apparel as are necessary or lawfully required to prevent accidents or injuries; and adequate facilities for the proper inspection and maintenance of all safety measures. Furthermore, Contractor shall prominently display the names and telephone numbers of at least two medical doctors practicing in the vicinity of the Project, as well as the telephone number of the local ambulance service, adjacent to all telephones at the Project site.

3.19 Warranty. Contractor warrants all Work under the Contract (which for purposes of this Section shall be deemed to include unauthorized work which has not been removed and any non-conforming materials incorporated into the Work) to be of good quality and free from any defective or faulty material and workmanship. Contractor agrees that for a period of one year (or the period of time specified elsewhere in the Contract or in any guarantee or warranty provided by any manufacturer or supplier of equipment or materials incorporated into the Work, whichever is later) after the date of final acceptance, Contractor shall within ten (10) days after being notified in writing by the City of any defect in the Work or non-conformance of the Work to the Contract, commence and prosecute with due diligence all Work necessary to fulfill the terms of the warranty at its sole cost and expense. Contractor shall act sooner as requested by the City in response to an emergency. In addition, Contractor shall, at its sole cost and expense, repair and replace any portions of the Work (or work of other contractors) damaged by its defective Work or which becomes damaged in the course of repairing or replacing defective Work. For any Work so corrected, Contractor's obligation hereunder to correct defective Work shall be reinstated for an additional one year period, commencing with the date of acceptance of such corrected Work. Contractor shall perform such tests as the City may require to verify that any corrective actions, including, without limitation, redesign, repairs, and replacements comply with the requirements of the Contract. All costs associated with such corrective actions and testing, including the removal, replacement, and reinstitution of equipment and materials necessary to gain access, shall be the sole responsibility of the Contractor. All warranties and guarantees of subcontractors, suppliers and manufacturers with respect to any portion of the Work, whether express or implied, are deemed to be obtained by Contractor for the benefit of the City, regardless of whether or not such warranties and guarantees have been transferred or assigned to the City by separate agreement and Contractor agrees to enforce such warranties and guarantees, if necessary, on behalf of the City. In the event that Contractor fails to perform its obligations under this Section, or under any other warranty or guaranty under this Contract, to the reasonable satisfaction of the City, the City shall have the right to correct and replace any

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defective or non-conforming Work and any work damaged by such work or the replacement or correction thereof at Contractor's sole expense. Contractor shall be obligated to fully reimburse the City for any expenses incurred hereunder upon demand.

3.20 Laws and Regulations. Contractor shall keep itself fully informed of and in compliance with all local, state and federal laws, rules and regulations in any manner affecting the performance of the Contract or the Work, including all Cal/OSHA requirements, and shall give all notices required by law. Contractor shall be liable for all violations of such laws and regulations in connection with Work. If the Contractor observes that the drawings or specifications are at variance with any law, rule or regulation, it shall promptly notify the City in writing. Any necessary changes shall be made by written change order. If the Contractor performs any work knowing it to be contrary to such laws, rules and regulations and without giving written notice to the City, the Contractor shall be solely responsible for all costs arising therefrom. Contractor shall defend, indemnify and hold City, its officials, directors, officers, employees and agents free and harmless, pursuant to the indemnification provisions of this Contract, from any claim or liability arising out of any failure or alleged failure to comply with such laws, rules or regulations.

3.21 Permits and Licenses. Contractor shall be responsible for securing City permits and licenses necessary to perform the Work described herein, including, but not limited to, a City Business License. While Contractor will not be charged a fee for any City permits, Contractor shall pay the City's applicable business license fee.

3.22 Trenching Work. If the Total Contract Price exceeds $25,000 and if the Work governed by this Contract entails excavation of any trench or trenches five (5) feet or more in depth, Contractor shall comply with all applicable provisions of the California Labor Code, including Section 6705. To this end, Contractor shall submit for City's review and approval a detailed plan showing the design of shoring, bracing, sloping, or other provisions to be made for worker protection from the hazard of caving ground during the excavation of such trench or trenches. If such plan varies from the shoring system standards, the plan shall be prepared by a registered civil or structural engineer.

3.23 Hazardous Materials and Differing Conditions. As required by California Public Contract Code Section 7104, if this Contract involves digging trenches or other excavations that extend deeper than four (4) feet below the surface, Contractor shall promptly, and prior to disturbance of any conditions, notify City of: (1) any material discovered in excavation that Contractor believes to be a hazardous waste that is required to be removed to a Class I, Class II or Class III disposal site; (2) subsurface or latent physical conditions at the site differing from those indicated by City; and (3) unknown physical conditions of an unusual nature at the site, significantly different from those ordinarily encountered in such contract work. Upon notification, City shall promptly investigate the conditions to determine whether a change order is appropriate. In the event of a dispute, Contractor shall not be excused from any scheduled completion date and shall proceed with all Work to be performed under the Contract, but shall retain all rights provided by the Contract or by law for making protests and resolving the dispute.

3.24 Underground Utility Facilities. To the extent required by Section 4215 of the California Government Code, City shall compensate Contractor for the costs of: (1) locating and repairing damage to underground utility facilities not caused by the failure of Contractor to exercise reasonable care; (2) removing or relocating underground utility facilities not indicated in the construction drawings; and (3) equipment necessarily idled during such work. Contractor shall not be assessed liquidated damages for delay caused by failure of City to provide for removal or relocation of such utility facilities.

3.25 Prevailing Wages. Contractor is aware of the requirements of California Labor Code Sections 1720, et seq., and 1770, et seq., as well as California Code of Regulations, Title 8, Section 16000, et seq., ("Prevailing Wage Laws"), which require the payment of prevailing wage rates and the performance of other requirements on certain "public works" and "maintenance" projects. As a "Chartered" city, the City of Indian Wells requires the payment of prevailing wages only for specifically funded projects. **The project included in this contract DOES NOT REQUIRE THE PAYMENT OF PREVAILING WAGES.** Contractor shall defend, indemnify and hold the City, its elected officials, officers, employees and agents free and harmless from any claims, liabilities, costs, penalties or interest arising out of any failure or alleged failure to comply with the Prevailing Wage Laws.

3.26 Apprenticeable Crafts. When Contractor employs workmen in an apprenticeable craft or trade, Contractor shall comply with the provisions of Section 1777.5 of the California Labor Code with respect to the employment of properly registered apprentices upon public works. The primary responsibility for compliance with said section for all apprenticeable occupations shall be with Contractor.

3.27 Hours of Work. Contractor is advised that eight (8) hours labor constitutes a legal day's work. Pursuant to Section 1813 of the California Labor Code, Contractor shall forfeit a penalty of $25.00 per worker for each day that each worker is permitted to work more than eight (8) hours in any one calendar day and forty (40) hours in any one calendar week, except when payment for overtime is made at not less than one and one-half (1-1/2) times the basic rate for that worker.

3.28 Payroll Records. In accordance with the requirements of California Labor Code Section 1776, Contractor shall keep accurate payroll records which are either on forms provided by the Division of Labor Standards Enforcement or which contain the same information required by such forms. Responsibility for compliance with California Labor Code Section 1776 shall rest solely with Contractor, and Contractor shall make all such records available for inspection at all reasonable hours.

3.29 Contractor's Labor Certification. By its signature hereunder, Contractor certifies that he is aware of the provisions of Section 3700 of the California Labor Code which require every employer to be insured against liability for Worker's Compensation or to undertake self-insurance in accordance with the provisions of that Code, and agrees to comply with such provisions before commencing the performance of the Work. A certification form for this purpose, which is attached to this Contract as Exhibit "C" and incorporated herein by reference, shall be executed simultaneously with this Contract.

3.30 Labor and Material Releases. Contractor shall furnish City with labor and material releases from all subcontractors performing work on, or furnishing materials for, the work governed by this Contract prior to final payment by City.

3.31 Equal Opportunity Employment. Contractor represents that it is an equal opportunity employer and that it shall not discriminate against any employee or applicant for employment because of race, religion, color, national origin, ancestry, sex, age or other interests protected by the State or Federal Constitutions. Such non-discrimination shall include, but not be limited to, all activities related to initial employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination.

3.32 Anti-Trust Claims. This provision shall be operative if this Contract is applicable to California Public Contract Code Section 7103.5. In entering into this Contract to supply goods, services or materials, the Contractor hereby offers and agrees to assign to the City all rights, title, and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. Section 15) or under the Cartwright Act (Chapter 2, commencing with Section 16700, of Part 2 of Division 7 of the Business and Professions Code) arising from purchases of goods, services, or materials pursuant to the Contract. This assignment shall be made and become effective at the time the City tender final payment to the Contractor, without further acknowledgment by the Parties.

3.33 Notices. All notices hereunder and communications regarding interpretation of the terms of the Contract or changes thereto shall be provided by the mailing thereof by registered or certified mail, return receipt requested, postage prepaid and addressed as follows:

Contractor
Desert Air Conditioning, Inc.
590 Williams Road
Palm Springs, CA 92264
Attn: Jeffrey Shaw, President

City
City of Indian Wells
44-950 Eldorado Drive
Indian Wells, California 92210
Attn: Ken Seumalo, P.E.

Any notice so given shall be considered received by the other Party three (3) days after deposit in the U.S. Mail as stated above and addressed to the Party at the above address. Actual notice shall be deemed adequate notice on the date actual notice occurred, regardless of the method of service.

3.34 Entire Contract; Modification. This Contract contains the entire agreement of the Parties with respect to the subject matter hereof, and supersedes all prior negotiations, understandings or agreements. This Contract may only be modified by a writing signed by both Parties.

3.35 Time of Essence. Time is of the essence in the performance of this Contract.

3.36 Assignment Forbidden. Contractor shall not, either voluntarily or by action of law, assign or transfer this Contract or any obligation, right, title or interest assumed by Contractor herein without the prior written consent of City. If Contractor attempts an assignment or transfer of this Contract or any obligation, right, title or interest herein, City may, at its option, terminate and revoke the Contract and shall thereupon be relieved from any and all obligations to Contractor or its assignee or transferee.

3.37 Governing Law. This Contract shall be governed by the laws of the State of California. Venue shall be in Riverside County.

3.38 Counterparts. This Contract may be executed in counterparts, each of which shall constitute an original.

3.39 Successors. The Parties do for themselves, their heirs, executors, administrators, successors, and assigns agree to the full performance of all of the provisions contained in this Contract.

3.40 [INTENTIONALLY OMITTED]

3.41 Claims of $375,000 or Less. Notwithstanding any other provision herein, claims of $375,000 or less shall be resolved pursuant to the alternative dispute resolution procedures set forth in California Public Contract Code §§ 20104, et seq.

3.42 Prohibited Interests.

3.42.1 Solicitation. Contractor maintains and warrants that it has not employed nor retained any company or person, other than a bona fide employee working solely for Contractor, to solicit or secure this Contract. Further, Contractor warrants that it has not paid nor has it agreed to pay any company or person, other than a bona fide employee working solely for Contractor, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this Contract. For breach or violation of this warranty, City shall have the right to terminate this Contract without liability.

3.42.2 Conflict of Interest. For the term of this Contract, no member, officer or employee of City, during the term of his or her service with City, shall have any direct interest in this Contract, or obtain any present or anticipated material benefit arising therefrom.

3.43 Certification of License. Contractor certifies that as of the date of execution of this Contract, Contractor has a current contractor's license of the classification indicated below under Contractor's signature.

IN WITNESS WHEREOF, each of the Parties has caused this Contract to be executed on the day and year first above written.

CITY OF INDIAN WELLS

By: _____
Wade G. McKinney
City Manager

Attest:

By: _____
Anna Grandys
Chief Deputy City Clerk

Approved as to form:

_____
Stephen P. Deitsch
City Attorney

Recommended for approval:

_____
Ken Seumalo, P.E.
Public Works Director

POLAR BARR AIR CONDITIONING, INC.

By: _____
Jeffrey Shaw
President

Attest:

By: _____
Nancy Shaw
Sect./Treasure

_____
Classification of Contractor's License

EXHIBIT "A"

SCOPE OF WORK

Work To Include:

- Four Mitsubishi wall mount fan coils with condensate pumps and remote stats
- Two Mitsubishi condensing units
- Refrigeration piping between units
- Low voltage wiring between units
- Four wall mounted controller wireless thermostats
- Sheetmetal platform covers (platforms by others)
- Three Panasonic exhaust fans with humidity control
- Exhaust ductwork up thru roof with roof jacks and caps
- Supply and flex ductwork as shown on Sheet M1 6.0R
- Galvanized metal wyes with dampers and quadrants for air balance
- Duct wrap galvanized metal wyes
- Seal all ductwork
- Two new Programmable thermostats for the existing two units
- Service two existing air conditioning and heating units including filter changes
- Start up new and existing equipment
- Air adjustment to match required CFM listed on plans

Work Not Included:

- Permit
- Electrical wiring and connection including equipment disconnects
- Low voltage conduit (by Electrician)
- Condensate drains (by Plumber)
- Curbs for the two Mitsubishi condensing units
- Framing for ductwork (if required)
- Patching of roof at piping and exhaust duct penetrations

EXHIBIT "A-1"

SCHEDULE OF SERVICES

Completion of the Project within fourteen (14) calendar days, beginning the effective date of the Notice to Proceed.

EXHIBIT "B"

SPECIAL CONDITIONS

Labor and Material Bond, and Faithful Performance Bond <u>ARE</u> required for this Project.

EXHIBIT "C"

CERTIFICATION
LABOR CODE - SECTION 1861

I, the undersigned Contractor, am aware of the provisions of Section 3700 et seq. of the California Labor Code which require every employer to be insured against liability for Worker's Compensation or to undertake self-insurance in accordance with the provisions of the Code, and I, the undersigned Contractor, agree to and will comply with such provisions before commencing the performance of the Work on this Contract.

DESERT AIR CONDITIONING, INC.

By: _____
(Name)

INDIAN WELLS
CALIFORNIA

CC/HA ACTION _____ MTG. DATE: 1-16-14
APPROVED X DENIED ___ REC/FILE ___ CONT. ___
OTHER _____
VOTE: YES 5 NO 0 ABSTAIN _____

Indian Wells City Council *January 16, 2014*

Staff Report – City Clerk

Approve 2014 Council Committee Assignments

RECOMMENDATION:

City Council **APPROVES** the 2014 Council Committee Assignments.

DISCUSSION:

Council Members agreed to Council assignments for Calendar Year 2014, at the December 19, 2013 special meeting. Staff used the agreed upon assignments to then complete Fair Political Practices Commission ("FPPC") Form 806 and posted the completed form on the City's website on December 23, 2013 as required. Form 806 is used to report additional compensation that officials receive when appointing themselves to positions on committees, boards, or commissions of another public agency.

Per Fair Political Practices Commission Regulation 18705.5, the City is required post on its website a single Form 806 which lists all the paid appointed positions to which an official will vote to appoint themselves if the appointee will participate in the decision and the appointment results in additional income of $250 or more in a 12-month period. This Regulation provides that as long as the public is informed prior to a vote, an official may vote to hold another position even if the voting official will received $250 or more in a 12-month period for the appointment.

ATTACHEMENTS:

1. Council committee assignments for 2014
2. FPPC Form 806 Agency Report of: Public Official Appointments

COUNCIL COMMITTEE ASSIGNMENTS - 2014

I. Regional Committees	MERTENS	PEABODY	MULLANY	HANSON	ROCHE
California JPIA $ (McCarthy)				Alt.	X
Coachella Valley Mountains Conservancy $	Alt.				X
Cove Communities Services Commission (McKinney)			X		X
Jacqueline Cochran Regional Airport Commission $	Alt.				X
RCTC & Sub Committees $			Alt.	X	
II. Coachella Valley Committees					
Coachella Valley Animal Campus (Morelion)					X
Coachella Valley Economic Partnership			Alt.	X	
CVAG Coachella Valley Conservation Commission $	Alt.				X
CVAG Energy $			Alt.		X
CVAG Executive Committee $	X			Alt.	
CVAG Homelessness $	Alt.	X			
CVAG Public Safety $	X	Alt.			
CVAG Transportation $			Alt.	X	
Palm Springs Desert Resorts Convention and Visitors Bureau & Resorts $	X			Alt.	
SunLine Transit Agency $			Alt.	X	

$ denotes stipend paid

Attachment #1

Council Committee Assignments 2014 Cont'd

	MERTENS	PEABODY	MULLANY	HANSON	ROCHE
III. Indian Wells Committees					
Community Activities Committee		X	**Alt.**		
Golf Resort Advisory Committee			X	X	
Grants-In-Aid Committee		X	**Alt.**		
Marketing Committee		X			X
IV. Standing Committees					
Extraordinary Grant Program **(On Hiatus)**					
Finance and Legal Services Oversight Committee		X		X	
Marketing Committee (same as above)		X			X
Personnel Committee **(Mayor & Pro Tem)**	X	X			
Public Safety Committee	X		X		
Tee Committee			X	X	
V. Ad Hoc Committees					
Indian Wells Crossing Development Committee	X	X			
Tennis Stadium Committee	X	X			

$ denotes stipend paid

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Agency Report of:
Public Official Appointments

A Public Document

Agency Name
CITY OF INDIAN WELLS

Division, Department, or Region *(If Applicable)*

Designated Agency Contact *(Name, Title)*
Wade G. McKinney, City Manager

Area Code/Phone Number: 760/346-2489
E-mail: wmckinney@indianwells.com

California Form **806**
For Official Use Only

ENTERED 12/23/13

Page 1 of 3

Date Posted: 12/23/2013 *(Month, Day, Year)*

2. Appointments

Agency Boards and Commissions	Name of Appointed Person	Appt Date and Length of Term	Per Meeting/Annual Salary/Stipend
California Joint Powers Insurance Authority	Name: Roche, Mary T. (Last, First) Alternate, if any: Hanson, Douglas H. (Last, First)	Appt Date: 1 / 1 / 14 Length of Term: 1 year	Per Meeting: $ 100.00 Estimated Annual: ☒ $0-$1,000 ☐ $2,001-$3,000 ☐ $1,001-$2,000 ☐ Other
Coachella Valley Mountains Conservancy	Name: Roche, Mary T. (Last, First) Alternate, if any: Mertens, Ted (Last, First)	Appt Date: 1 / 1 / 14 Length of Term: 1 year	Per Meeting: $ 75.00 Estimated Annual: ☒ $0-$1,000 ☐ $2,001-$3,000 ☐ $1,001-$2,000 ☐ Other
Jacqueline Cochran Regional Airport Commission	Name: Roche, Mary T. (Last, First) Alternate, if any: Mertens, Ted (Last, First)	Appt Date: 1 / 1 / 14 Length of Term: 1 year	Per Meeting: $ 50.00 Estimated Annual: ☒ $0-$1,000 ☐ $2,001-$3,000 ☐ $1,001-$2,000 ☐ Other
Riverside County Transportation Commission & Sub-committee (no additional stipend if held on regular meeting date)	Name: Hanson, Douglas H. (Last, First) Alternate, if any: Mullany, Patrick (Last, First)	Appt Date: 1 / 1 / 14 Length of Term: 1 year	Per Meeting: $ 100+100 Estimated Annual: ☐ $0-$1,000 ☐ $2,001-$3,000 ☒ $1,001-$2,000 ☐ Other

3. Verification

I have read and understand FPPC Regulation 18705.5. I have verified that the appointment and information identified above is true to the best of my information and belief.

Wade G. McKinney — *Signature of Agency Head or Designee*
Wade G. McKinney — *Print Name*
City Manager — *Title*
12/23/2013 — *(Month, Day, Year)*

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Comment:

Attachment #2

Agency Report of:
Public Official Appointments
Continuation Sheet

California Form 806
A Public Document

1. Agency Name
CITY OF INDIAN WELLS

Date Posted: 12/23/2013 (Month, Day, Year)

2. Appointments

Agency Boards and Commissions	Name of Appointed Person	Appt Date and Length of Term	Per Meeting/Annual Salary/Stipend
Coachella Valley Association of Governments - Conservation Commission	Name: Roche, Mary T.Mertens, Ted (Last, First) Alternate, if any: Mertens, Ted (Last, First)	Appt Date: 1/1/14 Length of Term: 1 year	Per Meeting: $ 75.00 Estimated Annual: ☒ $0-$1,000 ☐ $2,001-$3,000 ☐ $1,001-$2,000 ☐ Other
Coachella Valley Association of Governments - Energy Committee	Name: Roche, Mary T.Mullany, Patrick (Last, First) Alternate, if any: Mullany, Patrick (Last, First)	Appt Date: 1/1/14 Length of Term: 1 year	Per Meeting: $ 75.00 Estimated Annual: ☒ $0-$1,000 ☐ $2,001-$3,000 ☐ $1,001-$2,000 ☐ Other
Coachella Valley Association of Governments - Executive Committee	Name: Mertens, Ted (Last, First) Alternate, if any: Hanson, Douglas H. (Last, First)	Appt Date: 1/1/14 Length of Term: 1 year	Per Meeting: $ 100.00 Estimated Annual: ☐ $0-$1,000 ☐ $2,001-$3,000 ☒ $1,001-$2,000 ☐ Other
Coachella Valley Association of Governments - Homelessness Committee	Name: Peabody, Ty (Last, First) Alternate, if any: Mertens, Ted (Last, First)	Appt Date: 1/1/14 Length of Term: 1 year	Per Meeting: $ 75.00 Estimated Annual: ☒ $0-$1,000 ☐ $2,001-$3,000 ☐ $1,001-$2,000 ☐ Other
Coachella Valley Association of Governments - Public Safety Committee	Name: Mertens, Ted (Last, First) Alternate, if any: Peabody, Ty (Last, First)	Appt Date: 1/1/14 Length of Term: 1 year	Per Meeting: $ 75.00 Estimated Annual: ☒ $0-$1,000 ☐ $2,001-$3,000 ☐ $1,001-$2,000 ☐ Other
Coachella Valley Association of Governments - Transportation Committee	Name: Hanson, Douglas (Last, First) Alternate, if any: Mullany, Patrick (Last, First)	Appt Date: 1/1/14 Length of Term: 1 year	Per Meeting: $ 75.00 Estimated Annual: ☒ $0-$1,000 ☐ $2,001-$3,000 ☐ $1,001-$2,000 ☐ Other

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Agency Report of:
Public Official Appointments
Continuation Sheet

California Form 806

A Public Document

1. Agency Name
CITY OF INDIAN WELLS

Date Posted: 12/23/2013 (Month, Day, Year)

2. Appointments

Agency Boards and Commissions	Name of Appointed Person	Appt Date and Length of Term	Per Meeting/Annual Salary/Stipend
Greater Palm Springs Convention Visitors Bureau	Name: Mertens, Ted (Last, First) Alternate, if any: Hanson, Douglas H. (Last, First)	Appt Date: 1 / 1 / 14 Length of Term: 1 year	Per Meeting: $ 50.00 Estimated Annual: ☒ $0-$1,000 ☐ $2,001-$3,000 ☐ $1,001-$2,000 ☐ Other
Sunline Transit Agency Board & Subcommittee	Name: Hanson, Douglas H. (Last, First) Alternate, if any: Mullany, Patrick (Last, First)	Appt Date: 1 / 1 / 14 Length of Term: 1 year	Per Meeting: $ 50.00+25.00 Estimated Annual: ☒ $0-$1,000 ☐ $2,001-$3,000 ☐ $1,001-$2,000 ☐ Other
	Name: (Last, First) Alternate, if any: (Last, First)	Appt Date: / / Length of Term:	Per Meeting: $ Estimated Annual: ☐ $0-$1,000 ☐ $2,001-$3,000 ☐ $1,001-$2,000 ☐ Other
	Name: (Last, First) Alternate, if any: (Last, First)	Appt Date: / / Length of Term:	Per Meeting: $ Estimated Annual: ☐ $0-$1,000 ☐ $2,001-$3,000 ☐ $1,001-$2,000 ☐ Other
	Name: (Last, First) Alternate, if any: (Last, First)	Appt Date: / / Length of Term:	Per Meeting: $ Estimated Annual: ☐ $0-$1,000 ☐ $2,001-$3,000 ☐ $1,001-$2,000 ☐ Other
	Name: (Last, First) Alternate, if any: (Last, First)	Appt Date: / / Length of Term:	Per Meeting: $ Estimated Annual: ☐ $0-$1,000 ☐ $2,001-$3,000 ☐ $1,001-$2,000 ☐ Other

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FIRE ACCESS MAINTENANCE DISTRICT (FAMD)
01/02/2014 MEETING WARRANT LIST

CHECK #	DATE	INVOICE #	VENDOR NAME/DESCRIPTION	INVOICE AMT	CHECK TOTAL
44443	1/2/2014		SPARKLETTS DRINKING WATER		
		8380597120113	FAMD CLUB/MANITOU GATEHOUSE FILTRATION SYSTEM RENTALS FOR DEC, 2013	124.48	**124.48**
44439	1/2/2014		COASTAL CLEAR POOLS		
		3310	FAMD CLUB/MANITOU FOUNTAINS MAINTENANCE FOR NOV, 2013	150.00	
		2693	FAMD CLUB/MANITOU FOUNTAINS MAINTENANCE FOR OCT, 2013	150.00	**300.00**
44440	1/2/2014		CONSERVE LANDCARE		
		7125	FAMD (16) POINSETTIAS FOR ENTRY GATES	480.00	**480.00**
44442	1/2/2014		SOUTHERN CALIFORNIA EDISON CO.		
		2-04-020-2624	FAMD 45400 MANITOU DRIVE UTILITIES FOR OCT, 2013	859.22	**859.22**
44445	1/2/2014		WALLACE & ASSOCIATES, INC.		
		2013-05FAMD	FAMD PAVEMENT IMPROVEMENT AND MANAGEMENT PLAN FOR SEPT 30 TO NOV 3, 2013	3,147.00	**3,147.00**
44438	1/2/2014		AMS		
		7244	FAMD REPLACEMENT COMPUTERS & PRINTERS FOR CLUB/MANITOU GATEHOUSES	4,049.68	**4,049.68**
44441	1/2/2014		F & F CONSTRUCTION INC		
		100913	FAMD MANITOU GATE PROPERTY DAMAGE REPAIRS & DEBRIS REMOVAL	6,103.49	
		101013	FAMD MANITOU GATE STUCCO REPAIR AND PAINTING FOR OCT, 2013	3,900.00	**10,003.49**
44444	1/2/2014		UNIVERSAL PROTECTION SERVICE		
		993586	FAMD SECURITY SERVICES FOR NOV 22-NOV 28, 2013	16,490.22	
		992256	FAMD SECURITY SVCS CYCOP & VEHICLES FOR NOV, 2013	1,045.00	
		996940	FAMD SECURITY SERVICES FUEL REIMBURSEMENT FOR NOV, 2013	620.41	**18,155.63**

8 checks in this report

TOTAL FAMD WARRANTS 44438-44445 : 37,119.50

CCHA ACTION
MTG. DATE: 1-16-14
APPROVED X DENIED REC/FILE CONT.
OTHER
VOTE: YES 5 NO 2 ABSTAIN

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FIRE ACCESS MAINTENANCE DISTRICT (FAMD)
01/16/2014 MEETING WARRANT LIST

CHECK #	DATE	INVOICE #	VENDOR NAME/DESCRIPTION	INVOICE AMT	CHECK TOTAL
44518	1/16/2014		VERIZON CALIFORNIA		
		345-1307	FAMD MANITOU GUARDGATE PHONE SVC DEC 19, 2013-JAN 18, 2014	532.68	
	1/16/2014		VERIZON CALIFORNIA		
		345-1306	FAMD CLUB GUARDGATE PHONE SVC FOR DEC 16, 2013-JAN 15, 2014	203.46	**736.14**
44516	1/16/2014		SOUTHERN CALIFORNIA EDISON CO.		
		2-01-570-2145	FAMD 45301 CLUB DR GATE UTILITIES FOR NOV, 2013	448.89	**448.89**
44514	1/16/2014		COACHELLA VALLEY WATER DIST.		
		313223-844958	FAMD 45-065 MANITOU DR UTILITIES FOR DEC, 2013	354.32	
		155649-422592	FAMD 45-105 MANITOU UTILITIES FOR DEC, 2013	48.72	**403.04**
44517	1/16/2014		TIME WARNER CABLE		
		844841076002411	FAMD MANITOU DRIVE INTERNET SVC FOR DEC 23, 2013-JAN 22, 2014	124.95	
		844841076002410	FAMD CLUB DRIVE INTERNET SVC FOR DEC 23, 2013-JAN 22, 2014	124.95	**249.90**
44515	1/16/2014		OFFICE DEPOT, INC.		
		1637290524	FAMD COLORED COPY PAPER FOR ELECTION SERVICES	8.25	**8.25**

5 checks in this report

TOTAL FAMD WARRANTS 44514-44518 : 1,846.22

CC/MA ACTION ____ MTG. DATE: 1-16-14
APPROVED X DENIED ____ REC/FILE ____ CONT. ____
OTHER ____
VOTE: YES 5 NO 0 ABSTAIN ____

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CITY OF INDIAN WELLS
01/02/2014 MEETING WARRANT LIST

CHECK #	DATE	INVOICE #	VENDOR NAME/DESCRIPTION	INVOICE AMT	CHECK TOTAL
44417	1/2/2014		RIVERSIDE COUNTY SHERIFF DEPT		
		SH0000022923	SHERIFF DEPUTIES, MILEAGE, FORENSIC TECH, LIEUTENANT,CSO FOR OCT 17-NOV 13, 2013	240,753.50	
	1/2/2014		RIVERSIDE COUNTY SHERIFF DEPT		
		SH0000022820	SHERIFF DEPUTIES, MILEAGE, FORENSIC TECH, LIEUTENANT,CSO FOR SEPT 19-OCT 16, 13	234,602.22	**475,355.72**
44433	1/2/2014		VINTAGE ASSOCIATES		
		SI-137436	(19) CITYWIDE GENERAL FUND & LLMDS LANDSCAPE MAINT FOR DEC, 2013	43,855.13	**43,855.13**
44380	1/2/2014		GREATER PALM SPRINGS		
		DTD 12/31/13	TOURISM MARKETING DISTRICT ASSESSMENT FEE COLLECTION FOR OCT 2013	34,018.60	**34,018.60**
44365	1/2/2014		COACHELLA VALLEY RESCUE		
		GRANT	COMMUNITY ASSISTANCE HOMELESS ORGANIZATION GRANT IN AID FOR FY 2013/14	20,000.00	**20,000.00**
44393	1/2/2014		MARTHA'S VILLAGE & KITCHEN		
		GRANT	COMMUNITY ASSISTANCE HOMELESS ORGANIZATION GRANT IN AID FOR FY 2013/14	20,000.00	**20,000.00**
44419	1/2/2014		SHELTER FROM THE STORM, INC.		
		GRANT	COMMUNITY ASSISTANCE HOMELESS ORGANIZATION GRANT IN AID FOR FY 2013/14	8,000.00	**8,000.00**
44422	1/2/2014		SOUTHERN CALIFORNIA EDISON CO.		
		2-10-345-9178	ELDORADO/HWY 111/COOK/FRED WARING/CIELITO/OSAGE/PALMERAS UTILITIES FOR DEC, 2013	4,451.07	
		2-01-570-2186	44-900 ELDORADO DR FIRE STATION UTILITIES FOR DEC, 2013	776.33	
		2-32-228-7590	45-200 CLUB DR & CLUB DR STE B. UTILITIES FOR DEC, 2013	247.13	
		2-26-379-6526	77-601 1/2 & 77-801 1/2 MILES PED UTILITIES FOR DEC, 2013	218.97	
		2-28-811-9811	75-595 1/2 FAIRWAY DR UTILITIES FOR DEC, 2013	134.92	
		2-30-405-2939	75-254 1/2 HWY 111 UTILITIES FOR DEC, 2013	123.01	
		2-02-275-6597	76-884 1/2 INCA DR UTILITIES FOR DEC, 2013	122.08	
		2-26-446-8521	77-440 1/2 MILES AVE TC1 UTILITIES FOR DEC, 2013	103.33	
		2-28-811-8029	78-496 HWY 111 TC1 UTILITIES FOR OCT, 2013	101.36	
		2-28-811-8524	79 DESERT HORIZON/HWY 111 SIGNAL UTILITIES FOR DEC, 2013	85.79	
		2-04-013-0916	45-277 CLUB DR UTILITIES FOR DEC, 2013	82.31	

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CHECK #	DATE	INVOICE #	VENDOR NAME/DESCRIPTION	INVOICE AMT	CHECK TOTAL
		2-33-975-8682	45-200 CLUB DR UNIT B2 UTILITIES FOR DEC, 2013	76.04	
		2-26-702-6078	45-002 1/2 MILES AVE PED UTILITIES FOR DEC, 2013	66.32	
		2-19-255-7163	75980 1/2 HWY 111 UTILITIES FOR DEC, 2013	60.75	
		2-30-405-3051	75-256 1/2 HWY 111 UTILITIES FOR DEC, 2013	57.58	
		2-28-811-8276	79 HIGHWAY 111 MILES LOT UTILITIES FOR DEC, 2013	53.79	
		2-31-473-5101	45-280 1/2 COOK ST LOT UTILITIES FOR DEC, 2013	49.60	
		2-28-811-8425	INDIAN WELLS/HWY 111 TC1 UTILITIES FOR DEC, 2013	48.39	
		2-28-811-8466	79 HWY 111-ELDORADO SIGNAL UTILITIES FOR DEC, 2013	47.56	
		2-28-811-8367	79 HIGHWAY 111 CLUB LOT UTILITIES FOR DEC, 2013	45.55	
		2-35-253-2683	45-324 1/2 INDIAN WELLS LN UTILITIES FOR DEC, 2013	35.90	
		2-19-200-4638	74812 1/2 HWY 111 UTILITIES FOR DEC, 2013	32.80	
		2-32-400-4498	45-300 CLUB DR UTILITIES FOR DEC, 2013	26.75	
		2-01-570-2202	77-250 SANDPIPER DR LOT UTILITIES FOR DEC, 2013	18.93	**7,066.26**
44425	1/2/2014		STATE WATER RESOURCES CONTROL		
		WD-0088297	ANNUAL WASTE DISCHARGE FEE FOR JUL 1, 2013 TO JUN 30, 2014	6,395.00	**6,395.00**
44402	1/2/2014		OPERATION SAFEHOUSE		
		GRANT	COMMUNITY ASSISTANCE HOMELESS ORGANIZATION GRANT IN AID FOR FY 2013/14	6,000.00	**6,000.00**
44400	1/2/2014		OLIVE CREST		
		GRANT	COMMUNITY ASSISTANCE HOMELESS ORGANIZATION GRANT IN AID FOR FY 2013/14	6,000.00	**6,000.00**
44387	1/2/2014		JAS PACIFIC		
		BI 11476	BUILDING INSPECTION, PLAN REVIEW, PERMIT ISSUANCE & CODE ENFORCEMENT SVC FOR NOV	5,104.00	**5,104.00**
44405	1/2/2014		PALM SPRINGS SCOTTISH RITE		
		GRANT	COMMUNITY ASSISTANCE GRANTS IN AID FOR FY 2013/14	5,000.00	**5,000.00**
44358	1/2/2014		BIG BROTHERS BIG SISTERS		
		GRANT	COMMUNITY ASSISTANCE GRANTS IN AID FOR FY 2013/14	5,000.00	**5,000.00**

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CHECK #	DATE	INVOICE #	VENDOR NAME/DESCRIPTION	INVOICE AMT	CHECK TOTAL
44406	1/2/2014		PEGASUS THERAPEUTIC RIDING		
		GRANT	COMMUNITY ASSISTANCE GRANTS IN AID FOR FY 2013/14	5,000.00	**5,000.00**
44435	1/2/2014		WELL IN THE DESERT, THE		
		GRANT	COMMUNITY ASSISTANCE GRANTS IN AID FOR FY 2013/14	5,000.00	**5,000.00**
44349	1/2/2014		ANGEL VIEW CRIPPLED CHILDREN'S		
		GRANT	COMMUNITY ASSISTANCE GRANTS IN AID FOR FY 2013/14	5,000.00	**5,000.00**
44382	1/2/2014		HIDDEN HARVEST		
		GRANT	COMMUNITY ASSISTANCE GRANTS IN AID FOR FY 2013/14	5,000.00	**5,000.00**
44420	1/2/2014		SILVER INK COMMUNICATIONS		
		13-1229	CITY & PUBLIC RELATIONS COPYWRITING, COPYEDITING, PROOFREADING SVCS FOR JAN-MAR	2,500.00	
		13-1228	JAN 2014 NEWSLETTER EDITORIAL PLANNING, INTERVIEW, RESEARCH, WRITING, EDIT/PROOF	2,400.00	**4,900.00**
44370	1/2/2014		DESERT ARC		
		GRANT	COMMUNITY ASSISTANCE GRANTS IN AID FOR FY 2013/14	4,000.00	**4,000.00**
44350	1/2/2014		ANIMAL SAMARITANS, SPCA, INC		
		GRANT	COMMUNITY ASSISTANCE GRANTS IN AID FOR FY 2013/14	4,000.00	**4,000.00**
44372	1/2/2014		DESERT PUBLICATIONS, INC		
		29230	(1) CVB GUIDE ADVERTISEMENT FOR 2013 DECEMBER ISSUE	3,500.00	**3,500.00**
44390	1/2/2014		LEAGUE OF CALIFORNIA CITIES		
		136510	CITY ANNUAL MEMBERSHIP DUES FOR 2014	3,221.90	**3,221.90**
44410	1/2/2014		PROPER SOLUTIONS		
		461	RECEPTIONIST & CITY CLERK TEMP SERVICES FOR DEC 2-6, 2013	1,123.65	
		482	RECEPTIONIST & COMMUNITY DEVELOPMENT TEMP SVCS FOR DEC 9-13, 2013	1,108.80	
		416	RECEPTIONIST TEMP SERVICES FOR NOV 18-22, 2013	792.00	**3,024.45**
44431	1/2/2014		TOTALFUNDS BY HASLER		
		2578	CITY HALL POSTAGE METER ADVANCE DEPOSIT FOR JAN, 2014	3,000.00	**3,000.00**

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CHECK #	DATE	INVOICE #	VENDOR NAME/DESCRIPTION	INVOICE AMT	CHECK TOTAL
44383	1/2/2014		HIGH TECH MAILING SERVICES		
		27898	NEWSLETTER MAILING, UPDATING MAILING LIST, IMPRINT ADDRESSES FOR DEC, 2013	2,097.05	**2,097.05**
44414	1/2/2014		RANCH RECOVERY CENTERS, INC.		
		GRANT	COMMUNITY ASSISTANCE GRANTS IN AID FOR FY 2013/14	2,000.00	**2,000.00**
44369	1/2/2014		DAVID WELLHOUSE & ASSOC., INC.		
		1576	STATE MANDATED COST REIMB CLAIMS FOR SEPT 2013	2,000.00	**2,000.00**
44356	1/2/2014		B.G. STRUCTURAL ENGINEERING		
		917.297	45-514 INDIAN WELLS LANE PLAN CHECK SVCS-ENGINEER, ARCHITECTURE, ADMINISTRATION	612.50	
		917.332	74-075 QUAIL LAKES DR PLAN CHECK SERVICES-ENGINEER, ARCHITECTURE, ADMINISTRATION	337.50	
		917.309	46-300 BRIARWOOD DR PLAN CHECK SVCS-ENGINEER, ARCHITECTURE, ADMINISTRATION	275.00	
		917.329	49-562 HIDDEN VALLEY TR PLAN CHECK SVCS-ENGINEER, ARCHITECTURE, ADMINISTRATION	237.50	
		917.336	78-200 MILES AVE PLAN CHECK SVCS-ENGINEER, ARCHITECTURE, ADMINISTRATION	175.00	
		917.270	74-495 QUAIL LAKES DRIVE PLAN CHECK SVCS-ENGINEER, ARCHITECTURE, ADMINISTRATION	137.50	
		917.271	74-305 QUAIL LAKES DR PLAN CHECK SVCS-ENGINEER, ARCHITECTURE, ADMINISTRATION	137.50	**1,912.50**
44362	1/2/2014		CANON FINANCIAL SERVICES, INC		
		13355248	IRC5051 & IR5075 CANON COPIERS LEASES FOR JAN, 2014	1,796.31	**1,796.31**
44409	1/2/2014		PRINTING PLACE		
		132430	PRINT (5,000) 8-PAGE DECEMBER 2013 NEWSLETTERS	1,695.00	**1,695.00**
44430	1/2/2014		TOPS N BARRICADES		
		1036631	LANE CLOSURE SVC ON HWY 111 & CLUB DRIVE PAINT SPILL CLEAN UP DEC 4-5, 2013	650.00	
		1036642	CITY LANE CLOSURE SERVICE HWY 111 & CLUB DRIVE PAINT SPILL FOR DEC 5-6, 2013	650.00	
		1036472	TRAFFIC PLANS FOR LANE CLOSER ON HWY 111 & CLUB DRIVE DUE TO PAINT SPILL	200.00	**1,500.00**
44344	12/18/2013		U.S. POSTAL SERVICE		
		PERMIT #25	PRE-PAID POSTAGE FOR PERMIT #25	1,500.00	**1,500.00**
44416	1/2/2014		RDM GENERAL CONTRACTORS		
		1216301-2 0010	DUST CONTROL/GRADING PERMIT DEPOSIT REFUND FOR 43-052 VIA SIENA	1,460.00	**1,460.00**

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CHECK #	DATE	INVOICE #	VENDOR NAME/DESCRIPTION	INVOICE AMT	CHECK TOTAL
44407	1/2/2014		PETERMAN LUMBER, INC		
		FON00526024-003	CITY MANAGERS CONFERENCE TABLE FABRICATION LUMBER AND BLADES FOR PUBLIC WORKS	1,331.34	
		FON00526975-001	CITY MANAGERS CONFERENCE TABLE FABRICATION LUMBER SUPPLY	127.10	**1,458.44**
44436	1/2/2014		WEST COAST BUILDERS		
		1329701-1 0009	BUILDING PERMIT B00-010-666 MSHCP FEE REFUND	1,278.00	**1,278.00**
44343	12/18/2013		INDIAN WELLS, CITY OF		
		PETTY CASH	ROTARY CLUB MEETING DUES FOR WADE MCKINNEY FOR NOV 4, 2013	20.00	
		PETTY CASH	ROTARY CLUB MEETING DUES FOR WADE MCKINNEY FOR DEC 9, 2013	20.00	
		PETTY CASH	ROTARY CLUB MEETING DUES FOR WADE MCKINNEY FOR NOV 18, 2013	20.00	
		PETTY CASH	COLORED MARKER SUPPLY FOR CITY MANAGER DEPT	10.57	
		PETTY CASH	LUNCH MEETING WITH M.ROCHE,P.MULLANY,W.MCKINNEY & S.ROSEN JUL 15 BALANCE DUE	10.00	
		PETTY CASH	IW CHAMBER OF COMMERCE EVENT FOR WADE MCKINNEY FOR DEC 11, 2013	5.00	
		PETTY CASH	(300) 4X6 INCH LINED INDEX CARDS FOR CITY MANAGER DEPT	4.85	
		PETTY CASH	CITY HALL CHRISTMAS TREE LIGHTS & DECORATIONS	105.67	
		PETTY CASH	STAFF & CITY MANAGER MEETING BREAKFAST FOOD FOR OCT 30, 2013	90.46	
		PETTY CASH	CVEP ANNUAL ECONOMIC SUMMIT REGISTRATION FOR W. MCKINNEY FOR NOV 1 , 2013	85.00	
		PETTY CASH	FLORAL ARRANGEMENT FOR M.ROCHE FOR 2013 CLASS OF DISTINGUISHED WOMEN AWARD	75.00	
		PETTY CASH	ALLEN SOCKETS & BREAKER WRENCH FOR PW DEPT	73.41	
		PETTY CASH	LUNCH MEETING WITH M. ROCHE, T. MERTENS & W. MCKINNEY FOR NOV 5, 2013	72.48	
		PETTY CASH	LUNCH MEETING WITH M. ROCHE, T. MERTENS & W. MCKINNEY FOR NOV 19, 2013	64.43	
		PETTY CASH	EMERGENCY PREPARDENESS PRESENTATION COOKIES & DONUTS FOR NOV 16, 2013	57.94	
		PETTY CASH	LUNCH MEETING WITH M.ROCHE, T.MERTENS & W. MCKINNEY FOR OCT 15, 2013	55.52	
		PETTY CASH	CITY VEHICLE FUEL SUPPLY FOR OCT 24, 2013	51.73	
		PETTY CASH	LUNCH MEETING WITH T. MERTENS, T.PEABODY, A. GONSALVES & W. MCKINNEY NOV 6, 2013	51.20	
		PETTY CASH	NOTICE OF DETERMINATION FOR A CEQA ADDENDUM TO THE ZONING CODE UPDATE	50.00	
		PETTY CASH	ETHICS TRAINING DONUTS. BAGELS & CREAM CHEESE FOR OCT 22, 2013	46.35	
		PETTY CASH	LUNCH MEETING WITH T. MERTENS & W. MCKINNEY FOR DEC 3, 2013	43.07	
		PETTY CASH	LUNCH MEETING WITH W.MCKINNEY & D. OLIPHANT FOR OCT 9, 2013	38.97	
		PETTY CASH	CALBO TRAINING TRAVEL EXPENSE FOR T.BATISTE FOR OCT 21 TO OCT 23, 2013	38.56	
		PETTY CASH	(1) 14 WATT SOFT WHITE LED LIGHT BULB FOR PW DEPT	32.38	

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CHECK #	DATE	INVOICE #	VENDOR NAME/DESCRIPTION	INVOICE AMT	CHECK TOTAL
		PETTY CASH	(4) LOCKS FOR EOC LOCKERS FOR DEPT. HEADS	26.96	
		PETTY CASH	ROTARY CLUB MEETING DUES FOR WADE MCKINNEY FOR OCT 21, 2013	20.00	
		PETTY CASH	ROTARY CLUB MEETING DUES FOR WADE MCKINNEY FOR OCT 28, 2013	20.00	**1,189.55**
44434	1/2/2014		WAUSAU TILE INC.		
		454608	(3) GRAY CONTOUR BUS BENCHES FOR CITY BUS SHELTERS	1,153.44	**1,153.44**
44379	1/2/2014		GREAT AMERICA LEASING CORP.		
		14611773	CANON 4045 & 7105 COPIER LEASES FOR JAN, 2013	1,106.90	**1,106.90**
44392	1/2/2014		MARK CIESLIKOWSKI PHOTOGRAPHY		
		2962	RESIDENT WILDLIGHTS EVENT SHOOTING FEE & DVD BURNING PHOTOGRAPHY SVC	341.60	
		2964	HOSPITALITY AWARDS SHOOTING FEE & DVD BURNING PHOTOGRAPHY SVC	341.60	
		2968	EMPLOYEE APPRECIATION LUNCHEON SHOOTING FEE & DVD BURNING PHOTOGRAPHY SVC	302.40	
		2967	(1) HOSPITALITY AWARD RECIPIENTS CUSTOM 16X20 COLOR PRINT FOR CITY HALL	81.00	**1,066.60**
44394	1/2/2014		MARTIN SWEEPING		
		4933	STREET PRESSURE WASHING FOR PAINT REMOVAL SVC ON HWY 111 & CLUB DRIVE	1,050.00	**1,050.00**
44381	1/2/2014		HDL SOFTWARE LLC		
		0033056	BUSINESS LICENSE SOFTWARE CUSTOM PROGRAMMING SERVICE FOR 2014 RENEWALS	945.00	**945.00**
44367	1/2/2014		CORELOGIC INFORMATION		
		81023329	REALQUEST ONLINE REAL ESTATE DATA FOR NOV, 2013	918.75	**918.75**
44366	1/2/2014		COACHELLA VALLEY WATER DIST.		
		155761-422706	INCA DRIVE UTILITIES FOR DEC, 2013	388.51	
		281271-740546	45-410 COOK ST UTILITIES FOR DEC, 2013	162.36	
		281269-740542	OSAGE TRL LOT 30 UTILITIES FOR DEC, 2013	150.46	
		324083-740422	SANDPIPER DR/MANITOU UTILITIES FOR DEC, 2013	106.62	
		314329-846220	45585 ELDORADO DR UTILITIES FOR DEC, 2013	36.36	**844.31**
44346	12/23/2013		VISION SERVICE PLAN - (CA)		
		121858900001	VISION INSURANCE FOR JAN 2014	829.52	**829.52**

CHECK #	DATE	INVOICE #	VENDOR NAME/DESCRIPTION	INVOICE AMT	CHECK TOTAL
44437	1/2/2014		WEST COAST TURF		
		INV540756	(2,016) SQ FEET OF TIFWAY 419 SOD FOR HWY 111/IW LANE & MILES AVE HOLE #17	821.63	**821.63**
44385	1/2/2014		HOSPITALITY EBUSINESS		
		19247	CONTENT MANAGEMENT SYSTEM (CMS) UPGRADE & IMPLEMENTATION FOR JAN, 2014	750.00	**750.00**
44423	1/2/2014		SOUTHWEST NETWORKS		
		13-12505	CITY HALL OFFSITE STORAGE SERVICES FOR JAN, 2014	538.92	
		13-12504	CITY HALL OFFSITE STORAGE SERVICE OVERAGES NOV, 2013	194.40	**733.32**
44386	1/2/2014		INLAND LIGHTING SUPPLIES, INC.		
		163936	(100) LIGHT BULBS FOR CITY PARKWAYS	270.00	
		164239	(100) LIGHT BULBS FOR CITY BRIDGE LIGHTING	210.60	
		161673	(4) LANDSCAPE LIGHTS FOR HWY 111 MEDIANS	165.02	
		164330	(5) 50 WATT LIGHT BULBS FOR BRIDGES ON MILES, DEEP CANYON AND ELDORADO	76.42	**722.04**
44391	1/2/2014		LEE & ASSOCIATES		
		8497	AGENT COMMISSION FOR RENTAL OF 45-200 CLUB DRIVE SUITE B2	687.66	**687.66**
44368	1/2/2014		COUNTY OF RIVERSIDE		
		AN0000000213	ANIMAL SHELTER, FIELD SVC, LICENSES, OPERATIONS & MAINT. FOR NOV, 2013	630.30	**630.30**
44377	1/2/2014		GOLDEN CONSTRUCTION INC.		
		1315701-1 0010	DUST CONTROL/GRADING PERMIT DEPOSIT REFUND FOR 46000 E. ELDORADO #21	620.00	**620.00**
44396	1/2/2014		N.E.A.D. LLC		
		717	IPHONE MUNICIPAL APP SUPPORT FOR OCT 6-JAN 5, 2014	600.00	**600.00**
44378	1/2/2014		GRANDYS, ANNA		
		SAN DIEGO	2013 CITY CLERKS NEW LAW & ELECTIONS SEMINAR TRAVEL EXPENSE REIMB	599.52	**599.52**
44403	1/2/2014		PACIFIC COAST CONSTRUCTION		
		3465	CUT & FABRICATE (3) END TABLES FOR CITY HALL & CLUB DRIVE BLDG	585.00	**585.00**

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CHECK #	DATE	INVOICE #	VENDOR NAME/DESCRIPTION	INVOICE AMT	CHECK TOTAL
44384	1/2/2014		HOME DEPOT		
		5023431	LED LIGHTS FOR CITY HALL CHRISTMAS TREE LIGHTING	429.36	
		5020158	FINISH BLADES FOR PUBLIC WORKS SHOP SUPPLY	124.14	**553.50**
44401	1/2/2014		OMEGA INDUSTRIAL SUPPLY, INC		
		SI35055	HALF CASE OF GERM AWAY & D-GUM PUBLIC WORKS CLEANING SUPPLIES	547.65	**547.65**
44428	1/2/2014		TELEPACIFIC COMMUNICATIONS		
		51871268-0	CITY HALL PHONE SERVICE FOR DEC 16, 2013-JAN 15, 2014	484.49	**484.49**
44415	1/2/2014		RASA		
		4652	FIRST PLAN CHECK 15-13-03 PARCEL MERGER REVIEW SERVICE FEE	285.00	
		4653	FIRST PLAN CHECK 15-13-04 PARCEL MERGER REVIEW SERVICE FEE	190.00	**475.00**
44421	1/2/2014		SIMPLOT PARTNERS		
		208028591	(36) BAGS OF SYSTEMIC ROSE CARE FOR HWY 111 MEDIANS FROM COOK TO MOUNTAIN COVE	462.67	**462.67**
44418	1/2/2014		SECO SYS WATER CONTROL		
		223-P1	HWY 111 WATER METERS, VALVES, FITTINGS, HYDRAPODS & HYDRAMETERS	446.99	**446.99**
44347	1/2/2014		ALL TOOL REPAIR		
		DTD 11/26/13	SKILL SAW, ANGLE GRINDER & GAS POWERED CUT OFF SAWS TOOL REPAIR FOR PW DEPT	435.00	**435.00**
44373	1/2/2014		ESGIL CORPORATION		
		11133656	46-000 E. ELDORADO DRIVE PLAN CHECK SERVICE FOR NOV 27, 2013	420.00	**420.00**
44388	1/2/2014		JOHN DEERE LANDSCAPES		
		66780360	SOD STAPLE SQUARE TIE DOWNS, PVC NIPPLES, SPIRAL BARB WIRE & BLACK EDGING	329.02	
		66789782	MALE & FEMALE ADAPTERS FOR LANDSCAPE AREA A23	75.69	**404.71**
44357	1/2/2014		BEST SIGNS, INC.		
		81436	COUNCIL MEMBERS NAME AND TITLE OFFICE WINDOW VINYL LETTERING FOR DEC, 2013	369.36	**369.36**
44376	1/2/2014		FULTON DISTRIBUTING		
		309633	FACIAL TISSUE, TOILET TISSUE, 12-16 GALLON LINERS & ANITBACTERIAL HAND SOAP	355.11	**355.11**

CHECK #	DATE	INVOICE #	VENDOR NAME/DESCRIPTION	INVOICE AMT	CHECK TOTAL
44412	1/2/2014		PUBLIC RECORD		
		14509	CLERKS DEPT LEGAL NOTICE OF ORDINANCE NO. 675 FOR DEC 10, 2013	204.00	
		14510	CLERKS DEPT LEGAL NOTICE OF ORDINANCE ADOPTION FOR DEC 10, 2013	75.00	**279.00**
44411	1/2/2014		PRUDENTIAL OVERALL SUPPLY		
		20791616	CITY TOWEL, MATS & AIR FRESHENER SUPPLIES FOR DEC 11, 2013	137.23	
		20795164	CITY TOWEL, MATS & AIR FRESHENER SUPPLIES FOR DEC 18, 2013	109.79	**247.02**
44348	1/2/2014		AMERICAN FORENSIC NURSES		
		64020	(5) PUBLIC SAFETY BLOOD DRAW TESTING SERVICE	205.40	
		64076	(1) PUBLIC SAFETY BLOOD DRAW TESTING SERVICE	41.08	**246.48**
44374	1/2/2014		FEDERAL EXPRESS CORP.		
		2-494-77225	EXPRESS MAIL SVC FINANCE, PUBLIC RELATIONS & CITY MANAGERS DEPT FOR NOV 15-DEC 9	238.72	**238.72**
44404	1/2/2014		PALM DESERT ACE HARDWARE		
		180957	CABLE TIE SUPPLY FOR PUBLIC WORKS	51.22	
		181157	(7) WISK BROOMS FOR PUBLIC WORKS DEPT	37.72	
		180874	(4) EXTENSION CORDS FOR PUBLIC WORKS DEPT	19.40	
		181131	ROD THREAD, BIT DRILL & EXTENSION BITS PUBLIC WORKS TOOLS & MAINT SUPPLIES	98.16	**206.50**
44353	1/2/2014		ARRANGEMENTS FLORAL & PARTY		
		42328	(4) EMPLOYEE APPRECIATION CENTERPIECES FOR DEC 13, 2013	194.40	**194.40**
44371	1/2/2014		DESERT ELECTRIC SUPPLY		
		S2046556.001	GREEN, RED, WHITE, & BLACK BUILDING WIRE SUPPLY FOR GENERAL FUND AREAS	263.48	
		S2045087.001	ELECTRICAL TAPE & PVC FOR HWY 111 LANDSCAPE IRRIGATION AT HOLE 17	122.20	
		S2046493.001	CONDUIT & DOTTIE BODY COVERS FOR CITY PALM TREE LIGHTS	58.08	
		S2044500.001	PVC TERMINAL ADAPTER & OUTLET BOX FOR CITY HALL CHRISTMAS TREE LIGHTING	7.08	
		S2045091.001	CREDIT 170" OF PVC CONDUIT FOR HOLE 17 HWY 111 PROJECT	-75.85	
		S2046557.001	CREDIT WIRE SUPPLY FOR HWY 111 LANDSCAPE IRRIGATION AT HOLE 17	-201.46	**173.53**
44426	1/2/2014		SUPERCO SPECIALTY PRODUCTS		
		15006138	(1) CONTAINMENT CONTROL HAZMAT SPILL KIT	166.42	**166.42**

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CHECK #	DATE	INVOICE #	VENDOR NAME/DESCRIPTION	INVOICE AMT	CHECK TOTAL
44429	1/2/2014		TELEPACIFIC COMMUNICATIONS		
		51889349-0	EMERGENCY PHONE SERVICES FOR DEC 16, 2013-JAN 15, 2014	154.68	**154.68**
44413	1/2/2014		PUBLICCEO.COM		
		1511	ASSITANT TO THE CITY MANAGER JOB AD POSTING FOR DEC 2013	150.00	**150.00**
44408	1/2/2014		POINT 7 WEST, INC.		
		10478	REVISION OF IWTV FOR THE MONTH OF DECEMBER, 2013	125.00	**125.00**
44389	1/2/2014		LAW OFFICE OF LANSTON E ELDRED		
		1334301-1 0021	2014 BUSINESS LICENSE DUPLICATE PAYMENT REFUND	115.00	**115.00**
44364	1/2/2014		CDW GOVERNMENT, INC.		
		HH88666	(1) 25-PACK KEYSTONE JACKS & (1) 100-PACK MODULAR PLUGS FOR TECHNOLOGY DEPT	113.46	**113.46**
44354	1/2/2014		ART WORKS GALLERY		
		18009	(1) FRAME FOR MAYOR MERTEN'S PHOTO IN COUNCIL CHAMBERS	107.01	**107.01**
44352	1/2/2014		AROUND-THE-CLOCK		
		131300106101	AFTER HOURS PHONE ANSWERING SERVICE FOR DEC 16, 2013 TO JAN 12, 2014	92.10	**92.10**
44359	1/2/2014		BURRTEC WASTE & RECYCLING		
		44-BS 405166	ONSITE STORAGE RENTAL FOR CHRISTMAS TREE DECORATIONS FOR DEC, 2013	80.00	**80.00**
44398	1/2/2014		NATIONAL ASSOC OF GOVERNMENT		
		3936	CHIEF DEPUTY CITY CLERK A.GRANDYS MEMBERSHIP DUES FOR 2014	75.00	**75.00**
44361	1/2/2014		CAMERON NURSERY & TURF PRODUCT		
		257664	(2) CACTUS FENCE POST & (2) LEUCOPHYLLUM FOR AREA A21	70.74	**70.74**
44360	1/2/2014		CALIFORNIA CITY MANAGEMENT		
		WADE MCKINNEY	CCMF ANNUAL APPRECIATION DINNER FOR WADE MCKINNEY ON FEB 6, 2014	65.00	**65.00**
44363	1/2/2014		CANON SOLUTIONS AMERICA, INC.		
		988127009	SCEXPN WIDE FORMAT COPIER/SCANNER MAINTENANCE FOR DEC 2013	45.98	

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CHECK #	DATE	INVOICE #	VENDOR NAME/DESCRIPTION	INVOICE AMT	CHECK TOTAL
		988118745	COLORWAVE 300 COLOR PRINTER USAGE & MAINTENANCE FOR NOV, 2013	10.89	**56.87**
44424	1/2/2014		STAPLES		
		1463424	CUSTOM STAMP KIT AND 2014 DESK CALENDARS FOR PUBLIC WORKS DEPT	50.73	**50.73**
44432	1/2/2014		VERIZON CALIFORNIA		
		200-1815	TRAFFIC SIGNAL CONTROL PHONE LINE FOR DEC 13, 2013-JAN 12, 2014	49.00	**49.00**
44395	1/2/2014		MAXIMUM SECURITY		
		83701	CITY HALL BACK ENTRANCE ACCESS CONTROL DOOR PROGRAMMING SVC ON DEC 5, 2013	45.00	**45.00**
44345	12/23/2013		UNITED WAY OF THE DESERT		
		352000006506	PAYROLL EMPLOYEE CONTRIBUTIONS FOR DEC 20, 2013	40.00	**40.00**
44427	1/2/2014		TCC SALES		
		10377	(24) 18X36 TRIMACO TACK CLOTHES FOR PUBLIC WORKS SUPPLY	25.67	
		9242	GREY SCOTCH BRITE SCRUB PAD & MAROON SCOTCH BRITE PAD PAINT SUPPLY	12.54	**38.21**
44351	1/2/2014		ARMSTRONG GROWERS		
		90550	(6) POINSETTIA PLANTS & (6) GOLD POT COVERS FOR CITY HALL LOBBY	35.12	**35.12**
44375	1/2/2014		FIESTA FORD		
		542770	(1) POWER STEERING REPLACEMENT CAP FOR FORD F150 CITY VEHICLE	21.72	**21.72**
44399	1/2/2014		NEXTEL COMMUNICATIONS		
		627757319-145	R.BOWEN LANDSCAPE SPECIALIST PUSH TO TALK CELL SVC FOR NOV 12-DEC 11, 2013	19.89	**19.89**
44355	1/2/2014		AT&T MOBILITY		
		287243904839	RAINBIRD LANDSCAPE CONTROLLER SIM CARD DATA SVC FOR NOV 12-DEC 11, 2013	18.97	**18.97**
44397	1/2/2014		NAPA AUTO PARTS		
		097984	(1) GAS CAP FOR FORD F250 CITY TRUCK	14.40	**14.40**

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TOTAL CITY WARRANTS 44343-44437: 730,236.35

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CHECK #	DATE	INVOICE #	VENDOR NAME/DESCRIPTION	INVOICE AMT	CHECK TOTAL
Wires :					
1395	12/20/2013		CALIFORNIA PUBLIC EMPLOYEES		
		100000014187293	MEDICAL INSURANCE FOR JAN 2014	58,676.82	**58,676.82**
1394	12/24/2013		INTERNAL REVENUE SERVICE		
		95-2489139	FWT, FICA & MEDICARE FOR DEC 20, 2013	34,520.28	**34,520.28**
1396	12/23/2013		CALPERS RETIREMENT SYSTEM		
		6392517834	PAYROLL CONTRIBUTIONS FOR DEC 20, 2013	8,431.79	**8,431.79**
1393	12/20/2013		ICMA		
		CONTRIBUTIONS	401A, 457 & ROTH IRA FOR DEC 20, 2013	8,169.99	**8,169.99**
1397	12/23/2013		CALIFORNIA, STATE OF		
		925-0060-2	SDI & SWT DEPOSIT FOR DEC 20, 2013	8,152.76	**8,152.76**
2821	12/19/2013		INDIAN WELLS EMPLOYEE ASSOC.		
		2379795	PAYROLL EE DUES FOR DEC 20, 2013	154.00	**154.00**

PAYROLL WIRE DISBURSEMENTS 1393-1397 & 2821: 118,105.64

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CHECK #	DATE	INVOICE #	VENDOR NAME/DESCRIPTION	INVOICE AMT	CHECK TOTAL
			EFT 12754-12781		78,015.98
			2822-2824		3,976.70
			Total Net Payroll 12/20/2013		**81,992.68**
			EFT 12782-12813		76,061.42
			2826-2827		1,504.15
			Total Net Payroll 01/03/2014		**77,565.57**
			TOTAL CITY DISBURSEMENTS:		**1,007,900.24**

Note: Warrants 44343-44437 were issued prior to City Council approval due to holiday schedule.

