



**CITY OF SOUTH PASADENA
CITY COUNCIL CLOSED SESSION
REGULAR MEETING AGENDA**

**City Manager's Conference Room, Second Floor, City Hall
1414 Mission Street, South Pasadena, CA 91030**

Wednesday, October 19, 2016, at 6:30 p.m.

*The public may comment on Closed Session items prior to the City Council recessing to Closed Session.
In order to address the City Council on Closed Session items, please complete a Public Comment Card.
Time allotted per speaker: 3 minutes. The City Council will convene in Open Session at 7:30 p.m.*

CALL TO ORDER: Mayor Diana Mahmud

ROLL CALL: Councilmembers Robert S. Joe, Marina Khubesrian, M.D.,
Richard D. Schneider, M.D., Mayor Pro Tem Michael A.
Cacciotti, and Mayor Diana Mahmud

PUBLIC COMMENT PERIOD FOR CLOSED SESSION ITEMS ONLY

(Time limit is three minutes per person)

The City Council welcomes public input. Members of the public may address the City Council by completing a public comment card and giving it to the Chief City Clerk prior to the meeting. Pursuant to State law, the City Council may not discuss or take action on issues not on the meeting agenda (Government Code Section 54954.2).

CLOSED SESSION AGENDA ITEMS

A. Initiation of Litigation

CONFERENCE WITH LEGAL COUNSEL – INITIATION OF LITIGATION, Pursuant to Government Code Section 54956.9 (d)(4):

Number of Cases: 1

B. Existing Litigation

CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION, Pursuant to Government Code Section 54956.9 (d)(1):

Name of Case: City of Gardena v. Los Angeles Regional Water Quality Control Board and State Water Resources Control Board, Los Angeles County Superior Court Case No. BS156342

C. Potential Litigation

CONFERENCE WITH LEGAL COUNSEL – POTENTIAL LITIGATION, Pursuant to Government Code Section 54956.9 (d)(2):

Number of Potential Cases: 1

I declare under penalty of perjury that I posted this notice of agenda on the bulletin board in the courtyard of City Hall at 1414 Mission Street, South Pasadena, CA 91030, and on the City's website as required by law.

10/13/2016

Date

Desiree Jimenez

Desiree Jimenez, Deputy City Clerk



**CITY OF SOUTH PASADENA
CITY COUNCIL / REDEVELOPMENT SUCCESSOR AGENCY
JOINT REGULAR MEETING AGENDA**

**Amedee O. "Dick" Richards, Jr. Council Chamber
1424 Mission Street, South Pasadena, CA 91030**

Wednesday, October 19, 2016, at 7:30 p.m.

*In order to address the City Council, please complete a Public Comment Card.
Time allotted per speaker is three minutes.
No agenda item may be taken after 11:00 p.m.*

CALL TO ORDER: Mayor Diana Mahmud

ROLL CALL: Councilmembers Robert S. Joe, Marina Khubesrian, M.D., Richard D. Schneider, M.D.; Mayor Pro Tem Michael A. Cacciotti; and Mayor Diana Mahmud

INVOCATION: Councilmember Schneider
**In permitting a nonsectarian invocation, the City does not intend to proselytize, advance, or disparage any faith or belief. Neither the City nor the City Council endorses any particular belief or form of invocation.*

PLEDGE OF ALLEGIANCE: Councilmember Schneider

- 1. CLOSED SESSION ANNOUNCEMENTS:** A Closed Session Agenda has been posted separately

PRESENTATIONS

- 2. Presentation of a Certificate of Appreciation to Evan Davis, Outgoing Commissioner, for Volunteer Service on the South Pasadena Planning Commission**
- 3. Presentation of the Fiscal Year 2015-16 Annual Report of the Animal Commission**
- 4. Presentation of the Fiscal Year 2015-16 Annual Report of the Public Safety Commission**
- 5. Presentation of the Fiscal Year 2015-16 Annual Report of the Public Works Commission**

COMMISSION APPOINTMENT**6. Planning Commission Appointment**Recommendation

Appoint Janet Braun to the Planning Commission for a partial term ending December 31, 2017.

COMMUNICATIONS**7. Councilmembers Communications**

Time allotted per Councilmember is three minutes. Additional time will be allotted at the end of the City Council Meeting agenda, if necessary.

8. City Manager Communications**9. Reordering of and Additions to the Agenda****PUBLIC COMMENTS AND SUGGESTIONS**

(Time limit is three minutes per person)

The City Council welcomes public input. Members of the public may address the City Council by completing a public comment card and giving it to the Chief City Clerk prior to the meeting. At this time, the public may address the City Council on items that are not on the agenda. Pursuant to state law, the City Council may not discuss or take action on issues not on the meeting agenda, except that members of the City Council or staff may briefly respond to statements made or questions posed by persons exercising public testimony rights (Government Code Section 54954.2). Staff may be asked to follow up on such items.

OPPORTUNITY TO COMMENT ON CONSENT CALENDAR

In order to address the City Council, please complete a Public Comment card. Time allotted per speaker is three minutes. Items listed under the consent calendar are considered by the City Manager to be routine in nature and will be enacted by one motion unless an audience member or Councilmember requests otherwise, in which case the item will be removed for separate consideration. Any motion relating to an ordinance or a resolution shall also waive the reading of the ordinance or resolution and include its introduction or adoption as appropriate.

CONSENT CALENDAR**10. Minutes of the City Council Meeting of October 5, 2016**Recommendation

Approve the minutes of the October 5, 2016 City Council Meeting.

11. Prepaid Warrants, General City Warrants, Redevelopment Successor Agency Check Summary, and PayrollRecommendation

Approve the City of South Pasadena Prepaid Warrants Nos. 195555 through 195611 in the amount of \$829,449.03; General City Warrants Nos. 195612 through 195728 in the amount of \$1,047,453.40, and Payroll, dated October 7, 2016, in the amount of \$478,467.36.

12. Monthly Investment Reports for August 2016Recommendation

Receive and file the Monthly Investment Reports for August 2016 for the City Council, the Successor Agency to the Community Redevelopment Agency, and the Public Financing Authority.

13. Second Reading and Adoption of an Ordinance to Amend the South Pasadena Municipal Code to Prohibit Overnight Parking at City-Owned Public Parking LotsRecommendation

Read by title only, waive further reading, and adopt an ordinance entitled "An Ordinance of the City Council of the City of South Pasadena, California, amending Section 19.58 of the South Pasadena Municipal Code to prohibit overnight parking at City-owned public parking lots."

14. Second Reading and Adoption of an Ordinance to Amend the South Pasadena Municipal Code by Creating Chapter 21B Entitled "Dog Parks"Recommendation

Read by title only for first reading, waiving further reading, and adopt an ordinance entitled "An ordinance of the City Council of the City of South Pasadena, California, creating Chapter 21B of the South Pasadena Municipal Code relating to Dog Parks."

15. Approval of a Contract Amendment with Vido Samarzich, Inc. for the Fletcher Avenue Street Improvement ProjectRecommendation

1. Authorize the City Manager to execute the first amendment to the contract with Vido Samarzich, Inc., in the amount of \$120,400 to increase the scope of work for the Fletcher Avenue Street Improvement Project.
2. Appropriate the amount of \$120,400 from the Water Fund Reserves to Account No. 500-9000-9300-93000 to fund additional water improvement related work.

16. Adoption of a Resolution Authorizing Submittal of a Rubberized Pavement Grant ApplicationRecommendation

1. Adopt a resolution entitled "A Resolution of the City Council of the City of South Pasadena, California, authorizing submittal of an application for Rubberized Pavement Grant Program through CalRecycle grants."
2. Authorize the City Manager to execute all documents required to obtain the grant.

17. Discretionary Fund Request from Councilmember Schneider in the Amount of \$250 for the Purpose of South Pasadena Beautiful Initiating a Tree Planting Foundation

Recommendation

Approve a discretionary fund request by Councilmember Schneider, designating \$250, for the purpose of South Pasadena Beautiful initiating a Tree Planting Foundation.

ACTION/DISCUSSION

18. Adoption of a Resolution Authorizing the Issuance and Delivery of its 2016 Water Revenue Refunding Bonds, Approving Related Documents, and Authorizing Official Actions and Execution of Documents Related Thereto

Recommendation

1. Adopt a resolution entitled "A Resolution of the City Council of the City of South Pasadena, California, authorizing the issuance of its 2016 Water Revenue Refunding Bonds, approving an Indenture of Trust, a Bond Purchase Contract, an Escrow Agreement, a Continuing Disclosure Certificate and a Preliminary Official Statement; and authorizing certain other actions in connection therewith."
2. Approve an Indenture of Trust, a Bond Purchase Contract, an Escrow Agreement, a Continuing Disclosure Certificate, a Preliminary Official Statement, and a Final Official Statement, and a Bond Purchase Contract related to the 2016 Water Revenue Refunding Bonds.
3. Authorize official actions and execution of documents related thereto.

19. Approval of a Revised Concept Plan for the South Pasadena Community Center

Recommendation

Approve the revised Concept Plan for the South Pasadena Community Center and to exclude the development of commercial lease space within the design.

20. Provide Direction Regarding the Adoption of a Social Host Ordinance

Recommendation

Provide direction regarding the adoption of a Social Host Ordinance.

COUNCILMEMBERS COMMUNICATIONS (continued)

ADJOURNMENT

**FUTURE CITY COUNCIL MEETINGS
(OPEN SESSION)**

November 2, 2016	Regular City Council Meeting	Council Chamber	7:30 p.m.
November 16, 2016	Regular City Council Meeting	Council Chamber	7:30 p.m.
December 7, 2016	Regular City Council Meeting	Council Chamber	7:30 p.m.

**PUBLIC ACCESS TO CITY COUNCIL MEETING AGENDA PACKETS, DOCUMENTS
DISTRIBUTED BEFORE A MEETING, AND BROADCASTING OF MEETINGS**

Prior to meetings, City Council Meeting agenda packets are available at the following locations:

- South Pasadena Public Library, 1100 Oxley Street, South Pasadena, CA 91030;
- City Clerk's Division, City Hall, 1414 Mission Street, South Pasadena, CA 91030; and
- City website at: www.southpasadenaca.gov/citycouncilmeetings

Individuals can be placed on an email notification list to receive forthcoming agendas by calling the City Clerk's Division at (626) 403-7230. Any disclosable public records related to an Open Session item appearing on a regular meeting agenda and distributed by the City of South Pasadena to all or a majority of the legislative body fewer than 48 hours prior to that meeting are available for public inspection at the City Clerk's Division prior to the meeting. During the meeting, these documents will be included as part of the "Reference Binder" of the agenda packet kept in the Amedee O. "Dick" Richards, Jr., Council Chamber at 1424 Mission Street, South Pasadena, CA 91030. Documents distributed during the meeting will be available following the meeting at the City Clerk's Division. For those submitting letters or other documents relating to items on the agenda: Materials received after 4:00 p.m. on the day prior to the Council meeting may not be reviewed by the City Council.

Regular meetings are broadcast live on Time-Warner Cable Channel 19 and AT&T Channel 99. Meetings are also streamed live via the Internet at www.southpasadenaca.gov. Six months of archived meetings, indexed by agenda item, are also available online. A DVD of regularly scheduled meetings is available for checkout at the South Pasadena Public Library can be purchased from the City Clerk's Division.

ACCOMMODATIONS



The City of South Pasadena wishes to make all of its public meetings accessible to the public. Meeting facilities are accessible to persons with disabilities. If special assistance is needed to participate in this meeting, please contact the City Clerk's Division at (626) 403-7230. Upon request, this agenda will be made available in appropriate alternative formats to persons with disabilities. Hearing assistive devices are available in the Council Chamber. Notification at least 48 hours prior to the meeting will assist staff in assuring that reasonable arrangements can be made to provide accessibility to the meeting (28 CFR 35.102-35.104 ADA Title II).

I declare under penalty of perjury that I posted this notice of agenda on the bulletin board in the courtyard of City Hall at 1414 Mission Street, South Pasadena, CA 91030, and on the City's website as required by law.

10/13/2016
Date

Desiree Jimenez
Desiree Jimenez,
Deputy City Clerk

THE CITY OF SOUTH PASADENA EXPRESSES

APPRECIATION



Evan Davis

Planning Commission
2012 - 2016

In appreciation of over four years of volunteer service and dedicated commitment to providing oversight on orderly and consistent physical residential and commercial development projects, as well as enhancing the beautification of the City while serving on the South Pasadena Planning Commission



Dated this 19th day of October, 2016

Diana Mahmud, Mayor

Evelyn G. Zneimer, City Clerk

AGENDA ITEM 2

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City of South Pasadena

Date: October 19, 2016
To: Honorable Mayor and Members of the Council
From: Erin Fleming, Chair, Animal Commission
Re: Fiscal Year (FY) 2015-16 Annual Report of Animal Commission

During the past Fiscal Year (FY 2015-16), from July 2015 through June 2016, the South Pasadena Animal Commission (SPAC) continued in its mission of public education on the humane care and treatment of domestic animals and wildlife, providing resources and responding to the City Council, and the needs of the community regarding citizen inquiries and concerns of animal issues.

The SPAC follows a meeting schedule that includes six regularly scheduled monthly meetings, occurring every other month, in September, November, January, March, April, and May. Currently-serving Commissioners are: Cornelia Balogh, Yvonne Banzali, Erin Fleming, Daniel Kreinbring, and Katherine Offenhauser. Councilmember Dr. Richard D. Schneider is the City Council Liaison and Police Captain Mike Neff is the Staff Liaison.

Throughout the FY 2015-16 year, the SPAC has worked on the dog park and its respective ordinances. Commissioner Yvonne Banzali's experience with dogs and dog parks has been an invaluable addition to the SPAC. Her expertise has guided the SPAC discussions to include key issues. Commissioner Kreinbring has been representing the SPAC on the horse stables project with the City and brings a wealth of knowledge as an attorney and has been helpful in evaluating the contract. As a group, the SPAC has also worked on neighborhood issues with respect to peafowl, community discussion with respect to mandatory neutering and sale of live animals within city limits.

In spring 2016, the SPAC continued its educational outreach by inviting local children and teens to participate in the annual Be Kind to Animals (BKTA) Art Contest. The BKTA awards ceremony, at which Mayor Mahmud presented certificates to participants as their families looked on. Councilmember Schneider and Police Captain Neff were also in attendance. The event took place on May 2, 2016 at a new venue of the Library Community Room, in conjunction with National Be Kind to Animals Week. We appreciate the City Council's participation and proclamation declaring this week's significance. We acquired discount LA Zoo tickets for every participant. We express our gratitude to South Pasadena Children's Library staff for researching and preparing this valuable list, "Paws to Read," for multiple grades and reading levels. Attendance was much higher than last year's ceremony. Community resident Beverly Biber has continued to move this event forward in honor of Lee Zall and Commissioner Offenhauser and resident Olivia Galvin work very hard to assist.

In a continued effort to educate and promote the humane treatment of domestic pets and wildlife, the SPAC disseminated information along with previous resources at booths during events such as Doggy Day with Cats Too, and the Police and Fire Department Open House in the fall. Police Captain Neff has updated the SPAC page of the City's website, which will continue to expand with pertinent information and resources. Specifically Commissioner Cornelia Balogh has been instrumental in organizing community presence at every event. Her efforts and energy are always appreciated.

Police Captain Neff, the South Pasadena Police Department, and its cadets have been a remarkable resource in helping the SPAC set up at events and having enough materials of interest to distribute. Police Captain Neff's tireless dedication is appreciated by all of us on the SPAC.

In addition, Councilmember Schneider's involvement in the SPAC meetings, presence at the Doggy Day with Cats Too, and support during Be Kind to Animals Week has been wonderful for us as well as the community.

The South Pasadena Animal Commission thanks the City Council, City staff, the South Pasadena Police Department, and Police Captain Neff for their support throughout the year. We look forward to our continued work together as we promote the humane treatment of pets and wildlife in the South Pasadena community.

Date: October 19, 2016
To: Honorable Mayor and Members of the Council
From: Dr. Harry Lieberman, Chair, Public Safety Commission
Re: **Fiscal Year (FY) 2015-16 Annual Report of Public Safety Commission**

Major accomplishments and areas of focus during the Fiscal Year (FY) 2015-16 were as follows:

Community Emergency Response Training (CERT) Program:

The South Pasadena Fire Department continues to provide 2 CERT Basic (12 hour) classes and 1 CERT Refresher (4 hours) class per year. CERT Volunteers, like Susan Kaplan, provide the logistical support for these meetings. There are now 104 CERT Basic trained residents and 28 previous CERT graduates who have returned for refresher training to maintain these perishable skills. CERT graduates participated in the July 4, 2015 Parade, and volunteered to staff the September 2015 Public Safety Open House.

CERT Team:

In January 2016, 30 CERT graduates attended the first meeting of the CERT Team and most of them have also completed the required background checks and Livescans. CERT Team members completed their first two "Call-Outs." In May 2016, they assisted with the South Pasadena stage of the Amgen Tour of California and in June 2016, they assisted with the Hands Only Sidewalk CPR at the Fire Station.

Emergency Communications Training:

In November 2015, the Emergency Communications CERT training was taught to 31 CERT, Amateur Radio, Neighborhood Block Captains, HOA members, and the General Public by CERT Volunteer Kaplan. This meeting stressed the importance of emergency preparedness and communications and encouraged residents to learn CERT and become Block Captains and licensed amateur radio operators.

South Pasadena CERT Emergency Radio Team (SPCERT):

In March 2016, CERT Volunteer Kaplan launched the weekly "Net" for CERT graduates. The Net meets weekly to practice their skills.

Map Your Neighborhood (MYN) Program:

In April 2016, the MYN program was launched by CERT Volunteer Kaplan along with two current Public Safety Commission members (Janet Braun and Luis Reinoso) who have also taken the required American Red Cross training. Invited speakers presented this safety information to 50 CERT, Amateur Radio, Neighborhood Block Captains, HOA members, and the General Public. Through June, 2016, three neighborhoods have requested materials and have conducted this type of training in their local areas.

Volunteer Contribution:

During FY 2015-16, these volunteers have donated over 1,000 hours of their time to learn life-saving skills and assist the City of South Pasadena. The estimated value to the City is in excess of \$25,000.

Neighborhood Watch (NW) Program:

In April 2016, NW Block Captains recognized at their annual meeting in April, 2016 were encouraged to remain alert and to contact police about any unusual happenings. This has already led to apprehension of criminals who might otherwise not have been caught.

Emergency Operation Center (EOC) and City Emergency Plan (CEP):

The Public Safety Commission (PSC) continues to advocate for and cooperate with the City Council for a properly equipped and funded EOC. A new CEP is being developed along with an outside vendor.

Other:

- School safety included successful prevention by the Police Department of a planned mass casualty event at the South Pasadena High School.
- The Police and Fire Departments conducted an "active shooter" training exercise at the South Pasadena Middle School in cooperation with FBI and Fire and Police from neighboring communities.
- Police and Fire Budgets and capital expenditure were reviewed.
- Appointment of Fire Chief Mario Rueda as leader of Fire departments for the Cities of San Gabriel, San Marino, and South Pasadena.
- Continued monitoring of the South Pasadena Convalescent Hospital by the Police Department has prevented further safety issues.
- The Police Department has held two classes in self-defense for women, has created a Teen Academy to enhance respect for our police force members, and has held a bicycle rodeo to teach bike safety.
- Members of the Police Department have prevented several suicides on local overpasses.

Date: October 19, 2016
To: Honorable Mayor and Members of the Council
From: John E. Fisher, Chair, Public Works Commission

**Re: Fiscal Year (FY) 2015-16 Annual Report of Public Works
Commission**

This annual report is submitted summarizing the major activities and accomplishments of the Public Works Commission (PWC) for the Fiscal Year ending June 30, 2016. The PWC met every month except for the months of November and December. The summary is shown below:

- The PWC recommended the removal of the marked crosswalk across the south leg of Fair Oaks Avenue at Lyndon Street in order to improve pedestrian safety. It was noted that there are signalized intersections that provide positive control one block to the north and one block to the south. Removal was completed.
- Working with staff, the PWC recommended a street cut moratorium ordinance to restrict construction on recently paved streets. The ordinance was adopted by the City Council.
- With an additional allocation of \$193,000 by the City Council, the PWC recommended 10 additional street segments for slurry sealing.
- Based on information in a traffic study by a consultant to the City of South Pasadena (City), the PWC recommended left turn and right turn restrictions on Mission Street at Meridian Avenue, due to excessive vehicle delay during peak periods. This delay is related to the frequent number of Metro Gold Line pre-emptions. Signs were posted to effect the restrictions.
- Based on information in a traffic study by a consultant to the City, the PWC recommended that the consultant further evaluate a change to the right-turn-on-red restriction for drivers westbound on Grevelia Street at Fair Oaks Avenue. The recommendation was intended to partially relieve the excessive delay that occurs there. A follow-up report has not yet been submitted.
- At the request of staff, the PWC recommended guidelines for evaluating the need for speed feedback signs, as a number of requests had been received by staff. Staff started using these guidelines for deployment or denial at specific locations.

- During several meetings, the PWC considered in-progress ordinances to clarify the City Engineer's discretion to require off-site public improvements with private development projects. This matter is still under discussion.
- Based on information in a traffic study by a consultant to the City, the PWC recommended that left turn pockets be installed on Monterey Road at Meridian Avenue and that left turns be restricted on Monterey Road at Diamond Avenue. These recommendations were made to improve traffic safety and smooth traffic flow for drivers and school pedestrians. A design was suggested that would shift the striping to the north side, so as to minimize the loss of on-street parking. The PWC was advised by staff that this measure will be included in the upcoming resurfacing projects for Monterey Road.
- The City Council requested that the PWC evaluate a consultant report authorized by the City Council regarding traffic calming measures on Arroyo Drive. The PWC rejected the options in the report and instead recommended that speed feedback signs be installed. Funding for the speed feedback signs is included in the current FY 2016-17 budget. The signs have not yet been installed.
- The PWC recommended \$2.3 million in street resurfacing and improvements for the FY 2016-17. Included among resurfacing projects was Grevelia Street approaching the Arroyo Seco Parkway ramps at Fair Oaks Avenue and a section of Monterey Road adjacent to a resurfacing project previously adopted for FY 2015-16. Also included were traffic safety and operational improvements on Monterey Road at signalized intersections, including funding for a new traffic signal at Orange Grove Avenue. Finally, it included funding to retime the signals at the three Gold Line crossings in South Pasadena in coordination with the rail pre-emption. Funding for these improvements was adopted by City Council.
- In response to a City Council request, the PWC developed measures to reduce the parking and circulation impacts near the Trader Joe's mini-market. These measures included a left turn restriction on Adelaine Avenue at Mission Street during Trader Joe's retail hours and parking stall markings with segments of red curb on Adelaine Avenue. These measures were implemented.



City of South Pasadena
Office of the Mayor

Memo

Date: October 19, 2016
To: The Honorable City Council
From: Mayor Diana Mahmud *W for DM*
Re: Commission Appointment

With the City Council concurrence at the October 19, 2016 City Council Meeting, I propose to appoint the following to a partial-term ending December 31, 2017:

- **Janet Braun to the Planning Commission**

The application is on file at the City Clerk's Office, at City Hall, 2nd floor, 1414 Mission Street, South Pasadena, CA 91030.

Thank you.

AGENDA ITEM 6

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Wednesday, October 5, 2016
Minutes of the Regular Meeting of the
Joint City Council/Redevelopment Successor Agency

CALL TO ORDER

A Regular Meeting of the South Pasadena Joint City Council/Redevelopment Successor Agency was called to order by Mayor Mahmud on Wednesday, October 5, 2016, at 7:30 p.m., in the Amedee O. "Dick" Richards, Jr., Council Chamber, located at 1424 Mission Street, South Pasadena, California.

ROLL CALL

Present: Councilmembers/Redevelopment Successor Agency Members Joe, Khubesrian, and Schneider; Mayor Pro Tem/Agency Vice Chair Cacciotti; and Mayor/Agency Chair Mahmud.

Absent: None.

City Staff

Present: Sergio Gonzalez, City Manager/Agency Executive Director; Teresa L. Highsmith, City Attorney/Agency Counsel; Evelyn G. Zneimer, City Clerk/Agency Secretary; Anthony J. Mejia, Chief City Clerk/Chief Agency Secretary were present at Roll Call. Other staff members presented reports or responded to questions as indicated in the minutes.

INVOCATION

Mayor Mahmud gave the invocation.

PLEDGE OF ALLEGIANCE

Mayor Mahmud led the Pledge of Allegiance.

CLOSED SESSION ANNOUNCEMENTS**1. Closed Session Announcements**

The Regular Closed Session of the City Council of October 5, 2016, was called to order by Mayor Mahmud at 6:30 p.m., with all Councilmembers present, except Mayor Pro Tem Cacciotti.

The meeting convened into Closed Session to discuss the following items as listed on the Closed Session Regular Meeting Agenda:

- A. CONFERENCE WITH LEGAL COUNSEL – INITIATION OF LITIGATION, Pursuant to Government Code Section 54956.9 (d)(4):

Number of Cases: 2

- B. CONFERENCE WITH LEGAL COUNSEL – POTENTIAL LITIGATION, Pursuant to Government Code Section 54957.6 (d)(2):

Number of Potential Casès: 1

City Attorney Highsmith reported that the City Council provided direction to staff regarding the agendized Closed Session Items, but did not take any reportable action.

PRESENTATIONS

2. **Presentation of a Proclamation Declaring October 5, 2016 as “Walk or Bike to School Day” in the City of South Pasadena**

Mayor Mahmud presented a Proclamation to Katherine Conte, Luke Quezada, and Elissa Fong, on behalf of the Youth Commission, declaring October 5, 2016, as “Walk or Bike to School Day” in South Pasadena.

3. **Presentation of the Fiscal Year 2015-16 Annual Report of the Youth Commission**

Katherine Conte, Chair, representing the Youth Commission, presented the Fiscal Year 2015-16 Annual Report of the Youth Commission.

The City Council expressed gratitude to the Youth Commission for their contributions to the community.

4. **Presentation of the Fiscal Year 2015-16 Annual Report of the Planning Commission**

Steven Dahl, Chair, representing the Planning Commission (PC), presented the Fiscal Year 2015-16 Annual Report of the PC.

Councilmember Khubesrian commended Chair Dahl for his efforts in making residents feel welcome and heard at the PC Meetings.

COMMUNICATIONS**5. Councilmembers Communications**

Councilmember Joe noted that the Natural Resources and Environmental Commission unanimously voted to support an expanded polystyrene ban, noting that the proposed ordinance will be submitted to the City Council at a future meeting.

Councilmember Schneider noted that the City Council will be discussing the Cultural Heritage Commission's recommendations regarding the City's unreinforced masonry buildings ordinance on November 2, 2016.

Councilmember Khubesrian encouraged residents interested in serving on a City Board or Commission or to learn more about community organizations to contact any member of the City Council; noted that City Manager Gonzalez, Mayor Mahmud, and herself are attending the League of California Cities Annual Conference in Long Beach, noting that it is an opportunity to network and learn best practices; encouraged residents to attend a free Housing Rights Workshop at the South Pasadena Public Library on November 4, 2016, facilitated by the Housing Rights Center (HRC).

Mayor Pro Tem Cacciotti invited residents to attend the San Pascual Stables Subcommittee meetings, noting that it is working to develop a new operating lease for the site; announced that he will be attending the South Coast Air Quality Management District Governing Board Meeting in Riverside on October 7, 2016; requested that staff work with Dan Mabe to develop a Request for Proposals for emission free landscape maintenance upon expiration of the current contract, seconded by Councilmember Schneider.

Mayor Mahmud invited the community to attend a Fall Garden Workshop at Eddie Park on October 8, 2016; stressed the importance that residents continue to conserve water, noting that the cost of imported water is significantly higher than local water sources; pointed out that the City has contracted with the HRC, noting that residents are permitted to seek tenant/landlord mediation services directly from the HRC.

6. City Manager Communications

City Manager Gonzalez announced that the City will begin enforcing the 2-hour parking restriction at the Hope/Mound Public Parking Lot; stated that customers have complained regarding a lack of available parking at the subject lot and this will allow City staff to assess the parking demand in the area.

Deputy Fire Chief Riddle announced that the City will be hosting the fifth Community Emergency Response Team (CERT) this October 2016; announced that residents can sign-up for the next CERT class to be held in January 2017.

7. Reordering of and Additions to the Agenda

None.

PUBLIC COMMENTS

John Fusch, South Pasadena resident, voiced concern regarding excessive rent increases at the Amberwood Apartments; stated that the families and seniors cannot afford the proposed rent increase and will be forced to move out of the area; noted that the remaining tenants will be negatively impacted by construction noise and debris.

Samantha Dorman, South Pasadena resident, noted that she is a resident at the Amberwood Apartments and that her rent is proposed to increase by \$600; voiced concern that she will be forced to remove her daughter from school mid-year; stated that the property management should focus on health and safety improvements rather than renovations; urged the City Council to enact protections for renters from excessive rent increases.

Justin Berkobien, South Pasadena resident, expressed concern that the proposed rent increases at the Amberwood Apartments is excessive and will cause the displacement of current tenants; pointed out that these tenants contribute to the betterment of the community.

Shlomo Nitzani, South Pasadena resident, voiced disappointment that the City has not addressed the need for a left turn lane on Monterey Road as well as a traffic signal at the intersection of Monterey Road and Orange Grove Avenue; spoke on the poor air quality during the summer months and inquired regarding the possible causes.

Mayor Pro Tem Cacciotti stated that he has raised concerns regarding the impacts of the drought and climate change on local air quality conditions; noted that the South Coast Air Quality Management District is preparing an Air Quality Management Plan.

Councilmember Khubesrian and Mayor Mahmud encouraged the residents of the Amberwood Apartments to contact Assistant to the City Manager Demirjian to learn more about the upcoming Housing Rights Center workshop.

CONSENT CALENDAR

MOTION BY MAYOR PRO TEM CACCIOTTI, SECOND BY COUNCILMEMBER JOE, CARRIED 5-0, to approve the Consent Calendar Item Nos. 8, 9, 10, and 11; with Item No. 12 pulled for separate discussion.

8. Minutes of the City Council Meeting of September 21, 2016

MOTION BY MAYOR PRO TEM CACCIOTTI, SECOND BY COUNCILMEMBER JOE, CARRIED 5-0, to approve the minutes of the September 21, 2016 City Council Meeting.

9. **Prepaid Warrants, General City Warrants, Redevelopment Successor Agency Check Summary, and Payroll**

MOTION BY MAYOR PRO TEM CACCIOTTI, SECOND BY COUNCILMEMBER JOE, CARRIED 5-0, to approve the City of South Pasadena Prepaid Warrants Nos. 195408 through 195459 in the amount of \$2,617,667.65; General City Warrants Nos. 195460 through 195554 in the amount of \$513,750.91, and Payroll, dated September 23, 2016, in the amount of \$465,577.18.

10. **Second Reading and Adoption of an Ordinance to Amend the South Pasadena Municipal Code to Change General Municipal Election Dates to Coincide with Statewide General Elections in November of Even-Numbered Years and Resolution to Declare Intent to Submit an Initiative Measure Related to the City's Utility Users Tax for the November 2018 General Election**

MOTION BY MAYOR PRO TEM CACCIOTTI, SECOND BY COUNCILMEMBER JOE, CARRIED 5-0, to:

1. Adopt Ordinance No. 2301 entitled "An Ordinance of the City Council of the City of South Pasadena, California, amending Section 299-33 'General municipal election' of the South Pasadena Municipal Code relating to changing the general municipal election date to the first Tuesday after the first Monday in November of each even-numbered year, commencing with the General Municipal Election of November 2017," and waive further reading.
2. Adopt Resolution No. 7484 entitled "A Resolution of the City Council of the City of South Pasadena, California, declaring its intent to submit to the voters at the General Municipal Election to be held on Tuesday, November 6, 2018, an initiative measure repealing the City of South Pasadena Utility Users Tax in its entirety, and rescinding Resolution No. 7448."

11. **Award of Contract for Great Match Consulting to Provide Supplemental Staffing on an As-Needed Basis**

MOTION BY MAYOR PRO TEM CACCIOTTI, SECOND BY COUNCILMEMBER JOE, CARRIED 5-0, to authorize the City Manager to execute an agreement with Great Match Consulting for an amount not-to-exceed \$40,000 to provide supplemental staffing on an as-needed basis.

ITEMS REMOVED FROM THE CONSENT CALENDAR FOR DISCUSSION

12. **Adoption of a Resolution Approving the Records Management Policy**

In response to City Council inquiry, City Manager Gonzalez and City Attorney Highsmith summarized the conditions in which emails are permitted to be deleted immediately or retained as a City record.

MOTION BY MAYOR MAHMUD, SECOND BY MAYOR PRO TEM CACCIOTTI, CARRIED 5-0, to adopt Resolution No. 7485 entitled "A Resolution of the City Council of the City of South Pasadena, California, approving the Records Management Policy," as revised.

ACTION/DISCUSSION**13. Consideration of Adoption of a Resolution to Submit a Nomination to the San Gabriel Basin Water Quality Authority**

Chief City Clerk Mejia presented the staff report and responded to City Council inquiries.

Mayor Mahmud opened and closed the Public Comment period, there being no one desiring to speak on this item.

By consensus, the City Council agreed to not submit a nomination for the Board of the San Gabriel Basin Water Quality Authority.

14. First Reading and Introduction of an Ordinance to Amend the South Pasadena Municipal Code (SPMC) to Prohibit Overnight Parking at City-Owned Public Parking Lots

Management Analyst Zneimer presented the staff report and responded to City Council inquiries.

Mayor Mahmud opened and closed the Public Comment period, there being no one desiring to speak on this item.

In response to City Council inquiry, City Manager Gonzalez and Public Works Director Toor advised that the City will need to determine the City's exact property line at the public parking lot adjacent to the Bank of America at El Centro Street and Edison Lane in order to post appropriate signage. The City Council requested that staff work with Bank of America to determine if it desires to restrict parking consistent with the City's parking restrictions.

MOTION BY MAYOR MAHMUD, SECOND BY MAYOR PRO TEM CACCIOTTI, CARRIED 5-0, to introduce an ordinance entitled "An Ordinance of the City Council of the City of South Pasadena, California, amending Section 19.58 of the South Pasadena Municipal Code to prohibit overnight parking at City-owned public parking lots," with direction that staff conduct a property line survey if there is ambiguity as to the property line of the public parking lot adjacent to Bank of America," and waive further reading.

15. Approval of a Memorandum of Understanding with the City of West Covina Regarding the City's Participation with the West Covina Police Department's Special Enforcement Team

Police Chief Miller presented the staff report.

Mayor Mahmud opened and closed the Public Comment period, there being no one desiring to speak on this item.

In response to City Council inquiries, Police Chief Miller stated that he does not anticipate that it will be necessary to backfill the assigned police officers position, noting that each assignment is expected to be 1-3 years; opined that the assignment will enhance local public safety via additional crime leads and information as well as the police officer will obtain specialized training and investigative techniques; noted that the Public Safety Commission unanimously supported the proposal; stated that he will return to the City Council in the future to discuss possible uses for the City's share of asset forfeiture, such as an Emergency Operations Center.

MOTION BY COUNCILMEMBER KHUBESRIAN, SECOND BY MAYOR PRO TEM CACCIOTTI, CARRIED 5-0, to authorize the City Manager to execute the Memorandum of Understanding with the City of West Covina authorizing the City of South Pasadena's membership and participation with the West Covina Police Department's Special Enforcement Team, with direction that the contract execution date be updated to reflect October 5, 2016.

16. First Reading and Introduction of an Ordinance to Amend the South Pasadena Municipal Code by Adopting Chapter 21B Entitled "Dog Parks" and to Approve an Official Name for the Dog Park

Community Services Director Pautsch presented the staff report and responded to City Council inquiries.

Mayor Mahmud opened and closed the Public Comment period, there being no one desiring to speak on this item.

MOTION BY MAYOR MAHMUD, SECOND BY MAYOR PRO TEM CACCIOTTI, CARRIED 5-0, to introduce an ordinance entitled "An Ordinance of the City Council of the City of South Pasadena, California, creating Chapter 21B of the South Pasadena Municipal Code relating to Dog Parks," with the revisions outlined a memorandum, dated October 5, 2016, with the following exception:

- a. Section 21B-5 subsection O to read as "All dogs must wear a collar with a valid license tag."

MOTION BY MAYOR PRO TEM CACCIOTTI, SECOND BY COUNCILMEMBER KHUBESRIAN, CARRIED 5-0, to approve "SOUTH P^{AW}WS-ADENA" as the official name for the Dog Park.

17. Direction Regarding an Appropriate Memorial for Former Councilmember David Margrave

Community Services Director Pautsch presented the staff report and responded to City Council inquiries.

Mayor Mahmud opened the Public Comment period.

Ron Rosen, South Pasadena resident, voiced concerns regarding the naming of a City facility as a memorial for Mr. Margrave; noted there were issues related to conflicts of interest during Mr. Margrave's tenure as a City Councilmember; asserted that Mr. Margrave does not uphold the City's recently adopted Code of Ethics and Values.

There being no others desiring to speak on this item, Mayor Mahmud closed the Public Comment period.

In response to City Council inquiry, City Manager Gonzalez explained that the Parks and Recreation Commission (PRC) considered the City Council's direction regarding the naming of a memorial for Mr. Margrave at the Youth House, but determined it would be more appropriate to name a soccer field to recognize Mr. Margrave's service as an American Youth Soccer Organization (AYSO) coach and referee.

In response to City Council inquiry, Mr. Rosen, speaking as the Chair of the PRC, noted that the Youth House has an existing plaque recognizing Mr. Margrave as well as the South Pasadena Rotary Club for their contributions; explained that the PRC recognized that there are many contributors to the Youth House and did not find it appropriate to name the Youth House after a single individual.

Mayor Mahmud and Councilmember Schneider requested that staff determine if AYSO desires to submit a request that the City memorialize a soccer field for Mr. Margrave as well as indicate the extent to which Mr. Margrave contributed his time to AYSO. Councilmember Joe noted that Mrs. Margrave previously expressed interest of an artistic sports sculpture in the parking lot of Arroyo Park.

Following discussion, the City Council agreed that staff will determine if AYSO or the Margrave family desires to submit a request for the City to memorialize Mr. Margrave, with further direction that the Parks and Recreation Commission evaluate such a request and provide a recommendation to the City Council.

18. Direction on Establishing a Policy for City Membership to Regional, State, and National Organization

Assistant to the City Manager Demirjian presented the staff report and responded to City Council inquiries.

Mayor Mahmud opened and closed the Public Comment period, there being no one desiring to speak on this item.

During the course of discussion, the City Council agreed that: 1) staff will annually update the City Council on the City's membership to regional, state, and national organizations during the budget season; and 2) new requests for City membership to regional, state, and national organizations be submitted to the City Council for consideration.

Mayor Mahmud requested that staff evaluate whether there is value to joining the San Gabriel Valley Economic Partnership at the next annual review.

ADJOURNMENT

Mayor Mahmud adjourned the Joint City Council/Redevelopment Successor Agency meeting at 9:45 p.m.

Evelyn G. Zneimer
City Clerk

Diana Mahmud
Mayor

Minutes approved by the South Pasadena City Council on October 19, 2016.

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City of South Pasadena/ Redevelopment Successor Agency Agenda Report

*Diana Mahmud, Mayor/Agency Chair
Michael A. Cacciotti, Mayor Pro Tem/Agency Vice Chair
Robert S. Joe, Council/Agency Member
Marina Khubesrian, M.D., Council/Agency Member
Richard D. Schneider, M.D., Council/Agency Member*

*Evelyn G. Zneimer, City Clerk/Agency Secretary
Gary E. Pia, City Treasurer*

COUNCIL AGENDA: October 19, 2016

TO: Honorable Mayor and City Council

VIA: Sergio Gonzalez, City Manager *SG*

FROM: David Batt, Finance Director *DB*

SUBJECT: **Approval of Prepaid Warrants in the Amount of \$829,449.03
General City Warrants in the Amount of \$1,047,453.40 and Payroll
in the Amount of \$478,467.36**

Recommendation

It is recommended that the City Council approve the Warrants as presented.

Fiscal Impact

Prepaid Warrants:		
Warrant # 195555 – 195611	\$	829,449.03
General City Warrants:		
Warrant # 195612 – 195728	\$	1,047,453.40
Payroll 10-07-16	\$	478,467.36
RSA:		
Prepaid Warrants	\$	
General City Warrants	\$	
Payroll 10-07-16	\$	<u> </u>
Total	\$	2,355,369.79

Commission Review and Recommendation

This matter was not reviewed by a Commission.

Legal Review

The City Attorney has not reviewed this item.

Public Notification of Agenda Item

The public was made aware that this item was to be considered this evening by virtue of its inclusion on the legally publicly noticed agenda, posting of the same agenda and reports on the City's website.