CC/HA ACTION ____ MTG. DATE: 1-16-14
APPROVED X DENIED ____ REC/FILE ____ CONT. ____
OTHER ____
VOTE: YES 5 NO 0 ABSTAIN ____

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CITY OF INDIAN WELLS
01/16/2014 MEETING WARRANT LIST

CHECK #	DATE	INVOICE #	VENDOR NAME/DESCRIPTION	INVOICE AMT	CHECK TOTAL
44472	1/16/2014		GREATER PALM SPRINGS		
		0013038-IN	TOT FUNDING CONTRIBUTION FOR JAN TO MAR, 2014	51,182.00	**51,182.00**
44507	1/16/2014		TYLER TECHNOLOGIES, INC.		
		045-100333	ANNUAL FINANCIAL SOFTWARE SUPPORT FOR JAN 1, 2014 TO DEC 31, 2014	30,366.95	**30,366.95**
44475	1/16/2014		HOSPITALITY EBUSINESS		
		19177	SEARCH ENGINE/EMAIL MARKETING, WEBSITE OPERATION, ACCOUNT MGMT FOR JAN-MAR 2014	15,974.57	**15,974.57**
44495	1/16/2014		RIVERSIDE COUNTY FIRE DEPT.		
		231791	FIRE PROTECTION,FIRE PREVENTION,RESCUE & MEDICAL EMERGENCY SVCS FOR JUL TO SEPT	13,340.64	**13,340.64**
44498	1/16/2014		SECO SYS WATER CONTROL		
		223-P1	HWY 111 WATER METERS, VALVES, FITTINGS, HYDRAPODS & HYDRAMETERS BALANCE DUE	5,587.34	**5,587.34**
44451	12/30/2013		PLATINUM PLUS FOR BUSINESS		
		9767	(1) FIRE STATION SMOKE DETECTORS & MAINTENANCE SUPPLIES	785.88	
		9767	(1) 5-BURNER GAS GRILL FOR FIRE STATION #55	656.64	
		9767	FIRE STATION AMBULANCE AUTO BODY REPAIR SERVICE	575.91	
		2000	2014 LCC NEW MAYORS & COUNCIL MEMBERS ACADEMY REGISTRATION FOR TED MERTENS	550.00	
		2000	2014 LCC NEW MAYORS & COUNCIL MEMBERS ACADEMY REGISTRATION FOR DOUGLAS HANSON	550.00	
		2000	2014 LCC NEW MAYORS & COUNCIL MEMBERS ACADEMY REGISTRATION FOR WADE MCKINNEY	550.00	
		2000	PEACE OFFICER & PUBLIC SAFETY APPRECIATION DAY AWARDS LUNCHEON FOR NOV 26, 2013	300.00	
		2000	NEW MAYOR & COUNCIL MEMBERS ACADEMY RETURNING AIRFARE EXPENSE FOR W.MCKINNEY	124.90	
		2000	NEW MAYOR & COUNCIL MEMBERS ACADEMY RETURNING AIRFARE EXPENSE FOR T.MERTENS	114.90	
		2000	NEW MAYOR & COUNCIL MEMBERS ACADEMY AIRFARE EXPENSE FOR TED MERTENS ON JAN 22	91.80	
		2000	NEW MAYOR & COUNCIL MEMBERS ACADEMY AIRFARE EXPENSE FOR WADE MCKINNEY ON JAN 22	91.80	
		2000	CITY COUNCIL MEETING LUNCH FOR DEC 5, 2013	91.55	
		1615	(250) CITY NEWSLETTER AD SPACE POST CARDS	63.70	
		2048	(1) CREATIVE CLOUD TEAM ALL SOFTWARE LICENSE UPGRADE	49.99	
		2048	(1) MICROSOFT OFFICE 365 ADMINISTRATION INSIDE OUT	39.36	
		1615	LUNCH MEETING-N.SAMUELSON & EMILY BIRD RENAISSANCE ESMERALDA	35.50	

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CHECK #	DATE	INVOICE #	VENDOR NAME/DESCRIPTION	INVOICE AMT	CHECK TOTAL
		2000	CITY COUNCIL MORNING STUDY SESSION PASTRIES & REFRESHMENTS FOR DEC 5, 2013	30.87	
		2000	CITY COUNCIL MEETING PASTRIES & REFRESHMENTS FOR NOV 7, 2013	23.45	
		2000	CITY COUNCIL MEETING PASTRIES & REFRESHMENTS FOR DEC 21, 2013 (STATER BROS)	21.84	
		9767	MONTHLY FORECLOSURE COMPLETE PROPERTY PROFILE SEARCH SERVICE FOR DEC, 2013	20.00	
		2048	(2) 1-YEAR DOMAIN NAME RENEWALS	18.46	
		9767	IRIDIUM ANNUAL SUBSCRIPTION AIRTIME FEE FOR OCTOBER, 2013	4.64	**4,791.19**
44501	1/16/2014		SITEIMPROVE, INC.		
		39173	WEBSITE QUALITY IMPROVEMENT SERVICES FOR JAN 9, 2014-JAN 8, 2015	3,995.00	**3,995.00**
44460	1/16/2014		CLEANSTREET		
		72876	CITYWIDE STREET SWEEPING FOR DEC, 2013	3,702.43	**3,702.43**
44446	1/8/2014		DELTA DENTAL		
		BE000707359	DENTAL INSURANCE FOR JAN 2014	3,368.71	**3,368.71**
44462	1/16/2014		COACHELLA VALLEY WATER DIST.		
		153215-419808	MILES AVE/WARNER TRL UTILITIES FOR NOV, 2013	1,043.10	
		313547-845300	MILES AVE EAST OF WARNER TRL UTILITIES FOR DEC, 2013	373.34	
		153215-419808	MILES AVE/WARNER TRL UTILITIES FOR DEC, 2013	276.99	
		156361-423526	HWY 111 LANDSCAPE UTILITIES FOR DEC, 2013	245.26	
		155641-422578	44980 COOK ST UTILITIES FOR DEC, 2013	204.92	
		281233-740500	76625 HWY 111 UTILITIES FOR DEC, 2013	153.42	
		155581-422504	COOK ST CENTER MEDIAN UTILITIES FOR DEC, 2013	83.96	
		152067-418436	44-860 ELDORADO DRIVE UTILITIES FOR DEC, 2013	64.80	
		155805-422752	HWY 111 EAST OF CLUB DR UTILITIES FOR DEC, 2013	62.68	
		152073-418442	44-950 ELDORADO DRIVE UTILITIES FOR DEC, 2013	55.68	
		314309-846198	75420 MANSFIELD DR UTILITIES FOR DEC, 2013	52.48	
		152071-418440	44-500 INDIAN WELLS LANE UTILITIES FOR DEC, 2013	46.86	
		314511-846428	44500 INDIAN WELLS LN UTILITIES FOR DEC, 2013	46.84	
		542759-418520	44-950 ELDORADO DR COMMUNITY GARDEN UTILITIES FOR DEC, 2013	46.44	
		152069-418438	FIRE STATION #55 UTILITIES FOR DEC, 2013	45.74	
		152599-419102	45318 INDIAN WELLS LN UTILITIES FOR DEC, 2013	40.28	

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CHECK #	DATE	INVOICE #	VENDOR NAME/DESCRIPTION	INVOICE AMT	CHECK TOTAL
		314503-846420	OSAGE TRL MEDIAN WEST OF PAWNEE UTILITIES FOR DEC, 2013	39.72	
		152175-418598	44502 ELDORADO DR UTILITIES FOR DEC, 2013	38.04	
		314499-846416	OSAGE TRL LOT 4 UTILITIES FOR DEC, 2013	32.44	
		134443-394192	44010 SUPERIOR COURT UTILITIES FOR DEC, 2013	28.28	
		152173-418596	ELDORADO DR SE CORNER OF OSAGE TRL UTILITIES FOR DEC, 2013	25.72	
		152575-419066	45200 CLUB DR UTILITIES FOR DEC, 2013	24.46	
		308623-839674	INDIAN WELLS LANE MEDIANS UTILITIES FOR DEC, 2013	19.00	
		281261-740534	44-860 ELDORADO DR UTILITIES FOR DEC, 2013	15.00	
		281263-740536	44-950 ELDORADO DRIVE UTILITIES FOR DEC, 2013	10.00	
		152991-419528	HWY 111 UTILITIES FOR DEC, 2013	82.86	**3,158.31**
44474	1/16/2014		HOME DEPOT		
		6018117	CITY HALL CHRISTMAS TREE LIGHTS & ORNAMENTS	1,103.20	
		2023419	CABLE REPAIR SUPPLIES FOR FRED WASH	376.17	
		4026279	(9) BLACK FLOURESCENT PATH LIGHTS FOR HWY 111 MEDIANS	322.73	
		4026213	CITY HALL CHRISTMAS TREE ORNAMENTS, HOOKS & UTILITY PANEL	278.46	
		7096491	CITY HALL CHRISTMAS TREE ORNAMENTS AND HOOKS	256.75	
		7046838	CITY HALL CHRISTMAS TREE ORNAMENTS AND HOOKS	204.58	
		6061973	CITY HALL CHRISTMAS TREE LIGHT SETS	203.01	
		2023417	SAW BLADES, MOVING BLANKETS & EXTENSION CORD FOR PW DEPT	139.24	
		5020003	CITY HALL CHRISTMAS TREE LIGHTING SUPPLIES	100.41	
		3102279	(2) WHEEL CLEANERS,TEFLON BRUSH,WOOD CHISEL SET,(3)ULTRA SHINE WASH & 8' POLE	94.37	
		9010820	2" TWIN WHEEL CASTER STEM FOR OFFICE CHAIR REPAIR	5.10	**3,084.02**
44478	1/16/2014		JOE A. GONSALVES & SON		
		24120	LEGISLATIVE ADVOCACY SERVICES FOR JAN, 2014	3,000.00	**3,000.00**
44486	1/16/2014		MIRAMONTE RESORT		
		4AS8KX	EMPLOYEE RECOGNITION LUNCHEON FOOD & BEVERAGE FOR DEC 13, 2013	2,509.65	**2,509.65**
44490	1/16/2014		RA STRUCTURAL ENGINEERING		
		B00-010-888-1	78-200 MILES AVENUE PLAN CHECK SERVICE FOR NOV 22-DEC 14, 2013	2,340.00	**2,340.00**

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CHECK #	DATE	INVOICE #	VENDOR NAME/DESCRIPTION	INVOICE AMT	CHECK TOTAL
44473	1/16/2014		HIGH TECH MAILING SERVICES		
		27985	NEWSLETTER MAILING, UPDATING MAILING LIST, IMPRINT ADDRESSES FOR JAN, 2014	2,215.64	**2,215.64**
44508	1/16/2014		UNION BANK OF CALIFORNIA		
		840381	ANNUAL ADMINISTRATIVE CUSTODIAL FEES FOR SEPT 1-NOV 30, 2013	2,065.00	**2,065.00**
44481	1/16/2014		KEITH HULL'S POOL SERVICE, INC		
		13201200	IW LANE FOUNTAIN MAINTENANCE & CHEMICALS FOR DEC, 2013	1,825.00	
		13221200	WALK OF HONOR/CITY ENTRY FOUNTAINS MAINT FOR DEC, 2013	150.00	**1,975.00**
44497	1/16/2014		SEATTLE MET		
		2013-9872	SEATTLE MET CITY GUIDE HALF PAGE ADVERTISEMENT FOR JAN, 2014	1,750.00	**1,750.00**
44449	1/8/2014		UNION SECURITY INSURANCE CO.		
		4015595	SHORT/LONG TERM DISABILITY FOR JAN 2014	1,741.55	**1,741.55**
44500	1/16/2014		SIMPLOT PARTNERS		
		208029131	(84) BAGS OF STANDARD CALCIUM NITRATE FOR GENERAL FUND AREAS LANDSCAPE MAINT	1,247.41	
		208028989	STURDY TWIST TOOL, BISHOP COMBO KIT & P-95 PARTICULATE FOR LANDSCAPE MAINTENANCE	274.63	
		208028312	WIRE, SPOOLS & EARTH AUGER FOR CITY GENERAL FUND AREAS LANDSCAPE MAINTENANCE	148.00	
		208028990	(1) GOPHER-MOLE BAIT APPLICATOR FOR CITY GENERAL FUND AREA MAINTENANCE	48.61	**1,718.65**
44485	1/16/2014		MINUTEMAN PRESS		
		28754	CITY NEWSLETTER ADVERTISING INSERT PRINTING FOR DEC, 2013	1,462.72	**1,462.72**
44511	1/16/2014		WELLNESS WORKS		
		149	EMPLOYEE ASSISTANCE PROGRAM FY 13/14 SECOND INSTALLMENT	1,300.00	**1,300.00**
44484	1/16/2014		LUMPKIN, RUSSELL L.		
		DTD 12/31/13	BUILDING INSPECTION, PLAN REVIEW,PERMIT ISSUANCE & CODE ENFORCEMENT FOR DEC 2013	1,152.00	**1,152.00**
44468	1/16/2014		ECONOLITE CONTROL PRODUCTS INC		
		110387	TRAFFIC SIGNALS SOFTWARE UPGRADE	1,080.00	**1,080.00**

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CHECK #	DATE	INVOICE #	VENDOR NAME/DESCRIPTION	INVOICE AMT	CHECK TOTAL
44459	1/16/2014		CDW GOVERNMENT, INC.		
		HR59233	(1) HP LASERJET PRINTER & (1) HP MEDIA TRAY/FEEDER FOR DEPUTY CITY CLERKS OFFICE	1,071.60	**1,071.60**
44477	1/16/2014		JOBS AVAILABLE, INC.		
		1401019	SR ACCOUNTANT & ASSISTANT TO THE CITY MANAGER JOB ADS FOR DEC 17 & DEC 31, 2013	1,071.00	**1,071.00**
44470	1/16/2014		ESRI INC.		
		92750756	ARCGIS SOFTWARE SUPPORT RENEWAL FEE FOR JAN 4, 2014 TO JAN 3, 2015	1,064.00	**1,064.00**
44479	1/16/2014		JOHN DEERE LANDSCAPES		
		66875836	(1,000) THREADED XERI BUG EMITTERS & (2) SANDVIK HP RAZORBACK TOOL BOXES FOR A8	342.41	
		66841744	GARDEN VALVES,PIPE DOPE,PVC NIPPLES,PVC PIPES & ELECTRICAL VALVE FOR COMM.GARDEN	288.41	
		66883634	HIT REPLACEMENT CAPS, SOC PVC FITTINGS & RED BUSHING FOR AREA A21	160.51	
		66841724	(6) COUPLING PVC FITTINGS & (3) QUIK FIX REPAIR COUPLINGS FOR FW/ELDORADO WASH	139.36	
		66825685	BAR & CHAIN OIL, 2-CYCLE OIL AND JUMBO VALVE BOX FOR FRED WARING & ELDORADO WASH	106.52	**1,037.21**
44492	1/16/2014		RBF CONSULTING		
		865555	2014-2021 HOUSING ELEMENT UPDATE PROFESSIONAL SERVICE FOR NOV, 2013	919.33	**919.33**
44453	1/16/2014		B.G. STRUCTURAL ENGINEERING		
		917.325	46-420 BLACKHAWK DR PLAN CHECK SVCS-ENGINEER, ARCHITECTURE, ADMINISTRATION	712.50	
		917.317	43-052 VIA SIENA PLAN CHECK SVCS-ENGINEER, ARCHITECTURE, ADMINISTRATION	200.00	**912.50**
44461	1/16/2014		COACHELLA VALLEY ASSOC OF GOVT		
		CV 14069-13	SOUTHERN CALIFORNIA AIR QUALITY MGMT DISTRICT FUNDS (AB2766) FOR JUL-SEPT 2013	807.62	**807.62**
44502	1/16/2014		SOUTHERN CALIFORNIA GAS CO.		
		16312760008	44950 ELDORADO DRIVE CITY HALL UTILITIES FOR DEC, 2013	345.85	
		16102760622	44900 ELDORADO DRIVE FIRE STATION UTILITIES FOR DEC, 2013	180.79	
		15892760008	44860 ELDORADO CORP YARD UTILITIES FOR DEC, 2013	144.08	**670.72**
44512	1/16/2014		WHITE CAP CONSTRUCTION SUPPLY		
		10001100424	BIG FOOT WORM DRIVE SAW, BLADES & ABRASIVES FOR PUBLIC WORKS DEPT	549.25	**549.25**

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CHECK #	DATE	INVOICE #	VENDOR NAME/DESCRIPTION	INVOICE AMT	CHECK TOTAL
44447	1/8/2014		ORANTES, ANGELICA		
		SCHOOL REIMB	EDUCATION REIMBURSEMENT FOR AUG 26 TO DEC 16, 2013	545.29	**545.29**
44448	1/8/2014		STANDARD INSURANCE COMPANY		
		643033	LIFE INSURANCE/AD&D FOR JAN 2014	529.82	**529.82**
44466	1/16/2014		DESERT SUN PUBLISHING CO.		
		0004809851	CITY CLERKS DEPT LEGAL NOTICES PUBLIC NOTICE NO.2100 & 2136 FOR NOV, 2013	493.78	**493.78**
44455	1/16/2014		BIO-TOX LABORATORIES		
		27987	IW POLICE DRUG TESTING SVCS FOR NOV, 2013	392.00	
		27986	IW POLICE DRUG TESTING SVCS FOR NOV, 2013	74.00	**466.00**
44504	1/16/2014		STAPLES		
		3217558229	3-MONTH WALL CALENDAR, COPY PAPER, SHARPIES, VARIETY TEA, PELLGRINO WATER, JUICE	455.73	**455.73**
44458	1/16/2014		CANON FINANCIAL SERVICES, INC		
		13401996	CW300 & SCEXPN WIDE FORMAT COPIER/SCANNER LEASE FOR JAN, 2013	447.12	**447.12**
44452	1/16/2014		5 STAR MOBILE DJ, INC.		
		12114	RESIDENT PATIO PARTY PAVILION PREMIERE DJ SERVICES FOR JAN 21, 2014	437.50	**437.50**
44499	1/16/2014		SEGWAY		
		288008-0114	"800" EMERGENCY PHONE LINES FOR JAN-MAR 2014	371.58	**371.58**
44488	1/16/2014		PROPER SOLUTIONS		
		505	COMMUNITY DEVELOPMENT TEMP SVCS FOR DEC 18-19, 2013	316.80	**316.80**
44513	1/16/2014		ZUMAR INDUSTRIES, INC.		
		0149822	(3) "KEEP OFF" & (1) "PINCH POINT KEEP BACK" SIGNS FOR CITY GENERAL FUND AREAS	313.50	**313.50**
44509	1/16/2014		VERIZON CALIFORNIA		
		341-3179	CITY HALL FIRE/ALARM PHONE LINE SERVICE FOR DEC 25,2013 TO JAN 24, 2014	152.13	
		346-0407	CITY HALL FAX SERVICE FOR DEC 19, 2013 TO JAN 18, 2014	100.45	**252.58**

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CHECK #	DATE	INVOICE #	VENDOR NAME/DESCRIPTION	INVOICE AMT	CHECK TOTAL
44489	1/16/2014		PRUDENTIAL OVERALL SUPPLY		
		20798651	CITY TOWEL, MATS & AIR FRESHENER SUPPLIES FOR DEC 25, 2013	137.22	
		20802065	CITY TOWEL, MATS & AIR FRESHENER SUPPLIES FOR JAN 1, 2014	109.79	**247.01**
44454	1/16/2014		BATISTE, TANA		
		SCHOOL REIMB	EDUCATION REIMB FOR AUG 26 TO DEC 16, 2013	225.00	**225.00**
44496	1/16/2014		RIVERSIDE COUNTY SHERIFF DEPT.		
		SH0000022900	TRAFFIC MOTORCYCLE FUEL FOR OCT 24-NOV 18, 2013	212.00	**212.00**
44506	1/16/2014		TROPICAL PLANT SERVICES		
		49477	INDOOR PLANT MAINTENANCE SERVICE FOR DEC, 2013	195.00	**195.00**
44491	1/16/2014		RASA		
		4661	FINAL PLAN CHECK 15-13-03 PARCEL MERGER REVIEW SERVICE FEE	95.00	
		4662	FINAL PLAN CHECK 15-13-04 PARCEL MERGER REVIEW SERVICE FEE	95.00	**190.00**
44493	1/16/2014		RENNE SLOAN HOLTZMAN SAKAI LLP		
		24411	COLLEGE OF DESERT & RIV CTY OFFICE EDUCATION PROP.TAX CLAIM LEGAL SVC NOV 15, 13	152.50	**152.50**
44482	1/16/2014		LASR-INK		
		11201	(2) PRINTER CARTRIDGES FOR DEC 30, 2013	150.06	**150.06**
44457	1/16/2014		BOWEN, RYAN		
		REIMB	(4) JEANS & (4) POLO SHIRTS FOR LANDSCAPE SPECIALIST UNIFORM SUPPLY	147.32	**147.32**
44471	1/16/2014		FIRST CHOICE SERVICES		
		948347	COFFEE SUPPLY FOR DEC 30, 2013	114.27	**114.27**
44483	1/16/2014		LIGATURE, THE		
		2001009	(1,000) ENGRAVED BUSINESS CARDS FOR B.PELLETIER CODE ENFORCE/DEPUTY FIRE MARSHAL	111.54	**111.54**
44503	1/16/2014		SOUTHWEST PLUMBING, INC.		
		31150	HEATER RECIRCULATING PUMP REPAIR SERVICE CALL FOR 45-200 CLUB DR BLDG ON DEC 11	105.00	**105.00**

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CHECK #	DATE	INVOICE #	VENDOR NAME/DESCRIPTION	INVOICE AMT	CHECK TOTAL
44469	1/16/2014		EQUIPMENT DIRECT, INC		
		409778	(12) LIME COLORED HIGH VISIBILITY BEANIES FOR PW DEPT	100.72	**100.72**
44480	1/16/2014		JUDICIAL DATA SYSTEMS CORP.		
		4201	PARKING CITATIONS REVIEWS/HEARING PROCESSING ADMINISTRATION FEES FOR NOV, 2013	100.00	**100.00**
44463	1/16/2014		DATA TICKET INC.		
		50541	CODE ENFORCEMENT CITATION PROCESSING & ONLINE ACCESS CENTER FOR NOV, 2013	100.00	**100.00**
44494	1/16/2014		RIVERSIDE COUNTY AUDITOR/		
		NOV13	CITY CITATION COLLECTIONS REIMBURSEMENT FOR NOV, 2013	97.00	**97.00**
44510	1/16/2014		VERIZON WIRELESS		
		9717326374	CITY, CSO & BURGLARY SURPRESSION UNIT CELLULAR PHONE SVC FOR NOV 26-DEC 25, 2013	92.38	**92.38**
44487	1/16/2014		OFFICE DEPOT, INC.		
		1637290524	HANGING FILE FOLDERS, LABELS, CERTIFICATES WITH SEALS FOR CITY CLERK'S DEPT	49.56	
		1638379754	COLORED CARD STOCK FOR CITY MANAGER'S DEPT	13.49	
		1639066814	COLORED CARD STOCK FOR CITY MANAGER'S DEPT	13.49	**76.54**
44505	1/16/2014		TCC SALES		
		10779	RED STAIN, & MASTER WOOD CONDITIONER CITY PAINT SUPPLIES	49.71	
		10774	PAD RHODES, WOOD FINISHING PADS & NORTON BLACK PAINT	25.09	**74.80**
44465	1/16/2014		DESERT PIPE & SUPPLY		
		0014420370	(1) SLOAN DIAPHRAM KIT FOR PW BUILDING MEN'S RESTROOM REPAIR	60.38	**60.38**
44467	1/16/2014		DFM ASSOCIATES		
		MAIL ORDER	2014 EDITION OF THE CALIFORNIA ELECTIONS CODE FOR CITY CLERK DEPT	54.00	**54.00**
44464	1/16/2014		DESERT ELECTRIC SUPPLY		
		S2050343.001	BELL END ELBOWS, CARBIDE HOLE CUTTER & CARLON CLEAR CEMENT FOR HWY 111 PROJECT	47.84	**47.84**
44476	1/16/2014		IMPERIAL IRRIGATION DISTRICT		
		50579115	78560 VISTA DEL SOL #A BRIDGE LIGHTING UTILITIES FOR NOV 22-DEC 19, 2013	44.95	**44.95**

CHECK #	DATE	INVOICE #	VENDOR NAME/DESCRIPTION	INVOICE AMT	CHECK TOTAL
44450	1/8/2014		UNITED WAY OF THE DESERT		
		352000006506	PAYROLL EMPLOYEE CONTRIBUTIONS FOR JAN 3, 2014	40.00	**40.00**
44456	1/16/2014		BIRCH COMMUNICATIONS, INC.		
		15137121	TOLL-FREE PHONE SERVICE FOR DEC 21, 2013 TO JAN 20, 2014	22.81	**22.81**

68 checks in this report

TOTAL CITY WARRANTS 44446-44513: 178,355.42

Wires :

1399	1/7/2014		INTERNAL REVENUE SERVICE	34,704.00	**34,704.00**
		95-2489139	FWT, FICA & MEDICARE FOR JAN 3, 2014		
1398	1/7/2014		ICMA	9,079.27	**9,079.27**
		CONTRIBUTIONS	401A, 457 & ROTH IRA FOR JAN 3, 2014		
1401	1/3/2014		CALIFORNIA, STATE OF	6,934.78	**6,934.78**
		925-0060-2	SDI & SWT DEPOSIT FOR JAN 3, 2014		
2825	1/2/2014		INDIAN WELLS EMPLOYEE ASSOC.	154.00	**154.00**
		2379795	PAYROLL EE DUES FOR JAN 3, 2014		

PAYROLL WIRE DISBURSEMENTS 1398-1399, 1401 & 2825: 50,872.05

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CHECK #	DATE	INVOICE #	VENDOR NAME/DESCRIPTION	INVOICE AMT	CHECK TOTAL
				-	
				-	
			Total Net Payroll		0
			TOTAL CITY DISBURSEMENTS:		229,227.47

Note: Warrants 44446-44451 were issued prior to City Council approval.

CC/HA ACTION ____ MTG. DATE: 1-16-14
APPROVED X DENIED ____ REC/FILE ____ CONT. ____
OTHER ____
VOTE: YES 5 NO 0 ABSTAIN ____

6D

INDIAN WELLS
CALIFORNIA

CC/HA ACTION _____ MTG. DATE: 1-16-14
APPROVED X DENIED ___ REC/FILE ___ CONT. ___
OTHER _____
VOTE: YES 4 NO 1 ABSTAIN ___
(Hanson)

Indian Wells City Council

January 16, 2014

Staff Report – City Manager's Office

Approve Amendment No. 4 to the South of Miles Indemnification Agreement

RECOMMENDATIONS:

City Council **APPROVES** Amendment No. 4 to the South of Miles Indemnification Agreement; and

AUTHORIZES and **DIRECTS** the Mayor to execute the amendment on behalf of the City.

BACKGROUND:

The City acquired a 27 acre parcel of land south of Miles Avenue (City Property) from the Garden of Champions (GOC) in March 2006 for $15 million and entered a series of agreements, described below. At the time of the 2006 purchase, the eastern 10 acres of the 27 Acre Parcel:

1. Were part of the Turf Farm;
2. Contained a water well that is used to irrigate the Turf Farm and the Indian Wells Tennis Garden (IWTG); and
3. Contained the access to the tunnel that runs underneath Miles Avenue and connects to the IWTG.

As part of the 2006 purchase, the City and GOC entered into a number of agreements that were conditions to the City's purchase of the 27 Acre Parcel. These included:

Covenant and Agreement dated March 23, 2006: This agreement had a 60 month term and granted the City the right, in its sole discretion, to make GOC at its sole cost (1) close the tunnel access on the 27 Acre Parcel and/or (2) cease use of the Water Well (within 30 days after written notice from the City) and cause the Water Well to be capped (within 180 days after written notice from the City). Section 4 provides that following expiration of 60 months, the City will execute and record a written termination of this agreement; provided, the agreement won't terminate until that has been done. No such notice of termination has been given or recorded.

Partial Assignment of Turf Maintenance Agreement dated March 23, 2006. The City and GOC are parties to this document under which (1) the City is assigned certain financial benefits under the Turf Maintenance Agreement (as amended), (2) the City will not disturb the use of the City Property under the West Coast Turf (WCT) Agreement, (3) Desert Champions (DC) is responsible for satisfying various obligations to WCT, including tickets for the tournament and (4) DC agrees to defend, hold harmless and indemnify the City as provided in Section 4.

A sponsorship agreement that through 2026 lets the City use Suite 332 for the BNP Paribas Open and other events. For each tournament the City receives a $75,000 catering credit, sixteen box seats, sixteen loge seats and sixteen grandstand seats, parking passes, eight (two each on four courts) on court signage positions (two each on the four televised courts), two sidewall signage positions in Stadium 2 and Stadium 3, a 20' by 20' display booth, and various promotional and marketing benefits. No fee is charged the City for this sponsorship.

An amendment to the Naming Rights Agreement that reduces the fee for extending the term of that agreement should admission taxes received by the City from the IWTG be less than $1 million during the last year of the immediately preceding term. The Naming Rights Agreement provides for two ten-year extension terms, the first of which was exercised by the City in December 2012. This extension was at the full amount of $2.5 million because admission taxes received in 2012 by the City from the IWTG exceeded $1 million.

A covenant from DC and GOC that the BNP Paribas Open (or equivalent) will be held at the IWTG for twenty years or GOC/DC would pay liquidated damages if it is not. The liquidated damages are five percent (5%) of the gross sales price of the BNP Paribas Open or equivalent (not including the land).

A twenty year ground lease in favor of GOC for the 12.64 acre parcel on Warner Trail that the City developed as a parking lot.

The City Property (27 acre parcel south of Miles Avenue) was transferred to the City's Housing Authority upon elimination of redevelopment agency.

DISCUSSION:

The Indian Wells Housing Authority now owns the City Property and the GOC/DC continues to conduct certain activities on the City Property. In particular, the City Property is used by GOC/DC for event parking when events are held at the Indian Wells Tennis Garden. Furthermore, a sod farm is operated on the City Property by West Coast Turf, and the event parking is at least partially located on the sod farm. Finally, a water well is located and operated on the City Property and supplies water used for irrigation of the sod farm and Indian Wells Tennis Garden. The Coachella Valley Water District

assesses production of groundwater from the well and invoices GOC for the water produced from the well.

The City and Housing Authority earlier entered into the indemnification with the GOC/DC parties so that the GOC and DC would jointly and severally indemnify, defend and hold harmless the City and Housing Authority from and against liability and the like regarding the City Property and the above described use of the City Property by GOC/DC and West Coast Turf. The indemnification originally was due to expire May 17, 2013 and has been extended twice, most recently to January 21, 2014.

CONCLUSION:

Approval of the proposed Amendment No. 4 will continue the protections provided to the City and Housing Authority by GOC/DC for their use of the City Property. There was discussion to insure that the City and Housing Authority maximized their revenue potential from the City Property. The Indian Wells Tennis Garden Ad Hoc Committee discussed this issue with the Tennis Garden representatives on a number of occasions and are working on a strategy to use the remaining seventeen acres for parking.

The Committee also analyzed the various agreements connecting the City and its various affiliated agencies with the DOC/DC and found the City receives significant benefit from the BNP Paribas Tournament and the relationship with GOC/DC. This information is documented in a report entitled *Indian Wells Tennis Garden Agreements – Valuation,* released to the City Council and community in Novembers 2013. The Committee recommends that the existing agreements be continued by implementing a two year extension of the indemnification agreement.

CEQA:

The California Environment Quality Act is not applicable to this action as there is no potential for causing a significant effect on the environment.

ATTACHMENT:

1. Amendment No. 4 to the South of Miles Indemnification

AMENDMENT NO. 4 TO
SOUTH OF MILES INDEMNIFICATION

This Amendment No. 4 ("Amendment No. 4") is entered into as of the ___ day of January, 2014, concerning that certain South of Miles Indemnification ("Indemnification") made and effective as of March 1, 2013 by and between the City of Indian Wells, a charter city duly organized under the Constitution and laws of the State of California ("City"), and the City of Indian Wells Housing Authority ("Authority" and, collectively with City, "City Parties"), a housing authority established under the laws of the State of California, and Garden of Champions LLC, a California limited liability company ("GOC"), and Desert Champions LLC, a California limited liability company ("DC" and, collectively with GOC, "GOC/DC"), as amended by Amendment No. 1 entered into on or about June 18, 2013, by Amendment No. 2 entered into on or about August 8, 2013 and by Amendment No. 3 entered into on or about October 3, 2013.

City Parties and GOC/DC agree as follows:

1. Section 3 of the Indemnification, as amended by Amendment No. 3, is amended by deleting "October 4, 2013", and by substituting therefor "January 31, 2016".

2. City Parties and GOC/DC reaffirm all terms and provisions set forth in the Indemnification except insofar as they are expressly amended by this Amendment No. 4.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment No. 4 to the Indemnification, as previously amended by Amendment No. 1, Amendment No. 2 and Amendment No. 3, as of the date first above written.

"CITY"

City of Indian Wells, a charter city duly
organized under the Constitution and laws of
the State of California

By: _____
Name: Ted J. Mertens
Its: Mayor

"Authority"

City of Indian Wells Housing Authority, a housing authority established under the laws of the State of California

By: _____
Name: Ted J. Mertens
Its: Chairman

"GOC"

Garden of Champions LLC, a California Limited liability company

By: _____
Name: Steve R. Simon
Its: Chief Operating Officer

"DC"

Desert Champions LLC, a California limited Liability company

By: _____
Name: Steve R. Simon
Its: Chief Operating Officer

Attest:

By: _____
Anna Grandys
Chief Deputy City Clerk

Approved as to form:

By: _____
Stephen P. Deitsch
City Attorney

INDIAN WELLS
CALIFORNIA

CC/MA ACTION _____ MTG. DATE: 1-16-14
APPROVED___ DENIED___ REC/FILE X CONT.___
OTHER _____
VOTE: YES 5 NO 0 ABSTAIN _____

Add: LLMD's
Remove: Food Trucks, Pavement management, FR&R Waring Bridge & Mills ACT.
Resident requested: Review of City Charter

Indian Wells City Council

January 16, 2014

Staff Report – Marketing & Community Services

2014-15 Strategic Planning Update: Marketing & Community Services Department

RECOMMENDATIONS:

City Council takes **PUBLIC INPUT** as to Fiscal Year 2014-15 Marketing & Community Services programs; and

RECEIVES AND FILES this report; and

provides **DIRECTION** to staff as to any modifications to the City Council Discussion Issues List.

DISCUSSION:

The City's Strategic Planning process is underway. Phase 1 was discussed at the December 19, 2013 City Council meeting and this report is part of Phase 2. Marketing and Community Services significant issues, projects, and a general update on all current projects are outlined in this staff report.

Background:

The City Council established goals in the 2013-2014 Fiscal Year (FY) to address City needs and help create a business-friendly culture. City residents remain the City Council's top priority in deciding future policy direction for the City. The City has made significant progress on its goals, which will be reviewed at the February workshop. This report will be used to provide information for course correction, if necessary, to those goals and develop 2014-15 goals to continue the progress.

Summary:

This report provides an overview of significant issues and projects for the Marketing & Community Services department including:

- Re-establishing Grants-in-Aid program with a new Committee
- Maintain regular communications with City Council and community through newsletter, email and other opportunities
    - Launch advertising in the City newsletter
    - Keep City & Tourism websites fresh and up-to-date
    - Improve advanced search engine capabilities
- Manage Community Activities Committee; increase/improve resident events
    - Manage ticket distribution, detailed event registration, and results
    - Create new events or evolve current events
- Expand Tourism Marketing Strategy to increase occupancy for Fiscal Year 2014/15
    - Implement current Tourism Strategy for 2013/14 which includes:
        - Outbound marketing campaigns (e.g., Unlimited Golf)
        - Manage Indian Wells Tennis Garden/BNP Paribas Open sponsorship
        - Manage Desert Town Hall sponsorship
- Concentrate on strategic partnerships with IWTG, Indian Wells resorts, and other implementation of "business strategic partnerships"

Analysis:

Grants-in-Aid:

Program was re-established in fall of 2013, after initial approval of budget for Fiscal Year 2013/14. Funds were distributed to organization on January 16, 2014. The Grants-in-Aid Committee plans to work on details of overall program and make recommendations to Council to improve and update program.

Communications:

Enhancements to City newsletter, website and emails continue to help improve our communications to residents and press. The City launched the newsletter advertising initiative in the December 2013 issue to offset the cost of the newsletter. Currently, advertising is in the 'testing' phase to analyze success of program with a report to the City Council to review the results in June 2014.

Community Activities:

Staff continues to manage and successfully deliver resident events for Fiscal Year 2013/14 including distribution of tennis tickets and Desert Town Hall tickets. Staff works with the Community Activities Committee to evaluate success of and potentially introduce cost-neutral events (like the Sunnylands tour) that residents can enjoy together to celebrate quality of life in Indian Wells.

Tourism:

With many new faces at Indian Wells resorts (i.e., three new hotel general managers), Staff continues to work with the resort hotels to improve occupancy. All resorts are collaborating to create new partnerships, communication channels and strategies moving forward. The collective group is working to implement the current Marketing Plan and discussing strategies to refresh efforts for the future. Consistent with the current Goals and Action Plans:

- Staff is researching best practices and developing data about the industry and Indian Wells clients.
- Staff is identifying key stakeholders and resource providers.
- This information will be shared with the Marketing Committee to develop a refreshed Marketing Plan.

Currently, staff is concentrating on the BNP Paribas Open and other spring events, with discussions focused on optimal ways to impact group business and the overall tourism program.

Strategic Partnerships:

Staff is working diligently to ensure strong strategic partnerships with entities like the Indian Wells Tennis Garden, Indian Wells Golf Resort, Greater Palm Springs Convention and Visitor Authority, Coachella Valley Economic Partnership, Burrtec, Indian Wells Chamber of Commerce and our local businesses.

Conclusion:

This report is intended to provide the City Council with information regarding significant projects and programs with the Marketing & Community Services department for 2014-15 FY. If needed, additional information can be provided in preparation for the upcoming February 11-12 City Council Strategic Planning Workshops.

The City Council Discussion Issues List is also attached to this report. Any additional issues raised by City Council or residents will be added to the list.

INDIAN WELLS
CALIFORNIA

Indian Wells City Council *January 16, 2014*

Staff Report – Community Development & Public Works

2014-15 Strategic Planning Update: Community Development and Public Works Department

RECOMMENDATIONS:

City Council takes **PUBLIC INPUT** as to Fiscal Year 2014-15 Community Development and Public Works projects/programs; and

RECEIVES AND FILES this report; and

ADDS any items to the City Council Discussion Issues List.

DISCUSSION:

The City's Strategic Planning process is underway. Phase 1 was discussed at the December 19, 2013 City Council meeting and this report is part of Phase 2. Community Development and Public Works projects and programs will be discussed as part of the overall Strategic Planning Program, this report is intended to provide the City Council and the community information in preparation for the upcoming February 11-12, 2014 City Council Strategic Planning Workshop.

Background:

The City Council established goals in the 2013-2014 Fiscal Year (FY) to address City needs and help create a business friendly culture. City residents remain the City Council's top priority in deciding future policy direction for the City. The City has made significant progress on its current goals which will be fully reviewed at the February workshop. This report will be used to provide information for any necessary course correction to those goals and to develop 2014-15 goals to continue the progress.

Summary:

This report provides an overview of significant issues and projects for the Community Development and Public Works Departments. Over the 2014-2015 FY, the Community Development Department and Public Works Department will allocate staff resources to the following work program items:

Programs/Projects

1. Highway 111 Master Plan
2. Indian Wells Crossing Project
3. Miles Lodge Project
4. Cultural Resource Ordinance Update/ Mills Act Implementation
5. Master Plan of Northeast Section of the City
6. Food Truck Ordinance
7. CV Link
8. Regional Traffic Signal Coordination
9. Development of Bldg. 300 at Club Drive
10. Implement a tree and plant replacement program
11. Update Pavement Management Program
12. Fred Warning Bridge over Whitewater Wash

Analysis:

1. Highway 111 Master Plan

The Highway 111 Master Plan project was initially an effort to establish a long-term vision for the Highway 111scenic corridor, to address the Highway 111 and Cook Street intersection, and to address the Carl Bray site. The City Council, at their meeting of November 21, 2013, narrowed the focus of the Highway 111 Master Plan to specific projects at the Highway 111/Cook Street intersection and the Carl Bray site. The Council directed that a theme based on the existing corridor's appearance be established and used to develop the new features. The attached Request for Proposals ("RFP") has been drafted utilizing the City Council's direction. At the February workshop, staff will ask the Council to discuss the RFP and provide direction to proceed.

2. Indian Wells Crossing Project

The Indian Wells Crossing project will now be owned by Excel Trust L.P. ("Excel"), a San Diego based company specializing in worldwide commercial development. Excel has plans on modifying the approved commercial center project. Overall, the total square footage of the project is expected to be 121,000 square feet, which is the same as what was originally approved for the site. Tenants in the center are expected to include some distinctive retail stores and restaurants. Traffic impacts to Highway 111 and Miles Avenue are an important consideration of the project. From a site access standpoint, traffic flow and safety may require roadway widening in the form of a deceleration and dedicated right turn lane. Excel's goal is to start construction of the project by January 1, 2015. Staff will continue to work with Excel to process the project and insure a high quality development.

Next steps for Excel include:

- Complete reassignment and repurchase agreement and pay principal and interest owed to the Housing Authority for Note No. 1.

- Submittal of entitlement applications for modification of the project:
  - Specific Plan Amendment (SPA)
  - Conditional Use Permit (CUP) modification
  - Tentative Tract Map (TTM) modification
  - Environmental Assessment (EA)
  - Sign Program (SPG)

- CVWD and other governmental agency approvals; and

- Completion of amended and restated Disposition & Development Agreement (DDA).

3. Miles Lodge ("The Ryerson") Project

The Developer, Denny Ryerson, has indicated his commitment to building the project and to meeting the development timelines identified in the approved Development Agreement (DA) for the project. The next milestone identified in the DA is for Mr. Ryerson to pay all applicable fees and pull grading and building permits for Phase 1 building foundations by June 2, 2014.

Access to this site is challenging due to its proximity to the Miles Avenue and Highway 111 intersection. The current traffic proposal identifies a dedicated right turn lane along Highway 111 and a new signal approximately 600-feet from the Miles Avenue intersection. Mr. Ryerson has indicated that he is working on funding for the project and setting up a marketing and sales team. In the meantime, Staff has conducted an appraisal for the 17,678 square foot (0.41 acre) property that will be sold to the developer as part of the project. The plan check fees have been calculated and are pending submittal to the City.

4. Cultural Resource Ordinance Update/Mills Act Implementation

The City currently has a Cultural Resource Ordinance (Ord. No. 574) that was adopted in 2005 that allows buildings, structures, sites and/or districts to be designated historic based on the guidelines identified in the ordinance. The Ordinance needs to be updated to clarify language and address deficiencies. A process needs to be established to designate buildings and/or properties as historic, and to implement the Mills Act Program which provides tax relief of historic properties. At the February workshop, the Council will have the opportunity to decide the priority of this item.

5. Master Plan of Northeast Section of the City

The northeast section of the City (north of Whitewater River Channel/west of Washington Street) has a number of vacant properties which create some unique short and long-term revenue and development opportunities. The ownership of the properties currently consists of the City, Housing Authority, Tennis Garden, Mr. Albert Lissoy, and Mr. Richard

Haagan. In the short term, the potential for development of parking as a revenue source for the City or Housing Authority is a priority for the City Council. In the long-term, creating a comprehensive master plan for the entire area to address future growth of the Tennis Garden facility and to help understand potential opportunities for residential and commercial developments is crucial in the ultimate success of the area.

- City Property: The City owns one vacant property in the vicinity of the Tennis Garden:
    - 12.64 acre site east of Warner Trail (APN: 633-360-023). The property is zoned Medium Density Residential (7 du/acre [dwelling units per acre]) and is currently leased to the Tennis Garden facility for event parking.

- Housing Authority Property: The Housing Authority owns two vacant properties in the vicinity of the Tennis Garden:
    - 4.2 acre site west of Warner Trail (APN: 633-300-007). The property is zoned Low Density Residential (4.5 du/acre). There are no future plans for development.
    - 50.12 acre site south of Miles Avenue (APN: 604-630-032). The property is zoned Resort Commercial and includes an affordable housing covenant. Use of the property is limited to the 26± acre area outside of the Whitewater River Channel. There is an opportunity for some use of the property for temporary parking for the Tennis Garden if the portion of the site impacted by sand dunes can be graded. The Tennis Garden Subcommittee has met with representatives from the Tennis Garden and continue to discuss future parking opportunities on the site.

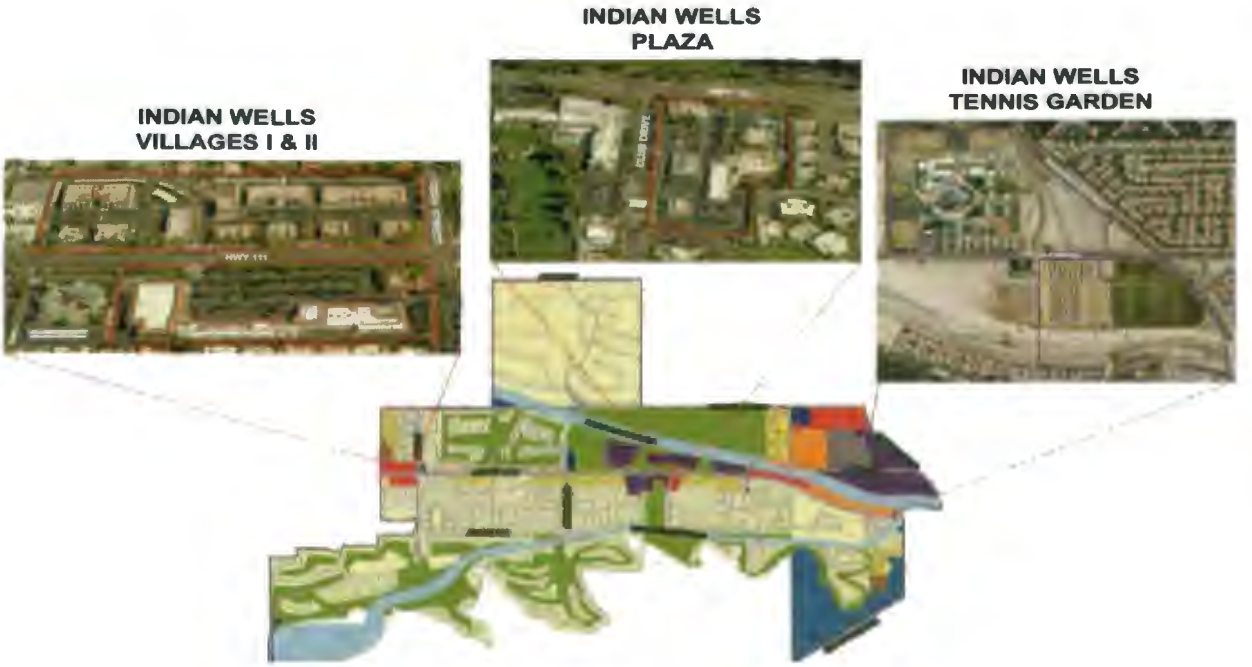
- Tennis Garden Property: The vacant property owned by the Tennis Garden is improved with grass turf for event parking use. The area on the north side of Miles Avenue is part of the Tennis Garden site and will be permanently maintained even when not in use. The area south of Miles Avenue is currently being leased for use as sod farm. This area is used for event parking only during the BNP Paribas tennis tournament in March of every year. The entire area owned by the Tennis Garden is within the Town Center Specific Plan that includes commercial, hotel and residential uses. Without a long-term parking plan in place, this area is not likely to be developed with permanent uses.

- Albert Lissoy Property: Mr. Lissoy continues to show interest in developing his 34.1 acre site located on the west side of the Tennis Garden, just north of Miles Avenue. The property is zoned Medium Density Residential (7 du/acre). Mr. Lissoy has discussed plans to use his site for a hotel and assisted living facility development. He has expressed interest in purchasing the City's 12.64 acre site to expand his project. The City has declined his offer.

- Richard Haagan Property: Mr. Haagen is pursuing a commercial project on his 2.5 acre site at the northwest corner of Miles Avenue and Washington Street. Mr. Haagen intends on moving forward with the CUP that was submitted in 2006 for a restaurant and retail/bank pad and intends on gaining final entitlement approval of the project in 2014.

6. Food Truck Regulations

The County of Riverside has recently adopted an ordinance permitting food trucks to operate within the County. In light of the potential impact to the City, the City Council directed Staff and the City Attorney to investigate regulations of food trucks. After legal review it was determined the City can adopt an ordinance that regulates the time, place and manner of food trucks within public rights-of-way. On private property the City and property owner have more discretion and may prohibit food trucks from operating in the City.



The above aerial identifies commercial areas within the City that will most likely be affected by food truck operations. The main areas include Village Center I & II, Indian Wells Plaza and the Tennis Garden site. At each location parking within the major public rights-of-way is prohibited, i.e., Highway 111, Cook Street, Miles Avenue and Washington Street. The City currently regulates food truck operations during special events through the business license and temporary use permit (TUP) application process. Restrictions could be added to the City Code to mitigate any impact, such as:

- No Food Truck can be operated within 150′ of an existing restaurant; and/or
- Food Trucks must be located within 150′ of a public restroom.

At the February workshop, the Council will have the opportunity to decide the priority of this item.

7. CV Link (Assist CVAG)

CV Link project is a 52 mile pathway for pedestrians, bicyclists and low-speed electronic vehicles envisioned to ultimately run from Desert Hot Springs to the Salton Sea. So far there are two route alignment options identified by Coachella Association of Governments

("CVAG") through the City of Indian Wells. The preferred option runs through the Whitewater River Channel. CVAG knows with this option there are constraints due to the existing driving range and golf hole alignments at the Indian Wells Golf Resort. The other option is to route the trail up Eldorado Drive to Highway 111. The trail would then run easterly along Highway 111 and connect back the Whitewater River Channel somewhere in the area of Miles Avenue or Washington Avenue. City staff has identified several critical nodes such as the golf resort, tennis garden and proposed commercial center located at Miles and Highway 111 that need to be linked with this project. Staff will continue to meet with CVAG and investigate the project and alignments and report back to the City Council.

8. Regional Traffic Signal Coordination Program

Staff has been involved in preliminary discussion with surrounding jurisdictions relating to a traffic signal system upgrade which includes a regional component allowing for shared information and limited signal control across participating Cities jurisdictional boundaries. This system is capable of coordinating and optimizing the traffic signals within the City with an additional component that allows participating jurisdictions to share real time intersection information and signal control along Highway 111 from La Quinta to Rancho Mirage. The benefit of this system is it allows staff to monitor the regional Highway 111 intersection data and make modifications to optimize the regional signal system. An agreement between participating jurisdictions will be needed to regulate the extent of on-system, inter-jurisdictional changes that will be allowed as well as future maintenance needs. Maintaining local control of the signals within the City limits is the most significant concern for staff. Although regional traffic flow is important, it should not come at the cost of disrupting local traffic patterns. Staff will continue to investigate the benefits and liabilities of this program.

9. Development of Building 45-300 at Club Drive

45-300 Club Drive is a 2,200 square foot office building that does not meet current building code standards or market trends. The building requires upgrades to the insulation, seismic connections between the walls and the foundation, connections between the rafters and the walls, and the existing modifications are missing brackets that are required by the current code. Staff has discussed the marketability of the property with the City's commercial real estate consultant. This is a very competitive market for office buildings and the optimum size for office buildings is 3,200 square feet.

In light of this information, staff is preparing cost comparisons of several options including selling building "as is"; upgrade the existing building to comply with current building codes; expand the existing building to a more market competitive size; demolish the existing building sell the vacant site, and demolish the existing building and construct a larger building. At the February workshop, staff would like direction on the Council preferred option to move forward with the 45-300 building.

Action	Revenue	Expense	Total
Sell As Is	$325,000	N/A	$325,000
Renovate Existing (2,200 sf)	(RENT)	$110,000	
Expand Existing (3,200 sf)	(RENT)	$260,000	
Demolish and Sell	$285,000	$26,000 (Demo)	$259,000
Demolish and rebuild 3,200 sq. ft.	(RENT)	$506,000	

10. Implementation of a tree and plant replacement program

Staff has identified numerous Date Palm trees, several shrubs and a number of ash trees lining the parkway along on each side of Highway 111 that are at the end of their life. Some of these palm trees have been in the City since the original date groves and are in need of replacement. An important part of the aesthetic value of these palm trees is their uniform height, which will be affected by a tree replacement program. Existing Date Palm Trees are approximately 40-feet tall and replacement trees will be installed at an average height of 15-feet tall, so that the replacement palm trees will be half as tall as the remainder of the palm trees. The number of palm trees varies from block to block, and replacement of entire blocks of palm trees could cost upwards of $500,000 or more. The average growth rate of a Date Palm is 8 to 10-inches per year. Each replacement tree will cost approximately $2,000 including installation. The proposed replacement program will follow an updated arborists report replacing 10-trees per year at an approximate cost of $20,000 each year.

There are a total of 1,135 Date Palm trees within the public right-of-way throughout the City, and Staff is in the process of researching the specific number of Date Palm Trees there are along Highway 111. At the February workshop, Staff will be looking for direction regarding the importance of the aesthetic impact of this tree replacement program; replace more trees at once for increased cost or accept the nature of tree replacement will result in varying heights of Date Palm trees.

11. Updated Pavement Management Program

City staff is professional services to update the City's pavement management program. This program rates the condition of each street within the public right-of-way and recommends a maintenance protocol to extend the service life of the asphalt. Last update to this program was in 2006, and it identified Cook Street, as well as several other local streets in critical need for pavement rehabilitation. Staff has sought funding through Riverside County Transportation Commission ("RCTC") for the asphalt reconstruction of Cook Street and will re-evaluate the maintenance needs of the local streets with the new pavement report. RCTC's call for projects typically requires cities to have a pavement management program in order to apply for funding. Staff will ensure that the City meets RCTC's criteria and maintain our eligibility for funding opportunities. Staff is looking for confirmation from the Council to maintain an active pavement management program.

12. Fred Waring Bridge over the Whitewater Wash

Staff is in the process of investigating the potential for significant funding to construct a bridge over the Whitewater Wash along Fred Waring Drive. Over the past 10 years this segment of roadway has been closed due to flooding at least twice disrupting traffic flow along this corridor. A bridge spanning this segment of the wash will provide continuous, safe traffic service during such rain events. Staff is assembling information to apply for Caltrans money that will fund a feasibility study. Timing on this project will be broken into smaller segments: 1) feasibility study, 2) CVAG approval, 3) Highway Bridge Project approval, 4) project approval process including environmental clearance 5) design completion, construction bidding and final construction. In total, this process may take 10 years or more. Staff is looking for confirmation that the Council supports the commitment of staff time to research and to move forward with this project.

CONCLUSION:

This report is intended to provide the City Council with information regarding significant projects and programs that will face the Community Development and Public Works Departments in the 2014-15 FY. If needed, additional information can be provided in preparation for the upcoming February 11-12 City Council Strategic Planning Workshop.

The Council Discussion Issues List is also attached to this report. Any additional issues raised by City Council or residents will be added to the list.

ATTACHMENTS:

1. Highway 111 Master/Visual Enhancement Plan RFP
2. City Council Discussion Issues List

INDIAN WELLS
CALIFORNIA

I. PROJECT DESCRIPTION

The City of Indian Wells wishes to prepare a Conceptual Visual Enhancement Plan for the three mile stretch of Highway 111 that runs through the community including the following components:

- Conceptual design of a signature City entry at the intersection of Cook Street and Highway 111 (Priority Improvement Project #1);
- Conceptual design of an interpretive exhibit honoring local artist Carl Bray (Priority Improvement Project #2);
- Conceptual design of a theming plan for Highway 111 that combines the lush landscape and hardscape amenities already existing with supplemental unifying elements that reflect Indian Wells' unique character and history.
- Full service staff support including meeting facilitation, preparation of staff reports, PowerPoint presentations and similar services.

The project will be based on the existing right-of-way and four-lane configuration of Highway 111. The following Scope of Work further details the expectations of this Request for Proposals:

II. SCOPE OF WORK

"Kick-Off" Workshop with City Staff

At the outset of this work program, the Consultant will meet with City management staff to: 1) outline the work program tasks and schedule; 2) review the community outreach approach; 3) frame the project area and level of detail parameters; and 4) confirm the work products or "deliverables" that the City will acquire through this work effort.

Review of Previous Plans

Consultant will prepare a "get smart" project file of all previous project plans and reports deemed by City Staff to be relevant to this work program in order to construct an historical record framework and background overview for this project. Consultant will discuss this background information with City Staff in order to assure that the City Staff/Consultant are in mutual agreement on the historical context and projected community expectations of this work effort.

Existing Corridor Assets and Constraints

This program will build upon existing visual assets and physical elements within the Highway 111 corridor as it passes through Indian Wells. As a practical matter, certain existing infrastructure and private development features may serve to constrain or frame future visual and physical improvements. This task will serve to identify and prioritize "opportunities and constraints" for

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corridor improvement through aerial photo and on-site visual analysis plotted on a base map of the corridor project area. This analysis will form the basis for generating conceptual plans in the following task.

Alternate Corridor Theme Scenarios

Within this task, Consultant will generate alternate "big idea" Highway 111 Corridor Theme Scenarios that will further establish and visually express Indian Wells' unique "Brand" within the Coachella Valley. These alternative scenarios may explore:

- Existing corridor with minimal changes;
- Auto oriented corridor; and
- Pedestrian oriented corridor

Consultant will consider the following concepts that have been part of ongoing discussions at the City during theme development:

- Aquifer and water wells;
- History of Indian Wells;
- Carl Bray
- Tennis;
- Wild Animal Park;
- "Maiden at the Well" sculpture piece

The overarching objective of each alternative will be to create a signature community statement of design values as a "visual composition" to be experienced as residents and visitors travel along the corridor, either in automobiles or as pedestrians/ bicyclists and to provide a context for each Priority Improvement Project. Each alternate scenario will be summarized in the following exhibits:

- Overall Vision Statement;
- Design Objectives and Concept Vignettes;
- Visual Diagram of the Corridor "Experience"; and
- Identification of Potential Priority Improvement Projects.

The preliminary recommendations of this task will be reviewed by City management staff for suitability, or possible refinement, for use in the following "take part" workshop.

"Take Part" Workshop

The Consultant and City staff will host a community outreach workshop to engage stakeholder group representatives and residents in an open and interactive discussion of the alternative corridor theming scenarios. The objective of this workshop will be to identify areas of consensus and obtain input for developing a preferred Visual Enhancement Plan for the corridor and listing of improvement priorities. This workshop is considered an important step in securing overall community support for the program as well as identifying potential future sources of grant funding and stakeholder investment in selected improvements.

Conceptual Corridor Visual Enhancement Plan

Based upon the outcome of the "Take Part" workshop and subsequent City management staff direction, the Consultant will prepare an illustrative graphic presentation of a recommended

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Conceptual Corridor Visual Enhancement Plan that highlights the primary features of the selected Corridor Theme Scenario. Rendered in a color "story board" technique, illustrative vignettes of phased "opportunity site" improvements will augment the overall corridor concept plan, including added emphasis upon three (3) phase one Priority Improvement Projects within the overall master plan framework.

Informational Presentations

The recommended Corridor Visual Enhancement Plan will be presented to the Architecture and Landscape Committee (ALC), Planning Commission and City Council as an informational item to obtain comment/direction before proceeding with conceptual design of priority improvement project sites.

Priority Improvement Projects

The Consultant will prepare conceptual designs for the two Priority Improvement Projects (City Entry at Cook Street/Highway 111, Carl Bray Interpretive Exhibit) as delineated within the following exhibits:

- Overall Site Plan;
- Renderings/ Photos of Proposed Public Art Features;
- Architectural/ Sculptural Element Elevations;
- Hardscape and Landscaping Plan;
- Accent Lighting Plan;
- Signage and Site Furnishings Plan; and
- Color and Materials Palette Exhibit.

These exhibits will be prepared for each project to a level of detail sufficient for estimating preliminary construction costs and design review processing through the City's ALC. This is not expected to include construction-level documents or bid packages.

Overall Corridor Project Phasing and Budget

Based upon the design and preliminary construction cost analysis for the two Priority Improvement Projects, the Consultant will prepare a conceptual phasing plan and an extrapolated "order of magnitude" Capital Investment Program by phase which will be required to implement the Conceptual Corridor Visual Enhancement Plan over a ten to fifteen year period. Stated in current and constant dollar terms, this phased investment program will serve as a guide for: 1) future City Capital Improvement Programs; 2) pursuit of grant application opportunities; and 3) the inclusion of financial stakeholders/partners in the Highway 111 Corridor Project.

Potential Funding Sources

The Consultant, in cooperation with City Staff, will prepare a summary of possible public agency grant application opportunities to be pursued for improvement project funding. Further, the Consultant will work with City staff to compile a contacts directory of: 1) possible donors to a non-profit Highway 111 Beautification Foundation which could fund specified projects; and 2) Hospitality Industry stakeholders located along the Highway 111 Corridor who could sponsor, partially fund or undertake projects adjacent to their resorts or businesses.

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Public Meetings

The Work Program will culminate with public meetings before the ALC, Planning Commission and City Council to review, suggest any refinements, and adopt the final work product by the City.

Staff Support Services

Consultant will prepare staff reports, PowerPoint presentations, and meeting notifications; oversee public outreach efforts and attend/present the project at the following public meetings:

- Public "Take Part" Workshop
- Informational Presentations (ALC, Planning Commission and City Council)
- Public Meetings (ALC, Planning Commission and City Council)

III. DELIVERABLES

The deliverable work products from the Consultant will include:

1. Highway 111 Corridor Visual Enhancement Plan
2. Two Priority Improvement Project Site Schematics and Budgets
3. Recommended Overall Enhancement Plan Phasing, Budgeting and Funding Program
4. Staff Support documents for workshops, information presentations and public meetings

IV. TIME FOR PERFORMANCE

8 to 10 months from date of authorization to proceed, unless adjusted by City Staff.

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INDIAN WELLS
CALIFORNIA

CC/HA ACTION _____ MTG. DATE: 1-16-14
APPROVED X DENIED ___ REC/FILE ___ CONT. ___
OTHER _____
VOTE: YES 5 NO 0 ABSTAIN _____
add: support of Salton Sea to State & Federal Sections

Indian Wells City Council

January 16, 2014

Staff Report – City Manager's Office

Approve the City's 2014 Legislative Priorities

RECOMMENDATION:

City Council **APPROVES** the City's 2014 Legislative Priorities.

DISCUSSION:

Attached to this report is a draft of 2014 Legislative Priorities for the City of Indian Wells. This document is intended to set forth the City's legislative positions and provide a framework for participation in the legislative process on a statewide level. As one of the premiere Cities in California it is importance to be involved on the Sacramento political field, to have an influence on the laws passed that effect cities or improve our State. As this is the first formal legislative policy document in recent years, Staff anticipates the City Council will discuss the various issues and tailor the document because thru this document the City is outlining its position on issues, interests, and core values that are important to the City.

The various legislative statements set forth policy position of the City in the following areas:

- State
  - Administrative and Employment Related
  - Community and Human Services
  - Environment
  - Housing, Land Use Planning and Community Development
  - Public Safety
  - Revenue and Taxation
  - Transportation, Utilities and Public Works
- Federal

City Department Heads, and the Fire and Police representatives have reviewed the document and have provided input.

The primary mechanism for City participation in the state-level legislative process is through the League of California Cities (LCC). LCC has a legislative policy department that reviews all legislation and coordinates efforts and campaigns to protect local government interests. The City has also retained the lobby firm of Joe A. Gonsalves & Son Professional Legislative Representation to track legislation that would specifically impact Indian Wells and to assist the City in moving its goals forward on the State front. The City is alerted to new legislation or programs through these relationships and may chose take action to support or oppose an issue that effects the City or is of statewide concern. This Legislative Priorities document will provide guidance for the City Council and Staff in representing the City's position and allow staff to efficiently process letters of support or opposition without going to Council for direction on each and every legislative issue.

ATTACHMENT:

1. City of Indian Wells 2014 Legislative Priorities

City of Indian Wells
2014 Legislative Priorities

LEGISLATIVE PRIORITIES PURPOSE STATEMENT

The 2014 Legislative Priorities provides a framework for the City of Indian Wells' Legislative activities. The City's Legislative Priorities serves as a reference guide for legislative positions and objectives that provide direction for the City Council and Staff as they conduct their business throughout the year. The Legislative Priorities sets forth the City's position on a variety of topics to be used as the foundation of a focused advocacy strategy.

LEGISLATIVE PROGRAM

The primary objective of the Legislative Priorities is for the City Council to adopt official City positions on legislative issues. By doing this, the City's participation in the legislative process is streamlined because the City's position on pertinent legislative issues is known providing guidance to City Council Members and Staff.

The Legislative Priorities is developed and maintained using the goals and objectives of the City Council, a review of legislative priorities from the League of California Cities, League's Riverside County Division, input from City Council and Staff, research of current law and pending legislation, as well as, discussions with local legislative staff and the City's legislative advocates.

Federal and State legislative proposals and policies consistent with the Legislative Priorities may be supported by the City. Those policies or proposals inconsistent with this agenda may be opposed by the City.

For proposed legislation, either consistent with the City's Legislative Priorities or consistent with legislative positions the City has taken in the past; City staff shall be authorized to prepare position letters for the Mayor or Council Member signature. Items not addressed in the City's Legislative Priorities may require further Council direction. Legislative Priorities may only address issues directly relevant to or impacting the provision of municipal services. Generally, the City will not address matters that are not pertinent to the City's local government services such as social or international issues.

City departments are encouraged to monitor and be knowledgeable of any legislative issues related to their discipline. However, any requests for the City to take positions on a legislative matter must be directed to the City Manager's Office. City departments may not take positions on legislative issues without City Manager's Office review and approval.

PROGRAM GOALS AND STRATEGIES/ACTIONS

The Legislative Program Goals and Strategies/Actions are outlined below.

Program Goals:

- Advocate the City's legislative interests at the Federal, State and County levels.
- Inform and provide information to our Legislators, City Council, and Staff on the legislative process and key issues and legislation that could have a potential impact on the City.
- Serve as an active participant with other local governments, the League of California Cities, regional agencies such as CVAG, SCAG, RCTC, Sunline Transit, and local professional organizations on legislative/regulatory issues that are important to the City and our Region.
- Seek grant and funding assistance for City projects, services, and programs to enhance services for our community.

Strategies/Actions:

I. Communicate legislative positions on proposed Federal, State, and County legislation, measures, initiatives, and governmental regulations.

A. Work with City departments and our legislative advocates to develop positions on proposed Federal and State legislative measures.

B. Review the positions and analysis done by the League of California Cities, our legislative advocates' feedback, and other local government/professional associations in formulating the City's positions.

C. Take positions only on proposals that clearly impact our City or are a threat to local control.

D. Actively track key bills through the legislative process, utilizing the City's advocacy services, various Legislative websites, and government/professional associations.

E. Communicate the City's position to our Federal, State, and County Legislators, bill author(s), committees, and Legislature, through correspondence, testimony, and in-person meetings.

F. Work cooperatively with other Cities, associations, and the League of California Cities on advocating the City's legislative positions.

G. As necessary, participate in the drafting and amending of proposed Federal and State measures that have the potential to significantly impact the City.

H. Meet with Legislators and their representatives, as well as other Federal, State and County government officials on a regular basis, to discuss local government issues, proposed legislation, requests for funding assistance, and City programs and services.

II. Seek Federal, State, and County funding through earmarks, grants, and other discretionary funding for City projects, services, and programs.

A. Identify City projects for potential submittal for Federal earmark consideration.

B. Develop a submittal packet for Legislators that provides information and need for the projects.

C. Provide information to City departments on potential grant funding opportunities and recognition programs.

D. Make available the ability for Staff to obtain professional help to draft and pursue grants on an as needed basis.

E. Advocate and request letters of support for City projects and grant applications or other resources that are being considered for Federal, State, and County funding.

III. Work closely with the League of California Cities, our legislative advocates, and other cities and organizations in advocating for City's Federal, State, and County legislative interests.

A. Actively participate in the League of California Cities' Riverside County Division activities.

B. Participate in League of California Cities, including active involvement in League Policy Committees and other organization briefings and activities in order to stay updated on trends, upcoming initiatives, and pending legislation.

C. Support the League of California Cities Multi-Year Strategic Initiatives and Advocacy Strategies.

D. Interact with other cities on issues of mutual concern or impact.

E. Interact with regional groups that are involved with legislative programs (e.g., CVAG, CVWD, SCAG, etc.)

F. Review requests from other governmental and regional organizations to consider supporting their legislative positions and/or funding requests.

IV. Share information with the City Council, City Staff, and the community on legislative issues.

A. Work closely with department heads and staff to determine their legislative priorities and funding needs for the upcoming legislative session.

B. Provide updates on legislative issues to the Council and departments throughout the year.

C. Educate and involve the community in the City's advocacy efforts on legislative issues and State/Federal funding requests.

D. Subscribe to periodicals that allow Staff to be informed about the legislative issues.

2014 LEGISLATIVE PRIORITIES

The City of Indian Wells strongly promotes local control and home rule for cities and will support or oppose legislation and proposed constitutional amendments based on whether they advance maximum local control by city governments over city revenues, land use, community development and other municipal activities.

STATE

ADMINISTRATIVE AND EMPLOYMENT RELATED

Support:

- Efforts to enact workers' compensation reforms that lower employers' costs while still protecting workers.
- Local government efforts to establish succession planning and mentoring programs.
- Reasonable limitations on tort liability, including tort immunities for public entities for unauthorized use of public property.
- Limitations on the joint and separate liability of governmental agencies to a liability equal to their percentage of their wrongdoing.
- Efforts to clarify Public Pension Reform legislation AB 342 to assist local agencies in implementing the required provisions.

Oppose:

- Legislation or regulations that would unreasonably increase employer medical costs for workers' compensation.
- Legislation which would increase employer liability for unemployment compensation, or which would reduce local discretion to manage this risk.
- Legislative efforts to impose binding arbitration that would remove local government authority on matters of local interest. Specifically, support all legislative and legal efforts to overturn any legislation that implements binding arbitration on local government.

COMMUNITY AND HUMAN SERVICES

Support:

- Funding for a comprehensive approach to expanding and enhancing arts programs in the community.
- Legislation that provides incentives or grant opportunities for community improvements.
- Legislation that provides funding for transportation services, especially for those homebound and elderly.
- Legislation that provides funding and resources for local governments to implement Healthy Cities programs and policies aimed at reducing obesity, high rates of diabetes, heart disease, and other health conditions.
- Legislative efforts to increase opportunities for community-wide citizen volunteer programs.

ENVIRONMENT

Support:

- Legislation that provides resources and funding to local governments for the implementation of SB 375 for the reduction in greenhouse gas (GHG) emissions through coordinated transportation and land use planning with the goal of more sustainable communities.
- Streamlined environmental processing for federal regulatory permits issued by various state and federal agencies for the purpose of expediting public infrastructure developments.
- Legislation to provide changes to AB 939 that will streamline its provisions and assist in compliance, placing more emphasis on implementation of waste diversion programs and less on strict mathematical accounting.
- Financial incentives for water reuse and legislation that encourages the treatment of municipal wastewater for non-potable reuse and promote the development of reasonable regulations to encourage and maximize the responsible use of reclaimed water as an alternative to California's fresh water supply.
- Efforts to streamline and improve the CEQA process.

Oppose:

- Legislation that imposes undue hardship on local agencies to implement environmental regulations.
- Air quality legislation that restricts the land use authority of cities.

HOUSING, LAND USE PLANNING AND COMMUNITY DEVELOPMENT

Support:

- Legislation that strengthens the concept of local control/local home rule for local decision making on land use and zoning matters.
- Legislation that preserves municipal authority over the public right-of-way including fair and reasonable compensation for use of the right-of-way.
- Legislation that expands community and economic development tools and funding options for City services.
- Legislation that enhances the City's ability to promote economic development and job creation.
- Efforts that increase the City's ability to reasonably oversee the location of community care facilities.
- Legislation that provides funding for the identification, acquisition, maintenance and restoration of historic sites and structures.

Oppose:

- Legislation that imposes a mandatory cap on local parking standards in transit intensive areas.
- Efforts by any regulatory commission from promulgating rules and regulations that infringe on local land use decisions and management of the public right-of-way.
- Additional affordable housing production mandates without necessary funding to support said housing mandate.

PUBLIC SAFETY

Support:

- Efforts to secure Federal funding sources for Dignitary (Presidential) visits
- Efforts to maintain permanent, sufficient Public Safety Realignment funding and establish an equitable county allocation formula in order for local governments to adequately manage the shifting of inmates from state prisons to local jails.
- Efforts to increase frontline public safety funding for cities to address increases in crime as a result of Public Safety Realignment and the early release of prisoners.
- Legislative "fixes" to AB 109, the 2011 Corrections Realignment, in order to minimize its impacts on public safety.
- Efforts to equally allocate State Local Assistance Funding approved by voters with Proposition 30 to all city police departments, including cities that contract for police services.
- Legislation that provides funding support for disaster preparedness, earthquake preparedness, Homeland Security, hazardous material response, State COPS program, booking fee reimbursement and other local law enforcement activities.
- Efforts that strengthen local law enforcement's ability to prevent and fight crime.
- Legislation that minimizes alcohol-related criminal behavior and underage drinking.

- Legislation and funding for Elder Abuse and Identity Theft (especially as it relates to the elder population) programs..
- Legislation that limits the placement of sex offender and parolee homes within the City limits.
- Statewide efforts to coordinate disaster preparedness programs in local jurisdictions and support guidelines to identify the strengths and weaknesses of local preparedness efforts.
- Programs that enhance the benefits of mutual aid agreements between local governments.
- Increased authority and resources devoted to cities for abatement of graffiti and other acts of public vandalism.
- Additional funding in order for local agencies to recoup the costs associated with fire safety in the community.
- Legislation which increases home rule in adopting Fire and Life Safety Codes.
- Efforts which strengthen local fire and life safety services.
- Legislation that provides resources and funding opportunities related to wildfire prevention and wildfire response.
- Regional efforts to improve interoperability of voice and data communications equipment.
- Legislation that provides local law enforcement agencies authority to recover any costs associated with complying with any federal, state or court-ordered licensing, registration and testing requirements.
- Efforts to promote and fund programs to combat pet overpopulation, increase pet adoptions and spay/neuter programs and educate citizens on the dangers and nuisance of roaming, uncontrolled animals and other animal control issues that risk public health and safety and quality of life.

Oppose:

- Legislation that alters distribution of revenues from traffic and parking violations, resulting in lower revenue for local governments.
- Legislation that would impede local law enforcement from addressing crime problems and recovering costs resulting from a crime committed by the guilty party.
- Legislation that restricts local authority jurisdiction over the enforcement of fire and life safety regulations.

REVENUE AND TAXATION

Support:

- Efforts to protect local government revenue sources and the provisions of Proposition 1A. Support legislation/initiatives that ensure that all local funding sources remain a dedicated revenue source for local governments.
- Full cost reimbursement to the City for all federal, state and county-mandated programs.

Oppose:

- Any legislation that would make local agencies more dependent on the State for financial stability and policy direction.
- Legislation that would impose State mandated costs for which there is no guarantee of local reimbursement or offsetting benefits.
- Any legislation that would pre-empt or reduce local discretion over locally-imposed taxes.
- Legislative and administrative efforts by online travel companies to circumvent remittance of transient occupancy taxes to local governments from hotel reservations purchased using the internet.
- Legislation that removes the municipal bond tax exemption.

TRANSPORTATION, UTILITIES AND PUBLIC WORKS

Support:

- Legislation or policy that provides funding to local governments for local transportation and water, sewer and storm sewer system projects.
- Legislation that provides funding and resources for alternative fuel vehicles for replacement of municipal fleet equipment.
- Efforts to provide adequate charging station infrastructure for emerging electric vehicle technology.
- Legislation that provides funding and resources for retrofitting municipal buildings to increase energy efficiency.
- Efforts for continuing and increasing funding sources for street maintenance projects and transportation improvements.
- Legislation that would lift the minimum requirement of payment of prevailing wages on municipal Public Works projects.
- Legislation that improves the availability of renewable energy and increases energy efficiency programs.
- Legislation that provides clarification and improvements to Infrastructure Financing District (IFD) Law that will enable local agencies to use this tool for a variety of infrastructure financing needs
- Legislation from the PUC that increases the access and reliability of the service and reduces overall cost to the end users.

Oppose:

- Efforts to redirect, eliminate, or reduce amount of Highway User Tax Account (HUTA) that cities receive for street maintenance and improvements.
- Any legislation that diminishes or does not assure local franchise fees for all utilities' use of City right-of-way.
- Legislation that seeks to lessen the City's ability to enforce contractual language agreed to and contained within existing franchise documents.
- Legislation that places the burden and liability of replacing all sidewalks solely on cities.

FEDERAL

Support:

- The continued reauthorization of MAP-21 surface transportation bill in order to provide ongoing critical funding for highways, highway safety and public transportation.
- Efforts to reinstate funding for Safe Routes to Schools programs.
- Continued federal investment in resources critical to enabling local law enforcement to adequately provide public safety services, including full funding for Byrne/JAG and COPS programs.
- Streamlined environmental processing for federal regulatory permits issued by the US Army Corp of Engineers, US Fish & Wildlife Service, Federal Highway Administration and various other state and federal agencies for the purpose of expediting public infrastructure projects.
- Continued funding for the Energy Efficiency Block Grant Program in order to provide resources directly to local governments for programs that improve energy efficiency, develop and implement energy conservation programs, and promote and develop alternative and renewable energy sources.
- Efforts to streamline or eliminate the Medicare Secondary Payer process.
- Legislation to include consideration of the economic impacts of proposed species listings, as well as, support the delisting of species no longer threatened or endangered.
- Collecting and remitting state and local sales taxes to the state and city in which the purchaser is residing, (e.g., purchases made over the Internet; by mail order; by catalog, etc.).
- Local/regional control and administration of federal programs and strategic placement of federal personnel to ensure expedited decision-making.
- Support legislation to modify inappropriate sections of the Federal Fair Labor Standards Act (FLSA) as it relates to regulating public sector employment

Oppose:

- Legislative or administrative actions that prohibit or hinder local government's ability to implement Property Assessed Clean Energy (PACE) programs.
- Legislation and the promulgation of rules and regulations that allow any regulatory agency to encroach on, or supersede, local authority, including, but not limited to, the City's right to franchise for the right to operate in the public right-of-way.
- Funding cuts to Community Development Block Grant (CDBG), HOME program and Section 8 Housing funds. Advocate for a more streamlined application process and for greater flexibility of local appropriation and use of monies.

INDIAN WELLS
CALIFORNIA

CC/HA ACTION _____ MTG. DATE: 1-16-14
APPROVED___ DENIED___ REC/FILE___ CONT.___
OTHER City opposes CVAG's plastic bag ordinance
VOTE: YES 5 NO 0 ABSTAIN _____

Indian Wells City Council

January 16, 2014

Staff Report – Public Works

Discussion and Direction Regarding CVAG's Draft Single-Use Plastic Bag Ordinance

RECOMMENDATION:

City Council discusses and provides **DIRECTION** to the Mayor as to the City's position on CVAG's draft ordinance prohibiting single-use plastic bags.

DISCUSSION:

Background:

Coachella Valley Association of Governments (CVAG) is drafting a model ordinance restricting the use of "single use plastic bags." The purpose of the ordinance is to prohibit the use of "single use plastic bags" with the intent to reduce litter, reduce water contamination from leaching of the decomposing bags, and reduce the presence of these bags in landfills. Two Coachella Valley cities have taken some action relating to the model ordinance, the Cities of Palm Springs and Palm Desert. A study session was held in March by the Palm Springs Sustainability Commission who is in support of regional implementation of the ordinance. The Palm Desert City Council met in October and voted to have the mayor send a letter of support to CVAG for the model ordinance.

Analysis:

The draft ordinance proposes to require stores to provide customers the option of purchasing recycled carryout paper bags at a cost of $0.10 per bag, if the customer does not have a multi-use cloth bag. The pass-through cost component of this ordinance is intended to be a disincentive for customers to request the paper bags. Proceeds collected from this pass-through cost will be used at the discretion of the business and none of this revenue will be conveyed to the City.

There are three impacts that need consideration:

- The committee level: There has been discussion about the size of the business affected by the ordinance. Although not stated in the draft document, there has been discussion about limiting the size of business affected by these restrictions. Small businesses were identified because of the low volume of single-use plastic bag use versus the high number of bags used by grocery stores or large volume retailers.

- The impacts to the resort properties: Although residents may keep a supply of multiple use cloth bags in their trunks, visitors will not have that opportunity. Some solutions discussed at the committee level include the resort providing bags to their customers either in their room or include a notification at the front desk that the area retailers prohibit use of single-use plastic bags and cloth bags are available at the concierge.

- Compliance: This has been discussed at the committee level; however, the prevailing viewpoint is that each jurisdiction will have the opportunity to implement their own penalties for non-compliance. No specific details of penalties were discussed.

CVAG has indicated that achieving the intent of this ordinance is highly dependent on uniform compliance by all nine cities in the Coachella Valley.

ATTACHEMENTS:

1. Draft Model Ordinance
2. Palm Desert Council Report and Minutes

DRAFT
ORDINANCE NO. ____

AN ORDINANCE OF THE CITY/COUNTY OF [_____] AMENDING CHAPTER [*INSERT MUNICIPAL CODE SECTION GOVERNING HEALTH OR ENVIRONMENT*] RELATING TO SINGLE-USE CARRYOUT PLASTIC BAGS AND PROHIBITING THE FREE DISTRIBUTION OF RECYCLED PAPER BAGS, BY RETAIL ESTABLISHMENTS, TO BE EFFECTIVE [*INSERT DATE*].

WHEREAS, about nineteen billion (19,000,000,000) single-use bags are used annually in California but less than 5% are recycled; and

WHEREAS, about twenty-two million (22,000,000) single-use carryout plastic bags are distributed by retail establishments in the City each year; and

WHEREAS, most of these single-use carryout bags are made from plastic or other material that does not readily decompose; and

WHEREAS, numerous studies have documented the prevalence of single-use carryout plastic bags littering the environment and blocking storm drains; in the Coachella Valley, single use plastic bags create a litter problem which is aggravated by windy conditions here; and

WHEREAS, the City taxpayers must bear the brunt of clean up costs; and

WHEREAS, the City Council of the City of ___[CITY NAME]_____ is the decision-making body for the approval and adoption of this Ordinance; and

WHEREAS, this ordinance requires stores that decide to make recycled paper carryout bags available to their customers to pass-through the reasonable cost of providing these bags;

WHEREAS, based on this analysis, the City has determined that a minimum cost pass-through of $0.10 per paper bag would cover the reasonable cost to a store of providing the paper bags to its customers; and

WHEREAS, jurisdictions such as Huntington Beach, Culver City, Davis and others, have imposed paper bag fees on the customers requesting these bags and these fees have proven very effective at generating a major shift in consumer behavior toward the use of reusable bags and significantly reducing bag consumption; and

WHEREAS, the proceeds from the collection of the paper bag pass-through would be retained by the retailer and this ordinance does not specify how the retailers must expend the monies collected; and

WHEREAS, customers can avoid this cost pass-through by using reusable bags; and

WHEREAS, no portion of the cost pass-through will be provided to the City and consequently, the City will not receive any revenues from the retailers' collection of the paper bag cost pass-through; and

WHEREAS, therefore, the cost pass-through is not a fee subject to Proposition 26; and

WHEREAS, a paper bag cost pass-through is an essential element of the proposed ordinance as it is intended to provide a disincentive to customers to request paper bags when shopping at regulated stores and to promote a shift towards the use of reusable bags by City of ___[CITY NAME]_____ consumers; and

WHEREAS, there are several alternatives to Single-Use Carryout Plastic Bags s readily available in the City, including reusable bags produced locally from sustainable materials; and

WHEREAS, an important goal of the City's environmental program is to procure and use sustainable products and services; and [IF APPLICABLE]

WHEREAS, it is the City's desire to lead by example and whenever possible to conserve resources, reduce the amount of greenhouse gas emissions and solid waste, and to protect the public health and welfare including local wildlife, all of which increase the quality of life for City of ___[CITY NAME]_____ residents and visitors.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF ___[CITY NAME]_____, CALIFORNIA THAT THE FOLLOWING SECTION OF THE _____ MUNICIPAL CODE IS HEREBY AMENDED, AS SHOWN IN EXHIBIT A:

SECTION 1. Chapter _____ of Title __ of the __[CITY NAME]___ Municipal Code is hereby amended by adding a new Section to be numbered and entitled and to read as shown in Exhibit A, attached:

SECTION 2. This ordinance shall become effective on the thirtieth (30) day following passage.

SECTION 3. [*CEQA explanation to be added here when that is determined. Mitigated Negative Declaration should be sufficient*]

SECTION 4. That the City Clerk of the City of __[CITY NAME]___ California, is hereby directed to provide at City Hall and to publish a notice of this ordinance with the attached Exhibit A in the Desert Sun, a newspaper of general circulation, published and circulated in the City of [CITY

NAME], California. This ordinance shall be in full force and effect thirty (30) days after its adoption.

ADOPTED THIS _____ DAY OF _____, _____

_____
[MAYOR]

ATTEST:

_____
[CITY CLERK]

CERTIFICATION

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE) ss.
CITY OF _____)

I, [CITY CLERK], City Clerk of the City of _____, California, do hereby certify that Ordinance No. ____ is a full, true, and correct copy, and was introduced at a regular meeting of the _____ City Council on _____, 2014, and adopted at a regular meeting of the City Council held on _____, 2014 by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

_____
[CITY CLERK]
CITY OF _____, CALIFORNIA

EXHIBIT A

CHAPTER _____ SECTION _____
USE OF SINGLE-USE CARRYOUT PLASTIC BAGS

SECTIONS:

___ **Findings and Purpose**
___ **Definitions**
___ **Single-Use Carryout Plastic Bags Prohibited**
___ **Permitted Bags**
___ **Carryout Bag Regulations**
___ **Exempt Customers**
___ **Operative Date**
___ **Penalties and Enforcement**
___ **Severability**

___ **Findings and Purpose**

A. The City Council of the City of __[CITY NAME]___ finds and determines that the City is committed to protecting the public health, safety, welfare, and environment, and that in order to meet these goals, it is necessary for the City to promote the public purposes served by this Chapter and adopt the following regulations pursuant to these findings.

B. The City finds that ordinances limiting the use of Single-use Carryout Plastic Bags have been proven to reduce the amount of pollution and improve quality of life for the citizens of __[CITY NAME]___.

C. The City finds that, except in unusual circumstances, it is feasible and reasonable for parties who provide Single-use Carryout Plastic Bags to easily transition to paper bags and move to a model that charges for paper bag use by consumers.

D. The City of __[CITY NAME]___ recognizes that plastic bags are a public nuisance and affect public health and impacts tourism and quality of life to both residents and visitors in _____.

___ **Definitions**

A. "Customer" means any Person obtaining goods from a Store.

B. "Food Bank" (*Consider adding definition for food bank that clarifies that it is not a store).*

C. "Nonprofit Charitable Reuser" means a charitable organization, as defined in Section 501(c)(3) of the Internal Revenue Code of 1986, or a distinct operating unit or division of the charitable organization, that reuses and recycles donated goods or materials and receives more than fifty percent (50%) of its revenues from the handling and sale of those donated goods or materials.

E. "Operator" means the person in control of, or having the responsibility for, the operation of a Store, which may include, but not limited to, the owner of the Store.

F. "Paper Bag Cost Pass-Through" means the cost which must be collected by retailers from their customers when providing a Recycled Paper Bag.

G. "Person" means any natural person, firm, corporation, partnership, or other organization or group however organized.

H. "Pharmacy" means any retail store, where prescriptions, medications, controlled or over the counter drugs, personal care products or health supplement goods or vitamins are sold, but excluding any licensed pharmacy located within a hospital.

I. "Prepared Food" means foods or beverages which are prepared on the premises by cooking, chopping, slicing, mixing, freezing, or squeezing, and which require no further preparation to be consumed. Prepared Food does not include any raw, uncooked meat product or fruits or vegetables which are chopped, squeezed, or mixed.

J. "Public Eating Establishments" means a restaurant, take-out food establishment, or any other business that receives ninety percent (90%) or more of its revenue from the sale of Prepared Food to be eaten on or off its premises.

K. "Recycled Paper Bag" means a paper bag provided at the check stand, cash register, point of sale, or other point of departure for the purpose of transporting food or merchandise out of the establishment that contains no old growth fiber and a minimum of forty percent (40%) post-consumer recycled content; is one hundred percent (100%) recyclable; and has printed in a highly visible manner on the outside of the bag the words "Reusable" and "Recyclable," the name and location of the manufacturer, and the percentage of post-consumer recycled content. The Recycled Paper Bag is capable of composting, consistent with the timeline and specifications of the American Society of Testing and Material (ASTM) Standard Specification for Compostable Plastics D6400, as published in September 2004.

L. "Reusable Bag" means a bag that has handles that is specifically designed and manufactured for multiple reuse and meets all of the following requirements: (1) is machine washable or is made of material that can be cleaned or disinfected; (2) has a minimum lifetime of one hundred twenty-five (125) uses, which for

purposes of this subsection, means the capability of carrying a minimum of twenty-two (22) pounds one hundred twenty-five (125) times over a distance of at least one hundred seventy-five (175) feet; (3) if made of a plastic, it must be at least two and one-quarter (2.25) mil thick; (4) does not contain lead, cadmium, or any other heavy metal in toxic amounts, as defined by applicable State and Federal standards and regulations for packaging or reusable bags. Plastic bags that are at least two and one-quarter (2.25) mil thick;

M. "Single-Use Carryout Plastic Bag" means a bag other than a Reusable Bag provided at the check stand, cash register, point of sale or other point of departure for the purpose of transporting food or merchandise out of the establishment. Single-Use Carryout Plastic Bags do not include bags without handles provided to the Customer (1) to transport produce, bulk food, or meat from a produce, bulk food, or meat department within a Store to the point of sale; (2) to hold prescription medication dispensed from a pharmacy; or (3) to segregate food or merchandise that could damage or contaminate other food or merchandise when placed together in a Reusable Bag or Recycled Paper Bag.

N. "Store" means any of the following retail establishments located within the City limits of the [City/County] of _____:

(1) A full-line, self-service retail store with gross annual sales of two million dollars ($2,000,000), or more, that sells a line of dry grocery, canned goods, or nonfood items and some perishable items;

(2) A store of at least 10,000 square feet of retail space that sells any perishable or non-perishable goods including, but not limited to clothing, food, or personal items, and generates sales or use tax pursuant to the Bradley-Burns Uniform Local Sales and Use Tax Law (Part 1.5 (commencing with Section 7200) of Division 2 of the Revenue and Taxation Code); or

(3) A drug store, pharmacy, supermarket, grocery store, convenience food store, foodmart, or other entity engaged in the retail sale of a limited line of goods that includes milk, bread, soda, and snack foods, including those stores with a Type 20 or 21 license issued by the Department of Alcoholic Beverage Control; or

(4) A store of less than 10,000 square feet of retail space that sells any perishable or non-perishable goods including, but not limited to, clothing, food, or personal items, and generates sales or use tax pursuant to the Bradley-Burns Uniform Local Sales and Use Tax Law (Part 1.5 (commencing with Section 7200) of Division 2 of the Revenue and Taxation Code).

___ **Single-Use Carryout Plastic Bags Prohibited**

A. No Store shall provide to any customer a Single-Use Carryout Plastic Bags .

B. This prohibition applies to bags provided for the purpose of carrying away goods.

___ **Permitted Bags**

All Stores shall provide or make available to a customer only Recyclable paper carryout bags or reusable bags for the purpose of carrying away goods or other materials from the point of sale, subject to the terms of this Chapter. Nothing in this Chapter prohibits customers from using bags of any type that they bring to the Store themselves or from carrying away goods that are not placed in a bag, in lieu of using bags provided by the Store.

___ **Carryout Bag Regulations**

A. No Store, to include grocery store or pharmacy, shall provide a Single-Use Carryout Plastic Bag to a customer, at the check stand, cash register, point of sale, or other point of departure for the purpose of transporting food or merchandise out of the establishment except as provided in this Section.

B. No person shall distribute a Single-Use Carryout Plastic Bag at any City facility, City-managed concession, City-sponsored event, or City-permitted event unless otherwise provided in this Section.

C. Single-use Carryout Plastic Bags may be distributed to customers by food providers for the purpose of safeguarding health and safety during the transportation of prepared take-out foods and liquids intended for consumption away from the food provider's premises.

D. A Store may make Recycled Paper Bags available to Customers for a minimum charge of ten cents ($.10) per bag. The sale of each bag shall be separately itemized on the sale receipt. Reusable Bags may be made available at no charge or at a cost which reasonably covers the retailer's cost.

E. All Stores must keep records of the total number of Recycled Paper Bags provided; the total amount of monies collected for providing Recycled Paper Bags, and a summary of any efforts a Store has undertaken to promote the use of reusable bags by customers in the prior calendar year. Such records must be made available for the City Manager, or his/her designee, to review at any time. These records may be kept at the retailer's corporate office.

___ **Exemptions**

A. A Store may provide a Customer participating in the California Special Supplemental Food Program for Women, Infants, and Children pursuant to Article 2 (commencing with Section 123275) of Chapter 1 of Section 2 of Division 106 of the Health and Safety Code; and a Customer participating in the Supplemental Food Program pursuant to Chapter 10 (commencing with Section 15500) of Part 3 of Division 9 of the California Welfare and Institutions Code, with one (1) or more Recycled Paper Bags or Reusable Bags at no cost.

___ **Operative Date**

This Chapter shall become operative six (6) months after its effective date for Stores defined in Subsections N(1) and N(2) of the Definitions Section. This Chapter shall become operative twelve (12) months after its effective date for Stores defined in Subsections N(3) and N(4) of the Definitions Section.

___ **Penalties and Enforcement**

A. The City Manager, or his/her designee, has primary responsibility for enforcement of this Chapter. The City Manager, or his/her designee, is authorized to promulgate regulations and take any and all other actions reasonable and necessary to enforce this Chapter.

B. If the City Manager, or his/her designee, determines that a violation of this Chapter has occurred, he/she will issue a written warning notice to the operator of a Store that a violation has occurred and the potential penalties that will apply for future violations.

C. Any Store that violates or fails to comply with any of the requirements of this Chapter after a written warning notice has been issued for that violation shall be guilty of an infraction.

D. If a Store has subsequent violation of this Chapter that are similar in kind to the violation addressed in a written warning notice, the following penalties will be imposed and shall be payable by the operator of the Store;

1. A fine not exceeding one hundred dollars ($100) for the first violation after the written warning notice is given;

2. A fine not exceeding two hundred dollars ($200) for the second violation after the written notice is given, or

3. A fine not exceeding five hundred dollars ($500) for the third and any subsequent violations after the written warning notice is given.

E. A fine shall be imposed for each day a violation occurs or is allowed to continue.

F. Repeated infractions can be charged as a misdemeanor

F. Any Store operator who receives a written warning notice or fine may request an appeal of the violation in accordance with the [City/County] Municipal Code Section [INSERT APPEAL SECTION OF THE MUNICIPAL CODE].

___ **Severability**

The City Council declares that, should any provision, section, paragraph, sentence or word of this Ordinance be rendered or declared invalid by any final court action in a court of competent jurisdiction or by reason of any preemptive legislation, the remaining provisions, sections, paragraphs, sentences or words of this Ordinance as hereby adopted shall remain in full force and effect.

CITY OF PALM DESERT

DEPARTMENT OF COMMUNITY DEVELOPMENT

STAFF REPORT

REQUEST:	AUTHORIZE THE MAYOR TO SIGN A LETTER SUPPORTING A REGIONAL ORDINANCE TO LIMIT USE OF SINGLE-USE PLASTIC BAGS
SUBMITTED BY:	Tony Bagato, Principal Planner
DATE:	October 24, 2013
CONTENTS:	Letter from Palm Desert Citizen's Sustainability Committee Draft Letter Supporting a Regional Ordinance Draft Ordinance California Grocers' Association Letter Citizens' Sustainability Committee Draft Meeting Minutes City Council Meeting Minutes dated December 8, 2011 City Council Staff Report dated December 8, 2011

Recommendation

By Minute Motion, authorize the Mayor to sign a letter supporting a model regional ordinance to limit the distribution of single-use plastic bags in the Coachella Valley.

Executive Summary

The Palm Desert Citizens' Sustainability Committee and staff have been working with the Palm Springs Sustainability Commission and CVAG to draft a model regional ordinance to limit single-use plastic bags that are harmful to the environment. This matter has been discussed since 2011 by the City of Palm Desert, and the Citizens' Sustainability Committee is requesting that the City Council consider sending a letter to all the local cities supporting the draft ordinance that has been prepared. The draft letter and ordinance are provided with the staff report. The draft ordinance would prohibit the distribution of single-use plastic bags at groceries, variety stores, and many other retailers, and impose a charge of 10 cents for paper bags in order to motivate shoppers to reusable bags. Plastic bags would still be distributed by grocers for meats and produce, and by restaurants for carry-out meals.

Committee Recommendation

At the July meeting of the Citizens' Sustainability Committee, staff was asked to work with a subcommittee to draft a letter to Mayor Harnik requesting that the City contact other Coachella Valley mayors to seek support for a regional approach to limiting use of single-use plastic bags. At the August meeting, the Citizens' Sustainability Committee unanimously recommended that staff present the letters and draft ordinance to the City

Council for discussion.

Background

On December 8, 2011, staff presented a potential ordinance to limit distribution of single-use plastic bags. After the presentation, the City Council believed that the issue should be addressed at a regional level, and that it may be more appropriate for the Coachella Valley Association of Governments (CVAG) to address. The matter was continued to a date uncertain in order to study the issue further.

In February of 2012, CVAG's Energy & Environmental Resources Committee discussed a potential ordinance to limit the use of single-use plastic bags throughout the Coachella Valley. After considerable discussion, CVAG staff was asked to research what legislation may be pending at the State level to determine if the State was implementing a single-use plastic bag prohibition.

After the discussion by CVAG, members from the Palm Springs Sustainability Commission and the Palm Desert Citizens' Sustainability Committee worked together to develop a draft model ordinance with the intent that the ordinance would be considered for adoption as a regional issue. During the summer, these two groups met with CVAG staff, and they were told that CVAG was not looking at a regional prohibition. Based on that discussion, the Palm Desert Citizens' Sustainability Committee requested that staff prepare a letter that the City Council could authorize the Mayor to sign and send to other local cities with the draft ordinance. The letter is requesting that other local cities join in support of adopting an ordinance to limit distribution of single-use plastic bags as a regional effort.

After this action was taken by the Palm Desert Citizens' Sustainability Committee, CVAG's Energy & Environmental Resources Committee held a meeting on October 10, 2013, and discussed a possible model ordinance for single-use plastic bags. After the discussion, the Committee unanimously supported a possible regional model ordinance to limit single-use plastic bags, and recommended that the CVAG Executive Committee study the issue further for a possible ordinance.

Developing and supporting a model ordinance that reduces single-use plastic bags will be challenging, but a great benefit to the environment. It is estimated that approximately 19 billion single-use plastic bags are consumed annually in California. Of those 19 billion, approximately three to five percent are recycled or reused. Currently, 84 cities and counties in California have created an ordinance to regulate single-use plastic bags. According to Caltrans, approximately $500,000 to $1 million is spent collecting debris and trash along the Interstate 10.

The following photos, which depict the environmental concern locally, were taken by staff in the City of Palm Desert:

10.10.2013

One of the concerns with regulating plastic bags is the impact on local grocery stores and retailers. Recently, the California Grocers Association has stated that they support the typical or "model" ordinance that has been used throughout California. The draft ordinance attached was prepared based on the model ordinance referred to in the letter attached.

The proposed model ordinance is based on successful ordinances in other California cities and counties. It established criteria for affected stores, incentives, and a 10-cents-per-bag charge for paper bags. The model ordinance also establishes a phased approach to implementation with the following timeline:

- Large retailers – six months from approval date
- Smaller retailers – one year from approval date

The ordinance also focuses on education and ongoing awareness. Education needs to be a strong component of implementing any potential ordinance regulating single-use plastic bags. Staff and the Citizen's Sustainability Committee have reviewed a proposed educational component that will be presented to the City Council at a future meeting. Plastic bags will continue to be used for restaurant carry-out, and for meats and vegetables at grocery stores.

Fiscal Analysis

There are no fiscal impacts or benefits associated with sending a letter to other mayors asking them to support a Valley-wide program. The fiscal impact of enacting an ordinance to limit the distribution of single-use plastic bags will be studied if and when such an ordinance is considered for adoption.

Submitted By:

Tony Bagato, Principal Planner

Department Head:

Lauri Aylaian, Dir. of Community Development

Approval:

John M. Wohlmuth, City Manager

CITY OF PALM DESERT

73-510 Fred Waring Drive
Palm Desert, California 92260-2578
tel: 760 346-0611
info@cityofpalmdesert.org

October 14, 2013

Honorable Jan C. Harnik and Palm Desert City Council Members
73-510 Fred Waring Drive
Palm Desert, California 92260

Dear Mayor Harnik and Palm Desert City Council Members:

Re: Support of an Ordinance Regulating Single-Use Plastic Bags

We, the members of your Palm Desert Citizens' Sustainability Committee, would like to request your support on an important issue concerning the City and the entire Coachella Valley.

In September 2011, the City Council directed staff and the Citizens' Sustainability Committee to research the effects of single-use plastic bags on our environment. Since then, we have found an incredible urgency for the City of Palm Desert to join the 84 other California cities to regulate single-use plastic bags.

The negative impact of single-use plastic bags is well-documented. Plastic bags and plastic film together represent 2.2 percent of the waste stream and these bags take more than 1,000 years to breakdown. According to the California Integrated Waste Management Board, it costs Californians $25 million to dispose of the 19 billion single-use bags used in the state annually. The average person uses 500 of these plastic bags every year, most of which never get recycled.

As you know, there have been several attempts at the State level to ban plastic bags, but all have failed. We are dubious that one will pass in the near future. However, after speaking with the other Coachella Valley cities, it became clear that the only way for a Plastic Bag Ordinance to pass, is if it was passed Valley-wide. No city is willing to take a leadership position and be the first to pass such a policy.

Other cities have shared our interest through our discussions with City of Indio and City of Palm Springs. In a joint effort with the Sustainability Commission of City of Palm Springs, we have drafted a policy to regulate single-use plastic bags. Based on the best policy items from other California cities, this draft is a straight-forward approach to eliminating plastic bags in the Coachella Valley. In addition, this policy has received the

support of Grocers Association, as well as the endorsement of area non-profits including the US Green Building Council.

In the past, the City of Palm Desert has been the valley's environmental leader on issues such as our recycling programs, PACE program, higher water standards, and waived fees on solar permits.

So we would like to formally request that you send out a letter of support to your fellow Coachella Valley Mayors. We have enclosed a draft of that letter, along with our current draft policy and letters of support.

Thank you for considering the Committee's request. Our hope is that your show of support will help push the other cities to adopt this policy and join the 84 other cities in California who have eliminated plastic bags.

Sincerely,

ON BEHALF OF

SIGNED, REPRESENTATIVES OF CITY OF PALM DESERT CITIZENS' SUSTAINABILITY COMMITTEE, PLASTIC BAG SUBCOMMITTEE:

Eric Corey Freed, Member
Dean Gatons, Member
Bruce Kassler, Member
Robert Leo, Chair

cc: Tony Bagato, Principal Planner

PRINTED ON RECYCLED PAPER

[Date]

[The Honorable Full Name]
[Address]
[City], California [Zip]

Dear Mayor [Surname]:

Re: Support of an Ordinance Regulating Single-Use Plastic Bags

Like you, I am concerned with the environmental impact that single-use plastic bags are having on our beautiful Coachella Valley. Because of this, we, the City Council for Palm Desert, directed our staff and Citizens' Sustainability Committee to research the effects of single-use plastic bags on our environment. Since then, we have found an incredible urgency to join the 84 other California cities to regulate single-use plastic bags.

The negative impact of single-use plastic bags is well-documented. Plastic bags and plastic film together represent 2.2 percent of the waste stream and these bags take more than 1,000 years to breakdown. According to the California Integrated Waste Management Board, it costs Californians $25 million to dispose of the 19 billion single-use bags used in the state annually. The average person uses 500 of these plastic bags every year, most of which never get recycled.

As you know, there have been several attempts at the State level to ban plastic bags, but all have failed. We are dubious that one will pass in the near future. No City Council wants to stand alone so I am writing to request you join me in your support for a Coachella valley-wide plastic bag ordinance.

In a joint effort with the Sustainability Commission of City of Palm Springs, we have drafted a policy (enclosed) to regulate single-use plastic bags. Based on the best policy items from other California cities, this draft is a straightforward approach to eliminating plastic bags in the Coachella Valley. In addition, this policy has received the support of the Grocers Association, as well as the endorsement of area non-profits including the US Green Building Council.

So, at the request of the Palm Desert Citizens' Sustainability Committee, I am writing to request your support by putting this forth to your City Council for review and adoption. I am happy to share all of the research and information gathered by our Citizens' Sustainability Committee.

Thank you for considering my request. Our hope is that your show of support will help push the other cities to adopt this policy and join the 84 other cities in California who have eliminated plastic bags.

Sincerely,

JAN C. HARNIK
MAYOR

DRAFT

ORDINANCE NO. ____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF [INSERT CITY NAME] AMENDING CHAPTER [INSERT MUNICIPAL CODE SECTION FOR HEALTH OR ENVIRONMENT] RELATING TO A BAN OF SINGLE-USE CARRYOUT PLASTIC BAGS AND PROHIBIT THE FREE DISTRIBUTION OF RECYCLED PAPER BAGS, BY RETAIL ESTABLISHMENTS, TO BE EFFECTIVE [INSERT DATE]

WHEREAS, about nineteen billion (19,000,000,000) single use bags are used annually in California but less than 5% are recycled; and

WHEREAS, about twenty-two million (22,000,000) single use carry out bags are distributed by retail establishments in the City each year; and

WHEREAS, most of these single use carry out bags are made from plastic or other material that does not readily decompose; and

WHEREAS, numerous studies have documented the prevalence of single use plastic carry out bags littering the environment and blocking storm drains; and

WHEREAS, the City tax payers must bear the brunt of clean up costs; and

WHEREAS, the City Council of the City of _____ is the decision-making body for the approval and adoption of this Ordinance; and

WHEREAS, this ordinance requires stores that decide to make recycled paper carry out bags available to pass-through to their customers the reasonable cost of providing bags;

WHEREAS, based on this analysis, the City has determined that a minimum cost pass-through of $0.10 per paper bag would cover the reasonable cost to a store of providing the paper bags to its customers; and

WHEREAS, other jurisdictions have imposed paper bag fees on the customers requesting these bags and these fees have proven very effective at generating a major shift in consumer behavior toward the use of reusable bags and significantly reducing bag consumption; and

WHEREAS, the proceeds from the collection of the paper bag pass-through would be retained by the retailer and this ordinance does not specify how the retailers must expend the monies collected; and

ORDINANCE NO. _____

WHERAS, customers can avoid this cost pass-through by using reusable bags; and

WHEREAS, no portion of the cost pass-through will be provided to the City and consequently, the City will not receive any revenues from the retailers' collection of the paper bag pass-through; and

WHEREAS, therefore, the cost pass-through is not a fee subject to Proposition 26; and

WHEREAS, a paper bag cost pass-through is an essential element of the proposed ordinance as it is intended to provide a disincentive to customers to request paper bags when shopping at regulated stores and to promote a shift towards the use of reusable bags by City of _____ consumers; and

WHEREAS, there are several alternatives to single use carry out bags readily available in the City, including reusable bags produced locally from sustainable materials; and

WHEREAS, an important goal of the City's Sustainable Plan is to procure and use sustainable products and services; and [IF APPLICABLE]

WHEREAS, it is the City's desire to whenever possible conserve resources, reduce the amount of greenhouse gas emissions, waste, and to protect the public health and welfare including local wildlife, all of which increase the quality of life for City of _____ residents and visitors.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF _____:

City Attorney's Summary

This Ordinance adds Section _____ to Chapter _____ of Title ___ of the _____ Municipal Code and establishes a program for limiting the use of single-use carryout plastic bags.

The Council of the City of _____ ordains:

SECTION 1. Chapter ____ of Title __ of the _____ Municipal Code is hereby amended by adding a new Section to be numbered and entitled and to read as follows:

ORDINANCE NO. _____

CHAPTER _____ SECTION _____ USE OF SINGLE-USE CARRYOUT PLASTIC BAGS

_____ **Findings and Purpose**
_____ **Penalties and Enforcement**
_____ **Definitions**
_____ **Public Nuisance**
_____ **Reserved- Prohibitions and Exemptions??**
_____ **Reserved- Recordkeeping and Inspection??**
_____ **Modification, Suspension and/or Revocation of Validly Issued Permit and/or License**
_____ **Additional Penalties**
_____ **Operative Date**

___ **Findings and Purpose**

A. The City Council of the City of _____ finds and determines that the City is committed to protecting the public health, safety, welfare, and environment, and that in order to meet these goals, it is necessary for the City promote the public purposes served by this Chapter and adopt the following regulations pursuant to these findings.

B. The City finds that ordinances limiting the use of single-use carryout plastic bags have been proven to reduce the amount of pollution and improves quality of life for the citizens of _____.

C. The City finds that, except in unusual circumstances, it is feasible and reasonable for parties who provide single-use carryout plastic bags can easily transition to paper bags and move to a model that charges for paper bag use by consumers.

D. The City of _____ recognizes that plastic bags are a public nuisance and affect public health and impacts tourism and quality of life to both residents and visitors in _____.

___ **Penalties and Enforcement**

A. The City Manager, or his/her designee, is authorized to establish regulations and to take any and all actions reasonable and necessary to obtain compliance with the Chapter, including, but not limited to, inspecting any Retail Establishment's premises to verify compliance.

B. Any person violating this Section shall be guilty of an infraction, which shall be punishable by a fine.

C. The City Attorney may seek legal, injunctive, or other equitable relief to enforce this Chapter.

D. Administrative enforcement of this Chapter shall proceed pursuant to Title ___ of the _____ Municipal Code, with the fines to be graduated for repeat violations in amounts set forth by City Council resolution.

E. Each violation of this Chapter shall be considered a separate offense.

F. The remedies and penalties provided in this Section are cumulative and not exclusive, and nothing in this Chapter shall preclude any person from pursuing any other remedies provided by law.

G. Notwithstanding any other provision of this Chapter, commencing on _____, this Chapter may be enforced through any remedy as provided for in this Section. Prior to [INSERT DATE] this Chapter shall not be enforced.

___ **Definitions**

A. "Applicant" means any individual, firm, limited liability company, association, partnership, political subdivision, government agency, municipality, industry, public or private corporation, or any other entity whatsoever who applies to the City for the applicable permits to undertake project within the City.

B. "Compliance Official" means the City Manager or his/her designee, including an agent acting on behalf of the City, assigned to evaluate, and determine compliance or non-compliance with this Chapter.

C. "Customer" means any Person obtaining goods from a Retail Establishment.

E. "Exempt" means projects described by the criteria outlined in Section _____ that are exempt from the requirements of this Chapter.

F. "Store" means any of the following retail establishments located within the City limits of the City of _____:

(1) A full-line, self-service retail store with gross annual sales of two million dollars ($2,000,000), or more, that sells a line of dry grocery, canned goods, or nonfood items and some perishable items;

(2) A store of at least 10,000 square feet of retail space that sells any perishable or non-perishable goods including, but not limited to clothing, food, or personal items, and generates sales or use tax pursuant to the Bradley-Burns Uniform Local Sales and Use Tax Law (Part 1.5 (commencing with Section 7200) of Division 2 of the Revenue and Taxation Code); or

(3) A drug store, pharmacy, supermarket, grocery store, convenience food store, foodmart, or other entity engaged in the retail sale of a limited line of goods

that includes milk, bread, soda, and snack foods, including those stores with a Type 20 or 21 license issued by the Department of Alcoholic Beverage Control; or

(4) A store of less than 10,000 square feet of retail space that sells any perishable or non-perishable goods including, but not limited to, clothing, food, or personal items, and generates sales or use tax pursuant to the Bradley-Burns Uniform Local Sales and Use Tax Law (Part 1.5 (commencing with Section 7200) of Division 2 of the Revenue and Taxation Code).

G. "Nonprofit Charitable Reuser" means a charitable organization, as defined in Section 501(c)(3) of the Internal Revenue Code of 1986, or a distinct operating unit or division of the charitable organization, that reuses and recycles donated goods or materials and receives more than fifty percent (50%) of its revenues from the handling and sale of those donated goods or materials.

H. "Paper Bag Cost Pass-Through" means the cost which must be collected by retailers from their customers when providing a Recycled Paper Bag.

I. "Person" means any natural person, firm, corporation, partnership, or other organization or group however organized.

J. "Pharmacy" means any retail store, where prescriptions, medications, controlled or over the counter drugs, personal care products or health supplement goods or vitamins are sold, but excluding any licensed pharmacy located within a hospital.

K. "Prepared Food" means foods or beverages which are prepared on the premises by cooking, chopping, slicing, mixing, freezing, or squeezing, and which require no further preparation to be consumed. Prepared Food does not include any raw, uncooked meat product or fruits or vegetables which are chopped, squeezed, or mixed.

L. "Public Eating Establishments" means a restaurant, take-out food establishment, or any other business that receives ninety percent (90%) or more of its revenue from the sale of Prepared Food to be eaten on or off its premises.

M. "Recycled Paper Bag" means a paper bag provided at the check stand, cash register, point of sale, or other point of departure for the purpose of transporting food or merchandise out of the establishment that contains no old growth fiber and a minimum of forty percent (40%) post-consumer recycled content; is one hundred percent (100%) recyclable; and has printed in a highly visible manner on the outside of the bag the words "Reusable" and "Recyclable," the name and location of the manufacturer, and the percentage of post-consumer recycled content. The Recycled Paper Bag is capable of composting, consistent with the timeline and specifications of the American Society of Testing and Material

(ASTM) Standard Specification for Compostable Plastics D6400, as published in September 2004.

N. "Retail Establishment" means any commercial establishment that sells perishable or nonperishable goods including, but not limited to, clothing, food, and personal items directly to the Customer; and is located within or doing business within the geographical limits of the City of _____. Retail Establishment does not include Public Eating Establishments or Nonprofit Charitable Reusers.

O. "Reusable Bag" means a bag that has handles that is specifically designed and manufactured for multiple reuse and meets all of the following requirements: (1) is machine washable or is made of material that can be cleaned or disinfected; (2) has a minimum lifetime of one hundred twenty-five (125) uses, which for purposes of this subsection, means the capability of carrying a minimum of twenty-two (22) pounds one hundred twenty-five (125) times over a distance of at least one hundred seventy-five (175) feet; (3) is made of a plastic that is at least two and one-quarter (2.25) mil thick; (4) does not contain lead, cadmium, or any other heavy metal in toxic amounts, as defined by applicable State and Federal standards and regulations for packaging or reusable bags.

P. "Single-Use Carryout Plastic Bag" means a bag other than a Reusable Bag provided at the check stand, cash register, point of sale or other point of departure for the purpose of transporting food or merchandise out of the establishment. Single-Use Carryout Plastic Bags do not include bags without handles provided to the Customer (1) to transport produce, bulk food, or meat from a produce, bulk food, or meat department within a store to the point of sale; (2) to hold prescription medication dispensed from a pharmacy; or (3) to segregate food or merchandise that could damage or contaminate other food or merchandise when placed together in a Reusable Bag or Recycled Paper Bag.

___ **Public Nuisance**

A violation of this chapter by any person responsible for committing, causing or maintaining such violation, shall constitute a public nuisance which shall be subject to the provisions of Chapter ____ of the Municipal Code, including but not limited to the imposition of any and all administrative fines and the provisions of any other applicable regulatory codes, statutes and ordinances heretofore or hereinafter enacted by the city, the state, or any other legal entity or agency having jurisdiction.

___ **(Reserved) Prohibitions and Exemptions**

A. No Retail Establishment, to include grocery store or pharmacy, shall provide a Single-Use Carryout Plastic Bag to a Customer, at the check stand, cash register, point of sale, or other point of departure for the purpose of transporting food or merchandise out of the establishment except as provided in this Section.

B. No person shall distribute a single-use carryout plastic bag at any City facility, City-managed concession, City-sponsored event, or City-permitted event unless otherwise provided in this Section.

C. No person shall distribute a single-use carryout plastic bag at the _____ Farmer's Market. Single-use carryout plastic bags may be distributed to customers by food providers for the purpose of safeguarding health and safety during the transportation of prepared take-out foods and liquids intended for consumption away from the food provider's premises.

D. On or _____ a Retail Establishment may make available for sale to a Customer a Recycled Paper Bag for a minimum charge of ten cents ($0.10).

E. Notwithstanding the Section, no Retail Establishment may make available for sale a Recycled Paper Bag unless the amount of the sale of the Recycled Paper Bag is separately itemized on the sale receipt.

F. A Retail Establishment may provide a Customer participating in the California Special Supplemental Food Program for Women, Infants, and Children pursuant to Article 2 (commencing with Section 123275) of Chapter 1 of Part 2 of Division 106 of the Health and Safety Code; and a Customer participating in the Supplemental Food Program pursuant to Chapter 10 (commencing with Section 15500) of Part 3 of Division 9 of the California Welfare and Institutions Code, with one (1) or more Recycled Paper Bags at no cost.

___ (Reserved) Recordkeeping and Inspection

Every Retail Establishment shall keep complete an accurate record or documents of the purchase and sale of any Recycled Paper Bag by the Retail Establishment, for a minimum period of three (3) years from the date of purchase and sale, which record shall be available for inspection at no cost to the City during regular business hours by any City employee authorized to enforce this Part. Unless an alternative location or method of review is mutually agreed upon, the records or documents shall be available at the Retail Establishment address. The provision of false information including incomplete records or documents to the City shall be a violation of this Section.

___ Modification, Suspension and/or Revocation of Validly Issued Permit and/or License

Repeated infractions can be charged as a misdemeanor

___ Severability

The City Council declares that, should any provision, section, paragraph, sentence or word of this Ordinance be rendered or declared invalid by any final court action in a court of competent jurisdiction or by reason of any preemptive legislation, the remaining

provisions, sections, paragraphs, sentences or words of this Ordinance as hereby adopted shall remain in full force and effect.

___ **Operative Date**

A. Stores defined in subsections (E), (E)(1), (E) (2) and E (3) of Section 5.38.010 shall become subject to this Chapter on DATE (Six Months from date of passage).

B. Stores defined in subsection (J)(4) of Section 5.38.010 shall become subject to this Chapter on (One Year from Date of Passage) [DATE].

ORDINANCE NO. _____

SECTION 2. This ordinance shall become effective on the thirty-first day following passage.

ADOPTED THIS _____ DAY OF _____, _____

_____
[MAYOR]

ATTEST:

_____
[CITY CLERK]

CERTIFICATION

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE) ss.
CITY OF _____)

I, [CITY CLERK], City Clerk of the City of _____, California, do hereby certify that Ordinance No. _____ is a full, true, and correct copy, and was introduced at a regular meeting of the _____ City Council on _____, 2013, and adopted at a regular meeting of the City Council held on _____, 2013 by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

_____
[CITY CLERK]
CITY OF _____, CALIFORNIA

Heal the Bay

1444 9th Street
Santa Monica, CA 90401

ph 310 451 1500
fax 310 496 1902

info@healthebay.org
www.healthebay.org

May 7, 2013

Mayor Jan Harnik and Councilmembers
City of Palm Desert
Civic Center Council Chamber
73510 Fred Waring Drive, Palm Desert, CA 92260
VIA EMAIL: cityhall@cityofpalmdesert.org

RE: Support development of a valley-wide single-use carryout bag ordinance

Dear Mayor Harnik and Councilmembers:

On behalf of Heal the Bay and its members, we encourage you to show your ongoing commitment to the environment by supporting the development of a comprehensive single-use carryout bag ordinance that addresses both plastic (including compostable plastic) and paper single-use bags in the Coachella Valley.

Californians use an estimated 12 billion single-use plastic bags every year.[1] Despite both voluntary and statewide efforts to implement recycling programs, the statewide recycling rate for plastic bags remains around five percent;[2] the majority of single-use plastic bags – even if reused once or twice by consumers – end up in our landfills or as part of the litter stream, polluting our inland and coastal communities and wasting taxpayer dollars on cleanup costs.

This is an issue that extends beyond coastal communities. Designed only for single-use, plastic bags have a high propensity to become litter and eventually marine debris by traveling through storm drains and rivers. In fact, one characterization study of urban litter in storm drains and the Los Angeles River estimated that plastic bag litter makes up as much as 25% of the litter stream.[3] Once this plastic debris, including plastic bags, reaches aquatic environments, it may choke and starve wildlife, distribute non-native and potentially harmful organisms, absorb toxic chemicals and degrade to micro-plastics that may be subsequently ingested.[4] In fact, a 2012 study by the Convention on Biological Diversity found that 663 marine species have been impacted by marine plastic litter through entanglement and ingestion.[5] Given the scope and nature of this problem, any lasting solution must be addressed by both inland and coastal communities.

[1] "Shopping? Take Reusable Bags!" CalRecycle. 23 Nov. 2011. Web. 7 Jan. 2013. <http://www.calrecycle.ca.gov/publiced/holidays/ReusableBags.htm>.
[2] County of Los Angeles. Dept. of Public Works. *Los Angeles County Plastic Bag Study: Staff Report to the Los Angeles County Board of Supervisors.* Aug. 2007: 2. Print.
[3] County of Los Angeles. Dept. of Public Works. *Los Angeles County Plastic Bag Study: Staff Report to the Los Angeles County Board of Supervisors.* Aug. 2007: 24. Print.
[4] Barnes D. K. A., Galgani F., Thompson R. C., Barlaz M. "Accumulation and fragmentation of plastic debris in global environments." *Phil. Trans. R. Soc. B* 364 (2009): 1985–1998. Print.
[5] http://www.cbd.int/doc/publications/cbd-ts-67-en.pdf

Heal the Bay

1444 9th Street
Santa Monica, CA 90401

ph 310 451 1500
fax 310 496 1902

info@healthebay.org
www.healthebay.org

Plastic bag litter blights inland urban areas, and is costly to clean-up. California spends approximately $25 million annually to landfill plastic bag waste.[6] A 2012 report by the U.S. Environmental Protection Agency found California's coastal cities and counties spend about $420 million each year to combat litter and curtail marine debris.[7] These cleanup costs do not reflect the energy costs associated with producing single-use bags, or the negative socio-economic and environmental costs associated with single-use bag litter. Ultimately, the costs to cleanup plastic bag waste are borne by taxpayers, and during a time of tight budgets, this money could be allocated to fund vital public services.

Seventy-four jurisdictions in California are covered by single-use bag ordinances, including inland communities like Glendale, Pasadena, Ukiah and Watsonville. Many of these ordinances have changed consumer behavior and have resulted in an increased use of reusable bags, a more sustainable alternative to single-use bags. For example, Los Angeles County announced that its ordinance which bans plastic carryout bags and charges for paper carryout bags, and became fully effective in 2012, has resulted in a 94% reduction in overall single-use bag usage (both plastic and paper).[8] Furthermore, single-use bag ordinances are effective in reducing plastic pollution. Since January 2012, the City of San Jose has prohibited distribution of all single-use bags except for recycled content paper bags, which consumers must purchase for 10 cents. The City's 2012 litter surveys indicate that plastic bag litter has been reduced "approximately 89 percent in the storm drain system . . . when compared to [pre-ordinance] data . . .".[9]

A comprehensive bag ban that addresses both plastic and paper carryout bags will be a major step in reducing the economic waste and environmental impacts that single-use bags create. We urge you to support development of a comprehensive valley-wide single-use carryout bag ordinance.

Thank you for your leadership on this critical environmental issue.

Kirsten James

Kirsten James, Science and Policy Director, Water Quality

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[6] "Shopping? Take Reusable Bags!" CalRecycle. 23 Nov. 2011. Web. 7 Dec. 2012. <http://www.calrecycle.ca.gov/publiced/holidays/ReusableBags.htm>.

[7] U.S. Environmental Protection Agency. Region 9. Sept. 2012. Web. 8 April 2013. <http://www.epa.gov/region9/marine-debris/pdf/WestCoastCommsCost-MngMarineDebris.pdf>.

[8] "About the Bag." Los Angeles County. Web. 7 Dec. 2012. http://dpw.lacounty.gov/epd/abouthebag/.

[9] Kerrie Romanow, City of San Jose, memorandum to Transportation & Environment Com. re: *Bring Your Own Bag Ordinance Implementation Results and Actions to Reduce EPS Foam Food Ware*, 20 Nov. 2012. Web. 7 Jan. 2013. <http://www3.sanjoseca.gov/clerk/CommitteeAgenda/TE/20121203/TE20121203_d5.pdf>.

June 3, 2013

Honorable Steve Pougnet
Mayor, Palm Springs City Council
3200 East Tahquitz Canyon Way
Palm Springs, CA 92262

RE: Future Carryout Bag Policies

Dear Mayor Pougnet:

On behalf of the California Grocers Association (CGA), I applaud the city for considering such an important issue regarding carryout bags. If you do move forward, however, I urge you to consider what has become the model ordinance in California which bans plastic carryout bags, and mandates a ten cent charge on paper bags. As you are aware, CGA has worked with dozens of jurisdictions throughout California on a compromise solution that protects the environment and protects retailers – a ban on plastic, charge for paper model. We also urge the entire Coachella Valley to work together in adopting an identical policy as this helps our members avoid a patchwork policy among cities, which can be very damaging to our industry.

The California Grocers Association is a non-profit, statewide trade association representing the retail food industry since 1898. CGA represents approximately 500 retail member companies, many of which do business in Palm Springs. Collectively our members operate more than 6,000 retail food stores in California. Those outlets represent the breadth of diversity of California's retail food industry and include traditional supermarkets, convenience stores, wholesale merchandisers, and independent supermarkets. CGA represents many of the grocery companies operating in the City of Palm Springs.

Dozens of jurisdictions across California have regulated or are in the process of regulating single-use carryout bags. Those successful efforts generally involve a ban on single-use plastic bags and a charge on specified single-use paper bags. This approach taken in other jurisdictions is one that has included robust stakeholder participation and in the end embodies broad consensus on the issue. It is important to note that such a model has become the standard in California. Following what has proven to be an effective and workable approach elsewhere helps increase consistency for businesses with store locations in multiple jurisdictions and for the Palm Springs region's very mobile consumers.

Experience with the Los Angeles County carryout bag ordinance, which bans single-use plastic bags and allows recyclable paper bags for a charge, has shown a dramatic shift in consumer behavior away from single-use carryout bags toward reusable bag use. Industry information is showing an almost immediate flip in consumer behavior with over 70% of consumers either bringing their own bag or choosing no bag at all in the first few weeks of implementation. Over a

California Grocers Association | 1020 N. Lake Street | Burbank, CA 91502 | P: 818-841-8640 | F: 916-448-2793

period of a few months the amount of consumers choosing not to use a single-use bag has climbed to over 80%. Stores that have seen this policy enacted for even longer periods of time have seen close to 94% of customers bring in reusable bags. This type of regulation is environmentally effective and protects retailers, by allowing them to recoup the costs of providing a much more expensive bag to the customer.

Allowing a small charge for paper bags also protects consumers by providing a low-cost option for unplanned purchases. If a customer comes to a store bringing three reusable bags, but buys four bags of groceries, they have an option of purchasing a paper bag for a ten cent charge, as opposed to spending a $1.00 on another reusable bag. Grocery stores operate on less than 1% profit margins so every penny counts.

Again, we applaud council for considering this very important issue and we urge you to consider the ban on plastic, charge for paper model if you do move forward. We look forward to working with you throughout this process.

Thank You,

Sarah P. Sheehy

Sarah Paulson Sheehy
Director, Local Government Relations

cc: Members, Palm Springs City Council
James Thompson, City Clerk

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INDIAN WELLS
CALIFORNIA

CC/HA ACTION _____ MTG. DATE: 1-16-14
APPROVED X DENIED ___ REC/FILE ___ CONT. ___
OTHER _____
VOTE: YES 5 NO 2 ABSTAIN _____

Successor Agency

January 16, 2014

Staff Report – Finance

Adopt Resolution Approving the Issuance of Refunding Bonds

RECOMMENDATIONS:

Successor Agency Board **ADOPTS** Resolution Bill SA No. 2014-01 approving the issuance of Refunding Bonds in order to refund certain outstanding bonds of the Dissolved Redevelopment Agency of the City of Indian Wells; and

APPROVES the execution and delivery of an Indenture of Trust relating thereto; and

REQUESTS Oversight Board approval of the issuance of the Refunding Bonds, and certain determinations by the Oversight Board; and

PROVIDES for other matters properly relating thereto.

REPORT IN BRIEF:

Over the past month, Successor Agency staff has been working with the County Financing Team to structure the issuance of the Refunding Bonds and the Authority Bonds and prepare the form of key legal documents and reports required by the Dissolution Legislation (AB 26 1X and AB 1484) and approval of the refunding pursuant to Health and Safety Code Section 34180(b).

The documents relating to the Successor Agency's Refunding Bonds are scheduled to be approved by the Successor Agency Board on January 16, 2014 and then forwarded to the Successor Agency Oversight Board for approval on January 29, 2014. Subsequently these documents and Reports will be sent to the State Department of Finance for final approval which may take up to 65 days from receipt. Prior to any sale of Refunding Bonds the Successor Agency Board will be presented with a preliminary official statement, and updated savings analysis, and other certain documents for final approval. This is expected in February of 2014.

Under current market conditions there are approximately $1.587 million in present value savings or $210,000 per year through 2022, the term of the existing 2003 Bonds. A detailed analysis is also presented in the attached Financial Advisors Report.

DISCUSSION:

Background:

Assembly Bill No. 1X 26 (AB 1X 26) adopted on December 29, 2011, dissolved Redevelopment Agencies, and established Successor Agencies and Oversight Boards to assist in the wind down of the former redevelopment agencies. On June 27, 2012, AB 1484 was enacted to clarify and amend AB 1X 26. Section 34177.5, part of AB 1484, allows for the refinancing of certain redevelopment agency obligations to achieve debt service savings.

The former Indian Wells Redevelopment Agency has two bond series that can achieve savings under current rates, the Series 2003 A Bonds and the A-T Bonds. Currently, there are $7,175,000 in Series A Bonds outstanding and $26,565,000 in Series A-T Bonds. Both Series of 2003 Bonds are currently refundable for savings and can be redeemed upon 30 days' notice. The refunding will refund all the Series 2003 Bonds outstanding. Other outstanding series of bonds include the $8,945,000 Series 2005, the $ 62,230,000 Series 2006 and the $10,055,000 in Series 2010.

On September 16, 2013, the Successor Agency Oversight Board, pursuant to Health and Safety Code Section 34177.5(f), directed the Successor Agency to prepare to issue bonds (the "Refunding Bonds"), which bonds may be sold to a joint powers authority pursuant to the Marks-Roos Local Bond Pooling Act (Article 4 (commencing with Section 6584) of Chapter 5 of Division 7 of Title 1 of the Government Code) following a determination by the Successor Agency to participate in the County of Riverside Refunding Program, to refund all or a portion of the 2003 A and A-T Bonds.

Health & Safety Code Section 34177.5 (a) (1) describes the conditions that are necessary to issue refunding bonds:

"For the purpose of issuing bonds or incurring other indebtedness to refund the bonds or other indebtedness of its former redevelopment agency or of the successor agency to provide savings to the successor agency, provided that (A) the total interest cost to maturity on the refunding bonds or other indebtedness plus the principal amount of the refunding bonds or other indebtedness shall not exceed the total remaining interest cost to maturity on the bonds or other indebtedness to be refunded plus the remaining principal of the bonds or other indebtedness to be refunded, and (B) the principal amount of the refunding bonds or other indebtedness shall not exceed the amount required to defease the refunded bonds or other indebtedness, to establish customary debt service reserves, and to pay related costs of issuance."