Attachments:

1. Warrant Summary
2. Prepaid Warrant List
3. General City Warrant List
4. Payroll 10-07-16
5. Redevelopment Successor Agency Check Summary Total

ATTACHMENT 1
Warrant Summary

**City of South Pasadena
Demand/Warrant Register
Recap by fund**

Fund No.	Date 10.19.16 Amounts		
	Prepaid	Written	Payroll
General Fund	292,423.58	163,895.43	285,073.36
Insurance Fund			
Street Improvement Program		3,600.00	
Facilities & Equip.Cap. Fund		41,164.00	
Local Transit Return "A"	843.68	2,494.13	7,708.93
Local Transit Return "C"		1,730.17	5,703.91
Sewer Fund	3.24	56.76	14,044.93
CTCTraffic Improvement			
Street Lighting Fund	2,269.69	29,969.05	6,177.82
Public,Education & Govt Fund			
Clean Air Act Fund			100.34
Business Improvement Tax		45,000.00	
Gold Line Mitigation Fund			
Mission Meridian Public Garage		804.13	
Housing Authority Fund			
State Gas Tax	749.13	4,331.92	11,935.61
County Park Bond Fund	69.07	1,377.78	
Measure R			
MSRC Grant Fund			
Bike & Pedestrian Paths			
BTA Grants			
Golden Streets Grant			
Capital Growth Fund			
CDBG			
Asset Forfeiture			
Police Grants - State			
Police Subventions-CLEEP			
Homeland Security Grant			
Park Impact Fees		268.40	
HSIP Grant			
Public Library Fund Grant			
Arroyo Seco Golf Course			
Sewer Capital Projects Fund		308,132.51	
Water Fund	390,023.64	444,629.12	55,156.60
Public Financing Authority			
Payroll Clearing Fund	143,067.00		92,565.86
Redev.Oblig.Retirement Fund			
Column Totals	829,449.03	1,047,453.40	478,467.36
City Report Totals		2,355,369.79	

Fund No.	Amounts		
	Prepaid	Written	Payroll
RSA	227	-	-
Column Totals	-	-	-
RSA Report Totals		-	
Grand Report Total		2,355,369.79	

Diana Mahmud, Mayor

David Batt
David Batt, Finance Director

ATTACHMENT 2
Prepaid Warrant List

Accounts Payable

Check Detail

User: mfestejo
 Printed: 10/13/2016 - 8:37AM



Check Number	Check Date		Amount
ESSD8011 - 210 East Sound! Line Item Account			
195555	09/29/2016		
Inv	2016-092801		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/28/2016	Rental of @ Generators for Film Night 9/29/16	101-8010-8011-8020-000	750.00
Inv 2016-092801 Total			750.00
195555 Total:			750.00
ESSD8011 - 210 East Sound! Total:			750.00
AFLA7010 - AFLAC Line Item Account			
195577	10/06/2016		
Inv	P/R/E 9/4/16		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
10/05/2016	Optional Insurance Sept. 2016	700-0000-0000-2255-000	977.79
Inv P/R/E 9/4/16 Total			977.79
195577 Total:			977.79
AFLA7010 - AFLAC Total:			977.79
AMTE8031 - American Technologies Inc. Line Item Account			
195556	09/29/2016		
Inv	830-11-06054		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
08/01/2016	Library Flooding Abatement & Repairs	101-9000-9324-9324-000	37,163.66
Inv 830-11-06054 Total			37,163.66
Inv	830-11-06055		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
08/01/2016	Library Flooding Abatement & Repairs	101-9000-9324-9324-000	195,191.63
Inv 830-11-06055 Total			195,191.63
195556 Total:			232,355.29

MTE8031 - American Technologies Inc. Total:			232,355.29
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AT&T5011 - AT&T Line Item Account

195557 09/29/2016

Inv 065 081-5011

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/01/2016	8/13-9/12/16	101-3010-3032-8150-000	147.75

Inv 065 081-5011 Total			147.75
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Inv 626 405-0051

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/11/2016	9/11-10/10/16	101-3010-3032-8150-000	417.29

Inv 626 405-0051 Total			417.29
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Inv 626 441-6497

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/13/2016	9/13-10/12/16	101-3010-3032-8150-000	185.87

Inv 626 441-6497 Total			185.87
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Inv 626 577-6657

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/13/2016	9/13-10/12/16	101-3010-3032-8150-000	53.17

Inv 626 577-6657 Total			53.17
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195557 Total:			804.08
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AT&T5011 - AT&T Total:			804.08
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CIN4011 - AT&T --Cingular Wireless Line Item Account

195558 09/29/2016

Inv 879338213x0923

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/15/2016	FD Cell Phones 8/16-9/15/16	101-3010-3032-8150-000	91.15

Inv 879338213x0923 Total			91.15
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195558 Total:			91.15
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CIN4011 - AT&T --Cingular Wireless Total:			91.15
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ATH0292 - Athens Disposal Company Line Item Account

195559 09/29/2016

Check Number Check Date Amount

Inv Aug 2016

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/29/2016	Yard Waste Fees 8/16	500-0000-0000-5525-000	15,071.86

Inv Aug 2016 Total 15,071.86

Inv Aug 2016*

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/29/2016	Low Income Fees 8/16	101-0000-0000-4210-001	1,729.32

Inv Aug 2016* Total 1,729.32

Inv Sept 2016

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/29/2016	Estimate Rubbish Fees Sept 2016	500-0000-0000-5360-000	277,025.38

Inv Sept 2016 Total 277,025.38

Inv Sept 2016*

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/29/2016	Estimate Recycling Fees Sept 2016	500-0000-0000-5360-000	1,987.66

Inv Sept 2016* Total 1,987.66

195559 Total: 295,814.22

ATH0292 - Athens Disposal Company Total: 295,814.22

BAMS3011 - Bank of America Merchant Services Line Item Account

195596 10/06/2016

Inv 345459675889

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/26/2016	Account Fees	101-3010-3011-8020-000	31.95

Inv 345459675889 Total 31.95

195596 Total: 31.95

BAMS3011 - Bank of America Merchant Services Total: 31.95

CAL6695 - CA American Water Co. Line Item Account

195597 10/06/2016

Inv 101521002151102

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/02/2016	Water Svc Wilson Well # 2 -311 Bradury Dr. 7/22-8/22/16	500-6010-6711-8231-000	183.55

Inv 101521002151102 Total 183.55

Check Number	Check Date	Amount
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195597 Total:		183.55
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CAL6695 - CA American Water Co. Total:		183.55
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CSD3010 - Ca. State Disbursement Unit Line Item Account

195578 10/06/2016

Inv P/R/E 10/2/16

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
10/04/2016	Garnishment	700-0000-0000-2264-000	400.50

Inv P/R/E 10/2/16 Total		400.50
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195578 Total:		400.50
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CSD3010 - Ca. State Disbursement Unit Total:		400.50
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STA5680 - CAL PERS 457 PLAN Line Item Account

195579 10/06/2016

Inv P/R/E 10/2/16

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
10/04/2016	Deferred Comp	700-0000-0000-2260-000	4,757.24

Inv P/R/E 10/2/16 Total		4,757.24
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195579 Total:		4,757.24
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STA5680 - CAL PERS 457 PLAN Total:		4,757.24
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CITTF000 - CIT Technology Financial Services, Inc. Line Item Account

195560 09/29/2016

Inv 29143861

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/14/2016	Copier Lease	500-3010-3012-8110-000	166.58
09/14/2016	Copier Lease	101-7010-7011-8110-000	333.17
09/14/2016	Copier Lease	101-3010-3011-8110-000	166.59

Inv 29143861 Total		666.34
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195560 Total:		666.34
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CITTF000 - CIT Technology Financial Services, Inc. Total:		666.34
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PCYD6010 - City of South Pasadena-Yard Line Item Account

195561 09/29/2016

Inv 9/21/16

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
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Check Number	Check Date		Amount
09/21/2016	Reimb. Petty Cash	500-6010-6711-8020-000	42.44
09/21/2016	Reimb. Petty Cash	210-6010-6501-8020-000	3.24
09/21/2016	Reimb. Petty Cash	500-6010-6710-8070-000	153.91
Inv 9/21/16 Total			199.59

195561 Total: 199.59

PCYD6010 - City of South Pasadena-Yard Total: 199.59

CON9152 - Control Automation Design Inc Line Item Account

195562 09/29/2016
 Inv 16-012

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
04/17/2016	Scada Maint. 3/16	500-6010-6711-8170-000	2,700.00

Inv 16-012 Total 2,700.00

Inv 16-022

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
04/22/2016	Scada Maint. 3/16	500-6010-6711-8170-000	5,229.32

Inv 16-022 Total 5,229.32

195562 Total: 7,929.32

CON9152 - Control Automation Design Inc Total: 7,929.32

CRE1111 - Creek, Michael Line Item Account

195580 10/06/2016

Inv P/R/E 10/2/16

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
10/04/2016	Movie Detail 9/21/16	101-0000-0000-2910-200	1,050.00

Inv P/R/E 10/2/16 Total 1,050.00

195580 Total: 1,050.00

CRE1111 - Creek, Michael Total: 1,050.00

CAL0616 - E. D. D. Line Item Account

195581 10/06/2016

Inv P/R/E 10/2/16

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
10/04/2016	State w/h Tax	700-0000-0000-2220-000	24,802.74

Inv P/R/E 10/2/16 Total 24,802.74

Check Number	Check Date		Amount
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195581 Total:			24,802.74
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CAL0616 - E. D. D. Total:			24,802.74
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FDBC8025 - Fast Deer Bus Charter Inc. Line Item Account

195598 10/06/2016

Inv 131878

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
10/03/2016	Sr. Center South Coast Botanic Garden Bus Trip 10/20/16	205-8030-8025-8180-000	843.68

Inv 131878 Total			843.68
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195598 Total:			843.68
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FDBC8025 - Fast Deer Bus Charter Inc. Total:			843.68
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GLO4011 - Glock, Inc. Line Item Account

195599 10/06/2016

Inv SI-0151642

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
08/02/2016	PD Glock Pistol Parts	101-4010-4011-8020-000	4,497.34

Inv SI-0151642 Total			4,497.34
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Inv SI-0154165

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
08/12/2016	PD Glock Pistol Parts	101-4010-4011-8020-000	32.70

Inv SI-0154165 Total			32.70
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Inv SI-0157528

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
08/26/2016	PD Glock Pistol Parts	101-4010-4011-8020-000	87.20

Inv SI-0157528 Total			87.20
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195599 Total:			4,617.24
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GLO4011 - Glock, Inc. Total:			4,617.24
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GOVE2013 - Governmentjobs.com, Inc Line Item Account

195600 10/06/2016

Inv 18615

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
10/13/2016	NeoGovTraining10/13/16Registration-JeannieChiu & Raquel Herre	101-2010-2013-8090-000	750.00

Inv 18615 Total			750.00
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Check Number	Check Date		Amount
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195600 Total:			750.00
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GOVE2013 - Governmentjobs.com, Inc Total:			750.00
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MCGZ8021 - Gutierrez, Michael Line Item Account

195601	10/06/2016		
Inv	August 2016		

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
08/22/2016	Reimb. Home Delivery Mileage 8/16	101-8030-8021-8020-000	66.69

Inv August 2016 Total			66.69
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195601 Total:			66.69
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MCGZ8021 - Gutierrez, Michael Total:

66.69

HAFR7000 - Hartford Line Item Account

195582	10/06/2016		
Inv	P/R/E 10/2/16		

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
10/04/2016	Life Insurance	700-0000-0000-2254-000	891.00

Inv P/R/E 10/2/16 Total			891.00
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195582 Total:			891.00
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HAFR7000 - Hartford Total:

891.00

HDSW0107 - HD Supply Waterworks, Ltd. Line Item Account

195563	09/29/2016		
Inv	F522914		

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
06/16/2016	Fire Hydrants Inventory-Citywide Replacement of Old Fire Hydrant	500-0000-0000-1400-000	23,196.38

Inv F522914 Total			23,196.38
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195563 Total:			23,196.38
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HDSW0107 - HD Supply Waterworks, Ltd. Total:

23,196.38

ICM1610 - ICMA Line Item Account

195583	10/06/2016		
Inv	P/R/E 10/2/16		

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
10/04/2016	Deferred Comp	700-0000-0000-2260-000	4,617.87

Check Number	Check Date	Amount
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Inv P/R/E 10/2/16 Total		4,617.87
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195583 Total:		4,617.87
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ICM1610 - ICMA Total:		4,617.87
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SAUJ8267 - Jacobs, Saul Line Item Account

195602 10/06/2016

Inv 10/5/16

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
10/05/2016	Sr. Center Musical Performance 10/5/16	101-8030-8021-8267-000	200.00

Inv 10/5/16 Total		200.00
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195602 Total:		200.00
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SAUJ8267 - Jacobs, Saul Total:		200.00
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DSJZ1021 - Jimenez, Desiree Line Item Account

195564 09/29/2016

Inv 9/27/16

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/27/2016	Reimb. Prof. Development Training Meal	101-1020-1021-8090-000	75.80

Inv 9/27/16 Total		75.80
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195564 Total:		75.80
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DSJZ1021 - Jimenez, Desiree Total:		75.80
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LOS2227 - L.A.C. Registrar-Recorder Line Item Account

195565 09/29/2016

Inv 1901-HDP

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/29/2016	Negative Declaration- 869 Oneonta Dr.	101-7010-7011-8040-000	75.00

Inv 1901-HDP Total		75.00
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195565 Total:		75.00
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195566 09/29/2016

Inv 1821-HDP/DRX

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/26/2016	Negative Declaration- 871 Oneonta Dr.	101-7010-7011-8040-000	75.00

Inv 1821-HDP/DRX Total		75.00
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195566 Total:	75.00
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LOS2230 - L.A.C. Registrar-Recorder Total:	150.00
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LAC3032 - L.A.C. Sheriff's Dept. Line Item Account

195584	10/06/2016	
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Inv P/R/E 10/2/16

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
10/04/2016	Garnishment	700-0000-0000-2264-000	100.00

Inv P/R/E 10/2/16 Total	100.00
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195584 Total:	100.00
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LAC3032 - L.A.C. Sheriff's Dept. Total:	100.00
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LAWO2010 - Law Offices of Jones & Mayer Line Item Account

195603	10/06/2016	
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Inv 79282

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/30/2016	Legal Services- 1827 Bushnell Appeal 9/16	101-2010-2501-8160-000	55.50

Inv 79282 Total	55.50
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Inv 79283

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/30/2016	Legal Services- General Litigation 9/16	101-2010-2501-8160-000	92.50

Inv 79283 Total	92.50
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Inv 79284

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/30/2016	Legal Services- General Matters 9/16	101-2010-2501-8160-000	277.50

Inv 79284 Total	277.50
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195603 Total:	425.50
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LAWO2010 - Law Offices of Jones & Mayer Total:	425.50
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ADLN5010 - Levins, Adam Line Item Account

195567	09/29/2016	
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Inv 9/28/16

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/28/2016	Reimb. EMT/Paramedic Training Fire Apparatus	101-5010-5011-8200-000	260.00

Check Number	Check Date		Amount
	Inv 9/28/16	Total	260.00
	195567	Total:	260.00
	ADLN5010	- Levins, Adam Total:	260.00
	LCW7456	- Liebert Cassidy Whitmore Line Item Account	
	195568	09/29/2016	
	Inv 1423179		
	<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>
	06/30/2016	Personnel Matters 6/16	101-2010-2013-8160-000
			1,045.00
	Inv 1423179	Total	1,045.00
	Inv 1423180		
	<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>
	06/30/2016	Personnel Matters 6/16	101-2010-2013-8160-000
			76.50
	Inv 1423180	Total	76.50
	Inv 1423181		
	<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>
	06/30/2016	Personnel Matters 6/16	101-2010-2013-8160-000
			280.50
	Inv 1423181	Total	280.50
	Inv 1423182		
	<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>
	06/30/2016	Personnel Matters 6/16	101-2010-2013-8160-000
			1,527.00
	Inv 1423182	Total	1,527.00
	Inv 1423183		
	<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>
	06/30/2016	Personnel Matters 6/16	101-2010-2013-8160-000
			1,779.26
	Inv 1423183	Total	1,779.26
	Inv 1427092		
	<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>
	08/31/2016	Personnel Matters 8/16	101-2010-2013-8160-000
			1,100.00
	Inv 1427092	Total	1,100.00
	Inv 1427093		
	<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>
	08/31/2016	Personnel Matters 8/16	101-2010-2013-8160-000
			1,064.00
	Inv 1427093	Total	1,064.00

Check Number Check Date Amount

Inv 1427094

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
08/31/2016	Personnel Matters 8/16	101-2010-2013-8160-000	2,397.05

Inv 1427094 Total 2,397.05

Inv 1427095

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
08/31/2016	Personnel Matters 8/16	101-2010-2013-8160-000	1,188.00

Inv 1427095 Total 1,188.00

195568 Total: 10,457.31

LCW7456 - Liebert Cassidy Whitmore Total: 10,457.31

ATMJ1020 - Mejia, Anthony Line Item Account

195569 09/29/2016

Inv 9/27/16

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/27/2016	Reimb. CCO Prof. Development Training-Meal, Gas & Lodging	101-1020-1021-8090-000	186.81

Inv 9/27/16 Total 186.81

195569 Total: 186.81

ATMJ1020 - Mejia, Anthony Total: 186.81

MMJA4011 - Mejia, Michael Line Item Account

195585 10/06/2016

Inv P/R/E 10/2/16

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
10/04/2016	Movie Detail 9/21/16	101-0000-0000-2910-200	700.00

Inv P/R/E 10/2/16 Total 700.00

195585 Total: 700.00

MMJA4011 - Mejia, Michael Total: 700.00

VRMZ7000 - Munoz, Valerie Line Item Account

195586 10/06/2016

Inv P/R/E 10/2/16

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
10/04/2016	Garnishment	700-0000-0000-2264-000	950.00

Inv P/R/E 10/2/16 Total 950.00

Check Number	Check Date	Amount
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195586 Total:		950.00
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VRMZ7000 - Munoz, Valerie Total: 950.00

TRA2010 - Norman A. Traub Assoc. Line Item Account

195570 09/29/2016

Inv 16042

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
08/17/2016	HR/Personnel Matter Investigation Svcs 7/11-24/16	101-2010-2013-8170-000	2,730.00
08/17/2016	HR/Personnel Matter Investigation Svcs 3/25-6/28/16	101-2010-2013-8170-000	8,533.72

Inv 16042 Total 11,263.72

195570 Total: 11,263.72

TRA2010 - Norman A. Traub Assoc. Total: 11,263.72

PEG4590 - NUFIC Line Item Account

195587 10/06/2016

Inv P/R/E 10/2/16

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
10/04/2016	A.D & D. Insurance	700-0000-0000-2256-000	1,093.45

Inv P/R/E 10/2/16 Total 1,093.45

195587 Total: 1,093.45

PEG4590 - NUFIC Total: 1,093.45

ORRT5270 - Orr-Tam, Joey Line Item Account

195604 10/06/2016

Inv R75635

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
10/04/2016	Refund Dropped Master Chef Cooking Class	101-0000-0000-5270-002	85.00

Inv R75635 Total 85.00

195604 Total: 85.00

ORRT5270 - Orr-Tam, Joey Total: 85.00

PER4770 - Pers Retirement Line Item Account

195588 10/06/2016

Inv P/R/E 10/2/16

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
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Check Number	Check Date		Amount
10/04/2016	Retirement Svc Period 9/19-10/2/16	700-0000-0000-2240-000	91,452.79
	Inv P/R/E 10/2/16 Total		91,452.79
195588 Total:			91,452.79
PER4770 - Pers Retirement Total:			91,452.79
PDID1400 - Petro-Diamond Inc. Line Item Account			
195571	09/29/2016		
	Inv 16-38956		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/22/2016	Yard Unleaded & Clear Diesel Fuel 9/16	101-0000-0000-1400-000	4,408.71
	Inv 16-38956 Total		4,408.71
195571 Total:			4,408.71
PDID1400 - Petro-Diamond Inc. Total:			4,408.71
SOU5343 - PETTY CASH - Recreation Line Item Account			
195572	09/29/2016		
	Inv 9/27/16		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/27/2016	Reimb. Petty Cash	101-8030-8032-8268-000	366.34
09/27/2016	Reimb. Petty Cash	101-8030-8031-8020-000	9.38
	Inv 9/27/16 Total		375.72
195572 Total:			375.72
SOU5343 - PETTY CASH - Recreation Total:			375.72
SOU5401 - PETTY CASH - Sr. Center Line Item Account			
195573	09/29/2016		
	Inv 9/28/16		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/28/2016	Reimb. Petty Cash	101-8030-8031-8000-000	16.94
09/28/2016	Reimb. Petty Cash	101-8030-8021-8000-000	50.10
09/28/2016	Reimb. Petty Cash	101-8030-8021-8264-000	23.57
09/28/2016	Reimb. Petty Cash	101-0000-0000-2994-001	115.38
09/28/2016	Reimb. Petty Cash	101-8030-8021-8020-000	88.55
	Inv 9/28/16 Total		294.54
195573 Total:			294.54

Check Number	Check Date		Amount
SOU5401 - PETTY CASH - Sr. Center Total:			294.54
SOU5230 - S.P.Firefighters L-3657 Line Item Account			
195589	10/06/2016		
Inv	P/R/E 10/2/16		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
10/04/2016	Assn. Dues	700-0000-0000-2250-000	2,975.00
Inv P/R/E 10/2/16 Total			2,975.00
Inv	P/R/E 10/2/16*		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
10/04/2016	Assn. Insurance	700-0000-0000-2252-000	180.74
Inv P/R/E 10/2/16* Total			180.74
195589 Total:			3,155.74
SOU5230 - S.P.Firefighters L-3657 Total:			3,155.74
SOU5435 - S.P.P. O. A. Line Item Account			
195590	10/06/2016		
Inv	P/R/E 10/2/16		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
10/04/2016	Assn. Dues & Insurance	700-0000-0000-2246-000	4,728.05
Inv P/R/E 10/2/16 Total			4,728.05
195590 Total:			4,728.05
SOU5435 - S.P.P. O. A. Total:			4,728.05
SOU5451 - S.P.Public Srvc Empl. Ass'n Line Item Account			
195591	10/06/2016		
Inv	P/R/E 10/2/16		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
10/04/2016	Assn. Dues & Svc. Fee	700-0000-0000-2248-000	1,677.00
Inv P/R/E 10/2/16 Total			1,677.00
195591 Total:			1,677.00
SOU5451 - S.P.Public Srvc Empl. Ass'n Total:			1,677.00
IICH4011 - Sanchez, Michael Line Item Account			
195605	10/06/2016		

Check Number	Check Date		Amount
Inv	10/18-20/16		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
10/03/2016	Reimb. PD Training Expenses	101-4010-4011-8200-000	569.52
Inv 10/18-20/16 Total			569.52
195605 Total:			569.52
MICH4011 - Sanchez, Michael Total:			569.52
DNSK7000 - Skinner, Daniel Line Item Account			
195592	10/06/2016		
Inv	P/R/E9/4 & 10/2		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
10/05/2016	Reimb. Cancelled AFLAC 9/16 & 10/16	700-0000-0000-2255-000	157.94
Inv P/R/E9/4 & 10/2 Total			157.94
195592 Total:			157.94
DNSK7000 - Skinner, Daniel Total:			157.94
SOU6666 - So. CA Edison Co. Line Item Account			
195593	10/06/2016		
Inv	3-000-5677-90		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/21/2016	8/17-9/16/16	500-6010-6711-8152-000	1,782.62
Inv 3-000-5677-90 Total			1,782.62
Inv	3-000-5950-21		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/21/2016	8/17-9/16/16	101-6010-6410-8140-000	86.20
Inv 3-000-5950-21 Total			86.20
Inv	3-000-5950-22		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/21/2016	8/17-9/16/16	101-6010-6410-8140-000	14.64
Inv 3-000-5950-22 Total			14.64
Inv	3-000-7125-63		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/21/2016	8/17-9/16/16	101-6010-2015-8140-000	23.50
Inv 3-000-7125-63 Total			23.50

Check Number	Check Date		Amount
Inv	3-000-7125-66		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/21/2016	8/17-9/16/16	500-6010-6711-8140-000	39.03
Inv 3-000-7125-66 Total			39.03
Inv	3-000-7152-57		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/21/2016	8/17-9/16/16	101-6010-6410-8140-000	23.39
Inv 3-000-7152-57 Total			23.39
Inv	3-000-8455-69		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/21/2016	8/17-9/16/16	215-6010-6115-8140-000	57.69
Inv 3-000-8455-69 Total			57.69
Inv	3-000-9969-52		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/21/2016	8/17-9/16/16	215-6010-6201-8140-000	13.57
09/21/2016	8/17-9/16/16	101-6010-6410-8140-000	13.57
Inv 3-000-9969-52 Total			27.14
Inv	3-001-1810-93		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/21/2016	7/27-8/25/16	101-6010-6410-8140-000	36.46
Inv 3-001-1810-93 Total			36.46
Inv	3-001-1810-94		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/21/2016	8/17-9/16/16	500-6010-6711-8140-000	38.46
Inv 3-001-1810-94 Total			38.46
Inv	3-001-1810-98		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/21/2016	8/17-9/16/16	500-6010-6711-8152-000	45,839.43
Inv 3-001-1810-98 Total			45,839.43
Inv	3-001-1811-29		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/21/2016	8/17-9/16/16	101-6010-6601-8140-000	9,349.45
Inv 3-001-1811-29 Total			9,349.45
Inv	3-001-1811-44		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	

Check Number	Check Date		Amount
09/21/2016	8/17-9/16/16	101-6010-6410-8140-000	162.58
09/21/2016	8/17-9/16/16	215-6010-6201-8140-000	162.57
Inv 3-001-1811-44 Total			325.15
Inv 3-001-1811-45			
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/21/2016	8/17-9/16/16	101-6010-6410-8140-000	34.41
09/21/2016	8/17-9/16/16	215-6010-6201-8140-000	34.40
Inv 3-001-1811-45 Total			68.81
Inv 3-001-1811-48			
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/21/2016	8/17-9/16/16	215-6010-6115-8140-000	40.75
Inv 3-001-1811-48 Total			40.75
Inv 3-001-1811-56			
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/21/2016	8/17-9/16/16	215-6010-6115-8140-000	58.57
Inv 3-001-1811-56 Total			58.57
Inv 3-001-1811-58			
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/21/2016	8/1-9/1/16	101-6010-6410-8140-000	32.42
Inv 3-001-1811-58 Total			32.42
Inv 3-001-1811-59			
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/21/2016	8/17-9/16/16	215-6010-6115-8140-000	38.05
Inv 3-001-1811-59 Total			38.05
Inv 3-001-1811-63			
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/21/2016	8/17-9/16/16	101-6010-6410-8140-000	24.05
Inv 3-001-1811-63 Total			24.05
Inv 3-001-1811-67			
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/21/2016	8/17-9/16/16	101-6010-6410-8140-000	34.46
Inv 3-001-1811-67 Total			34.46
Inv 3-001-1811-68			
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/21/2016	8/17-9/16/16	215-6010-6115-8140-000	88.05

Check Number	Check Date	Amount
Inv 3-001-1811-68 Total		88.05
Inv 3-001-1811-69		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>
09/21/2016	8/1-9/1/16	215-6010-6201-8140-000
		22.66
Inv 3-001-1811-69 Total		22.66
Inv 3-001-1811-75		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>
09/21/2016	8/17-9/16/16	215-6010-6115-8140-000
		78.73
Inv 3-001-1811-75 Total		78.73
Inv 3-001-1811-76		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>
09/21/2016	8/17-9/16/16	215-6010-6115-8140-000
		50.62
Inv 3-001-1811-76 Total		50.62
Inv 3-001-1811-77		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>
09/21/2016	8/17-9/16/16	215-6010-6115-8140-000
		37.67
Inv 3-001-1811-77 Total		37.67
Inv 3-001-1811-79		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>
09/21/2016	8/17-9/16/16	215-6010-6115-8140-000
		35.87
Inv 3-001-1811-79 Total		35.87
Inv 3-001-1811-80		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>
09/21/2016	8/17-9/16/16	215-6010-6115-8140-000
		30.22
Inv 3-001-1811-80 Total		30.22
Inv 3-001-1811-86		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>
09/21/2016	8/17-9/16/16	101-6010-6410-8140-000
		22.88
Inv 3-001-1811-86 Total		22.88
Inv 3-001-1811-87		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>
09/21/2016	8/17-9/16/16	500-6010-6711-8140-000
		45.99
Inv 3-001-1811-87 Total		45.99

Check Number	Check Date		Amount
Inv	3-001-1811-89		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/21/2016	8/1-9/1/16	101-6010-6410-8140-000	16.21
09/21/2016	8/1-9/1/16	215-6010-6201-8140-000	16.21
Inv 3-001-1811-89 Total			32.42
Inv	3-001-1811-90		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/21/2016	8/17-9/16/16	215-6010-6115-8140-000	32.01
Inv 3-001-1811-90 Total			32.01
Inv	3-001-1811-91		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/21/2016	8/17-9/16/16	215-6010-6115-8140-000	65.90
Inv 3-001-1811-91 Total			65.90
Inv	3-001-1811-92		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/21/2016	8/17-9/16/16	215-6010-6115-8140-000	14.44
Inv 3-001-1811-92 Total			14.44
Inv	3-001-1811-93		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/21/2016	8/17-9/16/16	215-6010-6115-8140-000	50.12
Inv 3-001-1811-93 Total			50.12
Inv	3-001-1811-95		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/21/2016	8/17-9/16/16	101-6010-6410-8140-000	24.63
Inv 3-001-1811-95 Total			24.63
Inv	3-001-1811-98		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/21/2016	8/17-9/16/16	215-6010-6115-8140-000	14.18
Inv 3-001-1811-98 Total			14.18
Inv	3-001-1812-06		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/21/2016	8/17-9/16/16	101-6010-6410-8140-000	40.70
Inv 3-001-1812-06 Total			40.70
Inv	3-001-1812-07		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	

Check Number	Check Date		Amount
09/21/2016	8/17-9/16/16	500-6010-6711-8140-000	30.67
Inv 3-001-1812-07 Total			30.67
Inv 3-001-1812-08			
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/21/2016	8/17-9/16/16	215-6010-6115-8140-000	57.44
Inv 3-001-1812-08 Total			57.44
Inv 3-001-1812-09			
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/21/2016	8/1-9/1/16	101-6010-6410-8140-000	290.90
Inv 3-001-1812-09 Total			290.90
Inv 3-001-1812-10			
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/21/2016	8/17-9/16/16	232-6010-6417-8140-000	69.07
Inv 3-001-1812-10 Total			69.07
Inv 3-001-1812-11			
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/21/2016	8/17-9/16/16	215-6010-6115-8140-000	30.36
Inv 3-001-1812-11 Total			30.36
Inv 3-001-1812-12			
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/21/2016	8/17-9/16/16	215-6010-6115-8140-000	28.00
Inv 3-001-1812-12 Total			28.00
Inv 3-001-1812-25			
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/21/2016	8/17-9/16/16	101-6010-6410-8140-000	23.78
Inv 3-001-1812-25 Total			23.78
Inv 3-001-1812-26			
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/21/2016	8/17-9/16/16	101-6010-6410-8140-000	1,647.71
Inv 3-001-1812-26 Total			1,647.71
Inv 3-001-1812-27			
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/21/2016	8/17-9/16/16	215-6010-6115-8140-000	48.45
Inv 3-001-1812-27 Total			48.45

Check Number	Check Date		Amount
Inv	3-001-1812-31		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/21/2016	8/17-9/16/16	101-6010-6410-8140-000	46.33
Inv 3-001-1812-31 Total			46.33
Inv	3-001-1812-32		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/21/2016	8/1-9/1/16	101-6010-6410-8140-000	13.19
Inv 3-001-1812-32 Total			13.19
Inv	3-001-1812-33		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/21/2016	8/17-9/16/16	500-6010-6711-8140-000	44.41
Inv 3-001-1812-33 Total			44.41
Inv	3-001-1812-34		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/21/2016	8/17-9/16/16	500-6010-6711-8152-000	5,954.38
Inv 3-001-1812-34 Total			5,954.38
Inv	3-001-1812-35		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/21/2016	8/17-9/16/16	215-6010-6115-8140-000	14.83
Inv 3-001-1812-35 Total			14.83
Inv	3-001-1812-36		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/21/2016	8/17-9/16/16	101-6010-6410-8140-000	89.76
Inv 3-001-1812-36 Total			89.76
Inv	3-001-1812-38		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/21/2016	8/1-30/16	101-6010-6410-8140-000	23.65
Inv 3-001-1812-38 Total			23.65
Inv	3-001-1812-39		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/21/2016	8/1-30/16	215-6010-6115-8140-000	47.68
Inv 3-001-1812-39 Total			47.68
Inv	3-001-9413-97		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/21/2016	7/27-8/25/16	500-6010-6711-8152-000	3,343.01

Inv 3-001-9413-97 Total			3,343.01
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Inv 3-002-4372-43			
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<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/21/2016	7/27-8/25/16	215-6010-6115-8140-000	74.08

Inv 3-002-4372-43 Total			74.08
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Inv 3-002-4473-12			
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<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/21/2016	7/27-8/25/16	500-6010-6711-8140-000	22.88

Inv 3-002-4473-12 Total			22.88
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Inv 3-003-7341-83			
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<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/21/2016	8/1-9/1/16	101-6010-6410-8140-000	11.29

Inv 3-003-7341-83 Total			11.29
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Inv 3-004-3214-58			
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<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/21/2016	7/27-8/25/16	500-6010-6711-8140-000	42.26

Inv 3-004-3214-58 Total			42.26
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Inv 3-004-4562-56			
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<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/21/2016	7/27-8/25/16	215-6010-6115-8140-000	57.44

Inv 3-004-4562-56 Total			57.44
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Inv 3-016-0678-82			
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<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/21/2016	7/27-8/25/16	215-6010-6201-8140-000	97.63

Inv 3-016-0678-82 Total			97.63
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Inv 3-022-6051-15			
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<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/21/2016	7/27-8/25/16	215-6010-6115-8140-000	76.93

Inv 3-022-6051-15 Total			76.93
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Inv 3-022-6897-57			
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<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/21/2016	7/27-8/25/16	215-6010-6115-8140-000	24.84

Inv 3-022-6897-57 Total			24.84
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Check Number	Check Date		Amount
Inv	3-022-6897-89		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/21/2016	7/27-8/25/16	215-6010-6115-8140-000	23.94
Inv 3-022-6897-89 Total			23.94
Inv	3-022-6897-99		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/21/2016	7/27-8/25/16	215-6010-6115-8140-000	24.07
Inv 3-022-6897-99 Total			24.07
Inv	3-022-6898-05		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/21/2016	7/27-8/25/16	215-6010-6115-8140-000	23.51
Inv 3-022-6898-05 Total			23.51
Inv	3-022-6898-17		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/21/2016	7/27-8/25/16	215-6010-6115-8140-000	26.53
Inv 3-022-6898-17 Total			26.53
195593 Total:			70,936.38
195606	10/06/2016		
Inv	3-002-4472-77		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/24/2016	8/25-9/26/16	101-8010-8011-8140-000	4,029.33
Inv 3-002-4472-77 Total			4,029.33
Inv	3-002-4472-78		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/24/2016	8/25-9/26/16	101-8030-8021-8140-000	1,587.73
Inv 3-002-4472-78 Total			1,587.73
Inv	3-003-6653-57		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/24/2016	8/25-9/26/16	101-6010-6410-8140-000	480.52
Inv 3-003-6653-57 Total			480.52
Inv	3-011-4089-57		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/24/2016	8/25-9/26/16	215-6010-6115-8140-000	51.76
Inv 3-011-4089-57 Total			51.76

Check Number	Check Date		Amount
Inv	3-022-6897-72		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/24/2016	8/25-9/26/16	215-6010-6115-8140-000	24.30
Inv 3-022-6897-72 Total			24.30
Inv	3-022-6898-28		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/24/2016	8/25-9/26/16	215-6010-6115-8140-000	24.30
Inv 3-022-6898-28 Total			24.30
Inv	3-023-6580-86		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/24/2016	8/25-9/26/16	215-6010-6201-8140-000	25.96
Inv 3-023-6580-86 Total			25.96
Inv	3-023-7462-29		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/24/2016	8/25-9/26/16	215-6010-6115-8140-000	141.18
Inv 3-023-7462-29 Total			141.18
Inv	3-023-7844-31		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/24/2016	8/25-9/26/16	215-6010-6115-8140-000	24.86
Inv 3-023-7844-31 Total			24.86
Inv	3-023-8283-79		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/24/2016	8/25-9/26/16	215-6010-6115-8140-000	29.59
Inv 3-023-8283-79 Total			29.59
Inv	3-026-3223-65		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/24/2016	8/25-9/26/16	215-6010-6115-8140-000	33.41
Inv 3-026-3223-65 Total			33.41
Inv	3-028-7013-82		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/24/2016	8/25-9/26/16	101-6010-6410-8140-000	114.36
Inv 3-028-7013-82 Total			114.36
Inv	3-028-7594-32		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/24/2016	8/25-9/26/16	500-6010-6711-8152-000	3,339.58

Check Number	Check Date		Amount
Inv 3-028-7594-32		Total	3,339.58
Inv 3-029-2458-05			
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/24/2016	8/25-9/26/16	101-8030-8031-8140-000	69.13
Inv 3-029-2458-05		Total	69.13
Inv 3-032-0513-93			
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/24/2016	8/25-9/26/16	215-6010-6115-8140-000	56.27
Inv 3-032-0513-93		Total	56.27
Inv 3-032-2521-62			
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/24/2016	8/25-9/26/16	215-6010-6201-8140-000	76.62
Inv 3-032-2521-62		Total	76.62
Inv 3-032-4192-98			
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/27/2016	8/25-9/26/16	215-6010-6201-8140-000	67.22
Inv 3-032-4192-98		Total	67.22
Inv 3-033-3452-62			
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/24/2016	8/25-9/26/16	500-6010-6710-8140-000	654.47
Inv 3-033-3452-62		Total	654.47
Inv 3-035-3494-19			
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/24/2016	8/25-9/26/16	215-6010-6115-8140-000	49.92
Inv 3-035-3494-19		Total	49.92
Inv 3-035-6502-21			
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/24/2016	8/25-9/26/16	101-6010-6601-8140-000	257.53
Inv 3-035-6502-21		Total	257.53
Inv 3-037-6075-39			
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/24/2016	8/25-9/26/16	215-6010-6115-8140-000	66.29
Inv 3-037-6075-39		Total	66.29

Check Number	Check Date		Amount
195606 Total:			11,204.33
SOU6666 - So. CA Edison Co. Total:			82,140.71
SOL1111 - Solinsky, Brian Line Item Account			
195607	10/06/2016		
Inv	10/10-13/16		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
10/04/2016	Reimb. PD Training Expenses	101-4010-4011-8210-000	184.00
Inv 10/10-13/16 Total			184.00
195607 Total:			184.00
SOL1111 - Solinsky, Brian Total:			184.00
SNML6710 - Sonsray Machinery Line Item Account			
195574	09/29/2016		
Inv	W01946-03		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
03/25/2016	Water Div. Backhoe Svcs	500-6010-6710-8100-000	2,316.27
Inv W01946-03 Total			2,316.27
195574 Total:			2,316.27
SNML6710 - Sonsray Machinery Total:			2,316.27
SCBG8264 - South Coast Botanic Garden (SCDGF) Line Item Account			
195608	10/06/2016		
Inv	10/20/16		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
10/03/2016	Sr. Center Field Trip 10/20/16 Tickets	101-8030-8021-8264-000	276.00
Inv 10/20/16 Total			276.00
195608 Total:			276.00
SCBG8264 - South Coast Botanic Garden (SCDGF) Total:			276.00
CEAP7000 - South Pasadena Part Time Employees Assn. Line Item Account			
195594	10/06/2016		
Inv	P/R/E 10/2/16		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
10/04/2016	Assn. Dues	700-0000-0000-2249-000	448.00

Check Number	Check Date		Amount
		Inv P/R/E 10/2/16 Total	448.00
		195594 Total:	448.00
		CEAP7000 - South Pasadena Part Time Employees Assn. Total:	448.00
		SPAR1021 - Sparkletts Line Item Account	
		195575 09/29/2016	
		Inv 13426098082316	
		<u>Line Item Date</u> <u>Line Item Description</u> <u>Line Item Account</u>	
		08/23/2016 Water Svc for Middle School Camp Med 7/16 & 8/16 101-8030-8032-8268-000	133.76
		Inv 13426098082316 Total	133.76
		195575 Total:	133.76
		SPAR1021 - Sparkletts Total:	133.76
		SOU5030 - The Gas Company Line Item Account	
		195576 09/29/2016	
		Inv 072 519 1300 5	
		<u>Line Item Date</u> <u>Line Item Description</u> <u>Line Item Account</u>	
		09/19/2016 8/16-9/15/16 101-6010-6410-8140-000	26.57
		Inv 072 519 1300 5 Total	26.57
		Inv 080 919 2900 3	
		<u>Line Item Date</u> <u>Line Item Description</u> <u>Line Item Account</u>	
		09/19/2016 8/16-9/15/16 101-6010-6601-8140-000	324.06
		Inv 080 919 2900 3 Total	324.06
		Inv 080 919 3600 8	
		<u>Line Item Date</u> <u>Line Item Description</u> <u>Line Item Account</u>	
		09/19/2016 8/16-9/15/16 101-8030-8031-8140-000	5.35
		Inv 080 919 3600 8 Total	5.35
		Inv 083 019 3600 4	
		<u>Line Item Date</u> <u>Line Item Description</u> <u>Line Item Account</u>	
		09/19/2016 8/16-9/15/16 500-6010-6710-8140-000	23.96
		Inv 083 019 3600 4 Total	23.96
		Inv 137 619 3700 5	
		<u>Line Item Date</u> <u>Line Item Description</u> <u>Line Item Account</u>	
		09/19/2016 8/16-9/15/16 101-8030-8021-8140-000	54.45
		Inv 137 619 3700 5 Total	54.45

○ Inv	148 220 0900 8		
	<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>
	09/19/2016	8/16-9/15/16	101-6010-6410-8140-000
			81.56
	Inv 148 220 0900 8 Total		81.56

195576 Total:			515.95
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SOU5030 - The Gas Company Total:			515.95
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TIM4011 - Time Warner Cable Line Item Account

195609	10/06/2016		
Inv	008 0012005		
	<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>
	09/21/2016	Library 9/29-10/28/16	101-8010-8011-8180-000
			1.58
	Inv 008 0012005 Total		1.58

Inv	008 0070193		
	<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>
	09/21/2016	Skate Park Cable 10/1-31/16	101-4010-4011-8110-000
			73.96
	Inv 008 0070193 Total		73.96

○ Inv	008 0224964		
	<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>
	09/28/2016	Internet Upgrade 10/8-11/7/16	101-3010-3032-8150-000
			359.42
	Inv 008 0224964 Total		359.42

195609 Total:			434.96
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TIM4011 - Time Warner Cable Total:			434.96
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ING1680 - Voya Financial Line Item Account

195595	10/06/2016		
Inv	P/R/E 10/2/16		
	<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>
	10/04/2016	Deferred Comp	700-0000-0000-2260-000
			2,856.89
	Inv P/R/E 10/2/16 Total		2,856.89

195595 Total:			2,856.89
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○ ING1680 - Voya Financial Total:			2,856.89
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Check Number Check Date Amount

VUL6601 - Vulcan Materials Co. & Affiliates Line Item Account

195610 10/06/2016

Inv 71246598

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/19/2016	Cold Mix & Concrete	230-6010-6116-8020-000	749.13
09/19/2016	Cold Mix & Concrete	500-6010-6710-8020-000	749.14

Inv 71246598 Total 1,498.27

195610 Total: 1,498.27

VUL6601 - Vulcan Materials Co. & Affiliates Total:

1,498.27

LYWG5270 - Wang, Lily Line Item Account

195611 10/06/2016

Inv R75636

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
10/04/2016	Refund Dropped Master Chef Cooking Class	101-0000-0000-5270-002	80.00

Inv R75636 Total 80.00

195611 Total: 80.00

LYWG5270 - Wang, Lily Total:

80.00

Total: 829,449.03

ATTACHMENT 3
General City Warrant List

Accounts Payable

Check Detail

User: mfestejo
 Printed: 10/13/2016 - 10:26AM



Check Number	Check Date		Amount
AKDC9265 - AKD Consulting Line Item Account			
195612	10/19/2016		
Inv	CSP 2016-10		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
10/02/2016	City's Water Facilities Capital Improvement Project Mgmt Svc9/16	500-6010-6711-8170-000	11,360.00
Inv CSP 2016-10 Total			11,360.00
195612 Total:			11,360.00
AKDC9265 - AKD Consulting Total:			11,360.00
APDE4010 - Alhambra Police Dept. Explorers Line Item Account			
195613	10/19/2016		
Inv	9/18/16		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/22/2016	Donation to Explorer POST PD Open House 9/18/16	101-4010-4011-8020-000	200.00
Inv 9/18/16 Total			200.00
195613 Total:			200.00
APDE4010 - Alhambra Police Dept. Explorers Total:			200.00
ACMT2920 - All City Management Line Item Account			
195614	10/19/2016		
Inv	44789		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/14/2016	PD School Crossing Guard Svcs 8/28-9/10/16	101-4010-4011-8180-000	6,126.37
Inv 44789 Total			6,126.37
195614 Total:			6,126.37
ACMT2920 - All City Management Total:			6,126.37
ARA0260 - Aramark Uniform Services Line Item Account			
195615	10/19/2016		

Inv 531860743

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/22/2016	Uniform Svcs	500-6010-6711-8132-000	16.03
09/22/2016	Uniform Svcs	500-6010-6710-8132-000	34.73
09/22/2016	Uniform Svcs	101-6010-6601-8132-000	14.92
09/22/2016	Uniform Svcs	215-6010-6310-8132-000	98.58
09/22/2016	Uniform Svcs	210-6010-6501-8132-000	9.98
09/22/2016	Uniform Svcs	215-6010-6201-8132-000	9.98
09/22/2016	Uniform Svcs	230-6010-6116-8132-000	55.28

Inv 531860743 Total 239.50

Inv 531878040

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/29/2016	Uniform Svcs	500-6010-6710-8132-000	32.83
09/29/2016	Uniform Svcs	210-6010-6501-8132-000	8.08
09/29/2016	Uniform Svcs	230-6010-6116-8132-000	25.68
09/29/2016	Uniform Svcs	500-6010-6711-8132-000	14.13
09/29/2016	Uniform Svcs	101-6010-6601-8132-000	13.03
09/29/2016	Uniform Svcs	215-6010-6310-8132-000	13.57
09/29/2016	Uniform Svcs	215-6010-6201-8132-000	8.08

Inv 531878040 Total 115.40

195615 Total: 354.90

ARA0260 - Aramark Uniform Services Total: 354.90

APC7101 - Architectural Resource Group Inc. Line Item Account

195616 10/19/2016

Inv 40208

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/21/2016	Meridian Iron Works Museum Rehabilitation Svcs 8/16	101-9000-9326-9326-000	1,995.00

Inv 40208 Total 1,995.00

195616 Total: 1,995.00

APC7101 - Architectural Resource Group Inc. Total: 1,995.00

CIN4011 - AT&T --Cingular Wireless Line Item Account

195617 10/19/2016

Inv 829350178x09162

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/08/2016	PD Cell Phones 8/9-9/8/16	101-3010-3032-8150-000	30.16