In other words, the Successor Agency may not issue refunding bonds that would increase the overall cost of its bonded indebtedness or provide additional proceeds.

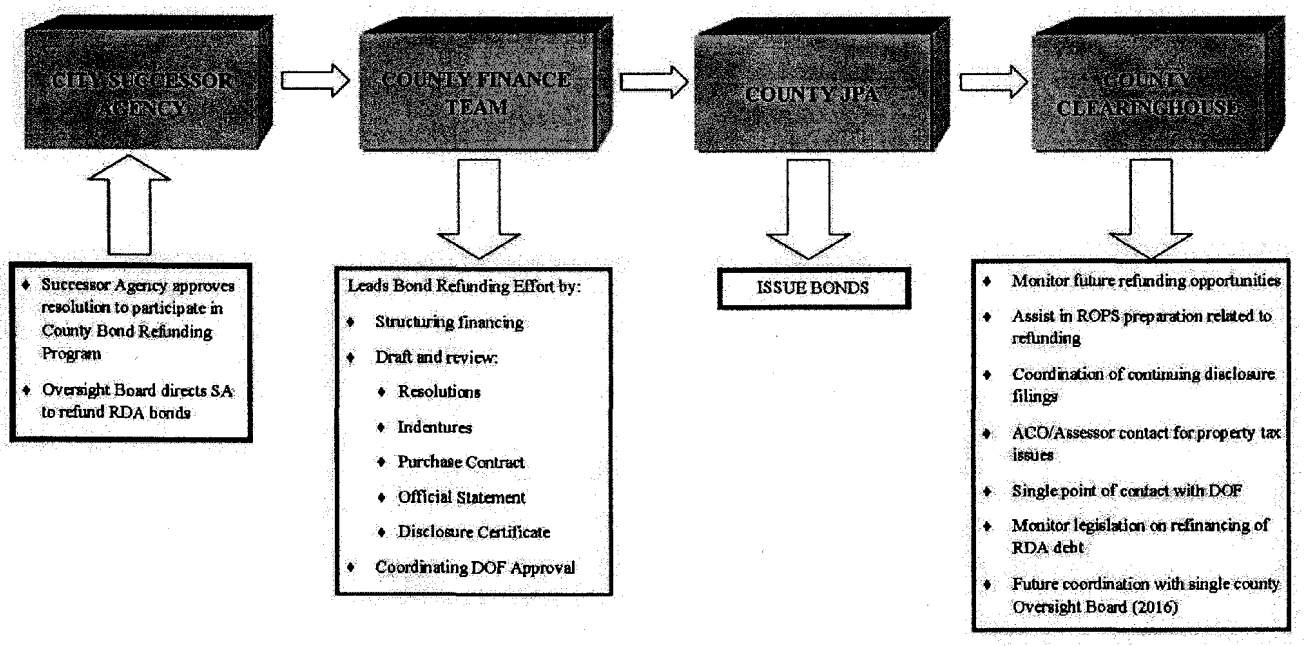
Analysis:

The Refunding Bonds will be structured as subordinate bonds to the outstanding Series 2005, 2006 and 2010 Bonds. This will allow the Successor Agency to obtain a bond reserve fund surety policy. Without this policy the Successor Agency will be required to fully fund a bond reserve fund thereby increasing the size of the refunding and the annual debt service. Given the high bond debt service coverage of 1.5X, inability to issue additional bonds (other than refunding bonds for savings) and the strong name of Indian Wells, structuring the Refunding Bonds as subordinate bonds is not expected to materially raise interest cost. The term on the bonds will remain unchanged and no bond maturities will be extended. It will also be possible with certain limitation to repay the taxable series first.

The Refunding Bonds are expected to qualify for a bond rating of "A" or "A-" from Standard & Poor's based on the ability under the post dissolution law to pledge excess housing set aside money to all bonds. The current Moody's rating on the Series 2003 A Bonds is "BBB" and the current rating on the Series 2003 A-T Bonds is "A". We also expect the Refunding Bonds to qualify for bond insurance raising the rating to "AA-". Obtain bond insurance is key to the refunding plan since bond insurance allows the Agency to also obtain a debt service reserve surety bond. Without a surety policy, a bond reserve fund would have to funded by the Bonds thereby lowering savings.

The Refunding Bonds are expected to qualify for a bond rating of "A" from Standard & Poor's. The current rating on the Series 2003A Bonds is BBB and on the Series 2003A-T Bonds is A. We also expect the Refunding Bonds to qualify for bond insurance raising the rating to "AA-". Once all the bond documents have been approved by the Successor Agency Board and the Oversight Board, they will be submitted to the State Department of Finance ("DOF").

During the period while DOF is reviewing the proposed refunding, the Authority will approve its documents and the Preliminary Official Statement relating to the Authority Bonds. As noted above, the proceeds of the Authority Bonds will be used to purchase the Refunding Bonds of the Successor Agency. This is a common structure and has been used in the past by the County Public Financing Authority for the County Redevelopment Agency's own bond issues. Participating in the County Program will help streamline administration of the refunding issue over time.



The attached resolution of the Agency approves the execution and delivery of following documents;

Bond Indenture: Key legal document that describes the pledge of tax increment revenues and lays out the legal structure and terms of the Successor Agency's Refunding Bonds. It specifies payment dates, interest rates, maturity dates of the Refunding Bonds; revenues and accounts specifically pledged to the repayment of the Refunding Bonds; flow of funds, default and remedy provisions; defeasance provisions in the event the Refunding Bonds are prepaid; provisions relating to the issuance of additional debt and covenants of the Successor Agency. It is drafted by Bond Counsel and executed by the Successor Agency and the Trustee.

Local Obligation Purchase Agreement: This is the document pursuant to which the Authority agrees to buy from the successor Agency, and the successor Agency agrees to sell to the Authority, the Refunding Bonds.

Bond Purchase Agreement: The Bond Purchase Agreement describes the terms and conditions for the purchase of the Authority Bonds by the underwriter. The successor Agency is not a direct party to the Bond Purchase Agreement, but will need to execute, on the date of sale of the Authority Bonds, a Letter of Representation in the form attached to the Bond Purchase Agreement as Exhibit B.

Irrevocable Refunding Instructions: The Irrevocable Refunding Instructions describe the term and conditions under which bond proceeds will be held until the owners of the Series 2003 and the Series 2003A-T Bond.

Continuing Covenant Agreement: The Continuing Covenant Agreement documents the Successor Agency's obligations with respect to continuing disclosure.

These documents, one approved by the Successor Agency will, along with the Financial Advisors Report, be submitted to the Oversight Board and State Department of Finance for their approval. Prior to the final approval of the bond sale in February of March of 2014 the Agency will be present with a Preliminary Bond Officials Statement and an updated savings analysis. Without approval of this document bonds cannot be sold.

Process and Timing

We anticipate having the Oversight Board and State Department of Finance review and approve the Successor Agency's refinancing plan starting in January of 2014 in order to prepare for a refinancing of the outstanding bonds as soon as approval can be obtained. The Successor Agency Board and Oversight Board initially approved the refinancing in concept in September of 2013 and it is anticipated to approve the financing program at their January meetings. The Authority will take action following the action of the Successor Agency and Oversight Board. Assuming timely approvals from all agencies including the State Department of Finance, the Successor Agency and the Authority anticipate issuing the Refunding Bonds in March of 2014.

Fiscal Impact:

The Redevelopment Agency previously issued the following outstanding bonds in Project Area # 1.

1. $41,135,000 Indian Wells Redevelopment Agency Whitewater Project Area Tax Allocation Bonds, Series 2003 A. These bonds have a final maturity date of September 1, 2022 and were first callable 9/1/2013. Currently $7,175,000 in Bonds is outstanding and refundable. In 2006 $24,565,000 of the 2003 A Bonds was advance refunded.

2. $46,110,000 Indian Wells Redevelopment Agency Whitewater Project Area Tax Allocation Bonds, Series 2003 A-T. These bonds have a final maturity date of September 1, 2022 and were first callable 9/1/2013. Currently $26,565,000 in Bonds is refundable.

The independent financial advisor for the County Program, C.M. de Crinis & Co., Inc., and the County Program Underwriters, Citi Group Global Markets and RBC Capital Markets, and staff have preliminarily reviewed the potential saving achievable in refunding the Series 2003 A and A-T Bonds. Under current market conditions there are approximately $1.587 million in present value savings or $210,000 per year through 2022, the term of

the existing 2003 Bonds. A detailed analysis is also presented in the attached Financial Advisors Report.

Summary of Expected Refunding Results

	Series 2003 A	Series A-T	Total
Bonds Outstanding	$ 7,175,000	$ 26,565,000	$ 33,740,000
Average Coupon	5.00%	5.46%	5.36%
Average Life	4.82	4.85	4.85
Final Maturity	9/1/2022	9/1/2022	9/1/2022
Refunding Bonds	$ 6,585,000	$ 27,300,000	$ 33,885,000
True Interest Cost	2.59%	4.13%	3.75%
Final Maturity	9/1/2022	9/1/2022	9/1/2022
Average Life	5.77	4.50	4.75
Cash Flow Savings	$ 531,900	$ 1,323,768	$ 1,855,668
Present Value Savings	$ 658,698	$ 928,637	**$ 1,587,335**
As % of Refunded Bonds	9.18%	3.49%	4.70%

Projected Refunding Savings

Year end Sept 1	Prior Debt Service	New Debt Service	Savings	Present Value
2014	$ 3,919,600	$ 3,747,975	$ 171,625	$ 168,387
2015	4,827,570	4,615,669	211,901	204,555
2016	4,827,093	4,614,516	212,578	196,569
2017	4,822,495	4,613,750	208,746	185,080
2018	4,823,503	4,613,590	209,914	178,509
2019	4,824,298	4,615,646	208,653	170,376
2020	4,819,357	4,607,988	211,370	165,700
2021	4,823,407	4,612,988	210,420	158,642
2022	4,820,379	4,609,916	210,464	152,467
Total	$ 42,507,702	$ 40,652,034	$ 1,855,668	$ 1,580,285
			Bond Proceeds	$ 7,051
			Net Present Value	**$ 1,587,336**

Federal Reserve Policy and the performance of the economy between now and then will likely determine the ultimate level of savings, if any. Interest rates will be higher or lower or maybe unchanged. If savings are insufficient, no Refunding Bonds will be sold. The County would distribute debt service savings to the City General Fund and other taxing entities; however the City share of savings is very low at roughly 5%.

Allocation of Savings

It is expected that reductions in annual debt service will be allocated by the County Auditor to the appropriate taxing entities semiannually as part of the ROPS process. The primary beneficiaries, depending on the year and tax rate area, are the Desert Sands Unified School District with 38%, the Coachella Valley Water District with 6% and County of Riverside with 36%, County Schools with 4%, College of the Desert with 8%, and Coachella Valley Recreation & Park District with 2%. It is expected that the City of Indian Wells will receive roughly 5% of the annual savings.

ATTACHMENTS:

1. Successor Agency Resolution 2014-01
2. Successor Agency Indenture of Trust
3. Refunding Instructions 2003A
4. Refunding Instructions 2003A-T
5. Local Obligation Purchase Contract
6. Riverside County JPA Bond Purchase Agreement
7. Continuing Disclosure Agreement
8. Bond Refunding Plan
9. Bond Refunding Report

RESOLUTION BILL SA NO. 2014-01

A RESOLUTION OF THE SUCCESSOR AGENCY TO THE INDIAN WELLS REDEVELOPMENT AGENCY, APPROVING THE ISSUANCE OF REFUNDING BONDS IN ORDER TO REFUND CERTAIN OUTSTANDING BONDS OF THE DISSOLVED REDEVELOPMENT AGENCY OF THE CITY OF INDIAN WELLS, APPROVING THE EXECUTION AND DELIVERY OF AN INDENTURE OF TRUST RELATING THERETO, REQUESTING OVERSIGHT BOARD APPROVAL OF THE ISSSUANCE OF THE REFUNDING BONDS, REQUESTING CERTAIN DETERMINATIONS BY THE OVERSIGHT BOARD, AND PROVIDING FOR OTHER MATTERS PROPERLY RELATING THERETO

WHEREAS, pursuant to Section 34172(a) of the California Health and Safety Code (unless otherwise noted, all Section references hereinafter being to such Code), the Redevelopment Agency of the City of Indian Wells (the "Former Agency") has been dissolved and no longer exists as a public body, corporate and politic, and pursuant to Section 34173, the City of Indian Wells has become the successor entity to the Former Agency (the "Successor Agency"); and

WHEREAS, prior to the dissolution of the Former Agency, the Former Agency issued its Consolidated Whitewater Redevelopment Project Area Tax Allocation Bonds, Series 2003A (the "Series 2003A Bonds") and its Consolidated Whitewater Redevelopment Project Area Taxable Tax Allocation Bonds, Series 2003A-T (the "Taxable Series 2003A-T Bonds" and, together with the Series 2003A Bonds, the "Prior Bonds") in the respective initial aggregate principal amounts of $41,135,000 and $46,110,000 for the purpose of financing and refinancing redevelopment activities; and

WHEREAS, Section 34177.5 authorizes the Successor Agency to issue refunding bonds pursuant to Article 11 (commencing with Section 53580) of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code (the "Refunding Law") for the purpose of achieving debt service savings within the parameters set forth in Section 34177.5(a)(1) (the "Savings Parameters"); and

WHEREAS, to determine compliance with the Savings Parameters for purposes of the issuance by the Successor Agency to the Indian Wells Redevelopment Agency Consolidated Whitewater Redevelopment Project Area Subordinated Tax Allocation Refunding Bonds, Series 2014A (the "Series 2014A Bonds") and the Consolidated Whitewater Redevelopment Project Area Subordinated Taxable Tax Allocation Refunding Bonds, Series 2014A-T (the "Taxable Series 2014A-T Bonds" and, together with the Series 2014A Bonds, the "Refunding Bonds"), the Successor Agency has caused its financial advisor, C.M. de Crinis & Co., Inc. (the "Financial Advisor"), to prepare an analysis of the potential savings that will accrue to the Successor Agency and to applicable taxing entities as a result of the use of the proceeds of the Refunding Bonds to repay the Prior Bonds and, thereby, to refund the Prior Bonds (the "Debt Service Savings Analysis"); and

WHEREAS, the Successor Agency wishes at this time to approve the issuance of the Refunding Bonds and to approve the form of and authorize the execution and delivery of the Indenture of Trust, expected to be dated as of March 1, 2014, by and between the Successor Agency and Union Bank, N.A., as trustee, providing for the issuance of the Refunding Bonds (the "Indenture") and the Irrevocable Refunding Instructions to be delivered to Union Bank, N.A., as fiscal agent for the Prior Bonds, one each for the Series 2003A Bonds and the Taxable Series 2003A-T Bonds, each to be dated as of the date of the issuance and delivery of the Refunding Bonds (collectively, the "Refunding Instructions"); and

WHEREAS, pursuant to Section 34179, an oversight board (the "Oversight Board") has been established for the Successor Agency; and

WHEREAS, the Successor Agency heretofore adopted its Resolution No. 2013-05 on September 12, 2013 requesting that the Oversight Board, pursuant to Section 34177.5(f), direct the Successor Agency to undertake such refunding proceedings by the issuance of the Refunding Bonds, and the Oversight Board adopted its Resolution No. 2013-04 on September 16, 2013, so directing the Successor Agency; and

WHEREAS, the Successor Agency is now requesting that the Oversight Board approve the issuance of the Refunding Bonds pursuant to this Resolution and the Indenture; and

WHEREAS, the Successor Agency further requests that the Oversight Board make certain determinations described below on which the Successor Agency will rely in undertaking the refunding proceedings and the issuance of the Refunding Bonds; and

WHEREAS, the Successor Agency has determined to sell the Refunding Bonds to the Riverside County Public Financing Authority (the "Authority") which will, in turn, issue it own bonds (the "Authority Bonds") that will be secured by the Refunding Bonds, and the Successor Agency will enter into a Local Obligation Purchase Contract (the "Authority Purchase Contract") in connection with the sale of the Refunding Bonds to the Authority; and

WHEREAS, following approval by the Oversight Board of the issuance of the Refunding Bonds by the Successor Agency and upon submission of the Oversight Board Resolution to the California Department of Finance, the Authority and the Successor Agency will, with the assistance their Disclosure Counsel and the Financial Advisor, cause to be prepared a form of Official Statement describing the Authority Bonds and the Refunding Bonds and containing material information relating to the Successor Agency and the Refunding Bonds, the preliminary form of which will be submitted to the Successor Agency for approval for distribution by the underwriters of the Authority Bonds to persons and institutions interested in purchasing the Authority Bonds.

NOW, THEREFORE, the City Council of the City of Indian Wells, serving as the Successor Agency to the dissolved Indian Wells Redevelopment Agency **RESOLVES** as follows:

SECTION 1. Determination of Savings. The Successor Agency has determined that there are significant potential savings available to the Successor Agency and to applicable taxing entities in compliance with the Savings Parameters by the issuance by the Successor Agency of the Refunding Bonds to provide funds to refund and defease the Prior Bonds, all as evidenced by the Debt Service Savings Analysis on file with the City Clerk, as the secretary (the "Secretary") of the Successor Agency, which Debt Service Savings Analysis is hereby approved.

SECTION 2. Approval of Issuance of the Bonds. The Successor Agency hereby **AUTHORIZES** and **APPROVES** the issuance of the Refunding Bonds under the Law and the Refunding Law in the combined aggregate principal amount of not to exceed $40,000,000.00, provided that the Refunding Bonds are in compliance with the Savings Parameters at the time of sale and delivery.

SECTION 3. Approval of Indenture. The Successor Agency hereby **APPROVES** the Indenture prescribing the terms and provisions of the Refunding Bonds and the application of the proceeds of the Refunding Bonds. Each, the Mayor, as the Chair and presiding officer of the Successor Agency, or the City Manager of the City of Indian Wells, as the chief administrative officer of the Successor Agency (each, an "Authorized Officer"), is hereby **AUTHORIZED** and **DIRECTED** to execute and deliver, and the Secretary of the Successor Agency, is hereby **AUTHORIZED** and **DIRECTED** to attest to, the Indenture for and in the name and on behalf of the Successor Agency, in substantially the form on file with the Secretary of the Successor Agency, with such changes therein, deletions therefrom and additions thereto as the Authorized Officer executing the same shall approve, such approval to be conclusively evidenced by the execution and delivery of the Indenture. The Successor Agency hereby **AUTHORIZES** the delivery and performance of the Indenture.

SECTION 4. Approval of Refunding Instructions. The forms of the Refunding Instructions on file with the Secretary are hereby **APPROVED** and the Authorized Officers are, each acting alone hereby **AUTHORIZED** and **DIRECTED**, for and in the name and on behalf of the Successor Agency, to execute and deliver the Refunding Instructions. The Successor Agency hereby **AUTHORIZES** the delivery and performance of its obligations under the Refunding Instructions.

SECTION 5. Oversight Board Approval of the Issuance of the Bonds. The Successor Agency hereby requests the Oversight Board as authorized by Section 34177.5(f) and Section 34180 to approve the issuance of the Refunding Bonds pursuant to Section 34177.5(a)(1) and this Resolution and the Indenture.

SECTION 6. Determinations by the Oversight Board. The Successor Agency requests that the Oversight Board make the following determinations upon which the Successor Agency will rely in undertaking the refunding proceedings and the issuance of the Refunding Bonds:

(a) The Successor Agency is authorized, as provided in Section 34177.5(f), to recover its costs related to the issuance of the Refunding Bonds from the proceeds of the Refunding Bonds, including the cost of reimbursing the City for administrative staff time spent with respect to the authorization, issuance, sale and delivery of the Refunding Bonds; and

(b) The application of proceeds of the Refunding Bonds by the Successor Agency to the refunding and defeasance of the Prior Bonds, as well as the payment by the Successor Agency of costs of issuance of the Refunding Bonds, as provided in Section 34177.5(a), shall be implemented by the Successor Agency promptly upon sale and delivery of the Refunding Bonds, notwithstanding Section 34177.3 or any other provision of law to the contrary, without the approval of the Oversight Board, the California Department of Finance, the Riverside County Auditor-Controller or any other person or entity other than the Successor Agency; and

(c) The Successor Agency shall be entitled to receive its full Administrative Cost Allowance under Section 34181(a)(3) without any deductions with respect to continuing costs related to the Refunding Bonds, such as trustee's fees, auditing and fiscal consultant fees and continuing disclosure and rating agency costs (collectively, "Continuing Costs of Issuance"), and such Continuing Costs of Issuance shall be payable from property tax revenues pursuant to Section 34183. In addition and as provided by Section 34177.5(f), if the Successor Agency is unable to complete the issuance of the Refunding Bonds for any reason, the Successor Agency shall, nevertheless, be entitled to recover its costs incurred with respect to the refunding proceedings from such property tax revenues pursuant to Section 34183 without reduction in its Administrative Cost Allowance.

SECTION 7. Filing of Debt Service Savings Analysis and Resolution. The Secretary of the Successor Agency is hereby **AUTHORIZED** and **DIRECTED** to file the Debt Service Savings Analysis, together with a certified copy of this Resolution, with the Oversight Board, and, as provided in Section 34180(j) with the Riverside County Administrative Officer, the Riverside County Auditor-Controller and the California Department of Finance.

SECTION 8. Sale of Refunding Bonds; Sale of the Authority Bonds. The Successor Agency hereby **APPROVES** the Authority Purchase Contract. The Authorized Officers, each acting alone, are hereby **AUTHORIZED** and **DIRECTED** to execute and deliver the Authority Purchase Contract for and in the name and on behalf of the Successor Agency, in substantially the form on file with the Secretary of the Successor Agency, with such changes therein, deletions therefrom and additions thereto as the Authorized Officer executing the same shall approve, such approval to be conclusively

evidenced by the execution and delivery of the Authority Purchase Contract. The Successor Agency hereby **AUTHORIZES** the delivery and performance of its obligations under the Authority Purchase Contract.

The Successor Agency hereby **APPROVES** the sale of the Authority Bonds to the Citigroup Global Markets Inc. and RBC Capital Markets (collectively, the "Underwriters"), pursuant to a Bond Purchase Agreement (the "Purchase Agreement") between the Underwriter's and the Authority, and the Authorized Officers are hereby **AUTHORIZED** and **DIRECTED** to provide such information to the Underwriters as they request in connection with the marketing of the Refunding Bonds, and to provide such representations and warranties as is customary in connection with the issuance of bonds such as the Refunding Bonds, including by executing the Successor Agency's Letter of Representations substantially in the form attached to the Purchase Agreement.

SECTION 9. Issuance of Refunding Bonds in Whole or in Part. It is the intent of the Successor Agency to sell and deliver the Refunding Bonds in whole, provided that there is compliance with the Savings Parameters. However, the Successor Agency will initially authorize the sale and delivery of the Refunding Bonds in whole or, if such Savings Parameters cannot be met with respect to the whole, then in part; provided that the Refunding Bonds so sold and delivered in part are in compliance with the Savings Parameters. The sale and delivery of the Refunding Bonds in part will in each instance provide sufficient funds only for the refunding of that portion of the Refunding Bonds that meet the Savings Parameters. In the event the Refunding Bonds are initially sold in part, the Successor Agency intends to sell and deliver additional parts of the Refunding Bonds without the prior approval of the Oversight Board provided that in each such instance the Refunding Bonds so sold and delivered in part are in compliance with the Savings Parameters.

SECTION 10. Municipal Bond Insurance and Surety Bonds. The Authorized Officers, each acting alone, are hereby **AUTHORIZED** and **DIRECTED** to take all actions necessary to obtain a municipal bond insurance policy for the Authority Bonds and reserve account surety bonds for the Refunding Bonds from a municipal bond insurance company if it is determined, upon consultation with C.M. de Crinis & Co. Inc., the Financial Advisor to the Authority and the Successor Agency and the underwriters for the Authority Bonds, that such municipal bond insurance policy and/or surety bonds will reduce the true interest costs with respect to the Authority Bonds and the Successor Agency Bonds.

SECTION 11. Approval of the Continuing Disclosure Agreement. The form of the Continuing Disclosure Agreement on file with the Secretary of the Successor Agency is hereby **APPROVED** and the Authorized Officers, each acting alone, are hereby **AUTHORIZED** and **DIRECTED**, for and in the name and on behalf of the Successor Agency, to execute and deliver the Continuing Disclosure Agreement. The Successor Agency hereby **AUTHORIZES** the delivery and performance of its obligations under the Continuing Disclosure Agreement.

SECTION 12. Approval of Official Statement. Following approval by the Oversight Board of the issuance of the Refunding Bonds by the Successor Agency and upon submission of the Oversight Board Resolution to the California Department of Finance, the Authority and the Successor Agency will, with the assistance their Disclosure Counsel and the Financial Advisor, cause to be prepared a form of Official Statement describing the Authority Bonds and the Refunding Bonds and containing material information relating to the Successor Agency and the Refunding Bonds, the preliminary form of which will be submitted to the Successor Agency for approval for distribution by the underwriters of the Authority Bonds to persons and institutions interested in purchasing the Authority Bonds.

SECTION 13. Official Actions. The Authorized Officers and any and all other officers of the Successor Agency are hereby **AUTHORIZED** and **DIRECTED**, for and in the name and on behalf of the Successor Agency, to do any and all things and take any and all actions, which they, or any of them, may deem necessary or advisable in obtaining the requested approvals by the Oversight Board and the California Department of Finance and in the issuance, sale and delivery of the Refunding Bonds. Whenever in this Resolution any officer of the Successor Agency is directed to execute or countersign any document or take any action, such execution, countersigning or action may be taken on behalf of such officer by any person designated by such officer to act on his or her behalf in the case such officer is absent or unavailable.

SECTION 14. Effective Date. This Resolution shall take effect immediately upon its adoption.

PASSED, APPROVED AND ADOPTED by the Successor Agency to the Redevelopment Agency of the City of Indian Wells, California, at a regular meeting held on this 16th day of January, 2014.

TED J. MERTENS
MAYOR

CERTIFICATION FOR RESOLUTION BILL SA NO. 2014-01

I, Wade G. McKinney, Executive Director of the Successor Agency to the Redevelopment Agency of the City of Indian Wells, California, **DO HEREBY CERTIFY** that the whole number of the members of the Successor Agency to the Redevelopment Agency of the City of Indian Wells is five (5); that the above and foregoing Resolution was duly and regularly passed and adopted at a regular meeting of the Successor Agency to the Redevelopment Agency of the City of Indian Wells on the 16th day of January 2014, by the following vote:

AYES:
NOES:

ATTEST:

APPROVED AS TO FORM:

WADE G. McKINNEY
EXECUTIVE DIRECTOR

STEPHEN P. DEITSCH
AGENCY COUNSEL

INDENTURE OF TRUST

Dated as of March 1, 2014

by and between the

SUCCESSOR AGENCY TO THE INDIAN WELLS REDEVELOPMENT AGENCY

and

UNION BANK, N.A.,
as Trustee

Relating to

$
Successor Agency to the Indian Wells Redevelopment Agency
Consolidated Whitewater Redevelopment Project Area
Subordinated Tax Allocation Refunding, Series 2014A

and

Successor Agency to the Indian Wells Redevelopment Agency
Consolidated Whitewater Redevelopment Project Area
Subordinated Taxable Tax Allocation Refunding, Series 2014A-T

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INDENTURE OF TRUST

This INDENTURE OF TRUST (this "Indenture") is dated as of March 1, 2014, by and between the SUCCESSOR AGENCY TO THE INDIAN WELLS REDEVELOPMENT AGENCY, a public ENTITY existing under the laws of the State of California (the "Successor Agency"), as successor to the Redevelopment Agency of the City of Indian wells (the "Former Agency"), and UNION BANK, N.A., a national banking association duly organized and existing under the laws of the United States of America, as trustee (the "Trustee");

WITNESSETH:

WHEREAS, the Redevelopment Agency of the City of Indian Wells (the "Former Agency") was a public body, corporate and politic, duly established and authorized to transact business and exercise powers under and pursuant to the provisions of the Community Redevelopment Law of the State of California, constituting Part 1 of Division 24 of the Health and Safety Code of the State (the "Redevelopment Law");

WHEREAS, a plan for the redevelopment project known and designated as the "Consolidated Whitewater Project Area Indian Wells Redevelopment Agency Plan" (the "Redevelopment Plan") for that certain project area described in the Redevelopment Plan (the "Project Area") was adopted and approved by Ordinance No. 235 of the City of Indian Wells, which became effective on August 13, 1987, and all requirements of law for and precedent to the adoption and approval of the Redevelopment Plan have been duly complied with; and

WHEREAS, the Former Agency entered into a Fiscal Agent Agreement dated as of September 1, 1992 (the "Original Agreement") with Bank of America National Trust and Savings Association, as currently succeeded by Union Bank, N.A., as successor fiscal agent (the "Fiscal Agent"), pursuant to which the Former Agency issued its Consolidated Whitewater Project Area Refunding Tax Allocation Bonds, Series 1992 (the "Series 1992 Bonds"), for the purpose of refinancing redevelopment activities with respect to the Project Area: and

WHEREAS, the Former Agency has also issued, pursuant to the Original Agreement and the First Supplement to Fiscal Agent Agreement, dated as of February 1, 1996 (the "First Supplement"), between the Former Agency and the Fiscal Agent, its Consolidated Whitewater Project Area Refunding Tax Allocation Bonds, Series 1996 (the "Series 1996 Bonds"), for the purpose of refinancing redevelopment activities with respect to the Project Area; and

WHEREAS, the Former Agency has also issued, pursuant to the Original Agreement, the First Supplement and the Second Supplement to Fiscal Agent Agreement, dated as of March 1, 2003 (the "Second Supplement"), between the Former Agency and the Fiscal Agent, its Consolidated Whitewater Project Area Tax Allocation Bonds, Series 2003A (the "Series 2003A Bonds") and its Consolidated Whitewater Project Area Taxable Tax Allocation Bonds, Series 2003A-T (the "Taxable Series 2003A-T Bonds" and, together with the Series 2003A Bonds, the "Series 2003 Bonds"), for the purpose of financing and refinancing redevelopment activities with respect to the Project Area; and

WHEREAS, the Former Agency has also issued, pursuant to the Original Agreement, the First Supplement, the Second Supplement and the Third Supplement to Fiscal Agent Agreement, dated as of September 1, 2005 (the "Third Supplement"), between the Former Agency and the Fiscal Agent, its Consolidated Whitewater Project Area Tax Allocation Bonds,

Series 2005A (the "Series 2005A Bonds"), for the purpose of financing and refinancing redevelopment activities with respect to the Project Area; and

WHEREAS, the Former Agency has also issued, pursuant to the Original Agreement, the First Supplement, the Second Supplement, the Third Supplement and the Fourth Supplement to Fiscal Agent Agreement, dated as of October 1, 2006 (the "Fourth Supplement"), between the Former Agency and the Fiscal Agent, its Consolidated Whitewater Project Area Tax Allocation Bonds, Series 2006A (the "Series 2006A Bonds"), for the purpose of financing redevelopment activities with respect to the Project Area; and

WHEREAS, the Former Agency has also issued, pursuant to the Original Agreement, the First Supplement, the Second Supplement, the Third Supplement, the Fourth Supplement and the Fifth Supplement to Fiscal Agent Agreement, dated as of May 1, 2010 (the "Fifth Supplement" and, together with the Original Agreement, the First Supplement, the Second Supplement, the Third Supplement, and the Fourth Supplement, the "Fiscal Agent Agreement"), between the Former Agency and the Fiscal Agent, its Consolidated Whitewater Project Area Tax Allocation Bonds, Series 2010A (the "Series 2010A Bonds"), for the purpose of financing and refinancing redevelopment activities with respect to the Project Area; and

WHEREAS, by implementation of California Assembly Bill X1 26, which amended provisions of the California Redevelopment Law (found at Health and Safety Code Section 33000, et.seq.) and the California Supreme Court's decision in California Redevelopment Association v. Matosantos, the Former Agency was dissolved on February 1, 2012 in accordance with California Assembly Bill X1 26 approved by the Governor of the State of California on June 28, 2011 (as amended, the "Dissolution Act"), and on February 1, 2012, the Successor Agency, in accordance with and pursuant to the Dissolution Act, assumed the duties and obligations of the Former Agency as provided in the Dissolution Act, including, without limitation, the obligations of the Former Agency under the Fiscal Agent Agreement and related documents to which the Former Agency was a party; and

WHEREAS, Section 34177.5(a)(1) of the Dissolution Act authorizes the Successor Agency to undertake proceedings for the refunding of outstanding bonds and other obligations of the Former Agency, subject to the conditions precedent contained in said Section 34177.5; and

WHEREAS, said Section 34177.5 also authorizes the Successor Agency to issue bonds pursuant to Article 11 (commencing with Section 53580) of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code (the "Refunding Law") for the purpose of achieving debt service savings within the parameters set forth said Section 34177.5; and

WHEREAS, the Successor Agency has determined that it will achieve debt service savings within such parameters by the issuance pursuant to the Redevelopment Law and the Refunding Law of its $_____ aggregate principal amount of Successor Agency to the Indian Wells Redevelopment Agency Consolidated Whitewater Redevelopment Project Area Subordinated Tax Allocation Refunding, Series 2014A (the "Series 2014A Bonds") and $_____ aggregate principal amount of its $_____ aggregate principal amount of Successor Agency to the Indian Wells Redevelopment Agency Consolidated Whitewater Redevelopment Project Area Subordinated Taxable Tax Allocation Refunding, Series 2014A-T (the "Taxable Series 2014A-T Bonds" and, collectively with the Series 2014A Bonds, the Series 2014 Bonds") in order to refund, on a current basis, the outstanding Series 2003A Bonds and the Series 2003A-T Bonds; and

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WHEREAS, the payment of debt service on the Series 2014 Bonds will be subordinate to the payment of Pre-Existing Obligations (as such term is defined herein), and, with respect to Tax Revenues (as such term is defined herein), will be subordinate to, the payment of debt service on the Series 2005 Bonds, the Series 2006 Bonds and the Series 2010 Bonds (collectively, the "Senior Bonds"); and

WHEREAS, in order to provide for the authentication and delivery of the Series 2014 Bonds, to establish and declare the terms and conditions upon which the Series 2014 Bonds are to be issued and secured and to secure the payment of the principal thereof and interest and redemption premium (if any) thereon, the Successor Agency and the Trustee have duly authorized the execution and delivery of this Indenture; and

WHEREAS, all acts and proceedings required by law necessary to make the Series 2014 Bonds when executed by the Successor Agency, and authenticated and delivered by the Trustee, the valid, binding and legal special obligations of the Successor Agency, and to constitute this Indenture a legal, valid and binding agreement for the uses and purposes herein set forth in accordance with its terms, have been done or taken;

NOW, THEREFORE, in order to secure the payment of the principal of and the interest and redemption premium (if any) on all the Outstanding Series 2014 Bonds and any other Outstanding Bonds issued under this Indenture according to their tenor, and to secure the performance and observance of all the covenants and conditions therein and herein set forth, and to declare the terms and conditions upon and subject to which the Series 2014 Bonds and any other Bonds are to be issued and received, and in consideration of the premises and of the mutual covenants herein contained and of the purchase and acceptance of the Series 2014 Bonds and any other Bonds by the Owners thereof, and for other valuable considerations, the receipt of which is hereby acknowledged, the Successor Agency and the Trustee do hereby covenant and agree with one another, for the benefit of the respective Owners from time to time of the Series 2014 Bonds and any other Bonds, as follows:

ARTICLE I

DEFINITIONS; RULES OF CONSTRUCTION

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

"Additional Revenues" means, as the date of calculation, the amount of Pledged Tax Revenues which, as shown in a report of an Independent Redevelopment Consultant, are estimated to be receivable by the Successor Agency within the Fiscal Year following the Fiscal Year in which such calculation is made as a result of increases in the assessed valuation of taxable property in the Project Area due to either (a) construction which has been completed and for which a certificate of occupancy has been issued by the County or other appropriate governmental entity but which is not then reflected on the tax rolls, or (b) transfer of ownership or any other interest in real property which has been recorded but which is not then reflected on the tax rolls. For purposes of this definition, the term "increases in the assessed valuation" means the amount by which the assessed valuation of taxable property in the Project Area is estimated to increase above the assessed valuation of taxable property in the Project Area (as evidenced in the written records of the County) as of the date on which such calculation is made.

"Agreement" means that certain Joint Exercise of Powers Agreement, dated as of March 20, 1990, relating to the formation of the Authority, by and between the County and the former Redevelopment Agency for the County of Riverside, together with any amendments thereof and supplements thereto.

"Annual Debt Service" means, for each Bond Year, the sum of (a) the interest payable on the Bonds (including any Parity Debt) in such Bond Year, and (b) the principal amount of the Outstanding Bonds (including any Parity Debt) scheduled to be paid in such Bond Year upon the maturity or mandatory sinking account redemption thereof.

"Authority" means the Riverside County Public Financing Authority, a joint powers authority duly organized and existing under the Agreement and the laws of the State.

"Authority Bonds" means, collectively, the 2014 Series A Authority Bonds and the 2014 Taxable Series A-T Authority Bonds.

"Authority Bonds Indenture" means the Indenture of Trust, dated as of March 1, 2014, by and between the Authority and Union Bank, N.A., as trustee for the Authority Bonds, providing for the issuance of the Authority Bonds.

"Bond Counsel" means (a) Jones Hall, A Professional Law Corporation, or (b) any other attorney or firm of attorneys appointed by or acceptable to the Successor Agency of nationally-recognized experience in the issuance of obligations the interest on which is excludable from gross income for federal income tax purposes under the Tax Code.

"Bond Year" means any 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, 2014.

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"Bonds" means, collectively, the Series 2014 Bonds and, if the context requires, and any additional Parity Debt.

"Business Day" means a day of the year (other than a Saturday or Sunday) on which banks in the State or the State of New York are not required or permitted to be closed, and on which the New York Stock Exchange is open.

"Closing Date" means, with respect to the Series 2014 Bonds, the date on which the Series 2014 Bonds are delivered by the Successor Agency to the Original Purchaser.

"Continuing Disclosure Certificate" means that certain Continuing Disclosure Certificate, if any, executed by the Successor Agency, as originally executed and as it may be amended from time to time in accordance with the terms thereof.

"Costs of Issuance" has the meaning ascribed to such term in the Authority Bonds Indenture.

"Costs of Issuance Fund" means the fund by that name established and held by the trustee for the Authority Bonds pursuant to Section 3.04 of the Authority Bonds Indenture.

"County" means the County of Riverside, a county duly organized and existing under the Constitution and laws of the State.

"Debt Service Fund" means the fund by that name established and held by the Trustee pursuant to Section 4.03.

"Defeasance Obligations" means:

[(a) cash;

(b) U.S. Treasury Certificates, Notes and Bonds (including State and Local Government Series);

(c) Direct obligations of the Treasury that have been stripped by the Treasury itself, CATS, TIGRS and similar securities;

(d) The interest component of Resolution Funding Corporation strips which have been stripped by request to the Federal Reserve Bank of New York in book entry form;

(e) Subject to the written approval of the Insurer, pre-refunded municipal bonds rated "Aa" or higher by Moody's and "AA" or higher by S&P, provided that, the pre-refunded municipal bonds must have been pre-refunded with cash, direct U.S. or U.S. guaranteed obligations, or AAA rated pre-refunded municipals; and

(f) Subject to the written approval of the Insurer, bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by any of the following federal agencies and provided such obligations are backed by the full faith and credit of the United States of America (stripped securities are only permitted if they have been stripped by the Successor Agency itself): (i) direct obligations or fully guaranteed

certificates of beneficial ownership of the U.S. Export-Import Bank; (ii) certificates of beneficial ownership of the Rural Economic Community Development Administration (formerly the Farmers Home Administration); (iii) obligations of the Federal Financing Bank; (iv) debentures of the Federal Housing Administration; (v) participation certificates of the General Services Administration; (vi) guaranteed Title XI financings of the U.S. Maritime Administration; (vii) project notes, local authority bonds, new communities debentures and U.S. public housing notes and bonds of the U.S. Department of Housing and Urban Development.]

"Depository" means (a) initially, DTC, and (b) any other Securities Depository acting as Depository pursuant to Section 2.04.

"Depository System Participant" means any participant in the Depository's book-entry system.

"Dissolution Act" means the provisions of Assembly Bill X1 26, signed by the Governor June 28, 2011, and filed with the Secretary of State June 29, 2011, consisting of Part 1.8 (commencing with Section 34161) and Part 1.85 (commencing with Section 34170) of Division 24 of the California Health and Safety Code, as amended by Assembly Bill 1484, signed by the Governor on June 27, 2012, and filed with the Secretary of State on June 27, 2012.

"DOF" means the California Department of Finance.

"DTC" means The Depository Trust Company, New York, New York, and its successors and assigns.

"Event of Default" means any of the events described in Section 8.01.

"Fair Market Value" means, with respect to any investment, 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 Tax 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 Tax 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 Tax 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) any commingled investment fund in which the Successor Agency and related parties do not own more than a ten percent (10%) beneficial interest therein if the return paid by the fund is without regard to the source of the investment. The Trustee shall have no duty in connection with the determination of Fair Market Value other than to follow the investment directions of the Successor Agency in any written directions of the Successor Agency.

"Federal Securities" means any direct, noncallable general obligations of the United States of America (including obligations issued or held in book entry form on the books of the Department of the Treasury of the United States of America and CATS and TGRS), or

obligations the payment of principal of and interest on which are unconditionally guaranteed by the United States of America.

"Fiscal Year" means any twelve-month period beginning on July 1 in any year and extending to the next succeeding June 30, both dates inclusive, or any other twelve-month period selected and designated by the Successor Agency as its official fiscal year period pursuant to a Written Certificate of the Successor Agency filed with the Trustee.

"Former Agency" means the Redevelopment Agency of the City of Indian Wells, a public body corporate and politic duly organized and formerly existing under the Law and dissolved in accordance with the Dissolution Act.

"Indenture" means this Indenture of Trust by and between the Successor Agency and the Trustee, as amended or supplemented from time to time pursuant to any Supplemental Indenture entered into pursuant to the provisions hereof.

"Independent Accountant" means any accountant or firm of such accountants duly licensed or registered or entitled to practice and practicing as such under the laws of the State, appointed by or acceptable to the Successor Agency, and who, or each of whom: (a) is in fact independent and not under domination of the Successor Agency; (b) does not have any substantial interest, direct or indirect, with the Successor Agency; and (c) is not connected with the Successor Agency as an officer or employee of the Successor Agency, but who may be regularly retained to make reports to the Successor Agency.

"Independent Fiscal Consultant" means any consultant or firm of such consultants appointed by or acceptable to the Successor Agency and who, or each of whom: (a) is judged by the Successor Agency to have experience in matters relating to the financing of redevelopment projects; (b) is in fact independent and not under domination of the Successor Agency; and (c) is not connected with the Successor Agency as an officer or employee of the Successor Agency, but who may be regularly retained to make reports to the Successor Agency.

"Independent Redevelopment Consultant" means any consultant or firm of such consultants appointed by the Successor Agency, and who, or each of whom:

(a) is judged by the Successor Agency to have experience in matters relating to the collection of Pledged Tax Revenues or otherwise with respect to the financing of redevelopment projects;

(b) is in fact independent and not under the domination of the Successor Agency;

(c) does not have any substantial interest, direct or indirect, with the Successor Agency, other than as original purchaser of the Bonds or any Parity Debt; and

(d) is not connected with the Successor Agency as an officer or employee of the Successor Agency, but who may be regularly retained to make reports to the Successor Agency.

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"Information Services" means "EMMA" or the "Electronic Municipal Market Access" system of the Municipal Securities Rulemaking Board; or, in accordance with then-current guidelines of the Securities and Exchange Commission, such other services providing information with respect to called bonds as the Successor Agency may designate in a Written Certificate of the Successor Agency delivered to the Trustee.

[**"Insurance Policy"** means the municipal bond insurance policy issued by the Insurer insuring the payment when due of the principal of an interest on the Authority Bonds as provided therein.[

[**"Insurer"** means _____.]

"Interest Account" means the account by that name established and held by the Trustee pursuant to Section 4.03(a).

"Interest Payment Date" means each March 1 and September 1, commencing September 1, 2014, for so long as any of the Bonds remain unpaid.

"Low and Moderate Income Housing Fund" means the fund of the Successor Agency by that name established pursuant to Section 33334.3 of the Redevelopment Law.

"Maximum Annual Debt Service" means, as of the date of calculation, the largest Annual Debt Service for the current or any future Bond Year payable on the Bonds or any Parity Debt in such Bond Year.

"Moody's" means Moody's Investors Service, Inc., its successors and assigns.

"Office" means, with respect to the Trustee, the corporate trust office of the Trustee at 120 South San Pedro Street, Suite 400, Los Angeles, California 90012, or at such other or additional offices as may be specified by the Trustee in writing to the Successor Agency, provided that for the purposes of maintenance of the Registration Books and presentation of Bonds for transfer, exchange or payment such term shall mean the office of the Trustee at which it conducts its corporate agency business.

"Original Purchaser" means the Authority as original purchaser of the Series 2014 Bonds.

"Outstanding", when used as of any particular time with reference to Bonds, means (subject to the provisions of Section 9.05) all Bonds except: (a) Bonds theretofore canceled by the Trustee or surrendered to the Trustee for cancellation; (b) Bonds paid or deemed to have been paid within the meaning of Section 9.03; and (c) Bonds in lieu of or in substitution for which other Bonds shall have been authorized, executed, issued and delivered by the Successor Agency pursuant hereto.

"Oversight Board" means the oversight board duly constituted from time to time pursuant to Section 34179 of the Dissolution Act.

"Owner" means, with respect to any Bond, the person in whose name the ownership of such Bond shall be registered on the Registration Books.

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"Parity Debt" means any bonds, notes, loans, advances or other indebtedness issued or incurred by the Successor Agency on a parity with the Series 2014 Bonds pursuant to Section 3.05.

"Parity Debt Instrument" means any resolution, indenture of trust, trust agreement or other instrument authorizing the issuance of any Parity Debt and which otherwise complies with all of the terms and conditions of this Indenture, including, without limitation, the provisions of Section 3.05.

"**Pass-Through Agreements**" mean certain contractual and statutory obligations secured by a pledge or lien on Tax Increment Revenues superior to the lien securing the Senior Bonds, as set forth in the agreements listed below:

(a) Agreement for Cooperation between the Coachella Valley Water District and the City of Indian Wells and Indian Wells Redevelopment Agency dated July 20, 1983;

(b) Agreement for Cooperation Between the County of Riverside and the City of Indian Wells and the Indian Wells Redevelopment Agency Regarding the Consolidated Whitewater Redevelopment Project dated September 13, 1983, as amended by the Amendment to Agreement for Cooperation Between the County of Riverside and the City of Indian Wells and the Indian Wells Redevelopment Agency Regarding the Consolidated Whitewater Redevelopment Project dated March 21, 1989;

(c) Cooperation Agreement between the Desert Sands Unified School District and the Indian Wells Redevelopment Agency entered into on March 31, 1988;

(d) Cooperation Agreement between the College of the Desert, the City of Indian Wells and the Indian Wells Redevelopment Agency entered into on March 31, 1988;

(e) Cooperation Agreement between the Riverside County Superintendent of School and the Indian Wells Redevelopment Agency entered into on March 31, 1988;

(f) Cooperation Agreement between the Coachella Valley Mosquito Abatement District, the Indian Wells Redevelopment Agency, and the City of Indian Wells as to the Consolidated Whitewater Project Area entered into on September 13, 1988; and

(g) Cooperation Agreement between the Coachella Valley Recreation and Park District, the Indian Wells Redevelopment Agency, and the City of Indian Wells as to Consolidated Whitewater Project Area entered into on September 14, 1988.

"Permitted Investments" means any of the following which at the time of investment are legal investments under the laws of the State of California for the moneys proposed to be invested therein (provided that the Trustee shall be entitled to rely upon any investment direction from the Successor Agency as conclusive certification to the Trustee that the investments described therein are so authorized under the laws of the State and constitute Permitted Investments), but only to the extent that the same are acquired at Fair Market Value:

[(a) Federal Securities;

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(b) obligations of any of the following federal agencies which obligations represent full faith and credit of the United States of America, including: Export-Import Bank, Farm Credit System Financial Assistance Corporation, Rural Economic Community Development Administration (formerly Farmers Home Administration), General Services Administration, U.S. Maritime Administration, Small Business Administration, Government National Mortgage Association, U.S. Department of Housing & Urban Development, Federal Housing Administration and Federal Financing Bank;

(c) direct obligations for any of the following federal agencies which obligations are not fully guaranteed by the full faith and credit of the United States of America: senior debt obligations rated "Aaa" by Moody's and "AAA" by S&P issued by Fannie Mae or Federal Home Loan Mortgage Corporation (FHLMC); obligations of the Resolution Funding Corporation (REFCORP); senior debt obligations of the Federal Home Loan Bank System; and senior debt obligations of other Government Sponsored Agencies approved by the Insurer;

(d) U.S. dollar denominated deposit accounts, federal funds and banker's acceptances with domestic commercial banks which have a rating on their short term certificates of deposit on the date of purchase of A-1 or A-1+ by S&P and P-1 by Moody's, and maturing no more than 360 days after the date of purchase, including those of the Trustee or its affiliates;

(e) commercial paper which is rated at the time of purchase in the single highest classification, A-1+ by S&P and P-1 by Moody's and which matures not more than 270 days after the date of purchase;

(f) investments in a money market fund rated AAAm or AAAm-G or better by S&P, including funds for which the Trustee or its affiliates provide investment advisory or other management services;

(g) any bonds or other obligations of any state of the United States of America or of any agency, instrumentality or local governmental unit of any such state which are not callable at the option of the obligor prior to maturity or as to which irrevocable instructions have been given by the obligor to call on the date specified in the notice; and (i) which are rated, based on the escrow, in the highest rating category of S&P and Moody's or (ii)(A) which are fully secured as to principal and interest and redemption premium, if any, by a fund consisting only of cash or Federal Securities, which fund may be applied only to the payment of such principal of and interest and redemption premium, if any, in such bonds or other obligations on the maturity date or dates thereof or the specified redemption date or dates pursuant to such irrevocable instructions, as appropriate, and (B) which fund is sufficient, as verified by an Independent Accountant and with the prior approval of S&P, to pay principal of and interest and redemption premium, if any, on the bonds or other obligations described in this paragraph on the maturity date or dates thereof or on the redemption date or dates specified in the irrevocable instructions referred to above, as appropriate;

(h) investment agreements approved in writing by the Insurer with notice to S&P;

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(i) other forms of investments approved in writing by the Insurer with notice to S&P;

(j) the County's investment pool; and

(k) the Local Agency Investment Fund of the State, created pursuant to Section 11429.1 of the California Government Code but only, in the case of Trustee held funds, to the extent any monies invested by the Trustee are subject to deposit and withdrawal solely by the Trustee.]

"Plan Limitations" means the limitations contained or incorporated in the Redevelopment Plan on (a) the aggregate principal amount of indebtedness payable from Tax Increment Revenues which may be outstanding at any time, or (b) the aggregate amount of taxes which may be divided and allocated to the Successor Agency pursuant to the Redevelopment Plan.

"Pledged Tax Revenues" means the portion of the monies deposited from time to time in the Redevelopment Property Tax Trust Fund as provided in paragraph (2) of subdivision (a) of Section 34183 of the California Health and Safety Code that are equal to that portion of taxes levied upon taxable property in the Project Area and received by the Successor Agency on or after the date of issue of the Series 2014 Bonds, pursuant to Article 6 of Chapter 6 of the Redevelopment Law and Section 16 of Article XVI of the Constitution of the State, including all payments, subventions and reimbursements (if any) to the Successor Agency specifically attributable to ad valorem taxes lost by reason of tax exemptions and tax rate limitations, but excluding (i) amounts of such taxes required to be paid by the Successor Agency to pay Pre-Existing Obligations, (ii) amounts required to paid to taxing entities pursuant to Sections 33607.5 and 33607.7 of the Redevelopment Law, and (iii) the Tax Revenues required to pay debt service on the Senior Bonds. In accordance with the Dissolution Act, the Bonds and Parity Bonds shall be payable from and secured by, and Pledged Tax Revenues shall include, subject to the exclusions above, moneys deposited, from time to time, in the Redevelopment Property Tax Trust Fund as provided in paragraph (2) of subdivision (a) of California Health and Safety Code Section 34183. If, and to the extent, that the provisions of Section 34172 or paragraph (2) of subdivision (a) of Section 34183 are invalidated by a final judicial decision, then Pledged Tax Revenues shall include all tax revenues allocated to the payment of indebtedness pursuant to Health & Safety Code Section 33670 or such other section as may be in effect at the time providing for the allocation of tax increment revenues in accordance with Article XVI, Section 16 of the California Constitution, subject to the exclusions set forth above.

"Principal Account" means the account by that name established and held by the Trustee pursuant to Section 4.03(b).

"Pre-Existing Agreements" means the contractual and statutory obligations secured by a lien on Tax Increment Revenues superior to the lien securing the Senior Bonds, namely, the Pass-Through Agreements.

"Project Area" means the project area described in the Redevelopment Plan.

"Qualified Reserve Account Credit Instrument" means (i) the [Surety Bond] or (ii) an irrevocable standby or direct-pay letter of credit or surety bond issued by a commercial bank or insurance company and deposited with the Trustee pursuant to Section 4.03(d), provided that all of the following requirements are met by the Successor Agency at the time of delivery thereof

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to the Trustee: (a) the long-term credit rating of such bank or insurance company is "A" (without regard to modifier) or higher; (b) 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(d); (d) the Trustee 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 Interest Account, the Principal Account or the Sinking Account for the purpose of making payments required pursuant to Section 4.03; and (e) prior written notice is given to the Indenture before the effective date of any such Qualified Reserve Account Credit Instrument.

"Recognized Obligation Payment Schedule" means a Recognized Obligation Payment Schedule, each prepared and approved from time to time pursuant to subdivision (l) of Section 34177 of the California Health and Safety Code.

"Record Date" means, with respect to any Interest Payment Date, the close of business on the fifteenth (15th) calendar day of the month preceding such Interest Payment Date, whether or not such fifteenth (15th) calendar day is a Business Day.

"Redemption Account" means the account by that name established and held by the Trustee pursuant to Section 4.03(e).

"Redevelopment Law" means the Community Redevelopment Law of the State, constituting Part 1 of Division 24 of the Health and Safety Code of the State, and the acts amendatory thereof and supplemental thereto.

"Redevelopment Obligation Retirement Fund" means the fund by that name established pursuant to California Health and Safety Code Section 34170.5(b) and administered by the Successor Agency.

"Redevelopment Plan" means the "Consolidated Whitewater Project Area Indian Wells Redevelopment Agency Plan" approved and adopted by the City by Ordinance No. 235, and includes any amendment thereof made pursuant to the Redevelopment Law.

"Redevelopment Property Tax Trust Fund" or **"RPTTF"** means the fund by that name established pursuant to Health & Safety Code Sections 34170.5(a) and 34172(c) and administered by the County auditor-controller.

"Refunding Fund" means the Series 2014 Refunding Fund established and held by the Trustee pursuant to Section 3.04.

"Refunding Law" means Article 11 (commencing with Section 53580) of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code of the State, and the acts amendatory thereof and supplemented thereto.

"Redevelopment Project" means the undertaking of the Successor Agency to redevelop the Project Area in accordance with the Redevelopment Plan.

"Registration Books" means the records maintained by the Trustee pursuant to Section 2.08 for the registration and transfer of ownership of the Series 2014 Bonds.

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"Request of the Successor Agency" means a request in writing signed by the Executive Director, Treasurer or Secretary of the Successor Agency, or any other officer of the Successor Agency duly authorized by the Successor Agency for that purpose.

"Reserve Account" means the account by that name established and held by the Trustee pursuant to Section 4.03(d) hereof.

"Reserve Requirement" means, with respect to the Series 2014 Bonds or any Parity Debt, as of any calculation date, the least of (i) ten percent (10%) of the original principal amount of the Series 2014 Bonds or Parity Debt, as applicable, provided that if the original issue discount of the Series 2014 Bonds or Parity Debt exceeds 2% of such original principal amount, then initially ten percent (10%) of the original principal amount of, less original issue discount on, the Series 2014 Bonds or Parity Debt, (ii) Maximum Annual Debt Service with respect to the Series 2014 Bonds or Parity Debt, as applicable, or (iii) 125% of average Annual Debt Service on the Series 2014 Bonds or Parity Debt, as applicable; provided further that the Successor Agency may meet all or a portion of the Reserve Requirement by depositing a Qualified Reserve Account Credit Instrument meeting the requirements of Section 4.03(d) hereof. The calculation of the Reserve Requirement may be made with respect to the Series 2014 Bonds and all Parity Debt on a combined basis, as provided in Section 4.03(d), and the Reserve Requirement with respect to the Series 2014A Bonds and the Taxable Series 2014A-T Bonds will be calculated on a combined basis[, provided that the Trustee shall establish separate subaccounts for the proceeds of the Series 2014A Bonds and the Taxable Series 2014A-T Bonds to enable the Trustee to track the investment of the proceeds of the Series 2014A Bonds and the Taxable Series 2014A-T Bonds].

"S&P" means Standard & Poor's Ratings Service, a division of the McGraw-Hill Companies, Inc., its successors and assigns.

"Securities Depositories" means The Depository Trust Company, 55 Water Street, 50th Floor, New York, N.Y. 10041-0099 Attn: Call Notification Department, Fax (212) 855-7232 and, in accordance with then current guidelines of the Securities and Exchange Commission, such other addresses and/or such other securities depositories as the Successor Agency may designate in a Written Request of the Successor Agency delivered to the Trustee.

"Senior Bonds" means, collectively, the Former Agency's (i) Consolidated Whitewater Project Area Tax Allocation Bonds, Series 2005A, (ii) Consolidated Whitewater Project Area Tax Allocation Bonds, Series 2006A, and (iii) Consolidated Whitewater Project Area Tax Allocation Bonds, Series 2010A.

"Series 2003A Bonds" means the Former Agency's Consolidated Whitewater Project Area Tax Allocation Bonds, Series 2003A.

"Series 2003A Refunding Instructions" means those Irrevocable Refunding Instructions dated the date of issuance and delivery of the Series 2014 Bonds relating to the defeasance and refunding of the Series 2003A Bonds, executed by the Successor Agency and delivered to the Fiscal Agent.

"Series 2014 Bonds" means, collectively, the Series 2014A Bonds and the Taxable Series 2014A-T Bonds.

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"Series 2014A Bonds" means the Successor Agency to the Indian Wells Redevelopment Agency Consolidated Whitewater Redevelopment Project Area Subordinated Tax Allocation Refunding, Series 2014A, issued in the initial principal amount of $_____.

"Series 2014A Account" means the account by that name within the Refunding Fund established and held by the Trustee pursuant to Section 3.04.

"Sinking Account" means the account by that name established and held by the Trustee pursuant to Section 4.03(c).

"State" means the State of California.

"Subordinate Debt" means any bonds, notes, loans, advances or other indebtedness issued or incurred by the Successor Agency in accordance with the requirements of Section 3.06, which are either: (a) payable from, but not secured by a pledge of or lien upon, the Pledged Tax Revenues; or (b) secured by a pledge of or lien upon the Pledged Tax Revenues which is subordinate to the pledge of and lien upon the Pledged Tax Revenues hereunder for the security of the Bonds.

"Successor Agency" means the Successor Agency to the Indian Wells Redevelopment Agency, a public entity existing under the Dissolution Act, as successor to the Former Agency.

"Supplemental Indenture" means any indenture, agreement or other instrument which amends, supplements or modifies this Indenture and which has been duly entered into by and between the Successor Agency and the Trustee; but only if and to the extent that such Supplemental Indenture is specifically authorized hereunder.

"Surety Bond" means the debt service reserve surety bond relating to the Series 2014 Bonds issued by the Insurer.

"Tax Code" means the Internal Revenue Code of 1986 as in effect on the Closing Date or (except as otherwise referenced herein) as it may be amended to apply to obligations issued on the Closing Date, together with applicable proposed, temporary and final regulations promulgated, and applicable official public guidance published, under said Code.

"**Tax Increment Revenues**" means all taxes allocated and paid to the Successor Agency pursuant to Article 6 of the Redevelopment Law and Section 16 of Article XVI of the Constitution of the State of California, and as provided in the Redevelopment Plan, including all payments and reimbursements, if any, to the Successor Agency specifically attributable to ad valorem taxes lost by reason of tax exemptions and tax rate limitations.

"**Tax Revenues**" means the Tax Increment Revenues, exclusive of amounts required to pay or otherwise provide for Pre-Existing Obligations.

"Taxable Series 2003A-T Bonds" means the Former Agency's Consolidated Whitewater Project Area Taxable Tax Allocation Bonds, Series 2003A-T.

"Taxable Series 2003A-T Refunding Instructions" means those Irrevocable Refunding Instructions dated the date of issuance and delivery of the Series 2014 Bonds

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relating to the defeasance and refunding of the Taxable Series 2003A-T Bonds, executed by the Successor Agency and delivered to the Fiscal Agent.

"Taxable Series 2014A-T Bonds" means the Successor Agency to the Indian Wells Redevelopment Agency Consolidated Whitewater Redevelopment Project Area Subordinated Taxable Tax Allocation Refunding, Series 2014A-T, issued in the initial principal amount of $_____.

"Taxable Series 2014A-T Account" means the account by that name within the Refunding Fund established and held by the Trustee pursuant to Section 3.04.

"Term Bonds" means, collectively, (a) the Series 2014A Bonds maturing on September 1, 202_, (b) the Taxable Series 2014A-T Bonds maturing on September 1, 202_, and (c) any maturity of Parity Debt which is subject to mandatory Sinking Account redemption pursuant to the Supplemental Indenture authorizing the issuance thereof.

"Trustee" means Union Bank, N.A., as trustee hereunder, or any successor thereto appointed as Trustee hereunder in accordance with the provisions of Article VI.

"2014 Series A Authority Bonds" means the $_____ aggregate principal amount of Riverside County Public Financing Authority 2014 Tax Allocation Revenue Bonds, Series A (Indian Wells Refunding Project), issued and at any time Outstanding under the Authority Bonds Indenture.

"2014 Taxable Series A-T Authority Bonds" means the $_____ aggregate principal amount of Riverside County Public Financing Authority 2014 Taxable Tax Allocation Revenue Bonds, Series A-T (Indian Wells Refunding Project), issued and at any time Outstanding under the Authority Bonds Indenture.

"Written Request of the Successor Agency" or **"Written Certificate of the Successor Agency"** means a request or certificate, in writing signed by the Executive Director, Treasurer or Secretary of the Successor Agency or by any other officer of the Successor Agency duly authorized by the Successor Agency for that purpose and so identified in a Written Certificate of the Successor Agency.

Section 1.02. Rules of Construction. All references herein to "Articles," "Sections" and other subdivisions are to the corresponding Articles, Sections or subdivisions of this Indenture, and the words "herein," "hereof," "hereunder" and other words of similar import refer to this Indenture as a whole and not to any particular Article, Section or subdivision hereof.

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ARTICLE II

AUTHORIZATION AND TERMS OF SERIES 2014 BONDS

Section 2.01. Authorization and Purpose of Series 2014 Bonds. The Successor Agency has reviewed all proceedings heretofore taken and has found, as a result of such review, and hereby finds and determines that all things, conditions and acts required by law to exist, happen or be performed precedent to and in connection with the issuance of the Series 2014 Bonds do exist, have happened and have been performed in due time, form and manner as required by law, and the Successor Agency is now duly empowered, pursuant to each and every requirement of law, to issue the Series 2014 Bonds in the manner and form provided in this Indenture.

Series 2014A Bonds in the aggregate principal amount of _____ Dollars ($_____) and Taxable Series 2014A-T Bonds in the aggregate principal amount of _____ Dollars ($_____) are hereby authorized to be issued by the Successor Agency under the Refunding Law and the Redevelopment Law for the purpose of providing funds to refund the Series 2003A Bonds and the Taxable Series 2003A-T Bonds. The Series 2014 Bonds shall be authorized and issued under, and shall be subject to the terms of, this Indenture and the Redevelopment Law. The Series 2014A Bonds shall be designated the "Successor Agency to the Indian Wells Redevelopment Agency Consolidated Whitewater Redevelopment Project Area Subordinated Tax Allocation Refunding, Series 2014A" and the Taxable Series 2014A-T Bonds shall be designated the "Successor Agency to the Indian Wells Redevelopment Agency Consolidated Whitewater Redevelopment Project Area Subordinated Taxable Tax Allocation Refunding, Series 2014A-T".

Section 2.02. Terms of the Series 2014 Bonds. The Series 2014A Bonds shall be issued in fully registered form without coupons in denominations of $5,000 or any integral multiple thereof, so long as no Series 2014A Bond shall have more than one maturity date. The Series 2014A Bonds shall mature on September 1 in each of the years and in the amounts, and shall bear interest (calculated on the basis of a 360 day year comprised of twelve 30-day months) at the rates, as follows:

Series 2014A Bonds

Maturity Date (September 1)	Principal Amount	Interest Rate

The Taxable Series 2014A-T Bonds shall be issued in fully registered form without coupons in denominations of $5,000 or any integral multiple thereof, so long as no Series

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2014A Bond shall have more than one maturity date. The Taxable Series 2014A-T Bonds shall mature on September 1 in each of the years and in the amounts, and shall bear interest (calculated on the basis of a 360 day year comprised of twelve 30-day months) at the rates, as follows:

Taxable Series 2014A-T Bonds

Maturity Date (September 1)	Principal Amount	Interest Rate

Interest on the Series 2014 Bonds shall be payable on each Interest Payment Date to the person whose name appears on the Registration Books as the Owner thereof as of the Record Date immediately preceding each such Interest Payment Date, such interest to be paid by check of the Trustee mailed by first class mail, postage prepaid, on each Interest Payment Date to the Owner at the address of such Owner as it appears on the Registration Books as of the preceding Record Date; provided however, that payment of interest may be by wire transfer to an account in the United States of America to any Owner of Series 2014 Bonds of the same series in the aggregate amount of $1,000,000 or more who shall furnish written instructions to the Trustee before the applicable Record Date. Any such written instructions shall remain in effect until rescinded in writing by the Owner. Principal of and premium (if any) on any Series 2014 Bond shall be paid upon presentation and surrender thereof, at maturity or the prior redemption thereof, at the Office of the Trustee and shall be payable in lawful money of the United States of America.

Each Series 2014 Bond shall be dated as of the Closing Date and shall bear interest from the Interest Payment Date next preceding the date of authentication thereof, unless (a) it is authenticated after a Record Date and on or before the following Interest Payment Date, in which event it shall bear interest from such Interest Payment Date, or (b) unless it is authenticated on or before August 15, 2014, in which event it shall bear interest from the Closing Date; *provided, however*, that if, as of the date of authentication of any Series 2014 Bond, interest thereon is in default, such Series 2014 Bond shall bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment thereon.

Notwithstanding anything in this Indenture to the contrary, so long as Union Bank, N.A., as trustee under the Authority Bonds Indenture, or any successor trustee thereunder, is the registered owner of all of the Series 2014A Bonds and the Authority is the beneficial owner of all of the Series 2014A Bonds, the aggregate principal amount of the Series 2014A Bonds shall be represented by a single form of Series 2014A Bond and payments of principal of and interest on the Series 2014A Bonds shall be made to the

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Trustee in accordance with Schedule A attached hereto as part of Exhibit A, and hereby made a part hereof.

Notwithstanding anything in this Indenture to the contrary, so long as Union Bank, N.A., as trustee under the Authority Bonds Indenture, or any successor trustee thereunder, is the registered owner of all of the Taxable Series 2014A-T Bonds and the Authority is the beneficial owner of all of the Taxable Series 2014A-T Bonds, the aggregate principal amount of the Taxable Series 2014A-T Bonds shall be represented by a single form of Taxable Series 2014A-T Bond and payments of principal of and interest on the Taxable Series 2014A-T Bonds shall be made to the Trustee in accordance with Schedule A attached hereto as part of Exhibit B, and hereby made a part hereof.

Section 2.03. Redemption of Series 2014 Bonds.

(a) Optional Redemption. The Series 2014A Bonds are not subject to optional redemption prior to maturity.

[insert call provisions, if any, for Taxable Series 2014A-T Bonds]

The Successor Agency shall be required to give the Trustee written notice of its intention to redeem Series 2014 Bonds under this Section 2.03(a) at least 60 days prior to the date to be fixed for redemption or such later date as shall be permitted by the Trustee and the Authority shall deposit or cause the Successor Agency to deposit all amounts required for any redemption pursuant to this Section 2.03(a) at least one Business Day prior to the date fixed for such redemption.

(b) Mandatory Sinking Account Redemption of Series 2014 Bonds. The Series 2014A Bonds maturing on September 1, 20__, shall also be subject to redemption in whole, or in part by lot, on September 1 in each of the years as set forth in the following tables, from Sinking Account payments made by the Successor Agency pursuant to Section 4.03(c), at a redemption price equal to the principal amount thereof to be redeemed together with accrued interest thereon to the redemption date, without premium, or in lieu thereof shall be purchased pursuant to the succeeding paragraph of this subsection (b), in the aggregate respective principal amounts and on the respective dates as set forth in the following tables; *provided, however,* that if some but not all of such Series 2014A Bonds have been redeemed pursuant to subsection (a) above, the total amount of all future Sinking Account payments pursuant to this subsection (b) with respect to such Series 2014A Bonds shall be reduced by the aggregate principal amount of such Series 2014A Bonds so redeemed, to be allocated among such Sinking Account payments on a pro rata basis in integral multiples of $5,000 as determined by the Successor Agency (written notice of which determination shall be given by the Successor Agency to the Trustee).

Series 2014A Term Bonds Maturing September 1, 20__

Sinking Account Redemption Date (September 1)	Principal Amount To Be Redeemed
(maturity)	

The Taxable Series 2014A-T Bonds maturing on September 1, 20__, shall also be subject to redemption in whole, or in part by lot, on September 1 in each of the years as set forth in the following tables, from Sinking Account payments made by the Successor Agency pursuant to Section 4.03(c), at a redemption price equal to the principal amount thereof to be redeemed together with accrued interest thereon to the redemption date, without premium, or in lieu thereof shall be purchased pursuant to the succeeding paragraph of this subsection (b), in the aggregate respective principal amounts and on the respective dates as set forth in the following tables; *provided, however,* that if some but not all of such Taxable Series 2014A-T Bonds have been redeemed pursuant to subsection (a) above, the total amount of all future Sinking Account payments pursuant to this subsection (b) with respect to such Taxable Series 2014A-T Bonds shall be reduced by the aggregate principal amount of such Taxable Series 2014A-T Bonds so redeemed, to be allocated among such Sinking Account payments on a pro rata basis in integral multiples of $5,000 as determined by the Successor Agency (written notice of which determination shall be given by the Successor Agency to the Trustee).

Taxable Series 2014A-T Term Bonds Maturing September 1, 20__

Sinking Account Redemption Date (September 1)	Principal Amount To Be Redeemed
(maturity)	

In lieu of redemption of the Series 2014 Bonds pursuant to the preceding paragraph, amounts on deposit in the Debt Service Fund (to the extent not required to be transferred by the Trustee pursuant to Section 4.03 during the current Bond Year) may also be used and withdrawn at the direction of the Successor Agency at any time for the purchase of such Series 2014 Bonds at public or private sale as and when and at such prices (including brokerage and other charges and including accrued interest) as the Successor Agency may in its discretion determine. The par amount of any of such Series 2014 Bonds so purchased by the Successor Agency in any twelve-month period ending on July 1 in any year shall be credited towards and shall reduce the par amount of such Series 2014 Bonds required to be redeemed pursuant to this subsection (b) on the next succeeding September 1.

(c) Notice of Redemption, Rescission. Subject to Section 2.03(g), the Trustee on behalf and at the expense of the Successor Agency shall mail (by first class mail, postage prepaid) notice of any redemption, at least thirty (30) but not more than sixty (60) days prior to

the redemption date, to (i) the Owners of any Series 2014 Bonds designated for redemption at their respective addresses appearing on the Registration Books, and (ii) the Securities Depositories and to one or more Information Services designated in a Request of the Successor Agency delivered to the Trustee (by any means acceptable to such depositories and services in substitution of first class mail); *provided, however,* that such mailing shall not be a condition precedent to such redemption and neither failure to receive any such notice nor any defect therein shall affect the validity of the proceedings for the redemption of such Series 2014 Bonds or the cessation of the accrual of interest thereon. Such notice shall state the redemption date and the redemption price, shall, if applicable, designate the CUSIP number of the Series 2014 Bonds to be redeemed, shall state the individual number of each Series 2014 Bond to be redeemed or state that all Series 2014 Bonds between two stated numbers (both inclusive) or shall state that all of the Series 2014 Bonds Outstanding of one or more maturities are to be redeemed, and shall require that such Series 2014 Bonds be then surrendered at the Office of the Trustee for redemption at the said redemption price, giving notice also that further interest on the Series 2014 Bonds to be redeemed will not accrue from and after the date fixed for redemption.

The Successor Agency shall have the right to rescind any optional redemption by written notice to the Trustee on or prior to the date fixed for redemption. Any such notice of optional redemption shall be canceled 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 Series 2014 Bonds then called for redemption, and such cancellation shall not constitute an Event of Default under this Indenture. The Successor Agency and the Trustee shall have no liability to the Owners or any other party related to or arising from such rescission of redemption. The Trustee shall mail notice of such rescission of redemption in the same manner as the original notice of redemption was sent.

(d) Partial Redemption of Series 2014 Bonds. In the event only a portion of any Series 2014 Bond is called for redemption, then upon surrender thereof the Successor Agency shall execute and the Trustee shall authenticate and deliver to the Owner thereof, at the expense of the Successor Agency, a new Series 2014 Bond or Bonds of the same interest rate and maturity, of authorized denominations in aggregate principal amount equal to the unredeemed portion of the Series 2014 Bond to be redeemed.

(e) Effect of Redemption. From and after the date fixed for redemption, if funds available for the payment of the principal of and interest (and premium, if any) on the Series 2014 Bonds so called for redemption shall have been duly deposited with the Trustee, such Series 2014 Bonds so called shall cease to be entitled to any benefit under this Indenture other than the right to receive payment of the redemption price and accrued interest to the redemption date, and no interest shall accrue thereon from and after the redemption date specified in such notice.

(f) Manner of Redemption. Whenever provision is made in this Indenture for the redemption of less than all of the maturity of either the Series 2014A Bonds or the Taxable Series 2014A-T Bonds, the Trustee shall select the Series 2014A Bonds or the Taxable Series 2014A-T Bonds, as applicable, of such maturity to be redeemed by lot in any manner which the Trustee in its sole discretion shall deem appropriate and fair. For purposes of such selection, all Series 2014 Bonds shall be deemed to be comprised of separate $5,000 denominations and such separate denominations shall be treated as separate Series 2014 Bonds that may be separately redeemed.

(g) Exception to Notice of Redemption, As long as Union Bank, N.A., as trustee under the Authority Bonds Indenture, is the registered owner of all of the Series 2014A Bonds or the Taxable Series 2014A-T Bonds, no notice of redemption need be given pursuant to Section 2.03(c) with respect to the redemption of the Series 2014A Bonds or the Taxable Series 2014A-T Bonds, as applicable.

Section 2.04. Form of Series 2014 Bonds. The Series 2014A Bonds, the form of Trustee's certificate of authentication, and the form of assignment to appear thereon, shall be substantially in the respective forms 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 Indenture. The Taxable Series 2014A-T Bonds, the form of Trustee's certificate of authentication, and the form of assignment to appear thereon, shall be substantially in the respective forms set forth in Exhibit B attached hereto and by this reference incorporated herein, with necessary or appropriate variations, omissions and insertions, as permitted or required by this Indenture.

Section 2.05. Authentication and Delivery of Series 2014 Bonds. The Series 2014 Bonds shall be executed on behalf of the Successor Agency by the signature of its Chairman, Executive Director or Treasurer and the signature of its Secretary who are in office on the date of execution and delivery of this Indenture or at any time thereafter. Either or both of such signatures may be made manually or may be affixed by facsimile thereof. If any officer whose signature appears on any Series 2014 Bond ceases to be such officer before the Closing Date, such signature shall nevertheless be as effective as if the officer had remained in office until the Closing Date. Any Series 2014 Bond may be signed and attested on behalf of the Successor Agency by such persons as at the actual date of the execution of such Series 2014 Bond shall be the proper officers of the Successor Agency, duly authorized to execute debt instruments on behalf of the Successor Agency, although on the date of such Series 2014 Bond any such person shall not have been such officer of the Successor Agency.

Only such of the Series 2014 Bonds as shall bear thereon a certificate of authentication in the form set forth in Exhibit A or Exhibit B, as applicable, manually executed and dated by the Trustee, shall be valid or obligatory for any purpose or entitled to the benefits of this Indenture, and such certificate of the Trustee shall be conclusive evidence that such Series 2014 Bonds have been duly authenticated and delivered hereunder and are entitled to the benefits of this Indenture.

Section 2.06. Transfer of Series 2014 Bonds. Any Series 2014 Bond may, in accordance with its terms, be transferred on the Registration Books by the person in whose name it is registered, in person or by his duly authorized attorney, upon surrender of such Series 2014 Bond for cancellation, accompanied by delivery of a written instrument of transfer, duly executed in a form approved by the Trustee. Transfer of any Series 2014 Bond shall not be permitted by the Trustee during the fifteen (15) day period preceding the selection of Series 2014 Bonds for redemption or if such Series 2014 Bond has been selected for redemption pursuant to Article IV. Whenever any Series 2014 Bonds shall be surrendered for transfer, the Successor Agency shall execute and the Trustee shall authenticate and shall deliver a new Series 2014 Bond for a like aggregate principal amount and of like series and maturity. The Trustee may require the Series 2014 Bond Owner requesting such transfer to pay any tax or other governmental charge required to be paid with respect to such transfer. The cost of printing Series 2014 Bonds and any services rendered or expenses incurred by the Trustee in connection with any transfer shall be paid by the Successor Agency.

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Section 2.07. Exchange of Series 2014 Bonds. Any Series 2014 Bond may be exchanged at the Office of the Trustee for a like aggregate principal amount of Series 2014 Bonds of other authorized denominations and of like series and maturity. Exchange of any Series 2014 Bond shall not be permitted during the fifteen (15) day period preceding the selection of Series 2014 Bonds for redemption or if such Series 2014 Bond has been selected for redemption pursuant to Article IV. The Trustee may require the Series 2014 Bond Owner requesting such exchange to pay any tax or other governmental charge required to be paid with respect to such exchange. The cost of printing Series 2014 Bonds and any services rendered or expenses incurred by the Trustee in connection with any exchange shall be paid by the Successor Agency.

Section 2.08. Registration Books. The Trustee will keep or cause to be kept, at its Office, sufficient records for the registration and registration of transfer of the Series 2014 Bonds, which shall at all times during normal business hours, and upon reasonable notice, be open to inspection by the Successor Agency; and, upon presentation for such purpose, the Trustee shall, under such reasonable regulations as it may prescribe, register or transfer or cause to be registered or transferred, on the Registration Books, Series 2014 Bonds as hereinbefore provided.

Section 2.09. Temporary Bonds. The Series 2014 Bonds may be initially issued in temporary form exchangeable for definitive Series 2014 Bonds when ready for delivery. The temporary Series 2014 Bonds may be printed, lithographed or typewritten, shall be of such denominations as may be determined by the Successor Agency, and may contain such reference to any of the provisions of this Indenture as may be appropriate. Every temporary Series 2014 Bond shall be executed by the Successor Agency upon the same conditions and in substantially the same manner as the definitive Series 2014 Bonds. If the Successor Agency issues temporary Series 2014 Bonds it will execute and furnish definitive Series 2014 Bonds without delay, and thereupon the temporary Series 2014 Bonds shall be surrendered, for cancellation, in exchange therefor at the Office of the Trustee, and the Trustee shall deliver in exchange for such temporary Series 2014 Bonds an equal aggregate principal amount of definitive Series 2014 Bonds of authorized denominations. Until so exchanged, the temporary Series 2014 Bonds shall be entitled to the same benefits pursuant to this Indenture as definitive Series 2014 Bonds authenticated and delivered hereunder.

Section 2.10. Series 2014 Bonds Mutilated, Lost, Destroyed or Stolen. If any Series 2014 Bond shall become mutilated, the Successor Agency, at the expense of the Owner of such Series 2014 Bond, shall execute, and the Trustee shall thereupon authenticate and deliver, a new Series 2014 Bond of like series and tenor in exchange and substitution for the Series 2014 Bond so mutilated, but only upon surrender to the Trustee of the Series 2014 Bond so mutilated. Every mutilated Series 2014 Bond so surrendered to the Trustee shall be canceled by it and delivered to, or upon the order of, the Successor Agency. If any Series 2014 Bond shall be lost, destroyed or stolen, evidence of such loss, destruction or theft may be submitted to the Trustee and, if such evidence be satisfactory and indemnity satisfactory to the Trustee shall be given, the Successor Agency, at the expense of the Owner, shall execute, and the Trustee shall thereupon authenticate and deliver, a new Series 2014 Bond of like series and tenor in lieu of and in substitution for the Series 2014 Bond so lost, destroyed or stolen. The Trustee may require payment of a sum not exceeding the actual cost of preparing each new Series 2014 Bond issued under this Section and of the expenses which may be incurred by the Trustee in connection therewith. Any Series 2014 Bond issued under the provisions of this Section in lieu of any Series 2014 Bond alleged to be lost, destroyed or stolen shall constitute

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an original additional contractual obligation on the part of the Successor Agency whether or not the Series 2014 Bond so alleged to be lost, destroyed or stolen be at any time enforceable by anyone, and shall be equally and proportionately entitled to the benefits of this Indenture with all other Series 2014 Bonds issued pursuant to this Indenture.

Notwithstanding any other provision of this Section 2.10, in lieu of delivering a new Series 2014 Bond for which principal has become due for a Series 2014 Bond which has been mutilated, lost, destroyed or stolen, the Trustee may make payment of such Series 2014 Bond in accordance with its terms upon receipt of indemnity satisfactory to the Trustee.

Section 2.11. Book Entry Form. The following provisions of this Section 2.11 shall apply with respect to the Series 2014 Bonds only as of the time that the Authority is no longer the beneficial owner of the Series 2014 Bonds. At the time that the Authority is no longer the beneficial owner of the Series 2014 Bonds, DTC shall act as the initial depository for the Series 2014 Bonds.

(a) Original Delivery to DTC. The Series 2014 Bonds shall be initially delivered to DTC in the form of a separate single fully registered bond (which may be typewritten) for each maturity of the Series 2014 Bonds. Upon initial delivery, the ownership of each such Series 2014 Bond shall be registered on the Registration Books in the name of the Nominee. Except as provided in subsection (c), the ownership of all of the Outstanding Series 2014 Bonds shall be registered in the name of the Nominee on the Registration Books.

With respect to Series 2014 Bonds the ownership of which shall be registered in the name of the Nominee, the Successor Agency and the Trustee shall have no responsibility or obligation to any Depository System Participant or to any person on behalf of which the Successor Agency holds an interest in the Series 2014 Bonds. Without limiting the generality of the immediately preceding sentence, the Successor Agency and the Trustee shall have no responsibility or obligation with respect to (i) the accuracy of the records of the Depository, the Nominee or any Depository System Participant with respect to any ownership interest in the Series 2014 Bonds, (ii) the delivery to any Depository System Participant or any other person, other than a Series 2014 Bond Owner as shown in the Registration Books, of any notice with respect to the Series 2014 Bonds, including any notice of redemption, (iii) the selection by the Depository of the beneficial interests in the Series 2014 Bonds to be redeemed in the event the Successor Agency elects to redeem the Series 2014 Bonds in part, (iv) the payment to any Depository System Participant or any other person, other than a Series 2014 Bond Owner as shown in the Registration Books, of any amount with respect to principal, premium, if any, or interest on the Series 2014 Bonds or (v) any consent given or other action taken by the Depository as Owner of the Series 2014 Bonds. The Successor Agency and the Trustee may treat and consider the person in whose name each Series 2014 Bond is registered as the absolute owner of such Series 2014 Bond for the purpose of payment of principal of and premium, if any, and interest on such Series 2014 Bond, for the purpose of giving notices of redemption and other matters with respect to such Series 2014 Bond, for the purpose of registering transfers of ownership of such Series 2014 Bond, and for all other purposes whatsoever. The Trustee shall pay the principal of and the interest and premium, if any, on the Series 2014 Bonds only to the respective Owners or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge all obligations with respect to payment of principal of and interest and premium, if any, on the Series 2014 Bonds to the extent of the sum or sums so paid. No person other than a Series 2014 Bond Owner shall receive a Series 2014 Bond evidencing the obligation of the Successor Agency to make payments of principal, interest and premium, if any, pursuant to this Indenture.

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Upon delivery by the Depository to the Nominee of written notice to the effect that the Depository has determined to substitute a new Nominee in its place, and subject to the provisions herein with respect to Record Dates, such new nominee shall become the Nominee hereunder for all purposes; and upon receipt of such a notice the Successor Agency shall promptly deliver a copy of the same to the Trustee.

(b) Representation Letter. In order to qualify the Series 2014 Bonds for the Depository's book-entry system, the Successor Agency shall execute and deliver to such Depository a letter representing such matters as shall be necessary to so qualify the Series 2014 Bonds. The execution and delivery of such letter shall not in any way limit the provisions of subsection (a) above or in any other way impose upon the Successor Agency or the Trustee any obligation whatsoever with respect to persons having interests in the Series 2014 Bonds other than the Series 2014 Bond Owners. Upon the written acceptance by the Trustee, the Trustee shall agree to take all action reasonably necessary for all representations of the Trustee in such letter with respect to the Trustee to at all times be complied with. In addition to the execution and delivery of such letter, the Successor Agency may take any other actions, not inconsistent with this Indenture, to qualify the Series 2014 Bonds for the Depository's book-entry program.

(c) Transfers Outside Book-Entry System. In the event that either (i) the Depository determines not to continue to act as Depository for the Series 2014 Bonds, or (ii) the Successor Agency determines to terminate the Depository as such, then the Successor Agency shall thereupon discontinue the book-entry system with such Depository. In such event, the Depository shall cooperate with the Successor Agency and the Trustee in the issuance of replacement Series 2014 Bonds by providing the Trustee with a list showing the interests of the Depository System Participants in the Series 2014 Bonds, and by surrendering the Series 2014 Bonds, registered in the name of the Nominee, to the Trustee on or before the date such replacement Series 2014 Bonds are to be issued. The Depository, by accepting delivery of the Series 2014 Bonds, agrees to be bound by the provisions of this subsection (c). If, prior to the termination of the Depository acting as such, the Successor Agency fails to identify another Securities Depository to replace the Depository, then the Series 2014 Bonds shall no longer be required to be registered in the Registration Books in the name of the Nominee, but shall be registered in whatever name or names the Owners transferring or exchanging Series 2014 Bonds shall designate, in accordance with the provisions hereof.

In the event the Successor Agency determines that it is in the best interests of the beneficial owners of the Series 2014 Bonds that they be able to obtain certificated Series 2014 Bonds, the Successor Agency may notify the Depository System Participants of the availability of such certificated Series 2014 Bonds through the Depository. In such event, the Trustee will issue, transfer and exchange Series 2014 Bonds as required by the Depository and others in appropriate amounts; and whenever the Depository requests, the Trustee and the Successor Agency shall cooperate with the Depository in taking appropriate action (y) to make available one or more separate certificates evidencing the Series 2014 Bonds to any Depository System Participant having Series 2014 Bonds credited to its account with the Depository, or (z) to arrange for another Securities Depository to maintain custody of a single certificate evidencing such Series 2014 Bonds, all at the Successor Agency's expense.

(d) Payments to the Nominee. Notwithstanding any other provision of this Indenture to the contrary, so long as any Series 2014 Bond is registered in the name of the Nominee, all payments with respect to principal of and interest and premium, if any, on such Series 2014 Bond and all notices with respect to such Series 2014 Bond shall be made and given,

respectively, as provided in the letter described in subsection (b) of this Section or as otherwise instructed by the Depository.

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ARTICLE III

DEPOSIT AND APPLICATION OF PROCEEDS OF SERIES 2014 BONDS ISSUANCE OF PARITY DEBT

Section 3.01. Issuance of Series 2014 Bonds. Upon the execution and delivery of this Indenture, the Successor Agency shall execute and deliver Series 2014A Bonds in the aggregate principal amount of $_____ and Taxable Series 2014A-T Bonds in the aggregate principal amount of $_____ to the Trustee, and the Trustee shall authenticate and deliver the Series 2014A Bonds and the Taxable Series 2014A-T Bonds to the Original Purchaser upon receipt of a Request of the Successor Agency therefor.

Section 3.02. Deposit and Application of Proceeds. (a) On the Closing Date, the Authority shall purchase the Series 2014A Bonds for a purchase price of $_____ (being the initial aggregate principal amount of the Series 2014A Bonds ($_____), (i) less the underwriter's discount on the 2014 Series A Authority Bonds in the amount of $_____, (ii) plus the net original issue premium on the 2014 Series A Authority Bonds in the amount of $_____, (iii) less the premium on the insurance policy insuring the 2014 Series A Authority Bonds and allocable to the Series 2014A Bonds in the amount of $_____, and (iv) less the premium on the Surety Bond allocable to the Series 2014A Bonds in the amount of $_____), less the Costs of Issuance allocable to the Series 2014A Bonds in the amount of $_____. The remaining net proceeds of the Series 2014A Bonds in the amount of $_____ shall be deposited in the Series 2014A Account of the Refunding Fund.

(b) On the Closing Date, the Authority shall purchase the Taxable Series 2014A-T Bonds for a purchase price of $_____ (being the initial aggregate principal amount of the Taxable Series 2014A-T Bonds ($_____), (i) less the underwriter's discount on the 2014 Taxable Series A-T Authority Bonds in the amount of $_____, (ii) plus the net original issue premium on the 2014 Taxable Series A-T Authority Bonds in the amount of $_____, (iii) less the premium on the insurance policy insuring the 2014 Taxable Series A-T Authority Bonds allocable to the Taxable Series 2014A-T Bonds in the amount of $_____, and (iv) less the premium on the Surety Bond allocable to the Taxable Series 2014A-T Bonds in the amount of $_____), less the Costs of Issuance allocable to the Taxable Series 2014A-T Bonds in the amount of $_____. The remaining net proceeds of the Taxable Series 2014A-T Bonds in the amount of $_____ shall be deposited in the Taxable Series 2014A-T Account of the Refunding Fund.

Section 3.03. Costs of Issuance Fund. The Costs of Issuance Fund is established and held by the Trustee for the Authority Bonds pursuant to Section 3.04 of the Authority Indenture.

Section 3.04. Refunding Fund. There is hereby created the Series 2014 Refunding Fund (the "Refunding Fund"), together with the Series 2014A Account and the Taxable Series 2014A-T Account therein, each of which is held by the Trustee in trust for the benefit of the Successor Agency. The moneys in the Refunding Fund shall be maintained separate and apart from other moneys of the Successor Agency.

The Trustee shall transfer all moneys on deposit in the Series 2014A Account of the Refunding Fund to the Fiscal Agent for deposit and application under and pursuant to the Series 2003A Refunding Instructions. The Trustee shall transfer all moneys on deposit in the Taxable

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Series 2014-T Account of the Refunding Fund to the Fiscal Agent for deposit and application under and pursuant to the Taxable Series 2003A-T Refunding Instructions. Upon making such transfers, the Refunding Fund shall be closed.

Section 3.05. Issuance of Parity Debt. In addition to the Series 2014 Bonds, the Successor Agency may issue or incur additional Parity Debt in such principal amount as shall be determined by the Successor Agency. The Successor Agency may issue and deliver any Parity Debt subject to the following specific conditions that are hereby made conditions precedent to the issuance and delivery of such Parity Debt issued under this Section:

(a) No Event of Default shall have occurred and be continuing, and the Successor Agency shall otherwise be in compliance with all covenants set forth in this Indenture.

(b) The Tax Revenues for each succeeding Fiscal Year based on the most recent assessed valuation of property in the Project Area as evidenced in written documentation from an appropriate official of the County or a written report of an Independent Redevelopment Consultant plus any Additional Revenues shall be at least equal to one hundred twenty-five percent (125%) of the sum of (i) Maximum Annual Debt Service (as such term is defined in the Fiscal Agent Agreement) on the Senior Bonds that will be outstanding immediately following the issuance of such Parity Debt for each applicable succeeding Bond Year (as such term is defined in the Fiscal Agent Agreement), plus (ii) Annual Debt Service on the Series 2014 Bonds and Parity Debt that will be outstanding immediately following the issuance of such Parity Debt for each applicable succeeding Bond Year. Notwithstanding the foregoing, the Successor Agency may issue and sell refunding bonds payable from Pledged Tax Revenues on a parity with Series 2014 Bonds and any outstanding Parity Debt, if (a) annual debt service on such refunding bonds is lower than annual debt service on the bonds or other indebtedness being refunded during every year the Bonds or Parity Debt, as applicable, will be Outstanding and (b) the final maturity of any such refunding bonds does not exceed the final maturity of the Bonds or Parity Debt being refunded, as applicable;

(c) The Successor Agency shall certify that the aggregate principal of and interest on the Series 2014 Bonds, the Senior Bonds, the Pre-Existing Obligations and any Parity Debt (including the Parity Debt to be incurred) and Subordinate Debt coming due and payable will not exceed the maximum amount of Pledged Tax Revenues permitted under any Plan Limit to be allocated and paid to the Successor Agency with respect to the Project Area after the issuance of such Parity Debt;

(d) The Successor Agency shall fund a reserve account relating to such Parity Debt in an amount equal to the Reserve Requirement.

(e) The Successor Agency shall deliver to the Trustee a Written Certificate of the Successor Agency certifying that the conditions precedent to the issuance of such Parity Debt set forth above have been satisfied.

Section 3.06. Issuance of Subordinate Debt. The Successor Agency may issue or incur Subordinate Debt in such principal amount as shall be determined by the Successor Agency.

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Section 3.07. Validity of Bonds. The validity of the authorization and issuance of the Bonds shall not be dependent upon the completion of the Redevelopment Project or upon the performance by any person of its obligation with respect to the Redevelopment Project. Such Subordinate Debt may be payable from any assets or property of the Successor Agency, including Pledged Tax Revenues on a subordinate basis to the payment of debt service on the Series 2014 Bonds and any Parity Debt.

ARTICLE IV

SECURITY OF BONDS; FLOW OF FUNDS INVESTMENTS

Section 4.01. Pledge of Pledged Tax Revenues. Except as provided in Section 6.06, the Series 2014 Bonds and all Parity Debt, shall be secured by a pledge of, security interest in and lien on all of the Pledged Tax Revenues. In addition, the Series 2014 Bonds, and any other Parity Debt, shall, subject to Section 8.02, be secured by a first and exclusive pledge of, security interest in and lien upon all of the moneys in the Debt Service Fund, the Interest Account, the Principal Account, the Sinking Account, the Redemption Account and the Reserve Account. Such pledge, security interest in and lien shall be for the equal security of the Outstanding Bonds without preference or priority for series, issue, number, dated date, sale date, date of execution or date of delivery. Except for the Pledged Tax Revenues and such moneys, no funds of the Successor Agency are pledged to, or otherwise liable for, the payment of principal of or interest or redemption premium (if any) on the Bonds.

In consideration of the acceptance of the Series 2014 Bonds by those who shall hold the same from time to time, this Indenture shall be deemed to be and shall constitute a contract between the Successor Agency and the Owners from time to time of the Series 2014 Bonds, and the covenants and agreements herein set forth to be performed on behalf of the Successor Agency shall be for the equal and proportionate benefit, security and protection of all Owners of the Series 2014 Bonds without preference, priority or distinction as to security or otherwise of any of the Series 2014 Bonds over any of the others by reason of the number or date thereof or the time of sale, execution and delivery thereof, or otherwise for any cause whatsoever, except as expressly provided therein or herein.

Section 4.02. Redevelopment Obligation Retirement Fund; Deposit of Pledged Tax Revenues. There has been established a special trust fund known as the "Redevelopment Obligation Retirement Fund," which shall be held by the Successor Agency pursuant to Section 34170.5(b) of the California Health and Safety Code. There is hereby established a special trust fund known as the "Debt Service Fund" and the accounts therein referred to below which shall be held by the Trustee in accordance with this Indenture. The Successor Agency shall deposit all of the Pledged Tax Revenues received in any Bond Year from the RPTTF in accordance with the Dissolution Act for the purpose of paying debt service on the Series 2014 Bonds and any Parity Debt in the Redevelopment Obligation Retirement Fund immediately upon receipt thereof by the Successor Agency, and promptly thereafter shall transfer amounts therein to the Trustee for deposit in the Debt Service Fund established and held under this Indenture until such time that the aggregate amounts on deposit in such Debt Service Fund equal the aggregate amounts required to be deposited into the Interest Account, the Principal Account and the Reserve Account in such Bond Year pursuant to Section 4.03 of this Indenture and for deposit in such Bond Year in the funds and accounts established with respect to Parity Bonds, as provided in any Supplemental Indenture.

Section 4.03. Debt Service Fund; Transfer of Amounts to Trustee. Moneys in the Debt Service Fund shall be transferred in the following amounts at the following times, in the following respective special accounts within the Debt Service Fund, which accounts are hereby established with the Trustee to pay debt service on the Series 2014 Bonds and any Parity Debt not otherwise provided for in a Parity Debt Instrument, in the following order of priority:

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(a) Interest Account. On or before the fourth (4th) Business Day preceding each date on which interest on the Series 2014 Bonds and any such Parity Debt becomes due and payable, the Trustee shall withdraw from the Debt Service Fund and transfer to the Interest Account an amount which, when added to the amount then on deposit in the Interest Account, will be equal to the aggregate amount of the interest becoming due and payable on the Outstanding Series 2014 Bonds and any such Parity Debt on such date. No such transfer and deposit need be made to the Interest Account if the amount contained therein is at least equal to the interest to become due on the Interest Payment Date upon all of the Outstanding Series 2014 Bonds and any such Parity Debt. All moneys in the Interest Account shall be used and withdrawn by the Trustee solely for the purpose of paying the interest on the Bonds as it shall become due and payable (including accrued interest on any Series 2014 Bonds and any such Parity Debt purchased or redeemed prior to maturity pursuant to this Indenture).

(b) Principal Account. On or before the fourth (4th) Business Day preceding each date on which principal of the Series 2014 Bonds and any such Parity Debt becomes due and payable at maturity, the Trustee shall withdraw from the Debt Service Fund and transfer to the Principal Account an amount which, when added to the amount then on deposit in the Principal Account, will be equal to the amount of principal coming due and payable on such date on the Outstanding Series 2014 Bonds and any such Parity Debt. All moneys in the Principal Account shall be used and withdrawn by the Trustee solely for the purpose of paying the principal of the Series 2014 Bonds and any such Parity Debt upon the maturity thereof.

(c) Sinking Account. On or before the fourth (4th) Business Day preceding each date on which any Outstanding Series 2014 Term Bonds become subject to mandatory Sinking Account redemption, the Successor Agency shall withdraw from the Debt Service Fund and transfer to the Trustee for deposit in the Sinking Account an amount which, when added to the amount then contained in the Sinking Account, will be equal to the aggregate principal amount of the Series 2014 Term Bonds required subject to mandatory Sinking Account redemption on such date. All moneys on deposit in the Sinking Account shall be used and withdrawn by the Trustee for the sole purpose of paying the principal of the Series 2014 Term Bonds as it shall become due and payable upon the mandatory Sinking Account redemption thereof.

(d) Reserve Account. In the event that the amount on deposit in the Reserve Account at any time becomes less than the Reserve Requirement, the Trustee shall promptly notify the Successor Agency of such fact. Promptly upon receipt of any such notice, the Successor Agency shall transfer to the Trustee an amount sufficient to maintain the Reserve Requirement on deposit in the Reserve Account. If there shall then not be sufficient Pledged Tax Revenues on deposit in the Redevelopment Obligation Retirement Fund to transfer an amount sufficient to maintain the Reserve Requirement on deposit in the Reserve Account, the Successor Agency shall be obligated to continue making transfers as Pledged Tax Revenues become available in the Redevelopment Obligation Retirement Fund until there is an amount sufficient to maintain the Reserve Requirement on deposit in the Reserve Account. No such transfer and deposit need be made to the Reserve Account so long as there shall be on deposit

therein a sum at least equal to the Reserve Requirement. All money in the Reserve Account shall be used and withdrawn by the Trustee solely for the purpose of making transfers to the Interest Account, the Principal Account and the Sinking Account in such order of priority, in the event of any deficiency at any time in any of such accounts or for the retirement of all the Bonds then Outstanding, except that so long as the Successor Agency is not in default hereunder, any amount in the Reserve Account in excess of the Reserve Requirement shall be withdrawn from the Reserve Account semiannually on or before four (4) Business Days preceding each March 1 and September 1 by the Trustee and deposited in the Interest Account. All amounts in the Reserve Account on the Business Day preceding the final Interest Payment Date shall be withdrawn from the Reserve Account and shall be transferred either (i) to the Interest Account and the Principal Account, in such order, to the extent required to make the deposits then required to be made pursuant to this Section 4.03 or, (ii) if the Successor Agency shall have caused to be transferred to the Trustee an amount sufficient to make the deposits required by this Section 4.03, then, at the Written Request of the Successor Agency, such amount shall be transferred as directed by the Successor Agency.

The Successor Agency shall, with the prior written consent of the Insurer, have the right at any time to direct the Trustee to release funds from the Reserve Account, in whole or in part, by tendering to the Trustee: (i) a Qualified Reserve Account Credit Instrument, and (ii) an opinion of Bond Counsel stating that neither the release of such Funds nor the acceptance of such Qualified Reserve Account Credit Instrument will cause interest on the Series 2014A Bonds to become includable in gross income for purposes of federal income taxation. Upon tender of such items to the Trustee, and upon delivery by the Successor Agency to the Trustee of written calculation of the amount permitted to be released from the Reserve Account (upon which calculation the Trustee may conclusively rely), the Trustee shall transfer such funds from the Reserve Account to the Successor Agency to be applied in accordance with the Redevelopment Law to provide financing for the Redevelopment Project. The Trustee shall comply with all documentation relating to a Qualified Reserve Account Credit Instrument as shall reasonably be required to maintain such Qualified Reserve Account Credit Instrument in full force and effect and as shall reasonably be required to receive payments thereunder in the event and to the extent required to make any payment when and as required under this subsection (d). Upon the expiration of any Qualified Reserve Account Credit Instrument, the Successor Agency shall be obligated either (i) to replace such Qualified Reserve Account Credit Instrument with a new Qualified Reserve Account Credit Instrument, or (ii) to deposit or cause to be deposited with the Trustee an amount of funds equal to the Reserve Requirement, to be derived from the first available Pledged Tax Revenues.

The Reserve Account may be maintained in the form of one or more separate sub-accounts which are established for the purpose of securing separate series of Bonds or Parity Debt or for holding the proceeds of separate issues of the Bonds and any Parity Debt in conformity with applicable provisions of the Code to the extent directed by the Successor Agency in writing to the Trustee. Additionally, the Successor Agency may, in its discretion, combine amounts on deposit in the Reserve Account and on deposit in any reserve

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account relating to any (but not necessarily all) Parity Debt in order to maintain a combined reserve account for the Bonds and any (but not necessarily all) Parity Debt.

(e) Redemption Account. On or before the Business Day preceding any date on which Bonds are subject to redemption, other than mandatory Sinking Account redemption of Series 2014 Term Bonds, the Trustee shall withdraw from the Debt Service Fund for deposit in the Redemption Account an amount required to pay the principal of and premium, if any, on the Series 2014 Bonds or other Parity Debt to be so redeemed on such date. The Trustee shall also deposit in the Redemption Account any other amounts received by it from the Successor Agency designated by the Successor Agency in writing to be deposited in the Redemption Account. All moneys in the Redemption Account shall be used and withdrawn by the Trustee solely for the purpose of paying the principal of and premium, if any, on the Series 2014 Bonds or other Parity Debt upon the redemption thereof, on the date set for such redemption, other than mandatory Sinking Account redemption of Term Bonds.

(a) Equal Rights. It is the intention of the Successor Agency that the Series 2014 Bonds and Parity Debt shall be secured by and payable from all moneys deposited in the Redevelopment Obligation Payment Fund on an equal basis. To the extent that moneys deposited in the Redevelopment Obligation Payment Fund are insufficient to pay debt service on the Series 2014 Bonds and Parity Debt as it becomes due, the Series 2014 Bonds and Parity Debt shall be payable on a pro-rata basis from all available moneys deposited in the Redevelopment Obligation Payment Fund.

In the event that the Successor Agency fails to make the deposits required pursuant to (a), (b) or (c) above, the Trustee shall immediately notify The Bank of New York Trust Company, N.A., as trustee for the Authority Bonds.

Section 4.04. Investment of Moneys in Funds. Moneys in the the Debt Service Fund, the Interest Account, the Principal Account, the Sinking Account, the Reserve Account and the Redemption Account shall be invested by the Trustee in Permitted Investments specified in the Request of the Successor Agency (which Request shall be deemed to include a certification that the specified investment is a Permitted Investment) delivered to the Trustee at least two (2) Business Days in advance of the making of such investments; *provided, however,* that in the absence of any such direction from the Successor Agency, the Trustee shall invest any such moneys solely in Permitted Investments described in clause (f) of the definition thereof. Moneys in the Redevelopment Obligation Retirement Fund shall be invested by the Successor Agency in any obligations in which the Successor Agency is legally authorized to invest funds within its control.

Obligations purchased as an investment of moneys in any fund or account shall be deemed to be part of such fund or account. Whenever in this Indenture any moneys are required to be transferred by the Successor Agency to the Trustee, such transfer may be accomplished by transferring a like amount of Permitted Investments. All interest or gain derived from the investment of amounts in any of the funds or accounts held by the Trustee hereunder shall be deposited in the Interest Account; *provided, however,* that all interest or gain from the investment of amounts in the Reserve Account shall be deposited by the Trustee in the Interest Account to the extent not required to cause the balance in the Reserve Account to

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equal the Reserve Requirement. No Permitted Investment of moneys in the Reserve Account shall have a maturity in excess of five (5) years following the date of its acquisition, except that such restriction shall not apply to any investment agreement approved by the Insurer. For purposes of acquiring any investments hereunder, the Trustee may commingle funds held by it hereunder upon receipt by the Trustee of the Request of the Successor Agency. The Trustee may act as principal or agent in the acquisition or disposition of any investment, may utilize the investment departments of its affiliates to complete each transaction and may impose its customary charges therefor. The Trustee shall incur no liability for losses arising from any investments made pursuant to this Section. The Successor Agency acknowledges that to the extent that regulations of the Comptroller of the Currency or other applicable regulatory agency grant the Successor Agency the right to receive brokerage confirmations of security transactions as they occur, the Successor Agency specifically waives receipt of such confirmations to the extent permitted by law. The Trustee shall furnish to the Successor Agency periodic statements which include detail of all investment transactions made by the Trustee.

Section 4.05. Valuation and Disposition of Investments.

(a) Except as otherwise provided in subsection (b) of this Section, the Successor Agency covenants that all investments of amounts deposited in any fund or account created by or pursuant to this Indenture, or otherwise containing gross proceeds of the Bonds (within the meaning of Section 148 of the Tax Code) shall be acquired, disposed of and valued (as of the date that valuation is required by this Indenture or the Tax Code) at Fair Market Value as such term is defined in subsection (d) below. The Trustee shall have no duty in connection with the determination of Fair Market Value other than to follow the investment directions of the Successor Agency in any Certificate or Request of the Successor Agency.

(b) Investments in funds or accounts (or portions thereof) that are subject to a yield restriction under applicable provisions of the Tax Code and investments in the Reserve Account shall be valued at cost thereof, (consisting of present value thereof, as determined by the Successor Agency, within the meaning of Section 148 of the Tax Code); provided that the Successor Agency shall inform the Trustee which funds are subject to a yield restriction.

(c) Except as provided in the proceeding subsection (b), with respect to a yield restriction, for the purpose of determining the amount in any fund, the value of Permitted Investments credited to such fund shall be valued by the Trustee at least annually at the market value thereof. For purposes of valuation, the Trustee shall be entitled to utilize any pricing services it considers reliable. The Trustee may sell in any commercially reasonable manner, or present for redemption, any Permitted Investment so purchased by the Trustee whenever it shall be necessary in order to provide moneys to meet any required payment, transfer, withdrawal or disbursement from the fund to which such Permitted Investment is credited, and the Trustee shall not be liable or responsible for any loss resulting from sale or redemption of any such Permitted Investment.

ARTICLE V

OTHER COVENANTS OF THE SUCCESSOR AGENCY

Section 5.01. Punctual Payment. The Successor Agency shall punctually pay or cause to be paid the principal, premium (if any) and interest to become due in respect of all the Series 2014 Bonds and parity Debt in strict conformity with the terms of the Series 2014 Bonds and of this Indenture. The Successor Agency shall faithfully observe and perform all of the conditions, covenants and requirements of this Indenture and all Supplemental Indentures. Nothing herein contained shall prevent the Successor Agency from making advances of its own moneys howsoever derived to any of the uses or purposes referred to herein.

Section 5.02. Continuing Disclosure. The Successor Agency hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Certificate, if any, executed and delivered by the Successor Agency. Notwithstanding any other provision hereof, failure of the Successor Agency to comply with such Continuing Disclosure Certificate shall not constitute an Event of Default hereunder; *provided, however*, that any Participating Underwriter (as such term is defined in such Continuing Disclosure Certificate) or any Owner or beneficial owner of the Series 2014 Bonds may take such actions as may be necessary and appropriate, including seeking specific performance by court order, to cause the Successor Agency to comply with its obligations under this Section 5.02. Notwithstanding the preceding two sentences, the Successor Agency shall have no obligation to enter into a Continuing Disclosure Certificate so long as the Trustee owns the Series 2014 Bonds and any of the Authority Bonds remain outstanding (or bonds refunding the Authority Bonds remain outstanding), and the Authority (or other issuer of refunding bonds) has entered into a continuing disclosure undertaking with respect to the Series 2014 Bonds.

Section 5.03. Limitation on Additional Indebtedness. The Successor Agency hereby covenants that so long as any of the Series 2014 Bonds remain Outstanding, the Successor Agency shall not issue any bonds, notes or other obligations which are otherwise secured on a basis which is senior to the pledge and lien which secures the Series 2014 Bonds. The Successor Agency hereby covenants that it shall not issue any bonds, notes or other obligations, enter into any agreement or otherwise incur any indebtedness, which is in any case payable from all or any part of the Pledged Tax Revenues, excepting only the Series 2014 Bonds and Parity Debt, any Subordinate Debt and any obligations entered into pursuant to Section 5.10.

Section 5.04. Extension of Payment of Series 2014 Bonds. The Successor Agency shall not directly or indirectly extend or assent to the extension of the maturity of any of the Bonds or the time of payment of any claims for interest by the purchase of such Bonds or by any other arrangement, and in case the maturity of any of the Bonds or the time of payment of any such claims for interest shall be extended, such Bonds or claims for interest shall not be entitled, in case of any default hereunder, to the benefits of this Indenture, except subject to the prior payment in full of the principal of all of the Outstanding Bonds and of all claims for interest thereon which shall not have been so extended. Nothing in this Section shall be deemed to limit the right of the Successor Agency to issue bonds for the purpose of refunding any Outstanding Bonds, and such issuance shall not be deemed to constitute an extension of maturity of the Bonds.

Section 5.05. Payment of Claims. The Successor Agency shall pay and discharge, or cause to be paid and discharged, any and all lawful claims for labor, materials or supplies

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which, if unpaid, might become a lien or charge upon the properties owned by the Successor Agency or upon the Pledged Tax Revenues or any part thereof, or upon any funds held by the Trustee pursuant hereto, or which might impair the security of the Bonds or any Parity Debt. Nothing herein contained shall require the Successor Agency to make any such payment so long as the Successor Agency in good faith shall contest the validity of said claims.

Section 5.06. Books and Accounts; Financial Statements. The Successor Agency shall keep, or cause to be kept, proper books of record and accounts, separate from all other records and accounts of the Successor Agency and the County, in which complete and correct entries shall be made of all transactions relating to the Redevelopment Project, the Pledged Tax Revenues and the Redevelopment Obligation Retirement Fund. 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%) in aggregate principal amount of the Bonds then Outstanding, or their representatives authorized in writing.

The Successor Agency will cause to be prepared and delivered to the Trustee and the Insurer annually, within one hundred and eighty (180) days after the close of each Fiscal Year so long as any of the Bonds are Outstanding, complete audited financial statements with respect to such Fiscal Year showing the Pledged Tax Revenues, all disbursements from the Redevelopment Obligation Retirement Fund and the financial condition of the Redevelopment Project, including the balances in all funds and accounts relating to the Redevelopment Project, as of the end of such Fiscal Year. In accordance with Section 6.03(e), the Trustee shall not be responsible for reviewing such financial statements. The Successor Agency shall furnish a copy of such statements to any Owner upon reasonable request and at the expense of such Owner. In addition, the Successor Agency shall deliver the Successor Agency's annual budget to the Insurer upon the written request of the Insurer.

Section 5.07. Protection of Security and Rights of Owners. The Successor Agency will preserve and protect the security of the Bonds and the rights of the Owners. From and after the date of issuance of any Bonds, such Bonds shall be incontestable by the Successor Agency.

Section 5.08. Payments of Taxes and Other Charges. The Successor Agency will pay and discharge, or cause to be paid and discharged, all taxes, service charges, assessments and other governmental charges which may hereafter be lawfully imposed upon the Successor Agency or the properties then owned by the Successor Agency in the Project Area, when the same shall become due. Nothing herein contained shall require the Successor Agency to make any such payment so long as the Successor Agency in good faith shall contest the validity of said taxes, assessments or charges. The Successor Agency will duly observe and conform with all valid requirements of any governmental authority relative to the Redevelopment Project or any part thereof.

Section 5.09. Disposition of Property. Except as otherwise required by the Dissolution Act, the Successor Agency will not participate in the disposition of any land or real property in the Project Area to anyone which will result in such property becoming exempt from taxation because of public ownership or use or otherwise (except property dedicated for public right-of-way and except property planned for public ownership or use by the Redevelopment Plan in effect on the date of this Indenture) so that such disposition shall, when taken together with other such dispositions, aggregate more than ten percent (10%) of the land area in the Project Area unless such disposition is permitted as hereinafter provided in this Section 5.09. If the Successor Agency proposes to participate in such a disposition, it shall thereupon appoint

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an Independent Fiscal Consultant to report on the effect of said proposed disposition. If the report of the Independent Fiscal Consultant concludes that the security of the Bonds or the rights of the Owners will not be materially adversely impaired by said proposed disposition, the Successor Agency may thereafter make such disposition. If such report concludes that such security will be materially adversely impaired by the proposed disposition, the Successor Agency shall not approve the proposed disposition.

Section 5.10. Maintenance of Pledged Tax Revenues. The Successor Agency shall comply with all requirements of the Redevelopment Law to insure the allocation and payment to it of the Pledged Tax Revenues, including without limitation the timely filing of any necessary statements of indebtedness with appropriate officials of the County and (in the case of supplemental revenues and other amounts payable by the State) appropriate officials of the State of California. The Successor Agency shall not enter into any agreement with the County or any other governmental unit which would have the effect of reducing the amount of Pledged Tax Revenues available to the Successor Agency for payment of the Bonds. The Successor Agency shall not undertake proceedings for amendment of the Redevelopment Plan if such amendment shall result in payments to one of more taxing entities pursuant to Sections 33607.5 and 33607.7 of the Law unless the Successor Agency shall first obtain a written opinion of an Independent Redevelopment Consultant that such payments will not adversely impair the Successor Agency's ability to pay the Series 2014 Bonds and all Parity Debt. Nothing herein is intended or shall be construed in any way to prohibit or impose any limitations on the entering into by the Successor Agency of any such agreement, amendment or supplement which by its term is subordinate to the payment of the Series 2014 Bonds and all Parity Debt.

Section 5.11. Compliance with the Law; Recognized Obligation Payment Schedules. The Successor Agency shall comply with all of the requirements of the Redevelopment Law and the Dissolution Act. Without limiting the generality of the foregoing, the Successor Agency covenants and agrees to file all required statements and hold all public hearings required under the Dissolution Act to assure compliance by the Successor Agency with its covenants hereunder. Further, it will take all actions required under the Dissolution Act to include scheduled debt service on the Series 2014 Bonds and any Parity Debt, as well as any amount required under this Indenture to replenish the Reserve Accounts of the Debt Service Funds, in Recognized Obligation Payment Schedules for each six-month period so as to enable the Riverside County Auditor-Controller to distribute from the Redevelopment Property Tax Trust Fund to the Agency's Redevelopment Obligation Retirement Fund on each January 2 and June 1 amounts required for the Successor Agency to pay principal of, and interest on, the Bonds coming due in the respective six-month period. These actions will include, without limitation, placing on the periodic Recognized Obligation Payment Schedule for approval by the Oversight Board and State Department of Finance, to the extent necessary, the amounts to be held by the Successor Agency as a reserve until the next six-month period, as contemplated by paragraph (1)(A) of subdivision (d) of Section 34171 of the Dissolution Act, that are necessary to comply with this Indenture [and to provide for the payment of principal and interest under this Indenture when the next property tax allocation is projected to be insufficient to pay all obligations due under this Indenture for the next payment due thereunder and hereunder in the following six-month period].

Section 5.12. Tax Covenants Relating to the 2014 Series A Authority Bonds.

(a) Private Activity Bond Limitation. The Successor Agency shall assure that the proceeds of the Series 2014 Bonds are not so used as to cause the 2014 Series A Authority

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Bonds to satisfy the private business tests of Section 141(b) of the Tax Code or the private loan financing test of Section 141(c) of the Tax Code.

(b) Federal Guarantee Prohibition. The Successor Agency 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 2014 Series A Authority Bonds to be "federally guaranteed" within the meaning of Section 149(b) of the Tax Code.

(c) No Arbitrage. The Successor Agency shall not take, or permit or suffer to be taken by the Trustee or otherwise, any action with respect to the proceeds of the Series 2014A 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 2014 Series A Authority Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Tax Code.

(d) Maintenance of Tax-Exemption. The Successor Agency shall take all actions necessary to assure the exclusion of interest on the 2014 Series A Authority Bonds from the gross income of the Owners of the 2014 Series A Authority Bonds to the same extent as such interest is permitted to be excluded from gross income under the Tax Code as in effect on the Closing Date. This covenant shall remain in full force and effect following defeasance of Bonds pursuant to Section 9.03.

(e) Rebate Requirement. The Successor Agency shall take any and all actions necessary to assure compliance with section 148(f) of the Tax Code, relating to the rebate of excess investment earnings, if any, to the federal government, to the extent that such section is applicable to the 2014 Series A Authority Bonds.

The Trustee shall have no duty to monitor the compliance by the Successor Agency with any of the covenants contained in this Section 5.12.

Section 5.13. Plan Limitations; Annual Review of Pledged Tax Revenues. The Successor Agency shall manage its fiscal affairs in a manner which ensures that it will have sufficient Pledged Tax Revenues available under the Plan Limitations in the amounts and at the times required to enable the Successor Agency to pay the principal of and interest and premium (if any) on the 2004 Bonds, the Series 2014 Bonds and any Parity Debt when due.

Additionally, the Successor Agency hereby covenants that, if it is determined that the Plan Limitations apply to the Successor Agency, it will annually review, no later than December 1 of each year, the total amount of tax increment revenue remaining available to be received by the Successor Agency under the Plan Limitations, as well as future cumulative Annual Debt Service, any obligations of the Successor Agency payable from tax increment revenues that are senior to the Series 2014 Bonds, and payments on obligations that are subordinate to the Series 2014 Bonds. If, based on such review, the allocation of tax increment revenues to the Successor Agency in any of the next three succeeding Fiscal Years will cause an amount equal to ninety-five (95%) of the amount remaining under the Plan Limitations to fall below the sum of (i) remaining cumulative Annual Debt Service, (ii) any obligations of the Successor Agency payable from tax increment revenues that are senior to the Series 2014 Bonds, and (iii) payments on obligations that are subordinate to the Series 2014 Bonds, the Successor Agency shall either (1) defease Series 2014 Bonds or Parity Debt by depositing an amount of Pledged Tax Revenues equal to the amount that is required to ensure continuing compliance with the first paragraph of this Section 5.13 in a defeasance escrow to be held by the Trustee and to be pledged solely to the payment of debt service on the Series 2014 Bonds or Parity Debt, which

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escrow shall be invested in Defeasance Obligations and used for the payment of interest on and principal of and redemption premiums, if any, on the Series 2014 Bonds or Parity Debt or (2) adopt a plan approved by an Independent Redevelopment Consultant which demonstrates the Successor Agency's continuing ability to pay debt service on the Series 2014 Bonds and Parity Debt. In determining the amount to be deposited in escrow with the Trustee, the Successor Agency may consider actual interest earnings on the amounts so deposited. In the event that the Successor Agency elects to adopt a plan approved by an Independent Redevelopment Consultant, the Successor Agency shall provide a copy of such plan to the Insurer.

The Trustee shall not be responsible for monitoring or enforcing the requirements of this Section 5.13.

Section 5.14. Further Assurances. The Successor Agency 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 Indenture, and for the better assuring and confirming unto the Owners the rights and benefits provided in this Indenture.

ARTICLE VI

THE TRUSTEE

Section 6.01. Duties, Immunities and Liabilities of Trustee.

(a) The Trustee shall, prior to the occurrence of an Event of Default, and after the curing of all Events of Default which may have occurred, perform such duties and only such duties as are specifically set forth in this Indenture and no implied covenants or duties shall be read into this Indenture against the Trustee. The Trustee shall, during the existence of any Event of Default (which has not been cured or waived), exercise such of the rights and powers vested in it by this Indenture, and use the same degree of care and skill in their exercise, as a prudent person would exercise or use in the conduct of such person's own affairs.

(b) The Successor Agency may, with the prior written consent of the Insurer, remove the Trustee at any time, unless an Event of Default shall have occurred and then be continuing, and shall remove the Trustee (i) if at any time requested to do so by the Insurer or, with the prior written consent of the Insurer, an instrument or concurrent instruments in writing signed by the Owners of not less than a majority of the principal amount of the Bonds then Outstanding(or their attorneys duly authorized in writing) or (ii) if at any time the Trustee shall cease to be eligible in accordance with subsection (e) of this Section, or shall become incapable of acting, or shall be adjudged a bankrupt or insolvent, or a receiver of the Trustee or its property shall be appointed, or any public officer shall take control or charge of the Trustee or of its property or affairs for the purpose of rehabilitation, conservation or liquidation. In each case such removal shall be accomplished by the giving of 30 days' written notice of such removal by the Successor Agency to the Trustee, whereupon the Successor Agency shall appoint a successor Trustee by an instrument in writing.

(c) The Trustee may at any time resign by giving written notice of such resignation to the Successor Agency, and by giving the Owners notice of such resignation by first class mail, postage prepaid, at their respective addresses shown on the Registration Books. Upon receiving such notice of resignation, the Successor Agency shall promptly appoint a successor Trustee by an instrument in writing.

(d) Any removal or resignation of the Trustee and appointment of a successor Trustee shall become effective upon acceptance of appointment by the successor Trustee. If no successor Trustee shall have been appointed and have accepted appointment within forty-five (45) days following giving notice of removal or notice of resignation as aforesaid, the resigning Trustee or any Owner (on behalf of such Owner and all other Owners) may petition any court of competent jurisdiction for the appointment of a successor Trustee, and such court may thereupon, after such notice (if any) as it may deem proper, appoint such successor Trustee. Any successor Trustee appointed under this Indenture shall signify its acceptance of such appointment by executing and delivering to the Successor Agency and to its predecessor Trustee a written acceptance thereof, and to the predecessor Trustee an instrument indemnifying the predecessor Trustee for any costs or claims arising during the time the successor Trustee serves as Trustee hereunder, and such successor Trustee, without any further act, deed or conveyance, shall become vested with all the moneys, estates, properties, rights, powers, trusts, duties and obligations of such predecessor Trustee, with like effect as if originally named Trustee herein; but, nevertheless, upon the receipt by the predecessor Trustee of the Request of the Successor Agency or the request of the successor Trustee, such predecessor Trustee shall execute and deliver any and all instruments of conveyance or further

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assurance and do such other things as may reasonably be required for more fully and certainly vesting in and confirming to such successor Trustee all the right, title and interest of such predecessor Trustee in and to any property held by it under this Indenture and shall pay over, transfer, assign and deliver to the successor Trustee any money or other property subject to the trusts and conditions herein set forth. Upon request of the successor Trustee, the Successor Agency shall execute and deliver any and all instruments as may be reasonably required for more fully and certainly vesting in and confirming to such successor Trustee all such moneys, estates, properties, rights, powers, trusts, duties and obligations. Upon acceptance of appointment by a successor Trustee as provided in this subsection, the Successor Agency shall mail or cause the successor Trustee to mail, by first class mail postage prepaid, a notice of the succession of such Trustee to the trusts hereunder to S&P and Moody's, and to the Owners at the addresses shown on the Registration Books. If the Successor Agency fails to mail such notice within fifteen (15) days after acceptance of appointment by the successor Trustee, the successor Trustee shall cause such notice to be mailed at the expense of the Successor Agency.

(e) Any Trustee appointed under the provisions of this Section in succession to the Trustee shall (i) be a company or bank having trust powers, (ii), shall have an office in the State of California or such other state as shall be acceptable to the Successor Agency, (iii) have (or be part of a bank holding company system whose bank holding company has) a combined capital and surplus of at least Seventy Fifty Million Dollars ($75,000,000), and (iv) be subject to supervision or examination by federal or state authority. If such bank or company publishes a report of condition at least annually, pursuant to law or to the requirements of any supervising or examining authority above referred to, then for the purpose of this subsection the combined capital and surplus of such bank or company shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. In case at any time the Trustee shall cease to be eligible in accordance with the provisions of this subsection (e), the Trustee shall promptly resign in the manner and with the effect specified in subsection (c) of this Section.

Section 6.02. Merger or Consolidation. Any bank or company into which the Trustee may be merged or converted or with which either of them may be consolidated or any bank or company resulting from any merger, conversion or consolidation to which it shall be a party or any bank or company to which the Trustee may sell or transfer all or substantially all of its corporate trust business, provided such bank or company shall be eligible under subsection (e) of Section 6.01, shall be the successor to such Trustee without the execution or filing of any paper or any further act, anything herein to the contrary notwithstanding.

Section 6.03. Liability of Trustee.

(a) The recitals of facts herein and in the Bonds contained shall be taken as statements of the Successor Agency, and the Trustee shall not assume responsibility for the correctness of the same, nor make any representations as to the validity or sufficiency of any offering memorandum, this Indenture or of the Bonds nor shall incur any responsibility in respect thereof, other than as expressly stated herein. The Trustee shall, however, be responsible for its representations contained in its certificate of authentication on the Bonds. The Trustee shall not be liable in connection with the performance of its duties hereunder, except for its own negligence or willful misconduct. The Trustee shall not be liable for the acts of any agents of the Trustee selected by it with due care. The Trustee may become the Owner of any Bonds with the same rights it would have if they were not Trustee and, to the extent permitted by law, may act as depository for and permit any of its officers or directors to act as a member of, or in

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any other capacity with respect to, any committee formed to protect the rights of the Owners, whether or not such committee shall represent the Owners of a majority of the principal amount of the Bonds then Outstanding. The Trustee, either as principal or agent, may engage in or be entrusted in any financial or other transaction with the Successor Agency.

(b) The Trustee shall not be liable for any error of judgment made in good faith by a responsible officer.

(c) The Trustee shall not be liable with respect to any action taken or omitted to be taken by it in accordance with the direction of the Successor Agency, accompanied by an opinion of Bond counsel, or in accordance with direction of the Owners of not less than a majority of the principal amount of the Bonds then Outstanding relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee under this Indenture.

(d) The Trustee shall not be liable for any action taken by it in good faith and believed by it to be authorized or within the discretion or rights or powers conferred upon it by this Indenture, except for actions arising from the negligence or willful misconduct of the Trustee. The permissive right of the Trustee to do things enumerated hereunder shall not be construed as a mandatory duty.

(e) The Trustee shall not be deemed to have knowledge of any Event of Default hereunder unless and until a responsible officer of the Trustee shall have actual knowledge thereof, or the Trustee shall have received written notice thereof at its Office. Except as otherwise expressly provided herein, the Trustee shall not be bound to ascertain or inquire as to the performance or observance of any of the terms, conditions, covenants or agreements herein or of any of the documents executed in connection with the Bonds, or as to the existence of an Event of Default hereunder or thereunder. The Trustee shall not be responsible for the Successor Agency's payment of principal and interest on the Bonds, the observance or performance by the Successor Agency of any other covenants, conditions or terms contained herein, or the validity or effectiveness of any collateral given to or held by it. Without limiting the generality of the foregoing, the Trustee shall not be responsible for reviewing the contents of any financial statements furnished to the Trustee pursuant to Section 5.06 and may rely conclusively on the Written Certificate of the Successor Agency accompanying such financial statements to establish the Successor Agency's compliance with its financial covenants hereunder, including, without limitation, its covenants regarding the deposit of Pledged Tax Revenues into the Redevelopment Obligation Retirement Fund and the investment and application of moneys on deposit in the Redevelopment Obligation Retirement Fund (other than its covenants to transfer such moneys to the Trustee when due hereunder).

(f) No provision in this Indenture shall require the Trustee to risk, expend, or advance its own funds or otherwise incur any financial liability hereunder. However, if the Trustee elects to advance funds it, shall be entitled to receive interest on any moneys advanced by it hereunder, at the maximum rate permitted by law.

(g) The Trustee may establish additional accounts or subaccounts of the funds established hereunder as the Trustee deems necessary or prudent in furtherance of its duties under this Indenture.

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

(i) Before taking any action under Article VIII or this Article at the request of the Owners or Insurer, the Trustee may require that a satisfactory indemnity bond be furnished by the Owners or Insurer for the reimbursement of all expenses to which it may put and to protect it against all liability, except liability which is adjudicated to have resulted form its negligence or willful misconduct in connection with any action so taken.

(j) The Trustee shall not be considered in breach of or in default in its obligations hereunder or progress in respect thereto in the event of enforced delay ("unavoidable delay") in the performance of such obligations due to unforeseeable causes beyond its control and without its fault or negligence, including, but not limited to, Acts of God or of the public enemy or terrorists, acts of a government, acts of the other party, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, earthquakes, explosion, mob violence, riot, inability to procure or general sabotage or rationing of labor, equipment, facilities, sources of energy, material or supplies in the open market, litigation or arbitration involving a party or others relating to zoning or other governmental action or inaction pertaining to the project, malicious mischief, condemnation, and unusually severe weather or delays of suppliers or subcontractors due to such causes or any similar event and/or occurrences beyond the control of the Trustee.