Inv 829350178x09162 Total 30.16

Inv 992893782x09162

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
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Check Number	Check Date		Amount
09/08/2016	PD Ipad's 8/9-9/8/16	101-3010-3032-8150-000	20.00
Inv 992893782x09162 Total			20.00
195617 Total:			50.16
CIN4011 - AT&T --Cingular Wireless Total:			50.16
AUDI8011 - Audio Editions Line Item Account			
195618	10/19/2016		
Inv	1607161		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/20/2016	Books on Cassette & CDs	101-8010-8011-8080-000	17.20
Inv 1607161 Total			17.20
195618 Total:			17.20
AUDI8011 - Audio Editions Total:			17.20
NEBJ4610 - Banerjee, Neil Line Item Account			
195619	10/19/2016		
Inv	222132634		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
10/06/2016	Refund Citation	101-0000-0000-4610-000	48.00
Inv 222132634 Total			48.00
195619 Total:			48.00
NEBJ4610 - Banerjee, Neil Total:			48.00
BBSW9399 - Banner Bank Line Item Account			
195620	10/19/2016		
Inv	#4		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
08/31/2016	Southwest Pipeline & Trenchless Corp.-Escrow Acct.# 1171	310-9000-9399-9399-000	15,387.63
Inv #4 Total			15,387.63
195620 Total:			15,387.63
BBSW9399 - Banner Bank Total:			15,387.63
LSBS5270 - Berestein, Leslie Line Item Account			
195621	10/19/2016		

Check Number	Check Date		Amount
Inv	R75413		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/28/2016	Refund Camp Med	101-0000-0000-5270-001	160.00
Inv R75413 Total			160.00
195621 Total:			160.00
LSBS5270 - Berestein, Leslie Total:			160.00
BORD8267 - Bordeaux, Janet Line Item Account			
195622	10/19/2016		
Inv	Sept. 2016		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
10/03/2016	Instructor Line Dance Classes	101-8030-8021-8267-000	114.40
Inv Sept. 2016 Total			114.40
195622 Total:			114.40
BORD8267 - Bordeaux, Janet Total:			114.40
BUR4018 - Burro Canyon Shooting Park Line Item Account			
195623	10/19/2016		
Inv	1090		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/17/2016	PD Range Fees 8/19/16	101-4010-4011-8200-000	70.00
Inv 1090 Total			70.00
195623 Total:			70.00
BUR4018 - Burro Canyon Shooting Park Total:			70.00
CLA8011 - CA Library Association Line Item Account			
195624	10/19/2016		
Inv	300003700		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/21/2016	Dues & Membership	101-8010-8011-8060-000	1,100.00
Inv 300003700 Total			1,100.00
195624 Total:			1,100.00
CLA8011 - CA Library Association Total:			1,100.00

Check Number	Check Date		Amount
CAL5236 - CA Linen Services Line Item Account			
195625	10/19/2016		
Inv	1323765		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
10/03/2016	FD Dept. Supplies	101-5010-5011-8020-000	119.30
Inv 1323765 Total			119.30
195625 Total:			119.30
CAL5236 - CA Linen Services Total:			119.30
CAUB9266 - California United Bank Line Item Account			
195626	10/19/2016		
Inv	#18		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/29/2016	Garfield Reservoir Retention-0138174743	500-9000-9266-9266-000	20,591.92
Inv #18 Total			20,591.92
195626 Total:			20,591.92
CAUB9266 - California United Bank Total:			20,591.92
CAB4011 - Caltronics Business Systems Line Item Account			
195627	10/19/2016		
Inv	2085905		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
08/29/2016	Library Copier Maint. Rates 8/28-9/27/16	101-8010-8011-8110-000	262.82
Inv 2085905 Total			262.82
Inv	2085906		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
08/29/2016	Library Copier Overages 5/28-8/27/16	101-8010-8011-8110-000	541.86
Inv 2085906 Total			541.86
Inv	2094429		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/09/2016	Toner Shipping	101-8010-8011-8110-000	15.00
Inv 2094429 Total			15.00
195627 Total:			819.68
CAB4011 - Caltronics Business Systems Total:			819.68

CAN0607 - Cantu Graphics Line Item Account

195628 10/19/2016

Inv 1384

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/28/2016	CC Busn Cards for A. Mejia	101-1020-1021-8020-000	32.65

Inv 1384 Total 32.65

195628 Total: 32.65

CAN0607 - Cantu Graphics Total: 32.65

CBEC8110 - CBE Los Angeles Line Item Account

195629 10/19/2016

Inv 1820069

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/20/2016	PW Copier Overages 8/20-9/19/16	101-6010-6011-8020-000	45.06

Inv 1820069 Total 45.06

195629 Total: 45.06

CBEC8110 - CBE Los Angeles Total: 45.06

CDW5246 - CDW Government Inc Line Item Account

195630 10/19/2016

Inv FLR7798

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/26/2016	IT Net Gear 8 Port Smart Switch	101-3010-3032-8530-000	116.70

Inv FLR7798 Total 116.70

Inv FLW9013

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/27/2016	IT Equipment	101-0000-0000-2700-000	-431.10
09/27/2016	IT Equipment	101-3010-3032-8180-000	5,221.15

Inv FLW9013 Total 4,790.05

195630 Total: 4,906.75

CDW5246 - CDW Government Inc Total: 4,906.75

CERF9274 - Central Roofing Line Item Account

195631 10/19/2016

Check Number	Check Date		Amount
Inv	1609-144 TJ		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/21/2016	Replacement Meridian Iron Works Museum Roof	105-9000-9327-9327-000	12,322.50
Inv 1609-144 TJ Total			12,322.50
195631 Total:			12,322.50
CERF9274 - Central Roofing Total:			12,322.50
CRIM4010 - Chaidez, Hector Line Item Account			
195632	10/19/2016		
Inv	191616531		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/02/2016	PD Predictive Policing Svcs 8/16	101-4010-4011-8170-000	2,080.00
Inv 191616531 Total			2,080.00
Inv	191616532		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
10/03/2016	PD Predictive Policing Svcs 9/16	101-4010-4011-8170-000	2,080.00
Inv 191616532 Total			2,080.00
195632 Total:			4,160.00
CRIM4010 - Chaidez, Hector Total:			4,160.00
COLA207 - City of Los Angeles Line Item Account			
195633	10/19/2016		
Inv	74SP 170000016		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/06/2016	CIMP Cost Share Upper LA River Watershed Mgmt Area Inv#2	101-6010-6015-8020-000	14,683.00
Inv 74SP 170000016 Total			14,683.00
195633 Total:			14,683.00
COLA207 - City of Los Angeles Total:			14,683.00
CMME4011 - Commline Inc. Line Item Account			
195634	10/19/2016		
Inv	0026881		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/20/2016	Install PD Unit# 1201 Computer System & Odyssey Battery	101-4010-4011-8100-000	235.00
Inv 0026881 Total			235.00

Inv 0027326

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/30/2016	Install PD Unit# 1201 Computer System & Odyssey Battery	101-4010-4011-8100-000	494.57

Inv 0027326 Total 494.57

195634 Total: 729.57

CMME4011 - Commline Inc. Total: 729.57

CONN6711 - Conney Safety Line Item Account

195635 10/19/2016

Inv 05216920

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/13/2016	Yard Safety Equipment - First Aid Kits for Water Distribution	500-6010-6710-8134-000	153.54

Inv 05216920 Total 153.54

195635 Total: 153.54

CONN6711 - Conney Safety Total: 153.54

CWSH6710 - Council for Watershed Health Line Item Account

195636 10/19/2016

Inv 269

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/22/2016	Landscaping Lightly 2017 Calendars	500-3010-3012-8032-000	272.50

Inv 269 Total 272.50

195636 Total: 272.50

CWSH6710 - Council for Watershed Health Total: 272.50

CLAPW101 - County of Los Angeles Line Item Account

195637 10/19/2016

Inv SA170000011

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
08/22/2016	LAC Catch Basin Cleaning 1/1-4/30/16	101-6010-6015-8180-000	2,551.19

Inv SA170000011 Total 2,551.19

195637 Total: 2,551.19

CLAPW101 - County of Los Angeles Total: 2,551.19

DSP0755 - D & S Printing Line Item Account

195638 10/19/2016

Inv 9836

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>		
09/27/2016	Ray Bradbury Display Copies	101-8010-8011-8050-000		19.62

Inv 9836 Total 19.62

Inv 9841

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>		
09/28/2016	PD 2-Part NCR Search Warrant-Inventory Report Copies	101-4010-4011-8050-000		163.50

Inv 9841 Total 163.50

195638 Total: 183.12

DSP0755 - D & S Printing Total:

183.12

ASHD8267 - Delery, Ashley Line Item Account

195639 10/19/2016

Inv Sept. 2016

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>		
10/03/2016	Instructor Pep Up Your Life Exercise Classes	101-8030-8021-8267-000		385.60

Inv Sept. 2016 Total 385.60

195639 Total: 385.60

ASHD8267 - Delery, Ashley Total:

385.60

AMDC8267 - Delgado, Ana Maria Line Item Account

195640 10/19/2016

Inv September 2016

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>		
10/03/2016	Instructor Yoga Classes	101-8030-8021-8267-000		241.60

Inv September 2016 Total 241.60

195640 Total: 241.60

AMDC8267 - Delgado, Ana Maria Total:

241.60

DEM0777 - Demco Line Item Account

195641 10/19/2016

Inv 5956626

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>		
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Check Number	Check Date		Amount
09/12/2016	Lib. Tech Svcs Supplies	101-8010-8011-8020-000	268.67
Inv 5956626 Total			268.67
195641 Total:			268.67
DEM0777 - Demco Total:			268.67
DIG0800 - Digital Telecommunications Corp Line Item Account			
195642	10/19/2016		
Inv 25368			
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
10/01/2016	Telephone Line Svcs 11/16	101-3010-3032-8150-000	825.00
Inv 25368 Total			825.00
195642 Total:			825.00
DIG0800 - Digital Telecommunications Corp Total:			825.00
DDL8010 - Dr. Detail Ph.D Line Item Account			
195643	10/19/2016		
Inv 00051			
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/16/2016	Lib. Community Room Carpet Spot Cleaning	101-8010-8011-8120-000	75.00
Inv 00051 Total			75.00
195643 Total:			75.00
DDL8010 - Dr. Detail Ph.D Total:			75.00
DDEK6712 - Dudek Line Item Account			
195644	10/19/2016		
Inv 20164898			
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/08/2016	Swr Rehab. & Replacement Project Construction Engineering Svcs	310-6010-6501-8170-000	380.00
Inv 20164898 Total			380.00
195644 Total:			380.00
DDEK6712 - Dudek Total:			380.00
EMPD4011 - El Monte Police Dept Explorers Line Item Account			
195645	10/19/2016		

Check Number	Check Date		Amount
Inv	9/18/16		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/22/2016	Donation to Explorer POST Participation in PD Open House 9/18/16	101-4010-4011-8020-000	200.00
Inv 9/18/16 Total			200.00
195645 Total:			200.00
EMPD4011 - El Monte Police Dept Explorers Total:			200.00
EURO6710 - Eurofins Eaton Analytical Line Item Account			
195646	10/19/2016		
Inv	L0281013		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/10/2016	Water Quality Testing Svcs	500-6010-6711-8170-000	127.00
Inv L0281013 Total			127.00
Inv	L0281025		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/10/2016	Water Quality Testing Svcs	500-6010-6711-8170-000	85.00
Inv L0281025 Total			85.00
Inv	L0281054		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/10/2016	Water Quality Testing Svcs	500-6010-6711-8170-000	127.00
Inv L0281054 Total			127.00
Inv	L0281055		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/10/2016	Water Quality Testing Svcs	500-6010-6711-8170-000	85.00
Inv L0281055 Total			85.00
Inv	L0283362		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/24/2016	Water Quality Testing Svcs	500-6010-6711-8170-000	127.00
Inv L0283362 Total			127.00
195646 Total:			551.00
EURO6710 - Eurofins Eaton Analytical Total:			551.00
FED1109 - Federal Express Line Item Account			
195647	10/19/2016		

Check Number	Check Date			Amount
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Inv 5-554-98717

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/23/2016	Finance Overnight Shipping	101-3010-3011-8110-000	25.78
09/23/2016	Mgmt Svcs Overnight Shipping	101-2010-2011-8010-000	36.76
09/23/2016	CC Overnight Shipping	101-1020-1021-8050-000	44.19

Inv 5-554-98717 Total 106.73

Inv 5-562-73887

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/30/2016	PW Overnight Shipping	101-6010-6011-8010-000	56.30

Inv 5-562-73887 Total 56.30

195647 Total: 163.03

FED1109 - Federal Express Total: 163.03

FMWD3012 - Foothill Municipal Water District Line Item Account

195648 10/19/2016

Inv 10/3/16

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
10/03/2016	Reimb. Descanso Garden Event & Giveaway Buckets	500-3010-3012-8032-000	708.95

Inv 10/3/16 Total 708.95

195648 Total: 708.95

FMWD3012 - Foothill Municipal Water District Total: 708.95

GALS5010 - Galls Line Item Account

195649 10/19/2016

Inv 1000288030

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/12/2016	PD 2 Captain Bars - Corrugated Mini	101-4010-4011-8134-000	13.08

Inv 1000288030 Total 13.08

195649 Total: 13.08

GALS5010 - Galls Total: 13.08

MCGZ8267 - Galvez, Marc Line Item Account

195650 10/19/2016

Inv August 2016

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
10/03/2016	Instructor Functional Fitness Classes	101-8030-8021-8267-000	444.00

Check Number	Check Date		Amount
Inv August 2016 Total			444.00
195650 Total:			444.00
MCGZ8267 - Galvez, Marc Total:			444.00
ATSW3010 - Garda CL West Inc. Line Item Account			
195651	10/19/2016		
Inv	10244163		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
10/01/2016	Armored Car Svc for 10/16	101-3010-3011-8020-000	922.60
10/01/2016	Armored Car Svc for 10/16	500-3010-3012-8020-000	922.60
Inv 10244163 Total			1,845.20
195651 Total:			1,845.20
ATSW3010 - Garda CL West Inc. Total:			1,845.20
SNGS5270 - Garrison, Shandor Line Item Account			
195652	10/19/2016		
Inv	R75632		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
10/04/2016	Refund Dropped Tiny Soccer Class	101-0000-0000-5270-002	129.00
Inv R75632 Total			129.00
195652 Total:			129.00
SNGS5270 - Garrison, Shandor Total:			129.00
GEIS3032 - Geist Line Item Account			
195653	10/19/2016		
Inv	150531-02		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/27/2016	IT Server & Telecom Room Flood & Temperature Sensors	101-6010-6601-8020-000	143.70
09/27/2016	IT Server & Telecom Room Flood & Temperature Sensors	101-3010-3032-8020-000	287.40
09/27/2016	IT Server & Telecom Room Flood & Temperature Sensors	101-6010-6601-8120-000	143.70
Inv 150531-02 Total			574.80
195653 Total:			574.80
GEIS3032 - Geist Total:			574.80
GKAS9000 - GK & Associates Line Item Account			

Check Number	Check Date		Amount
195654	10/19/2016		
Inv	16-060		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
08/31/2016	Construction Mgmt & Inspection Svcs Improvement Project 8/16	104-9000-9203-9203-000	3,600.00
Inv 16-060 Total			3,600.00
195654 Total:			3,600.00
GKAS9000 - GK & Associates Total:			3,600.00
CRGK5290 - Glovsky, Carole Irene Line Item Account			
195655	10/19/2016		
Inv	Chk# 7853		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
10/05/2016	Refund Paramedic Overpayment/Payment in Error	101-0000-0000-5290-001	479.28
Inv Chk# 7853 Total			479.28
195655 Total:			479.28
CRGK5290 - Glovsky, Carole Irene Total:			479.28
GRA2010 - Graham Company Line Item Account			
195656	10/19/2016		
Inv	34226		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/16/2016	Emergency Lighting System Maint. Svcs 10/16	101-8010-8011-8020-000	290.00
Inv 34226 Total			290.00
195656 Total:			290.00
GRA2010 - Graham Company Total:			290.00
GREA6116 - Great Match Consulting Line Item Account			
195657	10/19/2016		
Inv	1690003409		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
08/31/2016	Temp Street Dept. Employees w/e 8/28/16	230-6010-6116-8180-000	823.20
Inv 1690003409 Total			823.20
Inv	1690003415		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/07/2016	Temp Street Dept. Employees w/e 9/4/16	230-6010-6116-8180-000	823.20
Inv 1690003415 Total			823.20

Check Number	Check Date		Amount
Inv	1690003427		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/20/2016	Temp Street Dept. Employees w/e 9/18/16	230-6010-6116-8180-000	823.20
Inv 1690003427 Total			823.20
Inv	1690003433		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/27/2016	Temp Street Dept. Employees w/e 9/25/16	230-6010-6116-8180-000	823.20
Inv 1690003433 Total			823.20
195657 Total:			3,292.80
GRE6116 - Great Match Consulting Total:			3,292.80
GRE1270 - Greg's Automotive Services Line Item Account			
195658	10/19/2016		
Inv	13214		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/15/2016	Yard Unit# 08 Repair Leaking Brake Master & Front Brakes	500-6010-6710-8100-000	120.99
Inv 13214 Total			120.99
195658 Total:			120.99
GRE1270 - Greg's Automotive Services Total:			120.99
HATC8025 - Halls Auto Tech Center Line Item Account			
195659	10/19/2016		
Inv	10000		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/20/2016	Van# 79 45 Tires & Alignment Svcs	205-8030-8025-8100-000	320.00
Inv 10000 Total			320.00
Inv	10006		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/22/2016	Van# 78 45 Day Maint. & Coolant Flush Svcs	205-8030-8025-8100-000	148.79
Inv 10006 Total			148.79
Inv	10010		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/23/2016	Van# 74 45 Day Maint. Svc	205-8030-8025-8100-000	50.00
Inv 10010 Total			50.00

Check Number	Check Date		Amount
Inv 10016			
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/23/2016	Van# 79 45 Day Maint.	205-8030-8025-8100-000	50.00
Inv 10016 Total			50.00
Inv 9892			
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
08/25/2016	Van# 79 45 Replace Front Brakes Svcs	205-8030-8025-8100-000	617.62
Inv 9892 Total			617.62
Inv 9953			
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/09/2016	Van# 75B 45 Day Maint. Svc & 4k Mile Maint. Svcs	205-8030-8025-8100-000	113.56
Inv 9953 Total			113.56
195659 Total:			1,299.97
HATC8025 - Halls Auto Tech Center Total:			1,299.97
RCHM5270 - Hamilton, Rachel Line Item Account			
195660	10/19/2016		
Inv R75630			
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/28/2016	Refund Camp Med Fees	101-0000-0000-5270-001	160.00
Inv R75630 Total			160.00
195660 Total:			160.00
RCHM5270 - Hamilton, Rachel Total:			160.00
JNHN4011 - Hannible, Janee Line Item Account			
195661	10/19/2016		
Inv 9/27/16			
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/28/2016	Reimb. PD Training Expenses	101-4010-4011-8210-000	42.02
Inv 9/27/16 Total			42.02
195661 Total:			42.02
JNHN4011 - Hannible, Janee Total:			42.02
HARW8030 - Harwood, Haley Line Item Account			

Check Number	Check Date		Amount
195662	10/19/2016		
Inv	Summer 2016		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/27/2016	Instructor Bellydancing Classes	101-8030-8032-8267-000	145.60
Inv Summer 2016 Total			145.60
195662 Total:			145.60
HARW8030 - Harwood, Haley Total:			145.60
HYBS8180 - Haynes Building Services LLC Line Item Account			
195663	10/19/2016		
Inv	31443		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/01/2016	Citywide Janitorial Svcs 9/16	101-6010-6601-8180-000	9,680.64
09/01/2016	Citywide Janitorial Svcs 9/16	232-6010-6417-8020-000	665.78
Inv 31443 Total			10,346.42
195663 Total:			10,346.42
HYBS8180 - Haynes Building Services LLC Total:			10,346.42
ICGI5280 - ICG, Inc. Line Item Account			
195664	10/19/2016		
Inv	201639		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/30/2016	Community Center Feasibility Study Svcs 9/16 Phase 3	105-9000-9195-9195-000	27,610.00
Inv 201639 Total			27,610.00
Inv 201641			
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/30/2016	Community Center Feasibility Study Svcs 9/16 Phase 3	105-9000-9195-9195-000	1,231.50
Inv 201641 Total			1,231.50
195664 Total:			28,841.50
ICGI5280 - ICG, Inc. Total:			28,841.50
JNIG2920 - Ing, Jennifer Line Item Account			
195665	10/19/2016		
Inv	R73273		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/27/2016	Refund WMB Rental Deposit 9/24/16	101-0000-0000-2920-000	417.50

Check Number	Check Date		Amount
		Inv R73273 Total	417.50
		195665 Total:	417.50
		JNIG2920 - Ing, Jennifer Total:	417.50
		JSAR4011 - Jack's Auto Repair Line Item Account	
195666	10/19/2016		
		Inv 15021	
		<u>Line Item Date</u>	<u>Line Item Description</u>
		09/26/2016	PD Unit# 1112 Replace Headlamp Bulb & Adjust Headlamps
			<u>Line Item Account</u>
			101-4010-4011-8100-000
			42.00
		Inv 15021 Total	42.00
		Inv 15031	
		<u>Line Item Date</u>	<u>Line Item Description</u>
		09/26/2016	PD Unit# 1404 Replace Brake Pads & Oil Change Maint.
			<u>Line Item Account</u>
			101-4010-4011-8100-000
			966.37
		Inv 15031 Total	966.37
		Inv 15034	
		<u>Line Item Date</u>	<u>Line Item Description</u>
		09/26/2016	PD Unit# 0432 Repair A/C System
			<u>Line Item Account</u>
			101-4010-4011-8100-000
			105.00
		Inv 15034 Total	105.00
		Inv 15040	
		<u>Line Item Date</u>	<u>Line Item Description</u>
		09/30/2016	PD Unit# 1404 Replace Canister Purge Valve & Oxygen Sensors
			<u>Line Item Account</u>
			101-4010-4011-8100-000
			736.02
		Inv 15040 Total	736.02
		195666 Total:	1,849.39
		JSAR4011 - Jack's Auto Repair Total:	1,849.39
		KCRC9000 - K.C. Restoration Co. Inc. Line Item Account	
195667	10/19/2016		
		Inv 244-1	
		<u>Line Item Date</u>	<u>Line Item Description</u>
		09/30/2016	Meridian Iron Works Exterior Painting Project
			<u>Line Item Account</u>
			101-9000-9326-9326-000
			42,097.50
		Inv 244-1 Total	42,097.50
		195667 Total:	42,097.50
		KCRC9000 - K.C. Restoration Co. Inc. Total:	42,097.50

Check Number	Check Date		Amount
KEN7788 - Kennedy/Jenks Consultants Line Item Account			
195668	10/19/2016		
Inv	105099		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/27/2016	Const. Engineering Svcs 9/16	500-9000-9266-9266-000	6,299.16
Inv 105099 Total			6,299.16
195668 Total:			6,299.16
KEN7788 - Kennedy/Jenks Consultants Total:			6,299.16
KLSR8032 - Kidz Love Soccer Line Item Account			
195669	10/19/2016		
Inv	Fall 2016		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/27/2016	Instructor Soccer Classes	101-8030-8032-8267-000	1,834.30
Inv Fall 2016 Total			1,834.30
195669 Total:			1,834.30
KLSR8032 - Kidz Love Soccer Total:			1,834.30
LTAP5500 - L.A.C. M. T. A. Line Item Account			
195670	10/19/2016		
Inv	800065056		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/01/2016	MTA Tap/Metro Passes 8/16	205-2010-2210-8250-000	590.00
09/01/2016	MTA Tap/Metro Passes 8/16	205-0000-0000-5500-000	590.00
Inv 800065056 Total			1,180.00
195670 Total:			1,180.00
LTAP5500 - L.A.C. M. T. A. Total:			1,180.00
LDCR6410 - LandCare USA LLC Line Item Account			
195671	10/19/2016		
Inv	8127432		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
08/31/2016	Citywide Landscape Maint Svcs 8/16	101-6010-6410-8180-000	14,368.00
08/31/2016	Citywide Landscape Maint Svcs 8/16	232-6010-6417-8180-000	712.00
08/31/2016	Citywide Landscape Maint Svcs 8/16	215-6010-6416-8180-000	3,000.00
Inv 8127432 Total			18,080.00

Check Number	Check Date		Amount
Inv	8133184		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
08/27/2016	Install Drip Irrigation Along Huntington Dr. 8/26/16	500-3010-3012-8032-000	10,854.00
Inv 8133184 Total			10,854.00
195671 Total:			28,934.00
LDCR6410 - LandCare USA LLC Total:			28,934.00
SIWL4610 - Lee, Si Woo Line Item Account			
195672	10/19/2016		
Inv	211133286		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
10/06/2016	Refund Citation	101-0000-0000-4610-000	48.00
Inv 211133286 Total			48.00
195672 Total:			48.00
SIWL4610 - Lee, Si Woo Total:			48.00
IFE822 - Life-Assist Inc. Line Item Account			
195673	10/19/2016		
Inv	763865		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
08/24/2016	FD Medical Supplies	101-5010-5011-8025-000	1,132.28
Inv 763865 Total			1,132.28
Inv	767304		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/22/2016	FD Medical Supplies	101-5010-5011-8025-000	1,991.91
Inv 767304 Total			1,991.91
Inv	767304 CREDIT		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/28/2016	FD Medical Supplies CREDIT	101-5010-5011-8025-000	-1,895.54
Inv 767304 CREDIT Total			-1,895.54
195673 Total:			1,228.65
IFE822 - Life-Assist Inc. Total:			1,228.65
YMLU5270 - Liu, Yueming Line Item Account			

Check Number	Check Date		Amount
195674	10/19/2016		
Inv R75631			
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
10/04/2016	Refund Dropped Fencing Class	101-0000-0000-5270-002	70.00
Inv R75631 Total			70.00
195674 Total:			70.00
YMLU5270 - Liu, Yueming Total:			70.00
M34011 - M3 Line Item Account			
195675	10/19/2016		
Inv 32035-0			
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/20/2016	PD Det. Bureau Furniture	101-4010-4011-8000-000	611.30
Inv 32035-0 Total			611.30
195675 Total:			611.30
M34011 - M3 Total:			611.30
LWMD5290 - Macadams Jr., Lewis Line Item Account			
195676	10/19/2016		
Inv Chk# 1824			
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
10/05/2016	Refund Paramedic Overpayment/Payment in Error	101-0000-0000-5290-001	1,889.53
Inv Chk# 1824 Total			1,889.53
195676 Total:			1,889.53
LWMD5290 - Macadams Jr., Lewis Total:			1,889.53
JMMD5290 - Madden, Jay & Nancy Lynn Line Item Account			
195677	10/19/2016		
Inv Chk# 8306			
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
10/05/2016	Refund Paramedic Overpayment/Payment in Error	101-0000-0000-5290-001	451.28
Inv Chk# 8306 Total			451.28
195677 Total:			451.28
JMMD5290 - Madden, Jay & Nancy Lynn Total:			451.28

ACMG2920 - Meng, Alice Line Item Account

195678 10/19/2016

Inv R75153

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/27/2016	Refund Youth House Rental Deposit 9/24/16	101-0000-0000-2920-000	208.75

Inv R75153 Total	208.75
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195678 Total:	208.75
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ACMG2920 - Meng, Alice Total:	208.75
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MSFS2910 - Mission Films Line Item Account

195679 10/19/2016

Inv Lady Birds Job

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
10/04/2016	Refund Film Deposit	101-0000-0000-2910-200	140.00

Inv Lady Birds Job Total	140.00
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195679 Total:	140.00
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MSFS2910 - Mission Films Total:	140.00
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MMV9126 - Mission-Meridian Village Line Item Account

195680 10/19/2016

Inv COM001

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/27/2016	POA Dues Hospital Utility 10/16	226-2010-2029-8060-000	804.13

Inv COM001 Total	804.13
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Inv COM002

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/27/2016	POA Dues Parking 10/16	207-2010-2260-8061-000	1,730.17

Inv COM002 Total	1,730.17
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195680 Total:	2,534.30
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MMV9126 - Mission-Meridian Village Total:	2,534.30
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MMSC2011 - MMASC Line Item Account

195681 10/19/2016

Inv 2016

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
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Check Number	Check Date		Amount
09/28/2016	Membership Renewal -Chris Castruita	101-2010-2011-8060-000	85.00
Inv 2016 Total			85.00
195681 Total:			85.00
MMSC2011 - MMASC Total:			85.00
NORW2925 - Norwood, Jerene Line Item Account			
195682	10/19/2016		
Inv R75637			
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/27/2016	Refund Youth House Rental Deposit 10/1/16	101-0000-0000-2920-000	208.75
Inv R75637 Total			208.75
195682 Total:			208.75
NORW2925 - Norwood, Jerene Total:			208.75
OFF4011 - Office Solutions Line Item Account			
195683	10/19/2016		
Inv I-01028859			
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/20/2016	PD Office Supplies	101-4010-4011-8000-000	207.38
Inv I-01028859 Total			207.38
Inv I-01029575			
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/21/2016	PD Office Supplies	101-4010-4011-8000-000	564.08
Inv I-01029575 Total			564.08
195683 Total:			771.46
OFF4011 - Office Solutions Total:			771.46
CNPO4011 - Pacheco, Cynthia Line Item Account			
195684	10/19/2016		
Inv 9/27/16			
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/28/2016	Reimb. PD Training Expenses	101-4010-4011-8210-000	42.02
Inv 9/27/16 Total			42.02
195684 Total:			42.02

NPO4011 - Pacheco, Cynthia Total:		42.02
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PHCP9255 - Pacific Hydrotech Corp. Line Item Account

195685 10/19/2016

Inv #18

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/29/2016	Garfield Reservoir Replacement Project 9/16	500-9000-9266-9266-000	391,247.86

Inv #18 Total		391,247.86
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195685 Total:		391,247.86
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PHCP9255 - Pacific Hydrotech Corp. Total:

391,247.86

PAKH5011 - Parkhouse Tire Inc. Line Item Account

195686 10/19/2016

Inv 1010521005

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/07/2016	FD Emergency Svc Call Made on Engine-81	101-5010-5011-8100-000	165.38

Inv 1010521005 Total		165.38
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Inv 1010522027

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/14/2016	FD Emergency Tires for Engine-81	101-5010-5011-8100-000	2,064.40

Inv 1010522027 Total		2,064.40
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195686 Total:		2,229.78
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PAKH5011 - Parkhouse Tire Inc. Total:

2,229.78

PEBS8132 - Pasadena Embroidery & Silkscreening Line Item Account

195687 10/19/2016

Inv 7556

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
06/30/2016	Water Division Navy Blue Shirts	500-6010-6710-8132-000	369.01
06/30/2016	Water Division Navy Blue Shirts	500-6010-6711-8132-000	369.00

Inv 7556 Total		738.01
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195687 Total:		738.01
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PEBS8132 - Pasadena Embroidery & Silkscreening Total:		738.01
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PHS4011 - Pasadena Humane Society Line Item Account

Check Number	Check Date		Amount
195688	10/19/2016		
Inv	October 2016		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
10/04/2016	PD Animal Control Svcs 10/16	101-4010-4011-8180-000	10,124.50
Inv October 2016 Total			10,124.50
195688 Total:			10,124.50
PHS4011 - Pasadena Humane Society Total:			10,124.50
PHOE4610 - Phoenix Group Information Systems Line Item Account			
195689	10/19/2016		
Inv	082016184		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/15/2016	PD Citation Processed 8/16	101-0000-0000-4610-000	2,516.64
Inv 082016184 Total			2,516.64
195689 Total:			2,516.64
PHOE4610 - Phoenix Group Information Systems Total:			2,516.64
PBBP8011 - Pitney Bowes Purchase Power Line Item Account			
195690	10/19/2016		
Inv	21706007		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/14/2016	Library Postage Meter Ref# 8000-9000-0043-4872	101-8010-8011-8010-000	558.95
Inv 21706007 Total			558.95
195690 Total:			558.95
PBBP8011 - Pitney Bowes Purchase Power Total:			558.95
PLU4589 - Plumbing Wholesale Outlet Inc Line Item Account			
195691	10/19/2016		
Inv	S100121229.001		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/08/2016	Emergency Sump Pump Supplies	101-6010-6601-8020-000	485.05
Inv S100121229.001 Total			485.05
Inv S100121240.001			
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/08/2016	Plumbing Supplies	101-6010-6601-8020-000	277.24
Inv S100121240.001 Total			277.24

195691 Total: 762.29

PLU4589 - Plumbing Wholesale Outlet Inc Total: 762.29

PODV8267 - Podvoll, Candace Line Item Account

195692 10/19/2016

Inv Sept. 2016

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
10/03/2016	Instructor Meditation Class	101-8030-8021-8267-000	77.60

Inv Sept. 2016 Total 77.60

195692 Total: 77.60

PODV8267 - Podvoll, Candace Total: 77.60

POS5265 - Post Alarm Systems Line Item Account

195693 10/19/2016

Inv 905133

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/06/2016	WMB Monitoring Fee 10/16	101-8030-8031-8180-000	51.09

Inv 905133 Total 51.09

195693 Total: 51.09

POS5265 - Post Alarm Systems Total: 51.09

RED8995 - Red Wing Shoe Store Line Item Account

195694 10/19/2016

Inv 0000006-015

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
08/31/2016	Safety Shoes	230-6010-6116-8132-000	250.00
08/31/2016	Safety Shoes	500-6010-6710-8132-000	461.20

Inv 0000006-015 Total 711.20

195694 Total: 711.20

RED8995 - Red Wing Shoe Store Total: 711.20

RIPU8540 - Roadline Products Inc. USA Line Item Account

195695 10/19/2016

Inv 12798

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
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Check Number	Check Date		Amount
09/22/2016	Street Division - Fast Drying White Paint	230-6010-6116-8020-000	477.26
Inv 12798 Total			477.26
195695 Total:			477.26
RIPU8540 - Roadline Products Inc. USA Total:			477.26
ROS2021 - Rossmann and Moore, LLP Line Item Account			
195696	10/19/2016		
Inv	Sept 2016		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/29/2016	Legal Svcs- 710 Fwy Extension 9/16	101-2010-2021-8160-000	2,709.00
Inv Sept 2016 Total			2,709.00
195696 Total:			2,709.00
ROS2021 - Rossmann and Moore, LLP Total:			2,709.00
SGCM2011 - S.G.V City Manager's Assn. Line Item Account			
195697	10/19/2016		
Inv	10/19/16		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
10/05/2016	CM & ATCM Lunch Meeting 10/19/16	101-2010-2011-8090-000	60.00
Inv 10/19/16 Total			60.00
195697 Total:			60.00
SGCM2011 - S.G.V City Manager's Assn. Total:			60.00
SGV5685 - S.G.V. Medical Center Line Item Account			
195698	10/19/2016		
Inv	779960		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
07/21/2016	PD Blood Alcohol w/Drawal-Alex Arias	101-4010-4011-8170-000	48.00
Inv 779960 Total			48.00
Inv	782442		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/02/2016	PD Blood Alcohol w/Drawal-Johny Joel Vasquez	101-4010-4011-8170-000	48.00
Inv 782442 Total			48.00
195698 Total:			96.00

GV5685 - S.G.V. Medical Center Total:		96.00
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CHA3010 - S.P.Chamber of Commerce Line Item Account

195699 10/19/2016

Inv 5768

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/15/2016	City Imaging Campaign	220-2010-2301-8255-000	45,000.00

Inv 5768 Total	45,000.00
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195699 Total:	45,000.00
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CHA3010 - S.P.Chamber of Commerce Total:	45,000.00
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SOU5250 - S.P.Review Line Item Account

195700 10/19/2016

Inv 13708

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/08/2016	Comm. Svcs Subscription Renewal	101-8030-8021-8020-000	60.00

Inv 13708 Total	60.00
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Inv 489

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/08/2016	Library Subscription Renewal	101-8010-8011-8030-000	60.00

Inv 489 Total	60.00
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195700 Total:	120.00
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SOU5250 - S.P.Review Total:	120.00
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SRSZ5270 - Salazar, Sergio Line Item Account

195701 10/19/2016

Inv R75414

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/28/2016	Refund Tiny Soccer Class	101-0000-0000-5270-002	114.00

Inv R75414 Total	114.00
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195701 Total:	114.00
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SRSZ5270 - Salazar, Sergio Total:	114.00
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SSL8021 - Samuel, Edison Line Item Account

195702 10/19/2016

Check Number	Check Date		Amount
Inv	Sept. 2016		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
10/03/2016	Instructor Adv. Beg. Computer Class	101-8030-8021-8267-000	45.00
Inv Sept. 2016 Total			45.00
195702 Total:			45.00
ESSL8021 - Samuel, Edison Total:			45.00
SGPE4011 - San Gabriel Police Dept. Explorers Line Item Account			
195703	10/19/2016		
Inv	9/18/16		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/28/2016	Donation to Explorer POST Participation PD Open House 9/18/16	101-4010-4011-8020-000	200.00
Inv 9/18/16 Total			200.00
195703 Total:			200.00
SGPE4011 - San Gabriel Police Dept. Explorers Total:			200.00
SCF1400 - SC Fuels Line Item Account			
195704	10/19/2016		
Inv	0709319		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/30/2016	Fuel for City Vehicles	101-6010-6011-8100-000	116.65
09/30/2016	Fuel for City Vehicles	101-2010-2011-8100-000	116.65
09/30/2016	Fuel for City Vehicles	101-5010-5011-8100-000	466.59
09/30/2016	Fuel for City Vehicles	101-4010-4011-8105-000	5,015.88
09/30/2016	Fuel for City Vehicles	101-7010-7011-8100-000	116.65
Inv 0709319 Total			5,832.42
195704 Total:			5,832.42
SCF1400 - SC Fuels Total:			5,832.42
SYSC8267 - Schiada, Sylvia Line Item Account			
195705	10/19/2016		
Inv	Sept. 2016		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
10/03/2016	Instructor Art Class	101-8030-8021-8267-000	25.00
Inv Sept. 2016 Total			25.00
195705 Total:			25.00

YSC8267 - Schiada, Sylvia Total:		25.00
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SDSI0107 - Security Design Systems, Inc. Line Item Account

195706 10/19/2016

Inv 207468

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
10/01/2016	Maint. on PD Cameras 11/16	101-4010-4011-8110-000	65.18

Inv 207468 Total		65.18
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195706 Total:		65.18
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SDSI0107 - Security Design Systems, Inc. Total:		65.18
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SYSW5270 - Shaw, Shelly Line Item Account

195707 10/19/2016

Inv R75633

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
10/04/2016	Refund Dropped Hawaiian Class	101-0000-0000-5270-002	65.00

Inv R75633 Total		65.00
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195707 Total:		65.00
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SYSW5270 - Shaw, Shelly Total:		65.00
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SHO6666 - Shono, Jean Line Item Account

195708 10/19/2016

Inv Sept. 2016

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
10/03/2016	Instructor Knitting Class	101-8030-8021-8267-000	40.00

Inv Sept. 2016 Total		40.00
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195708 Total:		40.00
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SHO6666 - Shono, Jean Total:		40.00
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REP6115 - Siemens Industry Inc. Line Item Account

195709 10/19/2016

Inv 5610016365

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
06/14/2016	Traffic Signal Maint. 5/16	215-6010-6115-8180-000	2,163.63

Inv 5610016365 Total		2,163.63
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Check Number	Check Date		Amount
Inv	5610017495		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
07/12/2016	Traffic Signal Maint. 6/16	215-6010-6115-8180-000	2,163.63
Inv 5610017495 Total			2,163.63
Inv	5620011310		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
06/14/2016	Traffic Signal Call Outs. 5/16	215-6010-6115-8180-000	3,520.83
Inv 5620011310 Total			3,520.83
Inv	5620011727		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
07/12/2016	Traffic Signal Call Outs 6/16	215-6010-6115-8180-000	2,555.82
Inv 5620011727 Total			2,555.82
195709 Total:			10,403.91
REP6115 - Siemens Industry Inc. Total:			10,403.91
SOU9036 - So. CA Edison Co. Line Item Account			
195710	10/19/2016		
Inv	249403		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
07/29/2016	New Service Meter - Stoney Drive	275-9000-9190-9190-000	268.40
Inv 249403 Total			268.40
195710 Total:			268.40
SOU9036 - So. CA Edison Co. Total:			268.40
OAKS5270 - Son, Oak Line Item Account			
195711	10/19/2016		
Inv	R75629		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
10/04/2016	Refund Cancelled Park Rsvp	101-0000-0000-5270-005	75.00
Inv R75629 Total			75.00
195711 Total:			75.00
OAKS5270 - Son, Oak Total:			75.00
SWTL9399 - Southwest Pipeline & Trenchless Corp. Line Item Account			

Check Number	Check Date			Amount
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195712 10/19/2016

Inv #4

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/12/2016	Swr Rehab. & Replacement Project Construction Svcs	310-9000-9399-9399-000	292,364.88

Inv #4 Total 292,364.88

195712 Total: 292,364.88

SWTL9399 - Southwest Pipeline & Trenchless Corp. Total: 292,364.88

STA5219 - Staples Business Advantage Line Item Account

195713 10/19/2016

Inv 3309536321

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
07/28/2016	Yard Office Supplies	500-6010-6710-8000-000	14.37
07/28/2016	Yard Office Supplies	215-6010-6201-8000-000	14.37
07/28/2016	Yard Office Supplies	101-6010-6410-8000-000	14.37
07/28/2016	Yard Office Supplies	210-6010-6501-8020-000	14.37
07/28/2016	Yard Office Supplies	101-6010-6601-8000-000	14.37
07/28/2016	Yard Office Supplies	230-6010-6116-8000-000	14.37
07/28/2016	Yard Office Supplies	500-6010-6711-8000-000	14.37

Inv 3309536321 Total 100.59

Inv 3312130129

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
08/20/2016	Sr. Center Office Supplies	101-8030-8021-8020-000	53.69

Inv 3312130129 Total 53.69

Inv 3312388071

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
08/24/2016	Yard Office Supplies	101-6010-6011-8000-000	41.73

Inv 3312388071 Total 41.73

Inv 3312533988

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
08/25/2016	Yard Office Supplies	101-6010-6410-8020-000	11.19
08/25/2016	Yard Office Supplies	210-6010-6501-8020-000	11.19
08/25/2016	Yard Office Supplies	101-6010-6601-8020-000	11.19
08/25/2016	Yard Office Supplies	500-6010-6710-8020-000	11.19
08/25/2016	Yard Office Supplies	500-6010-6711-8020-000	11.19
08/25/2016	Yard Office Supplies	215-6010-6310-8020-000	11.19
08/25/2016	Yard Office Supplies	230-6010-6116-8020-000	11.19
08/25/2016	Yard Office Supplies	101-6010-6410-8000-000	25.38
08/25/2016	Yard Office Supplies	215-6010-6201-8020-000	11.19

Inv 3312533988 Total 114.90

Inv 3313531005

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
08/31/2016	Sr. Center Office Supplies	101-8030-8021-8020-000	31.46

Inv 3313531005 Total 31.46

Inv 3313825601

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/02/2016	Yard Office Supplies	230-6010-6116-8020-000	105.27

Inv 3313825601 Total 105.27

Inv 3314033997

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/03/2016	Yard Office Supplies	215-6010-6310-8020-000	2.50
09/03/2016	Yard Office Supplies	230-6010-6116-8020-000	2.50
09/03/2016	Yard Office Supplies	500-6010-6711-8020-000	2.50
09/03/2016	Yard Office Supplies	101-6010-6410-8020-000	2.50
09/03/2016	Yard Office Supplies	101-6010-6601-8020-000	2.50
09/03/2016	Yard Office Supplies	101-6010-6601-8000-000	17.92
09/03/2016	Yard Office Supplies	500-6010-6710-8000-000	17.91
09/03/2016	Yard Office Supplies	215-6010-6201-8000-000	17.92
09/03/2016	Yard Office Supplies	500-6010-6710-8020-000	2.50
09/03/2016	Yard Office Supplies	210-6010-6501-8020-000	2.50
09/03/2016	Yard Office Supplies	230-6010-6116-8000-000	17.91
09/03/2016	Yard Office Supplies	215-6010-6310-8000-000	17.92
09/03/2016	Yard Office Supplies	215-6010-6201-8020-000	2.50
09/03/2016	Yard Office Supplies	101-6010-6410-8000-000	17.91

Inv 3314033997 Total 127.49

Inv 3314269224

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/08/2016	Transit Office Supplies	205-8030-8025-8000-000	14.16

Inv 3314269224 Total 14.16

Inv 3314269225

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/08/2016	Sr. Center Office Supplies	101-8030-8021-8000-000	42.43
09/08/2016	Sr. Center Office Supplies	101-8030-8021-8020-000	82.46

Inv 3314269225 Total 124.89

Inv 3314723616

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/14/2016	PD Office Supplies	101-4010-4011-8000-000	195.42

Inv 3314723616 Total 195.42

Inv 3314723617

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/14/2016	PD Office Supplies	101-4010-4011-8000-000	7.62

Inv 3314723617 Total 7.62

Inv 3314723618

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/14/2016	Yard Office Supplies	101-6010-6410-8000-000	3.02
09/14/2016	Yard Office Supplies	215-6010-6310-8000-000	3.02
09/14/2016	Yard Office Supplies	101-6010-6601-8000-000	3.02
09/14/2016	Yard Office Supplies	500-6010-6711-8020-000	10.65
09/14/2016	Yard Office Supplies	215-6010-6201-8000-000	3.02
09/14/2016	Yard Office Supplies	230-6010-6116-8020-000	10.64
09/14/2016	Yard Office Supplies	101-6010-6410-8020-000	10.65
09/14/2016	Yard Office Supplies	500-6010-6710-8020-000	10.64
09/14/2016	Yard Office Supplies	101-6010-6601-8020-000	10.65
09/14/2016	Yard Office Supplies	215-6010-6310-8020-000	10.65
09/14/2016	Yard Office Supplies	215-6010-6201-8020-000	10.65
09/14/2016	Yard Office Supplies	230-6010-6116-8000-000	3.02
09/14/2016	Yard Office Supplies	210-6010-6501-8020-000	10.64

Inv 3314723618 Total 100.27

Inv 3315121038

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/17/2016	Finance Office Supplies	101-3010-3011-8000-000	108.90

Inv 3315121038 Total 108.90

195713 Total: 1,126.39

STA5219 - Staples Business Advantage Total: 1,126.39

STSM1020 - Studio Spectrum Line Item Account

195714 10/19/2016

Inv 186464

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/29/2016	AV Svcs 9/16	101-1020-1021-8170-000	1,125.00

Inv 186464 Total 1,125.00

195714 Total: 1,125.00

STSM1020 - Studio Spectrum Total: 1,125.00

SCRR4010 - Superior Court of CA, County of LA Line Item Account

195715 10/19/2016

Inv August 2016

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/07/2016	Court Fees 8/16	101-0000-0000-4610-000	13,777.00

Inv August 2016 Total 13,777.00

Check Number	Check Date	Amount
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195715 Total:	13,777.00
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SCRR4010 - Superior Court of CA, County of LA Total:	13,777.00
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SPWS8020 - SupplyWorks Line Item Account

195716 10/19/2016

Inv 378349070

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/15/2016	Lib. Janitorial Supplies	101-8010-8011-8120-000	344.39

Inv 378349070 Total	344.39
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195716 Total:	344.39
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SPWS8020 - SupplyWorks Total:	344.39
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NYT8011 - The New York Times Line Item Account

195717 10/19/2016

Inv 894600386

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/11/2016	Library Subscription Renewal	101-8010-8011-8030-000	237.96

Inv 894600386 Total	237.96
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195717 Total:	237.96
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NYT8011 - The New York Times Total:	237.96
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TELS8031 - Titan Environmental Solutions Line Item Account

195718 10/19/2016

Inv 11054393

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/28/2016	Iron Works Museum-Lead Disturbance Clearance Sampling & Repo	101-9000-9326-9326-000	925.00

Inv 11054393 Total	925.00
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195718 Total:	925.00
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TELS8031 - Titan Environmental Solutions Total:	925.00
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ULIN8021 - ULINE Line Item Account

195719 10/19/2016

Inv 80309652

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/19/2016	Take Out Bags	101-8030-8021-8020-000	108.36

○ Inv 80309652 Total		108.36
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195719 Total:		108.36
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ULIN8021 - ULINE Total:		108.36
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VALLE292 - Valley Monument Co. Line Item Account

195720 10/19/2016

Inv 92816

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/28/2016	Engaving of the Dog Park Bench for Girl Scout Donation	101-0000-0000-2995-001	77.00

Inv 92816 Total		77.00
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195720 Total:		77.00
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VALLE292 - Valley Monument Co. Total:		77.00
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VPSI407 - Valley Power Systems Inc. Line Item Account

195721 10/19/2016

Inv 125201 013070

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/29/2016	FD Repairs Made on Engine -81	101-5010-5011-8100-000	510.00

Inv 125201 013070 Total		510.00
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195721 Total:		510.00
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VPSI407 - Valley Power Systems Inc. Total:		510.00
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VERW6711 - Verizon Wireless Line Item Account

195722 10/19/2016

Inv 9772548535

<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/23/2016	Mobile Broadband 8/24-9/23/16	101-3010-3032-8150-000	17.38

Inv 9772548535 Total		17.38
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195722 Total:		17.38
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VERW6711 - Verizon Wireless Total:		17.38
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VTMS4011 - Vital Medical Services Line Item Account

195723 10/19/2016

Check Number	Check Date		Amount
Inv	2013		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
08/31/2016	PD Medical Clearance : Okay to Book	101-4010-4011-8170-000	280.00
Inv 2013 Total			280.00
195723 Total:			280.00
VTMS4011 - Vital Medical Services Total:			280.00
WFVF8030 - Wells Fargo Vendor Fin Serv Line Item Account			
195724	10/19/2016		
Inv	65564203		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/11/2016	Copier Lease	101-3010-3032-8300-000	396.76
Inv 65564203 Total			396.76
195724 Total:			396.76
WFVF8030 - Wells Fargo Vendor Fin Serv Total:			396.76
WES4152 - West Coast Arborists, Inc. Line Item Account			
195725	10/19/2016		
Inv	118828		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/15/2016	Perform Svc Orders-EmergencyResponseTreeRelatedIssues9/1-15/1	215-6010-6310-8180-000	1,280.00
09/15/2016	Tree Pruning Svcs Phase2 on Grid 9 9/1-15/16	215-6010-6310-8180-000	12,850.00
09/15/2016	Tree Pruning Svcs Phase 1 for Grid 9 9/1-15/16	215-6010-6310-8180-000	2,200.00
Inv 118828 Total			16,330.00
195725 Total:			16,330.00
WES4152 - West Coast Arborists, Inc. Total:			16,330.00
PUGF8267 - Wong, Pauline Line Item Account			
195726	10/19/2016		
Inv	Sept. 2016		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
10/03/2016	Instructor Line Dance Classes	101-8030-8021-8267-000	120.00
Inv Sept. 2016 Total			120.00
195726 Total:			120.00

Check Number	Check Date		Amount
PUFG8267 - Wong, Pauline Total:			120.00
YTI1023 - Y Tire Sales Line Item Account			
195727	10/19/2016		
Inv	000897		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/19/2016	Water Dept. Unit# 3 Tire Replacement	500-6010-6711-8100-000	154.35
Inv	000897 Total		154.35
195727 Total:			154.35
195728	10/19/2016		
Inv	175544		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/08/2016	Yard Unit# 314 Repair Backhoe Flat Tire	230-6010-6116-8100-000	30.00
Inv	175544 Total		30.00
Inv	175582		
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
09/15/2016	Yard Unit# 314 Repair Backhoe Flat Tire & Patch	230-6010-6116-8100-000	36.00
Inv	175582 Total		36.00
195728 Total:			66.00
YTS1003 - Y Tire Sales Total:			220.35
Total:			1,047,453.40

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ATTACHMENT 4
Payroll 10-07-16

PAYROLL ACCOUNT RECONCILIATION
City of South Pasadena
for Payroll 10.07.16

Account Number	Account Name	10.19.16
101-0000-0000-1010-000	General Fund - Payroll cash	576,315.72
	Other Withholding Payables	\$ 291,242.36
<hr/>		
101-0000-0000-1010-000	Net General Fund - Payroll Cash	285,073.36
	Insurance Adjustment	-
205-0000-0000-1010-000	Prop A - Payroll Cash	7,708.93
207-0000-0000-1010-000	Prop C - Payroll Cash	5,703.91
210-0000-0000-1010-000	Sewer Fund - Payroll Cash	14,044.93
211-0000-0000-1010-000	CTC Traffic Improvement	-
215-0000-0000-1010-000	Street Lighting & Landscape Assessment - PR C	6,177.82
218-0000-0000-1010-000	Clean Air Act	100.34
227-0000-0000-1010-000	CRA - Payroll Cash	
230-0000-0000-1010-000	State Gas Tax Fund - Payroll Cash	11,935.61
274-0000-0000-1010-000	Homeland Security Grant	-
310-0000-0000-1010-000	Sewer Capital Projects Fund	-
500-0000-0000-1010-000	Water Fund - Payroll Cash	55,156.60
700-0000-0000-2210-000	Internal Revenue Service	74,747.66
700-0000-0000-2230-000	Internal Revenue Service	17,818.20
Total Checks & Direct Deposits		478,467.36
Checks		24,914.59
Direct Deposits		360,986.91
I.R.S Payments		92,565.86
		<hr/>
		478,467.36
To 700		652,229.27
Other PR Payable		291,242.36
ACH Payable		360,986.91
		<hr/>

ATTACHMENT 5
Redevelopment Successor Agency Check Summary Total

Redevelopment Successor Agency Check Summary Total

Agency Warrants 10.19.16

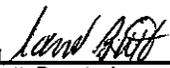
<u>Vendor</u>	<u>Invoice #</u>	<u>Check #</u>	<u>Department</u>	<u>Description</u>	<u>Amount</u>
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No Items to be reported for this period.

RSA Report Total \$ -

Diana Mahmud, Agency Chair

Evelyn G. Zneimer, Agency Secretary



David Batt, Deputy Agency Treasurer

**City of South Pasadena/
Redevelopment Successor Agency/
Public Financing Authority
Agenda Report**

*Diana Mahmud, Mayor/Agency Chair/Authority Chair
Michael A. Cacciotti, Mayor Pro Tem/Agency Vice Chair/Authority Vice Chair
Robert S. Joe, Council/Agency/Authority Member
Marina Khubesrian, M.D., Council/Agency/Authority Member
Richard D. Schneider, M.D., Council/Agency/Authority Member*

*Evelyn G. Zneimer, City Clerk/Agency/Authority Secretary
Gary E. Pia, City Treasurer*

COUNCIL AGENDA: October 19, 2016
TO: Honorable Mayor and City Council
VIA: Sergio Gonzalez, City Manager *SP*
FROM: Gary E. Pia, City Treasurer
 David Batt, Finance Director *DB*
SUBJECT: **Monthly Investment Reports for August 2016**

Recommendation

It is recommended that the City Council and the Public Financing Authority (PFA) receive and file the monthly investment reports for August 2016.

Fiscal Impact

None.

Commission Review and Recommendation

This matter was not reviewed by a Commission.

Background

As required by law and PFA Resolution No. 7211 – Joint Exercise of Powers Authority, a monthly investment report, including water bond funds, is presented to the City Council disclosing investment activities, types of investments, dates of maturities, amounts of deposits, rates of interest and, for securities with a maturity of more than 12 months, current market values.

The reports reflect all investments at the above-referenced date and are in conformity with the City of South Pasadena’s (City) Investment Policy as stated in Resolution No. 7476. Copies of the resolution are available at the City Clerk’s office. The investments herein provide sufficient cash flow liquidity to meet the estimated expenditures, as required in the investment policy.

On August 8, 2016, the State Department of Finance approved a bond expenditure agreement between the City and the Successor Agency to the South Pasadena Community Redevelopment Agency (Agency) allowing the transfer of the excess proceeds from the 2000 Tax Allocation Bonds from the Agency to the City. Consequently, the Agency no longer has any funds being held for investment. However, Union Bank, the bond trustee, is still holding \$197,945.00 in a reserve account which will be used to pay the final year of debt service on the 2000 Bonds.

Interest earnings on that account are used to reduce the regular principal and interest payments on the bonds.

Legal Review

The City Attorney has not been asked to review this item.

Public Notification of Agenda Item

The public was made aware that this item was to be considered this evening by virtue of its inclusion on the legally publicly noticed agenda, posting of the same agenda and reports on the City's website and/or notice in the *South Pasadena Review* and/or the *Pasadena Star-News*.

Attachments:

1. City Investment Reports for August 2016
2. Public Financing Authority Investment Reports for August 2016

ATTACHMENT 1
City Investment Reports for August 2016

Exhibit A

City of South Pasadena

INVESTMENT REPORT

August 31, 2016

Investment Balances at Month End

INSTITUTION NAME	MATURITY DATE	YIELD TO CALL OR MATURITY	PERCENT OF PORTFOLIO	COST	CURRENT MARKET VALUE *
LOCAL AGENCY INVESTMENT FUND:					
LAIF City	ON DEMAND	0.614%	42.72%	12,094,764.00	12,094,764.00
SUBTOTAL			42.72%	<u>12,094,764.00</u>	<u>12,094,764.00</u>
MORGAN STANLEY SMITH BARNEY					
Government Securities	See Exhibit B	1.605%	41.28%	11,685,732.15	11,749,453.84
Corporate Bonds	See Exhibit B	2.419%	16.00%	<u>4,528,377.39</u>	<u>4,561,326.36</u>
SUBTOTAL			57.28%	<u>16,214,109.54</u>	<u>16,310,780.20</u>
TOTAL INVESTMENTS			100.00%	<u>\$28,308,873.54</u>	<u>\$28,405,544.20</u>

BANK ACCOUNTS:

Bank of the West Account Balance:	\$4,868,647.00
Morgan Stanley Uninvested Cash Balance:	\$78,716.60
Morgan Stanley Unsettled Transactions	\$75,875.91

Required Disclosures:

Average weighted maturity of the portfolio 555 DAYS

Average weighted total yield to maturity of the portfolio 1.314%

The City's investment liquidity is sufficient for it to meet its expenditure requirements for the next 180 days.

All investments are in conformity with the City Investment Policy.

* Current market valuation is required for investments with maturities of more than twelve months.

Funds and Investments
Held by Contracted (Third) Parties
August 31, 2016

Morgan Stanley Investments

Investment Type	Issuer	CUSIP	Settlement Date	Par Value	Adjusted Premium	Adjusted Cost	Coupon Rate	YTM at Purchase	Market Value	Current YTM	Maturity Date	Days to Maturity	Unrealized Gain/Loss	
1	Gov't. Securities	U.S. Treasury Note	912828NG1	12/26/2014	533,000.00	101.361	540,252.52	2.750%	0.914%	541,410.74	2.700%	5/31/2017	273	1,158.22
2	Gov't. Securities	U.S. Treasury Note	912828NG1	9/24/2015	44,000.00	101.581	44,695.69	2.750%	0.621%	44,694.32	2.700%	5/31/2017	273	(1.37)
3	Gov't. Securities	U.S. Treasury Note	912828NG1	10/14/2015	15,000.00	101.635	15,245.29	2.750%	0.549%	15,236.70	2.700%	5/31/2017	273	(8.59)
4	Gov't. Securities	U.S. Treasury Note	912828NG1	6/20/2016	217,000.00	101.606	220,485.89	2.750%	0.588%	220,424.26	2.700%	5/31/2017	273	(61.63)
5	Gov't. Securities	U.S. Treasury Note	912828PY0	12/29/2014	866,000.00	102.190	884,962.54	2.750%	1.268%	891,503.70	2.670%	2/28/2018	546	6,541.16
6	Gov't. Securities	U.S. Treasury Note	912828PY0	9/24/2015	54,000.00	102.794	55,508.52	2.750%	0.868%	55,590.30	2.670%	2/28/2018	546	81.78
7	Gov't. Securities	U.S. Treasury Note	912828PY0	10/14/2015	23,000.00	102.955	23,679.58	2.750%	0.761%	23,677.35	2.670%	2/28/2018	546	(2.23)
8	Gov't. Securities	U.S. Treasury Note	912828PY0	6/20/2016	325,000.00	103.082	335,015.89	2.750%	0.677%	334,571.25	2.670%	2/28/2018	546	(444.64)
9	Gov't. Securities	U.S. Treasury Note	912828VK3	12/26/2014	222,000.00	99.895	221,765.79	1.375%	1.406%	224,297.70	1.360%	6/30/2018	668	2,531.91
10	Gov't. Securities	U.S. Treasury Note	912828VK3	9/24/2015	15,000.00	100.768	15,115.14	1.375%	0.951%	15,155.25	1.360%	6/30/2018	668	40.11
11	Gov't. Securities	U.S. Treasury Note	912828VK3	10/14/2015	6,000.00	100.931	6,055.83	1.375%	0.861%	6,062.10	1.360%	6/30/2018	668	6.27
12	Gov't. Securities	U.S. Treasury Note	912828VK3	6/20/2016	81,000.00	101.206	81,976.61	1.375%	7.100%	81,838.35	1.360%	6/30/2018	668	(138.26)
13	Gov't. Securities	U.S. Treasury Note	912828H52	3/6/2015	259,000.00	98.461	255,013.73	1.250%	1.577%	261,074.59	1.240%	1/31/2020	1,248	6,060.86
14	Gov't. Securities	U.S. Treasury Note	912828H52	9/24/2015	35,000.00	99.566	34,848.24	1.250%	1.353%	35,280.35	1.240%	1/31/2020	1,248	432.11
15	Gov't. Securities	U.S. Treasury Note	912828H52	10/14/2015	15,000.00	99.914	14,987.12	1.250%	1.270%	15,120.15	1.240%	1/31/2020	1,248	133.03
16	Gov't. Securities	U.S. Treasury Note	912828H52	6/20/2016	97,000.00	101.071	98,038.97	1.250%	0.930%	97,776.97	1.240%	1/31/2020	1,248	(262.00)
17	Gov't. Securities	U.S. Treasury Note	912828L32	11/24/2015	250,000.00	98.641	246,601.50	1.375%	1.672%	252,587.50	1.360%	1/31/2020	1,248	5,986.00
18	Gov't. Securities	U.S. Treasury Note	912828L32	6/20/2016	74,000.00	101.371	75,014.39	1.375%	1.024%	74,765.90	1.360%	1/31/2020	1,248	(248.49)
19	Gov't. Securities	U.S. Treasury Note	912828N89	3/15/2016	498,000.00	99.469	495,354.62	1.375%	1.488%	502,511.88	1.360%	1/31/2021	1,614	7,157.26
20	Gov't. Securities	U.S. Treasury Note	912828N89	6/20/2016	150,000.00	101.238	151,857.39	1.375%	1.087%	151,359.00	1.360%	1/31/2021	1,614	(498.39)
21	Gov't. Securities	Fed. Home Loan Mtg. Corp.	3137EADL0	12/26/2014	171,000.00	99.672	170,438.72	1.000%	1.121%	171,490.77	0.990%	9/29/2017	394	1,052.05
22	Gov't. Securities	Fed. Home Loan Mtg. Corp.	3137EADL0	9/24/2015	26,000.00	100.274	26,071.19	1.000%	0.744%	26,074.62	0.990%	9/29/2017	394	3.43
23	Gov't. Securities	Fed. Home Loan Mtg. Corp.	3137EADL0	10/14/2015	26,000.00	100.354	26,092.16	1.000%	0.668%	26,074.62	0.990%	9/29/2017	394	(17.54)
24	Gov't. Securities	Fed. Home Loan Mtg. Corp.	3137EADL0	7/7/2016	270,000.00	100.488	271,317.40	1.000%	0.544%	270,774.90	0.990%	9/29/2017	394	(542.50)
25	Gov't. Securities	Fed. Home Loan Mtg. Corp.	3137EAEA3	5/25/2016	300,000.00	99.585	298,755.00	0.750%	0.974%	299,436.00	0.750%	4/9/2018	586	681.00
26	Gov't. Securities	Fed. Home Loan Mtg. Corp.	3137EAEA3	7/7/2016	75,000.00	100.195	75,145.90	0.750%	0.628%	74,859.00	0.750%	4/9/2018	586	(286.90)
27	Gov't. Securities	Fed. Home Loan Mtg. Corp.	3137EADK2	10/20/2015	309,000.00	100.094	309,289.63	1.250%	1.217%	311,027.04	1.240%	8/1/2019	1,065	1,737.41
28	Gov't. Securities	Fed. Home Loan Mtg. Corp.	3137EADK2	4/12/2016	309,000.00	100.799	311,468.72	1.250%	0.971%	311,027.04	1.240%	8/1/2019	1,065	(441.68)
29	Gov't. Securities	Fed. Home Loan Mtg. Corp.	3137EADK2	7/7/2016	20,000.00	101.288	20,257.67	1.250%	0.802%	20,131.20	1.240%	8/1/2019	1,065	(126.47)
30	Gov't. Securities	Fed. Home Loan Mtg. Corp.	3137EADR7	8/8/2016	500,000.00	101.172	505,860.20	1.375%	1.048%	504,700.00	1.360%	5/1/2020	1,339	(1,160.20)
31	Gov't. Securities	Fed. Home Loan Bank	3130A8QS5	8/12/2016	665,000.00	99.305	660,378.25	1.125%	1.271%	658,669.20	1.130%	7/14/2021	1,778	(1,709.05)
32	Gov't. Securities	Fed. National Mtg. Assn.	3135G0TG8	12/30/2014	450,000.00	98.924	445,158.00	0.875%	1.229%	450,198.00	0.870%	2/8/2018	526	5,040.00
33	Gov't. Securities	Fed. National Mtg. Assn.	3135G0TG8	9/8/2015	282,000.00	99.909	281,743.38	0.875%	0.913%	282,124.08	0.870%	2/8/2018	526	380.70
34	Gov't. Securities	Fed. National Mtg. Assn.	3135G0TG8	9/24/2015	50,000.00	100.008	50,003.91	0.875%	0.869%	50,022.00	0.870%	2/8/2018	526	18.09
35	Gov't. Securities	Fed. National Mtg. Assn.	3135G0TG8	10/14/2015	20,000.00	100.115	20,023.00	0.875%	0.798%	20,044.60	0.870%	2/8/2018	526	21.60
36	Gov't. Securities	Fed. National Mtg. Assn.	3135G0TG8	7/7/2016	240,000.00	100.382	240,917.94	0.875%	0.606%	240,105.60	0.870%	2/8/2018	526	(812.34)
37	Gov't. Securities	Fed. National Mtg. Assn.	3135GOE33	12/23/2015	248,000.00	99.707	247,273.36	1.125%	1.241%	249,135.84	1.120%	7/20/2018	688	1,862.48
38	Gov't. Securities	Fed. National Mtg. Assn.	3135GOE33	7/7/2016	70,000.00	100.899	70,628.95	1.125%	0.644%	70,320.60	1.120%	7/20/2018	688	(308.35)
39	Gov't. Securities	Fed. National Mtg. Assn.	3135G0YM9	12/30/2014	275,000.00	100.854	277,349.57	1.875%	1.449%	280,222.25	1.840%	9/18/2018	748	2,872.68
40	Gov't. Securities	Fed. National Mtg. Assn.	3135G0YM9	2/10/2015	219,000.00	101.188	221,602.08	1.875%	1.875%	223,158.81	1.840%	9/18/2018	748	1,556.73
41	Gov't. Securities	Fed. National Mtg. Assn.	3135G0YM9	9/24/2015	34,000.00	101.689	34,574.42	1.875%	1.038%	34,645.66	1.840%	9/18/2018	748	71.24
42	Gov't. Securities	Fed. National Mtg. Assn.	3135G0YM9	10/14/2015	14,000.00	101.877	14,262.80	1.875%	0.946%	14,265.86	1.840%	9/18/2018	748	3.06
43	Gov't. Securities	Fed. National Mtg. Assn.	3135G0YM9	7/7/2016	160,000.00	102.414	163,862.47	1.875%	0.684%	163,038.40	1.840%	9/18/2018	748	(824.07)
44	Gov't. Securities	Fed. National Mtg. Assn.	3135G0YT4	12/26/2014	231,000.00	100.193	231,445.19	1.625%	1.537%	234,668.28	1.590%	11/27/2018	818	3,223.09

Exhibit B-1

Funds and Investments
Held by Contracted (Third) Parties
August 31, 2016

Morgan Stanley Investments

Investment Type	Issuer	CUSIP	Settlement Date	Par Value	Adjusted Premium	Adjusted Cost	Coupon Rate	YTM at Purchase	Market Value	Current YTM	Maturity Date	Days to Maturity	Unrealized Gain/Loss	
45	Gov't. Securities	Fed. National Mtg. Assn.	3135G0YT4	9/24/2015	30,000.00	101.156	30,346.68	1.625%	1.100%	30,476.40	1.590%	11/27/2018	818	129.72
46	Gov't. Securities	Fed. National Mtg. Assn.	3135G0YT4	10/14/2015	13,000.00	101.371	13,178.25	1.625%	1.003%	13,206.44	1.590%	11/27/2018	818	28.19
47	Gov't. Securities	Fed. National Mtg. Assn.	3135G0YT4	7/7/2016	90,000.00	102.092	91,882.51	1.625%	0.681%	91,429.20	1.590%	11/27/2018	818	(453.31)
48	Gov't. Securities	Fed. National Mtg. Assn.	3135G0ZA4	12/30/2014	630,000.00	100.738	634,648.99	1.875%	1.568%	644,004.90	1.830%	2/19/2019	902	9,355.91
49	Gov't. Securities	Fed. National Mtg. Assn.	3135G0ZA4	9/24/2015	19,000.00	101.658	19,314.95	1.875%	1.190%	19,422.37	1.830%	2/19/2019	902	107.42
50	Gov't. Securities	Fed. National Mtg. Assn.	3135G0ZA4	10/14/2015	13,000.00	101.889	13,245.57	1.875%	1.096%	13,288.99	1.830%	2/19/2019	902	43.42
51	Gov't. Securities	Fed. National Mtg. Assn.	3135G0ZA4	7/7/2016	200,000.00	102.822	205,643.80	1.875%	0.717%	204,446.00	1.830%	2/19/2019	902	(1,197.80)
52	Gov't. Securities	Fed. National Mtg. Assn.	3135G0D75	9/15/2015	735,000.00	99.450	730,957.50	1.500%	1.620%	744,709.35	1.480%	6/22/2020	1,391	13,751.85
53	Gov't. Securities	Fed. National Mtg. Assn.	3135G0D75	9/24/2015	47,000.00	99.728	46,872.07	1.500%	1.560%	47,620.87	1.480%	6/22/2020	1,391	748.80
54	Gov't. Securities	Fed. National Mtg. Assn.	3135G0D75	10/14/2015	17,000.00	100.169	17,028.80	1.500%	1.454%	17,224.57	1.480%	6/22/2020	1,391	195.77
55	Gov't. Securities	Fed. National Mtg. Assn.	3135G0D75	7/7/2016	250,000.00	102.109	255,271.89	1.500%	0.935%	253,302.50	1.480%	6/22/2020	1,391	(1,969.39)
56	Gov't. Securities	Fed. National Mtg. Assn.	3135G0H55	4/28/2016	125,000.00	102.390	127,548.43	1.875%	1.396%	129,182.50	1.810%	12/28/2020	1,580	1,634.07
57	Gov't. Securities	Fed. National Mtg. Assn.	3135G0H55	5/17/2016	237,000.00	102.467	242,845.63	1.875%	1.297%	244,930.02	1.810%	12/28/2020	1,580	2,084.39
58	Gov't. Securities	Fed. National Mtg. Assn.	3135G0H55	7/7/2016	450,000.00	103.678	466,551.92	1.875%	1.019%	465,057.00	1.810%	12/28/2020	1,580	(1,494.92)

12	Subtotal Gov't. Securities			11,599,000.00		11,685,732.15	1.635%	1.214%	11,749,453.84	1.605%		960	63,721.69
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59	Corporate Bond	Duke Energy Carolinas	26442CAL8	1/5/2015	108,000.00	100.230	108,248.77	1.750%	0.941%	108,250.56	0.870%	12/15/2016	106	1.79
60	Corporate Bond	Duke Energy Carolinas	26442CAL8	9/29/2015	10,000.00	100.254	10,025.42	1.750%	0.857%	10,023.20	0.870%	12/15/2016	106	(2.22)
61	Corporate Bond	Duke Energy Carolinas	26442CAL8	6/20/2016	45,000.00	100.386	45,173.48	1.750%	0.400%	45,104.40	0.870%	12/15/2016	106	(69.08)
62	Corporate Bond	BB&T Corp.	05531FAK9	1/12/2015	108,000.00	100.536	108,578.93	2.150%	1.178%	108,564.84	2.130%	3/22/2017	203	(14.09)
63	Corporate Bond	BB&T Corp. (Callable)	05531FAK9	9/29/2015	10,000.00	100.527	10,052.73	2.150%	1.194%	10,052.30	2.130%	3/22/2017	203	(0.43)
64	Corporate Bond	BB&T Corp. (Callable)	05531FAK9	10/16/2015	4,000.00	100.603	4,024.13	2.150%	1.057%	4,020.92	2.130%	3/22/2017	203	(3.21)
65	Corporate Bond	BB&T Corp. (Callable)	05531FAK9	6/15/2016	42,000.00	100.581	42,243.99	2.150%	1.057%	42,219.66	2.130%	3/22/2017	203	(24.33)
66	Corporate Bond	United Technologies	913017BU2	12/30/2014	108,000.00	100.446	108,481.80	1.800%	1.198%	108,651.24	1.780%	6/1/2017	274	169.44
67	Corporate Bond	United Technologies	913017BU2	9/29/2015	10,000.00	100.646	10,058.14	1.800%	1.016%	10,060.30	1.780%	6/1/2017	274	2.16
68	Corporate Bond	United Technologies	913017BU2	10/16/2015	3,000.00	100.607	3,018.21	1.800%	0.980%	3,018.09	1.780%	6/1/2017	274	(0.12)
69	Corporate Bond	United Technologies	913017BU2	6/14/2016	41,000.00	100.656	41,269.06	1.800%	0.916%	41,247.23	1.780%	6/1/2017	274	(21.83)
70	Corporate Bond	Pepsico Inc.	713448DA3	1/20/2016	124,000.00	100.093	124,115.27	0.972%	1.707%	124,363.32	1.010%	6/1/2018	639	248.05
71	Corporate Bond	VISA	92826CAA0	4/8/2016	124,000.00	100.481	124,596.34	1.200%	0.822%	124,271.56	1.190%	12/11/2017	467	(324.78)
72	Corporate Bond	VISA	92826CAA0	6/14/2016	39,000.00	100.408	39,158.94	1.200%	0.880%	39,085.41	1.190%	12/11/2017	467	(73.53)
73	Corporate Bond	JP Morgan Chase & Co.	46625HJF8	1/5/2015	111,000.00	100.415	111,460.17	1.195%	1.133%	111,754.80	1.600%	1/25/2018	512	294.63
74	Corporate Bond	JP Morgan Chase & Co.	46625HJF8	9/29/2015	8,000.00	100.342	8,027.39	1.195%	1.195%	8,054.40	1.600%	1/25/2018	512	27.01
75	Corporate Bond	JP Morgan Chase & Co.	46625HJF8	10/16/2015	3,000.00	100.340	3,010.20	1.195%	1.210%	3,020.40	1.600%	1/25/2018	512	10.20
76	Corporate Bond	Burlington North Santa Fe	12189TBA1	8/8/2016	75,000.00	107.207	80,405.30	5.750%	1.009%	80,230.50	5.370%	3/15/2018	561	(174.80)
77	Corporate Bond	Apple Inc.	037833AG5	1/20/2016	82,000.00	99.952	81,960.64	0.886%	0.703%	82,230.42	1.000%	5/3/2018	610	269.78
78	Corporate Bond	Merck & Co. Inc.	58933YAG0	1/12/2015	31,000.00	99.970	30,990.69	1.300%	1.309%	31,184.45	1.290%	5/18/2018	625	193.76
79	Corporate Bond	Merck & Co. Inc.	58933YAG0	9/29/2015	8,000.00	100.093	8,007.41	1.300%	1.245%	8,047.60	1.290%	5/18/2018	625	40.19
80	Corporate Bond	Merck & Co. Inc.	58933YAG0	6/15/2016	43,000.00	100.650	43,279.63	1.300%	1.245%	43,255.85	1.290%	5/18/2018	625	(23.78)
81	Corporate Bond	American Express Credit	Cal0258M0DW6	2/12/2016	125,000.00	99.739	124,673.75	1.228%	1.228%	125,742.50	1.350%	7/31/2018	699	1,068.75
82	Corporate Bond	Boeing Capital Corp. (Callabl	097014AM6	10/22/2015	59,000.00	103.187	60,880.36	2.900%	1.242%	60,957.03	2.800%	8/15/2018	714	76.67
83	Corporate Bond	Boeing Capital Corp. (Callabl	097014AM6	6/15/2016	20,000.00	103.557	20,711.41	2.900%	1.054%	20,663.40	2.800%	8/15/2018	714	(48.01)
84	Corporate Bond	Mettlife, Inc.	59156RAR9	6/17/2016	138,000.00	110.447	152,416.92	6.817%	1.374%	152,262.30	6.170%	8/15/2018	714	(154.62)
85	Corporate Bond	pilead Sciences, Inc.	375558BE2	12/9/2015	41,000.00	100.000	41,343.37	1.850%	1.495%	41,546.94	1.820%	9/4/2018		203.57

Funds and Investments
Held by Contracted (Third) Parties
August 31, 2016

Morgan Stanley Investments

Investment Type	Issuer	CUSIP	Settlement Date	Par Value	Adjusted Premium	Adjusted Cost	Coupon Rate	YTM at Purchase	Market Value	Current YTM	Maturity Date	Days to Maturity	Unrealized Gain/Loss	
86	Corporate Bond	Gilead Sciences, Inc.	375558BE2	6/14/2016	40,000.00	101.314	40,525.48	1.850%	1.185%	40,533.60	1.820%	9/4/2018	734	8.12
87	Corporate Bond	Microsoft Corp.	594918BF0	6/27/2016	82,000.00	100.599	82,490.92	1.300%	1.020%	82,508.40	1.290%	11/3/2018	794	17.48
88	Corporate Bond	Bank of New York Mellon (Ca	06406HCP2	9/14/2015	112,000.00	100.267	112,299.42	2.100%	1.984%	113,971.20	2.060%	1/15/2019	867	1,671.78
89	Corporate Bond	Bank of New York Mellon (Ca	06406HCP2	9/29/2015	6,000.00	100.807	6,048.40	2.100%	1.751%	6,105.60	2.060%	1/15/2019	867	57.20
90	Corporate Bond	Bank of New York Mellon (Ca	06406HCP2	10/16/2015	3,000.00	100.919	3,027.58	2.100%	1.702%	3,052.80	2.060%	1/15/2019	867	25.22
91	Corporate Bond	Bank of New York Mellon (Ca	06406HCP2	6/14/2016	39,000.00	102.078	39,810.23	2.100%	1.208%	39,686.40	2.060%	1/15/2019	867	(123.83)
92	Corporate Bond	Oracle Corp.	68389XAQ8	12/30/2014	109,000.00	100.986	110,074.41	2.375%	1.947%	111,995.32	2.310%	1/15/2019	867	1,920.91
93	Corporate Bond	Oracle Corp.	68389XAQ8	9/29/2015	8,000.00	101.523	8,121.80	2.375%	1.716%	8,219.84	2.310%	1/15/2019	867	98.04
94	Corporate Bond	Oracle Corp.	68389XAQ8	10/16/2015	3,000.00	101.854	3,055.63	2.375%	1.574%	3,082.44	2.310%	1/15/2019	867	26.81
95	Corporate Bond	Oracle Corp.	68389XAQ8	6/16/2016	39,000.00	102.791	40,088.30	2.375%	1.177%	40,071.72	2.310%	1/15/2019	867	(16.58)
96	Corporate Bond	John Deere Capital Corp.	24422ESK6	1/6/2015	112,000.00	99.642	111,599.04	1.950%	2.040%	113,893.92	1.910%	3/4/2019	915	2,294.88
97	Corporate Bond	John Deere Capital Corp.	24422ERR2	10/22/2015	61,000.00	101.421	61,866.85	2.250%	1.694%	62,689.70	2.190%	4/17/2019	959	822.85
98	Corporate Bond	US Bancorp (Callable)	91159HHB9	6/13/2016	61,000.00	102.277	62,389.21	2.200%	1.321%	62,344.44	2.150%	4/25/2019	967	(44.77)
99	Corporate Bond	US Bancorp (Callable)	91159HHB9	6/15/2016	20,000.00	102.239	20,447.83	2.200%	1.336%	20,440.80	2.150%	4/25/2019	967	(7.03)
100	Corporate Bond	Pfizer, Inc.	717081DU4	6/15/2016	74,000.00	100.437	74,323.12	1.450%	1.288%	74,584.60	1.430%	6/3/2019	1,006	261.48
101	Corporate Bond	Caterpillar Financial	14912L6B2	7/1/2016	78,000.00	102.521	79,966.45	2.100%	1.172%	79,608.36	2.050%	6/9/2019	1,012	(358.09)
102	Corporate Bond	Home Depot Inc.	437076BE1	4/27/2015	32,000.00	101.359	32,434.74	2.000%	1.500%	32,713.60	1.950%	6/15/2019	1,018	278.86
103	Corporate Bond	Home Depot Inc. (Callable)	437076BE1	9/29/2015	8,000.00	101.821	8,065.71	2.000%	1.697%	8,178.40	1.950%	6/15/2019	1,018	112.69
104	Corporate Bond	Home Depot Inc. (Callable)	437076BE1	10/16/2015	2,000.00	101.369	2,027.38	2.000%	1.496%	2,044.60	1.950%	6/15/2019	1,018	17.22
105	Corporate Bond	Home Depot Inc. (Callable)	437076BE1	6/14/2016	38,000.00	102.277	38,865.15	2.000%	1.167%	38,847.40	1.950%	6/15/2019	1,018	(17.75)
106	Corporate Bond	Berkshire Hathaway Inc.	084670BL1	8/28/2015	111,000.00	100.846	111,939.12	2.100%	1.804%	113,551.89	2.050%	8/14/2019	1,078	1,612.77
107	Corporate Bond	Berkshire Hathaway Inc.	084670BL1	9/29/2015	7,000.00	101.272	7,089.06	2.100%	1.656%	7,160.93	2.050%	8/14/2019	1,078	71.87
108	Corporate Bond	Proctor & Gamble Co.	742718EG0	1/27/2015	105,000.00	100.983	106,031.94	1.900%	1.580%	107,474.85	1.850%	11/1/2019	1,157	1,442.91
109	Corporate Bond	Proctor & Gamble Co.	742718EG0	9/29/2015	13,000.00	101.107	13,112.16	1.900%	1.619%	13,306.41	1.850%	11/1/2019	1,157	194.25
110	Corporate Bond	Proctor & Gamble Co.	742718EG0	10/16/2015	3,000.00	101.312	3,039.35	1.900%	1.474%	3,070.71	1.850%	11/1/2019	1,157	31.36
111	Corporate Bond	Proctor & Gamble Co.	742718EG0	6/16/2016	40,000.00	102.511	41,004.49	1.900%	1.090%	40,942.80	1.850%	11/1/2019	1,157	(61.69)
112	Corporate Bond	Costco Wholesale Group	22160KAF2	8/8/2016	81,000.00	101.929	82,562.88	1.700%	1.100%	82,236.87	1.670%	12/15/2019	1,201	(326.01)
113	Corporate Bond	PNC Funding Corp.	693476BJ1	9/10/2015	101,000.00	109.271	110,363.76	5.125%	2.300%	112,277.66	4.610%	2/8/2020	1,256	1,913.90
114	Corporate Bond	PNC Funding Corp.	693476BJ1	9/29/2015	6,000.00	109.486	6,569.13	5.125%	2.238%	6,669.96	4.610%	2/8/2020	1,256	100.83
115	Corporate Bond	PNC Funding Corp.	693476BJ1	10/16/2015	2,000.00	109.537	2,190.74	5.125%	2.223%	2,223.32	4.610%	2/8/2020	1,256	32.58
116	Corporate Bond	PNC Funding Corp.	693476BJ1	6/14/2016	34,000.00	110.785	37,666.86	5.125%	1.866%	37,796.44	4.610%	2/8/2020	1,256	129.58
117	Corporate Bond	Comcast Corp.	20030NBA8	6/22/2015	98,000.00	109.446	107,257.50	5.150%	2.296%	110,185.32	4.580%	3/1/2020	1,278	2,927.82
118	Corporate Bond	Comcast Corp.	20030NBA8	9/29/2015	8,000.00	110.513	8,841.05	5.150%	2.023%	8,994.72	4.580%	3/1/2020	1,278	153.67
119	Corporate Bond	Comcast Corp.	20030NBA8	10/16/2015	2,000.00	110.877	2,217.53	5.150%	1.921%	2,248.68	4.580%	3/1/2020	1,278	31.15
120	Corporate Bond	Comcast Corp.	20030NBA8	6/14/2016	38,000.00	112.312	42,678.74	5.150%	1.523%	42,724.92	4.580%	3/1/2020	1,278	46.18
121	Corporate Bond	Cisco Systems Inc.	17275RAX0	6/22/2015	112,000.00	100.086	112,096.70	2.450%	2.297%	116,195.52	2.360%	6/15/2020	1,384	4,098.82
122	Corporate Bond	Cisco Systems Inc.	17275RAX0	9/29/2015	5,000.00	101.507	5,075.33	2.450%	2.034%	5,187.30	2.360%	6/15/2020	1,384	111.97
123	Corporate Bond	Cisco Systems Inc.	17275RAX0	10/16/2015	3,000.00	101.767	3,053.01	2.450%	1.963%	3,112.38	2.360%	6/15/2020	1,384	59.37
124	Corporate Bond	Cisco Systems Inc.	17275RAX0	6/15/2016	40,000.00	103.551	41,420.33	2.450%	1.482%	41,498.40	2.360%	6/15/2020	1,384	78.07
125	Corporate Bond	Target Corp.	87612EAV8	5/19/2016	39,000.00	108.675	42,383.32	3.875%	1.582%	42,892.20	3.520%	7/15/2020	1,414	508.88
126	Corporate Bond	Target Corp.	87612EAV8	6/16/2016	36,000.00	108.748	39,149.30	3.875%	1.537%	39,592.80	3.520%	7/15/2020	1,414	443.50
127	Corporate Bond	United Health Group Inc.	91324PCM2	9/24/2015	53,000.00	101.739	53,921.89	2.700%	2.228%	55,294.37	2.580%	7/15/2020	1,414	1,372.48
128	Corporate Bond	United Health Group Inc.	91324PCM2	9/29/2015	7,000.00	102.019	7,141.33	2.700%	2.153%	7,303.03	2.580%	7/15/2020	1,414	161.70
129	Corporate Bond	United Health Group Inc.	91324PCM2	6/20/2016	18,000.00	104.030	18,725.36	2.700%	1.621%	18,779.22	2.580%	7/15/2020	1,414	53.86
130	Corporate Bond	Intel Corp.	458140AQ3	9/23/2015	56,000.00	100.960	56,537.79	2.450%	2.192%	58,129.12	2.360%	7/29/2020	1,428	1,591.33