(k) The Trustee agrees to accept and act upon facsimile transmission of written instructions and/or directions pursuant to this Indenture provided, however, that: (i) subsequent to such facsimile transmission of written instructions and/or directions the Trustee shall forthwith receive the originally executed instructions and/or directions, (ii) such originally executed instructions and/or directions shall be signed by a person as may be designated and authorized to sign for the party signing such instructions and/or directions, and (iii) the Trustee shall have received a current incumbency certificate containing the specimen signature of such designated person.

Section 6.04. Right to Rely on Documents. The Trustee shall be protected in acting upon any notice, resolution, requisition, request, consent, order, certificate, report, opinion or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties. The Trustee may consult with counsel, including, without limitation, Bond Counsel or other counsel of or to the Successor Agency, 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 the Trustee hereunder in accordance therewith.

The Trustee shall not be bound to recognize any person as the Owner of a Bond unless and until such Bond is submitted for inspection, if required, and his title thereto is established to the satisfaction of the Trustee.

Whenever in the administration of the trusts imposed upon it by this Indenture the Trustee shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action hereunder, such matter (unless other evidence in respect thereof be herein specifically prescribed) may be deemed to be conclusively proved and established by a Written Certificate of the Successor Agency, which shall be full warrant to the Trustee for any action taken or suffered in good faith under the provisions of this Indenture in reliance upon such Certificate, but in its discretion the Trustee may (but shall have no duty to), in lieu thereof,

accept other evidence of such matter or may require such additional evidence as to it may deem reasonable. The Trustee may conclusively rely on any certificate or Report of any Independent Accountant or Independent Fiscal Consultant appointed by the Successor Agency.

Section 6.05. Preservation and Inspection of Documents. All documents received by the Trustee under the provisions of this Indenture shall be retained in its possession and shall be subject during normal business hours, and upon reasonable prior written notice, to the inspection of the Successor Agency and any Owner, and their agents and representatives duly authorized in writing.

Section 6.06. Compensation and Indemnification. The Successor Agency shall pay to the Trustee from time to time compensation for all services rendered under this Indenture and also all expenses, charges, legal and consulting fees and other disbursements and those of its attorneys (including any allocated costs of internal counsel), agents and employees, incurred in and about the performance of its powers and duties under this Indenture. The Trustee shall have a first lien on the Pledged Tax Revenues and all funds and accounts held by the Trustee hereunder to secure the payment to the Trustee of all fees, costs and expenses, including compensation to its experts, attorneys and counsel incurred in declaring such Event of Default and in exercising the rights and remedies set forth in Article VIII.

The Successor Agency further covenants and agrees to indemnify and save the Trustee and its officers, directors, agents affiliates and employees, harmless against any loss, expense, including legal fees and expenses, and liabilities which it may incur arising out of or in the exercise and performance of its powers and duties hereunder, including the costs and expenses of defending against any claim of liability and of enforcing any remedies hereunder and under any related documents, but excluding any and all losses, expenses and liabilities which are due to the negligence or willful misconduct of the Trustee, its officers, directors, agents affiliates or employees. The obligations of the Successor Agency under this Section 6.06 shall survive resignation or removal of the Trustee under this Indenture and payment of the Bonds and discharge of this Indenture.

Section 6.07. Accounting Records and Financial Statements. The Trustee shall at all times keep, or cause to be kept, proper books of record and account, prepared in accordance with corporate trust industry standards, in which complete and accurate entries shall be made of all transactions made by it relating to the proceeds of the Bonds and all funds and accounts established and held by the Trustee pursuant to this Indenture. Such books of record and account shall be available for inspection by the Successor Agency at reasonable hours, during regular business hours, with reasonable prior notice and under reasonable circumstances. The Trustee shall furnish to the Successor Agency, at least monthly, an accounting (which may be in the form of its customary statements) of all transactions relating to the proceeds of the Bonds and all funds and accounts held by the Trustee pursuant to this Indenture.

Section 6.08. Appointment of Co-Trustee or Agent. It is the purpose of this Indenture that there shall be no violation of any law of any jurisdiction (including particularly the law of the State) denying or restricting the right of banking associations to transact business as Trustee in such jurisdiction. It is recognized that in the case of litigation under this Indenture, and in particular in case of the enforcement of the rights of the Trustee on default, or in the case the Trustee deems that by reason of any present or future law of any jurisdiction it may not exercise any of the powers, rights or remedies herein granted to the Trustee or hold title to the properties, in trust, as herein granted, or take any other action which may be desirable or

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necessary in connection therewith, it may be necessary that the Trustee appoint an additional individual or institution as a separate co-Trustee. The following provisions of this Section 6.08 are adopted to these ends.

In the event that the Trustee appoints an additional individual or institution as a separate or co-Trustee, each and every remedy, power, right, claim, demand, cause of action, immunity, estate, title, interest and lien expressed or intended by this Indenture to be exercised by or vested in or conveyed to the Trustee with respect thereto shall be exercisable by and vest in such separate or co-Trustee but only to the extent necessary to enable such separate or co-Trustee to exercise such powers, rights and remedies, and every covenant and obligation necessary to the exercise thereof by such separate or co-Trustee shall run to and be enforceable by either of them, provided that in the event of any conflict, the Co-Trustee shall defer to the Trustee.

Should any instrument in writing from the Successor Agency be required by the separate Trustee or co-Trustee so appointed by the Trustee for more fully and certainly vesting in and confirming to it such properties, rights, powers, trusts, duties and obligations, any and all such instruments in writing shall, on request, be executed, acknowledged and delivered by the Successor Agency. In case any separate Trustee or co-Trustee, or a successor to either, shall become incapable of acting, resign or be removed, all the estates, properties, rights, powers, trusts, duties and obligations of such separate Trustee or co-Trustee, so far as permitted by law, shall vest in and be exercised by the Trustee until the appointment of a new Trustee or successor to such separate Trustee or co-Trustee.

The Trustee may perform any of its obligations or duties hereunder and under any related documents through agents or attorneys and shall not be responsible for the acts of any such agents or attorneys appointed by it with due care.

Section 6.09. No Liability for Agency Performance. The Trustee shall have no liability or obligation to the Bond Owners with respect to the payment of debt service by the Successor Agency or with respect to the observance or performance by the Successor Agency of the other conditions, covenants, and terms contained in this Indenture, or with respect to the investment of any moneys in any fund or account established, held, or maintained by the Successor Agency pursuant to this Indenture

ARTICLE VII

MODIFICATION OR AMENDMENT OF THIS INDENTURE

Section 7.01. Authorized Amendments. This Indenture and the rights and obligations of the Successor Agency and of the Owners may be modified or amended at any time by a Supplemental Indenture which shall become binding upon adoption, with the consent of the Insurer (except no consent is required with respect to subsection (c) below), but without the consent of any Owners, 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 Successor Agency contained in this Indenture, other covenants and agreements thereafter to be observed, or to limit or surrender any rights or power herein reserved to or conferred upon the Successor Agency provided such addition, limit, or surrender shall not materially adversely effect the interest of the Owners as determined by the Successor Agency and certified to the Trustee; or

(b) to make such provisions for the purpose of curing any ambiguity, or of curing, correcting or supplementing any defective provision contained in this Indenture, or in any other respect whatsoever as the Successor Agency may deem necessary or desirable, provided under any circumstances that such modifications or amendments shall not materially adversely affect the interests of the Owners; or

(c) to provide for the issuance of Parity Debt pursuant to Section 3.05, and to provide the terms and conditions under which such Parity Debt may be issued, including but not limited to the establishment of special funds and accounts relating thereto and any other provisions relating solely thereto, subject to and in accordance with the provisions of Section 3.05; or

(d) to amend any provision hereof to assure the exclusion from gross income of interest on the 2014 Series A Authority Bonds for federal income tax purposes, in the opinion of Bond Counsel filed with the Successor Agency and the Trustee; or

(e) to comply with the requirements of the provider of a Qualified Reserve Account Credit Instrument.

Except as set forth in the preceding paragraph, this Indenture and the rights and obligations of the Successor Agency and of the Owners may be modified or amended at any time by a Supplemental Indenture which shall become binding when the written consent of the Insurer and the written consents of the Owners of a majority of the principal amount of the Bonds then Outstanding are delivered to the Trustee. No such modification or amendment shall (a) extend the maturity of or reduce the interest rate on any Bond or otherwise alter or impair the obligation of the Successor Agency to pay the principal, interest or redemption premium (if any) at the time and place and at the rate and in the currency provided therein of any Bond without the express written consent of the Owner of such Bond, (b) reduce the percentage of Bonds required for the written consent to any such amendment or modification, or (c) without its written consent thereto, modify any of the rights or obligations of the Trustee.

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Promptly following the adoption of any Supplemental Indenture pursuant to the written consent of the Insurer, the Successor Agency shall deliver a copy of the executed Supplemental Indenture to S&P.

Section 7.02. Effect of Supplemental Indenture. From and after the time any Supplemental Indenture becomes effective pursuant to this Article VII, this Indenture shall be deemed to be modified and amended in accordance therewith, the respective rights, duties and obligations of the parties hereto or thereto and all Owners, as the case may be, shall thereafter be determined, exercised and enforced hereunder subject in all respects to such modification and amendment, and all the terms and conditions of any Supplemental Indenture shall be deemed to be part of the terms and conditions of this Indenture for any and all purposes.

Section 7.03. Endorsement or Replacement of Bonds After Amendment. After the effective date of any amendment or modification hereof pursuant to this Article VII, the Successor Agency may determine that any or all of the Bonds shall bear a notation, by endorsement in form approved by the Successor Agency, as to such amendment or modification and in that case upon demand of the Successor Agency the Owners of such Bonds shall present such Bonds for that purpose at the Office of the Trustee, and thereupon a suitable notation as to such action shall be made on such Bonds. In lieu of such notation, the Successor Agency may determine that new Bonds shall be prepared and executed in exchange for any or all of the Bonds and in that case upon demand of the Successor Agency the Owners of the Bonds shall present such Bonds for exchange at the Office of the Trustee without cost to such Owners.

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

Section 7.05. Trustee's Reliance. The Trustee may conclusively rely, and shall be protected in relying, upon an opinion of counsel stating that all requirements of this Indenture relating to the amendment or modification hereof have been satisfied and that such amendments or modifications do not materially adversely affect the interests of the Owners.

ARTICLE VIII

EVENTS OF DEFAULT AND REMEDIES

Section 8.01. Events of Default and Acceleration of Maturities. Each of the following events shall constitute an Event of Default hereunder:

(a) Failure to pay any installment of the principal of any Bonds when and as the same shall become due and payable, whether at maturity as therein expressed, by proceedings for redemption, by acceleration, or otherwise.

(b) Failure to pay any installment of interest on any Bonds when and as the same shall become due and payable.

(c) Failure by the Successor Agency to observe and perform any of the other covenants, agreements or conditions on its part in this Indenture or in the Bonds contained, if such failure shall have continued for a period of thirty (30) days after written notice thereof, specifying such failure and requiring the same to be remedied, shall have been given to the Successor Agency by the Trustee or the Insurer; *provided, however*, if in the reasonable opinion of the Successor Agency the failure stated in the notice can be corrected, but not within such thirty (30) day period, such failure shall not constitute an Event of Default if corrective action is instituted by the Successor Agency within such thirty (30) day period and the Successor Agency shall thereafter diligently and in good faith cure such failure in a reasonable period of time.

(d) The Successor Agency shall commence a voluntary case under Title 11 of the United States Code or any substitute or successor statute.

Subject in all respects to the provisions of Section 8.08, if an Event of Default has occurred and is continuing, the Trustee may, and if requested in writing by the Owners of a majority of the principal amount of the Bonds then Outstanding the Trustee shall, (a) declare the principal of the Bonds, together with the accrued interest thereon, to be due and payable immediately, and upon any such declaration the same shall become immediately due and payable, anything in this Indenture or in the Bonds to the contrary notwithstanding, and (b) upon receipt of indemnity satisfactory to it from any liability or expense, including payment of the fees and expenses of its counsel and agents, exercise any other remedies available to the Trustee and the Owners in law or at equity. The Trustee shall be entitled as a matter of right to the appointment of a receiver or receivers for the Pledged Tax Revenues, if appropriate, and for the revenues, income, product, and profits thereon, if any, *ex parte*, and without notice, and the Successor Agency consents to the appointment of such receiver upon the occurrence of an Event of Default. If any receivership, bankruptcy, insolvency, or reorganization or other judicial proceedings affecting the Successor Agency is filed, the Trustee shall be entitled to file such proofs of claims and other documents as may be necessary or advisable in order to have claims of the Trustee and Owners allowed in such proceedings for the entire amount due and payable under this Indenture at the time of the institution of such proceedings, and also for any additional amount which may become due and payable after such date, without prejudice to the right of any Owner to file a claim on his own behalf. The Trustee shall not be obligated to take any such action unless offered compensation, indemnity for its potential liability, and reimbursement for its legal fees and expenses in accordance with this Section.

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Promptly upon becoming aware of the occurrence of an Event of Default, the Trustee shall give notice of such Event of Default to the Successor Agency by telephone confirmed in writing. Such notice shall also state whether the principal of the Bonds shall have been declared to be or have immediately become due and payable. With respect to any Event of Default described in clauses (a) or (b) above the Trustee shall, and with respect to any Event of Default described in clause (c) above the Trustee in its sole discretion may, also give such notice to the Owners in the same manner as provided herein for notices of redemption of the Bonds, which shall include the statement that interest on the Bonds shall cease to accrue from and after the date, if any, on which the Trustee shall have declared the Bonds to become due and payable pursuant to the preceding paragraph (but only to the extent that principal and any accrued, but unpaid, interest on the Bonds is actually paid on such date).

This provision, however, is subject to the condition that if, at any time after the principal of the Bonds shall have been so declared due and payable, and before any judgment or decree for the payment of the moneys due shall have been obtained or entered, the Successor Agency shall deposit with the Trustee a sum sufficient to pay all principal on the Bonds matured prior to such declaration and all matured installments of interest (if any) upon all the Bonds, with interest on such overdue installments of principal and interest (to the extent permitted by law) at the weighted average interest rate then borne by the Outstanding Bonds, and the fees and expenses of the Trustee, including any fees and expenses of its attorneys, and any and all other defaults known to the Trustee (other than in the payment of principal of and interest on the Bonds due and payable solely by reason of such declaration) shall have been made good or cured to the satisfaction of the Trustee or provision deemed by the Trustee to be adequate shall have been made therefor, then, and in every such case, the Owners of a majority of the principal amount of the Bonds then Outstanding, by written notice to the Successor Agency and to the Trustee, may, on behalf of the Owners of all of the Bonds, rescind and annul such declaration and its consequences. However, no such rescission and annulment shall extend to or shall affect any subsequent default, or shall impair or exhaust any right or power consequent thereon.

Section 8.02. Application of Funds Upon Acceleration. All of the Pledged Tax Revenues and all sums in the funds and accounts established and held by the Trustee hereunder upon the date of the declaration of acceleration as provided in Section 8.01, and all sums thereafter received by the Trustee hereunder, shall be applied by the Trustee as follows and in the following order:

(a) To the payment of any fees, costs and expenses incurred by the Trustee to protect the interests of the Owners of the Bonds; payment of the fees, costs and expenses of the Trustee (including fees and expenses of its counsel, including any allocated costs of internal counsel) incurred in and about the performance of its powers and duties under this Indenture and the payment of all fees, costs and expenses owing to the Trustee pursuant to Section 6.06, together with interest on all such amounts advanced by the Trustee at the maximum rate permitted by law;

(b) To the payment of the whole amount then owing and unpaid upon the Bonds for interest and principal, with interest on such overdue amounts at the respective rates of interest borne by the Outstanding Bonds, and in case such moneys shall be insufficient to pay in full the whole amount so owing and unpaid upon the Bonds, then to the payment of such interest, principal and interest on overdue amounts without preference or priority among such interest, principal

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and interest on overdue amounts ratably to the aggregate of such interest, principal and interest on overdue amounts.

Section 8.03. Power of Trustee to Control Proceedings. In the event that the Trustee, upon the happening of an Event of Default, shall have taken any action, by judicial proceedings or otherwise, pursuant to its duties hereunder, whether upon its own discretion or upon the request of the Owners of a majority of the principal amount of the Bonds then Outstanding, it shall have full power, in the exercise of its discretion for the best interests of the Owners of the Bonds, with respect to the continuance, discontinuance, withdrawal, compromise, settlement or other disposal of such action; *provided, however,* that the Trustee shall not, unless there no longer continues an Event of Default, discontinue, withdraw, compromise or settle, or otherwise dispose of any litigation pending at law or in equity, if at the time there has been filed with it a written request signed by the Owners of a majority of the principal amount of the Bonds then Outstanding opposing such discontinuance, withdrawal, compromise, settlement or other disposal of such litigation accompanied, if requested by the Trustee, by indemnity or confirmation of indemnity as described in Section 8.01.

Section 8.04. Limitation on Owners' Right to Sue. No Owner of any Bond issued hereunder shall have the right to institute any suit, action or proceeding at law or in equity, for any remedy under or upon this Indenture, unless (a) such Owner shall have previously given to the Trustee written notice of the occurrence of an Event of Default; (b) the Owners of a majority of the principal amount of the Bonds then Outstanding shall have made written request upon the Trustee to exercise the powers hereinbefore granted or to institute such action, suit or proceeding in its own name; (c) said Owners shall have tendered to the Trustee indemnity reasonably acceptable to the Trustee against the costs, expenses and liabilities to be incurred in compliance with such request; and (d) the Trustee shall have refused or omitted to comply with such request for a period of sixty (60) days after such written request shall have been received by, and said tender of indemnity shall have been made to, the Trustee.

Such notification, request, tender of indemnity and refusal or omission are hereby declared, in every case, to be conditions precedent to the exercise by any Owner of any remedy hereunder; it being understood and intended that no one or more Owners shall have any right in any manner whatever by his or their action to enforce any right under this Indenture, except in the manner herein provided, and that all proceedings at law or in equity to enforce any provision of this Indenture shall be instituted, had and maintained in the manner herein provided and for the equal benefit of all Owners of the Outstanding Bonds.

The right of any Owner of any Bond to receive payment of the principal of and premium, if any, and interest on such Bond as herein provided, shall not be impaired or affected without the written consent of such Owner, notwithstanding the foregoing provisions of this Section or any other provision of this Indenture.

Section 8.05. Non-waiver. Nothing in this Article VIII or in any other provision of this Indenture or in the Bonds, shall affect or impair the obligation of the Successor Agency, which is absolute and unconditional, to pay from the Pledged Tax Revenues and other amounts pledged hereunder, the principal of and interest and redemption premium (if any) on the Bonds to the respective Owners when due and payable as herein provided, or affect or impair the right of action, which is also absolute and unconditional, of the Owners to institute suit to enforce such payment by virtue of the contract embodied in the Bonds.

A waiver of any default by any Owner shall not affect any subsequent default or impair any rights or remedies on the subsequent default. No delay or omission of any Owner or the Trustee to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or an acquiescence therein, and every power and remedy conferred upon the Trustee and Owners by the Redevelopment Law or by this Article VIII may be enforced and exercised from time to time and as often as shall be deemed expedient by the Owners and the Trustee.

If a suit, action or proceeding to enforce any right or exercise any remedy shall be abandoned or determined adversely to the Trustee, Agency, or Owners, the Successor Agency, Trustee, and the Owners shall be restored to their former positions, rights and remedies as if such suit, action or proceeding had not been brought or taken.

Section 8.06. Actions by Trustee as Attorney-in-Fact. Any suit, action or proceeding which any Owner shall have the right to bring to enforce any right or remedy hereunder may be brought by the Trustee for the equal benefit and protection of all Owners similarly situated and the Trustee is hereby appointed (and the successive respective Owners by taking and holding the Bonds shall be conclusively deemed so to have appointed it) the true and lawful attorney-in-fact of the respective Owners for the purpose of bringing any such suit, action or proceeding and to do and perform any and all acts and things for and on behalf of the respective Owners as a class or classes, as may be necessary or advisable in the opinion of the Trustee as such attorney-in-fact, subject to the provisions of Article VI.

Section 8.07. Remedies Not Exclusive. No remedy herein conferred upon or reserved to the Trustee or Owners is intended to be exclusive of any other remedy. Every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing, at law or in equity or by statute or otherwise, and may be exercised without exhausting and without regard to any other remedy conferred by the Redevelopment Law or any other law.

Section 8.08. Rights of the Insurer. Anything in this Indenture to the contrary notwithstanding, upon the occurrence and continuation of an Event of Default, the Insurer shall be entitled to control and direct the enforcement of all rights and remedies (including the right to require a declaration of acceleration) granted hereunder to the Bond Owners, or to the Trustee for the benefit of the Bond Owners, including but not limited to rights and remedies granted pursuant to Section 8.01 and including but not limited to the right to approve all waivers of any Events of Default. The rights granted to the Insurer under this Indenture shall be deemed terminated and shall not be exercisable by the Insurer during any period during which the Insurer shall be in default under the Insurance Policy.

ARTICLE IX

MISCELLANEOUS

Section 9.01. Benefits Limited to Parties. Nothing in this Indenture, expressed or implied, is intended to give to any person other than the Successor Agency, the Trustee and the Owners, any right, remedy, claim under or by reason of this Indenture. Any covenants, stipulations, promises or agreements in this Indenture contained by and on behalf of the Successor Agency shall be for the sole and exclusive benefit of the Trustee and the Owners.

Section 9.02. Successor is Deemed Included in All References to Predecessor. Whenever in this Indenture or any Supplemental Indenture either the Successor Agency or the Trustee 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 Indenture contained by or on behalf of the Successor Agency or the Trustee shall bind and inure to the benefit of the respective successors and assigns thereof whether so expressed or not.

Section 9.03. Defeasance of Bonds.

(a) If the Successor Agency shall pay and discharge the entire indebtedness on any Bonds in any one or more of the following ways:

(i) by paying or causing to be paid the principal of and interest on such Bonds, as and when the same become due and payable;

(ii) by irrevocably depositing with the Trustee or another fiduciary, in trust, at or before maturity, an amount of cash which, together with the available amounts then on deposit in the funds and accounts established pursuant to this Indenture, in the opinion or report of an Independent Accountant is fully sufficient to pay such Bonds, including all principal, interest and redemption premium, if any;

(iii) by irrevocably depositing with the Trustee or another fiduciary, in trust, non-callable Defeasance Obligations in such amount as an Independent Accountant shall determine will, together with the interest to accrue thereon and available moneys then on deposit in any of the funds and accounts established pursuant to this Indenture, be fully sufficient to pay and discharge the indebtedness on such Bonds (including all principal, interest and redemption premium, if any) at or before maturity; or

(iv) by purchasing such Bonds prior to maturity and tendering such Bonds to the Trustee for cancellation;

and if such Bonds are to be redeemed prior to the maturity thereof notice of such redemption shall have been duly given or provision satisfactory to the Trustee shall have been made for the giving of such notice, then, at the election of the Successor Agency, and notwithstanding that any such Bonds shall not have been surrendered for payment, the pledge of the Pledged Tax Revenues and other funds provided for in this Indenture and all other obligations of the Trustee and the Successor Agency under this Indenture with respect to such Bonds shall cease and terminate, except only (A) the obligations of the Successor Agency under Section 5.11, (B) the obligation of the Trustee to transfer and exchange Bonds hereunder, (C) the obligation of the

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Successor Agency to pay or cause to be paid to the Owners of such Bonds, from the amounts so deposited with the Trustee, all sums due thereon, and (d) the obligations of the Successor Agency to compensate and indemnify the Trustee pursuant to Section 6.06. Notice of such election shall be filed with the Trustee. In the event the Successor Agency shall, pursuant to the foregoing provisions, pay and discharge any portion or all of the Bonds then Outstanding, the Trustee shall be authorized to take such actions and execute and deliver to the Successor Agency all such instruments as may be necessary or desirable to evidence such discharge, including without limitation, selection by lot of Bonds of any maturity of the Bonds that the Successor Agency has determined to pay and discharge in part. Any funds thereafter held by the Trustee, which are not required for said purpose, shall be paid over to the Successor Agency.

(b) Notwithstanding the foregoing provisions of this Section 9.03, in the event that the principal, interest and premium (if any) on the Bonds shall be paid by the Insurer pursuant to the Insurance Policy, the obligations of the Trustee and the Successor Agency shall continue in full force and effect and the Insurer shall be fully subrogated to the rights of all Owners of the Bonds so paid.

(c) In the event that any portion or all of the Bonds are to be paid and discharged pursuant to Section 9.03(a)(iii), the Insurer shall be notified and provided with a draft copy of any proposed escrow agreement establishing the trust, the form of the Independent Certified Public Accountant's Certificate, the Preliminary Official Statement of the refunding issue (if applicable) and the form of approving opinion of bond counsel. These materials shall be delivered to the Insurer by the Successor Agency no less than five (5) Business Days prior to the scheduled payment and discharge. Substitution of securities held in trust in the escrow shall not be permitted.

Section 9.04. Execution of Documents and Proof of Ownership by Owners. Any request, declaration or other instrument which this Indenture may require or permit to be executed by any Owner may be in one or more instruments of similar tenor, and shall be executed by such Owner 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, 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.

The ownership of Bonds and the amount, maturity, number and date of ownership thereof shall be proved by the Registration Books.

Any request, 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 Successor Agency or the Trustee in good faith and in accordance therewith.

Section 9.05. Disqualified Bonds. In determining whether the Owners of the requisite aggregate principal amount of Bonds have concurred in any demand, request, direction, consent or waiver under this Indenture, Bonds which are owned or held by or for the account of the Successor Agency (but excluding Bonds held in any employees' retirement fund) shall be

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disregarded and deemed not to be Outstanding for the purpose of any such determination, provided however that the Trustee shall not be deemed to have knowledge that any Bond is owned or held by or for the account of the Successor Agency unless the Successor Agency is the registered Owner or the Trustee has received written notice that any other registered Owner is the owner or is holding for the account of the Successor Agency.

Section 9.06. Waiver of Personal Liability. No member, officer, agent or employee of the Successor Agency 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 9.07. Destruction of Canceled Bonds. Whenever in this Indenture provision is made for the surrender to the Successor Agency of any Bonds which have been paid or canceled pursuant to the provisions of this Indenture, upon receipt by the Trustee of the Request of the Successor Agency a certificate of destruction duly executed by the Trustee shall be deemed to be the equivalent of the surrender of such canceled Bonds and the Successor Agency shall be entitled to rely upon any statement of fact contained in any certificate with respect to the destruction of any such Bonds therein referred to.

Section 9.08. Notices. All written notices to be given under this Indenture shall be given by first class mail or personal delivery to the party entitled thereto at its address set forth below, or at such address as the party may provide to the other party in writing from time to time. Notice shall be effective either (a) upon transmission by facsimile transmission or other form of telecommunication, with prompt written confirmation by mail, (b) 48 hours after deposit in the United States mail, postage prepaid, or (c) in any other case, upon actual receipt. The Successor Agency or the Trustee may, by written notice to the other parties, from time to time modify the address or number to which communications are to be given hereunder.

If to the Successor Agency:	Successor Agency to the Indian Wells Redevelopment Agency 44-950 El Dorado Drive Indian Wells, CA 92210 Attention: Executive Director Fax: (760) 346-0407
If to the Trustee:	Union Bank, N.A. 120 South San Pedro Street, Suite 400 Los Angeles, California 90012 Attention: Corporate Trust Division Fax: (213) 972-5694
If to the Insurer:	

So long as the Insurance Policy remains in effect, the Trustee shall furnish to the Insurer, by registered or certified mail or by facsimile or electronic transmission, a copy of any notice required to be given hereunder to the Bond Owners.

Section 9.09. Partial Invalidity. If any Section, paragraph, sentence, clause or phrase of this Indenture shall for any reason be held illegal, invalid or unenforceable, such holding shall not affect the validity of the remaining portions of this Indenture. The Successor Agency and

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the Trustee hereby declare that they would have entered into this Indenture 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 Indenture may be held illegal, invalid or unenforceable.

Section 9.10. Unclaimed Moneys. Anything contained herein to the contrary notwithstanding, any money held by the Trustee in trust for the payment and discharge of the interest or premium (if any) on or principal of the Bonds which remains unclaimed for two (2) years after the date when the payments of such interest, premium and principal have become payable, if such money was held by the Trustee at such date, or for two (2) years after the date of deposit of such money if deposited with the Trustee after the date when the interest and premium (if any) on and principal of such Bonds have become payable, shall be repaid by the Trustee to the Successor Agency as its absolute property free from trust, and the Trustee shall thereupon be released and discharged with respect thereto and the Owners shall look only to the Successor Agency for the payment of the principal of and interest and redemption premium (if any) on such Bonds.

Section 9.11. Payment on Non-Business Days. In the event any payment is required to be made hereunder on a day which is not a Business Day, such payment shall be made on the next succeeding Business Day.

Section 9.12. Miscellaneous Rights of the Insurer. For so long as the Insurance Policy is outstanding, notwithstanding anything to the contrary set forth in this Indenture, the Successor Agency agrees as follows:

[to come]

Section 9.13. Execution in Counterparts. This Indenture may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 9.14. Governing Law. This Indenture shall be construed and governed in accordance with the laws of the State.

IN WITNESS WHEREOF, the SUCCESSOR AGENCY TO THE INDIAN WELLS REDEVELOPMENT AGENCY has caused this Indenture to be signed in its name by its Executive Director and attested to by its Secretary, and UNION BANK, N.A., in token of its acceptance of the trusts created hereunder, has caused this Indenture to be signed in its corporate name by its officer thereunto duly authorized, all as of the day and year first above written.

SUCCESSOR AGENCY TO THE INDIAN WELLS REDEVELOPMENT AGENCY

By _____
Executive Director

ATTEST:

_____
Secretary

UNION BANK, N.A.,
as Trustee

By _____
Authorized Officer

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EXHIBIT A

FORM OF SERIES 2014A BOND

Notwithstanding anything in this Indenture to the contrary, so long as Union Bank, N.A., as trustee under the Authority Bonds Indenture (as defined in the hereinafter mentioned Indenture), or any successor trustee thereunder, is the registered owner of all of the Bonds and the Authority is the beneficial owner of all of the Bonds, the aggregate principal amount of the Bonds shall be represented by a single form of Bond and payments of principal of and interest on the Bonds shall be made to the Trustee in accordance with Schedule A attached hereto.

No. _____ $_____

UNITED STATES OF AMERICA
STATE OF CALIFORNIA

SUCCESSOR AGENCY TO THE
INDIAN WELLS REDEVELOPMENT AGENCY
CONSOLIDATED WHITEWATER REDEVELOPMENT PROJECT AREA
SUBORDINATED TAX ALLOCATION REFUNDING, SERIES 2014A

RATE OF INTEREST:	MATURITY DATE:	ORIGINAL ISSUE DATE: [Closing Date]	[CUSIP:]

REGISTERED OWNER:

PRINCIPAL AMOUNT: DOLLARS

The SUCCESOR AGENCY TO THE INDIAN WELLS REDEVELOPMENT AGENCY, a public entity duly existing under the laws of the State of California (the "Agency"), for value received, hereby promises to pay (but only out of the Pledged Tax Revenues and other moneys and securities hereinafter referred to) to the Registered Owner identified above or registered assigns (the "Registered Owner"), on the Maturity Date identified above, the Principal Amount identified above in lawful money of the United States of America; and to pay interest thereon at the Rate of Interest identified above in like lawful money from the date hereof, which date shall be the Interest Payment Date (as hereinafter defined) next preceding the date of authentication of this Bond (unless this Bond is authenticated on or before an Interest Payment Date and after the fifteenth calendar day of the month preceding such Interest Payment Date (a "Record Date"), in which event it shall bear interest from such Interest Payment Date, or unless this Bond is authenticated on or prior to August 15, 2014, in which event it shall bear interest from the Original Issue Date identified above; *provided, however,* that if, at the time of authentication of this Bond, interest is in default on this Bond, this Bond shall bear interest from the Interest

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Payment Date to which interest hereon has previously been paid or made available for payment), payable semiannually on March 1 and September 1 in each year, commencing September 1, 2014 (the "Interest Payment Dates"), until payment of such Principal Amount in full. The Principal Amount hereof is payable upon presentation hereof at the principal corporate trust office of Union Bank, N.A., as trustee (the "Trustee"), in Los Angeles, California or such other location as the trustee may designate. Interest hereon is payable by check of the Trustee mailed by first class mail on each Interest Payment Date to the Registered Owner hereof at the address of such Registered Owner as it appears on the registration books of the Trustee as of the preceding Record Date; provided that at the written request of the owner of at least $1,000,000 aggregate principal amount of Bonds, which written request is on file with the Trustee prior to any Record Date, interest on such Bonds shall be paid on the succeeding Interest Payment Date by wire transfer to an account of a financial institution within the United States of America as shall be specified in such written request.

This Bond is one of a duly authorized issue of bonds of the Successor Agency designated as the "Successor Agency to the Indian Wells Redevelopment Agency Consolidated Whitewater Redevelopment Project Area Subordinated Tax Allocation Refunding, Series 2014A" (the "Bonds") of an aggregate principal amount of _____ Dollars ($_____) all of like tenor and date (except for such variation, if any, as may be required to designate varying numbers, maturities, interest rates or redemption provisions) and all issued pursuant to the provisions of the Article 11 (commencing with Section 53580) of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code of the State (the "Refunding Law") and the Community Redevelopment Law, constituting Part 1 of Division 24 of the California Health and Safety Code (the "Redevelopment Law"), and pursuant to an Indenture of Trust, dated as of March 1, 2014, by and between the Successor Agency and the Trustee (the "Indenture"). Simultaneously with the issuance of the Bonds, the Successor Agency is also issuing its Successor Agency to the Indian Wells Redevelopment Agency Consolidated Whitewater Redevelopment Project Area Subordinated Taxable Tax Allocation Refunding, Series 2014A-T, which are payable on a parity with the Bonds. The Successor Agency may issue or incur additional obligations on a parity with the Bonds, but only subject to the terms of the Indenture. Reference is hereby made to the Indenture (copies of which are on file at the office of the Successor Agency) and all supplements thereto and to the Refunding Law and the Redevelopment Law for a description of the terms on which the Bonds are issued, the provisions with regard to the nature and extent of the Pledged Tax Revenues, as that term is defined in the Indenture, and the rights thereunder of the owners of the Bonds and the rights, duties and immunities of the Trustee and the rights and obligations of the Successor Agency thereunder, to all of the provisions of which the Registered Owner of this Bond, by acceptance hereof, assents and agrees.

The Bonds have been issued by the Successor Agency to finance and refinance redevelopment activities of the Successor Agency. This Bond and the interest hereon and all other parity obligations and the interest thereon (to the extent set forth in the Indenture) are payable from, and are secured by a charge and lien on the Pledged Tax Revenues derived by the Successor Agency from the Consolidated Whitewater Redevelopment Project Area in the City of Indian Wells (the "Project Area"), a duly designated redevelopment project under the laws of the State of California, under and in accordance with the Indenture. As and to the extent set forth in the Indenture, all of the Pledged Tax Revenues are exclusively and irrevocably pledged in accordance with the terms hereof and the provisions of the Indenture and the Redevelopment Law, to the payment of the principal of and interest and premium (if any) on the Bonds and any such parity obligations. The Bonds and any such parity obligations are secured by a pledge on, security interest in and lien on the Pledged Tax Revenues which is subordinate

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to or on a parity with the pledge, security interest and lien on the Pledged Tax Revenues in favor of certain outstanding obligations of the Successor Agency, as provided in the Indenture. Notwithstanding the foregoing, certain amounts out of Pledged Tax Revenues may be applied for other purposes as provided in the Indenture.

This Bond is not a debt of the County of Riverside, the State of California, or any of its political subdivisions, other than the Successor Agency, and neither said County, said State, nor any of its political subdivisions, is liable hereon nor in any event shall this Bond be payable out of any funds or properties other than the Pledged Tax Revenues.

The rights and obligations of the Successor Agency and the owners of the Bonds may be modified or amended at any time in the manner, to the extent and upon the terms provided in the Indenture, but no such modification or amendment shall permit a change in the terms of redemption or maturity of the principal of any outstanding Bond or of any installment of interest thereon or a reduction in the principal amount or the redemption price thereof or in the rate of interest thereon without the consent of the owner of such Bond, or shall reduce the percentages of the Bond owners required to effect any such modification or amendment.

The Bonds maturing are not subject to optional redemption prior to maturity.

The Bonds maturing on September 1, 20__, are subject to mandatory sinking account redemption in part by lot, on September 1 in each of the years as set forth in the following tables, at a redemption price equal to the principal amount thereof to be redeemed together with accrued interest thereon to the redemption date, without premium; *provided, however,* that if some but not all of such Bonds have been optionally redeemed pursuant to the preceding paragraph, the total amount of all Bonds to be redeemed thereafter from mandatory sinking account payments shall be reduced on a pro rata basis in integral multiples of $5,000.

Term Bonds Maturing September 1, 20__

Sinking Account Redemption Date (September 1)	Principal Amount To be Redeemed or Purchased
(maturity)	

As provided in the Indenture, notice of redemption shall be mailed by the Trustee by first class mail not less than thirty (30) nor more than sixty (60) days prior to the redemption date to the respective owners of any Bonds designated for redemption at their addresses appearing on the Bond registration books of the Trustee, but neither failure to receive such notice nor any defect in the notice so mailed shall affect the sufficiency of the proceedings for redemption.

The Successor Agency has the right to rescind any optional redemption by written notice to the Trustee on or prior to the date fixed for redemption. Any such notice of optional redemption shall be canceled 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 under the Indenture. The Successor Agency and the Trustee shall have no liability to the Owners or any other party

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related to or arising from such rescission of redemption. The Trustee shall mail notice of such rescission of redemption in the same manner as the original notice of redemption was sent.

If this Bond is called for redemption and payment is duly provided therefor as specified in the Indenture, interest shall cease to accrue hereon from and after the date fixed for redemption.

In lieu of redemption of Bonds amounts on deposit in the Debt Service Fund (as defined in the Indenture) may be withdrawn and used at the direction of the Successor Agency at any time to purchase such Bonds at public or private sale at such prices (including brokerage and other charges and including accrued interest) as the Successor Agency may in its discretion determine. The par amount of any such Bonds so purchased by the Successor Agency in any twelve-month period ending on July 1 will be credited toward, and will reduce the par amount of, Bonds required to be redeemed pursuant to the Indenture on the next succeeding September 1 of such year.

If an Event of Default, as defined in the Indenture, shall occur, the principal of all outstanding Bonds may be declared due and payable upon the conditions, in the manner and with the effect provided in the Indenture, but such declaration and its consequences may be rescinded and annulled as further provided in the Indenture.

This Bond is transferable by the Registered Owner hereof, in person or by his attorney duly authorized in writing, at said corporate trust office of the Trustee in Los Angeles, California or such other place as designated by the Trustee, but only in the manner, subject to the limitations and upon payment of the charges provided in the Indenture, and upon surrender and cancellation of this Bond. Upon registration of such transfer a new Bond or Bonds, of authorized denomination or denominations, for the same aggregate principal amount and of the same maturity will be issued to the transferee in exchange herefor.

The Successor Agency and the Trustee may treat the Registered Owner hereof as the absolute owner hereof for all purposes, and the Successor Agency and the Trustee shall not be affected by any notice to the contrary.

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

This Bond shall not be entitled to any benefit under the Indenture or become valid or obligatory for any purpose until the Trustee's Certificate of Authentication hereon endorsed shall have been manually signed by the Trustee.

IN WITNESS WHEREOF, the SUCCESOR AGENCY TO THE INDIAN WELLS REDEVELOPMENT AGENCY has caused this Bond to be executed in its name and on its behalf with the facsimile signature of its _____ and attested to by the facsimile signature of its Secretary, all as of the Original Issue Date specified above.

SUCCESOR AGENCY TO THE INDIAN WELLS REDEVELOPMENT AGENCY

By: _____

_____

ATTEST:

By: _____
Secretary

TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This is one of the Bonds described in the within-mentioned Indenture.

Dated: _____

UNION BANK, N.A., *as Trustee*

By: _____
Authorized Signatory

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ASSIGNMENT

For value received the undersigned do(es) hereby sell, assign and transfer unto

_____

_____

_____

(Name, Address and Tax Identification or Social Security Number of Assignee)

the within Bond and do(es) hereby irrevocably constitute and appoint

_____attorney,
to transfer the same on the books of the Trustee, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

_____ _____

NOTICE: Signature guarantee shall be made by a guarantor institution participating in the Securities Transfer Agents Medallion Program or in such other guarantee program acceptable to the Trustee.

NOTICE: 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.

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SCHEDULE A

SINGLE FORM OF BOND

SCHEDULE OF PAYMENTS OF PRINCIPAL AND INTEREST

The following payments of principal and interest shall be made not later than the applicable payment dates set forth below to Union Bank, N.A., as trustee under the Authority Bonds Indenture (as defined in the Indenture).

Payment Date	Principal	Interest	Debt Service

Payment Date	Principal	Interest	Debt Service

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EXHIBIT B

FORM OF TAXABLE SERIES 2014A-T BOND

Notwithstanding anything in this Indenture to the contrary, so long as Union Bank, N.A., as trustee under the Authority Bonds Indenture (as defined in the hereinafter mentioned Indenture), or any successor trustee thereunder, is the registered owner of all of the Bonds and the Authority is the beneficial owner of all of the Bonds, the aggregate principal amount of the Bonds shall be represented by a single form of Bond and payments of principal of and interest on the Bonds shall be made to the Trustee in accordance with Schedule A attached hereto.

No. _____ $_____

UNITED STATES OF AMERICA
STATE OF CALIFORNIA

SUCCESSOR AGENCY TO THE
INDIAN WELLS REDEVELOPMENT AGENCY
CONSOLIDATED WHITEWATER REDEVELOPMENT PROJECT AREA
SUBORDINATED TAXABLE TAX ALLOCATION REFUNDING, SERIES 2014A-T

RATE OF INTEREST:	MATURITY DATE:	ORIGINAL ISSUE DATE: [Closing Date]	[CUSIP:]

REGISTERED OWNER:

PRINCIPAL AMOUNT: DOLLARS

The SUCCESOR AGENCY TO THE INDIAN WELLS REDEVELOPMENT AGENCY, a public entity duly existing under the laws of the State of California (the "Agency"), for value received, hereby promises to pay (but only out of the Pledged Tax Revenues and other moneys and securities hereinafter referred to) to the Registered Owner identified above or registered assigns (the "Registered Owner"), on the Maturity Date identified above, the Principal Amount identified above in lawful money of the United States of America; and to pay interest thereon at the Rate of Interest identified above in like lawful money from the date hereof, which date shall be the Interest Payment Date (as hereinafter defined) next preceding the date of authentication of this Bond (unless this Bond is authenticated on or before an Interest Payment Date and after the fifteenth calendar day of the month preceding such Interest Payment Date (a "Record Date"), in which event it shall bear interest from such Interest Payment Date, or unless this Bond is authenticated on or prior to August 15, 2014, in which event it shall bear interest from the Original Issue Date identified above; *provided, however,* that if, at the time of authentication of this Bond, interest is in default on this Bond, this Bond shall bear interest from the Interest

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Payment Date to which interest hereon has previously been paid or made available for payment), payable semiannually on March 1 and September 1 in each year, commencing September 1, 2014 (the "Interest Payment Dates"), until payment of such Principal Amount in full. The Principal Amount hereof is payable upon presentation hereof at the principal corporate trust office of Union Bank, N.A., as trustee (the "Trustee"), in Los Angeles, California or such other location as the trustee may designate. Interest hereon is payable by check of the Trustee mailed by first class mail on each Interest Payment Date to the Registered Owner hereof at the address of such Registered Owner as it appears on the registration books of the Trustee as of the preceding Record Date; provided that at the written request of the owner of at least $1,000,000 aggregate principal amount of Bonds, which written request is on file with the Trustee prior to any Record Date, interest on such Bonds shall be paid on the succeeding Interest Payment Date by wire transfer to an account of a financial institution within the United States of America as shall be specified in such written request.

This Bond is one of a duly authorized issue of bonds of the Successor Agency designated as the "Successor Agency to the Indian Wells Redevelopment Agency Consolidated Whitewater Redevelopment Project Area Subordinated Taxable Tax Allocation Refunding, Series 2014A-T" (the "Bonds") of an aggregate principal amount of _____ Dollars ($_____) all of like tenor and date (except for such variation, if any, as may be required to designate varying numbers, maturities, interest rates or redemption provisions) and all issued pursuant to the provisions of the Article 11 (commencing with Section 53580) of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code of the State (the "Refunding Law") and the Community Redevelopment Law, constituting Part 1 of Division 24 of the California Health and Safety Code (the "Redevelopment Law"), and pursuant to an Indenture of Trust, dated as of March 1, 2014, by and between the Successor Agency and the Trustee (the "Indenture"). Simultaneously with the issuance of the Bonds, the Successor Agency is also issuing its Successor Agency to the Indian Wells Redevelopment Agency Consolidated Whitewater Redevelopment Project Area Subordinated Tax Allocation Refunding, Series 2014A, which are payable on a parity with the Bonds. The Successor Agency may issue or incur additional obligations on a parity with the Bonds, but only subject to the terms of the Indenture. Reference is hereby made to the Indenture (copies of which are on file at the office of the Successor Agency) and all supplements thereto and to the Refunding Law and the Redevelopment Law for a description of the terms on which the Bonds are issued, the provisions with regard to the nature and extent of the Pledged Tax Revenues, as that term is defined in the Indenture, and the rights thereunder of the owners of the Bonds and the rights, duties and immunities of the Trustee and the rights and obligations of the Successor Agency thereunder, to all of the provisions of which the Registered Owner of this Bond, by acceptance hereof, assents and agrees.

The Bonds have been issued by the Successor Agency to finance and refinance redevelopment activities of the Successor Agency. This Bond and the interest hereon and all other parity obligations and the interest thereon (to the extent set forth in the Indenture) are payable from, and are secured by a charge and lien on the Pledged Tax Revenues derived by the Successor Agency from the Consolidated Whitewater Redevelopment Project Area in the City of Indian Wells (the "Project Area"), a duly designated redevelopment project under the laws of the State of California, under and in accordance with the Indenture. As and to the extent set forth in the Indenture, all of the Pledged Tax Revenues are exclusively and irrevocably pledged in accordance with the terms hereof and the provisions of the Indenture and the Redevelopment Law, to the payment of the principal of and interest and premium (if any) on the Bonds and any such parity obligations. The Bonds and any such parity obligations are secured by a pledge on, security interest in and lien on the Pledged Tax Revenues which is subordinate

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to or on a parity with the pledge, security interest and lien on the Pledged Tax Revenues in favor of certain outstanding obligations of the Successor Agency, as provided in the Indenture. Notwithstanding the foregoing, certain amounts out of Pledged Tax Revenues may be applied for other purposes as provided in the Indenture.

This Bond is not a debt of the County of Riverside, the State of California, or any of its political subdivisions, other than the Successor Agency, and neither said County, said State, nor any of its political subdivisions, is liable hereon nor in any event shall this Bond be payable out of any funds or properties other than the Pledged Tax Revenues.

The rights and obligations of the Successor Agency and the owners of the Bonds may be modified or amended at any time in the manner, to the extent and upon the terms provided in the Indenture, but no such modification or amendment shall permit a change in the terms of redemption or maturity of the principal of any outstanding Bond or of any installment of interest thereon or a reduction in the principal amount or the redemption price thereof or in the rate of interest thereon without the consent of the owner of such Bond, or shall reduce the percentages of the Bond owners required to effect any such modification or amendment.

[Insert call provisions, if any]

The Bonds maturing on September 1, 20__, are subject to mandatory sinking account redemption in part by lot, on September 1 in each of the years as set forth in the following tables, at a redemption price equal to the principal amount thereof to be redeemed together with accrued interest thereon to the redemption date, without premium; *provided, however,* that if some but not all of such Bonds have been optionally redeemed pursuant to the preceding paragraph, the total amount of all Bonds to be redeemed thereafter from mandatory sinking account payments shall be reduced on a pro rata basis in integral multiples of $5,000.

Term Bonds Maturing September 1, 20__

Sinking Account Redemption Date (September 1)	Principal Amount To be Redeemed or Purchased
(maturity)	

As provided in the Indenture, notice of redemption shall be mailed by the Trustee by first class mail not less than thirty (30) nor more than sixty (60) days prior to the redemption date to the respective owners of any Bonds designated for redemption at their addresses appearing on the Bond registration books of the Trustee, but neither failure to receive such notice nor any defect in the notice so mailed shall affect the sufficiency of the proceedings for redemption.

The Successor Agency has the right to rescind any optional redemption by written notice to the Trustee on or prior to the date fixed for redemption. Any such notice of optional redemption shall be canceled 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 under the Indenture. The Successor Agency and the Trustee shall have no liability to the Owners or any other party

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related to or arising from such rescission of redemption. The Trustee shall mail notice of such rescission of redemption in the same manner as the original notice of redemption was sent.

If this Bond is called for redemption and payment is duly provided therefor as specified in the Indenture, interest shall cease to accrue hereon from and after the date fixed for redemption.

In lieu of redemption of Bonds amounts on deposit in the Debt Service Fund (as defined in the Indenture) may be withdrawn and used at the direction of the Successor Agency at any time to purchase such Bonds at public or private sale at such prices (including brokerage and other charges and including accrued interest) as the Successor Agency may in its discretion determine. The par amount of any such Bonds so purchased by the Successor Agency in any twelve-month period ending on July 1 will be credited toward, and will reduce the par amount of, Bonds required to be redeemed pursuant to the Indenture on the next succeeding September 1 of such year.

If an Event of Default, as defined in the Indenture, shall occur, the principal of all outstanding Bonds may be declared due and payable upon the conditions, in the manner and with the effect provided in the Indenture, but such declaration and its consequences may be rescinded and annulled as further provided in the Indenture.

This Bond is transferable by the Registered Owner hereof, in person or by his attorney duly authorized in writing, at said corporate trust office of the Trustee in Los Angeles, California or such other place as designated by the Trustee, but only in the manner, subject to the limitations and upon payment of the charges provided in the Indenture, and upon surrender and cancellation of this Bond. Upon registration of such transfer a new Bond or Bonds, of authorized denomination or denominations, for the same aggregate principal amount and of the same maturity will be issued to the transferee in exchange herefor.

The Successor Agency and the Trustee may treat the Registered Owner hereof as the absolute owner hereof for all purposes, and the Successor Agency and the Trustee shall not be affected by any notice to the contrary.

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

This Bond shall not be entitled to any benefit under the Indenture or become valid or obligatory for any purpose until the Trustee's Certificate of Authentication hereon endorsed shall have been manually signed by the Trustee.

IN WITNESS WHEREOF, the SUCCESOR AGENCY TO THE INDIAN WELLS REDEVELOPMENT AGENCY has caused this Bond to be executed in its name and on its behalf with the facsimile signature of its _____ and attested to by the facsimile signature of its Secretary, all as of the Original Issue Date specified above.

SUCCESOR AGENCY TO THE INDIAN WELLS REDEVELOPMENT AGENCY

By: _____

_____

ATTEST:

By: _____
Secretary

TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This is one of the Bonds described in the within-mentioned Indenture.

Dated: _____

UNION BANK, N.A., *as Trustee*

By: _____
Authorized Signatory

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ASSIGNMENT

For value received the undersigned do(es) hereby sell, assign and transfer unto

_____

_____

_____

(Name, Address and Tax Identification or Social Security Number of Assignee)

the within Bond and do(es) hereby irrevocably constitute and appoint

_____attorney,
to transfer the same on the books of the Trustee, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

_____ _____

NOTICE: Signature guarantee shall be made by a guarantor institution participating in the Securities Transfer Agents Medallion Program or in such other guarantee program acceptable to the Trustee.

NOTICE: 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.

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SCHEDULE A

SINGLE FORM OF BOND

SCHEDULE OF PAYMENTS OF PRINCIPAL AND INTEREST

The following payments of principal and interest shall be made not later than the applicable payment dates set forth below to Union Bank, N.A., as trustee under the Authority Bonds Indenture (as defined in the Indenture).

Payment Date	Principal	Interest	Debt Service

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Payment Date	Principal	Interest	Debt Service

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IRREVOCABLE REFUNDING INSTRUCTIONS

These IRREVOCABLE REFUNDING INSTRUCTIONS (these "Instructions"), dated March __, 2014, are given by the SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF INDIAN WELLS, a public entity existing under the laws of the State of California (the "Successor Agency"), as successor agency of the REDEVELOPMENT AGENCY OF THE CITY OF INDIAN WELLS (the "Former Agency"), to UNION BANK, N.A., a national banking association organized and existing under the laws of the United States of America, acting as fiscal agent (the "Fiscal Agent") for the hereinafter defined Series 2003A Bonds;

WITNESSETH:

WHEREAS, the Former Agency has previously issued its Consolidated Whitewater Project Area Tax Allocation Bonds, Series 2003A (the "Series 2003A Bonds") for the purpose of financing and refinancing redevelopment activities with respect to the Redevelopment Project (as defined in the hereinafter mentioned Fiscal Agent Agreement), pursuant to a Fiscal Agent Agreement, dated as of September 1, 1992, between the former Agency and Bank of America National Trust and Savings Association, as succeeded by the Fiscal Agent (as amended through the date hereof, the "Fiscal Agent Agreement"); and

WHEREAS, by implementation of California Assembly Bill X1 26, which amended provisions of the California Redevelopment Law, (found at Health and Safety Code Section 33000, et.seq.) and the California Supreme Court's decision in California Redevelopment Association v. Matosantos, the Former Agency was dissolved on February 1, 2012 in accordance with California Assembly Bill X1 26 approved by the Governor of the State of California on June 28, 2011 ("AB 26"), and on February 1, 2012, the Successor Agency, in accordance with and pursuant to AB 26, assumed the duties and obligations set forth in AB 26 for the Former Agency, including, without limitation, the obligations of the Former Agency under the Fiscal Agent Agreement and related documents to which the Former Agency was a party; and

WHEREAS, the Successor Agency has determined that it is in the best financial interests of the Successor Agency to refund, at this time, the Series 2003A Bonds; and

WHEREAS, in order to provide funds for such purpose, the Successor Agency is issuing Consolidated Whitewater Redevelopment Project Area Subordinated Tax Allocation Refunding Bonds, Series 2014A (the "Series 2014A Bonds") and applying a portion of the proceeds thereof, together with certain other moneys, to defease and redeem all of the outstanding Series 2003A Bonds; and

WHEREAS, the Series 2014A Bonds are being issued pursuant to an Indenture of Trust dated as of March 1, 2014, between the Successor Agency and Union Bank, N.A., as trustee (the "Trustee"); and

WHEREAS, the Successor Agency wishes to give these Instructions to the Fiscal Agent for the purpose of providing the terms and conditions relating to the deposit and application of moneys to provide for the payment and redemption of the outstanding Series 2003A Bonds;

NOW, THEREFORE, the Successor Agency hereby irrevocably instructs the Fiscal Agent as follows:

Section 1. Establishment of the Series 2003A Bonds Escrow Fund. The Fiscal Agent shall establish and hold, separate and apart from all other funds and accounts held by it, a special fund known as the "Series 2003A Bonds Escrow Fund" (the "Escrow Fund"). All amounts on deposit in the Escrow Fund are hereby irrevocably pledged as a special trust fund for the redemption of all of the outstanding Series 2003A Bonds on _____ __, 2014. Neither the Fiscal Agent, the Trustee nor any other person shall have a lien upon or right of set off against the amounts at any time on deposit in the Escrow Fund, and such amounts shall be applied only as provided herein.

Section 2. Deposit into the Series 2003A Bonds Escrow Fund; Investment of Amounts. Concurrently with delivery of the Series 2014A Bonds, the Successor Agency shall cause to be deposited in the Escrow Fund the amount of $_____ in immediately available funds to be derived from a portion of the proceeds of sale of the Series 2014A Bonds. Additionally, the Fiscal Agent will also transfer for deposit into the Escrow Fund the amount of $_____, representing _____. The Successor Agency hereby directs the Fiscal Agent to invest all amounts on deposit in the Escrow Fund in _____.

The Successor Agency signifies that by making the deposit described herein, it is discharging the Series 2003A Bonds pursuant to Sections 9.01 of the Fiscal Agent Agreement.

Section 3. Proceedings for Redemption of Series 2003A Bonds. The Successor Agency hereby irrevocably elects, and directs the Fiscal Agent, to redeem, on _____ __, 2014, from amounts on deposit in the Escrow Fund, the outstanding Series 2003A Bonds pursuant to the provisions of Section 12.03(a) of the Fiscal Agent Agreement. The Fiscal Agent acknowledges, that by accepting these instructions, it [will/has heretofore] give[n] a notice of such redemption in accordance with Section 2.03(d) of the Fiscal Agent Agreement in order to allow for the redemption of the Series 2003A Bonds on _____ __, 2014.

Section 4. Application of Funds to Redeem Series 2003A Bonds. The Fiscal Agent shall apply the amounts on deposit in the Escrow Fund to redeem the outstanding Series 2003A Bonds on _____ __, 2014 at a price equal to 100% of the principal amount thereof plus accrued and unpaid interest, all in accordance with Section 12.03(a) of the Fiscal Agent Agreement.

Section 5. Transfer of Remaining Funds. On _____ __, 2014, following the payment and redemption described above and payment of any amounts then owed to the Fiscal Agent, the Fiscal Agent shall withdraw any amounts remaining on deposit in the Escrow Fund and transfer such amounts to the Trustee for deposit into the Interest Account established under the Indenture to be used solely for the purpose of paying interest on the Series 2014A Bonds.

Section 6. Amendment. These Instructions shall be irrevocable by the Successor Agency. These Instructions may be amended or supplemented by the Successor Agency, but only if the Successor Agency shall file with the Fiscal Agent and the Trustee (a) an opinion of nationally recognized bond counsel engaged by the Successor Agency stating that such amendment or supplement will not, of itself, adversely affect the exclusion from gross income of interest on the Series 2003A Bonds or the Series 2014A Bonds under federal income tax law,

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and (b) a certification of an independent accountant or independent financial adviser engaged by the Successor Agency stating that such amendment or supplement will not affect the sufficiency of funds invested and held hereunder to make the payments required by Section 4.

Section 7. Application of Certain Terms of the Fiscal Agent Agreement. All of the terms of the Fiscal Agent Agreement relating to the payment of principal of and interest and repayment premium, if any, on the Series 2003A Bonds and the redemption thereof, and the protections, immunities and limitations from liability afforded the Fiscal Agent, are incorporated in these Instructions as if set forth in full herein.

Section 8. Counterparts. These Instructions may be signed in several counterparts, each of which will constitute an original, but all of which will constitute one and the same instrument.

Section 9. Governing Law. These Instructions shall be construed in accordance with and governed by the laws of the State of California.

SUCCESSOR AGENCY TO THE INDIAN WELLS REDEVELOPMENT AGENCY

By: _____

ACCEPTED:

UNION BANK, N.A.,
as Fiscal Agent

By: _____
Authorized Officer

Accepted with respect to Section 5

UNION BANK, N.A.,
as Trustee

By: _____
Authorized Officer

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IRREVOCABLE REFUNDING INSTRUCTIONS

These IRREVOCABLE REFUNDING INSTRUCTIONS (these "Instructions"), dated March __, 2014, are given by the SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF INDIAN WELLS, a public entity existing under the laws of the State of California (the "Successor Agency"), as successor agency of the REDEVELOPMENT AGENCY OF THE CITY OF INDIAN WELLS (the "Former Agency"), to UNION BANK, N.A., a national banking association organized and existing under the laws of the United States of America, acting as fiscal agent (the "Fiscal Agent") for the hereinafter defined Series 2003A-T Bonds;

WITNESSETH:

WHEREAS, the Former Agency has previously issued its Consolidated Whitewater Project Area Taxable Tax Allocation Bonds, Series 2003A (the "Taxable Series 2003A-T Bonds") for the purpose of financing and refinancing redevelopment activities with respect to the Redevelopment Project (as defined in the hereinafter mentioned Fiscal Agent Agreement), pursuant to a Fiscal Agent Agreement, dated as of September 1, 1992, between the former Agency and Bank of America National Trust and Savings Association, as succeeded by the Fiscal Agent (as amended through the date hereof, the "Fiscal Agent Agreement"); and

WHEREAS, by implementation of California Assembly Bill X1 26, which amended provisions of the California Redevelopment Law, (found at Health and Safety Code Section 33000, et.seq.) and the California Supreme Court's decision in California Redevelopment Association v. Matosantos, the Former Agency was dissolved on February 1, 2012 in accordance with California Assembly Bill X1 26 approved by the Governor of the State of California on June 28, 2011 ("AB 26"), and on February 1, 2012, the Successor Agency, in accordance with and pursuant to AB 26, assumed the duties and obligations set forth in AB 26 for the Former Agency, including, without limitation, the obligations of the Former Agency under the Fiscal Agent Agreement and related documents to which the Former Agency was a party; and

WHEREAS, the Successor Agency has determined that it is in the best financial interests of the Successor Agency to refund, at this time, the Taxable Series 2003A-T Bonds; and

WHEREAS, in order to provide funds for such purpose, the Successor Agency is issuing Consolidated Whitewater Redevelopment Project Area Subordinated Taxable Tax Allocation Refunding Bonds, Series 2014A-T (the "Taxable Series 2014A-T Bonds") and applying a portion of the proceeds thereof, together with certain other moneys, to defease and redeem all of the outstanding Taxable Series 2003A-T Bonds; and

WHEREAS, the Taxable Series 2014A-T Bonds are being issued pursuant to an Indenture of Trust dated as of March 1, 2014, between the Successor Agency and Union Bank, N.A., as trustee (the "Trustee"); and

WHEREAS, the Successor Agency wishes to give these Instructions to the Fiscal Agent for the purpose of providing the terms and conditions relating to the deposit and application of

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moneys to provide for the payment and redemption of the outstanding Taxable Series 2003A-T Bonds;

NOW, THEREFORE, the Successor Agency hereby irrevocably instructs the Fiscal Agent as follows:

Section 1. Establishment of the Taxable Series 2003A-T Bonds Escrow Fund. The Fiscal Agent shall establish and hold, separate and apart from all other funds and accounts held by it, a special fund known as the "Taxable Series 2003A-T Bonds Escrow Fund" (the "Escrow Fund"). All amounts on deposit in the Escrow Fund are hereby irrevocably pledged as a special trust fund for the redemption of all of the outstanding Taxable Series 2003A-T Bonds on _____ __, 2014. Neither the Fiscal Agent, the Trustee nor any other person shall have a lien upon or right of set off against the amounts at any time on deposit in the Escrow Fund, and such amounts shall be applied only as provided herein.

Section 2. Deposit into the Taxable Series 2003A-T Bonds Escrow Fund; Investment of Amounts. Concurrently with delivery of the Taxable Series 2014A-T Bonds, the Successor Agency shall cause to be deposited in the Escrow Fund the amount of $_____ in immediately available funds to be derived from a portion of the proceeds of sale of the Taxable Series 2014A-T Bonds. Additionally, the Fiscal Agent will also transfer for deposit into the Escrow Fund the amount of $_____, representing _____. The Successor Agency hereby directs the Fiscal Agent to invest all amounts on deposit in the Escrow Fund in _____.

The Successor Agency signifies that by making the deposit described herein, it is discharging the Taxable Series 2003A-T Bonds pursuant to Sections 9.01 of the Fiscal Agent Agreement.

Section 3. Proceedings for Redemption of Taxable Series 2003A-T Bonds. The Successor Agency hereby irrevocably elects, and directs the Fiscal Agent, to redeem, on _____ __, 2014, from amounts on deposit in the Escrow Fund, the outstanding Taxable Series 2003A-T Bonds pursuant to the provisions of Section 12.03(a) of the Fiscal Agent Agreement. The Fiscal Agent acknowledges, that by accepting these instructions, it [will/has heretofore] give[n] a notice of such redemption in accordance with Section 2.03(d) of the Fiscal Agent Agreement in order to allow for the redemption of the Taxable Series 2003A-T Bonds on _____ __, 2014.

Section 4. Application of Funds to Redeem Taxable Series 2003A-T Bonds. The Fiscal Agent shall apply the amounts on deposit in the Escrow Fund to redeem the outstanding Taxable Series 2003A-T Bonds on _____ __, 2014 at a price equal to 100% of the principal amount thereof plus accrued and unpaid interest, all in accordance with Section 12.03(a) of the Fiscal Agent Agreement.

Section 5. Transfer of Remaining Funds. On _____ __, 2014, following the payment and redemption described above and payment of any amounts then owed to the Fiscal Agent, the Fiscal Agent shall withdraw any amounts remaining on deposit in the Escrow Fund and transfer such amounts to the Trustee for deposit into the Interest Account established under

the Indenture to be used solely for the purpose of paying interest on the Taxable Series 2014A-T Bonds.

Section 6. Amendment. These Instructions shall be irrevocable by the Successor Agency. These Instructions may be amended or supplemented by the Successor Agency, but only if the Successor Agency shall file with the Fiscal Agent and the Trustee a certification of an independent accountant or independent financial adviser engaged by the Successor Agency stating that such amendment or supplement will not affect the sufficiency of funds invested and held hereunder to make the payments required by Section 4.

Section 7. Application of Certain Terms of the Fiscal Agent Agreement. All of the terms of the Fiscal Agent Agreement relating to the payment of principal of and interest and repayment premium, if any, on the Taxable Series 2003A-T Bonds and the redemption thereof, and the protections, immunities and limitations from liability afforded the Fiscal Agent, are incorporated in these Instructions as if set forth in full herein.

Section 8. Counterparts. These Instructions may be signed in several counterparts, each of which will constitute an original, but all of which will constitute one and the same instrument.

Section 9. Governing Law. These Instructions shall be construed in accordance with and governed by the laws of the State of California.

SUCCESSOR AGENCY TO THE INDIAN WELLS REDEVELOPMENT AGENCY

By: _____

ACCEPTED:

UNION BANK, N.A.,
as Fiscal Agent

By: _____
Authorized Officer

Accepted with respect to Section 5

UNION BANK, N.A.,
as Trustee

By: _____
Authorized Officer

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LOCAL OBLIGATION PURCHASE CONTRACT

relating to

**Successor Agency to the Indian Wells Redevelopment Agency
Consolidated Whitewater Redevelopment Project Area
Subordinated Tax Allocation Refunding Bonds, Series 2014A**

and

**Successor Agency to the Indian Wells Redevelopment Agency
Consolidated Whitewater Redevelopment Project Area
Subordinated Taxable Tax Allocation Refunding Bonds, Series 2014A-T**

March __, 2014

Successor Agency to the Indian Wells Redevelopment Agency
44-950 El Dorado Drive
Indian Wells, CA 92210

Ladies and Gentlemen:

The undersigned, the Riverside County Public Financing Authority (the "Authority"), offers to enter into this Local Obligation Purchase Contract (the "Local Obligation Purchase Contract") with you, the Successor Agency to the Indian Wells Redevelopment Agency (the "Agency"), which, upon acceptance, will be binding upon the Agency and the Authority.

1. Purchase, Sale and Delivery of the Local Obligations.

(a) Subject to the terms and conditions and in reliance upon the representations, warranties and agreements set forth herein, the Authority hereby agrees to purchase from the Agency, and the Agency hereby agrees to sell to the Authority, all (but not less than all) of the following (the "Local Obligations"):

(1) $_____ aggregate principal amount of Successor Agency to the City of Indian Wells Consolidated Whitewater Redevelopment Project Area Subordinated Tax Allocation Refunding Bonds, Series 2014A (the "Series 2014A Refunding Bonds") to be issued under the provisions of the Indenture of Trust, dated as of March 1, 2014 (the "Agency Indenture"), between the Agency and Union Bank, N.A., as trustee (the "Agency Bonds Trustee"); and

(2) $_____ aggregate principal amount of Successor Agency to the City of Indian Wells Consolidated Whitewater Redevelopment Project Area Subordinated Taxable Tax Allocation Refunding Bonds, Series 2014A-T (the "Taxable Series 2014A-T Refunding Bonds" and, together with the Series 2014A Refunding Bonds, the "Local Obligations") to be issued under the provisions of the Agency Indenture.

The Agency Indenture was approved by Resolution No. ___ adopted by the Agency on January 16, 2014 (the "Agency Resolution") related to the issuance and sale of the Local

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Obligations. Except as otherwise provided herein, capitalized terms used herein shall have the meanings attributed to them in the Agency Indenture.

The Local Obligations are to be dated the date of their delivery and bear interest payable on the dates and at the interest rates, and mature on the dates and in the amounts set forth in Exhibit A attached hereto. So long as the Local Obligations are held by the Authority Trustee (defined below), there shall be one Local Obligation per series and each maturity thereof in the denomination of the entire outstanding principal amount of such maturity of such series of Local Obligations.

The Series 2014A Refunding Bonds will be purchased with proceeds of the Authority's 2014 Tax Allocation Revenue Bonds, Series A (Indian Wells Refunding Project) (the "2014 Series A Authority Bonds") and the Taxable Series 2014A-T Refunding Bonds will be purchased with proceeds of the Authority's 2014 Taxable Tax Allocation Revenue Bonds, Series A-T (Indian Wells Refunding Project) (the "2014 Taxable Series A-T Authority Bonds" and, together with the 2014 Series A Authority Bonds, the "Authority Bonds"). The Authority Bonds shall be substantially in the form described in, shall be issued and secured under the provisions of, and shall be payable from the Revenues as provided in the Indenture of Trust, dated as of March 1, 2014 (the "Authority Indenture"), between the Authority and Union Bank, N.A., as trustee (the "Authority Trustee"). The issuance of the Authority Bonds has been duly authorized by the Authority pursuant to a resolution (the "Authority Resolution") adopted by the Board of Directors of the Authority on _____ __, 2014.

The aggregate purchase price for the Local Obligations shall be:

Principal Amount	$_____
Net Original Issue Discount	(_____)
Less: Underwriters' Discount	(_____)
Purchase price	$_____

The purchase price for the Series 2014A Refunding Bonds shall be:

Principal Amount	$_____
Net Original Issue Discount	(_____)
Less: Underwriters' Discount	(_____)
Purchase price	$_____

The purchase price for the Taxable Series 2014A-T Refunding Bonds shall be:

Principal Amount	$_____
Net Original Issue Discount	(_____)
Less: Underwriters' Discount	(_____)
Purchase price	$_____

The above purchase price shall be payable from amounts held by the Authority Trustee under the Authority Indenture subject to the terms and conditions thereof. As described above, said purchase price includes the funding of underwriters' discount and costs of issuance of the Local Obligations and the Authority Bonds, which amounts shall be transferred to the Authority and paid on the Agency's behalf by the Authority for such purposes.

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The Local Obligations shall be substantially in the forms described in, shall be issued and secured under the provisions of, and shall be payable as provided in the Agency Indenture providing for the issuance of the Local Obligations and registered in the name of the Authority Trustee. Pursuant to the Agency Indenture, the Agency Trustee shall deposit or cause to be deposited from the proceeds of the Local Obligations the amounts in the funds and accounts established under the Agency Indenture.

Citigroup Global Markets Inc. and RBC Capital Markets (collectively, the "Underwriters"), have submitted to the Agency a proposed form of an agreement to purchase the Authority Bonds (the "Bond Purchase Agreement") by and between the Underwriters and the Authority, which includes a Letter of Representations (the "Letter of Representations") to be executed by the Agency, each to be executed and delivered concurrently with this Local Obligation Purchase Contract.

Pursuant to the authorization of the Agency and the Authority, the Underwriters have distributed copies of the Preliminary Official Statement dated _____ __, 2014, pertaining to the Authority Bonds and describing the Local Obligations, the Agency and its Consolidated Whitewater Redevelopment Project Area (the "Project Area") and certain other information deemed material to an informed investment decision respecting the Authority 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 Local Obligation Purchase Contract, the Agency hereby acknowledges the use by the Underwriters of the Preliminary Official Statement including the form of "Appendix __" with respect to each of the Agency's project areas (each an "Agency Appendix") and each Agency Appendix is hereby approved. The Agency hereby approves the distribution of a final official statement (the "Official Statement") which will substantially consist of the Preliminary Official Statement and the Agency Appendix with such changes with such changes as may be made thereto, with the approval of Best Best & Krieger LLP, the Authority's Disclosure Counsel, and Jones Hall, the Authority's Bonds Counsel (herein called "Bond Counsel"), and the Underwriters.

(b) At 8:00 a.m., California time, on March __, 2014, or at such earlier or later time or date as shall be agreed by the Agency and the Authority (such time and date being herein referred to as the "Closing Date"), the Agency will deliver to the Authority at the offices of Bond Counsel in San Francisco, California (or such other location as may be designated by the Authority and approved by the Agency), the Local Obligations in definitive forms, duly executed by the Agency and authenticated by the Agency Trustee, and will deliver to the Authority at said location, the other documents herein mentioned; and the Authority will accept such delivery and pay the purchase price of the Local Obligations as set forth in paragraph (a) of this Section by wire transfer payable as provided in the Agency Indenture (such delivery and payment being herein referred to as the "Closing"). The Local Obligations shall be made available to the Authority not later than one business day before the Closing Date for purposes of inspection.

2. Representations, Warranties and Agreements of the Agency. The Agency represents and warrants to and agrees with the Authority that:

(a) The Agency is duly existing as a successor agency under California Assembly Bill 1484 (Stats 2012 c. 26) ("AB 1484"), with full right, power and authority to adopt the Agency Resolution, to issue the Local Obligations and to execute, deliver and perform its obligations under the Agency Indenture, the Local Obligations, the Letter of Representations, the tax certificate or certificates to be executed in connection with the issuance of the Authority Bonds and the Agency Bonds (the "Tax Certificate"), the Series 2003A Refunding Instructions and the

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Taxable Series 2003A-T Refunding Instructions (as such terms are defined in the Agency Indenture and, collectively, the "Refunding Instructions") and the Local Obligation Purchase Contract (collectively, the "Agency Documents") and to carry out and consummate the transactions contemplated by the Agency Documents and Appendix __ to the Official Statement, and the Agency Documents are and will be at the Closing Date valid and binding obligations of the Agency and Enforceable Obligations under AB 1484; and

(b) When delivered to and paid for by the Authority at the Closing in accordance with the provisions of this Local Obligation Purchase Contract, the Local Obligations will have been duly authorized, executed, issued and delivered and will constitute valid and binding obligations of the Agency in conformity with, and entitled to the benefit and security of, the respective Agency Indenture; and

(c) By all necessary official action, the Agency has duly adopted the Agency Resolution at a meeting properly noticed at which a quorum was present and acting throughout and has duly authorized and approved the execution and delivery of, and the performance by the Agency of the obligations contained in, the Agency Documents, 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, the Agency Documents will constitute the legally valid and binding obligations of the Agency enforceable 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, or by the exercise of judicial discretion and the limitations on legal remedies against governmental agencies in the State. The Agency has complied, and will at the Closing be in compliance in all respects, with the terms of the Agency Documents; and

(d) The Agency has complied with all material requirements of the Community Redevelopment Law of the State of California (being Part 1 of Division 24 of the California Health and Safety Code, as amended) (the "Law") and the California Environmental Quality Act with respect to undertaking a variety of capital improvements in the Project Area pursuant to the redevelopment plan for the Project Area (the "Redevelopment Plan") duly adopted by the City Council of the City of Indian Wells; and

(e) The information contained in Appendix __ to the Preliminary Official Statement is true and correct in all material respects, and information contained in Appendix __ to the Preliminary Official Statement does not contain a misstatement of any material fact and does not omit any statement necessary to make the statements contained therein, in the light of the circumstances in which such statements were made, not misleading; and

(f) Except as otherwise disclosed in Appendix __ to the Preliminary Official Statement, the Agency is not in breach of or in default under any applicable constitutional provision, law or administrative rule or regulation of the State or the United States, or any applicable judgment or decree or any Authority Indenture, loan agreement, bond, note, resolution, ordinance, agreement or other instrument to which the Agency is a party or is otherwise subject, and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute a default or event of default under any such instrument; and, as of such times, except as disclosed in Appendix __ to the Preliminary Official Statement, the authorization, execution and delivery of the Agency Documents, and compliance with the provisions of each of such agreements or instruments do not and will not conflict with or constitute a breach of or default under any applicable constitutional provision, law or administrative rule or regulation of the State or the United States or any applicable judgment,

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decree, license, permit, Authority Indenture, loan agreement, bond, note, resolution, ordinance agreement or other to which the Agency (or any of its officers in their respective capacities as such) is subject, or by which it or any of its properties is bound, nor will any such authorization, execution, delivery or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of its assets or properties or under the terms of any such law, regulation or instrument, except as may be provided by the Agency Documents; and

(g) All approvals, consents, authorizations, certifications and other orders of any governmental authority, board, agency or commission having jurisdiction, and all filings with any such entities, which would constitute conditions precedent to or the failure to obtain which would materially adversely affect the performance by the Agency of its obligations hereunder or under the Agency Documents have been duly obtained and no further consent, approval, authorization or other action or filing with or by any governmental or regulatory authority having jurisdiction over the Agency is or will be required for the issue and sale of the Local Obligations or the consummation by the Agency of the other transactions described in the Agency Documents; and

(h) Except as disclosed in Appendix __ to the Preliminary Official Statement, there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, government agency, public board or body, pending or threatened: (i) in any way questioning the corporate existence of the Redevelopment Agency of the City of Indian Wells (the "Former RDA") or the Agency or the titles of the officers of the Agency to their respective offices; (ii) affecting, contesting or seeking to prohibit, restrain or enjoin the issuance or delivery of the Local Obligations, or the payment or collection of any amounts pledged or to be pledged to pay the principal of and interest on the Local Obligations, or in any way contesting or affecting the validity of the Local Obligations or the Agency Documents or the consummation of the transactions contemplated thereby or hereby, or contesting the exclusion of the interest on the Local Obligations from taxation or contesting the powers of the Agency or its authority to issue the Local Obligations; (iii) which may result in any material adverse change relating to the Agency; (iv) with respect to information relating to the Agency only, contesting the completeness or accuracy of Appendix __ to the Preliminary Official Statement or any supplement or amendment thereto or asserting that the Preliminary 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 (v) there is no basis for any action, suit, proceeding, inquiry or investigation of the nature described in clauses (i) through (iv) of this paragraph; and

(i) The Agency will refrain from taking any action with regard to which the Agency may exercise control that results in the inclusion in gross income for federal or State income tax purposes of the interest on the 2014 Series A Authority Bonds; and

(j) The Agency's Oversight Board has duly approved the issuance of the Local Obligation and no further Oversight Board approval or consent is required for the issuing of the Local Obligations.

The execution and delivery of this Local Obligation Purchase Contract by the Agency shall constitute a representation by the Agency to the Authority that the representations, warranties and agreements contained in this Section 2 are true as of the date hereof; provided that no member of the Governing Board of the Agency shall be individually liable for the breach of any representation, warranty or agreement contained herein.

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3. Conditions to the Local Obligations of the Authority. The obligation of the Authority to accept delivery of and pay for the Local Obligations on the Closing Date shall be subject, at the option of the Authority, to the accuracy in all material respects of the representations, warranties and agreements on the part of the Agency contained herein as of the date hereof and as of the Closing Date, to the accuracy in all material respects of the statements of the officers and other officials of the Agency made in any certificates, or other documents furnished pursuant to the provisions hereof, and to the performance by the Agency of its obligations to be performed hereunder at or prior to the Closing Date and to the following additional conditions:

(a) At the Closing Date, all conditions precedent to the purchase of the Authority Bonds by the Underwriters shall have been satisfied or waived and no conditions to the obligations of the Underwriters to accept delivery of and pay for the Authority Bonds on the Closing Date shall have been identified by the Underwriters as an impediment to such purchase and sale;

(b) At the Closing Date, the Agency Documents shall be in full force and effect in the form heretofore submitted to the Authority and there shall have been taken in connection with the issuance of the Local Obligations and with the transactions contemplated thereby and by this Local Obligation Purchase Contract, all such actions as, in the opinion Bond Counsel, shall be necessary and appropriate;

(c) At the Closing Date, the Agency Resolution shall not have been rescinded or amended, modified or supplemented, except as may have been agreed to by the Authority;

(d) At or prior to the Closing Date, the Authority and the Authority Trustee shall have received the following documents with respect to the Local Obligations, in each case satisfactory in form and substance to the Authority:

(1) A certified copy of the Agency Resolution;

(2) An executed copy of each of the Agency Documents;

(3) A certificate dated the Closing Date and signed by an authorized representative of the Agency or an authorized designee, on behalf of the Agency to the effect that: (i) the representations and warranties of the Agency in the Letter of Representations are true and correct in all material respects on and as of the Closing Date with the same effect as if made on the Closing Date; (ii) to the best knowledge of such officer, no event has occurred since the date of the Official Statement which should be disclosed in Appendix __ to the Official Statement for the purpose for which it is to be used or which it is necessary to disclose therein in order to make the statements and information therein not misleading in any material respect; (iii) the Agency has complied with all the agreements and satisfied all the conditions on its part to be satisfied under the Local Obligation Purchase Contract, the Agency Resolution and the Agency Indenture at or prior to the Closing Date; and (iv) all information in Appendix __ to the Official Statement relating to the Agency is true as of the date of the Official Statement and as of the Closing Date does not 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;

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(4) Copies of the Redevelopment Plan for the Project Area, together with all amendments thereto;

(5) An unqualified opinion of Bond Counsel addressed to the Authority, the Agency and the Underwriters with respect to the Local Obligations to the effect that the Local Obligations and the Agency Indenture has been duly authorized, executed and delivered by the Agency and, assuming due authorization, execution and delivery by the applicable trustee, constitute the legal, valid and binding agreements of the Agency and are enforceable in accordance with their 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;

(6) A defeasance opinion of Bond Counsel addressed to the Authority, the Underwriters and the applicable Agency to the effect that each of the Prior Bonds (as defined in the Agency Indenture) have been legally defeased in accordance with each of the agreements pursuant to which such obligations were issued, and the owners of such obligations have ceased to be entitled to the pledge of Pledged Tax Revenues;

(7) An opinion of counsel to the Agency, dated the Closing Date and addressed to the Authority and the Underwriters, substantially in the form attached hereto as Exhibit B hereto;

(8) A counterpart original or certified copy of each of the documents and opinions specified in Section __ of the Bond Purchase Agreement, in each case satisfactory in form and substance to the Representative (as defined in the Bond Purchase Agreement); and

(9) Such additional legal opinions, certificates, proceedings, instruments and other documents as the Authority or Bond Counsel may reasonably request to evidence compliance by the Agency with legal requirements, the truth and accuracy, as of the Closing Date, of the representations of the Agency contained herein, and the due performance or satisfaction by the Agency at or prior to such time of all agreements then to be performed and all conditions then to be satisfied by the Agency.

If the Agency shall be unable to satisfy the conditions to the Authority's obligations contained in this Local Obligation Purchase Contract, this Local Obligation Purchase Contract shall terminate and neither the Authority nor the Agency shall have any further obligation hereunder.

4. Expenses. All expenses and costs of the Agency and the Authority incident to the authorization, issuance and sale of the Local Obligations and the costs incident to the authorization and issuance of the Local Obligations and the authorization, issuance and sale of the Authority Bonds including, in each case, fees and expenses of trustees, auditors, financial advisors and fiscal consultant fees and continuing disclosure and rating agency costs, Bond Counsel, Disclosure Counsel and counsel for the Agency, shall be paid by the Agency from proceeds of the Refunding Bonds or otherwise in accordance with the Dissolution Act.

[5. Indemnification. The Agency, to the fullest extent permitted by law, shall indemnify, defend and hold harmless the Authority and the County and their respective officers, directors, agents and employees and the Underwriters (each an "Indemnified Party"), from and

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against any and all Indemnifiable Losses arising out of, resulting from, or in any way connected with:

(a) with respect to the Agency and the Project Area, the redevelopment projects financed, or the conditions, occupancy, use, possession, conduct or management of, work done in or about, or from the planning, design, acquisition, installation or construction, of any facilities within the redevelopment projects, or any part thereof, including, without limitation, Indemnifiable Losses resulting from or in any way relating to any generation, processing, handling, transportation, storage, treatment or disposal of solid wastes, Hazardous Substances including, but not limited to, any of those activities occurring, to occur or having previously occurred and any releases on, under or from the facilities to the extent occurring or existing prior to the execution and delivery of this Local Obligation Purchase Contract and the Local Obligations;

(b) the issuance, sale or remarketing of the Authority Bonds, as they relate to the Agency, the Project Area, the Pledged Tax Revenues (as defined in the Agency Indenture), the Redevelopment Plan, the Agency Indenture or the Local Obligations and the carrying out of any of the transactions or undertakings contemplated by the Agency Indenture, the Local Obligations, the Authority Indenture or any document delivered by the Agency pursuant to, or in connection with, any of the foregoing;

(c) any untrue statement or misleading statement or alleged untrue statement or alleged misleading statement of any material fact concerning the Agency, the Project Area, the Pledged Tax Revenues or the Redevelopment Plan in any official statement, offering statement, offering circular or continuing disclosure document for the Authority Bonds or any statement made in connection with the purchase or sale of the Authority Bonds (other than any such statement in the Official Statement provided by the County, the Authority or other successor agency mentioned in the Official Statement, expressly for use in the Official Statement or any other official statement, offering statement, offering circular or continuing disclosure document for the Authority Bonds), or any omission or alleged omission to state a material fact concerning the Agency, the Project Area, Pledged Tax Revenues or the Redevelopment Plan necessary in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading;

(d) any declaration of taxability of interest paid or payable on the 2014 Series A Authority Bonds attributable to the Agency, the Project Area, the Pledged Tax Revenues, the Redevelopment Plan, the Agency Indenture or the Local Obligations, or allegations (or regulatory inquiry) that interest paid or payable on the 2014 Series A Authority Bonds attributable to the Agency, the Project Area, the Pledged Tax Revenues, the Redevelopment Plan, the Agency Indenture or the Local Obligations is taxable, for federal income tax purposes;

(e) the Agency Trustee's acceptance or administration of the trust of the Agency Indenture or the exercise or performance of any of its powers or duties thereunder or under any of the documents relating to the Local Obligations to which it is a party;

(f) any misrepresentation or breach of warranty by the Agency of any representation or warranty in this Local Obligation Purchase Contract, the Agency Indenture, the Letter of Representations, the Local Obligations or any document delivered by the Agency pursuant to, or in connection with, any of the foregoing or the Local Obligations;

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(g) any breach by the Agency of any covenant or undertaking set forth in this Local Obligation Purchase Contract, the Agency Indenture, the Letter of Representations, the Local Obligations, or any document delivered by the Agency pursuant to, or in connection with, any of the foregoing or the Local Obligations;

(h) the exercise and performance of the Indemnified Parties' powers and duties expressly required by and pursuant to any Adverse Change in State Law or pursuant to any Court Order obtained in connection with any Adverse Change in State Law.

The Authority agrees to notify the Agency promptly, but in no event later than 45 business days, after written notice to the County or the Authority that any third party has brought any action, suit or proceeding against an Indemnified Party that may result in an Indemnifiable Loss (a "Third Party Action"). Upon such notice or other notice from an Indemnified Party of a Third Party Action, the Agency shall assume the investigation and defense thereof, including the employment of counsel selected by the Indemnified Party and reasonably acceptable to the Agency, and shall assume the payment of all Litigation Expenses (as defined in this Section) related thereto, with full power to litigate, compromise or settle the same in its discretion; provided that the Indemnified Party shall have the right to review and approve or disapprove (in its sole and absolute discretion) any such compromise or settlement and the Indemnified Party has no liability with respect to any compromise or settlement of any Third Party Claim effected without its written approval. If the Indemnified Party fails to provide such notice to the Agency, the Agency is still obligated to indemnify the Indemnified Party for Indemnifiable Losses.

The rights and undertakings set forth in this Section do not terminate and shall survive the final payment or defeasance of the Local Obligations and the termination or defeasance of the Agency Indenture or any related agreement.

For purposes of this Section, the term "Adverse Change in State Law" means a change in State law, including any judicial decision that adversely affects the ability of the Agency to comply with the Agency Indenture.

For purposes of this Section, the term "Environmental Regulation" shall mean any federal, state or local law, statute, code, ordinance, regulation, requirement or rule relating to dangerous, toxic or hazardous pollutants, Hazardous Substances, chemical waste, materials or substances.

For purposes of this Section, the term "Hazardous Substances" shall mean (a) any oil, flammable substance, explosives, radioactive materials, hazardous wastes or substances, toxic wastes or substances or any other wastes, materials or pollutants which (i) pose a hazard to facilities in the Project Area or to Persons on or about facilities in the [Project Area] or (ii) cause facilities in the Project Area to be in violation of any Environmental Regulation; (b) asbestos in any form which is or could become friable, urea formaldehyde foam insulation, transformers or other equipment which contain dielectric fluid containing levels of polychlorinated biphenyls, or radon gas; (c) any chemical, material or substance defined as or included in the definition of "waste," "hazardous substances," "hazardous wastes," "hazardous materials," extremely hazardous waste," "restricted hazardous waste," or "toxic substances" or words of similar import under any Environmental Regulation including, but not limited to, the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA"), 42 USC §§ 9601 et seq.; the Resource Conservation and Recovery Act ("RCRA"), 42 USC §§ 6901 et seq.; the Hazardous Materials Transportation Act, 49 USC §§ 1801 et seq.; the Federal Water Pollution Control Act, 33 USC §§ 1251 et seq.; the California Environmental Quality Act ("CEQA"),

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California Public Resources Code § 21000 et seq.; the California Hazardous Waste Control Law ("HWCL"), California Health and Safety §§ 25100 et seq.; the Hazardous Substance Account Act ("HSAA"), California Health and Safety Code §§ 25300 et seq.; the Underground Storage of Hazardous Substances Act, California Health and Safety §§ 25280 et seq.; the Porter-Cologne Water Quality Control Act (the "Porter-Cologne Act"), California Water Code §§ 13000 et seq., the Safe Drinking Water and Toxic Enforcement Act of 1986 (Proposition 65); and Title 22 of the California Code of Regulations, Division 4, Chapter 30; (d) any other chemical, material or substance, exposure to which is prohibited, limited or regulated by any governmental authority or agency or may or could pose a hazard to the health and safety of the occupants of facilities in the Project Area or the owners and/or occupants of property adjacent to or surrounding facilities in the Project Area, or any other Person coming upon the facilities in the [Project Area] or adjacent property; or (e) any other chemical, materials or substance which may or could pose a hazard to the environment.

For purposes of this Section "Indemnifiable Losses" shall mean the aggregate of Losses and Litigation Expenses; provided that such indemnification pursuant to this Section shall not apply to Losses or Litigation Expenses resulting because of the [gross] negligence or willful misconduct of any Indemnified Party.

For purposes of this Section "Litigation Expenses" shall mean any court filing fee, court cost, witness fee, any fee associated with any alternative dispute resolution mechanism (such as arbitration or mediation), and each other fee and cost of investigating and defending or asserting a claim, including, without limitation, in each case, attorneys' fees, other professionals' fees and disbursements.

For purposes of this Section "Losses" shall mean any liability, loss, claim, settlement payment, cost and expense, interest, award, judgment, damages (other than punitive damages to the extent they may not, under law, be indemnified), diminution in value, fine, fee and penalty, and other charge or cost, of every conceivable kind, character and nature whatsoever, contingent or otherwise, known or unknown, except Litigation Expenses.

The Agency shall place all costs expected to be incurred and actually incurred in connection with its indemnification obligations, including any amounts in connection with a valid indemnification claim received from the County or the Authority, on the next ROPS and shall make best efforts at ensuring that such expenditures are approved by the Oversight Board and the DOF. Any unpaid amounts shall constitute a debt and an enforceable obligation of the Agency and shall continue to be carried forward and placed on subsequent ROPS until paid in full. If payable to the County or the Authority, the term "paid in full" in the preceding sentence includes payment of interest in addition to the unpaid amount and the interest rate on the unpaid amount shall increase over time as follows: (a) the rate of return earned by the Riverside County Treasury Pool for the relevant time period ("County Pool Rate") for the first year that payments are overdue to the County or the Authority; (b) the County Pool Rate plus 3 percent for the second year that payments are overdue to the County or the Authority; (c) the County Pool Rate plus 6 percent for the third year the payments are overdue and (d) the County Pool Rate plus 9 percent for the fourth year and any additional years the payments are overdue; provided, however, that in no event shall the interest rate exceed 10 percent in any year. The payment of any Indemnifiable Losses that are reimbursable under this Local Obligation Purchase Contract shall be subordinate to the payment of debt service on the Local Obligations.]

6. Notices. Any notice or other communication to be given to the Agency under this Local Obligation Purchase Contract may be given by delivering the same in writing at the

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Agency's address set forth above, Attention: Executive Director, and any such notice or other communications required to be given to the Authority may be given by delivering the same in writing to the Authority at Riverside County Public Financing Authority, 4080 Lemon St. Riverside, California 92501, Attention: _____. The approval of the Authority when required hereunder or the determination of their satisfaction as to any document referred to herein shall be in writing signed by the Authority and delivered to the Agency.

7. Parties In Interest; Governing Law. This Local Obligation Purchase Contract is made solely for the benefit of the Agency, the Authority, the County, the Underwriters and the Authority Trustee and no other persons, partnership, association or corporation shall acquire or have any right hereunder or by virtue hereof. This Local Obligation Purchase Contract shall be governed by the laws of the State.

8. Pledge; Assignment. The Agency hereby approves the Authority Indenture and the pledge and assignment of all of the Authority's right, title and interest in this Local Obligation Purchase Contract and the Local Obligations to the Authority Trustee under the Authority Indenture for the benefit of the Owners of the Authority Bonds (as provided in the Authority Indenture).

9. Limitation on Liability. The Authority shall incur no liability hereunder or by reason hereof or arising out of the transactions contemplated hereby, and shall be under no obligation to purchase the Local Obligations hereunder, except from proceeds of the Authority Bonds available therefor held by the Authority Trustee under, and subject to the conditions set forth in, the Authority Indenture. The Agency shall incur no liability hereunder or by reason hereof or arising out of the transactions contemplated hereunder, except as otherwise provided in Sections 3, 4 and 5 hereof, or be obligated to make any payments with respect to the Local Obligations, except from amounts pledged to the payment of the respective Local Obligations pursuant to the terms thereof.

10. Counterparts. This Local Obligation Purchase Contract may be signed in two or more counterparts; all such counterparts, when signed by all parties, shall constitute but one single agreement.

RIVERSIDE COUNTY PUBLIC FINANCING AUTHORITY

By_____

_____

ACCEPTED AND AGREED TO:
SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF INDIAN WELLS

By_____
[Executive Director]

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Exhibit A

Maturity Schedules Attached

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Exhibit B

[Form of Agency Counsel Opinion]

_____ __, 2014

Riverside County Public Financing Authority
Riverside, California

Citigroup
Los Angeles, California

Successor Agency to the Redevelopment Agency
Of the City of Indian Wells
Indian Wells, California

RBC Capital Markets
San Francisco, California

RE: Successor Agency to the Indian Wells Redevelopment Agency Consolidated Whitewater Redevelopment Project Area Subordinated Tax Allocation Refunding Bonds, Series 2014A

and

Successor Agency to the Indian Wells Redevelopment Agency Consolidated Whitewater Redevelopment Project Area Subordinated Taxable Tax Allocation Refunding Bonds, Series 2014A-T

Ladies and Gentlemen:

The undersigned is the duly qualified and acting counsel of the Successor Agency to the Indian Wells Redevelopment Agency (the "Agency"), and in connection with the issuance and delivery of $_____ principal amount of the Successor Agency to the Indian Wells Redevelopment Agency Consolidated Whitewater Redevelopment Project Area Subordinated Tax Allocation Refunding Bonds, Series 2014A, and $_____ principal amount of the Successor Agency to the Indian Wells Redevelopment Agency Consolidated Whitewater Redevelopment Project Area Subordinated Taxable Tax Allocation Refunding Bonds, Series 2014A-T (collectively, the "Local Obligations"), I have examined originals (or copies certified or otherwise identified to my satisfaction) of such documents, records and other instruments as I deem necessary or appropriate for the purposes of rendering this opinion, including, without limitation, Resolution No. _____ adopted by the Governing Board of the Agency on December __, 2013 (the "Agency Resolution") and the Indenture of Trust, dated as of March 1, 2014 (the "Agency Indenture"), between the Agency and Union Bank, N.A., as trustee (the "Agency Trustee") Capitalized terms used herein and not otherwise defined shall have the meanings ascribed to them in the Local Obligation Purchase Contract, dated March __, 2014, by and between the Riverside County Public Financing Authority (the "Authority") and the Agency.

Based upon the foregoing, it is my opinion that:

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(A) The Agency is duly existing as a successor agency under California Assembly Bill 1484 (Stats 2012 c. 26) ("AB 1484"), with full legal right, power and authority to enter into the Local Obligation Purchase Contract and to issue the Local Obligations and to perform all of its obligations under the Local Obligation Purchase Contract and the Local Obligations;

(B) The Agency Resolution approving and authorizing the execution and delivery of the Agency Indenture, the Local Obligations, the Letter of Representations, the Continuing Disclosure Agreement, the Tax Certificate, the Refunding Instructions and the Local Obligation Purchase Contract (collectively, the "Agency Documents") and approving Appendix __ to the Official Statement has been duly adopted, and the Agency Resolution is in full force and effect and has not been modified, amended, rescinded or repealed since the date of its adoption;

(C) The Agency Documents have been duly authorized, executed and delivered by the Agency and constitute valid and binding legal obligations of the Agency enforceable in accordance with their respective terms, provided, that no opinion is expressed with respect to the laws of the State of California relating to indemnification and debt limitations and debt restrictions applicable to public entities, and except as such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles relating to or affecting creditors' rights generally, or by the exercise of judicial discretion and the limitations on legal remedies against governmental entities in the State of California;

(D) Except as otherwise disclosed in Appendix __ to the Official Statement, there is no litigation, proceeding, action, suit, or investigation at law or in equity before or by any court, governmental agency or body, pending, with process having been served, or to the best knowledge of such counsel after due inquiry, threatened in writing, against the Agency, challenging the creation, organization or existence of the Agency (or the Former RDA) or the validity of the Agency Documents or seeking to restrain or enjoin the repayment of the Authority Bonds or the Local Obligations or in any way contesting or affecting the validity of the Agency Documents or contesting the authority of the Agency to enter into or perform its obligations under any of the Agency Documents, or which, in any manner, questions the right of the Agency to use the Pledged Tax Revenues (as defined in the Local Obligations) for repayment of the Local Obligations or affects in any manner the right or ability of the Agency to collect or pledge the Pledged Tax Revenues or the Project Area's plan limits as described in Appendix __ to the Official Statement;

(E) Without expressing an opinion with respect to acts of the Department of Finance or the Oversight Board, no consent, approval, authorization or other action by any governmental or regulatory authority having jurisdiction over the Agency, nor any person, board or body, public or private, is required as of the date hereof for the issue and sale of the Local Obligations or the consummation by the Agency of the other transactions described in the Agency Documents; and

(F) Except as otherwise disclosed in Appendix __ to the Official Statement, there are no outstanding bonds, notes or other obligations of the Agency which are payable out of Pledged Tax Revenues from the Project Area.

This opinion is limited to the laws of the State of California, and I assume no responsibility as to the applicability or the effect of the laws (including securities, blue sky and insolvency laws) of any other jurisdiction or of federal or state income tax laws. This opinion is limited to the matters stated herein, and no opinion is implied beyond the matters expressly stated. This opinion is given for your use and benefit only in connection with transactions

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described herein, and it may not be relied upon in any other transaction or by any other person, B- 2 nor may copies be delivered to any person other than your counsel without my prior written consent.

Very truly yours,

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RIVERSIDE COUNTY PUBLIC FINANCING AUTHORITY

$_____	$_____
2014 Tax Allocation Revenue Bonds, Series A (Indian Wells Refunding Project)	**2014 Taxable Tax Allocation Revenue Bonds, Series A-T (Indian Wells Refunding Project)**

BOND PURCHASE AGREEMENT

_____, 2014

Riverside County of Public Financing Authority
c/o County of Riverside
Riverside, California

Ladies and Gentlemen:

Citigroup Global Markets Inc., acting on behalf of itself and as representative (the "Representative") of RBC Capital Markets (collectively, the "Underwriters"), and acting in its capacity as principal and not as a fiduciary or agent, offers to enter into this Bond Purchase Agreement (this "Purchase Agreement") with the Riverside County Public Financing Authority (the "Authority"), which upon acceptance will be binding upon the Underwriters and the Authority. The agreement of the Underwriters to purchase the Bonds (as hereinafter defined) is contingent upon the Authority purchasing the Local Obligations (as hereinafter defined) from the Successor Agency to the Indian Wells Redevelopment Agency (the "Agency"), upon the Authority satisfying all of the obligations imposed upon it under this Purchase Agreement and upon the delivery of an executed certificate of the Agency in the form substantially set forth in Exhibit B hereto on the date hereof (the "Agency Letter of Representations"). This offer is made subject to the Authority's acceptance by the execution of this Purchase Agreement and its delivery to the Representative at or before 8:00 p.m., California local time, on the date hereof, and, if not so accepted, will be subject to withdrawal by the Underwriters upon notice delivered to the Authority at any time prior to the acceptance hereof by the Authority. All capitalized terms used herein, which are not otherwise defined, shall have the meaning provided for such terms in the Indenture (as hereinafter defined).

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 Underwriters hereby agree to purchase from the Authority and the Authority hereby agrees to sell to the Underwriter all (but not less than all) of the following bonds each 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 Exhibit A hereto:

(i) $_____ aggregate principal amount of the Riverside County Public Financing Authority 2014 Tax Allocation Revenue Bonds, Series A (Indian Wells Refunding Project) (the "Series A Bonds"); and

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(ii) $_____ aggregate principal amount of the Riverside County Public Financing Authority 2014 Taxable Tax Allocation Revenue Bonds, Series A-T (Indian Wells Refunding Project) (the "Series A-T Bonds" and together with the Series A Bonds, the "Bonds" or individually, a "Series of Bonds")

The purchase price for each Series of Bonds shall be as shown on Exhibit A hereto.

The Underwriters agree to make a bona fide public offering of all of the Bonds initially at the public offering prices (or yields) set forth in Exhibit A attached hereto and incorporated herein by reference, provided, however, that the Underwriters may offer a portion of the Bonds for sale to selected dealers who are members of the Financial Industry Regulatory Authority and who agree to resell the Bonds to the public on terms consistent with this Purchase Agreement, and the Underwriters reserve the right to change such offering prices or yields as the Underwriters shall deem necessary in connection with the marketing of the Bonds and to offer and sell the Bonds to certain dealers (including dealers depositing the Bonds into investment trusts) and others at prices lower than the initial offering prices or at yields higher than the initial yields set forth on Exhibit A attached hereto. The Underwriters also reserve the right to over-allot or effect transactions that stabilize or maintain the market price of the Bonds at a level above that which might otherwise prevail in the open market and to discontinue such stabilizing, if commenced, at any time. None of such activities shall affect the principal amounts, maturity dates, interest rates, redemption or other provision of the Bonds or the amount to be paid by the Underwriters to the Authority for the Bonds.

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 Revenues as provided in the Indenture of Trust dated as of March 1, 2014, (the "Indenture") by and between the Authority and Union Bank, N.A., as Trustee (the "Trustee"), the Preliminary Official Statement (as hereinafter defined), Article 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code of the State of California and Parts 1.8 and 1.85 of Division 24 of the Health and Safety Code of the State of California (the "Bond Law"). The issuance of the Bonds has been duly authorized by the Authority pursuant to a resolution (the "Authority Resolution") adopted by the Board of Directors of the Authority on _____, 2014.

The net proceeds of the Series A Bonds will be used to purchase the following obligation:

(i) $_____ aggregate principal amount of the Agency's Consolidated Whitewater Redevelopment Project Area Subordinated Tax Allocation Refunding Bonds, Series 2014A.

The net proceeds of the Series A-T Bonds will be used to purchase the following obligation:

(i) $_____ aggregate principal amount of the Agency's Consolidated Whitewater Redevelopment Project Area Subordinated Taxable Tax Allocation Refunding Bonds, Series 2014A-T.

The foregoing obligations are referred to collectively herein as the "Local Obligations" or individually as a "Local Obligation."

The Local Obligations shall be substantially in the form described in, shall be issued and secured under the provisions of, and shall be payable from tax increment revenues pledged thereto as

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provided in the Indenture of Trust dated as of March 1, 2014, by and between the Agency and Union Bank, N.A., as trustee (the "Local Obligations Indenture").

The Local Obligations shall be issued in accordance with Parts 1.8 and 1.85 of Division 24 of the Health & Safety Code of the State of California (as amended from time to time, the "Dissolution Act"). The issuance of the Local Obligations has been duly authorized by a resolution adopted by the members of the Agency (the "Agency Resolution") and by a resolution (the "Oversight Board Resolution") of the Oversight Board for the Agency (the "Oversight Board"). The net proceeds of each Local Obligation will be used as indicated in the Local Obligations Indenture. The Local Obligations shall be purchased by the Authority pursuant to the terms of a Local Obligation Purchase Contract (the "Local Obligation Purchase Contract") by and between the Authority and the Agency.

Each of the Local Obligations is being issued to (i) fund a debt service reserve fund (or to acquire a debt secure reserve fund surety policy (a "Surety Policy")), (ii) to pay costs of issuance allocable to such Local Obligation, (iii) to purchase a municipal bond insurance policy (the "Policy") from _____, (the "Insurer), and (iv) to refund and defease the bonds or obligations issued by the predecessor in interest to the Agency as set forth in Appendix D hereto. Such bonds or obligations are referred to collectively or individually herein as the "Refunded Bonds."

B. The Authority hereby acknowledges that the Representative is entering into this Purchase Agreement in reliance on the representations, warranties and agreements made by the Authority herein, and the Authority shall take all action necessary to enforce its rights hereunder for the benefit of the Underwriters and shall immediately notify the Representative if it becomes aware that any representation, warranty or agreement made by the Agency in connection herewith is incorrect in any material respect.

The Authority acknowledges and agrees that: (i) the purchase and sale of the Bonds pursuant to this Purchase Agreement is an arm's-length commercial transaction between the Authority and the Representative; (ii) in connection therewith and with the discussions, undertakings and procedures leading up to the consummation of such transaction, the Representative is and has been acting solely as principal and is not acting as a Municipal Advisor (as defined in Section 15B of the Securities Exchange Act of 1934, as amended); (iii) the Representative has not assumed an advisory or fiduciary responsibility in favor of the Authority with respect to the offering contemplated hereby or the discussions, undertakings and procedures leading thereto (irrespective of whether the Representative has provided other services or is currently providing other services to the Authority or the County of Riverside (the "County") on other matters); and (iv) the Authority has consulted its own legal, financial and other advisors to the extent that it has deemed appropriate.

C. Pursuant to the authorization of the Authority, the Underwriters have distributed copies of the Preliminary Official Statement dated _____, 2014, 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 Authority hereby ratifies the use by the Underwriters of the Preliminary Official Statement and the Authority 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 Law Corporation, the Authority's Bond Counsel (herein called "Bond Counsel"), and the Underwriters, and to provide copies thereof to the Underwriters as set forth in Section 2(N) hereof. The Authority hereby authorizes and requires the Underwriters to use and promptly distribute, in connection with the offer and sale of the Bonds, the Preliminary

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Official Statement, the Official Statement and any supplement or amendment thereto. The Authority further authorizes the Underwriters to use and distribute, in connection with the offer and sale of the Bonds, the Indenture, the Local Obligations Indenture, this Purchase Agreement and all information contained herein, and all other documents, certificates and statements furnished by or on behalf of the Authority or the Agency to the Representative in connection with the transactions contemplated by this Purchase Agreement.

D. To assist the Underwriters in complying with Securities and Exchange Commission Rule 15c2-12(b)(5) (the "Rule"), the Agency will undertake pursuant to a Continuing Disclosure Agreement, dated as of March 1, 2014 (the "Continuing Disclosure Agreement"), by and among the Agency and the Authority, as dissemination agent (the "Dissemination Agent"), and the Trustee, 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.

E. Except as the Representative and the Authority may otherwise agree, the Authority will deliver to the Underwriters, at the offices of Bond Counsel in San Francisco, California, or at such other location as may be mutually agreed upon by the Representative and the Authority, the documents hereinafter mentioned; and the Authority will deliver to the Underwriters through the facilities of The Depository Trust Company ("DTC") in New York, New York, the Bonds, in definitive form (all Bonds bearing CUSIP numbers), duly executed by the Authority and authenticated by the Trustee in the manner provided for in the Indenture and the Bond Law at 8:00 a.m. California time, on _____, 2014 (the "Closing Date"), and the Underwriters 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.

2. Representations, Warranties and Covenants of the Authority. The Authority represents, warrants and covenants to the Underwriter that:

A. The Authority is a joint exercise of powers authority, duly organized and existing under the Constitution and laws of the State of California, and formed pursuant to Articles 1 through 4 (commencing with Section 6500) of Chapter 5, Division 7, Title 1 of the Government Code (the "JPA Act"), with full right, power and authority: (i) to enter into this Purchase Agreement and the Local Obligation Purchase Contract; (ii) to enter into the Indenture; (iii) to adopt the Authority Resolution authorizing the issuance of the Bonds and entry into this Purchase Agreement and the Indenture and to take all other actions on the part of the Authority relating thereto; (iv) to issue, sell and deliver the Bonds to the Underwriters as provided herein; (v) to purchase the Local Obligations; and (vi) to carry out and consummate the transactions on its part contemplated by this Purchase Agreement, the Indenture, the Local Obligation Purchase Contract, the Continuing Disclosure Agreement and the Official Statement.

The Indenture, the Bonds, this Purchase Agreement, the Continuing Disclosure Agreement and the Local Obligation Purchase Contract are collectively referred to herein as the "Authority Documents."

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B. By all necessary official action of the Authority, the Authority has duly authorized and approved the execution and delivery by the Authority of, and the performance by the Authority of the obligations on its part contained in, the Authority Documents, and has approved the use by the Underwriters of the Preliminary Official Statement and 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 Authority Documents will constitute the legally valid and binding obligations of the Authority enforceable upon the Authority 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 Authority's knowledge, the Authority has complied, and will at the Closing Date be in compliance in all respects, with the terms of the Authority Documents that are applicable to the Authority.

C. The information in the Preliminary Official Statement and in the Official Statement (other than statements pertaining to the book-entry system and Appendices [___and ___] as to which no view is expressed), 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 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 Authority will advise the Underwriters 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 Underwriters, which consent will not be unreasonably withheld. The Authority will advise the Underwriters 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 Underwriters; or (ii) the Underwriters do not retain, directly or as a member of an underwriting syndicate, an unsold balance of the Bonds for sale to the public. Unless the Underwriters give 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 Authority 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."

E. At the time of acceptance, the Authority is not, and as of the Closing Date, except as otherwise disclosed in the Official Statement, will not be, in breach of or in default under any applicable constitutional provision, law or administrative rule or regulation of the State of California or the United States of America, or any applicable judgment or decree or any trust agreement, loan agreement, bond, note, resolution, ordinance, agreement or other instrument to which the Authority is a party or is otherwise subject; and, to the Authority'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 Authority's ability to perform its obligations under the Authority Documents; and, as of such times, except as disclosed in the Official Statement, the authorization,

execution and delivery of the Authority Documents and compliance by the Authority with the provisions of each of such agreements or instruments does not and will not conflict with or constitute a breach of or default under any applicable constitutional provision, law or administrative rule or regulation of the State of California or the United States of America, or any applicable judgment, decree, license, permit, trust agreement, loan agreement, bond, note, resolution, ordinance, agreement or other instrument to which the Authority (or any of its officers in their respective capacities as such) is subject, or by which it or any of its properties is bound; nor will any such authorization, execution, delivery or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of its assets or properties or under the terms of any such law, regulation or instrument, except as may be provided by the Authority Documents.

F. To the best knowledge of the Authority, at the time of acceptance, as of the Closing Date, there is 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 Authority) or to the best knowledge of the Authority threatened, in which any such Action: (i) in any way questions the corporate existence of the Authority or the titles of the officers of the Authority to their respective offices; (ii) affects, contests or seeks to prohibit, restrain or enjoin the issuance or delivery of any of the Bonds, or the payment or collection of Revenues (as defined in the Indenture) 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 Authority Documents or the consummation of the transactions on the part of the Authority contemplated thereby; (iii) contests the exclusion of the interest on the Bonds from federal or state income taxation or contests the powers of the Authority which may result in any material adverse change relating to the financial condition of the Authority; or (iv) 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 not, and as of the Closing Date, there will be no known basis for any action, suit, proceeding, inquiry or investigation of the nature described in clauses (i) through (iv) of this sentence.

G. The Authority will furnish such information, execute such instruments and take such other action in cooperation with the Underwriters and at the expense of the Underwriters as the Underwriters may reasonably request in order: (i) to qualify the Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and other jurisdictions of the United States of America as the Underwriters may designate; and (ii) to determine the eligibility of the Bonds for investment under the laws of such states and other jurisdictions, and will use its best efforts to continue such qualifications in effect so long as required for the distribution of the Bonds, provided; however, that the Authority 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.

H. The Authority Documents conform as to form and tenor to the descriptions thereof contained in the Official Statement. The Authority represents that the Bonds, when issued, executed and delivered in accordance with the Indenture and sold to the Underwriters as provided herein, will be validly issued and outstanding obligations of the Authority, entitled to the benefits of the Indenture pursuant to which such Bonds were issued. The Indenture creates a valid pledge of the

moneys in certain funds and accounts established pursuant to such Indenture, subject in all cases to the provisions of the Indenture permitting the application thereof for the purposes and on the terms and conditions set forth therein.

I. The issuance and sale of the Bonds is not subject to any transfer or other documentary stamp taxes of the State of California or any political subdivision thereof.

J. The Authority has not been notified of any listing or proposed listing by the Internal Revenue Service to the effect that the Authority or the County is a bond issuer whose arbitrage certifications may not be relied upon.

K. Any certificate signed by any authorized officer of the Authority and delivered to the Representative in connection with the issuance and sale of the Bonds shall be deemed to be a representation and covenant by the Authority to the Underwriters as to the statements made therein.

L. The Authority will apply the proceeds of the Bonds in accordance with the Indenture.

M. 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 Authority will faithfully perform and abide by all of the covenants, undertakings and provisions contained in the Indenture related to the Bonds.

N. The Preliminary Official Statement was deemed final by a duly authorized officer of the Authority prior to its delivery to the Underwriters, except for the omission of such information as is permitted to be omitted in accordance with paragraph (b)(1) of the Rule. The Authority hereby covenants and agrees that, within seven (7) business days from the date hereof, or upon reasonable written notice from the Representative within sufficient time to accompany any confirmation requesting payment from any customers of the Underwriters, the Authority shall cause a final printed form of the Official Statement to be delivered to the Underwriters 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.

The Authority 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 Underwriters, from time to time prior to the Closing Date.

The Authority hereby ratifies any prior use of and authorizes the future use by the Underwriters, in connection with the offering and sale of the Bonds, of the Preliminary Official Statement, the Official Statement, this Purchase Agreement, the Local Obligation Purchase Contract, the Continuing Disclosure Agreement and all information contained herein, and all other documents, certificates and written statements furnished by the Authority to the Underwriters in connection with the transactions contemplated by this Purchase Agreement.

The execution and delivery of this Purchase Agreement by the Authority shall constitute a representation to the Representative that the representations and warranties contained in this Section 2 are true as of the date hereof.

3. Conditions to the Obligations of the Underwriters. The obligation of the Underwriters to accept delivery of and pay for the Bonds on the Closing Date shall be subject, at the option of the Underwriters, to the accuracy in all material respects of the representations and warranties on the part of the Authority contained herein, on the part of the Agency contained in the Agency Letter of Representations, to the accuracy in all material respects of the statements of the officers and other officials of the Authority and the Agency made in any certificates or other documents furnished pursuant to the provisions hereof, to the performance by the Authority of its obligations to be performed hereunder at or prior to the Closing Date, to the performance of the Agency of its obligations to be performed under the Local Obligation Purchase Contract at or prior to the Closing Date and, to the following additional conditions:

A. At the Closing Date, the Authority Resolution, the Agency Resolution, the Authority Documents, the Local Obligation Indenture, the Continuing Disclosure Agreement and the Irrevocable Refunding Instructions relating to the respective Refunded Bonds, each dated as of March __, 2014 (collectively, the "Irrevocable Refunding Instructions"), 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 Representative, and there shall have been taken in connection therewith, with the issuance of the Bonds and with the Local Obligations, 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, the Authority shall not 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 of California, 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 Authority is a party or is otherwise subject or bound, and the performance by the Authority of its obligations under the Authority Documents, the Authority Resolution 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 of California, 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 Authority is a party or is otherwise subject or bound, in any manner which would materially and adversely affect the performance by the Authority of its obligations under the Authority Documents or the Authority Resolution.

C. At the Closing Date, except as described in the Preliminary Official Statement, the Agency shall not 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 of California, 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 any Agency is a party or is otherwise subject or bound, and the performance by the Agency of

its obligations under its Local Obligations, Agency Resolution, Local Obligations Indenture, Local Obligation Purchase Contract, Continuing Disclosure Agreement, Irrevocable Refunding Instructions and any other instruments contemplated by any of such documents, and compliance with the provisions of each thereof, or the performance of the conditions precedent to be performed hereunder, will not conflict with or constitute a breach of or default under any applicable law or administrative rule or regulation of the State of California, 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 Agency is a party or is otherwise subject or bound, in any manner which would materially and adversely affect the performance by the Agency of its obligations under the Local Obligation Indenture, the Local Obligations issued by the Agency or the performance of the conditions precedent to be performed by Agency under the Local Obligation Purchase Contract, under the Continuing Disclosure Agreement, or under the Irrevocable Refunding Instructions.

D. 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 the light of the circumstances under which they were made, not misleading.

E. 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 shall not have been materially adversely affected, in the judgment of the Representative (evidenced by a written notice to the Authority terminating the obligation of the Underwriters to accept delivery of and pay for the Bonds), by reason of any of the following:

1. Legislation introduced in or enacted (or resolution passed) by the Congress of the United States of America or recommended to the Congress by the President of the United States of America, 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 or the Internal Revenue Service, with the purpose or effect, directly or indirectly, of imposing federal income taxation upon such interest as would be received by any owners of the Series A Bonds beyond the extent to which such interest is subject to taxation as of the date hereof;

2. Legislation introduced in or enacted (or resolution passed) by the Congress or an order, decree or injunction issued by any court of competent jurisdiction, 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 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 or the Local Obligations, including any or all underlying arrangements, are not exempt from registration under or other requirements of the Securities Act of 1933, as amended, or that the Indenture or the Local Obligation Indenture are not exempt from qualification under or other

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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 or the Local Obligations, including any or all underlying arrangements, 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;

3. A general suspension of trading in securities on the New York Stock Exchange, or a general banking moratorium declared by federal, State of New York or State of California officials authorized to do so;

4. The introduction, proposal or enactment of any amendment to the United States or California Constitution or any action by any federal or California court, legislative body, regulatory body or other authority materially adversely affecting the tax status of the Authority or the Agencies, their property, income, securities (or interest thereon), the validity or enforceability of Local Obligations, or the ability of the Authority to purchase any Local Obligations as contemplated by the Local Obligation Indenture, the Local Obligation Purchase Contract and the Official Statement;

5. Any event occurring, or information becoming known which, in the judgment of the Representative, makes untrue 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;

6. Any national securities exchange, the Comptroller of the Currency, or any other governmental authority, shall impose as to the Bonds, the Local Obligations or obligations of the general character of the Bonds or the Local Obligations, any material restrictions not now in force, or increase materially those now in force, with respect to the extension of credit by, or the charge to the net capital requirements of, the Underwriters;

7. There shall have occurred any material outbreak or escalation of hostilities or other calamity or crisis the effect of which on the financial markets of the United States of America is such as to make it impracticable, in the reasonable judgment of the Underwriters, following consultation with the Authority, to sell the Bonds;

8. Any proceeding shall have been commenced or be threatened in writing by the Securities and Exchange Commission against the Agency, the County or the Authority;

9. An adverse event has occurred affecting the financial condition or operation of the Agency which, in the opinion of the Underwriters, requires or has required a supplement or amendment to the Official Statement; or

10. Any rating of the securities of the Agency shall have been downgraded, suspended or withdrawn by a national rating service, or there shall have been any official statement by a national rating service as to a possible downgrading (such as being placed on "credit watch" or "negative outlook" or any similar qualification), in either case which, in the Underwriters' reasonable opinion, materially adversely affects the marketability or market price of the Bonds; or

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11. Any legislation, ordinance, rule or regulation shall be introduced in, or be enacted by any governmental body, department or agency of the State, or a decision by any court of competent jurisdiction within the State or any court of the United States shall be rendered which, in the reasonable opinion of the Underwriters, materially adversely affects the market price of the Bonds.

F. At or prior to the Closing Date, the Representative shall have received a counterpart original or certified copy of the following documents, in each case satisfactory in form and substance to the Representative:

1. The Official Statement, executed on behalf of the Authority by its Executive Director or other authorized officer;

2. The Indenture, duly executed and delivered by the Authority and the Trustee, and the Local Obligation Indenture, duly executed and delivered by the Agency and the applicable trustee or fiscal agent;

3. The Authority Resolution, together with a certificate of the Secretary of the Authority, dated as of the Closing Date, to the effect that such resolution is a true, correct and complete copy of the resolution duly adopted by the Board of Directors of the Authority;

4. The Agency Resolution and the Irrevocable Refunding Instructions, together with a certificate dated as of the Closing Date of each agency to the effect that the Agency Resolution is a true, correct and complete copy of the resolution duly adopted by that Agency's Board;

5. The Local Obligation Purchase Contract executed by the Authority and the Agency and the Continuing Disclosure Agreement executed and delivered by the Agency, the Authority and the Trustee;

6. Unqualified approving opinions for each Series of Bonds, dated the Closing Date and addressed to the Authority, of Bond Counsel, to the effect such Series of Bonds are the valid, legal and binding obligations of the Authority and that the interest thereon is excluded from gross income for federal income tax purposes (with respect to the Series A Bonds only) and exempt from personal income taxes of the State of California, in substantially the form included as Appendix [D] to the Official Statement, together with one or more letters of Bond Counsel, dated the Closing Date and addressed to the Underwriters, to the effect that such opinion addressed to the Authority may be relied upon by the Underwriters to the same extent as if such opinions were addressed to it;

7. A supplemental opinion or opinions, dated the Closing Date and addressed to the Underwriters, of Bond Counsel, to the effect that:

(i) this Purchase Agreement has been duly authorized, executed and delivered by the Authority and, assuming due authorization, execution and delivery by the Representative, constitutes the legal, valid and binding agreement of the Authority 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 of California;

(ii) the Bonds are not subject to the registration requirements of the Securities Act of 1933, as amended, and the Indenture 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 ["INTRODUCTION," 'REFUNDING OF AGENCY OBLIGATIONS," "THE SERIES 2014 BONDS," "SECURITY AND SOURCES OF PAYMENT FOR THE 2013 BONDS" and "TAX MATTERS" and in Appendix ___] to the Official Statement and the information under the captions "_____—Tax Increment Revenues," "—Security for the Refunding Bonds," "THE REFUNDING BONDS" and "SECURITY FOR THE REFUNDING BONDS" in Appendix [___] to the Official Statement, are accurate insofar as such statements purport to summarize certain provisions of the Bonds, the Local Obligations, the Indenture, the Local Obligation Indenture, Bond Counsel's and final approving opinion;

(iv) the Authority Documents have been duly and validly authorized, executed and delivered by the Authority and constitute the legal, valid and binding obligations of the Authority, enforceable in accordance with their respective terms, except as enforcement thereof may be limited by bankruptcy, insolvency or other laws affecting enforcement of creditors' rights and by the application of equitable principles if equitable remedies are sought; and

8. An unqualified opinion of Bond Counsel addressed to the Authority, the Agency and the Underwriters with respect to each Local Obligation that each Local Obligation and the Local Obligation Indenture has been duly authorized, executed and delivered by the Agency and, assuming due authorization, execution and delivery by the applicable trustee or fiscal agent, constitute the legal, valid and binding agreements of the Agency and are enforceable in accordance with their 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 of California.

9. One or more defeasance opinions of Bond Counsel addressed to the Authority, the Underwriters and the Agency to the effect that each of the Refunded Bonds have been legally defeased in accordance with each of the agreements pursuant to which such Refunded Bonds were issued, and the owners of such obligations have ceased to be entitled to the pledge of tax increment revenues thereunder;

10. An opinion of counsel to the Agency, dated the Closing Date and addressed to the Authority and the Underwriters, substantially in the form attached hereto as Exhibit C;

11. A letter, dated the Closing Date and addressed to the Underwriters, of Best, Best & Krieger, LLP, Disclosure Counsel, to the effect that Disclosure Counsel is not passing upon and has not undertaken to determine independently or to verify the accuracy or completeness of the statements contained in the Official Statement, and is, therefore, unable to make any

representation to the Underwriters in that regard, but on the basis of its participation in conferences with representatives of the Authority, the Agencies, the Financial Advisor, representatives of the Underwriters and others, during which conferences the content of the Official Statement and related matters were discussed, and its examination of certain documents, and, in reliance thereon and based on the information made available to it in its role as Disclosure Counsel and its understanding of applicable law, Disclosure Counsel advises the Underwriters as a matter of fact, but not opinion, that no information has come to the attention of the attorneys in the firm working on such matter which has led them to believe that the Official Statement (excluding therefrom the financial and statistical data, forecasts, charts, numbers, estimates, projections, assumptions and expressions of opinion included in the Official Statement, information regarding DTC and its book entry system, as to all of which no opinion is expressed) as of its date and as of the Closing Date contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, and advising the Underwriters that, other than reviewing the various certificates and opinions required by this Purchase Agreement regarding the Official Statement, Disclosure Counsel has not taken any steps since the date of the Official Statement to verify the accuracy of the statements contained in the Official Statement;

12. A certificate, dated the Closing Date and signed by the Chairman of the Board of Directors of the Authority or other authorized officer, to the effect that: (i) the representations and warranties of the Authority contained herein are true and correct in all material respects on and as of the Closing Date with the same effect as if made on the Closing Date; (ii) to the best knowledge of such officer, no event has occurred since the date of the Official Statement which should be disclosed in the Official Statement for the purpose for which it is to be used or which it is necessary to disclose therein in order to make the statements and information therein not misleading in any material respect; and (iii) the Authority has complied with all the agreements and satisfied all the conditions on its part to be performed or satisfied under the Authority Documents and the Authority Resolution at or prior to the Closing Date;

13. A certificate dated the Closing Date and signed by an authorized representative of the Agency to the effect that: (i) the representations and warranties of the Agency in the Agency Letter of Representations are true and correct in all material respects on and as of the Closing Date with the same effect as if made on the Closing Date; (ii) to the best knowledge of such officer, no event has occurred since the date of the Official Statement which should be disclosed in the Official Statement for the purpose for which it is to be used or which it is necessary to disclose therein in order to make the statements and information therein not misleading in any material respect; (iii) the Agency has complied with all the agreements and satisfied all the conditions on its part to be satisfied under the Local Obligation Purchase Contract, the Agency Resolution and the Local Obligation Indenture at or prior to the Closing Date; and (iv) all information in Appendix [___] to the Official Statement is true as of the date of the Official Statement and as of the Closing Date does not 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;

14. An opinion of County Counsel, as counsel to the Authority, dated the date of Closing and addressed to the Underwriters, the Authority and the Agency, to the effect that:

(i) The Authority is a public body, corporate and politic, duly organized and validly existing as a joint powers authority under the laws of the State of California;

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(ii) The Authority has full legal power and lawful authority to enter into the Authority Documents and to carry out the transactions contemplated under the Authority Documents;

(iii) The Authority Resolution was duly adopted at a meeting of the governing body of the Authority, which was called and held pursuant to law and with all public notice required by law and at which a quorum was present and acting throughout, and the Authority Resolution is in full force and effect and has not been modified, amended, rescinded or repealed since the date of its adoption;

(iv) The Authority Documents have been duly authorized, executed and delivered by the Authority and constitute the legal, valid and binding obligations of the Authority enforceable against the Authority in accordance with their terms, subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights, to the application of equitable principles where equitable remedies are sought and to the exercise of judicial discretion in appropriate cases;

(v) To the best knowledge of such counsel, the execution and delivery of the Authority Documents and the Official Statement and compliance with the provisions thereof under the circumstances contemplated thereby: (a) do not in any material respect conflict with or constitute on the part of the Authority a breach of or default under any agreement or other instrument to which the Authority is a party or by which it is bound; and (b) do not and will not in any material respect or constitute on the part of the Authority a violation, breach of or default under any court order or consent decree to which the Authority is subject;

(vi) The Authority Documents and the Official Statement have been duly authorized by the Board of Directors of the Authority and executed on its behalf by an authorized officer of the Authority; and

(vii) Except as may be stated in the Official Statement, there is no action, suit, proceeding or investigation before or by any court, public board or body pending (notice of which has been served on the Authority) or, to such counsel's knowledge, threatened wherein an unfavorable decision, ruling or finding would: (a) affect the creation, organization, existence or powers of the Authority, or the titles of its members and officers to their respective offices; (b) enjoin or restrain the issuance, sale and delivery of the Bonds, the collection of the Revenues or the pledge thereof; (c) in any way question or affect any of the rights, powers, duties or obligations of the Authority with respect to the Revenues or the 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 (e) in any way question or affect the Authority Documents or the transactions contemplated by the Authority Documents, the Official Statement, or any activity regarding the Bonds;

15. A certificate of Urban Analytics, dated the date of the Closing, addressed to the Authority and the Underwriters, in form and substance acceptable to the Underwriters, (i) certifying as to the accuracy of the information contained in [APPENDIX F — "FISCAL CONSULTANT'S REPORT" and the information in the Official Statement under the captions "—SECURITY FOR THE REFUNDING BONDS—Pass-Through Agreements," "Statutory Tax Sharing Payments," and "Other ROP's Obligations," "THE REDEVELOPMENT PLAN" and "THE PROJECT AREA" in each of Appendices ___ and ___], (ii) consenting to the inclusion of

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such firm's Fiscal Consultant's Report in the Preliminary Official Statement and the Official Statement, and (iii) stating that, to the best of such firm's knowledge, but without having conducted any investigation with respect thereto, nothing has come to such firm's attention between the date of such report and the date hereof which would materially alter any of the conclusions set forth in such report;

16. Certified copies of the general resolution of the Trustee authorizing the execution and delivery of certain documents by certain officers of the Trustee, which resolution authorizes the execution of the Indenture and the authentication of the Bonds;

17. A Certificate of the Trustee addressed to the Underwriters and the Authority dated the Closing Date, to the effect that: (i) the Trustee is authorized to carry out corporate trust powers, and has full power and authority to perform its duties under the Indenture and the Continuing Disclosure Agreement; (ii) the Trustee is duly authorized to execute and deliver the Indenture and the Continuing Disclosure Agreement, to accept the obligations created by the Indenture and to authenticate the Bonds pursuant to the terms of the Indenture; (iii) no consent, approval, authorization or other action by any governmental or regulatory authority having jurisdiction over the Trustee that has not been obtained is or will be required for the authentication of the Bonds or the consummation by the Trustee of the other transactions contemplated to be performed by the Trustee in connection with the authentication of the Bonds and the acceptance and performance of the obligations created by the Indenture and the Continuing Disclosure Agreement; and (iv) to the best of its knowledge, compliance with the terms of the Indenture will not conflict with, or result in a violation or breach of, or constitute a default under, any loan agreement, indenture, bond, note, resolution or any other agreement or instrument to which the Trustee is a party or by which it is bound, or any law or any rule, regulation, order or decree of any court or governmental agency or body having jurisdiction over the Trustee or any of its activities or properties;

18. An opinion of counsel to the Trustee, dated the Closing Date, addressed to the Underwriters, the Authority and the Agencies to the effect that the Trustee is a national banking association duly organized and validly existing under the laws of the United States of America having full power and being qualified to enter into, accept and agree to the provisions of the Indenture and the Continuing Disclosure Agreement, and that the Indenture and the Continuing Disclosure Agreement have been duly authorized, executed and delivered by the Trustee, and, assuming due execution and delivery by the respective other parties thereto, constitutes the legal, valid and binding obligation of the Trustee enforceable in accordance with its terms, subject to bankruptcy, insolvency, reorganization, moratorium and other laws affecting the enforcement of creditors' rights in general and except as such enforceability may be limited by the application of equitable principles if equitable remedies are sought;

19. A certificate of the Authority dated the Closing Date, in a form acceptable to Bond Counsel and the Underwriters, that the Bonds are not arbitrage bonds within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended;

20. A Certificate of the trustee for the Local Obligations in form and substance acceptable to the Authority, Bond Counsel and the Underwriters;

21. An opinion of counsel to the trustee of the Local Obligations dated the Closing date, addressed to the Agency, the Authority and the Underwriters in form and substance acceptable to the Underwriters;

22. An opinion of Counsel to the fiscal agent for each of the Refunded Bonds, date the Closing Date, and addressed to the Agency, the Authority and the Underwriters in form and substance acceptable to the Underwriters;

23. A letter addressed to the Authority and the Agencies, dated the date of the Closing, from [_____] verifying the accuracy of the mathematical computations concerning the adequacy of the maturing principal amounts of the government obligations, together with other moneys, if any, to be deposited in the applicable escrow fund to pay when due pursuant to the stated maturity or call for redemption the principal of and interest and premium with respect to the Refunded Bonds;

24. Evidence that the ratings on the Bonds are as described in the Official Statement;

25. Certificates and/or opinions required to issue the Local Obligations on parity with existing bond indebtedness of the Agency;

26. Copies of proposed and final CDIAC Notices;

27. [The Policy];

28. [Certificates/Opinions of the Insurer and Surety Bond Provider];

29. [The Surety Bond]; and

30. Such additional legal opinions, certificates, instruments and other documents as the Representative 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 Authority contained herein, and of the statements and information contained in the Official Statement and the due performance or satisfaction by the Authority and the Agency at or prior to the Closing of all agreements then to be performed and all conditions then to be satisfied by the Authority and the Agency in connection with the transactions contemplated hereby and by the Local Obligation Indenture, the Indenture, the Local Obligation Purchase Contract, the Irrevocable Refunding Instructions, the Continuing Disclosure Agreement and the Official Statement.