Exhibit B-1

**Funds and Investments
Held by Contracted (Third) Parties
August 31, 2016**

Morgan Stanley Investments

Investment Type	Issuer	CUSIP	Settlement Date	Par Value	Adjusted Premium	Adjusted Cost	Coupon Rate	YTM at Purchase	Market Value	Current YTM	Maturity Date	Days to Maturity	Unrealized Gain/Loss
131 Corporate Bond	Intel Corp.	458140AQ3	9/29/2015	3,000.00	101.275	3,038.25	2.450%	2.108%	3,114.06	2.360%	7/29/2020	1,428	75.81
132 Corporate Bond	Intel Corp.	458140AQ3	6/14/2016	20,000.00	103.318	20,663.67	2.450%	1.571%	20,760.40	2.360%	7/29/2020	1,428	96.73
133 Corporate Bond	State Street Corp.	857477AS2	6/13/2016	54,000.00	103.323	55,794.29	2.550%	1.679%	55,958.58	2.460%	8/18/2020	1,448	164.29
134 Corporate Bond	State Street Corp.	857477AS2	6/15/2016	24,000.00	103.432	24,823.56	2.550%	1.651%	24,870.48	2.460%	8/18/2020	1,448	46.92
135 Corporate Bond	The Walt Disney Co.	25468PDE3	11/27/2015	60,000.00	100.606	60,363.45	2.150%	1.993%	61,992.00	2.080%	9/17/2020	1,478	1,628.55
136 Corporate Bond	The Walt Disney Co.	25468PDE3	6/20/2016	20,000.00	103.387	20,677.33	2.150%	1.287%	20,664.00	2.080%	9/17/2020	1,478	(13.33)
137 Corporate Bond	Coca-Cola Co.	191216BT6	6/16/2016	62,000.00	101.282	62,794.60	1.875%	1.555%	63,167.46	1.840%	10/27/2020	1,518	372.86
138 Corporate Bond	Coca-Cola Co.	191216BT6	6/27/2016	19,000.00	101.868	19,354.93	1.875%	1.410%	19,357.77	1.840%	10/27/2020	1,518	2.84
139 Corporate Bond	ACE INA Holdings Inc.	00440EAT4	6/6/2016	61,000.00	101.876	62,144.08	2.300%	1.822%	62,778.15	2.230%	11/3/2020	1,525	634.07
140 Corporate Bond	Chevron Corp. (Callable)	166764AY6	6/13/2016	55,000.00	102.545	56,399.81	2.419%	1.789%	56,815.55	2.340%	11/17/2020	1,539	415.74
141 Corporate Bond	Chevron Corp. (Callable)	166764AY6	6/27/2016	25,000.00	102.774	25,693.52	2.419%	1.733%	25,825.25	2.340%	11/17/2020	1,539	131.73
142 Corporate Bond	Gen. Electric Capital Corp.	36962G4Y7	5/3/2016	109,000.00	112.163	122,257.50	4.625%	1.709%	123,135.12	4.090%	1/7/2021	1,590	877.62
143 Corporate Bond	Gen. Electric Capital Corp.	36962G4Y7	6/14/2016	34,000.00	112.428	38,225.40	4.625%	1.650%	38,409.12	4.090%	1/7/2021	1,590	183.72
144 Corporate Bond	Occidental Petroleum Corp. (I	674599BY0	5/20/2016	75,000.00	108.208	81,156.12	4.100%	2.140%	81,888.75	3.750%	2/1/2021	1,615	732.63
145 Corporate Bond	Exxon Mobil Corp. (Callable)	30231GAV4	6/24/2016	162,000.00	102.265	165,668.90	2.222%	1.697%	166,375.62	2.160%	3/1/2021	1,643	706.72
146 Corporate Bond	Wells Fargo & Company	949746RS2	5/19/2016	122,000.00	101.481	123,806.23	2.500%	2.153%	124,960.94	2.440%	3/4/2021	1,646	1,154.71
147 Corporate Bond	Wells Fargo & Company	949746RS2	6/14/2016	39,000.00	101.813	39,706.98	2.500%	2.076%	39,946.53	2.440%	3/4/2021	1,646	239.55

Subtotal Corporate Bonds				4,409,000.00		4,528,377.39	2.564%	1.534%	4,561,326.36	2.419%		995	32,948.97
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Money Market	Liquid Asset Fund			0.00						0.010%		1	
Uninvested Cash				0.00					78,716.60	0.020%		1	

Subtotal Cash & Cash Equivalents						0.00			78,716.60			1	
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Grand Totals				16,008,000.00		16,214,109.54	1.894%	1.304%	16,389,496.80	1.824%		965	96,670.66
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Unsettled Transactions

Cash									(28,753.30)				
Corporate Bond	Wal-Mart	931142CU5	9/6/2016	76,000.00	108.807	82,693.32	3.625%	1.267%	82,453.16	3.340%	7/8/2020	1,407	(240.16)
Gov't. Securities	Fed. Home Loan Mtg. Corp.	3137EADK2	9/1/2016	345,000.00	100.786	347,711.70	1.250%	0.976%	347,263.20	1.240%	8/1/2019	1,065	(448.50)
Gov't. Securities	Fed. National Mtg. Assn.	3135G0ZA4	9/1/2016	100,000.00	102.260	102,260.00	1.875%	0.946%	102,223.00	1.830%	2/19/2019	902	(37.00)
Sale	Fed. National Mtg. Assn.	3135G0H55	4/28/2016	(411,000.00)		(420,969.90)			(427,310.15)				(6,340.25)

Subtotal Unsettled Transactions				110,000.00		111,695.12			75,875.91				(7,065.91)
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Totals incl. Unsettled Transactions				16,118,000.00		16,325,804.66			16,465,372.71				89,604.75
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Totals per Balance Sheet				16,118,000.00		16,325,804.66			16,465,372.71				89,604.75
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Exhibit C

City of South Pasadena
Investment Report

Summary of Invested Funds -- Last Day of the Month

12 - 9

MONTH	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17
JULY	13,890,011	18,506,000	20,273,657	13,579,652	11,604,558	14,003,563	17,332,153	20,958,651	26,306,572	28,541,631
AUGUST	12,821,952	17,256,000	20,608,628	12,099,372	11,595,476	13,043,563	17,330,985	12,658,088	26,294,151	28,405,544
SEPTEMBER	12,830,016	16,766,000	17,292,659	11,000,410	11,582,026	11,783,420	16,331,557	19,715,369	22,058,959	
OCTOBER	12,648,943	16,266,000	17,297,628	10,757,440	10,575,907	11,795,960	13,841,158	17,221,779	22,325,114	
NOVEMBER	12,813,000	15,646,000	16,621,046	10,499,526	8,992,178	11,800,260	13,836,635	17,221,849	22,287,418	
DECEMBER	15,063,000	18,756,000	18,487,198	10,634,416	10,185,282	11,805,140	16,837,192	20,603,990	22,253,300	
JANUARY	17,143,000	20,582,573	20,210,860	12,629,088	9,186,793	11,816,031	18,846,359	26,309,319	27,399,997	
FEBRUARY	17,684,000	20,284,404	19,519,072	12,619,768	9,184,331	13,818,580	18,845,663	26,260,788	30,108,605	
MARCH	16,654,000	19,715,013	18,448,613	12,610,790	9,126,552	13,319,038	13,145,894	26,315,158	28,939,924	
APRIL	18,784,000	22,169,776	19,317,280	12,605,200	11,130,863	17,327,604	13,153,853	26,326,876	28,276,276	
MAY	20,209,000	23,010,520	16,191,609	12,595,623	11,128,155	19,327,983	23,452,878	26,310,240	28,429,928	
JUNE	20,014,000	23,385,906	15,871,761	12,581,680	10,275,475	19,323,510	22,452,628	29,289,712	26,594,581	

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ATTACHMENT 2
Public Financing Authority Investment Reports for
August 2016

Exhibit A

South Pasadena
Public Financing Authority
INVESTMENT REPORT
August 31, 2016

Investment Balances at Month End

INSTITUTION NAME	MATURITY DATE	YIELD TO CALL OR MATURITY	PERCENT OF PORTFOLIO	COST	CURRENT MARKET VALUE *
WELLS FARGO					
Cash Equivalents	See Exhibit B	0.299%	43.94%	4,996,362.90	4,996,362.90
Certificates of Deposit	See Exhibit B	1.015%	56.06%	6,375,000.00	6,375,000.00
SUBTOTAL			100.00%	11,371,362.90	11,371,362.90
TOTAL INVESTMENTS			100.00%	\$11,371,362.90	\$11,371,362.90
OTHER ACCOUNTS:					
Wells Fargo 2009 Bonds Revenue Fund				\$3.52	
Wells Fargo 2009 Bonds Interest Fund				\$0.77	
Wells Fargo 2009 Bonds Principal Fund				\$1.26	
Wells Fargo 2013 Bonds Revenue Fund				\$1.76	
Wells Fargo 2013 Bonds Interest Fund				\$0.21	
Wells Fargo 2013 Bonds Principal Fund				\$0.18	
Wells Fargo 2013 Bonds Cost of Issuance Fund				\$0.11	

Required Disclosures:

Average weighted maturity of the portfolio 235 DAYS

Average weighted total yield to maturity of the portfolio 0.701%

The PFA's investment liquidity is sufficient for it to meet its expenditure requirements for the next 180 days.

* Current market valuation is required for investments with maturities of more than twelve months.

Exhibit B

**Funds and Investments
Held by Contracted (Third) Parties
August 31, 2016**

2009 PFA Water Revenue Bonds

Wells Fargo

Investment Type	Issuer	Settlement Date	Par Value	Coupon Rate	Market Value	Current YTM	Maturity Date	Days to Maturity	
Reserve Fund									
1	Cash		0.00	0.010%	0.00	0.010%		1	
2	Government Advantage Money Market		296,796.49	0.010%	296,796.49	0.010%		1	
Subtotal Cash & Cash Equivalents			296,796.49	0.010%	296,796.49	0.010%			
1	CDARS - CD	American State Bank -IA	3/28/2013	248,000.00	0.700%	248,000.00	0.700%	3/28/2017	209
2	CDARS - CD	Oriental Bank	5/29/2014	248,000.00	1.000%	248,000.00	1.000%	5/30/2017	272
3	CDARS - CD	Barclays Bank	7/2/2014	248,000.00	1.150%	248,000.00	1.150%	7/3/2017	306
4	CDARS - CD	CIT Bank - UT	3/13/2013	248,000.00	1.100%	248,000.00	1.100%	3/13/2018	559
5	CDARS - CD	First Bank - PR	3/15/2013	248,000.00	1.050%	248,000.00	1.050%	3/15/2018	561
6	CDARS - CD	Bank of Deerfield	6/11/2014	248,000.00	1.600%	248,000.00	1.600%	6/11/2018	649
7	CDARS - CD	Discover Bank - DE	7/16/2014	247,000.00	1.550%	247,000.00	1.550%	7/16/2018	684
8	CDARS - CD	Goldman Sachs Bank	7/16/2014	247,000.00	1.600%	247,000.00	1.600%	7/16/2018	684
9	CDARS - CD	GE Capital Bank	7/18/2014	247,000.00	1.600%	247,000.00	1.600%	7/18/2018	686
10	CDARS - CD	Texas Exchange Bank	3/18/2016	249,000.00	1.200%	249,000.00	1.200%	3/18/2019	929
11	CDARS - CD	Bar Harbor Bank - ME	5/30/2014	170,000.00	1.600%	170,000.00	1.600%	3/29/2019	940
12	CDARS - CD	Belmont Savings Bank	3/23/2016	248,000.00	1.400%	248,000.00	1.400%	3/23/2020	1,300
13	CDARS - CD	Comenity Bank - UT	3/15/2016	247,000.00	1.650%	247,000.00	1.650%	3/18/2021	1,660
Subtotal CDs			3,143,000.00	1.316%	3,143,000.00	1.316%		721	
Total Reserve Fund			3,439,796.49	1.203%	3,439,796.49	1.203%		658	
Project Fund									
1	Cash		0.00	0.010%	0.00	0.010%		1	
2	Government Advantage Money Market		38,530.63	0.010%	38,530.63	0.010%		1	
3	USA Mutuals Partners Insured		4,661,035.78	0.320%	4,661,035.78	0.320%		1	
Subtotal Cash & Cash Equivalents			4,699,566.41	0.317%	4,699,566.41	0.317%		1	
1	CDARS - CD	Santander Bank	10/7/2015	248,000.00	0.650%	248,000.00	0.650%	10/7/2016	37
2	CDARS - CD	Baroda Bank	10/13/2015	248,000.00	0.650%	248,000.00	0.650%	10/13/2016	43
3	CDARS - CD	Safra Bank	10/9/2015	249,000.00	0.550%	249,000.00	0.550%	11/9/2016	70
4	CDARS - CD	Ally Bank	5/14/2015	249,000.00	0.600%	249,000.00	0.600%	11/14/2016	75
5	CDARS - CD	Triumph Bank	5/15/2015	249,000.00	0.600%	249,000.00	0.600%	12/15/2016	106
6	CDARS - CD	American Express Centurion	6/30/2015	249,000.00	0.800%	249,000.00	0.800%	12/27/2016	118
7	CDARS - CD	Mercantile Commerce Bank	6/26/2015	249,000.00	0.800%	249,000.00	0.800%	12/27/2016	118
8	CDARS - CD	MB Financial Bank	6/29/2015	249,000.00	0.700%	249,000.00	0.700%	12/29/2016	120
9	CDARS - CD	Access Bank	6/30/2015	249,000.00	0.700%	249,000.00	0.700%	12/30/2016	121
10	CDARS - CD	Everbank	10/16/2015	249,000.00	0.750%	249,000.00	0.750%	1/17/2017	139
11	CDARS - CD	BMO Harris Bank	10/7/2015	248,000.00	0.900%	248,000.00	0.900%	4/7/2017	219
12	CDARS - CD	Capital One Bank	10/7/2015	248,000.00	0.850%	248,000.00	0.850%	4/7/2017	219
13	CDARS - CD	Capital One National Assn.	10/7/2015	248,000.00	0.850%	248,000.00	0.850%	4/7/2017	219
Subtotal CDs & Securities			3,232,000.00	0.723%	3,232,000.00	0.723%		123	
Total Project Fund			7,931,566.41	0.483%	7,931,566.41	0.483%		51	
Grand Totals			11,371,362.90	0.701%	11,371,362.90	0.701%		235	

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City of South Pasadena Agenda Report

Diana Mahmud, Mayor
Michael A. Cacciotti, Mayor Pro Tem
Robert S. Joe, Councilmember
Marina Khubesrian, M.D., Councilmember
Richard D. Schneider, M.D., Councilmember

Evelyn G. Zneimer, City Clerk
Gary E. Pia, City Treasurer

COUNCIL AGENDA: October 19, 2016
TO: Honorable Mayor and City Council
VIA: Sergio Gonzalez, City Manager *SA*
FROM: Lucy Demirjian, Assistant to the City Manager *OK*
Samuel Zneimer, Management Analyst *SE*
SUBJECT: **Second Reading and Adoption of an Ordinance to Amend the South Pasadena Municipal Code (SPMC) to Prohibit Overnight Parking at City-owned Public Parking Lots**

Recommendation

It is recommended that the City Council read by title only for second reading, waive further reading, and adopt an ordinance entitled "An Ordinance of the City Council of the City of South Pasadena, California, amending Section 19.58 of the South Pasadena Municipal Code to prohibit overnight parking at City-owned public parking lots."

Fiscal Impact

None.

Commission Review and Recommendation

This matter was not reviewed by a Commission.

Background

At the October 5, 2016 City Council Meeting, the ordinance was introduced for a first reading. There were no amendments to the ordinance.

Legal Review

The City Attorney has reviewed this item.

Public Notification of Agenda Item

The public was made aware that this item was to be considered this evening by virtue of its inclusion on the legally publicly noticed agenda, posting of the same agenda and reports on the City's website and/or notice in the *South Pasadena Review* and/or the *Pasadena Star-News*.

Attachment: Ordinance amending Section 19.58 of the SPMC

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ORDINANCE NO. XXXX

**AN ORDINANCE OF THE CITY COUNCIL
OF THE CITY OF SOUTH PASADENA, CALIFORNIA,
AMENDING SECTION 19.58 OF THE SOUTH PASADENA
MUNICIPAL CODE TO PROHIBIT OVERNIGHT PARKING AT
CITY-OWNED PUBLIC PARKING LOTS**

WHEREAS, the City of South Pasadena (City) owns the parking lot located at the southeast corner of Mound Avenue and Hope Street (Hope/Mound Lot), and regulates parking restrictions related to operations at Hope/Mound Lot; and

WHEREAS, the City would like to amend the overnight parking restrictions to prohibit overnight parking at City-owned public parking lots.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SOUTH PASADENA, CALIFORNIA, DOES HEREBY ORDAIN AS FOLLOWS:

SECTION 1. The City Council hereby amends Division 2 (All-Night Parking Permit) of Article III (Stopping, Standing and Parking) of Chapter 19 (Motor vehicles and traffic) of the South Pasadena Municipal Code with the addition of the following Section 19.58 Required:

19.58 Required.

- (a) It is unlawful for any person to stop, stand or park a motor vehicle on any public street or in any city-owned parking lot for a period of time longer than thirty minutes between the hours of two a.m. and six a.m. of any day, unless in accordance with an all-night parking permit issued in accordance with this division.
- b) Overnight parking is prohibited in any city-owned public parking lot, except in accordance with Section 19.55-3 of this Code.

SECTION 2. This ordinance shall take effect thirty (30) days after its final passage and within fifteen (15) days after its passage, the City Clerk of the City of South Pasadena shall certify to the passage and adoption of this ordinance and to its approval by the Mayor and City Council and shall cause the same to be published in a newspaper in the manner required by law.

PASSED, APPROVED, AND ADOPTED ON this 19th day of October, 2016.

Diana Mahmud, Mayor

ATTEST:

APPROVED AS TO FORM:

Evelyn G. Zneimer, City Clerk
(seal)

Teresa L. Highsmith, City Attorney

Date: _____

I HEREBY CERTIFY the foregoing ordinance was duly adopted by the City Council of the City of South Pasadena at a regular meeting held on the 19th day of October, 2016, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAINED:

Evelyn G. Zneimer, City Clerk
(seal)

City of South Pasadena Agenda Report

*Diana Mahmud, Mayor
Michael A. Cacciotti, Mayor Pro Tem
Robert S. Joe, Councilmember
Marina Khubesian, M.D., Councilmember
Richard D. Schneider, M.D., Councilmember*

*Evelyn G. Zneimer, City Clerk
Gary E. Pia, City Treasurer*

COUNCIL AGENDA: October 19, 2016
TO: Honorable Mayor and City Council
VIA: Sergio Gonzalez, City Manager *SA*
FROM: Sheila Pautsch, Community Service Director *SP*
SUBJECT: **Second Reading and Adoption of an Ordinance to Amend the South Pasadena Municipal Code Creating Chapter 21B Entitled "Dog Parks"**

Recommendation

It is recommended that the City Council read by title only, waiving further reading, and adopt an ordinance entitled "An ordinance of the City Council of the City of South Pasadena, California, creating Chapter 21B of the South Pasadena Municipal Code relating to Dog Parks."

Fiscal Impact

None.

Commission Review and Recommendation

This ordinance was reviewed by the Parks and Recreation Commission (Commission) at the June 13, 2016 meeting. The Commission had an opportunity to review, modify, and edit the Dog Park rules. The Animal Commission reviewed the ordinance at their September 19, 2016 meeting. Both Commissions recommend that the City Council adopt South Pasadena Municipal Code Chapter 21B entitled "Dog Parks."

Background

With the Dog Park opening soon, rules need to be established for guidance to Dog Park users. Staff, along with the Commissions, evaluated several city Dog Park ordinances to assist in the creation of the draft dog park rules.

The rules were first shared with the Friends of the South Pasadena Dog Park (Friends) to obtain input from these stakeholders. The Friends had minor edits to the rules that were then sent to the Parks and Recreation Commission for review.

The Commission reviewed and accepted the edits of the Friends at their June 13, 2016 meeting. The Animal Commission reviewed the rules from the Commission at their September 19, 2016 meeting. The Animal Commission made proposed two edits which was to modify the hours of

operations from 7:00 a.m. to dusk to 6:00 a.m. to 10:00 p.m. and to add to section 21B-5 (f) and/ or physical control” which will read as “Owners must be in the park, within view, and be able to maintain voice and or physical control of their dog(s).” The Animal Commission accepted and approved the final rules.

At the October 5, 2016 City Council Meeting, minor edits were made to the ordinance and approved as amended.

Analysis

The proposed ordinance will assist the Community Services and Police Departments with the operation of the dog park and provide the Police Department the essential enforcement tools to address matters when necessary.

Legal Review

The City Attorney has reviewed this item.

Public Notification of Agenda Item

The public was made aware that this item was to be considered this evening by virtue of its inclusion on the legally publicly noticed agenda, posting of the same agenda and reports on the City’s website and/or notice in the *South Pasadena Review* and/or the *Pasadena Star-News*.

Attachment: Proposed Ordinance

ORDINANCE NO. ____

**AN ORDINANCE OF THE CITY COUNCIL
OF THE CITY OF SOUTH PASADENA, CALIFORNIA,
CREATING CHAPTER 21B OF THE SOUTH PASADENA
MUNICIPAL CODE RELATING TO DOG PARKS**

WHEREAS, pursuant to the City of South Pasadena's (City) law enforcement jurisdiction, as granted broadly under Article XI, Section 7, of the California Constitution, the City Council has the authority to enact and enforce ordinances and regulations for the public peace, moral, safety, and welfare of the South Pasadena Community; and

WHEREAS, the City Council determines that this ordinance is further in accord with the public purposes and provisions of applicable state and local laws and requirements.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SOUTH PASADENA DOES HEREBY ORDAIN AS FOLLOWS:

SECTION 1. MUNICIPAL CODE AMENDMENT. Chapter 21B to be entitled, "Dog Parks" is hereby added in its entirety to the South Pasadena municipal code to read as follows:

CHAPTER 21B DOG PARKS

21B-1 Purpose

This chapter is intended to establish rules and regulations with respect to dog parks in a manner that is consistent with state law.

21B-2 Definitions

As used in this Chapter:

- (a) "Director" means the community services director or their designee as the person responsible for administering the provisions of this chapter.
- (b) "Dog" shall mean and include any canine (*Canis familiaris*).
- (c) "Dog park" shall mean and include a fenced area of any city park, or any portion of a city park or any other city-owned land approved and designated by the city council for the exercise and recreation of dogs, including areas designated off-leash by city signage.

(d) "Owner" means a person either owning or having the charge, care, control, possession or custody of a dog.

(e) "Vicious dog" means (i) any dog that bites or attempts to bite any human or dog without provocation, or which has a disposition or propensity to attack, bite or menace any human or dog without provocation and endangers the health and safety of any person, or (ii) any dog previously declared vicious pursuant to Section 5.48 of this code, and/or any other state or local law.

21B-3 Applicability of chapter – use of dog park

The prohibition set forth in Section 21.23 of the municipal code against having a dog in any city park shall not apply to dogs which are in a dog park designated by the city council for the exclusive purpose of exercise and recreation by dogs and so long as the rules and regulations with respect to the use of the dog park set forth in this chapter are followed.

21B-4 Administration

The prohibition set forth in Section 21.23 of the municipal code against having a dog in any city park shall not apply to dogs which are in a dog park designated by the city council for the exclusive purpose of exercise and recreation by dogs and so long as the rules and regulations with respect to the use of the dog park set forth in this chapter are followed.

21B-5 Dog park rules and regulations

The following rules and regulations apply to the use of any dog park:

- (a) The hours of operation shall be from 6:00 a.m. to 10:00 p.m.
- (b) Owners must be in attendance at all times within the dog park while their dogs are present.
- (c) Owners must have a visible leash at all times.
- (d) Owners are required to immediately pick up and dispose of their dog's waste in the provided waste receptacles.
- (e) Owners are personally liable for any damage and/or injury caused by their dogs.
- (f) Owners must be in the park, within view of, and be able to maintain voice and/or physical control of their dog(s).
- (g) Owners must deter their dog(s) from digging any holes.

- (h) No aggressive dog behavior is allowed at any time such as growling, snarling, snapping, lunging, biting, humping, or hysterical barking.
- (i) Vicious dogs are not permitted.
- (j) No animals other than dogs are permitted in the dog park.
- (k) No more than 3 dogs per owner are permitted.
- (l) No female dogs in heat are allowed in off-leash areas.
- (m) No person shall enter the dog park other than during hours of operation.
- (n) No food of any kind is allowed in the dog park.
- (o) All dogs must wear a collar with a valid license tag.
- (p) All dogs must be maintained on a leash while entering and exiting the designated off-leash area.
- (q) Dogs must never be left unattended.
- (r) Puppies under 4 months of age are not permitted in the dog park.
- (s) Professional dog trainers/handlers are not permitted to use the facility for instruction unless authorized by the Community Services Department.
- (t) Children 14 and under must be supervised by an adult at all times. Parents and/or guardian of children shall not be permitted to run, shout, scream, or wave their arms or otherwise excite or antagonize dogs.
- (u) Any person or canine using the dog park must do so at their own risk. Pursuant to Government Code Section 831.7.5 the city is immune from liability for an injury or death of a person or a pet resulting from the actions of a dog in the dog park.
- (v) Owners must ensure that the dog park gates are closed and latched upon entering or exiting the area.
- (w) Smoking and alcohol are prohibited within the dog park.
- (x) The City reserves the right to refuse patron access.
- (y) The off-leash area is subject to closure without notice for maintenance.

21B-6 Violation; enforcement

Any city employee may request anyone who violates a posted rule to leave the dog park. It is unlawful for any person to fail to leave the dog park for violating any posted rule after being requested to do so by a city representative. It shall be unlawful for any person to violate or fail to comply with the provisions of this chapter. Violation of or noncompliance with this chapter shall constitute a crime punishable as a misdemeanor or infraction in the discretion of the city attorney, or may be punished as an administrative matter in accordance with the civil fines and the administrative procedures for the imposition, enforcement, collection, and administrative review of civil fines set forth in chapter 1A of the municipal code. The remedies and penalties provided herein are cumulative, alternative, and nonexclusive. The use of one does not prevent the use of any other criminal, civil, or administrative remedy or penalty authorized by, or set forth in, the South Pasadena Municipal Code or under state statute which may be available to enforce this chapter or to abate a public nuisance.

SECTION 2. SEVERABILITY. If any provision, section, paragraph, sentence or word of this ordinance, or the application thereof to any person or circumstance, is rendered or declared invalid by any court of competent jurisdiction, the remaining provisions, sections, paragraphs, sentences or words of this ordinance, and their application to other persons or circumstances, shall not be affected thereby and shall remain in full force and effect and, to that end, the provisions of this ordinance are severable.

SECTION 3. CEQA. This ordinance is exempt from the California Environmental Quality Act (CEQA) pursuant to 14 Cal. Code Regs. Section 15378(b)(5) as an agency organizational or administrative activity that produces no physical changes to the environment.

SECTION 4. EFFECTIVE DATE. This ordinance shall take effect thirty (30) days after its passage and adoption pursuant to California Government Code Section 36937.

SECTION 5. This ordinance shall take effect thirty (30) days after its final passage and within fifteen (15) days after its passage, the City Clerk of the City of South Pasadena shall certify to the passage and adoption of this ordinance and to its approval by the Mayor and City Council and shall cause the same to be published in a newspaper in the manner required by law.

PASSED, APPROVED, AND ADOPTED this 19th day of October, 2016.

Diana Mahmud, Mayor

ATTEST:

APPROVED AS TO FORM:

Evelyn G. Zneimer, City Clerk
(seal)

Teresa L. Highsmith, City Attorney

Date: _____

I HEREBY CERTIFY the foregoing ordinance was duly adopted by the City Council of the City of South Pasadena, California, at a regular meeting held on the 19th day of October, 2016, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAINED:

Evelyn G. Zneimer, City Clerk
(seal)

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City of South Pasadena Agenda Report

Diana Mahmud, Mayor
Michael A. Cacciotti, Mayor Pro Tem
Robert S. Joe, Councilmember
Marina Khubesrian, M.D., Councilmember
Richard D. Schneider, M.D., Councilmember

Evelyn G. Zneimer, City Clerk
Gary E. Pia, City Treasurer

COUNCIL AGENDA: October 19, 2016
TO: Honorable Mayor and City Council
VIA: Sergio Gonzalez, City Manager *SG*
FROM: Paul Toor, P.E., Public Works Director *PT*
Alex Chou, Associate Civil Engineer *ACE*
SUBJECT: **Approval of a Contract Amendment with Vido Samarzich, Inc.,
for the Fletcher Avenue Street Improvement Project**

Recommendation

It is recommended that the City Council:

1. Authorize the City Manager to execute the first amendment to the contract with Vido Samarzich Inc., (Contractor), in the amount of \$120,400, to increase the scope of work for the Fletcher Avenue Street Improvement Project (Project); and
2. Appropriate the amount of \$120,400 from the Water Fund Reserves to Account No. 500-9000-9300-9300 to fund additional water improvement related work.

Fiscal Impact

The Project is funded from General Fund Account No 104-9000-9203. If the budget transfer is approved, there will be sufficient funds available to complete the Project.

Commission Review and Recommendation

This matter was not reviewed by a Commission.

Background

On July 20, 2016, the City Council awarded a construction contract to the Contractor for the Project in the amount of \$882,440. The Project involves pavement resurfacing and the replacement of water main on Fletcher Avenue from Huntington Drive to Alhambra Road.

Subsequent to awarding the construction contract, it was discovered that a portion of existing 6-inch Ductile Iron water main pipe on Fletcher Avenue is in a fairly good condition and does not need replacement at this time. In order to optimize the use of available funds, staff is proposing not to replace approximately 950 L.F. of the 6-inch pipe.

In addition, the Water Division is experiencing excessive water main leaks on Beech Street during last few years. In 1936, the Beech Street water line was installed and had six leaks in last

two years. In 2014, an attempt was made to replace the outdated 6-inch water main on Beech Street, but this did not materialized due to other project priorities.

Analysis

The City negotiated a contract amendment with the Contractor for the additional water improvements on Beech Street. The proposed improvements include the installation of approximately 950 feet of new 6-inch water main, replacement of 28 water services, valves, meter boxes, water line fittings, three new fire hydrants, and concrete cross gutters.

The contract amendment negotiated with the Contractor is based on the same unit prices from the original bid and the increase in contract amount is just and reasonable for the additional scope of work. Staff is recommending approval of the proposed contract amendment. If approved, the additional scope of work will be completed along with Fletcher Street Improvement Project without additional working days.

Legal Review

The City Attorney has reviewed the amendment to the agreement.

Attachments:

1. First Amendment
2. Agreement

ATTACHMENT 1
First Amendment

FIRST AMENDMENT TO
AGREEMENT FOR CONSTRUCTION

THIS AMENDMENT ("Amendment") is made as of this 19th day of October, 2016, by and between the CITY OF SOUTH PASADENA ("City") and VIDO SAMARZICH, INC., ("Contractor").

RECITALS

WHEREAS, on July 20, 2016, the City and Contractor entered into an Agreement for Construction ("Agreement") for the Fletcher Avenue Street Improvement Project;

WHEREAS, the Agreement was for an initial amount of \$882,440 for Construction of the Fletcher Avenue Street Improvement Project; and

WHEREAS, it was discovered that a portion of the waterline on Fletcher Avenue is in a fairly good condition and the City is deleting the replacement of existing 950 feet of 6-inch water main and appurtenances; and

WHEREAS, the City desires to amend the contract to increase the scope of water improvements to include additional water improvements on Beech Street from Fremont Avenue to Primrose Avenue;

WHEREAS, the contractor is in agreement to delete a portion of the water line replacement from the original scope of work on Fletcher Avenue and is willing to perform the additional work on Beech street with the same term and condition as set forth in the original proposal.

NOW THEREFORE, THE CITY AND THE CONTRACTOR AGREE AS FOLLOWS:

1. PAYMENT FOR SERVICES. That Section 4 of the Agreement is hereby amended to read as follows:

City shall pay for additional scope of work performed by Contractor pursuant to the terms of the original Agreement. The total contract amount shall not exceed the authorized amount of **\$1,002,840** (which includes the compensation for the original scope of work in the amount of \$882,440 and the compensation for the additional scope of work in the amount of \$120,400), unless the CITY has given specific advance approval in writing.

2. SCOPE OF SERVICES. That scope of work of the agreement is hereby amended as reflected in Exhibit "A" as attached to this Amendment.

3. TERM. The term of this Agreement shall be the same as shown on the original agreement .

4. PROVISIONS OF AGREEMENT. All other terms, conditions, and provisions of the Agreement to the extent not modified by this Amendment, shall remain in full force and effect.

Dated: _____ "CITY"

By: _____
Sergio Gonzalez, City Manager

Dated: _____ "CONTRACTOR"

By: _____
Vido Samarzich, Inc.,

APPROVED AS TO FORM:

Teresa L. Highsmith, City Attorney

SCOPE OF WORK

This contract amendment is included the deletion of a portion of a 6-inch water line replacement on Fletcher Avenue and addition of a 6-inch water line replacement along with water service lines on Beech Street between Fremont Avenue and Primrose Avenue. More specifically additional water work includes installation of approximately 950 feet of new 6-inch water main, replacement of 28 water services, valves, meter boxes, water line fittings, 3 new fire hydrants, and concrete cross gutters. This contract amendment is based on same unit prices from the original bid for the addition water improvements on Beech Street.

VIDO SAMARZICH, INC.
 4972 CRESTVIEW PLACE
 ALTA LOMA, CA 91701

Date: 9/16/206

PROPOSED CHANGE ORDER #1-FLETCHER AVE STREET IMPROVEMENTS

ADDITIONONAL WORK ON BEECH AVE/DELETED ITEMS ON FLETCHER AVE AND UPCHARGE FOR
 INSTALLING 30 SERVICES ON EXISTING MAINLINE IN LIEU OF NEW MAINLINE ON FLETCHER AVE

ADDITIONAL WORK ON BEECH

ITEM #	WORK DESCRIPTION	EST QTY	UNIT	UNIT COST (\$)	AMOUNT (\$)
1	MOBILIZATION	1	LS	\$ 5,000.00	\$ 5,000.00
2	TRAFFIC CONTROL	1	LS	\$ 5,000.00	\$ 5,000.00
3	REMOVE EXISTING NATIVE AND PAVEMENT	140	CY	\$ 70.00	\$ 9,800.00
14	4" SIDEWALK	200	SF	\$ 9.50	\$ 1,900.00
18A	4" DUCTILE IRON WATERLINE	34	LF	\$ 100.00	\$ 3,400.00
18B	6" DUCTILE IRON WATERLINE	950	LF	\$ 100.00	\$ 95,000.00
19	TIE-IN	2	EA	\$ 5,000.00	\$ 10,000.00
	4" DI TEE	1	EA	\$ 500.00	\$ 500.00
	4" DI 90 BEND	2	EA	\$ 500.00	\$ 1,000.00
19D	6" MJ FLANGE ADAPTER	5	EA	\$ 400.00	\$ 2,000.00
19E	6"X4" DI REDUCER	2	EA	\$ 400.00	\$ 800.00
20	1" WATER SERVICE	28	EA	\$ 1,200.00	\$ 33,600.00
23B	6" RW GV	3	EA	\$ 1,500.00	\$ 4,500.00
24	FIRE HYDRANT	3	EA	\$ 8,500.00	\$ 25,500.00
25	ABANDON EXISTING WATERLINE	1	LS	\$ 6,500.00	\$ 6,500.00
	TOTAL BASE BID COSTS				\$ 204,500.00

DELETED ITEMS ON FLETCHER

18A	4" DIP	40	LF	\$100.00	\$4,000.00
18B	6" DIP	950	LF	\$100.00	\$95,000.00
19B	6" 90 DEG BEND W THRUST BLOCK	1	EA	\$400.00	\$400.00
19D	6" MJ FLANGE ADAPTER	1	EA	\$400.00	\$400.00
19E	6"X4" REDUCER	1	EA	\$400.00	\$400.00
23A	6" GATE VALVE	1	EA	\$1,200.00	\$1,200.00
24	FIRE HYDRANT	2	EA	\$8,500.00	\$17,000.00
					\$118,400.00

ADDED ITEMS ON FLETCHER

191	6" 45 DEGREE BEND	2	EA	\$400.00	\$800.00
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ADDED COSTS TO INSTALL 30-1" SERVICES ON EXISTING MAINLINE ON FLETCHER

	(30) SERVICES @ \$500.00 EACH	30	EA	\$500.00	\$15,000.00
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CROSS GUTTER ON BEECH

	850 SQFT -INCLUDES DOWELS	850	SQFT	\$20.00	\$17,000.00
	SLOT PAVING FOR CROSS GUTTERS	100	SQFT	\$15.00	\$1,500.00

TOTAL AMOUNT OF PROPOSED CHANGE ORDER #1: \$ 120,400.00

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ATTACHMENT 2
Agreement

CONSTRUCTION CONTRACT / AGREEMENT

THIS AGREEMENT, made and entered into this 20th day of July, 2016, by and between CITY OF SOUTH PASADENA, a municipal corporation of the State of California, hereinafter referred to as "CITY" and VIDO SAMARZICH, INC., "CONTRACTOR."

That the CITY and the CONTRACTOR, for the consideration hereinafter named, mutually agree as follows:

1. The complete contract and agreement ("AGREEMENT") consists of the Contract Documents, which includes all of the following documents incorporated herein by this reference: Approved Plans and Specifications (**Project No. 2015-11**), Notice Inviting Bids, Instructions to Bidders, Information for Bidders, Contractor's Bid Proposal, this Contract/Agreement, Specifications, Special Provisions, Technical Provisions, Reference Specifications, the documents in the Appendix, if any, and all mutually agreed-upon modifications and amendments thereto.

2. CONTRACTOR shall perform everything required to be performed, shall provide and furnish all the labor, materials, necessary tools, expendable equipment, and all utility and transportation services required for the following work of improvement: **Fletcher Avenue Street Improvement Project, Project No. 2015-11**, all in accordance with the Contract Documents and Contractor's Proposal dated July 5, 2016.

CONTRACTOR agrees to perform all the work and furnish all the materials at his own cost and expense necessary to construct and complete in a good and workman-like manner and to the satisfaction of the City Engineer of the CITY, the Work of Improvement in accordance with the plans, specifications, and Contract Documents (the "Specifications") therefore prepared by City's Engineering Department and adopted by the City Council.

3. CITY agrees to pay and CONTRACTOR agrees to accept in full payment for this Work of Improvement the stipulated sum of Eight Hundred Eighty-Two Thousand Four Hundred Forty and 00/100 Dollars (\$882,440.00).

CITY agrees to make monthly payments and final payment in accordance with the method set forth in the Specifications.

4. CONTRACTOR agrees to commence construction of the Work of Improvement within fifteen (15) days after issuance of a Notice To Proceed, and to continue in a diligent and workman-like manner without interruption, and to complete the construction thereof within ninety (90) calendar days from the date the Notice to Proceed is issued.

5. Time is of essence of this Contract, and it is agreed that it would be impracticable or extremely difficult to ascertain the extent of actual loss or damage which the CITY will sustain by reason of any delay in the performance of this Agreement. It is, therefore, agreed that CONTRACTOR will pay as liquidated damages to the CITY the following sum: Five Hundred Dollars (\$500.00) for each day's delay beyond the time herein prescribed for finishing work. If liquidated damages are not paid, as designated by the CITY, the CITY may deduct the amount

thereof from any money due or that may become due the CONTRACTOR under this Agreement in addition to any other remedy available to CITY. The CONTRACTOR shall not be assessed liquidated damages for any delay caused by the failure of a public utility to relocate or remove an existing utility required for the performance of this Contract.

6. The CONTRACTOR will pay, and will require all subcontractors to pay, all employees on the work of improvement a salary or wage at least equal to the prevailing salary or wage established for such work as set forth in the wage determinations for this work. Travel and subsistence pay shall be paid in accordance with Labor Code Section 1773.8. The CONTRACTOR shall forfeit to the CITY, as penalty, \$200.00 for each calendar day or portion thereof for each worker paid (either by him or any subcontractors under him) less than the prevailing rate described above on the work provided for in this Agreement, all in accordance with Section 1775 of the Labor Code of the State of California.

7. In the performance of this Contract, not more than eight (8) hours shall constitute a day's work, and the CONTRACTOR shall not require more than eight (8) hours in a day from any person employed by him hereunder, except as provided in the Labor Code of the State of California. The CONTRACTOR shall adhere to Article 3, Chapter 1, Part 7 (Sections 1810, et seq.) of the Labor Code of the State of California, and it is agreed that the CONTRACTOR shall forfeit to the CITY as a penalty the sum of \$200.00 for each worker employed in the execution of this Contract by the CONTRACTOR or any subcontractor for each calendar day during which any worker is required or permitted to labor more than eight (8) hours in violation of that article.

8. CONTRACTOR, by executing this Agreement hereby certifies:

"I am aware of the provisions of Section 3700 of the Labor Code which requires 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 I will comply with such provisions before commencing the performance of the work of this Contract."

9. CONTRACTOR shall, prior to the execution of this Contract, furnish two bonds approved by the CITY, one in the amount of One Hundred Percent (100%) of the Contract price, to guarantee the faithful performance of the work, and one in the amount of One Hundred Percent (100%) of the Contract price to guarantee payment of all claims for labor and materials furnished. This Contract shall not become effective until such bonds are supplied to and approved by the CITY. CONTRACTOR shall, prior to the release of the performance and payment bonds or the retention payment, furnish a warranty performance and payment bond equal to at least ten percent of the final contract price or \$1,000, whichever is greater.

10. This AGREEMENT is further subject to the provisions of Article 1.5 (commencing at Section 20104) of Division 2, Part 3 of the Public Contract Code regarding the resolution of public works claims of less than \$375,000. Article 1.5 mandates certain procedures for the filing of claims and supporting documentation by Contractor, for the response to such claims by the Agency, for a mandatory meet and confer conference upon the request of Contractor, for mandatory nonbinding mediation in the event litigation is commenced, and for mandatory judicial arbitration upon the parties' failure to resolve the dispute through mediation. This AGREEMENT hereby incorporates the provisions of Article 1.5 as though fully set forth herein.

11. This Agreement is subject to the provisions of Article 1.7 (commencing at Section 20104.50) of Division 2, Part 3 of the Public Contract Code regarding prompt payment of contractors by local governments. Article 1.7 mandates certain procedures for the payment of undisputed and properly submitted payment requests within 30 days after receipt, for the review of payment requests, for notice to Contractor of improper payment requests, and provides for the payment of interest on progress payment requests which are not timely made in accordance with that Article. This AGREEMENT hereby incorporates the provisions of Article 1.7 as though fully set forth herein.

12. At the request and expense of CONTRACTOR, securities equivalent to the amount withheld shall be deposited with AGENCY, or with a state or federally chartered bank in this state as the escrow agent, who shall then pay those moneys to CONTRACTOR upon Agency's confirmation of CONTRACTOR'S satisfactory completion of this AGREEMENT. At any time during the term of this AGREEMENT CONTRACTOR may, at its own expense, substitute securities for funds otherwise withheld as retention (or the retained percentage) in accordance with Public Contract Code § 22300.

13. Pursuant to Labor Code § 1725.5, CONTRACTOR and any subcontractor must be registered with the California Department of Industrial Relations for any bid proposal submitted on or after March 1, 2015, and for any contract for public work entered into on or after April 1, 2015. Further, this project is subject to compliance monitoring and enforcement by the Department of Industrial Relations.

14. This AGREEMENT is subject to Public Contract Code Section 6109: CONTRACTOR shall be prohibited from performing work on this project with a subcontractor who is ineligible to perform work on the project pursuant to Sections 1777.1 or 1777.7 of the Labor Code.

15. CONTRACTOR shall comply with the provisions of Labor Code Section 1777.5 concerning the employment of apprentices on public works projects, and further agrees that CONTRACTOR is responsible for compliance with Section 1777.5 by all of its subcontractors.

16. CONTRACTOR shall maintain any and all ledgers, books of account, invoices, vouchers, canceled checks, and other records or documents evidencing or relating to charges for services or expenditures and disbursements charged to CITY under this Agreement for a minimum of three (3) years, or for any longer period required by law, from the date of final payment to CONTRACTOR under this Agreement. All such documents shall be made available for inspection, audit, and/or copying at any time during regular business hours, upon oral or written request of CITY. In addition, pursuant to Government Code Section 8546.7, all such documents and this Agreement shall be subject to the examination and audit of the State Auditor, at the request of CITY or as part of any audit of CITY, for a period of three (3) years after final payment under the Agreement.

17. To the fullest extent permitted by law, CONTRACTOR shall, at its sole cost and expense, fully defend, indemnify and hold harmless CITY, its authorized representatives and their respective subsidiaries, affiliates, members, directors, officers, employees and agents (collectively, the "Indemnitees") from and against any and all claims, actions, demands, costs, judgments, liens, penalties, liabilities, damages, losses, and expenses, including but not limited to

any fees of accountants, attorneys or other professionals (collectively "Liabilities"), arising out of, in connection with, resulting from or related to, any alleged act, omission, fault or negligence of CONTRACTOR, CONTRACTOR's Representative, or any of its officers, agents, employees, Subcontractors or Suppliers, or any person or organization directly or indirectly employed by any of them (Collectively, the "Indemnitors"), in connection with or relating to or claimed to be in connection with or relating to the work performed under this AGREEMENT. CONTRACTOR shall not be entitled to any refund of attorneys' fees, defense costs and expenses in the event that it is s adjudicated to have been non-negligent.

17.1 CONTRACTOR shall not be required to defend or indemnify CITY for liabilities caused by the sole active negligence or willful misconduct of CITY.