If the Authority shall be unable to satisfy the conditions to the obligations of the Underwriters to purchase, accept delivery of and pay for the Bonds contained in this Purchase Agreement, or if the obligations of the Underwriters 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 Authority nor the Underwriters shall be under any further obligation hereunder, except that the respective obligations of the Authority and the Underwriters set forth in Section 4 hereof shall continue in full force and effect.

4. Conditions to the Obligations of the Authority.

A. The obligation of the Authority to accept delivery of and pay for the Local Obligations on the Closing Date shall be subject, at the option of the Authority, to the sale of the Bonds, to the accuracy in all material respects of the representations and warranties on the part of the Agency contained in the Local Obligations Purchase Contract, to the accuracy in all material respects of the statements of the officers and other officials of the Agency made in any certificates or other documents furnished pursuant to the provisions hereof and to the performance by the Agency of its obligations to be performed under the Local Obligation Purchase Contract and the conditions precedent to be performed by the Agency pursuant thereto at or prior to the Closing Date. The obligations of the Authority shall be further subject to the satisfaction of the conditions contained in Section 3 of this Purchase Agreement.

B. If the Agency or the Authority shall be unable to satisfy the conditions to the obligations of the Authority to purchase, accept delivery of and pay for the Local Obligations contained in the Local Obligation Purchase Contract, or if the obligations of the Authority to purchase, accept delivery of and pay for the Local Obligations shall be terminated for any reason permitted thereby, this Purchase Agreement shall terminate and neither the Authority nor the Underwriters shall be under any further obligation hereunder, except that the respective obligations of Agencies and the Authority set forth in Section 5 hereof shall continue in full force and effect.

5. Expenses. The Authority will pay or cause to be paid the approved expenses incident to the performance of its obligations hereunder and certain expenses relating to the sale of the Bonds, including, but not limited to, (a) the cost of the preparation and printing or other reproduction of the Authority Documents and the Agency Documents (other than this Purchase Agreement); (b) the fees and disbursements of Bond Counsel, Disclosure Counsel, the Financial Advisor, Fiscal Consultant and any other experts or other consultants retained by the Authority or the Agency; (c) the costs and fees of the credit rating agencies; (d) the cost of preparing and delivering the definitive Bonds and the Local Obligations; (e) the cost of providing immediately available funds on the Closing Date; (f) the cost of the printing or other reproduction of the Preliminary Official Statement and Official Statement and any amendment or supplement thereto, including a reasonable number of certified or conformed copies thereof; (g) the Underwriters' out-of-pocket expenses incurred with the financing; and (h) expenses (included in the expense component of the spread) incurred on behalf of the Authority's, the County's or the Agency's employees which are incidental to implementing this Purchase Agreement. The Underwriters will pay the expenses of the preparation of this Purchase Agreement and all other expenses incurred by the Underwriters in connection with the public offering and distribution of the Bonds, including CDIAC fees and the fee and disbursements of Underwriters' Counsel.

The Underwriters shall pay, and the Authority shall be under no obligation to pay, all expenses incurred by the Underwriters in connection with the public offering and distribution of the Bonds.

6. Notices. Any notice or other communication to be given to the Authority under this Purchase Agreement may be given by delivering the same in writing to the Riverside County Public Financing Authority c/o County of Riverside, P.O. Box 1180, Riverside, California 92502, Attention: Executive Director; any notice or other communication to be given to the Underwriters under this Purchase Agreement may be given by delivering the same in writing to Citigroup Global Markets Inc., 444 S. Flower Street, 27th Floor, Los Angeles, California 90071, Attention: Victor Andrade.

7. Parties In Interest. This Purchase Agreement is made solely for the benefit of the Authority and the Underwriters (including any successors or assignees of the Underwriters) and no other person shall acquire or have any right hereunder or by virtue hereof.

8. Survival of Representations and Warranties. The representations and warranties of the Authority 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 Underwriters (or statements as to the results of such investigations) concerning such representations and statements of the Authority and regardless of delivery of and payment for the Bonds.

9. 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.

10. Effective. This Purchase Agreement shall become effective and binding upon the respective parties hereto upon the execution of the acceptance hereof by the Authority and shall be valid and enforceable as of the time of such acceptance.

11. No Prior Agreements. This Purchase Agreement supersedes and replaces all prior negotiations, agreements and understanding among the parties hereto in relation to the sale of the Bonds by the Authority.

12. Governing Law. This Purchase Agreement shall be governed by the laws of the State of California.

13. Effective Date. This Purchase Agreement shall become effective and binding upon the respective parties hereto upon the execution of the acceptance hereof by the Authority and shall be valid and enforceable as of the time of such acceptance.

Very truly yours,

CITIGROUP GLOBAL MARKETS, INC., as Representative of the Underwriters

By: _____
Its: Authorized Officer

RIVERSIDE COUNTY PUBLIC FINANCING AUTHORITY

By: _____
Its: _____

EXHIBIT A

Schedule of Bond Maturities, Principal Amounts and Interest Rates

$_____
RIVERSIDE COUNTY PUBLIC FINANCING AUTHORITY
2014 TAX ALLOCATION REVENUE BONDS, SERIES A

Maturity Date (September 1)	*Principal Amount*	*Interest Rate*	*Yield*	*Price*
	$	%	%	

The Purchase Price for the Series A Bonds shall be $_____ (being the aggregate principal amount of the Series A Bonds [plus/less] an original issues [premium/discount] of $_____ and less an Underwriters' discount of $_____. [In connection with the issuance of the Series A Bonds, and the Underwriters shall wire $_____ directly to the Insurer for the costs of the premium on the Surety Bond.]

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$_____

RIVERSIDE COUNTY PUBLIC FINANCING AUTHORITY
2014 TAXABLE TAX ALLOCATION REVENUE BONDS, SERIES A-T

Maturity Date (September 1)	*Principal Amount*	*Interest Rate*	*Yield*	*Price*
	$	%	%	

The Purchase Price for the Series A-T Bonds shall be $_____ (being the aggregate principal amount of the Series A-T Bonds [plus/less] an original issues [premium/discount] of $_____ and less an Underwriters' discount of $_____. [In connection with the issuance of the Series A-T Bonds, the Underwriters shall wire $_____ directly to the Insurer for the costs of the premium on the Surety Bond.]

EXHIBIT B

Form of Agency Letter of Representations

Citigroup Global Markets Inc.
Los Angeles, California

RBC Capital Markets
Los Angeles, California

Riverside County Public Financing Authority
Riverside, California

The Successor Agency to the Indian Wells Redevelopment Agency (the "Agency") hereby represents and warrants as follows:

1. The Agency is a public entity validly existing under the laws of the State of California (the "State") with full right, power and authority to adopt the Agency Resolution, to issue its Local Obligations and to execute, deliver and perform its obligations under the Local Obligation Indenture, Local Obligation Purchase Contract, Continuing Disclosure Agreement and Irrevocable Refunding Instructions (collectively, the "Agency Documents") and to carry out and consummate the transactions contemplated by the Agency Documents and the Official Statement.

2. By all necessary official action, the Agency has duly adopted the Resolution No. ____ (the "Agency Resolution") at a meeting properly noticed at which a quorum was present and acting throughout and has duly authorized and approved the execution and delivery of, and the performance by the Agency of the obligations contained in, the Agency Documents, 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, the Agency Documents will constitute the legally valid and binding obligations of the Agency enforceable 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, or by the exercise of judicial discretion and the limitations on legal remedies against governmental agencies in the State of California. The Agency has complied, and will at the Closing be in compliance in all respects, with the terms of the Agency Documents.

3. The Agency deems Appendix [___] to the Preliminary Official Statement to be final for purposes of the Securities and Exchange Commission Rule 15c2-12(b)(5) and has approved the distribution of such appendix as a part of the Preliminary Official Statement pursuant to the Agency Resolution.

4. The information contained in Appendix [___] to the Preliminary Official Statement is true and correct in all material respects, and information contained in Appendix [___] to the Preliminary Official Statement does not contain a misstatement of any material fact and does not omit any statement necessary to make the statements contained therein, in the light of the circumstances in which such statements were made, not misleading.

5. Until the date which is twenty-five (25) days after the "End of the Underwriting Period" (as hereinafter defined), if any event shall occur of which the Agency is aware, as a result of

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which it may be necessary to supplement Appendix [___] to the Official Statement in order to make the statements in Appendix [___] to the Official Statement, in light of the circumstances existing at such time, not misleading, the Agency shall forthwith notify the Authority and the Underwriters of any such event of which it has knowledge and shall cooperate fully in furnishing any information available to it for any supplement to the Official Statement necessary, in the Underwriters' opinion, so that the statements therein as so supplemented will not be misleading in light of the circumstances existing at such time. Unless the Underwriters give 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 Agency 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."

6. Except as otherwise disclosed in Appendix [___] to the Preliminary Official Statement, the Agency is not in breach of or in default under any applicable constitutional provision, law or administrative rule or regulation of the State or the United States, or any applicable judgment or decree or any trust agreement, loan agreement, bond, note, resolution, ordinance, agreement or other instrument to which the Agency is a party or is otherwise subject, and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute a default or event of default under any such instrument; and, as of such times, except as disclosed in Appendix [___] to the Preliminary Official Statement, the authorization, execution and delivery of the Agency Documents, and compliance with the provisions of each of such agreements or instruments do not and will not conflict with or constitute a breach of or default under any applicable constitutional provision, law or administrative rule or regulation of the State or the United States or any applicable judgment, decree, license, permit, trust agreement, loan agreement, bond, note, resolution, ordinance agreement or other to which the Agency (or any of its officers in their respective capacities as such) is subject, or by which it or any of its properties is bound, nor will any such authorization, execution, delivery or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of its assets or properties or under the terms of any such law, regulation or instrument, except as may be provided by the Agency Documents.

7. Except as disclosed in Appendix [___] and under the caption "LITIGATION" to the Preliminary Official Statement, there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, government agency, public board or body, pending or threatened: (i) in any way questioning the corporate existence of the Agency or the titles of the officers of the Agency to their respective offices; (ii) affecting, contesting or seeking to prohibit, restrain or enjoin the issuance or delivery of the Local Obligations, or the payment or collection of any amounts pledged or to be pledged to pay the principal of and interest on the Local Obligations, or in any way contesting or affecting the validity of the Local Obligations or the Agency Documents or the consummation of the transactions contemplated thereby or hereby, or contesting the exclusion of the interest on the Local Obligations from taxation or contesting the powers of the Agency or its authority to issue the Local Obligations; (iii) which may result in any material adverse impact on the obligation of the Agency to pay debt service on the Local Obligations when due; (iv) with respect to information relating to the Agency only, contesting the completeness or accuracy of Appendix [___] to the Preliminary Official Statement or any supplement or amendment thereto or asserting that the Preliminary 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 (v) there is no basis for any action, suit, proceeding, inquiry or investigation of the nature described in clauses (i) through (iv) of this paragraph.

8. The Agency will refrain from taking any action with regard to which the Agency may exercise control that results in the inclusion in gross income for federal or State of California income tax purposes of the interest on the Local Obligations which are designated as "tax-exempt."

9. Except as disclosed in the Preliminary Official Statement, the Agency has not defaulted under any prior continuing disclosure undertaking.

10. The Oversight Board has duly approved the issuance of the Local Obligation and no further Oversight Board approval or consent is required for the issuing of the applicable Local Obligations.

11. No further Department of Finance approval or consent is required for the issuance of the applicable Local Obligation or the consummation of the transactions described in the Preliminary Official Statement. Except as disclosed in Appendix [___] to the Preliminary Official Statement, the Agency is not aware of the Department of Finance directing or having any basis to direct the County Auditor-Controller to deduct unpaid unencumbered funds from future allocations of property tax to the Agency pursuant to Section 34183 of the Dissolution Act.

All terms not otherwise defined herein shall have the meaning ascribed to them in the Bond Purchase Agreement, dated _____, 2014 (the "Purchase Agreement"), by and between the Riverside County Public Financing Authority (the "Authority") and Citigroup Global Markets Inc. (the "Representative"), on behalf of itself and RBC Capital Markets.

SUCCESSOR AGENCY TO THE INDIAN WELLS REDEVELOPMENT AGENCY

By: _____

Its: _____

EXHIBIT C

Form of Agency Counsel Opinion

(A) The Agency is a public entity validly existing under the laws of the State of California;

(B) The Agency Resolution approving and authorizing the execution and delivery of the Agency Documents defined below and approving Appendix [___] to the Official Statement has been duly adopted, and the Agency Resolution is in full force and effect and has not been modified, amended, rescinded or repealed since the date of its adoption;

(C) The Local Obligation Indenture, Local Obligation Purchase Contract, Irrevocable Refunding Instructions and the Continuing Disclosure Agreement (collectively, the "Agency Documents") have been duly authorized, executed and delivered by the Agency and constitute valid and binding legal obligations of the Agency enforceable in accordance with their respective terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles relating to or affecting creditors' rights generally, or by the exercise of judicial discretion and the limitations on legal remedies against governmental entities in the State of California;

(D) Except as otherwise disclosed in Appendix [___] and under the caption "LITIGATION"] to the Official Statement, there is no litigation, proceeding, action, suit, or investigation at law or in equity before or by any court, governmental agency or body, pending (and notice of which has been served on the Agency) or to the best knowledge of such counsel after due inquiry threatened against the Agency, challenging the creation, organization or existence of the Agency, or the validity of the Agency Documents or seeking to restrain or enjoin the repayment of the Bonds or in any way contesting or affecting the validity of the Agency Documents or contesting the authority of the Agency to enter into or perform its obligations under any of the Agency Documents, or which, in any manner, questions the right of the Agency to use the Tax Revenues (defined in the Local Obligation Indenture) for repayment of the Local Obligations or affects in any manner the right or ability of the Agency to collect or pledge the tax revenues or the plan limits of any of the redevelopment project areas as described in Appendix [___] to the Official Statement; and

(F) Except as otherwise disclosed in the Official Statement, there are no outstanding bonds, notes or other obligations of the Agency which are payable out of tax increment of any of the redevelopment project areas.

CONTINUING DISCLOSURE AGREEMENT

by and between

RIVERSIDE COUNTY
PUBLIC FINANCING AUTHORITY,

and

SUCCESSOR AGENCY TO THE
INDIAN WELLS REDEVELOPMENT AGENCY

Dated as of _____, 2014

Relating to:

$_____
Riverside County Public Financing Authority
2014 Tax Allocation Revenue Bonds, Series A
(Indian Wells Refunding Project)

and

$_____
Riverside County Public Financing Authority
2014 Taxable Tax Allocation Revenue Bonds, Series A-T
(Indian Wells Refunding Project)

CONTINUING DISCLOSURE AGREEMENT

THIS CONTINUING DISCLOSURE AGREEMENT, dated as of _____, 2014, (this "Disclosure Agreement"), is by and between the RIVERSIDE COUNTY PUBLIC FINANCING AUTHORITY, a joint exercise of powers agency duly organized and existing under the laws of the State of California (the "Authority"), and the SUCCESSOR AGENCY TO THE INDIAN WELLS REDEVELOPMENT AGENCY, a public body, corporate and politic, duly organized and existing pursuant to the Community Redevelopment Law of the State of California (as successor agency to the Indian Wells Redevelopment Agency, the "Agency"), in connection with the issuance of the Authority's 2014 Tax Allocation Revenue Bonds, Series 2013 A (the "Authority Series A Bonds") and its 2014 Taxable Tax Allocation Revenue Bonds, Series A-T (Indian Wells Refunding Project) (the "Authority Series B Bonds" and together with the Authority Series A Bonds, the "Authority Bonds") pursuant to an Indenture of Trust, dated as of _____, 2014 (the "Indenture"), between the Authority and Union Bank, N.A., as trustee (the "Authority Trustee"),

WITNESSETH:

WHEREAS, the County of Riverside (the "County") has developed a program (the "Refunding Program") to assist the successor agencies to former community redevelopment agencies within the County to refund tax increment obligations pursuant to California Assembly Bill 1484 (Stats 2012 c. 26) ("AB 1484") in order to provide debt service savings to successor agencies and to increase property tax revenues available for distribution to affected taxing entities, including the County; and

WHEREAS, the Authority is empowered under the provisions of Article 4, Chapter 5, Division 7, Title 1 of the California Government Code to issue its bonds for the purpose of purchasing certain local obligations issued by certain local agencies, including tax allocation refunding bonds issued by said successor agencies, as described in Section 34177.5(a)(1) of the California Health and Safety Code; and

WHEREAS, the Authority has determined to issue the Authority Bonds in order to provide funds to acquire issued by the Agency, in order to assist the Agency in refunding certain of its outstanding bonds pursuant to AB 1484; and

WHEREAS, the Agency has issued its Consolidated Whitewater Redevelopment Project Area subordinated Tax Allocation Refunding, Series 2014 A (the "Series A Bonds") and its Consolidated Whitewater Redevelopment Project Area Subordinated Taxable Tax Allocation Refunding, Series A-T (the "Series A-T Bonds," and together with the Series A Bonds, the "Refunding Bonds") pursuant to an Indenture of Trust, dated as of _____, 2014 (the "Indenture"), by and between the Agency and Union Bank, N.A., as trustee (the "Agency Trustee"), as amended or supplemented from time to time in accordance with its terms; and

WHEREAS, such Refunding Bonds will be secured by a pledge of, and lien on, and shall be repaid from Pledged Tax Revenues deposited from time to time in the Redevelopment Property Tax Trust Fund established pursuant to subdivision (c) of Section 34172 of the California Health and Safety Code; and

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WHEREAS, this Disclosure Agreement is being executed and delivered by the Authority and the Agency for the benefit of the holders and beneficial owners of the Authority Bonds and in order to assist the underwriters of the Authority Bonds in complying with Securities and Exchange Commission Rule 15c2-12(b)(5);

NOW, THEREFORE, for and in consideration of the mutual promises and covenants herein contained, the parties hereto agree as follows:

Section 1. **Definitions**. Unless the context otherwise requires, the terms defined in this Section shall for all purposes of this Disclosure Agreement have the meanings herein specified. Capitalized undefined terms used herein shall have the meanings ascribed thereto in the Indenture.

"**Annual Report**" means any Annual Report provided by the Agency pursuant to, and as described in, Sections 2 and 3 hereof.

"**Annual Report Date**" means the date in each year that is the first day of the month following the ninth month after the end of the Agency's fiscal year, which date, as of the date of this Disclosure Agreement, is March 1.

"**Agency**" means the Successor Agency to the Indian Wells Redevelopment Agency, a public body, corporate and politic, duly organized and existing under and pursuant to the Law.

"**Agency Trustee**" means Union Bank, N.A., as trustee under the Indenture, or any successor thereto as trustee thereunder, substituted in its place as provided therein.

"**Authority**" means the Riverside Public Financing Authority duly organized and existing under and pursuant to the laws of the State of California and a Joint Exercise of Powers Agreement, dated as of March 20, 1990, between the County and the Redevelopment Agency for the County of Riverside.

"**Authority Trustee**" means Union Bank, N.A., as trustee under the Indenture, or any successor trustee substituted in its place as provided therein.

"**Bonds**" means, collectively, the Authority Bonds and the Refunding Bonds. "City" means the City of Indian Wells, California.

"**County**" means the County of Riverside, a political subdivision of the State of California.

"**County Auditor-Controller**" means the Auditor-Controller of the County of Riverside.

"**Disclosure Representative**" means or other as shall designate in writing to the Authority and the Dissemination Agent (if other than the Authority) from time to time.

"**Dissemination Agent**" means the Authority, acting in its capacity as Dissemination Agent hereunder, or any successor dissemination agent designated in writing by the Authority and which has filed with the Authority and the Agency a written acceptance of such designation.

"**Listed Events**" means any of the events listed in subsection (a) or subsection (b) of Section 4 hereof.

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

"**Official Statement**" means the Official Statement, dated _____ __, _____, relating to the Authority Bonds.

"**Participating Underwriter**" means any of the original underwriters of the Authority Bonds required to comply with the Rule in connection with the offering of the Authority Bonds.

"**Project Area**" shall have the meaning specified in the Official Statement.

"**Rule**" means Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

Section 2. **Provision of Annual Reports**. (a) The Agency shall, or shall cause the Dissemination Agent to, provide to the MSRB an Annual Report which is consistent with the requirements of Section 3 hereof, not later than the Annual Report Date, commencing with the report for the 2013-14 Fiscal Year. The Annual Report may include by reference other information as provided in Section 3 hereof; provided, however, that the audited financial statements of the Agency, if any, may be submitted separately from the balance of the Annual Report, and later than the date required above for the filing of the Annual Report if they are not available by that date. If the Agency's fiscal year changes, it shall, or it shall instruct the Dissemination Agent to, give notice of such change in a filing with the MSRB. The Annual Report shall be submitted on a standard form in use by industry participants or other appropriate form and shall identify the Authority Bonds by name and CUSIP number. [The Authority shall provide the Agency with the information specified in Exhibit B for inclusion in the Annual Report not later than 30 days prior to the date specified in this subsection (a). **TO BE DISCUSSED]**

(b) Not later than 15 business days prior to the date specified in subsection (a) of this Section for the providing of the Annual Report to the MSRB, the Agency shall provide the Annual Report to the Dissemination Agent. If by such date, the Dissemination Agent has not received a copy of the Annual Report, the Dissemination Agent shall contact the Agency and the Dissemination Agent to determine if the Agency is in compliance with the first sentence of this subsection (b).

(c) If the Dissemination Agent is unable to verify that an Annual Report has been provided to the MSRB by the date required in subsection (a) of this Section, the Dissemination Agent shall, in a timely manner, send a notice to the MSRB in substantially the form attached as Exhibit A.

(d) The Dissemination Agent shall:

(i) provide any Annual Report received by it to the MSRB, as provided herein; and

(ii) file a report with the Authority and the Agency certifying that the Annual Report has been provided pursuant to this Disclosure Agreement, stating the date it was provided to the MSRB.

Section 3. **Content of Annual Reports**. The Annual Report shall contain or include by reference the following:

(a) The Agency's separate audited financial statements, or the City's audited financial statements including Agency operations as a trust fund, 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 such audited financial statements are not available by the time the Annual Report is required to be filed pursuant to subsection (a) of Section 2 hereof, the Annual Report shall contain unaudited financial statements in a format similar to that used for the audited financial statements, and the audited financial statements, if any, shall be filed in the same manner as the Annual Report when they become available.

(b) Unless otherwise provided in the audited financial statements filed on or before the Annual Report Date, financial information and operating data with respect to the Agency, substantially similar to that provided in the corresponding tables relating to the Agency and the Project Area in the Official Statement (and where not specified by date or period for the preceding fiscal year):

(i) Taxable assessed values for the most recent fiscal year in substantially the format of Table _____ of the Official Statement;

(ii) Pledged Tax Revenues for the most recent fiscal year;

(iii) An update of the ten largest assessees in substantially the format of Table __ of the Official Statement for the most recent fiscal year;

(iv) An update of Debt Service Coverage for the Bond Year ending on the immediately preceding September 1 in substantially the format of Table __ of the Official Statement;

(v) Tax levy, percentage of current year levy collected, percentage of current levy delinquent, total collections and total collections as a percentage of the most recent year's tax levy;

(vi) Amount of all Agency debt outstanding secured by a pledge of the Tax Increment Revenues and cumulative amount of Tax Increment Revenues received by the Agency to date and, if applicable in furtherance of an Agency covenant regarding Redevelopment Plan Limits, a statement of annual debt service remaining to be paid on all Outstanding Bonds and Parity Obligations and the amount of Tax Increment Revenues which the Agency is permitted to receive

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under its Redevelopment Plan, the amount of tax increment revenues allocated to the Agency during the one year period covered by the statement, and the amount, if any, to be used or escrowed for use to pay principal and interest on Refunding Bonds and any Parity Debt; and

(vii) [Pertinent information from the recent Recognized Obligation Payment Schedule.]

(viii) Information related to Project Area assessed valuation appeals.

(c) In addition to any of the information expressly required to be provided under subsections (a) and (b) of this Section, the Agency shall provide such further information, if any, as may be necessary to make the specifically required statements, in light of the circumstances under which they are made, not misleading.

Any or all of the items described above may be included by specific reference to other documents, including official statements of debt issues of the Agency or related public entities, which have been submitted to the Securities and Exchange Commission. If the document included by reference is a final official statement, it must be available from the MSRB. The Agency shall clearly identify each such other document so included by reference.

Section 4. **Reporting of Significant Events**. (a) Pursuant to the provisions of this Section, the Agency shall give, or cause to be given with respect to the Refunding Bonds, and hereby authorizes the Authority to give, or cause to be given, with respect to the Authority Bonds, notice of the occurrence of any of the following events with respect to the Bonds in a timely manner not later than ten business days after the occurrence of the event:

(i) Principal and interest payment delinquencies.

(ii) Unscheduled draws on debt service reserves reflecting financial difficulties.

(iii) Unscheduled draws on credit enhancements reflecting financial difficulties.

(iv) Substitution of credit or liquidity providers, or their failure to perform.

(v) Adverse tax opinions or issuance by the Internal Revenue Service of proposed or final determination of taxability or of a Notice of Proposed Issue (IRS Form 5701 TEB).

(vi) Tender offers.

(vii) Redemptions and Defeasances.

(viii) Rating changes.

(ix) Bankruptcy, insolvency, receivership or similar event of the obligated person.

For purposes of the event identified in paragraph (ix), the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an obligated person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the obligated person, or if such jurisdiction has been assumed by leaving the existing governmental body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the obligated person.

(b) Pursuant to the provisions of this Section, the Agency shall give, or cause to be given with respect to the Refunding Bonds, and hereby authorizes the Authority to give, or cause to be given, with respect to the Authority Bonds, notice of the occurrence of any of the following events with respect to the Bonds, if material, in a timely manner not later than ten business days after the occurrence of the event:

(i) Unless described in paragraph (v) of subsection (a) of this Section, other material notices or determinations by the Internal Revenue Service with respect to the tax status of the Bonds or other material events affecting the tax status of the Bonds.

(ii) Modifications to rights of holders of the Bonds.

(iii) Optional, unscheduled or contingent Bond calls.

(iv) Release, substitution, or sale of property securing repayment of the Bonds.

(v) Non-payment related defaults.

(vi) The consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms.

(vii) Appointment of a successor or additional trustee or the change of name of a trustee.

(c) The Authority shall, within one business day of obtaining actual knowledge of the occurrence of any of the Listed Events, contact the Disclosure Representative and the Dissemination Agent and inform such persons of the event.

(d) Whenever the Agency or the Authority obtains knowledge of the occurrence of a Listed Event described in subsection (b) of this Section, the Agency or the Authority, as

applicable shall determine if such event would be material under applicable Federal securities law.

(e) Whenever the Agency or the Authority obtains knowledge of the occurrence of a Listed Event described in subsection (a) of this Section, or determines that the occurrence of a Listed Event described in subsection (b) of this Section is material under subsection (d) of this Section, the Agency or the Authority, as applicable shall, or shall cause the Dissemination Agent (if the Authority is not the Dissemination Agent) to, file a notice of the occurrence of such Listed Event with the MSRB within ten business days of such occurrence.

(f) Notwithstanding the foregoing, notice of Listed Events described in paragraph (iii) of subsection (a) of this Section and in paragraph (vii) of subsection (a) of this Section need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to holders of affected Authority Bonds pursuant to the Indenture.

Section 5. **Format for Filings with MSRB**. Any report or filing with the MSRB pursuant to this Disclosure Agreement must be submitted in electronic format, accompanied by such identifying information as is prescribed by the MSRB.

Section 6. **Termination of Reporting Obligation**. The obligations of the Agency, the Authority and the Dissemination Agent under this Disclosure Agreement shall terminate upon the legal defeasance, prior prepayment or payment in full of all of the Authority Bonds [relating to the Refunding Bonds] or the legal defeasance, prior prepayment or payment in full of all of the Refunding Bonds, if earlier. If such termination occurs prior to the final principal payment date of the Authority Bonds, the Authority shall give notice of such termination in a filing with the MSRB.

Section 7. **Dissemination Agent**. The Agency may, from time to time, appoint or engage a Dissemination Agent (if the Authority is not the Dissemination Agent) to assist it in carrying out its obligations under this Disclosure Agreement, and may discharge any such Dissemination Agent (if other than the Authority or the Authority Trustee), with or without appointing a successor Dissemination Agent. The Dissemination Agent may resign by providing thirty days written notice to the Authority and the Agency.

Section 8. **Amendment; Waiver**. Notwithstanding any other provision of this Disclosure Agreement, the Authority and the Agency may amend this Disclosure Agreement and any provision of this Disclosure Agreement may be waived, provided that the following conditions are satisfied:

(a) if the amendment or waiver relates to the provisions of subsection (a) of Section 2 hereof, Section 3 hereof or subsections (a) or (b) of Section 4 hereof, it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of an obligated person with respect to the Authority Bonds, or the type of business conducted;

(b) the undertakings herein, as proposed to be amended or waived, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the primary offering of the Authority Bonds, after taking into

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account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) the proposed amendment or waiver (i) is approved by holders of the Authority Bonds in the manner provided in the Indenture for amendments to the Indenture with the consent of holders, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of holders or beneficial owners of the Authority Bonds.

In the event of any amendment or waiver of a provision of this Disclosure Agreement, the Agency shall describe such amendment or waiver in the next Annual Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the Agency. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements (i) notice of such change shall be given in a filing with the MSRB, and (ii) the Annual Report for the year in which the change is made shall present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

Section 9. **Additional Information**. Nothing in this Disclosure Agreement shall be deemed to prevent the Agency from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement or any other reasonable means of communication, or including any other information in any Annual Report or notice required to be filed pursuant to this Disclosure Agreement, in addition to that which is required by this Disclosure Agreement. If the Agency chooses to include any information in any Annual Report or notice in addition to that which is specifically required by this Disclosure Agreement, the Agency shall have no obligation under this Disclosure Agreement to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event or any other event required to be reported.

Section 10. **Default**. The parties hereto acknowledge that in the event of a failure of the Authority, the Agency or the Dissemination Agent to comply with any provision of this Disclosure Agreement, the Authority Trustee may (and, at the written direction of any Participating Underwriter or the holders of at least 25% of the aggregate amount of principal evidenced by Outstanding Authority Bonds, shall, upon receipt of indemnification reasonably satisfactory to the Authority Trustee), or any holder or beneficial owner of the Authority Bonds may, take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Authority, the Agency or the Dissemination Agent, as the case may be, to comply with its obligations under this Disclosure Agreement. A default under this Disclosure Agreement shall not be deemed an Event of Default under the Indenture, and the sole remedy under this Disclosure Agreement in the event of any failure of the Agency or the Dissemination Agent to comply with this Disclosure Agreement shall be an action to compel performance.

Section 11. **Duties, Immunities and Liabilities of Dissemination Agent**. The Dissemination Agent shall (so long as the Authority is the Dissemination Agent) be entitled to

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the protections and limitations from liability afforded to the Authority under the Indenture. The Dissemination Agent shall be not responsible for the form or content of financial statements made part of any Annual Report or notice of Listed Event or for information sourced to the Agency. The Dissemination Agent shall receive reasonable compensation for its services provided under this Disclosure Agreement. The Dissemination Agent (if other than the Authority or the Authority acting in its capacity as Dissemination Agent) shall have only such duties as are specifically set forth in this Disclosure Agreement. To the extent permitted by law, the Agency shall indemnify and save the Dissemination Agent (if other than the Authority) and the Authority harmless against any liabilities which it may incur in the exercise and performance of its powers and duties hereunder, and which are not due to its negligence or its willful misconduct. The obligations of the Agency under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Authority Bonds and the Refunding Bonds.

Section 12. **Beneficiaries**. This Disclosure Agreement shall inure solely to the benefit of the Authority, the Agency, the Dissemination Agent, the Participating Underwriter and the holder and beneficial owners from time to time of the Authority Bonds, and shall create no rights in any other person or entity.

Section 13. **Counterparts**. This Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

[Balance of this page intentionally left blank.]

IN WITNESS WHEREOF, the parties hereto have executed this Disclosure Agreement as of the date first above written.

RIVERSIDE COUNTY PUBLIC FINANCING AUTHORITY

By: _____
Treasurer

SUCCESSOR AGENCY TO THE INDIAN WELLS REDEVELOPMENT AGENCY

By: _____
[City Manager]

ACCEPTED AND AGREED:

RIVERSIDE COUNTY PUBLIC FINANCING AUTHORITY, as Dissemination Agent

By: _____
Authorized Officer

ACKNOWLEDGED AND AGREED:

UNION BANK, N.A., as Authority Trustee

By: _____
Authorized Officer

EXHIBIT A

NOTICE OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer: Riverside County Public Financing Authority

Name of Issue: Riverside County Public Financing Authority
2014 Tax Allocation Revenue Bonds, Series A
(Indian Wells Refunding Project); and Riverside County Public Financing Authority 2014 Taxable Tax Allocation Revenue Bonds, Series A-T

Obligated Person: Successor Agency to the Indian Wells Redevelopment Agency

Date of Issuance: _____ 2014

NOTICE IS HEREBY GIVEN that the Successor Agency to the [Agency] (the "Agency") has not provided an Annual Report with respect to the above-named bonds as required by the Continuing Disclosure Agreement, dated as of _____, 2014, by and between the Riverside County Public Financing Authority and the Agency. The Agency anticipates that the Annual Report will be filed by _____.

Dated: _____

RIVERSIDE COUNTY PUBLIC FINANCING AUTHORITY, as Dissemination Agent, on behalf of the Successor Agency to the INDIAN WELLS REDEVELOPMENT AGENCY

cc: Successor Agency to the Indian Wells Redevelopment Agency

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EXHIBIT B

INFORMATION TO BE ASSEMBLED BY THE RIVERSIDE COUNTY PUBLIC FINANCING AUTHORITY,

relating to the

Riverside County Public Financing Authority
2014 Tax Allocation Revenue Bonds, Series A
(Indian Wells Refunding Project)

and

Riverside County Public Financing Authority
2014 Taxable Tax Allocation Revenue Bonds, Series A-T
(Indian Wells Refunding Project)

[TO BE DISCUSSED]

The Authority will provide the following financial information and operating data with respect to the Agency, substantially similar to that provided in the corresponding tables relating to the Agency and the Project Area in the Official Statement:

(i) Table showing for the most current fiscal year taxable assessed values.

(ii) Table showing for the most current fiscal year [Tax Increment Revenues].

(iii) Table showing for the most current fiscal year update of the ten largest assessees.

(iv) Table showing Debt Service Coverage for the Bond Year ending on the immediately preceding September 1.

(v) Table showing for the most current fiscal year tax levy, percentage collected, percentage delinquent, total collections and total collections as a percentage of the most recent year's tax levy.

(vi) Amount of all Agency debt outstanding secured by a pledge of the [Tax Increment Revenues] and cumulative amount of [Tax Increment Revenues] received by the Agency to date [and, if applicable in furtherance of an Agency covenant regarding Redevelopment Plan Limits, a statement of annual debt service remaining to be paid on all Outstanding Bonds and Parity Obligations and the amount of [Tax Increment Revenues] which the Agency is permitted to receive under its Redevelopment Plan, the amount of tax increment revenues allocated to the Agency during the one year period covered by the statement, and the amount, if any, to be used or escrowed for use to pay principal and interest on Bonds and any Parity Debt].

(vii) [Pertinent information from the recent Recognized Obligation Payment Schedule].

(viii) [Information related to Project Area assessed valuation appeals].

Financial Advisors, Public Finance
Serving California and Hawaii

C.M. de CRINIS & CO., INC.

MEMORANDUM

To: **Successor Agency to the Redevelopment Agency of the City of Indian Wells**

Date: **January 16, 2014**

From: **C.M.de Crinis - Financial Advisor to the County of Riverside Public Financing Authority Tax Allocation Bonds Refunding Program**

RE: **Bond Refunding Plan**

Introduction

As a result of ABx1 26 and the California Supreme Court decision in the Matosantos case challenging the constitutionality of AB 26, all redevelopment agencies in the State were dissolved as of February 1, 2012, including the Redevelopment Agency of the City of Indian Wells (the "Redevelopment Agency"), and successor agencies to the former redevelopment agencies were designated to expeditiously wind down the affairs of the former redevelopment agencies. The City of Indian Wells (the "City") acts as successor agency to the Redevelopment Agency (the "Successor Agency").

The primary provisions enacted by ABx1 26 relating to the dissolution and wind down of former redevelopment agency affairs are codified in Parts 1.8 (commencing with Section 34161) and 1.85 (commencing with Section 34170) of Division 24 of the Health and Safety Code of the State, as amended on June 27, 2012 by Assembly Bill No. 1484 ("AB 1484"), enacted as Chapter 26, Statutes of 2012 (as amended from time to time, the "Dissolution Act").

Refunding Bonds under the Dissolution Act - Section 34177.5 of the Health & Safety Code, which was added to the Dissolution Act by AB 1484, authorizes the Successor Agency to issue bonds for the purpose of refunding outstanding tax allocation bonds of the Redevelopment Agency or the Successor Agency to provide debt service savings

provided that (A) the total interest cost to maturity on the refunding bonds plus the principal amount of the refunding bonds does not exceed the total remaining interest cost to maturity on the bonds to be refunded plus the remaining principal of the bonds to be refunded, and (B) the principal amount of the refunding bonds does not exceed the amount required to defease the refunded bonds, to establish customary debt service reserves, and to pay related costs of issuance. If the foregoing conditions are satisfied, the initial principal amount of the refunding bonds may be greater than the outstanding principal amount of the bonds to be refunded.

Section 34177.5(h) of the Dissolution Act requires the Successor Agency to make diligent efforts to ensure that the lowest long-term cost financing is obtained, and requires the successor agency to make use of an independent financial advisor in developing financing proposals and to make the work products of the financial advisor available to the Department of Finance at its request.

This report is written by C.M. de Crinis & Co. Inc, which has been engaged as the independent financial advisor to the County of Riverside Public Financing Authority's Tax Allocation Bond Refunding Program (the " County Program"), to analyze the possible refunding of the Successor Agency's outstanding bonds. The bonds that are candidates for refunding are listed herein.

Overview of Bond Refunding Plan

On September 16, 2013 the Successor Agency Oversight Board elected, pursuant to Health and Safety Code Section 34177.5(f), to participate in the Riverside County's Refunding Program. Successor Agency staff and the Program's financing team has identified two (2) Series of Bonds totaling $33,740,000 that are refunding candidates (the "Bonds") in its Whitewater Project Area. The refunding plan is to issue two series of refunding bonds, one taxable and one tax exempt collectively(the "Refunding Bonds").

Under the County Program, the Successor Agency plans to redeem and refund all of the Bonds that produce acceptable net present value savings. Section 34177.5(g) provides that any refunding bonds shall be secured by a pledge of, and lien on, and shall be repaid from moneys deposited from time to time in the Successor Agency's Redevelopment Property Tax Trust Fund.

After investigation it was determined that two series of bonds were required since the refunding of the Series 2003 A-T Bonds would not qualify as a tax exempt refunding. It was however determined that the taxable series could be re-amortized and repaid first thereby lowering overall interest cost and increasing overall savings.

The Refunding Bonds will be purchased by the Riverside County Public Financing Authority (the "Authority"). The Authority will simultaneously issue Authority Tax Allocation Revenue Bonds underwritten by negotiated sale provided savings are determined to be sufficient by the Successor Agency and the County. If savings are insufficient the Successor Agency may forgo or delay the refinancing. Agency and Riverside County Staff has determined a minimum net combined present value target of at or near 3% of the principal bonds

refunded. The Bonds can be refunded or repaid at any time upon 20 days notice and are treated as a current refunding under Federal Tax Law.

Outstanding Project Area Bonds – Refunding Candidates

The Redevelopment Agency previously issued the following outstanding bonds in Project Area # 1.

1. $41,135,000 Indian Wells Redevelopment Agency Whitewater Project Area Tax Allocation Bonds, Series 2003 A. These bonds have a final maturity date of September 1, 2022 and were first callable 9/1/2013. Currently $7,175,000 in Bonds is outstanding and refundable. In 2006 $24,565,000 of the 2003 A Bonds were advance refunded.

2. $46,110,000 Indian Wells Redevelopment Agency Whitewater Project Area Tax Allocation Bonds, Series 2003 A-T. These bonds have a final maturity date of September 1, 2022 and were first callable 9/1/2013. Currently $26,565,000 in Bonds is refundable.

Summary of Expected Refunding Results

	Series 2003 A	Series A-T	Total
Bonds Outstanding	$ 7,175,000	$ 26,565,000	$ 33,740,000
Average Coupon	5.00%	5.46%	5.36%
Average Life	4.82	4.85	4.85
Final Maturity	9/1/2022	9/1/2022	9/1/2022
Refunding Bonds	$ 6,585,000	$ 27,300,000	$ 33,885,000
True Interest Cost	2.59%	4.13%	3.75%
Final Maturity	9/1/2022	9/1/2022	9/1/2022
Average Life	5.77	4.50	4.75
Cash Flow Savings	$ 531,900	$ 1,323,768	$ 1,855,668
Present Value Savings	$ 658,698	$ 928,637	**$ 1,587,335**
As % of Refunded Bonds	9.18%	3.49%	4.70%

Projected Refunding Savings

Year end Sept 1	Prior Debt Service	New Debt Service	Savings	Present Value
2014	$ 3,919,600	$ 3,747,975	$ 171,625	$ 168,387
2015	4,827,570	4,615,669	211,901	204,555
2016	4,827,093	4,614,516	212,578	196,569
2017	4,822,495	4,613,750	208,746	185,080
2018	4,823,503	4,613,590	209,914	178,509
2019	4,824,298	4,615,646	208,653	170,376
2020	4,819,357	4,607,988	211,370	165,700
2021	4,823,407	4,612,988	210,420	158,642
2022	4,820,379	4,609,916	210,464	152,467
Total	$ 42,507,702	$ 40,652,034	$ 1,855,668	$ 1,580,285
			Bond Proceeds	$ 7,051
			Net Present Value	**$ 1,587,335**

Bond Structure and Credit Considerations

The Series 2014 Refunding Bonds will refund all the $7,175,000 in outstanding Series 2003 A Bonds and up to $26,565,000 in outstanding Series 2003 A-T Bonds. The $33,740,000 in Series 2014 Refunding Bonds will be issued on a subordinate basis to the $81,230,000 in Agency Series 2005, 2006 and 2010 Bonds.

The term and repayment dates of the Series 2014 Refunding Bonds will be identical to the outstanding bonds being refunded with a final maturity of September 1, 2022. Savings will be proportional in each year. The Series 2014 Bonds will be issued under a subordinate lien indenture and the senior lien will be closed to issuance of additional bonds. If issued under the existing senior bond indenture the 2014 Refunding Bonds would require the Agency to fund a $3 million plus bond reserve fund from new bond proceeds. Funding a new bond reserve fund would increase debt service and reduce savings considerably due to the currently very low reinvestment rates on the bond reserve fund compared to the interest cost of the Refunding Bonds.

Given the existing project area characteristics and the post dissolution debt service coverage it has been determined by the County's Program advisor and Underwriters that the use of a subordinate indenture should not preclude the Authority from obtaining bond insurance and a new bond debt service reserve fund surety policy. The Series 2003 A and A-T Bonds being refunded have a bond reserve fund surety policy from AMBAC. AMBAC's credit rating is below investment grade at Caa2 by Moody's and the Standard & Poor's Rating has been withdrawn. A new debt service reserve fund surety policy will be of benefit to all bond holders.

As a direct result of the financial crisis, the only viable remaining reserve fund surety providers, Assured Guarantee Municipal and Build America Mutual do not have the necessary "AAA" credit ratings from both Standard & Poor's and Moody's required under

the existing senior indenture to support a new bond debt service reserve policy for the Refunding Bonds. Their Standard and Poor's ratings are "AA-" and "AA" respectively.

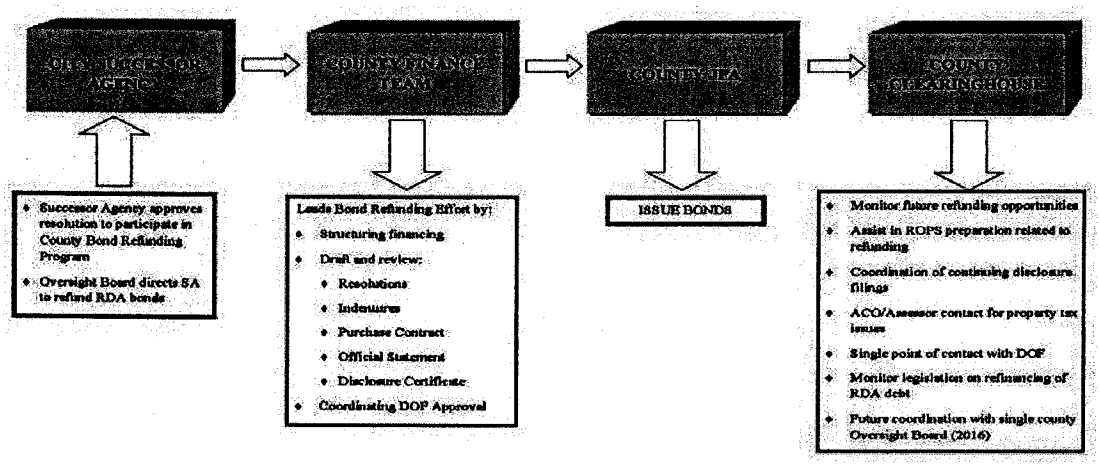
The structure of the Refunding Bonds will also eliminate the segregation of housing set aside amounts. Under the dissolution legislation, housing set aside has been eliminated. By refunding the bonds under a new subordinate indenture the refunded Series A-T Housing Bonds will be secured only by a subordinated pledge of tax increment. There will no outstanding prior housing bonds. The elimination of the housing set aside requirement by the Dissolution Legislation provides strong additional coverage to the Agency's bonds raising debt service coverage from approximately 130% to 150%. Refunding the Series 2003 A-T Housing Series without the prior housing pledge simplifies the credit analysis and is less confusing for investors and rating agencies.

It is expected that the Series 2014 Authority Bonds will received a rating from Standard & Poor's of "A" or "A-" based on the project area characteristics, increased debt service coverage and term. Given the strong overall debt service coverage, the impact of issuing subordinate bonds is expected to be minimal and cost effective when compared to issuing parity bonds and funding and debt serving a new $3 million bond debt service reserve fund. The current rating is "A" on the 2003 A-T Housing Series and "BBB-" on the Non Housing Series 2003 A, 2005, 2006 and 2010. In the opinion of the County's Program advisors the "BBB-" rating does not reflect the impact of the Dissolution Legislation elimination of the housing set aside pledge or the recovering property values in the Whitewater Project Area. It is expected that bond insurance will be available from Assured Guaranty Mutual or Build America Mutual increasing the rating to the "AA" category (Assured Guarantee is current rated AA-) by S&P. No Moody's or Fitch Rating will be applied for. A Bond Reserve Fund Surety Policy is expected to be available and is essential to the refunding plan.

]

Underwriting and Issuance

Under the County of Riverside Tax Allocation Bond Refunding Program the Agency's Bonds will be sold to the Riverside County Public Financing Authority, a joint powers authority pursuant to the Marks-Roos Local Bond Pooling Act (Article 4 (commencing with Section 6584) of Chapter 5 of Division 7 of Title 1 of the Government Code). The Authority will simultaneously issue its Tax Allocation Revenue Bonds to fund the purchase of the Agency's Bonds. This is a common structure and has been used in the past by the County Public Financing Authority for the County Redevelopment Agency's own project area bond issues. The County has five distinct Project Areas. There has been strong market acceptance in the past for this structure and over $600 million in County Tax Allocation Bond have been issued this way. In addition to expected strong market acceptance, participating in the County Program will help streamline administration of the refunding issue over time.



Process and Timing

We anticipate having the Oversight Board and State Department of Finance review and approve the Successor Agency's refinancing plan starting in January of 2014 in order to prepare for a refinancing of the outstanding bonds as soon as approval can be obtained. The Successor Agency Board and Oversight Board initially approved the refinancing in concept in September of 2013 and it is anticipated to approve the financing program at their January meetings. The Authority will take action following the action of the Successor Agency and Oversight Board. Assuming timely approvals from all agencies including the State Department of Finance, the Successor Agency and the Authority anticipate issuing the Refunding Bonds in March of 2014.

Allocation of Savings

It is expected that reductions in annual debt service will be allocated by the County Auditor to the appropriate taxing entities semi annually as part of the ROPS process. The primary beneficiaries, depending on the year and tax rate area, are the Desert Sands Unified School District with 38 %, the Coachella Valley Water District with 6% and County of Riverside with 36 %., County Schools with 4%, College of the Desert with 8%, and Coachella Valley Recreation & Park District with 2 %. It is expected that the City of Indian Wells will receive under 4% of the annual savings.

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SOURCES AND USES OF FUNDS

Indian Wells RDA
Indian Wells - Consolidated Whitewater - Refunding

Sources:	Refunding of Indian Wells RDA - Series 2003A (Unrefunded)	Refunding of Indian Wells RDA - Series 2003A-T (Taxable)	Total
Bond Proceeds:			
Par Amount	6,585,000.00	27,300,000.00	33,885,000.00
Premium	769,986.80	-	769,986.80
	7,354,986.80	27,300,000.00	34,654,986.80
Other Sources of Funds:			
Bond Fund	179,375.00	725,224.50	904,599.50
	7,534,361.80	28,025,224.50	35,559,586.30

Uses:	Refunding of Indian Wells RDA - Series 2003A (Unrefunded)	Refunding of Indian Wells RDA - Series 2003A-T (Taxable)	Total
Refunding Escrow Deposits:			
Cash Deposit	7,354,375.00	27,290,224.50	34,644,599.50
Delivery Date Expenses:			
Cost of Issuance	57,328.46	237,671.54	295,000.00
Underwriter's Discount	32,925.00	136,500.00	169,425.00
Bond Insurance	59,250.48	245,639.78	304,890.26
Surety Policy	26,938.54	111,681.41	138,619.95
	176,442.48	731,492.73	907,935.21
Other Uses of Funds:			
Additional Proceeds	3,544.32	3,507.27	7,051.59
	7,534,361.80	28,025,224.50	35,559,586.30

BOND PRICING

Indian Wells RDA
Indian Wells - Consolidated Whitewater - Refunding

Bond Component	Maturity Date	Amount	Rate	Yield	Price	Premium (-Discount)
Refunding of Indian Wells RDA - Series 2003A (Unre, Tax-Exempt A- Serial Bonds:						
	09/01/2018	2,470,000	4.000%	1.900%	109.016	222,695.20
	09/01/2020	4,000,000	5.000%	2.750%	113.309	532,360.00
	09/01/2021	115,000	5.000%	3.050%	112.984	14,931.60
		6,585,000				769,986.80
Refunding of Indian Wells RDA - Series 2003A-T (Ta, Taxable A- Serial Bonds:						
	09/01/2014	3,150,000	1.120%	1.120%	100.000	-
	09/01/2015	3,455,000	1.770%	1.770%	100.000	-
	09/01/2016	3,515,000	2.440%	2.440%	100.000	-
	09/01/2017	3,600,000	3.060%	3.060%	100.000	-
	09/01/2018	1,240,000	3.560%	3.560%	100.000	-
	09/01/2019	3,855,000	3.960%	3.960%	100.000	-
	09/01/2021	4,090,000	4.580%	4.580%	100.000	-
	09/01/2022	4,395,000	4.890%	4.890%	100.000	-
		27,300,000				-
		33,885,000				769,986.80

Dated Date	03/01/2014	
Delivery Date	03/01/2014	
First Coupon	09/01/2014	
Par Amount	33,885,000.00	
Premium	769,986.80	
Production	34,654,986.80	102.272353%
Underwriter's Discount	-169,425.00	-0.500000%
Purchase Price	34,485,561.80	101.772353%
Accrued Interest	-	
Net Proceeds	34,485,561.80	

BOND MATURITY TABLE

Indian Wells RDA
Indian Wells - Consolidated Whitewater - Refunding

Maturity Date	Refunding of Indian Wells RDA - Series 2003A (Unrefunded)	Refunding of Indian Wells RDA - Series 2003A-T (Taxable)	Total
09/01/2014	-	3,150,000	3,150,000
09/01/2015	-	3,455,000	3,455,000
09/01/2016	-	3,515,000	3,515,000
09/01/2017	-	3,600,000	3,600,000
09/01/2018	2,470,000	1,240,000	3,710,000
09/01/2019	-	3,855,000	3,855,000
09/01/2020	4,000,000	-	4,000,000
09/01/2021	115,000	4,090,000	4,205,000
09/01/2022	-	4,395,000	4,395,000
09/01/2023	-	-	-
09/01/2024	-	-	-
09/01/2025	-	-	-
09/01/2026	-	-	-
09/01/2027	-	-	-
09/01/2028	-	-	-
09/01/2029	-	-	-
09/01/2030	-	-	-
09/01/2031	-	-	-
09/01/2032	-	-	-
09/01/2033	-	-	-
09/01/2034	-	-	-
09/01/2035	-	-	-
09/01/2036	-	-	-
09/01/2037	-	-	-
09/01/2038	-	-	-
09/01/2039	-	-	-
09/01/2040	-	-	-
09/01/2041	-	-	-
09/01/2042	-	-	-
09/01/2043	-	-	-
09/01/2044	-	-	-
	6,585,000	27,300,000	33,885,000

SUMMARY OF REFUNDING RESULTS

Indian Wells RDA
Indian Wells - Consolidated Whitewater - Refunding

Dated Date	03/01/2014
Delivery Date	03/01/2014
Arbitrage yield	3.845381%
Escrow yield	-
Bond Par Amount	33,885,000.00
True Interest Cost	3.752144%
Net Interest Cost	3.831594%
All-In TIC	4.267085%
Average Coupon	4.204759%
Average Life	4.750
Par amount of refunded bonds	33,740,000.00
Average coupon of refunded bonds	5.362673%
Average life of refunded bonds	4.846
PV of prior debt to 03/01/2014 @ 3.845381%	36,834,980.58
Net PV Savings	1,587,336.12
Percentage savings of refunded bonds	4.704612%
Percentage savings of refunding bonds	4.684480%

SAVINGS

Indian Wells RDA
Indian Wells - Consolidated Whitewater - Refunding

Date	Prior Debt Service	Prior Receipts	Prior Net Cash Flow	Refunding Debt Service	Savings	Present Value to 03/01/2014 @ 3.8453811%
09/01/2014	4,824,199.00	904,599.50	3,919,599.50	3,747,974.50	171,625.00	168,387.43
09/01/2015	4,827,570.00	-	4,827,570.00	4,615,669.00	211,901.00	204,554.63
09/01/2016	4,827,093.00	-	4,827,093.00	4,614,515.50	212,577.50	196,569.44
09/01/2017	4,822,495.00	-	4,822,495.00	4,613,749.50	208,745.50	185,079.93
09/01/2018	4,823,503.00	-	4,823,503.00	4,613,589.50	209,913.50	178,508.57
09/01/2019	4,824,298.00	-	4,824,298.00	4,615,645.50	208,652.50	170,375.94
09/01/2020	4,819,357.00	-	4,819,357.00	4,607,987.50	211,369.50	165,699.77
09/01/2021	4,823,407.00	-	4,823,407.00	4,612,987.50	210,419.50	158,641.86
09/01/2022	4,820,379.00	-	4,820,379.00	4,609,915.50	210,463.50	152,466.96
	43,412,301.00	904,599.50	42,507,701.50	40,652,034.00	1,855,667.50	1,580,284.54

Savings Summary

PV of savings from cash flow	1,580,284.54
Plus: Refunding funds on hand	7,051.59
Net PV Savings	1,587,336.13

SUMMARY OF REFUNDING RESULTS

Indian Wells RDA
Refunding of Indian Wells RDA - Series 2003A (Unrefunded)
Uninsured

Dated Date	03/01/2014
Delivery Date	03/01/2014
Arbitrage yield	3.845381%
Escrow yield	-
Bond Par Amount	6,585,000.00
True Interest Cost	2.595494%
Net Interest Cost	2.766541%
All-In TIC	2.984401%
Average Coupon	4.707327%
Average Life	5.767
Par amount of refunded bonds	7,175,000.00
Average coupon of refunded bonds	5.000000%
Average life of refunded bonds	4.821
PV of prior debt to 03/01/2014 @ 3.845381%	7,707,154.74
Net PV Savings	658,698.72
Percentage savings of refunded bonds	9.180470%
Percentage savings of refunding bonds	10.003018%

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SAVINGS

Indian Wells RDA
Refunding of Indian Wells RDA - Series 2003A (Unrefunded)
Uninsured

Date	Prior Debt Service	Prior Receipts	Prior Net Cash Flow	Refunding Debt Service	Savings	Present Value to 03/01/2014 @ 3.8453811%
09/01/2014	1,008,750.00	179,375.00	829,375.00	152,275.00	677,100.00	664,327.05
09/01/2015	1,011,250.00	-	1,011,250.00	304,550.00	706,700.00	667,652.74
09/01/2016	1,012,000.00	-	1,012,000.00	304,550.00	707,450.00	643,083.37
09/01/2017	1,011,000.00	-	1,011,000.00	304,550.00	706,450.00	617,871.62
09/01/2018	1,008,250.00	-	1,008,250.00	2,774,550.00	-1,766,300.00	-1,488,779.89
09/01/2019	1,008,750.00	-	1,008,750.00	205,750.00	803,000.00	651,021.70
09/01/2020	1,007,250.00	-	1,007,250.00	4,205,750.00	-3,198,500.00	-2,497,550.77
09/01/2021	1,008,750.00	-	1,008,750.00	120,750.00	888,000.00	667,979.78
09/01/2022	1,008,000.00	-	1,008,000.00	-	1,008,000.00	729,548.80
	9,084,000.00	179,375.00	8,904,625.00	8,372,725.00	531,900.00	655,154.40

Savings Summary

PV of savings from cash flow	655,154.40
Plus: Refunding funds on hand	3,544.32
Net PV Savings	658,698.72

SUMMARY OF BONDS REFUNDED

Indian Wells RDA
Refunding of Indian Wells RDA - Series 2003A (Unrefunded)
Uninsured

Bond	Maturity Date	Interest Rate	Par Amount	Call Date	Call Price
Indian Wells RDA - Series 2003A (Unrefunded):					
SERIAL	09/01/2014	5.000%	650,000.00	03/01/2014	100.000
	09/01/2015	5.000%	685,000.00	03/01/2014	100.000
	09/01/2016	5.000%	720,000.00	03/01/2014	100.000
	09/01/2017	5.000%	755,000.00	03/01/2014	100.000
	09/01/2018	5.000%	790,000.00	03/01/2014	100.000
	09/01/2019	5.000%	830,000.00	03/01/2014	100.000
	09/01/2020	5.000%	870,000.00	03/01/2014	100.000
	09/01/2021	5.000%	915,000.00	03/01/2014	100.000
	09/01/2022	5.000%	960,000.00	03/01/2014	100.000
			7,175,000.00		

8A

SUMMARY OF REFUNDING RESULTS

Indian Wells RDA
Refunding of Indian Wells RDA - Series 2003A-T (Taxable)
Uninsured

Dated Date	03/01/2014
Delivery Date	03/01/2014
Arbitrage yield	3.845381%
Escrow yield	-
Bond Par Amount	27,300,000.00
True Interest Cost	4.132692%
Net Interest Cost	4.160547%
All-In TIC	4.691616%
Average Coupon	4.049536%
Average Life	4.504
Par amount of refunded bonds	26,565,000.00
Average coupon of refunded bonds	5.460000%
Average life of refunded bonds	4.852
PV of prior debt to 03/01/2014 @ 3.845381%	29,127,825.84
Net PV Savings	928,637.40
Percentage savings of refunded bonds	3.495718%
Percentage savings of refunding bonds	3.401602%

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SAVINGS

Indian Wells RDA
Refunding of Indian Wells RDA - Series 2003A-T (Taxable)
Uninsured

Date	Prior Debt Service	Prior Receipts	Prior Net Cash Flow	Refunding Debt Service	Savings	Present Value to 03/01/2014 @ 3.8453811%
09/01/2014	3,815,449.00	725,224.50	3,090,224.50	3,595,699.50	-505,475.00	-495,939.62
09/01/2015	3,816,320.00	-	3,816,320.00	4,311,119.00	-494,799.00	-463,098.10
09/01/2016	3,815,093.00	-	3,815,093.00	4,309,965.50	-494,872.50	-446,513.93
09/01/2017	3,811,495.00	-	3,811,495.00	4,309,199.50	-497,704.50	-432,791.69
09/01/2018	3,815,253.00	-	3,815,253.00	1,839,039.50	1,976,213.50	1,667,288.46
09/01/2019	3,815,548.00	-	3,815,548.00	4,409,895.50	-594,347.50	-480,645.76
09/01/2020	3,812,107.00	-	3,812,107.00	402,237.50	3,409,869.50	2,663,250.54
09/01/2021	3,814,657.00	-	3,814,657.00	4,492,237.50	-677,580.50	-509,337.93
09/01/2022	3,812,379.00	-	3,812,379.00	4,609,915.50	-797,536.50	-577,081.84
	34,328,301.00	725,224.50	33,603,076.50	32,279,309.00	1,323,767.50	925,130.13

Savings Summary

PV of savings from cash flow	925,130.13
Plus: Refunding funds on hand	3,507.27
Net PV Savings	928,637.40

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SUMMARY OF BONDS REFUNDED

Indian Wells RDA
Refunding of Indian Wells RDA - Series 2003A-T (Taxable)
Uninsured

Bond	Maturity Date	Interest Rate	Par Amount	Call Date	Call Price
Indian Wells RDA - Series 2003A-T (Taxable):					
TERM	09/01/2022	5.460%	26,565,000.00	03/01/2014	100.000
			26,565,000.00		

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