17.2 If CONTRACTOR is a joint venture or partnership, each venturer or partner shall be jointly and severally liable for any and all of the duties and obligations of CONTRACTOR that are assumed under or arise out of this AGREEMENT. Each of such venturers or partners waives notice of the breach or non-performance of any undertaking or obligation of CONTRACTOR contained in, resulting from or assumed under this AGREEMENT, and the failure to give any such notice shall not affect or impair such venturer's or partner's joint and several liability hereunder.

IN WITNESS WHEREOF, the said CONTRACTOR and the CITY MANAGER and CITY CLERK of the CITY have caused the names of said parties to be affixed hereto, each in triplicate, the day and year first above written.

VIDO SAMARZICH, INC
CONTRACTOR

BY Vido L. Samarzich - VIDO L. SAMARZICH

VICE PRESIDENT
(Title)

BY _____

CITY OF SOUTH PASADENA

Sergio Gonzalez
Sergio Gonzalez, CITY MANAGER

ATTEST:

Evelyn G. Zucimer
Evelyn G. Zucimer, CITY CLERK

APPROVED AS TO FORM:

Teresa Highsmith
Teresa Highsmith, CITY ATTORNEY

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City of South Pasadena Agenda Report

Diana Mahmud, Mayor
Michael A. Cacciotti, Mayor Pro Tem
Robert S. Joe, Councilmember
Marina Khubesrian, M.D., Councilmember
Richard D. Schneider, M.D., Councilmember

Evelyn G. Zneimer, City Clerk
Gary E. Pia, City Treasurer

COUNCIL AGENDA: October 19, 2016

TO: Honorable Mayor and City Council

VIA: Sergio Gonzalez, City Manager *JA*

FROM: Paul Toor, Public Works Director *PT*
 Leonna DeWitt, Public Works Assistant *LD*

SUBJECT: **Adopt a Resolution Authorizing Submittal of a Rubberized
Pavement Grant Application**

Recommendation

It is recommended that the City Council adopt a resolution authorizing the submittal of the Department of Resources Recycling and Recovery (CalRecycle) Rubberized Pavement Program (Program) Grant Application and authorizing the City Manager or his designee to execute all documents required to obtain the grant.

Fiscal Impact

There is no fiscal impact to the City of South Pasadena (City) to submit the grant application for Fiscal Year 2016-17. If approved, the maximum grant award for the City is \$350,000.

Commission Review and Recommendation

This matter was not reviewed by a Commission.

Background

CalRecycle offers grant opportunities to local jurisdictions to help promote markets for rubberized asphalt concrete (RAC) products with crumb rubber derived from only California-generated waste tires. The Program is designed to encourage first-time or limited users of rubberized pavement in two project types – RAC Hot-Mix and rubberized chip seal. To apply for this grant, the local jurisdiction is required to adopt a resolution of support and submit the application to CalRecycle by October 26, 2016.

Analysis

Eligible projects for the rubberized pavement grant include roadway improvement or pavement rehabilitation. Staff is proposing to utilize the rubberized pavement (hot-mix) grant for the second phase of Monterey Road Street Improvement Project (Project) from Fair Oaks Avenue to Meridian Avenue. Based on the criteria set forth in the CalRecycle guidelines, it is anticipated that approximately 3,500 – 4,000 tons of RAC will be utilized for this Project. The maximum grant aware for an individual application is \$350,000. Grant awards are based on a price

difference of \$8-20 per ton of RAC hot-mix material as compared to the conventional asphalt concrete proposed. The advantages of utilizing RAC are:

1. Longer life expectancy as compared to conventional asphalt concrete
2. Durability, smooth surface, hence reducing the noise
3. Environmental benefit by reuse of scrap tire and the diversion of tires from the landfill
4. Los Angeles County Department of Public Works has been utilizing RAC for major streets and the City of South Pasadena completed the Fair Oaks Street Improvement Project (approximately 0.8 miles) from Columbia Street to Monterey Road using RAC in 2012

In order to receive these funds, the City is required to submit the proposed resolution authorizing the submittal of an application and to develop, adopt, and implement an Environmentally Preferable Purchases and Practices Policy (EPPP). Staff is currently in the process of creating this policy which will be brought back to the City Council for approval at a future meeting.

Legal Review

The City Attorney has reviewed this item.

Public Notification of Agenda Item

The public was made aware that this item was to be considered this evening by virtue of its inclusion on the legally publicly noticed agenda, posting of the same agenda and reports on the City's website and/or notice in the *South Pasadena Review* and/or the *Pasadena Star-News*.

Attachment: Resolution

RESOLUTION NO. _____

**A RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF SOUTH PASADENA, CALIFORNIA,
AUTHORIZING SUBMITTAL OF AN APPLICATION FOR
RUBBERIZED PAVEMENT GRANT PROGRAM THROUGH
CALRECYCLE GRANTS**

WHEREAS, Public Resources Code Sections 48000 et seq. authorize the Department of Resources Recycling and Recovery (CalRecycle) to administer various grant programs (grants) in furtherance of the State of California's (state) efforts to reduce, recycle and reuse solid waste generated in the state thereby preserving landfill capacity and protecting public health and safety and the environment; and

WHEREAS, in furtherance of this authority CalRecycle is required to establish procedures governing the application, awarding, and management of the grants; and

WHEREAS, CalRecycle's grant application procedures require, among other things, an applicant's governing body to declare by resolution certain authorizations related to the administration of CalRecycle grants.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SOUTH PASADENA, CALIFORNIA, DOES RESOLVE, DECLARE, DETERMINE AND ORDER AS FOLLOWS:

SECTION 1. That the City Council of the City of South Pasadena authorizes the submittal of an application to CalRecycle for the Rubberized Pavement Grant.

SECTION 2. That the City Manager or his designee is hereby authorized and empowered to execute all grant documents, including but not limited to, applications, agreements, amendments and requests for payment, necessary to secure grant funds and implement the approved grant project for the City.

SECTION 3. That these authorizations are effective for five (5) years from the date of adoption of this resolution.

SECTION 4. The City Clerk of the City of South Pasadena shall certify to the passage and adoption of this resolution and its approval by the City Council and shall cause the same to be listed in the records of the City.

PASSED, APPROVED AND ADOPTED ON this 19th day of October, 2016.

Diana Mahmud, Mayor

ATTEST:

APPROVED AS TO FORM:

Evelyn G. Zneimer, City Clerk
(seal)

Teresa L. Highsmith, City Attorney

I HEREBY CERTIFY the foregoing resolution was duly adopted by the City Council of the City of South Pasadena, California, at a regular meeting held on the 19th day of October, 2016, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAINED:

Evelyn G. Zneimer, City Clerk
(seal)

City of South Pasadena Agenda Report

Diana Mahmud, Mayor
Michael A. Cacciotti, Mayor Pro Tem
Robert S. Joe, Councilmember
Marina Khubesrian, M.D., Councilmember
Richard D. Schneider, M.D., Councilmember

Evelyn G. Zneimer, City Clerk
Gary E. Pia, City Treasurer

COUNCIL AGENDA: October 19, 2016
TO: Honorable Mayor and City Council
VIA: Sergio Gonzalez, City Manager 
FROM: David Batt, Finance Director 
SUBJECT: **Discretionary Fund Request From Councilmember Schneider in the Amount of \$250 for the Purpose of South Pasadena Beautiful Initiating a Tree Planting Foundation**

Recommendation

It is recommended that the City Council approve a discretionary fund request by Councilmember Schneider, designating \$250, for the purpose of South Pasadena Beautiful initiating a Tree Planting Foundation.

Fiscal Impact

Funds are available in the Fiscal Year (FY) 2016-17 Budget.

Commission Review and Recommendation

This matter was not reviewed by a Commission.

Background

In September 2004, the City Council approved the creation of discretionary spending budgets which allow each councilmember the opportunity to fund projects or purchases that might not otherwise be funded in the approved budget. The City Council adopted the FY 2016-17 Budget with \$20,000 in the Discretionary Fund, \$4,000 designated for each councilmember. Discretionary funds must be used for a public purpose benefiting the City of South Pasadena.

On August 17, 2011, the City Council approved Resolution No. 7174, which established guidelines for discretionary budget accounts. The resolution states that all funds not expended during the fiscal year shall be carried over to subsequent fiscal years, up to a maximum carryover amount of \$10,000 per councilmember account. Said unallocated funds need not be encumbered by a purchase order in order to be carried over to the following fiscal year. The following table displays the current Discretionary Fund balances and excludes the requests being considered in this staff report.

Analysis

Councilmember Schneider requested approval for, and received a second from Councilmember Khubesrian, to place on a future City Council meeting agenda, the use of discretionary funds to cover the cost of South Pasadena Beautiful initiating a Tree Planting Foundation.

Discretionary Fund Request for South Pasadena Beautiful Initiating a Tree Planting Foundation
 October 19, 2016
 Page 2 of 2

City Councilmembers Discretionary Funds Fiscal Year 2015/16						
Date		<u>Cacciotti</u>	<u>Joe</u>	<u>Khubesrian</u>	<u>Mahmud</u>	<u>Schneider</u>
	Prior Year Balance >	\$6,228	\$6,950	\$6,000	\$5,000	\$7,700
	Plus Current Year Balance >	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000
	<i>Total</i>	<i>10,228</i>	<i>10,950</i>	<i>10,000</i>	<i>9,000</i>	<i>11,700</i>
8/19/2015	Commemorative Coins		500			
1/6/2016	Monarch Butterfly Waystation				600	
2/3/2016	Special Needs Education Conference	200	200		300	
2/17/2016	Native Plants for the Nature Park		200			100
3/2/2016	Artwork for the Public Works Building	200				
5/18/2016	CERT Luncheon		100			
5/18/2016	SPACE Kinetic Sculpture Project			2,000		2,000
6/15/2016	Community Garden Compost Bin	250				
	<i>YTD Appropriations</i>	<i>650</i>	<i>1,000</i>	<i>2,000</i>	<i>900</i>	<i>2,100</i>
Available at 6/30/16		\$9,578	\$9,950	\$8,000	\$8,100	\$9,600

City Councilmembers Discretionary Funds Fiscal Year 2016/17						
Date		<u>Cacciotti</u>	<u>Joe</u>	<u>Khubesrian</u>	<u>Mahmud</u>	<u>Schneider</u>
	Prior Year Balance >	\$9,578	\$9,950	\$8,000	\$8,100	\$9,600
	Plus Current Year Balance >	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000
	<i>Total</i>	<i>13,578</i>	<i>13,950</i>	<i>12,000</i>	<i>12,100</i>	<i>13,600</i>
	<i>YTD Appropriations</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>
Available at 10/19/16		\$13,578	\$13,950	\$12,000	\$12,100	\$13,600

Legal Review

The City Attorney has not reviewed this item.

Public Notification of Agenda Item

The public was made aware that this item was to be considered this evening by virtue of its inclusion on the legally publicly noticed agenda, posting of the same agenda and reports on the City's website and/or notice in the *South Pasadena Review* and/or the *Pasadena Star-News*.

City of South Pasadena Agenda Report

Diana Mahmud, Mayor
Michael A. Cacciotti, Mayor Pro Tem
Robert S. Joe, Councilmember
Marina Khubesrian, M.D., Councilmember
Richard D. Schneider, M.D., Councilmember

Evelyn G. Zneimer, City Clerk
Gary E. Pia, City Treasurer

COUNCIL AGENDA: October 19, 2016

TO: Honorable Mayor and City Council

VIA: Sergio Gonzalez, City Manager *AA*

FROM: David Batt, Finance Director *DB*

SUBJECT: **Adoption of a Resolution Authorizing the Issuance and Delivery of its 2016 Water Revenue Refunding Bonds, Approving Related Documents, and Authorizing Official Actions and Execution of Documents Related Thereto**

Recommendation

It is recommended that the City Council:

- 1) Adopt the Resolution authorizing the issuance and delivery of its 2016 Water Revenue Refunding Bonds;
- 2) Approve an Indenture of Trust, an Escrow Agreement, a Continuing Disclosure Certificate, a Preliminary Official Statement and a Final Official Statement, and a Bond Purchase Contract related to the 2016 Water Revenue Refunding Bonds; and
- 3) Authorize official actions and execution of documents related thereto.

Fiscal Impact

Based on current interest rates, the estimated average annual debt service on the bonds will be approximately \$2.7 million. This annual debt service will be approximately \$374,000 or 12% lower than our current debt service payment on the 2009 Bonds, with the same maturity of 2039. This annual debt service amount continues to be allocated from the City of South Pasadena's (City) current and future water revenues.

All costs associated with the issuance including legal counsel, financial advisor, trustee and escrow agent fees, verification agent fees, rating agency fees, and underwriter fees will be paid from bond proceeds.

Commission Review and Recommendation

On August 24, 2016 this matter was reviewed by the Finance Commission (Commission). The Commission recommended that the City pursue the refinancing of the 2009 Bonds.

Background

At the September 21, 2016 City Council Meeting, staff presented, and the City Council approved, moving forward and pursuing the issuance of Water Revenue Refunding Bonds necessary to refinance the City's currently outstanding 2009 Water Revenue Bonds. As discussed during the meeting, staff informed the City Council of its intent to return to a future meeting and present the necessary documents to secure bond financing for the refinancing.

AGENDA ITEM 18

Proceeds for the bond issue will be allocated towards the refinancing of outstanding debt from the 2009 Bonds issued by the South Pasadena Public Financing Authority. The 2009 Bonds were issued to finance the acquisition and construction of certain improvements to the City's water system.

The proposed 2016 Bonds will consist of a tax-exempt issue. The bonds will be issued in the approximate principal amount of \$35.5 million with a term of 23 years, matching the remaining term of the 2009 Bond issue. The final interest rate structure will be determined when the 2016 Bonds are priced and sold (after receiving an anticipated bond insurance commitment), which is expected to occur around October 27. The bond closing and distribution of net proceeds is expected to occur by November 10, 2016 after which date the 2009 Bonds will be considered legally defeased (sufficient moneys will be set aside in the escrow to call the 2009 Bonds on their call date of October 1, 2019).

The estimated proceeds from the 2016 Bonds are approximately \$42.7 million, which together with the existing 2009 Bonds reserve fund of approximately \$3.4 million will be available to fund the refunding escrow cost and pay all costs of issuance, including underwriter's discount and the anticipated bond insurance premium.

The 2016 Bonds will be issued on a parity basis with the City's outstanding 2013 Bonds, such that each of the two issues will have an equal right to water revenues of the City, for purposes of security of debt service payments.

Analysis

Structure of the Water Revenue Refunding Bonds

The City will issue fixed rate bonds that will amortize over 23 years. The bonds will be secured by current and future water revenue. If qualified at an acceptable price, the bonds will be issued with bond insurance. Bond insurance would provide for an "AA-" or an "AA" Standard & Poor's rating and allow the bonds to trade at lower interest rates than if they were issued without insurance. Our expectation is that, without insurance, the bonds would bear a rating in the "A" category by Standard & Poor's.

Amount of Water Revenue Refunding Bonds Issued

The City intends to issue the bonds to refinance the outstanding debt from the original issued bonds from 2009. Based on current estimates, up to about \$35.6 million of bonds would need to be issued. The current rate on the outstanding bonds ranges between 3.5% and 5%. Staff and the City's financial team believe the City can issue the Water Refunding Bonds at lower interest rates, creating average annual savings of roughly \$374,000 on the outstanding debt.

Documents to be approved for the refunding include:

- **City Resolution**. A Resolution of the City Council of the City of South Pasadena approving the issuance by the City of South Pasadena of its 2016 Water Revenue Refunding Bonds.
- **Escrow Agreement**. This document directs the Trustee and the Escrow Agent to execute and establish an escrow for bond proceeds, deposit bond proceeds from the 2016 issuance into

the escrow and to use such funds to call and defease the 2009 Bonds on the call date in October 2019.

- Indenture of Trust. This document contains the terms of the bonds, including payment and redemption provisions, definition and pledge of revenues to pay the bonds, Rights and Duties of the Trustee, remedies upon a default in the payment of the bonds, and final discharge of the bonds and other related matters.
- Preliminary Official Statement. This is the City's document pursuant to which the bonds will be offered for purchase by the public. This document must contain all facts material to the bonds and the City (with certain permitted exceptions to be completed in the final Official Statement) and must not omit any such material facts.
- Bond Purchase Contract. This document contains the obligation of the underwriter to accept and pay for the Bonds, provided that all of the covenants and representations of the City are met and certain other conditions excusing performance by the underwriter do not exist.

Legal Review

The City Attorney has reviewed this item. Each of the attachments were prepared by bond and disclosure counsel, Norton Rose Fulbright US LLP. The City Attorney's review was limited to form and internal consistency.

Public Notification of Agenda Item

The public was made aware that this item was to be considered this evening by virtue of its inclusion on the legally publicly noticed agenda, posting of the same agenda and reports on the City's website and/or notice in the *South Pasadena Review* and/or the *Pasadena Star-News*.

Attachments:

1. City Resolution Authorizing Refunding
2. Escrow Agreement
3. Indenture of Trust
4. Preliminary Official Statement
5. Bond Purchase Contract
6. Continuing Disclosure Agreement

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ATTACHMENT 1
City Resolution Authorizing Refunding

RESOLUTION NO. _____

**A RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF SOUTH PASADENA, CALIFORNIA,
AUTHORIZING THE ISSUANCE OF ITS 2016 WATER REVENUE
REFUNDING BONDS, APPROVING AN INDENTURE OF TRUST,
A BOND PURCHASE CONTRACT, AN ESCROW AGREEMENT,
A CONTINUING DISCLOSURE CERTIFICATE AND A PRELIMINARY
OFFICIAL STATEMENT; AND AUTHORIZING CERTAIN OTHER
ACTIONS IN CONNECTION THEREWITH**

WHEREAS, the City of South Pasadena (the "City") owns and operates that certain water system (the "Water System"); and

WHEREAS, the South Pasadena Public Financing Authority (the "Authority") previously issued its 2009 Water Revenue Bonds (the "2009 Bonds") in the original aggregate principal amount of \$43,405,000, which 2009 Bonds are currently outstanding in the aggregate principal amount of \$40,395,000; and;

WHEREAS, the 2009 Bonds are secured by the installment payments payable by the City under an Installment Purchase Agreement, dated as of May 1, 2009 (the "2009 Installment Agreement"), by and between the City and the Authority;

WHEREAS, the City desires to refund its obligations under the 2009 Installment Agreement causing the defeasance of the 2009 Bonds; and

WHEREAS, pursuant to Articles 10 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code of the State of California, the City Council of the City (the "City Council") may determine to refund the bonded indebtedness of the City or any portion thereof and issue refunding bonds of the City therefor; and

WHEREAS, for the purpose of refunding all or a portion of the currently outstanding 2009 Bonds for the purpose of realizing debt service savings, the City now desires to issue its 2016 Water Revenue Refunding Bonds (the "Bonds"); and

WHEREAS, the City has reviewed the documentation related to the issuance of the Bonds;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SOUTH PASADENA DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. The foregoing recitals are true and correct and the City hereby so finds and determines.

Section 2. The City hereby approves the issuance of its Bonds in the aggregate principal amount not to exceed Forty-Four Million Dollars (\$44,000,000). The Bonds may be issued in one or more series as determined by the Responsible Officer (as defined below).

Section 3. The City hereby approves the Indenture of Trust, substantially in the form on file with the City Clerk and incorporated herein by reference. Any Responsible Officer is hereby authorized and directed, for and in the name and on behalf of the City, to execute and deliver the Indenture of Trust, with such revisions, amendments and completions as shall be approved by a Responsible Officer, such approval to be conclusively evidenced by such execution and delivery. A "Responsible Officer" shall include the Mayor, the City Manager, the Assistant City Manager, the Finance Director, any of their respective designees, or any member of this Council.

Section 4. The City hereby approves the Preliminary Official Statement, substantially in the form on file with the City Clerk and incorporated herein by reference with such revisions, amendments and completions as shall be approved by a Responsible Officer with the advice of counsel to the City in order to make the Preliminary Official Statement final as of its date, except for the omission of certain information, as permitted by Section 240.15c2-12(b)(1) of Title 17 of the Code of Federal Regulations ("Rule 15c2-12"), and any certificate relating to the finality of the Preliminary Official Statement under Rule 15c2-12. A Responsible Officer is authorized and directed to execute and deliver a final Official Statement in substantially the form hereby approved, with such additions and changes as may be approved by counsel and the Responsible Officer executing the same, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 5. The City hereby approves the Escrow Agreement, substantially in the form on file with the City Clerk and incorporated herein by reference. Any Responsible Officer is hereby authorized and directed, for and in the name and on behalf of the City, to execute and deliver the Escrow Agreement, with such revisions, amendments and completions as shall be approved by a Responsible Officer, such approval to be conclusively evidenced by such execution and delivery.

Section 6. The City hereby approves the Continuing Disclosure Certificate, substantially in the form on file with the City Clerk and incorporated herein by reference. Any Responsible Officer is hereby authorized and directed, for and in the name and on behalf of the City, to execute and deliver the Continuing Disclosure Certificate, with such revisions, amendments and completions as shall be approved by a Responsible Officer, such approval to be conclusively evidenced by such execution and delivery.

Section 7. The City hereby approves the Bond Purchase Contract, substantially in the form on file with the City Clerk and incorporated herein by reference. Any Responsible Officer is hereby authorized and directed, for and in the name and on behalf of the City, to execute and deliver the Bond Purchase Contract, with such revisions, amendments and completions as shall be approved by a Responsible Officer, such approval to be conclusively evidenced by such execution and delivery; provided, however, that the true interest cost on the Bonds shall not exceed 4.0% and the Underwriter's discount for the Bonds shall not exceed 0.5%.

Section 8. Each Responsible Officer and any and all officers of the City are hereby authorized and directed to execute and deliver any and all documents and instruments and to do and cause to be done any and all acts and things necessary or proper for carrying out the

transactions contemplated by this Resolution including the procurement of a municipal bond insurance policy and a surety bond for the reserve fund for the Bonds.

Section 9. The City Clerk shall certify to the adoption of this Resolution, and thenceforth and thereafter the same shall be in full force and effect. Notwithstanding the foregoing, such certification and any of the other duties and responsibilities assigned to the City Clerk pursuant to this Resolution may be performed by a Deputy City Clerk with the same force and effect as if performed by the City Clerk hereunder.

Adopted and approved this _____ day of _____, 2016.

STATE OF CALIFORNIA)
)
) ss.
COUNTY OF LOS ANGELES)

I hereby certify that the foregoing Resolution No. _____ was duly adopted by the City Council of the City of South Pasadena at a meeting thereof held on _____, 2016 by the following vote:

Ayes:
Noes:
Abstain:
Absent:

ATTEST:

City Clerk

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ATTACHMENT 2
Escrow Agreement

ESCROW AGREEMENT

THIS ESCROW AGREEMENT, dated as of November 1, 2016, by and between the CITY OF SOUTH PASADENA, a municipal corporation duly organized and existing under and by virtue of the laws of the State of California (the "City"), and WELLS FARGO BANK, NATIONAL ASSOCIATION, a national banking association organized and existing under the laws of the United States, as trustee under the 2009 Indenture (defined below) and as escrow agent hereunder (the "Escrow Agent");

WITNESSETH:

WHEREAS, the South Pasadena Public Financing Authority (the "Authority") previously issued its 2009 Water Revenue Bonds (the "2009 Bonds") pursuant to an Indenture, dated as of May 1, 2009 (the "2009 Indenture"), by and between the Authority and the Wells Fargo Bank, National Association; and

WHEREAS, the 2009 Bonds were payable from amounts received by the Authority from the City pursuant to an Installment Purchase Agreement, dated as of May 1, 2009, by and between the City and the Authority; and

WHEREAS, the City desires to defease and redeem all of the 2009 Bonds currently outstanding with the proceeds of its \$_____ aggregate principal amount of 2016 Water Revenue Refunding Bonds (the "Refunding Bonds"); and

WHEREAS, the 2016 Bonds are being issued pursuant to an Indenture of Trust, dated as of _____ 1, 2016 (the "2016 Indenture"), by and between the City and The Bank of New York Mellon Trust Company, N.A., as trustee (the "2016 Trustee"); and

NOW, THEREFORE, in consideration of the mutual premises contained herein and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

SECTION 1. Deposit of Moneys. The City has caused to be deposited with the Escrow Agent \$_____, consisting of (a) a portion of the proceeds of the Refunding Bonds in the amount of \$_____ and (b) moneys transferred from certain funds and accounts created under the 2009 Indenture in the amount of \$_____; all to be held in irrevocable escrow by the Escrow Agent, separate and apart from other funds of the City and the Escrow Agent, in a fund hereby created and established to be known as the "Escrow Fund" and to be applied solely as provided in this Escrow Agreement. The moneys set forth above are at least equal to an amount sufficient to purchase direct obligations issued by, or obligations which are unconditionally guaranteed by the United States of America and otherwise satisfying the criteria set forth in Section 8.1 of the 2009 Indenture ("Federal Securities"), the principal of and interest on which when due, along with moneys on deposit in the Escrow Fund, will be sufficient to pay the principal of and interest on the 2009 Bonds up to and including, and to redeem the then remaining 2009 Bonds on, October 1, 2019 (the "Redemption Date"), at a redemption price equal to 102% of the principal amount thereof, plus accrued interest evidenced thereby to the Redemption Date (the "Redemption Price").

SECTION 2. Investments. The City has determined or caused to be determined that upon the deposit of funds pursuant to Section 1 hereof, \$_____ of the moneys on deposit in the Escrow Fund shall be invested in the Federal Securities specified in Schedule I hereto which, together with uninvested cash in the amount of \$_____, will be sufficient to make the payments required by Section 4 hereof.

SECTION 3. Use of Moneys in Escrow Fund.

(a) The Escrow Agent hereby acknowledges deposit of the moneys described in Section 1 hereof and agrees to invest a portion of such moneys credited to the Escrow Fund described in Section 2 in the Federal Securities specified in Schedule I hereto.

(b) The Owners of the 2009 Bonds shall have a first and exclusive lien on the moneys and Federal Securities, if any, in the Escrow Fund until such moneys and Federal Securities, if any, are used and applied as provided in this Escrow Agreement and the 2009 Indenture to pay the principal of and interest on the 2009 Bonds through and including, and to redeem the then remaining 2009 Bonds on, the Redemption Date.

(c) The Escrow Agent shall not be held liable for investment losses resulting from compliance with the provisions of this Escrow Agreement.

SECTION 4. Payment of 2009 Bonds. From the invested money and proceeds of Federal Securities held in the Escrow Fund, the Escrow Agent shall apply such amounts to the payment of principal of and interest on the 2009 Bonds through and including the Redemption Date and to the payment of the Redemption Price of the remaining 2009 Bonds on the Redemption Date, all as set forth in Schedule II hereto. To the extent that the amount on deposit in the Escrow Fund on the Redemption Date is in excess of the amount necessary to make the required payments with respect to the 2009 Bonds, such excess shall be transferred to the City.

SECTION 5. Irrevocable Instructions to Provide Notice. The City hereby irrevocably instructs the Escrow Agent, as trustee for the 2009 Bonds, to give, within five business days of delivery of the Refunding Bonds, notice of defeasance of the 2009 Bonds to the Owners thereof, substantially in the form set forth in Exhibit A hereto. The City hereby irrevocably instructs the Escrow Agent, as trustee for the 2009 Bonds, to give, in accordance with the provisions of the 2009 Indenture, at least 30 but not more than 60 days prior to the Redemption Date, notice of redemption of the then remaining 2009 Bonds to the Owners thereof, substantially in the form set forth in Exhibit B hereto.

SECTION 6. Substitution of Government Obligations. (a) Upon the written direction of the City, subject to the conditions and limitations set forth in paragraph (c) below, the Escrow Agent shall sell, transfer and request the redemption of or otherwise dispose of the initial Federal Securities held in and credited to the Escrow Fund; provided that, subject to paragraph (c) below, there are substituted therefor and delivered to the Escrow Agent other Federal Securities as hereinafter provided.

(b) Upon the written direction of the City, subject to the conditions and limitations set forth in paragraph (c) below, the Escrow Agent shall reinvest cash balances in the Escrow Fund in Federal Securities; provided, that any such securities purchased pursuant to this paragraph (b)

shall mature (1) on the next Interest Payment Date for any of the 2009 Bonds or (2) on such other date or dates necessary to meet the requirements of Section 4 hereof, as certified by a nationally recognized firm of independent certified public accountants.

(c) The City, by this Escrow Agreement, hereby covenants and agrees that it will not request the Escrow Agent to exercise any of the powers described in paragraph (a) or (b) above in any manner, which if such exercise of powers had been reasonably expected on the date of delivery of the 2009 Bonds, would cause any of the 2009 Bonds to be arbitrage bonds within the meaning of section 103(c) of the Internal Revenue Code of 1986 (the "Code"), and the regulations thereunder in effect on the date of such request and applicable to obligations issued on the date of such 2009 Bonds. Any purchase of substitute securities by the Escrow Agent shall be accomplished in accordance with paragraph (a) above to the extent such purchases are to be made with the proceeds derived from the sale, transfer, redemption or other disposition of the Federal Securities. Such sale, transfer, redemption or other disposition of the Federal Securities and such substitution may be effected only by a simultaneous transaction and only if (i) a nationally recognized firm of independent certified public accountants shall certify that (A) such substitute securities, together with the Federal Securities and cash which will continue to be held in the Escrow Fund, will mature in such principal amounts and earn interest in such amounts and at such times so that sufficient moneys will be available from such maturing principal and interest to pay, as the same become due, all principal, premium and interest payable with respect to the 2009 Bonds which have not previously been paid, and (B) the amounts and dates of the anticipated payments by the Escrow Agent of the principal, premium and interest payable with respect to the 2009 Bonds will not be diminished or postponed thereby, (ii) the Escrow Agent shall have received an opinion of nationally recognized bond counsel to the effect that the sale, transfer, redemption or other disposition and substitution of the Federal Securities does not cause interest on either the Refunding Bonds or the 2009 Bonds to be subject to federal income taxation under relevant provisions of the Code and the regulations thereunder in effect on the date of such sale, transfer, redemption or other disposition and substitution and applicable to obligations issued on the date of execution and delivery of the Refunding Bonds.

SECTION 7. Unclaimed Moneys. Subject to the laws of the State of California, any moneys which remain unclaimed for two years after the date when such moneys have become due and payable, shall, at the request of the City, be repaid by the Escrow Agent to the City as its absolute property and free from trust, and the Escrow Agent shall thereupon be released and discharged with respect thereto and the owners of the 2009 Bonds shall look only to the City for the payment thereof; provided, however, that before being required to make any such payment to the City, the Escrow Agent shall, at the expense of the City, cause to be mailed to the owners of the 2009 Bonds, a notice that said moneys remain unclaimed and that, after a date named in said notice, which date shall be not less than 30 days after the date of the mailing of such notice, the balance of such moneys then unclaimed will be returned to the City.

SECTION 8. Resignation and Removal of Escrow Agent. The Escrow Agent may at any time resign and be discharged of the duties and obligations hereunder by giving at least 30 days' notice to the City. The Escrow Agent may be removed at any time by an instrument in writing signed by the City. In either such event, the City shall appoint a successor escrow agent by an instrument in writing. Any such resignation or removal shall become effective upon acceptance of appointment of a successor escrow agent.

SECTION 9. Performance of Duties. The Escrow Agent agrees to perform only the duties set forth herein and shall have no responsibility to take any action or omit to take any action not set forth herein. Except as provided in Sections 2, 3 and 6 hereof, the Escrow Agent shall have no power or duty to invest any funds held under this Escrow Agreement or to sell, transfer or otherwise dispose of the moneys or Federal Securities, if any, held hereunder.

SECTION 10. Indemnity. The City hereby assumes liability for, and hereby agrees (whether or not any of the transactions contemplated hereby are consummated) to indemnify, protect, save and keep harmless the Escrow Agent and its respective successors, assigns, agents, employees and servants, from and against any and all liabilities, obligations, losses, damages, penalties, claims, actions, suits, costs, expenses and disbursements (including reasonable legal fees and disbursements) of whatever kind and nature which may be imposed on, incurred by, or asserted against, the Escrow Agent at any time (whether or not also indemnified against the same by the City or any other person under any other agreement or instrument, but without double indemnity) in any way relating to or arising out of the execution, delivery and performance of this Escrow Agreement, the establishment hereunder of the Escrow Fund, the acceptance of the funds and securities deposited therein, the purchase of the Federal Securities, if any, the retention of the Federal Securities, if any, or the proceeds thereof and any payment, transfer or other application of moneys or securities by the Escrow Agent in accordance with the provisions of this Escrow Agreement; provided, however, that the City shall not be required to indemnify the Escrow Agent against the Escrow Agent's own negligence or willful misconduct or the willful breach by the Escrow Agent of the terms of this Escrow Agreement. In no event shall the City or the Escrow Agent be liable to any person by reason of the transactions contemplated hereby other than to each other as set forth in this Section. The indemnities contained in this Section shall survive the termination of this Escrow Agreement.

SECTION 11. Liability of Escrow Agent. The Escrow Agent and its employees, agents and servants shall not be held to any personal liability whatsoever, in tort, contract, or otherwise, in connection with the execution and delivery of this Escrow Agreement, the establishment of the Escrow Fund, the acceptance of the moneys or securities deposited therein, the purchase of the Federal Securities, if any, the retention of the Federal Securities or the proceeds thereof, if any, the sufficiency of the Federal Securities, if any, to pay the 2009 Bonds or any payment, transfer or other application of moneys or obligations by the Escrow Agent in accordance with the provisions of this Escrow Agreement or by reason of any non-negligent act, non-negligent omission or non-negligent error of the Escrow Agent made in good faith in the conduct of its duties. The recitals of fact contained in the "Whereas" clauses herein shall be taken as the statements of the City. The Escrow Agent assumes no responsibility for the correctness of the recitals of fact contained in the "Whereas" clauses. The Escrow Agent makes no representation as to the sufficiency of the Federal Securities, if any, to accomplish the redemption of the 2009 Bonds or to the validity of this Escrow Agreement as to the City and, except as otherwise provided herein, the Escrow Agent shall incur no liability in respect thereof. The Escrow Agent shall not be liable in connection with the performance of its duties under this Escrow Agreement except for its own negligence, willful misconduct or default, and the duties and obligations of the Escrow Agent shall be determined by the express provisions of this Escrow Agreement. The Escrow Agent may consult with counsel, who may or may not be counsel to the City, and in reliance upon the written opinion of such counsel shall have full and complete authorization and protection in respect of any action taken, suffered or omitted by it in

good faith in accordance therewith. Whenever the Escrow Agent shall deem it necessary or desirable that a matter be proved or established prior to taking, suffering, or omitting any action under this Escrow Agreement, such matter may be deemed to be conclusively established by a certificate signed by an officer of the City.

SECTION 12. Amendments. This Escrow Agreement is made for the benefit of the City and the owners of the 2009 Bonds and it shall not be repealed, revoked, altered or amended without the written consent of all such owners, the Escrow Agent, and the City; provided, however, that the City and the Escrow Agent may, without the consent of, or notice to, such owners, amend this Escrow Agreement or enter into such agreements supplemental to this Escrow Agreement as shall not adversely affect the rights of such owners and as shall not be inconsistent with the terms and provisions of this Escrow Agreement or the 2009 Indenture, for any one or more of the following purposes: (i) to cure any ambiguity or formal defect or omission in this Escrow Agreement and (ii) to include under this Escrow Agreement additional funds, securities or properties. The Escrow Agent shall be entitled to rely conclusively upon an unqualified opinion of nationally recognized municipal bond counsel with respect to compliance with this Section, including the extent, if any, to which any change, modification, addition or elimination affects the rights of the owners of the 2009 Bonds or that any instrument executed hereunder complies with the conditions and provisions of this Section.

SECTION 13. Term. This Escrow Agreement shall commence upon its execution and delivery and shall terminate on the later to occur of either (i) the date upon which all of the 2009 Bonds have been paid or redeemed in accordance with this Escrow Agreement or (ii) the date upon which no unclaimed moneys remain on deposit with the Escrow Agent pursuant to Section 4 of this Escrow Agreement.

SECTION 14. Compensation. The Escrow Agent shall receive its reasonable fees and expenses as previously agreed to by the Escrow Agent and the City; provided, however, that under no circumstances shall the Escrow Agent be entitled to any lien whatsoever on any moneys or obligations in the Escrow Fund for the payment of fees and expenses for services rendered or expenses incurred by the Escrow Agent under this Escrow Agreement.

SECTION 15. Severability. If any one or more of the covenants or agreements provided in this Escrow Agreement on the part of the City or the Escrow Agent to be performed should be determined by a court of competent jurisdiction to be contrary to law, such covenants or agreements shall be null and void and shall be deemed separate from the remaining covenants and agreements herein contained and shall in no way affect the validity of the remaining provisions of this Escrow Agreement.

SECTION 16. Counterparts. This Escrow Agreement may be executed in several counterparts, all or any of which shall be regarded for all purposes as an original but all of which shall constitute and be but one and the same instrument.

SECTION 17. Governing Law. THIS ESCROW AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF CALIFORNIA.

SECTION 18. Insufficient Funds. If at any time the moneys and investments in the Escrow Fund, including the anticipated proceeds of and earnings thereon, will not be sufficient to make all payments required by this Escrow Agreement, the Escrow Agent shall notify the City in writing, immediately upon becoming aware of such deficiency, of the amount thereof and the reason therefor, if known. The Escrow Agent shall have no further responsibility regarding any such deficiency. No provision of this Escrow Agreement shall require the Escrow Agent to expend or risk its own funds or otherwise incur any financial liability in the performance or exercise of any of its duties hereunder, or in the exercise of its rights or powers.

IN WITNESS WHEREOF, the parties hereto have caused this Escrow Agreement to be executed by their duly authorized officers and attested as of the date first above written



CITY OF SOUTH PASADENA

By _____
Finance Director

WELLS FARGO BANK, NATIONAL
ASSOCIATION,
as Escrow Agent

By _____
Authorized Officer



EXHIBIT A

NOTICE OF DEFEASANCE

SOUTH PASADENA PUBLIC FINANCING AUTHORITY
2009 WATER REVENUE BONDS

<u>Maturity Date</u> <u>(October 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>CUSIP*</u> <u>(839270)</u>
2017	\$815,000	3.500	AE5
2018	845,000	3.500	AF2
2019	875,000	3.750	AG0
2020	910,000	4.000	AH8
2021	950,000	4.250	AJ4
2022	995,000	4.500	AK1
2023	1,040,000	4.500	AL9
2024	1,090,000	4.625	AM7
2029	6,335,000	5.000	AN5
2034	11,620,000	5.000	AP0
2039	14,920,000	5.000	AQ8

Redemption Date: October 1, 2019

NOTICE IS HEREBY GIVEN to the owners of the above-captioned Bonds (the "Bonds") of the South Pasadena Public Financing Authority (the "Authority") that the City of South Pasadena (the "City") has deposited with Wells Fargo Bank, National Association, as escrow agent (the "Escrow Agent") under the Escrow Agreement, dated as of November 1, 2016 (the "Escrow Agreement"), between the City and the Escrow Agent, certain moneys in accordance with that certain Indenture, dated as of May 1, 2009 (the "2009 Indenture"), by and between the Authority and Wells Fargo Bank, National Association, as trustee, pursuant to which the Bonds were issued, pursuant to Section 8.1 of the 2009 Indenture, for purposes of defeasance and redemption.

In accordance with the 2009 Indenture, from and after the aforementioned deposit, the Bonds are deemed paid and the pledge provided for in the 2009 Indenture with respect to the Bonds and all other pecuniary obligations of the Authority under the 2009 Indenture with respect to the Bonds has ceased and terminated, except for the obligation of the Escrow Agent to pay or cause to be paid to the owners of the Bonds all sums due with respect thereto, but only from moneys on deposit under the Escrow Agreement.

* None of the City, the Authority or the Escrow Agent shall be responsible for the selection or use of the CUSIP Numbers, nor is any representation made as to their correctness indicated in this Notice of Defeasance. They are included solely for the convenience of the Owners of the Bonds.

Dated: November __, 2016

WELLS FARGO BANK, NATIONAL
ASSOCIATION,
as Escrow Agent



EXHIBIT B

NOTICE OF REDEMPTION

SOUTH PASADENA PUBLIC FINANCING AUTHORITY
2009 WATER REVENUE BONDS

<u>Maturity Date</u> <u>(October 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>CUSIP*</u> <u>(839270)</u>
2020	\$ 910,000	4.000%	AH8
2021	950,000	4.250	AJ4
2022	995,000	4.500	AK1
2023	1,040,000	4.500	AL9
2024	1,090,000	4.625	AM7
2029	6,335,000	5.000	AN5
2034	11,620,000	5.000	AP0
2039	14,920,000	5.000	AQ8

Redemption Date: October 1, 2019

NOTICE IS HEREBY GIVEN to the owners of the above-captioned Bonds (the "Bonds") of the South Pasadena Public Financing Authority (the "Authority") that the City of South Pasadena (the "City") has deposited with Wells Fargo Bank, National Association, as escrow agent (the "Escrow Agent") under the Escrow Agreement, dated as of November 1, 2016 (the "Escrow Agreement"), between the City and the Escrow Agent, certain moneys in accordance with that certain Indenture, dated as of May 1, 2009 (the "2009 Indenture"), by and between the Authority and Wells Fargo Bank, National Association, as trustee, pursuant to which the Bonds were issued, pursuant to Section 8.1 of the 2009 Indenture, for purposes of defeasance and redemption.

NOTICE IS HEREBY FURTHER GIVEN to the owners of the Bonds that pursuant to the 2009 Indenture, the Bonds, in the aggregate principal amount of \$____, are being called for redemption on October 1, 2019 (the "Redemption Date"), at a redemption price of 102% of the principal amount redeemed, plus interest accrued to the Redemption Date (the "Redemption Price"). From and after the Redemption Date interest on the Bonds shall cease to accrue and be payable.

Bonds called for redemption must be surrendered for payment by hand or by mail at the following location:

* None of the City, the Authority or the Escrow Agent shall be responsible for the selection or use of the CUSIP Numbers, nor is any representation made as to their correctness indicated in this Notice of Defeasance. They are included solely for the convenience of the Owners of the Bonds.

VERIFY ADDRESS DETAILS]

If by First Class/Registered/Certified Mail:

Wells Fargo Bank,
National Association
707 Wilshire Boulevard, 17th Floor
Los Angeles, California 90017
Attention: Corporate Trust Services

Express Delivery Only:

Wells Fargo Bank,
National Association
707 Wilshire Boulevard, 17th Floor
Los Angeles, California 90017
Attention: Corporate Trust Services

By Hand Only:

Wells Fargo Bank,
National Association
707 Wilshire Boulevard, 17th Floor
Los Angeles, California 90017
Attention: Corporate Trust Services

Owners presenting their Bonds in person for same day payment **must** surrender their Bonds by 1:00 P.M. on the Redemption Date and a check will be available for pick up after 2:00 P.M. Checks not picked up by 4:30 P.M. will be mailed out to the Owner via first class mail. If payment of the Redemption Price is to be made to the registered owner of the Bonds, endorsement of the Bonds is not required to collect the Redemption Price.

For Bonds surrendered by mail, the use of registered or certified mail is suggested.

IMPORTANT NOTICE

Under the provisions of the Jobs and Growth Tax Relief Reconciliation Act of 2003 (the "Act"), in making payment of interest or principal with respect to the Bonds the Escrow Agent may be obligated to withhold 28% of the principal of an Owner who has failed to furnish the Escrow Agent with a valid taxpayer identification number and a certification that the Owner is not subject to backup withholding under the Act. Owners of the Bonds who wish to avoid the application of these provisions should submit a completed IRS Form W-9 when presenting their Bonds for payment.

Dated: _____, 2019

WELLS FARGO BANK, NATIONAL
ASSOCIATION,
as Escrow Agent

SCHEDULE I

INITIAL FEDERAL SECURITIES IN ESCROW FUND

<u>Type of Security</u>	<u>Type of SLGS</u>	<u>Maturity Date</u>	<u>First Interest Payment Date</u>	<u>Par Amount</u>	<u>Rate</u>	<u>Max Rate</u>
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SCHEDULE II

PAYMENT REQUIREMENTS OF THE 2009 BONDS

Payment <u>Date</u>	<u>Interest</u>	<u>Principal</u>	<u>Total</u>
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ATTACHMENT 3
Indenture of Trust

INDENTURE OF TRUST

Dated as of November 1, 2016

by and between

CITY OF SOUTH PASADENA

and

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.
as Trustee

Authorizing the Issuance of

\$ _____
City of South Pasadena
2016 Water Revenue Refunding Bonds

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INDENTURE OF TRUST

This INDENTURE OF TRUST, dated as of November 1 (this "Indenture"), 2016, is by and between the CITY OF SOUTH PASADENA, a municipal corporation duly organized and existing under and by virtue of the laws of the State of California (the "City"), and THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., a national banking association duly organized and existing under and by virtue of the laws of the United States of America, being qualified to accept and administer the trusts hereby created (the "Trustee");

WITNESSETH:

WHEREAS, the South Pasadena Public Financing Authority (the "Authority") previously issued its 2009 Water Revenue Bonds (the "2009 Bonds"), of which \$40,395,000 remains outstanding; and

WHEREAS, the 2009 Bonds are secured by installment payments made by the City under an Installment Purchase Agreement, dated as of May 1, 2009 (the "2009 Installment Agreement"), by and between the City and the Authority;

WHEREAS, for the purpose of refunding its obligations under the 2009 Installment Agreement, the City has determined to issue its 2016 Water Revenue Refunding Bonds (the "Bonds") in the aggregate principal amount of \$_____, pursuant to and secured by this Indenture in the manner provided herein; and

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

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

NOW, THEREFORE, THIS INDENTURE WITNESSETH, that in order to secure the payment of the principal of and the interest on all Bonds at any time issued and outstanding 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 Bonds are to be issued and received, and in consideration of the premises and of the mutual covenants herein contained and of the purchase and acceptance of the Bonds by the owners thereof, and for other valuable considerations, the receipt whereof is hereby acknowledged, the City does hereby covenant and agree with the Trustee, for the benefit of the respective owners from time to time of the Bonds, as follows:

ARTICLE I.

DEFINITIONS; CONTENT OF CERTIFICATES AND OPINIONS

Section 1.01. Definitions. Unless the context otherwise requires, the terms defined in this Section 1.01 shall, for all purposes of this Indenture and of any indenture supplemental hereto and of any certificate, opinion or other document herein mentioned, have the meanings herein specified, to be equally applicable to both the singular and plural forms of any of the terms herein defined.

“Annual Debt Service” means, for any Fiscal Year, the sum of (1) the interest accruing on all Parity Debt during such Fiscal Year, assuming that all Parity Debt is retired as scheduled, plus (2) the principal amount (including principal due as sinking fund installment payments) allocable to all Parity Debt in such Fiscal Year, calculated as if such principal amounts were deemed to accrue daily during such Fiscal Year in equal amounts from, in each case, each payment date for principal or the date of delivery of such Parity Debt (provided that principal shall not be deemed to accrue for greater than a 365-day period prior to any payment date), as the case may be, to the next succeeding payment date for principal, provided, that the following adjustments shall be made to the foregoing amounts in the calculation of Annual Debt Service:

(A) with respect to any such Parity Debt bearing or comprising interest at other than a fixed interest rate, the rate of interest used to calculate Annual Debt Service shall be (i) with respect to such Parity Debt then outstanding, one hundred ten percent (110%) of the greater of (1) the daily average interest rate on such Parity Debt during the twelve (12) calendar months next preceding the date of such calculation (or the portion of the then current Fiscal Year that such Parity Debt has borne interest) or (2) the most recent effective interest rate on such Parity Debt prior to the date of such calculation or (ii) with respect to such Parity Debt then proposed to be issued, the then current 20-Bond GO Index rate as published in The Bond Buyer (or if The Bond Buyer or such index is no longer published, such other published similar index);

(B) with respect to any such Parity Debt having twenty-five percent (25%) or more of the aggregate principal amount thereof due in any one Fiscal Year, Annual Debt Service shall be calculated for the Fiscal Year of determination as if the interest on and principal of such Parity Debt were being paid from the date of incurrence thereof in substantially equal annual amounts over a period of twenty (20) years from the date of such Parity Debt; provided, however that the full amount of such Parity Debt shall be included in Annual Debt Service if the date of calculation is within 24 months of the actual maturity of the payment;

(C) with respect to any such Parity Debt or portions thereof bearing no interest but which are sold at a discount and which discount accretes with respect to such Parity Debt or portions thereof, such accreted discount shall be treated as due when scheduled to be paid;

(D) Annual Debt Service shall not include interest on Parity Debt which is to be paid from amounts constituting capitalized interest;

(E) if an interest rate swap agreement is in effect with respect to, and is payable on a parity with, any Parity Debt to which it relates, no amounts payable under such interest rate swap in excess of debt service payable under such Parity Debt agreement shall be included in the calculation of Annual Debt Service unless the sum of (i) the interest payable on such Parity Debt, plus (ii) the amounts payable by the City under such interest rate swap agreement, less (iii) the amounts receivable by the City under such interest rate swap agreement, are greater than the interest payable on such Parity Debt, in which case the amount of such payments to be made that exceed the interest to be paid on such Parity Debt shall be included in such calculation, and for this purpose, the variable amount under any such interest rate swap agreement shall be determined in accordance with the procedure set forth in subparagraph (A) of this definition;

(F) Repayment Obligations proposed to be entered into as Parity Debt shall be deemed to be payable at the scheduled amount due under such Repayment Obligation as calculated under this definition; and

(G) if interest on any Parity Debt is reasonably anticipated to be reimbursed to the City by the United States of America pursuant to a future program similar to the previously enacted Section 54AA of the Code, then interest payments with respect to such Parity Debt shall be reduced by the amount of such interest reasonably anticipated to be paid or reimbursed by the United States of America.

“Authority” means the South Pasadena Public Financing Authority, a joint exercise of powers agency duly organized and existing under and by virtue of the laws of the State of California.

“Authorized Denomination” means denominations of \$5,000 or any integral multiple thereof.

“Authorized Representative” means the Mayor, the City Manager, the Assistant City Manager, the Finance Director or any other person designated as an Authorized Representative of the City by a Written Certificate of the City signed by the Mayor or City Manager and filed with the Trustee.

“Bond Counsel” means (a) Norton Rose Fulbright US LLP, Los Angeles, California, or (b) any other attorney or firm of attorneys appointed by or acceptable to the City 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 Code.

“Bond Fund” means the fund by that name established pursuant to Section 5.03.

“Bond Law” means the Articles 10 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code of the State, as in existence on the Closing Date or as thereafter amended from time to time.

“Bond Proceeds Fund” means the fund by that name established and held by the Trustee pursuant to Section 3.02(b) hereof.

“Bond Year” means any twelve-month period commencing on October 2 in a year and ending on the next succeeding October 1, both dates inclusive; except that the first Bond Year shall commence on the Closing Date and end on October 1, 2017.

“Bonds” means the City of South Pasadena 2016 Water Revenue Refunding Bonds, authorized by and at any time Outstanding pursuant to the Bond Law and the Indenture.

“Business Day” means a day which is not a Saturday, Sunday or legal holiday on which banking institutions in the State of California, or in any state in which the Trust Office is located, are closed. If any payment hereunder is due on a day which is not a Business Day, such payment shall be made on the next succeeding Business Day with the same effect as if made on such previous day.

“City” means the City of South Pasadena, California, a municipal corporation duly organized and existing under and by virtue of the laws of the State of California.

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

“Closing Date” means _____, 2016, being the date of delivery of the Bonds to the Original Purchaser.

“Code” means the Internal Revenue Code of 1986, as amended.

“Costs of Issuance” means all expenses incurred in connection with the authorization, issuance, sale and delivery of the Bonds and the application of the proceeds of the Bonds, including but not limited to all compensation, fees and expenses (including but not limited to fees and expenses for legal counsel) of the City, initial fees and expenses of the Trustee and Escrow Agent and their counsel, title insurance premiums, municipal bond insurance premiums and other costs of credit enhancement, appraisal fees, compensation to any financial consultants or underwriters, legal fees and expenses, filing and recording costs, rating agency fees, costs of preparation and reproduction of documents and costs of printing.

“Costs of Issuance Fund” means the fund by that name established and held by the Trustee pursuant to Section 3.03.

“DTC” means The Depository Trust Company, New York, New York, and its successors and assigns.

“Escrow Agent” means Wells Fargo Bank, National Association, as escrow agent under the Escrow Agreement.

“Escrow Agreement” means the Escrow Agreement, dated as of _____ 1, 2016, by and between the City and the Escrow Agent.

“Escrow Fund” means the fund by that name created under the Escrow Agreement.

“Event of Default” means any of the events specified in Section 7.01.

"Federal Securities" means any of the following, provided that such securities are eligible for "AAA" defeasance under then-existing S&P criteria:

1. U.S. Treasury Certificates, Notes and Bonds (including State and Local Government Series – "SLGs")

2. Direct obligations of the Treasury which have been stripped by the Treasury itself, CATS, TIGRS and similar securities

3. Resolution Funding Corp. (REFCORP). Only the interest component of REFCORP strips which have been stripped by request to the Federal Reserve Bank of New York in book entry form are acceptable.

4. Pre-refunded municipal bonds rated "Aaa" by Moody's and "AAA" by S&P. If however, the issue is only rated by S&P (i.e., there is no Moody's rating), then the pre-refunded bonds must have been pre-refunded with cash, direct U.S. or U.S. guaranteed obligations, or AAA rated pre-refunded municipals to satisfy this condition.

5. Obligations issued by the following agencies which are backed by the full faith and credit of the U.S.:

a. U.S. Export-Import Bank (Eximbank)

Direct obligations or fully guaranteed certificates of beneficial ownership

b. Farmers Home Administration (FmHA)

Certificates of beneficial ownership

c. Federal Financing Bank

d. General Services Administration

Participation certificates

e. U.S. Maritime Administration

Guaranteed Title XI financing

f. U.S. Department of Housing and Urban Development (HUD)

Project Notes

Local Authority Bonds

New Communities Debentures - U.S. government guaranteed debentures

U.S. Public Housing Notes and Bonds - U.S. government guaranteed public housing notes and bonds

“Fiscal Year” means any twelve-month period extending from July 1 in one calendar year to June 30 of the succeeding calendar year, both dates inclusive, or any other twelve-month period selected and designated by the City, as its official fiscal year period.

“Generally Accepted Accounting Principles” means the uniform accounting and reporting procedures set forth in publications of the American Institute of Certified Public Accountants or its successor, or by any other generally accepted authority on such procedures, and includes, as applicable, the standards set forth by the Governmental Accounting Standards Board or its successor.

“Guaranteed Investment Contracts” means investment agreements which allow for withdrawals at such times as required by the Indenture with providers whose unsecured obligations are rated by Moody’s and S&P in one of the two highest rating categories assigned by such agencies.

“Indenture” means this Indenture of Trust as originally executed or as it may from time to time be supplemented, modified or amended by any Supplemental Indenture pursuant to the provisions hereof.

“Independent Accountant” means any certified public accountant or firm of certified public accountants appointed and paid by the City, and who, or each of whom (a) is in fact independent and not under domination of the City; (b) does not have any substantial interest, direct or indirect, in the City, and (c) is not connected with the City as an officer or employee of the City but who may be regularly retained to make annual or other audits of the books of or reports to the City.

“Information Services” means Electronic Municipal Market Access system (referred to as “EMMA”), a facility of the Municipal Securities Rulemaking Board, at www.emma.msrb.org; and, in accordance with then current guidelines of the Securities and Exchange Commission, such other addresses and/or such other information services providing information with respect to called bonds as the City may designate in a Written Certificate of the City delivered to the Trustee.

“Interest Account” means the account by that name established in the Bond Fund pursuant to Section 5.03.

“Interest Payment Date” means each April 1 and October 1 of each year, commencing April 1, 2017.

“Law” means the laws of the State of California pursuant to which the City was formed and operates and Section 5451 of the Government Code of the State of California and in each case all laws amendatory thereof or supplemental thereto.

“Letter of Representations” means the letter of the City delivered to and accepted by DTC (or such other applicable Securities Depository) on or prior to the issuance of the Bonds in book entry form setting forth the basis on which DTC (or such other applicable Securities Depository) serves as depository for the Bonds issued in book entry form, as originally executed

or as it may be supplemented or revised or replaced by a letter to a substitute Securities Depository.

“Maximum Annual Debt Service” means, as of any date of calculation, the largest Annual Debt Service during the period from the date of such calculation through the final maturity date of all Parity Debt.

“Moody’s” means Moody’s Investors Service, its successors and assigns.

“Net Proceeds” means, when used with respect to any casualty insurance or condemnation award, the proceeds from such insurance or condemnation award remaining after payment of all expenses (including attorneys’ fees) incurred in the collection of such proceeds.

“Operation and Maintenance Costs” mean the reasonable and necessary costs paid or incurred by the City for maintaining and operating the System, determined in accordance with Generally Accepted Accounting Principles, including all reasonable expenses of management and repair and all other expenses necessary to maintain and preserve the System in good repair and working order, and including all administrative costs of the City that are charged directly or apportioned to the operation of the System, such as salaries and wages of employees, overhead, taxes (if any) and insurance premiums (including payments required to be paid into any self-insurance funds), and including all other reasonable and necessary costs of the City or charges required to be paid by it to comply with the terms hereof or of any Supplemental Indenture or of any resolution authorizing the execution of any Parity Debt, such as compensation, reimbursement and indemnification of the Trustee and the Authority and fees and expenses of Independent Certified Public Accountants; but excluding in all cases (i) payment of Parity Debt and Subordinate Obligations, (ii) costs of capital additions, replacements, betterments, extensions or improvements which under Generally Accepted Accounting Principles are chargeable to a capital account, and (iii) depreciation, replacement and obsolescence charges or reserves therefor and amortization of intangibles.

“Original Purchaser” means Stifel, Nicolaus & Company, Incorporated, as the original purchaser of the Bonds upon their delivery by the Trustee on the Closing Date.

“Outstanding,” when used as of any particular time with reference to Bonds, means (subject to the provisions of Section 11.09) all Bonds theretofore, or thereupon being, authenticated and delivered by the Trustee under this Indenture except: (a) Bonds theretofore canceled by the Trustee or surrendered to the Trustee for cancellation; (b) Bonds with respect to which all liability of the City shall have been discharged in accordance with Section 10.01, including Bonds (or portions thereof) described in Section 11.09; and (c) Bonds for the transfer or exchange of or in lieu of or in substitution for which other Bonds shall have been authenticated and delivered by the Trustee pursuant to this Indenture.

“Owner” or “Bondholder,” whenever used herein with respect to a Bond, means the person in whose name the ownership of such Bond is registered on the Registration Books.

“Parity Debt” means the Bonds and any Parity Obligations.

“Parity Obligation Payments” means the payments scheduled to be paid by the City under and pursuant to the Parity Obligations, which payments are secured by a pledge of System Net Revenues on a parity with the Bonds as provided herein.

“Parity Obligations,” means the 2013 Installment Payments and any leases, loan agreements, installment sale agreements, bonds, notes or other obligations of the City payable from and secured by a pledge of and lien upon any System Net Revenues on a parity with the Bonds pursuant to this Indenture.

“Permitted Investments” means:

1. (a) Non-callable direct obligations (other than an obligation subject to variation in principal repayment) of the United States of America (“United States Treasury Obligations”), (b) obligations fully and unconditionally guaranteed as to timely payment of principal and interest by the United States of America, (c) obligations fully and unconditionally guaranteed as to timely payment of principal and interest by any agency or instrumentality of the United States of America when such obligations are backed by the full faith and credit of the United States of America, or (d) evidences of ownership of proportionate interests in future interest and principal payments on obligations described above held by a bank or trust company as custodian, under which the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor and the underlying government obligations are not available to any person claiming through the custodian or to whom the custodian may be obligated.
2. Federal Housing Administration debentures.
3. The listed obligations of government-sponsored agencies which are not backed by the full faith and credit of the United States of America:
 - a) Federal Home Loan Mortgage Corporation (FHLMC)
 - b) Participation certificates (excluded are stripped mortgage securities which are purchased at prices exceeding their principal amounts) - Senior Debt obligations
 - c) Farm Credit Banks (formerly: Federal Land Banks, Federal Intermediate Credit Banks and Banks for Cooperatives) Consolidated system-wide bonds and notes
 - d) Federal Home Loan Banks (FHL Banks) Consolidated debt obligations
 - e) Federal National Mortgage Association (FNMA) Senior debt obligations Mortgage-backed securities (excluded are stripped mortgage securities which are purchased at prices exceeding their principal amounts)

- f) Student Loan Marketing Association (SLMA) Senior debt obligations (excluded are securities that do not have a fixed par value and/or whose terms do not promise a fixed dollar amount at maturity or call date)
 - g) Financing Corporation (FICO) Debt obligations
 - h) Resolution Funding Corporation (REFCORP) Debt obligations
4. Unsecured certificates of deposit, time deposits, and bankers' acceptances (having maturities of not more than 30 days) of any bank the short-term obligations of which are rated 'A-1' or better by S&P.
 5. Deposits the aggregate amount of which are fully insured by the Federal Deposit Insurance Corporation (FDIC) or collateralized by Permitted Investments described in clause 1, in banks which have capital and surplus of at least \$5 million.
 6. Commercial paper (having original maturities of not more than 270 days) rated 'A-1+' by S&P and 'Prime-1' by Moody's.
 7. Money market funds rated 'AAM' or 'AAM-G' by S&P, or better, including such funds for which the Trustee or an affiliate provides investment advice or other services.
 8. "State Obligations", which means:
 - a) Direct general obligations of any state of the United States of America or any subdivision or agency thereof to which is pledged the full faith and credit of a state the unsecured general obligation debt of which is rated 'A3' by Moody's and 'A' by S&P, or better, or any obligation fully and unconditionally guaranteed by any state, subdivision or agency whose unsecured general obligation debt is so rated.
 - b) Direct general short-term obligations of any state agency or subdivision or agency thereof described in (A) above and rated 'A-1+' by S&P and 'MIG-1' by Moody's.
 - c) Special Revenue Bonds (as defined in the United States Bankruptcy Code) of any state, state agency or subdivision described in (A) above and rated 'AA' or better by S&P and 'Aa' or better by Moody's.
 9. Pre-refunded municipal obligations rated "AAA" by S & P and "Aaa" by Moody's meeting the following requirements:
 - a) the municipal obligations are (1) not subject to redemption prior to maturity or (2) the trustee for the municipal obligations has been given irrevocable instructions concerning their call and redemption and the

issuer of the municipal obligations has covenanted not to redeem such municipal obligations other than as set forth in such instructions;

- b) the municipal obligations are secured by cash or United States Treasury Obligations which may be applied only to payment of the principal of, interest and premium on such municipal obligations;
- c) the principal of and interest on the United States Treasury Obligations (plus any cash in the escrow) has been verified by the report of independent certified public accountants to be sufficient to pay in full all principal of, interest, and premium, if any, due and to become due on the municipal obligations (“Verification”);
- d) the cash or United States Treasury Obligations serving as security for the municipal obligations are held by an escrow agent or trustee in trust for owners of the municipal obligations;
- e) no substitution of a United States Treasury Obligation shall be permitted except with another United States Treasury Obligation and upon delivery of a new Verification; and
- f) the cash or United States Treasury Obligations are not available to satisfy any other claims, including those by or against the trustee or escrow agent.

10. Repurchase agreements:

With (1) any domestic bank, or domestic branch of a foreign bank, the long term debt of which is rated at least “A” by S&P and Moody’s; or (2) any broker-dealer with “retail customers” or a related affiliate thereof which broker-dealer has, or the parent company (which guarantees the provider) of which has, long-term debt rated at least “A” by S&P and Moody’s, which broker-dealer falls under the jurisdiction of the Securities Investors Protection Corporation; or (3) any other entity rated “A” or better by S&P and Moody’s, provided that:

- a) The market value of the collateral is maintained at levels and upon such conditions as would be acceptable to S & P and Moody’s to maintain an “A” rating in an “A” rated structured financing (with a market value approach);
- b) The Trustee or a third party acting solely as agent therefor or for the City (the “Holder of the Collateral”) has possession of the collateral or the collateral has been transferred to the Holder of the Collateral in accordance with applicable state and federal laws (other than by means of entries on the transferor’s books);
- c) The repurchase agreement shall state and an opinion of counsel shall be rendered at the time such collateral is delivered that the Holder of the Collateral has a perfected first priority security interest in the collateral,

any substituted collateral and all proceeds thereof (in the case of bearer securities, this means the Holder of the Collateral is in possession);

- d) All other requirements of S&P in respect of repurchase agreements shall be met.
- e) The repurchase agreement shall provide that if during its term the provider's rating by either Moody's or S&P is withdrawn or suspended or falls below "A-" by S&P or "A3" by Moody's, as appropriate, the provider must, at the direction of the City or the Trustee, within 10 days of receipt of such direction, repurchase all collateral and terminate the agreement, with no penalty or premium to the City or Trustee.

Notwithstanding the above, if a repurchase agreement has a term of 270 days or less (with no evergreen provision), collateral levels need not be as specified in (A) above, so long as such collateral levels are 103% or better and the provider is rated at least "A" by S&P and Moody's, respectively.

11. Investment agreements with a domestic or foreign bank or corporation (other than a life or property casualty insurance company) the long-term debt of which, or, in the case of a guaranteed corporation the long-term debt, or, in the case of a monoline financial guaranty insurance company, claims paying ability, of the guarantor is rated at least "AA" by S&P and "Aa" by Moody's; provided that, by the terms of the investment agreement:

- a) interest payments are to be made to the Trustee at times and in amounts as necessary to pay debt service (or, if the investment agreement is for the construction fund, construction draws) on the Bonds;
- b) the invested funds are available for withdrawal without penalty or premium, at any time upon not more than seven days' prior notice; the City and the Trustee hereby agree to give or cause to be given notice in accordance with the terms of the investment agreement so as to receive funds thereunder with no penalty or premium paid;
- c) the investment agreement shall state that is the unconditional and general obligation of, and is not subordinated to any other obligation of, the provider thereof or, if the provider is a bank, the agreement or the opinion of counsel shall state that the obligation of the provider to make payments thereunder ranks pari passu with the obligations of the provider to its other depositors and its other unsecured and unsubordinated creditors;
- d) the City or the Trustee receives the opinion of domestic counsel (which opinion shall be addressed to the City) that such investment agreement is legal, valid, binding and enforceable upon the provider in accordance with its terms and of foreign counsel (if applicable);
- e) the investment agreement shall provide that if during its term

- i) the provider's rating by either S&P or Moody's falls below "AA-" or "Aa3", respectively, the provider shall, at its option, within 10 days of receipt of publication of such downgrade, either (i) collateralize the investment agreement by delivering or transferring in accordance with applicable state and federal laws (other than by means of entries on the provider's books) to the City, the Trustee or a third party acting solely as agent therefor (the "Holder of the Collateral") collateral free and clear of any third-party liens or claims the market value of which collateral is maintained at levels and upon such conditions as would be acceptable to S & P and Moody's to maintain an "A" rating in an "A" rated structured financing (with a market value approach); or (ii) repay the principal of and accrued but unpaid interest on the investment, and
 - ii) the provider's rating by either S&P or Moody's is withdrawn or suspended or falls below "A-" or "A3", respectively, the provider must, at the direction of the City or the Trustee, within 10 days of receipt of such direction, repay the principal of and accrued but unpaid interest on the investment, in either case with no penalty or premium to the City or Trustee, and
- f) The investment agreement shall state and an opinion of counsel shall be rendered, in the event collateral is required to be pledged by the provider under the terms of the investment agreement, at the time such collateral is delivered, that the Holder of the Collateral has a perfected first priority security interest in the collateral, any substituted collateral and all proceeds thereof (in the case of bearer securities, this means the Holder of the Collateral is in possession);
- g) the investment agreement must provide that if during its term
 - i) the provider shall default in its payment obligations, the provider's obligations under the investment agreement shall, at the direction of the City or the Trustee, be accelerated and amounts invested and accrued but unpaid interest thereon shall be repaid to the City or Trustee, as appropriate, and
 - ii) the provider shall become insolvent, not pay its debts as they become due, be declared or petition to be declared bankrupt, etc. ("event of insolvency"), the provider's obligations shall automatically be accelerated and amounts invested and accrued but unpaid interest thereon shall be repaid to the City or Trustee, as appropriate.

12. The Local Agency Investment Fund ("LAIF") of the State of California, created pursuant to Section 16429.1 of the California Government Code.

“Prior Liens” means those liens, if any, on the System Revenues which are senior to the pledge under this Indenture.

“Principal” or “Principal Amount” shall mean, as of any date of calculation, the principal amount of the Bonds.

“Principal Account” means the account by that name established in the Bond Fund pursuant to Section 5.03.

“Principal Payment Date” means each October 1 of each year, commencing October 1, 2017.

“Project” means the provision of public capital improvements of the City.

“Project Fund” means the fund by that name established pursuant to Section 3.04 hereof.

“Qualified Reserve Account Credit Instrument” means an irrevocable standby or direct-pay letter of credit or surety bond issued by a commercial bank or insurance company, deposited with the Trustee pursuant to the Indenture, provided that all of the following requirements are met: (i) at the time of delivery of such letter of credit or surety bond, the long-term credit rating of such bank is within the two highest rating categories of Moody’s or S&P, or the claims paying ability of such insurance company is rated within the highest rating category of A.M. Best & Company and S&P; (ii) such letter of credit or surety bond has a term which ends no earlier than the last Interest Payment Date of the series of Bonds to which the Reserve Requirement applies; (iii) 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 the Indenture; and (iv) the Trustee is authorized pursuant to the terms of such letter of credit or surety bond to draw thereunder amounts necessary to carry out the purposes specified in the Indenture, including the replenishment of the Interest Account or the Principal Account.

“Rate Stabilization Fund” means the fund by that name established pursuant to Section 5.4 of the 2004 Installment Purchase Agreement and continued by Section 5.4 of the 2009 Installment Purchase Agreement and further continued by Section 5.4 of the 2013 Installment Agreement and further continued by Section 5.09 hereof.

“Rating Agency” means at any time any nationally recognized rating agency including Fitch Ratings, Inc., Moody’s Investors Service or S&P.

“Record Date” means, with respect to any Interest Payment Date, the fifteenth (15th) calendar day of the month preceding such Interest Payment Date.

“Redemption Fund” means the fund by that name established pursuant to Section 5.08.

“Registration Books” means the records maintained by the Trustee pursuant to Section 2.06 for the registration and transfer of ownership of the Bonds.

“Reserve Account” means the account by that name in the Bond Fund established pursuant to Section 5.03.

“Reserve Requirement” means, as of any date of calculation, an amount equal to

“S&P” means S&P Global Ratings, a Standard & Poor’s Financial Services LLC business, its successors and assigns.

“Security Documents” shall mean all bond documents including the resolution, this Indenture, the Bonds and/or any additional or supplemental document executed in connection with the Bonds.

“Securities Depositories” means The Depository Trust Company, 55 Water Street, 50th Floor, New York, New York 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 City may designate in a Written Certificate of the City delivered to the Trustee.

“Serial Bonds” means the Bonds not subject to redemption from mandatory sinking fund payments.

“Sinking Account” means the account by that name in the Bond Fund established pursuant to Section 5.06.

“State” means the State of California.

“Supplemental Indenture” means any indenture hereafter duly authorized and entered into between the City and the Trustee, supplementing, modifying or amending this Indenture; but only if and to the extent that such Supplemental Indenture is specifically authorized hereunder.

“System” means, collectively, the entire water treatment, production, storage and distribution system owned or operated by the City, including but not limited to all facilities, properties and improvements at any time owned or operated by the City for the production, treatment and supply of water and recycled water to residents and other customers served thereby, whether within or without the City, and any necessary lands, rights, entitlements and other property useful in connection therewith, together with all extensions thereof and improvements thereto hereafter acquired, constructed or installed by the City.

“System Net Revenues” mean, for any period System Revenues less Operation and Maintenance Costs for such period; provided that certain adjustments in the amount of System Net Revenues deemed collected during a Fiscal Year may be made in connection with amounts deposited in the Rate Stabilization Fund as provided in Section 5.09 herein.

“System Revenue Fund” means the fund by that name established pursuant to Section 5.2 of the 2004 Installment Purchase Agreement and continued by Section 5.2 of the 2009 Installment Purchase Agreement and further continued by Section 5.2 of the 2013 Installment Purchase Agreement and continued by Section 5.01(b) of this Indenture.

“System Revenues” mean all gross income and revenue received or receivable by the City from the ownership or operation of the System, determined in accordance with Generally

Accepted Accounting Principles, including all fees (including connection fees), rates, charges and all amounts paid under any contracts received by or owed to the City in connection with the operation of the System and all proceeds of insurance relating to the System and investment income allocable to the System and all other income and revenue howsoever derived by the City from the ownership or operation of the System or arising from the System, subject to and after satisfaction of any Prior Liens. System Revenues shall include any amounts reimbursed to the City by the United States of America pursuant to a future program similar to the previously enacted Section 54AA of the Code.

“Subordinate Obligations” means the obligations of the City that are subordinate in payment to the Bonds.

“Tax Regulations” means temporary and permanent regulations promulgated under or with respect to sections 103 and 141 through 501 inclusive, of the Code.

“Trustee” means The Bank of New York Mellon Trust Company, N.A., a national banking association organized and existing under the laws of the United States of America, or its successor, as Trustee hereunder as provided in Section 8.01.

“Trust Office” means the corporate trust office of the Trustee at the address set forth in Section 11.07, or such other office designated by the Trustee from time to time and such office as the Trustee may designate in writing to the City from time to time as the place for transfer, registration, surrender, exchange or payment of the Bonds.

“2004 Installment Purchase Agreement” means the Installment Purchase Agreement, dated as of June 1, 2004, by and between the City and California Statewide Communities Development Authority.

“2009 Bonds” means the South Pasadena Public Financing Authority 2009 Water Revenue Bonds.

“2009 Installment Purchase Agreement” means the Installment Purchase Agreement, dated as of May 1, 2009, by and between the City and the Authority.

“2013 Installment Payments” means the installment payments payable by the City pursuant to the 2013 Installment Purchase Agreement.

“2013 Installment Purchase Agreement” means the Installment Purchase Agreement, dated as of March 1, 2013, by and between the City and the Authority.

“Undertaking To Provide Continuing Disclosure” shall mean the Continuing Disclosure Certificate, dated ___, 2016, executed by the City and described in Section 6.06 hereof.

“Written Certificate”, “Written Request” and “Written Requisition” of the means a written certificate, request or requisition signed in the name of the City by its corresponding Authorized Representative. Any such instrument and supporting opinions or representations, if any, may, but need not, be combined in a single instrument with any other instrument, opinion or

representation, and the two or more so combined shall be read and construed as a single instrument.

Section 1.02. Interpretation.

(a) Unless the context otherwise indicates, words expressed in the singular shall include the plural and vice versa and the use of the neuter; masculine, or feminine gender is for convenience only and shall be deemed to include the neuter, masculine or feminine gender, as appropriate.

(b) Headings of articles and sections herein and the table of contents hereof are solely for convenience of reference, do not constitute a part hereof and shall not affect the meaning, construction or effect hereof.

(c) All references herein to “Articles”, “Sections” and other subdivisions are to the corresponding Articles, Sections or subdivisions of this Indenture: the words “herein”, “hereof”, “hereby”, “hereunder” and other words of similar import refer to this Indenture as a whole and not to any particular Article, Section or subdivision hereof.

ARTICLE II.

THE BONDS

Section 2.01. Authorization of Bonds. The City hereby authorizes the issuance hereunder of the Bonds, which shall constitute special obligations of the City, for the purpose of providing funds to (i) refund the 2009 Bonds; (ii) [fund the Reserve Account]; and (iii) pay costs of issuance related to the Bonds. The Bonds are hereby designated the “City of South Pasadena 2016 Water Revenue Refunding Bonds”. The aggregate principal amount of Bonds initially issued and Outstanding under this Indenture shall equal _____ Dollars (\$_____). This Indenture constitutes a continuing agreement with the Trustee and the Owners from time to time of the Bonds to secure the full payment of the principal of and interest on all the Bonds, subject to the covenants, provisions and conditions herein contained.

Section 2.02. Terms of the Bonds. The Bonds shall be issued in fully registered form without coupons in Authorized Denominations. The Bonds shall initially be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York, and shall be evidenced by one Bond for each of the maturities in the principal amounts set forth below. DTC is hereby appointed depository for the Bonds, and registered ownership may not thereafter be transferred except as set forth in Section 2.04. The Bonds shall mature on October 1 in the years and in the amounts set forth below and shall bear interest on each Interest Payment Date at the rates set forth below.

<u>Maturity Date</u> <u>(October 1)</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>
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Interest on the Bonds shall be payable semi-annually on April 1 and October 1 calculated based on a 360-day year of twelve (12) thirty-day months on each Interest Payment Date, commencing April 1, 2017, 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 to the Owner at the address of such Owner as it appears on the Registration Books; provided however, that payment of interest or principal may be by wire transfer in immediately available funds to an account in the United States of America to any Owner of Bonds in the aggregate principal amount of \$1,000,000 or more who shall furnish written wire instructions to the Trustee prior to the applicable Record Date. Principal of any Bond shall be paid by check or wire of the Trustee upon presentation and surrender thereof at the Trust Office. Principal of and interest on the Bonds shall be payable in lawful money of the United States of America.

Each Bond shall be dated 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 [March 15, 2017], in which event it shall bear interest from the Closing Date; provided, however, that if, as of the date of authentication of any Bond, interest thereon is in default, such Bond shall bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment thereon.

Section 2.03. Transfer of Bonds. Subject to Section 2.05, any 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 Bond for cancellation, accompanied by delivery of a written instrument of transfer, duly executed in a form acceptable to the Trustee. Transfer of any Bond shall not be permitted by the Trustee during the period established by the Trustee for selection of Bonds for redemption or if such Bond has been selected for redemption pursuant to Article IV. Whenever any Bonds or Bonds shall be surrendered for transfer, the City shall execute and the Trustee shall authenticate and shall deliver a new Bond or Bonds of like tenor, interest rate, maturity and aggregate principal

amount in Authorized Denominations. The Trustee may require the Bond Owner requesting such transfer to pay any tax or other governmental charge required to be paid with respect to such transfer. Following the transfer of Bonds, the Trustee will cancel and destroy the Bonds it has received.

Section 2.04. Use of Securities Depository.

(a) The Bonds shall be initially registered as provided in Section 2.02. Registered ownership of the Bonds, or any portion thereof, may not thereafter be transferred except:

(i) to any successor of Cede & Co., as nominee of DTC, or its nominee, or to any substitute depository designated pursuant to clause (ii) of this subsection (a) hereof (a "substitute depository"); provided, that any successor of Cede & Co., as nominee of DTC or a substitute depository, shall be qualified under any applicable laws to provide the services proposed to be provided by it;

(ii) to any substitute depository, upon (1) the resignation of DTC or its successor (or any substitute depository or its successor) from its functions as depository, or (2) a determination by the City to substitute another depository for DTC (or its successor) because DTC or its successor (or any substitute depository or its successor) is no longer able to carry out its functions as depository; provided, that any such substitute depository shall be qualified under any applicable laws to provide the services proposed to be provided by it; or

(iii) to any person as provided below, upon (1) the resignation of DTC or its successor (or substitute depository or its successor) from its functions as depository, or (2) a determination by the City to remove DTC or its successor (or any substitute depository or its successor) from its functions as depository.

(iv) in the case of any transfer pursuant to clause (i) or clause (ii) of subsection (a) hereof, upon receipt of the Outstanding Bonds by the Trustee, together with a Written Request of the City to the Trustee, a new Bond for each maturity shall be authenticated and delivered in the aggregate principal amount of the Bonds then Outstanding, registered in the name of such successor or such substitute depository, or their nominees, as the case may be, all as specified in such Written Request of the City.

(v) in the case of any transfer pursuant to clause (iii) of subsection (a) hereof, upon receipt of the Outstanding Bonds by the Trustee, together with a Written Request of the City to the Trustee, new Bonds shall be authenticated and delivered in such denominations numbered in the manner determined by the Trustee and registered in the names of such persons as are requested in such a Written Request of the City, subject to the limitations of Section 2.02 hereof; provided, the Trustee shall not be required to deliver such Bonds within a period less than sixty (60) days from the date of receipt of such a Request of the City. After any transfer pursuant to this subsection, the Bonds shall be transferred pursuant to Section 2.03.

(vi) the City and the Trustee shall be entitled to treat the person in whose name any Bond is registered as the Owner thereof for all purposes of the Indenture and any applicable laws, notwithstanding any notice to the contrary received by the Trustee or the

City; and the City and the Trustee shall have no responsibility nor shall they have any liability for transmitting payments to, communication with, notifying, or otherwise dealing with any beneficial owners of the Bonds, and neither the City nor the Trustee will have any responsibility or obligations, legal or otherwise, to the beneficial owners or to any other party, including DTC or its successor (or substitute depository or its successor), except for the Owner of any Bonds.

(vii) so long as the Outstanding Bonds are registered in the name of Cede & Co. or is registered assigns, the City and the Trustee shall cooperate with Cede & Co., as sole registered Owner, or its registered assigns in effecting payment of the principal of and interest on the Bonds by arranging for payment in such manner that funds for such payments are properly identified and are made immediately available on the date they are due.

(viii) notwithstanding anything to the contrary contained herein, so long as the Bonds are registered as provided in this Section 2.04, payment of principal of and interest on the Bonds shall be made in accordance with the Letter of Representations delivered to DTC with respect to the Bonds.

Section 2.05. Exchange of Bonds. Any Bond may be exchanged at the Trust Office for a like aggregate principal amount of Bonds of other authorized denominations and of like maturity. Exchange of any Bond shall not be permitted during the period established by the Trustee for selection of Bonds for redemption or if such Bond has been selected for redemption pursuant to Article IV. The Trustee shall require the Bond Owner requesting such exchange to pay any tax or other governmental charge required to be paid with respect to such exchange.

Section 2.06. Registration Books. The Trustee will keep or cause to be kept, at the Trust Office, sufficient records for the registration and transfer of ownership of the Bonds, which shall at all reasonable times be open to inspection during regular business hours by the City and the Owners with reasonable prior notice; 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 such records, the ownership of the Bonds as hereinbefore provided.

Section 2.07. Form and Execution of Bonds. The Bonds shall be substantially in the form attached hereto as Exhibit A and hereby made a part hereof. The Bonds shall be signed in the name and on behalf of the City with the manual or facsimile signatures of the Mayor and attested with the manual or facsimile signature of the City Clerk of the City or any assistant duly appointed by the City Council, and shall be delivered to the Trustee for authentication by it. In case any officer of the City who shall have signed any of the Bonds shall cease to be such officer before the Bonds so signed shall have been authenticated or delivered by the Trustee or issued by the City, such Bonds may nevertheless be authenticated, delivered and issued and, upon such authentication, delivery and issue, shall be as binding upon the City as though the individual who signed the same had continued to be such officer of the City. Also, any Bond may be signed on behalf of the City by any individual who on the actual date of the execution of such Bond shall be the proper officer although on the nominal date of such Bond such individual shall not have been such officer.

Only such of the Bonds as shall bear thereon a certificate of authentication in substantially the form set forth in Exhibit A, manually executed 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 the Bonds so authenticated have been duly authenticated and delivered hereunder and are entitled to the benefits of this Indenture.

Section 2.08. Temporary Bonds. The Bonds may be issued in temporary form exchangeable for definitive Bonds when ready for delivery. Any temporary Bonds may be printed, lithographed or typewritten, shall be of such denominations as may be determined by the City, shall be in fully registered form without coupons and may contain such reference to any of the provisions of this Indenture as may be appropriate. Every temporary Bond shall be executed by the City and authenticated by the Trustee upon the same conditions and in substantially the same manner as the definitive Bonds. If the City issues temporary Bonds it will execute and deliver definitive Bonds as promptly thereafter as practicable, and thereupon the temporary Bonds may be surrendered, for cancellation, at the Trust Office and the Trustee shall authenticate and deliver in exchange for such temporary Bonds an equal aggregate principal amount of definitive Bonds of authorized denominations. Until so exchanged, the temporary Bonds shall be entitled to the same benefits under this Indenture as definitive Bonds authenticated and delivered hereunder. Following any exchange of Bonds, the Trustee will cancel and destroy the Bonds it has received.

Section 2.09. Bonds, Mutilated, Lost, Destroyed or Stolen. If any Bond shall become mutilated, the City, at the expense of the Owner of said Bond, shall execute, and the Trustee shall thereupon authenticate and deliver, a new Bond of like series, tenor, and Authorized Denomination in exchange and substitution for the Bond so mutilated, but only upon surrender to the Trustee of the Bond so mutilated. Every mutilated Bond so surrendered to the Trustee shall be canceled by it and destroyed. If any Bond shall be lost, destroyed or stolen, evidence of such loss, destruction or theft may be submitted to the City and the Trustee and, if such evidence be satisfactory to them and indemnity for them satisfactory to the City and the Trustee shall be given, the City, at the expense of the Owner of such lost, destroyed or stolen Bond, shall execute, and the Trustee shall thereupon authenticate and deliver, a new Bond of like series and tenor in lieu of and in substitution for the Bond so lost, destroyed or stolen (or if any such Bond shall have matured or shall have been called for redemption, instead of issuing a substitute Bond, the Trustee may pay the same without surrender thereof) upon receipt of the aforementioned indemnity. The City may require payment by the Owner of a sum not exceeding the actual cost of preparing each new Bond issued under this Section 2.09 and of the expenses which may be incurred by the City and the Trustee. Any Bond issued under the provisions of this Section 2.09 in lieu of any Bond alleged to be lost, destroyed or stolen shall constitute an original additional contractual obligation on the part of the City whether or not the Bond so alleged to be lost, destroyed or stolen be at any time enforceable by anyone, and shall be entitled to the benefits of this Indenture with all other Bonds secured by this Indenture.

Section 2.10. CUSIP Numbers. The Trustee and the City shall not be liable for any defect or inaccuracy in the CUSIP number that appears on any Bond or in any redemption notice. The Trustee may, in its discretion, include in any redemption notice a statement to the effect that the CUSIP numbers on the Bonds have been assigned by an independent service and are included in such notice solely for the convenience of the Owners and that neither the Trustee nor the City shall be liable for any inaccuracies in such numbers.

Section 2.11. Parity Obligations. (a) The City covenants that no additional bonds or other indebtedness shall be issued or incurred on a basis senior to the Bonds that are payable out of the System Net Revenues in whole or in part. Except for obligations incurred to prepay or post a security deposit for the payment of the Bonds or Parity Obligations, the City may issue or incur Parity Obligations during the term of the Bonds only if:

(1) The City shall be in compliance with all agreements, conditions, covenants and terms contained herein and in all Supplemental Indentures required to be observed or performed by it, and a Written Certificate of the City to that effect shall have been filed with the Trustee (this condition shall not apply where the purpose of the proposed Parity Obligations is to cure such non-compliance);

(2) The Parity Obligations shall have been duly authorized pursuant to the Law and all applicable laws.

(3) The System Net Revenues for the last completed Fiscal Year or any 12 consecutive months within the last 18 months preceding the date of execution of such Parity Obligations, as shown by a Written Certificate of the City on file with the Trustee, plus an allowance for increased System Net Revenues arising from any increase in the rates, fees and charges of the System which was duly adopted by the City Council prior to the date of the execution of such Parity Obligations but which, during all or any part of such 12 month period, was not in effect, in an amount equal to the amount by which the System Net Revenues would have been increased if such increase in rates, fees and charges had been in effect during the whole of such 12 month period, as shown by a Written Certificate of the City on file with the Trustee, shall have produced a sum equal to at least 120 percent of the Maximum Annual Debt Service as calculated after the execution of such Parity Obligations; provided, that in the event that all or a portion of such Parity Obligations are to be issued for the purpose of refunding and retiring any Parity Obligations then outstanding, interest and principal payments on the Parity Obligations to be so refunded and retired from the proceeds of such Parity Obligations being issued shall be excluded from the foregoing computation of Maximum Annual Debt Service; provided further, that the City may at any time issue a Parity Obligations without compliance with the foregoing conditions if the Annual Debt Service for each Fiscal Year during which such Parity Obligations is outstanding will not be increased by reason of the issuance of such Parity Debt; and provided further, an adjustment shall be made in the amount of System Net Revenues as provided in Section 5.09 hereof; provided further that for purposes of the calculation in this Section 2.11(a)(3), any amounts reimbursed to the City by the United States of America pursuant to a future program similar to the previously enacted Section 54AA of the Code shall not be included in System Revenues.

(b) Additional obligations may be issued on a basis subordinate to the Bonds to the extent required and shall be in all respects, including security and payment, subordinate and junior to the Bonds and the replenishment of the Reserve Account for the Bonds.

ARTICLE III.

ISSUANCE OF BONDS AND APPLICATION OF PROCEEDS

Section 3.01. Issuance of the Bonds. At any time after the execution of this Indenture, the City may execute and the Trustee shall authenticate and, upon the Written Request of the City, deliver Bonds in the aggregate principal amount of _____ Dollars (\$_____).

Section 3.02. Application of the Proceeds of the Bonds. The proceeds received from the sale of the Bonds (\$_____, including net original issue premium and excluding underwriter's discount), together with certain other available moneys in the amount of \$_____ transferred to the Trustee by the trustee for the 2009 Bonds, including amounts held in the project fund established under the indenture for the 2009 bonds, shall be deposited by the Trustee into the Bond Proceeds Fund, which is hereby established, and shall thereafter be applied as follows:

- (a) The Trustee shall deposit the amount of \$_____ in the Costs of Issuance Fund;
- (b) The Trustee shall transfer the amount of \$_____ to Escrow Agent for deposit in the Escrow Fund held under the Escrow Agreement; and
- (c) The Trustee shall deposit the amount of \$_____ to the Project Fund, consisting entirely of proceeds of the 2009 Bonds.

After moneys in the Bond Proceeds Fund have been applied as described above, the Trustee shall close the Bond Proceeds Fund.

The Trustee may, in its discretion, establish additional accounts in its books and records to facilitate the transfer of moneys.

Section 3.03. Establishment and Application of Costs of Issuance Fund. The Trustee shall establish, maintain and hold in trust a separate fund designated as the "Costs of Issuance Fund." The moneys in the Costs of Issuance Fund shall be used and withdrawn by the Trustee to pay the Costs of Issuance upon submission of Written Requisitions of the City stating the person to whom payment is to be made, the amount to be paid, the purpose for which the obligation was incurred and that such payment is a proper charge against said fund. The Trustee has no obligation at any time to monitor the applications of any moneys paid pursuant to a Written Requisition of the City. Ninety days after the Closing Date, or upon the earlier Written Request of the City, all amounts remaining in the Costs of Issuance Fund shall be transferred by the Trustee to the Interest Account of the Bond Fund and the Costs of Issuance Fund shall be closed.

Section 3.04. Establishment and Application of the Project Fund. The Trustee shall establish and maintain a separate fund designated the "Project Fund." On the Closing Date, the Trustee shall deposit in the Project Fund the amount required to be deposited therein pursuant to Section 3.02 hereof.

The moneys in the Project Fund shall be used and withdrawn by the Trustee from time to time upon submission to the Trustee of a Written Requisition of the City substantially in the form attached hereto as Exhibit B. Upon receipt of each such Written Requisition of the City, the Trustee shall pay the amount set forth in such Written Requisition of the City as directed by the terms thereof.

Upon completion of the Project, all amounts remaining on deposit in the Project Fund shall be transferred to the Interest Account and used to pay interest on the Bonds in accordance with Section 5.04 hereof, and upon such transfer the Project Fund shall be closed.

Section 3.05. Validity of Bonds. The recital contained in the Bonds that the same are issued pursuant to the Constitution and laws of the State shall be conclusive evidence of their validity and of compliance with the provisions of law in their issuance.

ARTICLE IV.

REDEMPTION OF BONDS

Section 4.01. Terms of Redemption.

(a) Optional Redemption. The Bonds maturing on or after October 1, 20__ shall be subject to optional redemption, as a whole or in part on any date prior to the maturity thereof, at the option of the City, on or after October 1, 20__, from funds derived by the City from any source, at the redemption price equal to the principal amount of Bonds to be redeemed together with accrued interest, without premium.

(b) Mandatory Sinking Account Redemption. The Term Bonds maturing on October 1, ____ are subject to mandatory redemption, in part by lot, from Sinking Account payments set forth in the following schedule on October 1 in each year, commencing October 1, ____, at a redemption price equal to the principal amount thereof to be redeemed (without premium), together with interest accrued thereon to the date fixed for redemption; provided, however, that if some but not all of the Term Bonds have been redeemed pursuant to subsection (b), the total amount of Sinking Account payments to be made subsequent to such redemption shall be reduced in an amount equal to the principal amount of the Term Bonds so redeemed by reducing each such future Sinking Account payment on a pro rata basis (as nearly as practicable) in integral multiples of \$5,000, as shall be designated pursuant to written notice filed by the City with the Trustee.

Schedule of Sinking Account Payments for Term Bonds
Maturing October 1, 20__

Redemption Date (October 1)	Principal Amount
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In lieu of such redemption, the Trustee may apply amounts in the Sinking Account to the purchase of Term Bonds at public or private sale, as and when and at such prices (including brokerage and other charges, but excluding accrued interest, which is payable from the Interest Account) as may be directed by the City, except that the purchase price (exclusive of accrued interest) may not exceed the redemption price then applicable to the Term Bonds, as set forth in a Written Request of the City. The par amount of Term Bonds so purchased by the City in any twelve-month period immediately preceding any mandatory Sinking Account payment date in the table above will be credited towards and will reduce the principal amount of Term Bonds required to be redeemed on the succeeding Principal Payment Date.

Section 4.02. Selection of Bonds for Redemption. Whenever provision is made in Section 4.01 of this Indenture for the redemption of less than all of the Bonds, the Trustee shall select the Bonds to be redeemed from all Bonds or such given portion thereof not previously called for redemption, pro rata by maturity or, at the election of the City set forth in a Written Request of the City, filed with the Trustee, from such maturities as the City shall determine, and by lot within a maturity in any manner which the Trustee, in its sole discretion, shall deem appropriate and fair. Any such determination shall be deemed conclusive. For purposes of such selection, the Trustee shall treat each Bond as consisting of separate \$5,000 portions and each such portion shall be subject to redemption as if such portion were a separate Bond.

Section 4.03. Notice of Redemption. The City shall give the Trustee notice of its determination to redeem any Bonds in accordance with Section 4.01(a) not less than 60 days and no more than 90 days prior to the date fixed for redemption. Notice of redemption shall be mailed by first class mail, postage prepaid, not less than twenty (20) nor more than sixty (60) days before any redemption date, to respective Owners of any Bonds designated for redemption at their addresses appearing on the Registration Books, and by first class mail, facsimile or electronic mails, to the Securities Depositories and to the Information Services. Each notice of redemption shall state the date of the notice, the redemption date, the place or places of redemption, whether less than all of the Bonds (or all Bonds of a single maturity or series) are to be redeemed, the CUSIP numbers and (if less than all Bonds of a maturity are redeemed) Bond numbers of the Bonds to be redeemed, the maturity or maturities of the Bonds to be redeemed and in the case of Bonds to be redeemed in part only, the respective portions of the principal amount thereof to be redeemed. Each such notice shall also state that on the redemption date there will become due and payable on each of said Bonds the redemption price thereof, and that from and after such redemption date interest thereon shall cease to accrue, and shall require that such Bonds be then surrendered. Neither the failure to receive any notice nor any defect therein shall affect the proceedings for such redemption or the cessation of accrual of interest from and after the redemption date. Notice of redemption of Bonds shall be given by the Trustee, at the expense of the City, for and on behalf of the City.

If at the time of mailing of any notice of optional redemption there shall not have been deposited with the Trustee moneys sufficient to redeem all the Bonds called for redemption, such notice shall state that it is subject to the deposit of the redemption moneys with the Trustee not later than the opening of business on the redemption date and will be of no effect unless such moneys are so deposited.

The City shall have the right to rescind any notice of optional redemption by written notice to the Trustee on or prior to the date fixed for redemption. Any notice of such redemption shall be cancelled and annulled if for any reason funds will not be or are not available on the date fixed for redemption for the payment in full of the Bonds then called for redemption, and such cancellation shall not constitute an Event of Default hereunder. The City 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.

Section 4.04. Partial Redemption of Bonds. Upon surrender of any Bonds redeemed in part only, the City shall execute and the Trustee shall authenticate and deliver to the Owner thereof, at the expense of the City, a new Bond or Bonds of authorized denominations equal in aggregate principal amount to the unredeemed portion of the Bonds surrendered.

Section 4.05. Effect of Redemption. Notice of redemption having been duly given as aforesaid, and moneys for payment of the redemption price of, together with interest accrued to the date fixed for redemption on, the Bonds (or portions thereof) so called for redemption being held by the Trustee, on the redemption date designated in such notice, the Bonds (or portions thereof) so called for redemption shall become due and payable, interest on the Bonds so called for redemption shall cease to accrue, said Bonds (or portions thereof) shall cease to be entitled to any benefit or security under this Indenture, and the Owners of said Bonds shall have no rights in respect thereof except to receive payment of the redemption price thereof.

All Bonds redeemed pursuant to the provisions of this Article shall be canceled by the Trustee upon surrender thereof and destroyed.

ARTICLE V.

REVENUES; FUNDS AND ACCOUNTS; PAYMENT OF PRINCIPAL AND INTEREST

Section 5.01. Pledge and Assignment; Transfers to Bond Fund.

(a) Pledge of System Net Revenues. All System Net Revenues, all amounts on deposit in the System Revenue Fund and any other amounts (including the proceeds of the sale of the Bonds) held in any of the funds or accounts under the Indenture, are hereby irrevocably pledged, charged and assigned to the punctual payment of the principal of and interest on the Bonds, and except as otherwise provided herein the System Net Revenues and such other funds shall not be used for any other purpose so long as any of the Bonds remain Outstanding. This pledge, together with the pledge created by all other Parity Obligations, including the 2013 Installment Payments, shall constitute a first lien on System Net Revenues and, subject to application of amounts on deposit therein as permitted herein, the System Revenue Fund and other funds and accounts created hereunder for the payment of the principal of and interest on the Bonds and all other Parity Debt, including the 2013 Installment Payments, in accordance with the terms of this Indenture. All Net System Revenues collected or received by the City shall be deemed to be held, and to have been collected or received, by the City as the agent of the Trustee and shall be paid by the City to the Trustee pursuant hereto.

(b) Deposits Into System Revenue Fund; Transfers to Bond Fund. In order to carry out and effectuate the pledge and lien contained herein, the City agrees and covenants that all System Revenues received by the City shall be deposited when and as received in a special fund designated as the "System Revenue Fund", which fund was previously established by Section 5.2 of the 2004 Installment Purchase Agreement and was continued by Section 5.2 of the 2009 Installment Purchase Agreement and was furthered continued by Section 5.2 of the 2013 Installment Purchase Agreement and shall be continued by this Section and which fund the City agrees and covenants to maintain and to hold separate and apart from other funds so long as any Parity Debt remains unpaid. To the extent the City has established, or caused to be established, an existing fund which satisfies the foregoing requirements, then such shall be deemed to be the "System Revenue Fund" and the City shall not be required to create a new fund. The City may maintain separate accounts within the System Revenue Fund. The amounts in the System Revenue Fund shall be invested in Authorized Investments. Moneys in the System Revenue Fund shall be used and applied by the City as provided in this Indenture.

The City shall, from the moneys in the System Revenue Fund, pay all Operation and Maintenance Costs (including amounts reasonably required to be set aside in contingency reserves for Operation and Maintenance Costs, the payment of which is not then immediately required) as such Operation and Maintenance Costs become due and payable. Thereafter, all remaining moneys in the System Revenue Fund shall be set aside at the following times for the transfer to the following respective special funds in the following order of priority; and all moneys in each of such funds shall be held in trust and shall be applied, used and withdrawn only for the purposes set forth in this Section:

(i) Not later than the fifteenth day of the month prior to each related Interest Payment Date, the City shall, from the moneys in the System Revenue Fund, transfer to the Trustee for deposit into the Bond Fund the amount equal to (i) the aggregate amount of interest coming due and payable on the Bonds on the next succeeding Interest Payment Date; plus (ii) to the extent principal is due and payable on next succeeding Interest Payment Date, the aggregate amount of the principal (including any mandatory Sinking Account payments) coming due and payable on the next succeeding Principal Payment Date, which payments shall be made on a parity basis with any outstanding Parity Obligations. The City shall also, from the moneys in the System Revenue Fund, transfer to the applicable trustee for deposit in the respective funds, without preference or priority, and in the event of any insufficiency of such moneys ratably without any discrimination or preference, any other Parity Obligation Payments in accordance with the provisions of any Parity Obligation; and

(ii) On or before the first Business Day of each month, the City shall, from the remaining moneys in the System Revenue Fund, thereafter, without preference or priority, and in the event of any insufficiency of such moneys ratably without any discrimination or preference, transfer to the Trustee as provided in Section 5.03 hereof for deposit in the Bond Fund for application to the [Reserve Account] in accordance with the Indenture and transfer to the applicable trustee for such other reserve funds, if any, as may have been established in connection with Parity Obligations that sum, if any, necessary to restore the [Reserve Account] to an amount equal to the [Reserve Requirement] and otherwise replenish the [Reserve Account] for any withdrawals (including draws upon any credit facility) to pay the principal of and interest on the Bonds due hereunder and necessary to restore such other reserve funds to an amount equal

to the amount required to be maintained therein; provided that payments to restore the Reserve Account after a withdrawal may be made in monthly installments equal to 1/12 of the aggregate amount needed to restore the Reserve Account to the Reserve Requirement as of the date of the withdrawal. To the extent that draws on the Reserve Account are from a Qualified Reserve Account Credit Instrument, transfers hereunder to restore the Reserve Fund shall be made to reimburse the provider of such Qualified Reserve Account Credit Instrument.

Subject to the provisions of the instruments relating to the issuance of any Parity Obligations, moneys on deposit in the System Revenue Fund not necessary to make any of the payments required above, may be expended by the City at any time for any purpose permitted by law, including but not limited to deposits to the Rate Stabilization Fund, the payment of any subordinate obligations or any unsecured obligations, the costs for additional improvements, extensions, replacements and betterments to the System, and the prepayment of any obligations of the City relating to the System.

Section 5.02. Covenant Regarding System Net Revenues. The City shall manage, conserve and apply the System Net Revenues on deposit in the System Revenue Fund in such a manner that all deposits required to be made pursuant to the preceding Section 5.01 will be made at the times and in the amounts so required.

Section 5.03. Creation of Bond Fund and Accounts Therein; Allocation of System Net Revenues. There are hereby created the following funds and accounts to be held and administered by the Trustee pursuant to this Indenture: the Bond Fund, and, within the Bond Fund, the Interest Account, the Principal Account, the Sinking Account and the Reserve Account. On or before the fifth Business Day preceding each date on which interest on the Bonds becomes due and payable, the Trustee shall transfer from the Bond Fund and deposit into the following respective accounts (each of which the Trustee shall establish and maintain within the Bond Fund), the following amounts in the following order of priority, the requirements of each such account (including the making up of any deficiencies in any such account resulting from lack of System Net Revenues sufficient to make any earlier required deposit) at the time of deposit to be satisfied before any transfer is made to any account subsequent in priority:

(a) The Trustee shall deposit in the Interest Account an amount required to cause the aggregate amount on deposit in the Interest Account to be at least equal to the amount of interest becoming due and payable on such date on all Bonds then Outstanding on the next succeeding Interest Payment Date.

(b) The Trustee shall deposit in the Principal Account, the aggregate amount of principal becoming due and payable on the Outstanding Serial Bonds plus, deposit to the Sinking Account, the aggregate amount of the mandatory Sinking Account payment required to be paid for Outstanding Term Bonds on the next succeeding Principal Payment Date, until the balance in said accounts are equal to said respective aggregate amounts of such principal and mandatory Sinking Account payments.

(c) The Trustee shall deposit in the Reserve Account the amount, if any, required to restore the balance in the Reserve Account to the Reserve Requirement, the notice

of which deficiency shall have been given by the Trustee to the City pursuant to Section 5.07 hereof.

(d) The Trustee shall transfer any remaining amounts in the Bond Fund to the City for any lawful use with respect to the System.

Section 5.04. Application of Interest Account. All amounts in the Interest Account shall be used and withdrawn by the Trustee solely for the purpose of paying interest on the Bonds as it shall become due and payable (including accrued interest on any Bonds purchased or redeemed prior to maturity pursuant to this Indenture).

Section 5.05. Application of Principal Account. All amounts in the Principal Account shall be used and withdrawn by the Trustee solely to pay the principal amount of the Bonds at their respective maturity dates.

Section 5.06. Application of Sinking Account. All moneys on deposit in the Sinking Account shall be used and withdrawn by the Trustee for the sole purpose of redeeming or purchasing (in lieu of redemption) Term Bonds pursuant to Section 4.01(b).

Section 5.07. Application of Reserve Account. All amounts in the Reserve Account shall be used and withdrawn by the Trustee solely for the purpose of (a) paying interest on or principal of the Bonds, when due and payable to the extent that moneys deposited in the Interest Account or Principal Account, respectively, are not sufficient for such purpose, (b) paying the redemption price of Term Bonds to be redeemed pursuant to Section 4.01(a) in the event that amounts on deposit in the Sinking Account are not sufficient for such purpose, and (c) making the final payments of principal of and interest on the Bonds. On the date on which all Bonds shall be retired hereunder or provision made therefor pursuant to Article X, all moneys then on deposit in the Reserve Account shall be withdrawn by the Trustee and paid to the City for use by the City for any lawful purpose. If as of the first (1st) day of the month preceding any Interest Payment Date there shall be any deficiency in the Reserve Account (whether due to a payment therefrom or due to the fluctuation in market value of securities credited thereto, or otherwise), the Trustee shall promptly notify the City in writing of the amount of such deficiency and the City shall pay to the Trustee the amount of such deficiency as provided in Section 5.01(b) hereof. Semiannually, on or before each Interest Payment Date, the Trustee shall value the Reserve Account at fair market value and any amounts on deposit in the Reserve Account in excess of the Reserve Requirement shall be transferred to the Interest Account of the Bond Fund.

The Reserve Requirement may be satisfied by crediting to the Reserve Account moneys or a Qualified Reserve Account Credit Instrument or any combination thereof, which in the aggregate make funds available in the Reserve Account in an amount equal to the Reserve Requirement. Upon deposit of such Qualified Reserve Account Credit Instrument, the Trustee shall transfer any excess amounts then on deposit in the Reserve Account in excess of the Reserve Requirement into a segregated account of the Bond Fund, which monies shall be applied upon written direction of the City either (i) to the payment within one year of the date of transfer of capital expenditures of the City permitted by law, or (ii) to the redemption of Bonds on the earliest succeeding date on which such redemption is permitted hereby, and pending such application shall be held either not invested in investment property (as defined in section 148(b)

of the Code), or invested in such property to produce a yield that is not in excess of the yield on the Bonds; *provided, however*, that the City may by written direction to the Trustee cause an alternative use of such amounts if the City shall first have obtained a written opinion of nationally recognized bond counsel substantially to the effect that such alternative use will not adversely affect the exclusion pursuant to section 103 of the Code of interest on the Bonds from the gross income of the owners thereof for federal income tax purposes.

In any case where the Reserve Account is funded with a combination of cash and a Qualified Reserve Account Credit Instrument, the Trustee shall deplete all cash balances before drawing on the Qualified Reserve Account Credit Instrument. With regard to replenishment, any available moneys provided by the City shall be used first to reinstate the Qualified Reserve Account Credit Instrument and second, to replenish the cash in the Reserve Account. In the event the Qualified Reserve Account Credit Instrument is drawn upon, the City shall make payment of interest on amounts advanced under the Qualified Reserve Account Credit Instrument after making any payments pursuant to this subsection. Notwithstanding anything to the contrary set forth in this Indenture, amounts on deposit in the Reserve Account shall be applied solely to the payment of debt service due on the Bonds. With respect to the Bonds, the Reserve Requirement is satisfied by the deposit of the Reserve Policy in the Reserve Account on the Closing Date.

Section 5.08. Application of Redemption Fund. The Trustee shall establish and maintain the Redemption Fund, amounts in which shall be used and withdrawn by the Trustee solely for the purpose of paying the principal of the Bonds to be redeemed pursuant to Section 4.01(a); *provided, however*, that at any time prior to selection for redemption of any such Bonds, the Trustee may apply such amounts to the purchase of Bonds at public or private sale, as and when and at such prices (including brokerage and other charges, but excluding accrued interest, which is payable from the Interest Account) as shall be directed pursuant to a Written Request of the City, except that the purchase price (exclusive of accrued interest) may not exceed the redemption price then applicable to the Bonds.

Section 5.09. Rate Stabilization Fund. The City has previously established a special fund known as the "Rate Stabilization Fund" which is held and shall continue to be held by the City. The City may, during or within 210 days after a Fiscal Year, deposit surplus System Net Revenues transferred from the System Revenue Fund attributable to such Fiscal Year (on the basis of Generally Accepted Accounting Principles) into the Rate Stabilization Fund. The City may at any time withdraw moneys from the Rate Stabilization Fund and deposit such amounts into the System Revenue Fund. Notwithstanding anything to the contrary provided herein, System Net Revenues deposited into the Rate Stabilization Fund shall not be taken into account as System Net Revenues for purposes of the calculations in Sections 2.11 and 5.10(b) in the Fiscal Year to which such deposit is attributable, and amounts withdrawn from the Rate Stabilization Fund and deposited into the System Revenue Fund, during or within 210 days after a Fiscal Year, may be taken into account as System Revenues for purposes of the calculations required under Sections 2.11 and 5.10(b) in such Fiscal Year; *provided that*, for purposes of the calculation required under Section 5.10(b), the amount of System Net Revenues before any credits for withdrawals from the Rate Stabilization Fund may not be less than 100% of Maximum Annual Debt Service for outstanding Parity Debt; *provided further* that the foregoing provisions shall be subject to the rate stabilization fund provisions of any Parity Debt outstanding

as of the date hereof. The amounts in the Rate Stabilization Fund shall be invested in Permitted Investments.

Section 5.10. Rates and Charges.

(a) The City will, at all times while any of the Parity Debt remains unpaid, fix, prescribe and collect rates, fees and charges and manage the operation of the System for each Fiscal Year so as to yield System Revenues at least sufficient, after making reasonable allowances for contingencies and errors in the estimates, to pay the following amounts during such Fiscal Year:

(i) All current Operation and Maintenance Costs.

(ii) The payment of principal of and interest on the Bonds and the payments for the other Parity Debt and the payment of the Subordinate Obligations as they become due and payable.

(iii) All payments required for compliance with the terms hereof, including restoration of the Reserve Account to an amount equal to the Reserve Requirement, and the terms of any Supplemental Indenture.

(iv) All payments to meet any other obligations of the City which are charges, liens or encumbrances upon, or payable from, the System Net Revenues.

(b) In addition to the requirements of the foregoing subsection (a) of this Section, the City will, at all times while any Parity Debt remains unpaid, to the maximum extent permitted by law, fix, prescribe and collect rates, fees and charges and manage the operation of the System for each Fiscal Year so as to yield System Net Revenues during such Fiscal Year equal to at least 120% percent of the Annual Debt Service in such Fiscal Year; provided, an adjustment shall be made to the amount of System Net Revenues as provided in Section 5.09 hereof. For purposes of the calculation in this Section 5.10(b), any amounts reimbursed to the City by the United States of America pursuant to a future program similar to the previously enacted Section 54AA of the Code shall not be included in System Revenues.

The City may make or permit to be made adjustments from time to time in such rates, fees and charges and may make or permit to be made such classification thereof as it deems necessary, but shall not reduce or permit to be reduced such rates, fees and charges below those then in effect unless the System Revenues from such reduced rates, fees and charges will at all times be sufficient to meet the requirements of this Section.

Section 5.11. Budget and Appropriation of Debt Service Payments. So long as any Bonds remain Outstanding, the City covenants that it shall adopt and make all necessary budgets and appropriations of the Debt Service payments from the System Net Revenues. In the event any Debt Service payment requires the adoption by the City of any supplemental budget or appropriation, the City shall promptly adopt the same. The covenants on the part of the City contained in this Section 5.11 shall be deemed to be and shall be construed to be duties imposed by law and it shall be the duty of each and every public official of the City to take such action

and do such things as are required by law in the performance of the official duty of such officials to enable the City to carry out and perform the covenants and agreements in this Section 5.11.

Section 5.12. Special Obligation of the City; Obligations Absolute. The City's obligation to pay the Debt Service payments and any other amounts coming due and payable hereunder shall be a special obligation of the City limited solely to the System Net Revenues. Under no circumstances shall the City be required to advance moneys derived from any source of income other than the System Net Revenues and other sources specifically identified herein for the payment of the Debt Service payments, nor shall any other funds or property of the City be liable for the payment of the Debt Service payments and any other amounts coming due and payable hereunder.

The obligations of the City to make the Debt Service payments from the System Net Revenues and to perform and observe the other agreements contained herein shall be absolute and unconditional and shall not be subject to any defense or any right of setoff, counterclaim or recoupment arising out of any breach of the City or the Trustee of any obligation with respect to the System, whether hereunder or otherwise, or out of indebtedness or liability at any time owing to the City by the Trustee. Until such time as all of the Debt Service payments on the Bonds and all other amounts coming due and payable hereunder shall have been fully paid or prepaid, the City (a) will not suspend or discontinue payment of any Debt Service payments or such other amounts, and (b) will perform and observe all other agreements contained in this Indenture, including, without limiting the generality of the foregoing, the occurrence of any acts or circumstances that may constitute failure of consideration, eviction or constructive eviction, destruction of or damage to the System, sale of the System, the taking by eminent domain of title to or temporary use of any component of the System, commercial frustration of purpose, any change in the tax law or other laws of the United States of America or the State or any political subdivision of either thereof or any failure of the City or the Trustee to perform and observe any agreement, whether expressed or implied, or any duty, liability or obligation arising out of or connected with this Indenture.

Section 5.13. Investments. All moneys in any of the funds or accounts established with the Trustee pursuant to this Indenture shall be invested by the Trustee solely in Permitted Investments, which mature or are available on or before the dates on which such monies are anticipated to be needed. Moneys (if any) in the Reserve Account shall be invested in Permitted Investments maturing, except in the case of Permitted Investments qualifying as Guaranteed Investment Contracts, no later than five (5) years from the date of investment. Such investments shall be directed by the City pursuant to a Written Request of the City filed with the Trustee at least two (2) Business Days in advance of the making of such investments. In the absence of any such directions from the City, the Trustee shall invest any such moneys in Permitted Investments described in clause 7 of the definition thereof; provided, however, that any such investment shall be made by the Trustee only if, prior to the date on which such investment is to be made, the Trustee shall have received a written direction from the City specifying a specific money market fund and, if no such written direction is so received, the Trustee shall hold such moneys uninvested. Permitted Investments purchased as an investment of moneys in any fund shall be deemed to be part of such fund or account.

All interest or gain derived from the investment of amounts in any of the funds or accounts established hereunder shall be deposited in the Bond Fund, provided, however, that all earnings on the investment of amounts in the Reserve Account shall be retained therein to the extent required to maintain the Reserve Requirement, and, to the extent not so required, such amounts shall be deposited, when available, in the Bond Fund. For purposes of acquiring any investments hereunder, the Trustee may commingle funds held by it hereunder. The Trustee, or its affiliate, may act as principal or agent in the acquisition or disposition of any investment and may impose its customary charges therefor. The Trustee shall incur no liability for losses arising from any investments made pursuant to this Section 5.13.

The Trustee may sell at the best price reasonably obtainable, or present for prepayment, 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 any such Permitted Investment.

The Trustee shall furnish the City periodic cash transaction statements which include detail for all investment transactions effected by the Trustee or brokers selected by the City. Upon the City's election, such statements will be delivered via the Trustee's online service and upon electing such service, paper statements will be provided only upon request. The City waives the right to receive brokerage confirmations of security transactions effected by the Trustee as they occur, to the extent permitted by law. The City further understands that trade confirmations for securities transactions effected by the Trustee will be available upon request and at no additional cost and other trade confirmations may be obtained from the applicable broker

The Trustee may make any investments authorized hereunder through the Trustee's own bond or investment department or trust investment department, or those of its parent or any affiliate.

The Trustee or any of its affiliates may act as sponsor, advisor or manager in connection with any investments made by the Trustee hereunder.

Section 5.14. Valuation of Investments. For the purpose of determining the amount in any fund or account, the value of Permitted Investments credited to such fund or account shall be valued by the Trustee on or before each Interest Payment Date at the market value thereof (excluding any accrued interest). The Trustee may utilize computer pricing services as are available to it in making such valuations. Any deficiency in a fund or account resulting from a decline in market value shall be restored by the City no later than the next scheduled valuation date. A Qualified Reserve Account Credit Instrument shall be valued at the maximum amount that can be drawn on such a Qualified Reserve Account Credit Instrument.

ARTICLE VI.

PARTICULAR COVENANTS

Section 6.01. Punctual Payment; Compliance with Documents. The City shall punctually pay or cause to be paid the principal of and interest on all the Bonds in strict conformity with the terms of the Bonds and of this Indenture, according to the true intent and meaning thereof, but only out of System Net Revenues and other assets pledged for such payment as provided in this Indenture, and will faithfully observe and perform all of the conditions, covenants and requirements of this Indenture.

Section 6.02. Extension of Payment of Bonds. The City shall not directly or indirectly extend or assent to the extension of the maturity of any of the Bonds or the time of payment of any claims for interest by the purchase of such Bonds or by any other arrangement, and in case the maturity of any of the Bonds or the time of payment of any such claims for interest shall be extended, such Bonds or claims for interest shall not be entitled, in case of any default hereunder, to the benefits of this Indenture, except subject to the prior payment in full of the principal of all of the Bonds then Outstanding and of all claims for interest thereon which shall not have been so extended. Nothing in this Section 6.02 shall be deemed to limit the right of the City to issue Bonds for the purpose of refunding any Outstanding Bonds, and such issuance shall not be deemed to constitute an extension of maturity of the Bonds.

Section 6.03. Against Encumbrances. The City shall not create, or permit the creation of, any pledge, lien, charge or other encumbrance upon the System Net Revenues and other assets pledged or assigned under this Indenture while any of the Bonds are Outstanding, except the pledge and assignment created by this Indenture. Subject to this limitation, the City expressly reserves the right to enter into one or more other indentures for any of its corporate purposes, and reserve the right to issue other obligations for such purposes.

Section 6.04. Power to Issue Bonds and Make Pledge and Assignment. The City is duly authorized pursuant to law to issue the Bonds and to enter into this Indenture and to pledge and assign the System Net Revenues and other assets purported to be pledged and assigned under this Indenture in the manner and to the extent provided in this Indenture. The Bonds and the provisions of this Indenture are and will be the legal, valid and binding special obligations of the City in accordance with their terms, and the City and the Trustee shall at all times, subject to the provisions of Article VIII and to the extent permitted by law, use reasonable efforts to defend, preserve and protect said pledge and assignment of System Net Revenues and other assets and all the rights of the Bond Owners under this Indenture against all claims and demands of all persons whomsoever.

Section 6.05. 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 industry standards, in which complete and accurate entries shall be made of all transactions made by it relating to the proceeds of Bonds and all funds and accounts established pursuant to this Indenture. The Trustee shall, upon the written request of the holder of any of the Outstanding Bonds, provide a copy of the periodic statements relating to the Bonds. Such books of record

and account shall be available for inspection by the City during business hours and under reasonable circumstances.

The City shall at all times keep, or cause to be kept, proper books of record and account prepared in accordance with industry standards in which complete and accurate entries shall be made of all transactions made by it relating to System Net Revenues and all funds and accounts established pursuant to this Indenture. The City shall cause to be performed a component audit of the System to be completed within 180 days of the end of each Fiscal Year.

Section 6.06. Continuing Disclosure. The City hereby covenants and agrees that it will comply with and carry out all of the provisions of its Undertaking To Provide Continuing Disclosure with respect to the Bonds, as originally executed and as it may be amended from time to time in accordance with the terms thereof. Notwithstanding any other provision of this Indenture, failure of the City to comply with such Undertaking to Provide Continuing Disclosure shall not be considered an Event of Default; however, any Bondholder may take such actions, as provided in such Undertaking To Provide Continuing Disclosure, as may be necessary and appropriate to cause the City to comply with its obligations under such Undertaking To Provide Continuing Disclosure.

Section 6.07. Covenants to Maintain Tax-Exempt Status. The City covenants as follows in this Section.

(a) Definitions. When used in this Section, the following terms have the following meanings:

"Closing Date" means the date on which the Bonds are first authenticated and delivered to the initial purchasers against payment therefor.

"Computation Date" has the meaning set forth in Section 1.148-1(b) of the Regulations.

"Gross Proceeds" means any proceeds as defined in Section 1.148-1(b) of the Regulations, and any replacement proceeds as defined in Section 1.148-1(c) of the Regulations, of the Bonds.

"Investment" has the meaning set forth in Section 1.148-1(b) of the Regulations.

"Nonpurpose Investment" means any investment property, as defined in section 148(b) of the Code, in which Gross Proceeds of the Bonds are invested and which is not acquired to carry out the governmental purposes of the Bonds.

"Rebate Amount" has the meaning set forth in Section 1.148-1(b) of the Regulations.

"Regulations" means any proposed, temporary, or final Income Tax Regulations issued pursuant to Sections 103 and 141 through 150 of the Code, and 103 of the Internal Revenue Code of 1954, which are applicable to the Bonds. Any reference to any specific Regulation shall also mean, as appropriate, any proposed, temporary or final Income Tax Regulation designed to supplement, amend or replace the specific Regulation referenced.

"Yield" of

- (1) any Investment has the meaning set forth in Section 1.148-5 of the Regulations; and
- (2) the Bonds has the meaning set forth in Section 1.148-4 of the Regulations.

(b) Not to Cause Interest to Become Taxable. The City shall not use, permit the use of, or omit to use Gross Proceeds or any other amounts (or any property the acquisition, construction or improvement of which is to be financed directly or indirectly with Gross Proceeds) in a manner which if made or omitted, respectively, would cause the interest on any Bond to become includable in the gross income, as defined in section 61 of the Code, of the owner thereof for federal income tax purposes. Without limiting the generality of the foregoing, unless and until the City receives a written opinion of counsel nationally recognized in the field of municipal bond law to the effect that failure to comply with such covenant will not adversely affect the exemption from federal income tax of the interest on any Bond, the City shall comply with each of the specific covenants in this Section.

(c) No Private Use or Private Payments. Except as permitted by section 141 of the Code and the Regulations and rulings thereunder, the City shall at all times prior to the last stated maturity of Bonds:

- (1) exclusively own, operate and possess all property the acquisition, construction or improvement of which is to be financed or refinanced directly or indirectly with Gross Proceeds of the Bonds (including property financed with Gross Proceeds of the 2009 Bonds), and not use or permit the use of such Gross Proceeds (including all contractual arrangements with terms different than those applicable to the general public) or any property acquired, constructed or improved with such Gross Proceeds in any activity carried on by any person or entity (including the United States or any agency, department and instrumentality thereof) other than a state or local government, unless such use is solely as a member of the general public; and

- (2) not directly or indirectly impose or accept any charge or other payment by any person or entity who is treated as using Gross Proceeds of the Bonds or any property the acquisition, construction or improvement of which is to be financed or refinanced directly or indirectly with such Gross Proceeds (including property financed with Gross Proceeds of the 2009 Bonds), other than taxes of general application within the Issuer or interest earned on investments acquired with such Gross Proceeds pending application for their intended purposes.

(d) No Private Loan. Except to the extent permitted by section 141 of the Code and the Regulations and rulings thereunder, the City shall not use Gross Proceeds of the Bonds to make or finance loans to any person or entity other than a state or local government. For purposes of the foregoing covenant, such Gross Proceeds are considered to be "loaned" to a person or entity if: (1) property acquired, constructed or improved with such Gross Proceeds is sold or leased to such person or entity in a transaction which creates a debt for federal income tax purposes; (2) capacity in or service from such property is committed to such person or entity under a take-or-pay, output or similar contract or arrangement; or (3) indirect benefits, or

burdens and benefits of ownership, of such Gross Proceeds or any property acquired, constructed or improved with such Gross Proceeds are otherwise transferred in a transaction which is the economic equivalent of a loan.

(e) Not to Invest at Higher Yield. Except to the extent permitted by section 148 of the Code and the Regulations and rulings thereunder, the Issuer shall not at any time prior to the final stated maturity of the Bonds directly or indirectly invest Gross Proceeds in any Investment, if as a result of such investment the Yield of any Investment acquired with Gross Proceeds, whether then held or previously disposed of, exceeds the Yield of the Bonds.

(f) Not Federally Guaranteed. Except to the extent permitted by section 149(b) of the Code and the Regulations and rulings thereunder, the City shall not take or omit to take any action which would cause the Bonds to be federally guaranteed within the meaning of section 149(b) of the Code and the Regulations and rulings thereunder.

(g) Information Report. The City shall timely file the information required by section 149(e) of the Code with the Secretary of the Treasury on Form 8038-G or such other form and in such place as the Secretary may prescribe.

(h) Rebate of Arbitrage Profits. Except to the extent otherwise provided in section 148(f) of the Code and the Regulations and rulings thereunder:

(1) The City shall account for all Gross Proceeds (including all receipts, expenditures and investments thereof) on its books of account separately and apart from all other funds (and receipts, expenditures and investments thereof) and shall retain all records of accounting for at least six years after the day on which the last outstanding Bond is discharged. However, to the extent permitted by law, the City may commingle Gross Proceeds of the Bonds with other money of the Issuer, provided that the City separately accounts for each receipt and expenditure of Gross Proceeds and the obligations acquired therewith.

(2) Not less frequently than each Computation Date, the City shall calculate the Rebate Amount in accordance with rules set forth in section 148(f) of the Code and the Regulations and rulings thereunder. The City shall maintain such calculations with its official transcript of proceedings relating to the issuance of the Bonds until six years after the final Computation Date.

(3) As additional consideration for the purchase of the Bonds by the initial purchasers and the loan of the money represented thereby and in order to induce such purchase by measures designed to ensure the excludability of the interest thereon from the gross income of the owners thereof for federal income tax purposes, the City shall pay to the United States the amount that when added to the future value of previous rebate payments made for the Bonds equals (i) in the case of a Final Computation Date as defined in Section 1.148-3(e)(2) of the Regulations, one hundred percent (100%) of the Rebate Amount on such date; and (ii) in the case of any other Computation Date, ninety percent (90%) of the Rebate Amount on such date. In all cases, the rebate payments shall be made at the times, in the installments, to the place and in the manner as is or may be

required by section 148(f) of the Code and the Regulations and rulings thereunder, and shall be accompanied by Form 8038-T or such other forms and information as is or may be required by Section 148(f) of the Code and the Regulations and rulings thereunder.

(4) The City shall exercise reasonable diligence to assure that no errors are made in the calculations and payments required by paragraphs (2) and (3), and if an error is made, to discover and promptly correct such error within a reasonable amount of time thereafter (and in all events within one hundred eighty (180) days after discovery of the error), including payment to the United States of any additional Rebate Amount owed to it, interest thereon, and any penalty imposed under Section 1.148-3(h) of the Regulations.

(i) Not to Divert Arbitrage Profits. Except to the extent permitted by section 148 of the Code and the Regulations and rulings thereunder, the City shall not, at any time prior to the earlier of the stated maturity or final payment of the Bonds, enter into any transaction that reduces the amount required to be paid to the United States pursuant to Subsection (h) of this Section because such transaction results in a smaller profit or a larger loss than would have resulted if the transaction had been at arm's length and had the Yield of the Bonds not been relevant to either party.

(j) Elections. The City hereby directs and authorizes any District Representative to make elections permitted or required pursuant to the provisions of the Code or the Regulations, as they deem necessary or appropriate in connection with an issue of Tax-Exempt Bonds, in the Tax Certificate or similar or other appropriate certificate, form or document.

(k) Bonds Not Hedge Bonds.

(1) At the time the original bonds refunded by the Bonds were issued, the City reasonably expected to spend at least 85% of the spendable proceeds of such bonds within three years after such bonds were issued.

(2) Not more than 50% of the proceeds of the original bonds refunded by the Bonds were invested in Nonpurpose Investments having a substantially guaranteed Yield for a period of 4 years or more.

(l) Qualified Advance Refunding. The Bonds are issued exclusively to refund the 2009 Bonds, and the Bonds will be issued more than 90 days before the redemption of the 2009 Bonds. The City represents as follows:

(1) The Bonds are the first advance refunding of the 2009 Bonds, within the meaning of section 149(d)(3) of the Code.

(2) The 2009 Bonds are being called for redemption, and will be redeemed not later than the earliest date on which such bonds may be redeemed.

(3) The initial temporary period under section 148(c) of the Code will end: (i) with respect to the proceeds of the Bonds not later than 30 days after the date of issue of such Bonds; and (ii) with respect to proceeds of the 2009 Bonds on the Closing Date if not ended prior thereto.

(4) On and after the date of issue of the Bonds, no proceeds of the 2009 Bonds will be invested in Nonpurpose Investments having a Yield in excess of the Yield on the 2009 Bonds.

(5) There is a present value savings associated with the refunding. In the issuance of the Bonds the City has neither: (i) overburdened the tax-exempt bond market by issuing more bonds, issuing bonds earlier or allowing bonds to remain outstanding longer than reasonably necessary to accomplish the governmental purposes for which the Bonds were issued; (ii) employed an "abusive arbitrage device" within the meaning of Section 1.148-10(a) of the Regulations; nor (iii) employed a "device" to obtain a material financial advantage based on arbitrage, within the meaning of section 149(d)(4) of the Code, apart from savings attributable to lower interest rates and reduced debt service payments in early years.

Section 6.08. Waiver of Laws. The City shall not at any time insist upon or plead in any manner whatsoever, or claim or take the benefit or advantage of, any stay or extension law now or at any time hereafter in force that may affect the covenants and agreements contained in this Indenture or in the Bonds, and all benefit or advantage of any such law or laws is hereby expressly waived by the City to the extent permitted by law.

Section 6.09. Protection of Security and Rights of Owners. The City will preserve and protect the security of the Bonds and the Owners. From and after the date of issuance of any Bonds, such Bonds shall be incontestable by the City.

Section 6.10. Further Assurances. The City will adopt, make, execute and deliver any and all such further resolutions, instruments and assurances as may be reasonably necessary or proper to carry out the intention or to facilitate the performance of this Indenture and for the better assuring and confirming unto the Owners of the Bonds of the rights and benefits provided in this Indenture.

Section 6.11. Maintenance, Utilities, Taxes and Assessments. So long as any Bonds remain Outstanding, all improvement, repair and maintenance of the System shall be the responsibility of the City, and the City shall pay for or otherwise arrange for the payment of all utility services supplied to the System, which may include, without limitation, janitor service, security, power, gas, telephone, light, heating, water and all other utility services, and shall pay for or otherwise arrange for the payment of the cost of the repair and replacement of the System resulting from ordinary wear and tear.

The City shall also pay or cause to be paid all taxes and assessments of any type or nature, if any, charged to the City affecting the System or its interest or estate therein; provided, however, that with respect to special assessments or other governmental charges that may lawfully be paid in installments over a period of years, the City shall be obligated to pay only such installments as are required to be paid so long as any Bonds remain Outstanding as and when the same become due.

The City may, at the City's expense and in its name, in good faith contest any such taxes, assessments, utility and other charges and, in the event of any such contest, may permit the taxes,

assessments or other charges so contested to remain unpaid during the period of such contest and any appeal therefrom unless the Trustee shall notify the City that, in its opinion, by nonpayment of any such items, the interest of the Owners of the Bonds hereunder will be materially adversely affected, in which event the City shall promptly pay such taxes, assessments or charges or provide the Trustee with full security against any loss which may result from nonpayment, in form satisfactory to the Trustee.

Section 6.12. Operation of System. The City covenants and agrees to operate the System in an efficient and economical manner and to operate, maintain and preserve the System in good repair and working order. The City covenants that, in order to fully preserve and protect the priority and security of the Bonds, the City shall pay from the System Revenues, and discharge all lawful claims for labor, materials and supplies furnished for or in connection with the System which, if unpaid, may become a lien or charge upon the System Revenues prior or superior to the lien granted hereunder, or which may otherwise impair the ability of the City to pay the debt service payments in accordance herewith.

Section 6.13. Public Liability and Property Damage Insurance. The City shall maintain or cause to be maintained, so long as any Bonds remain Outstanding, but only if and to the extent available at reasonable cost from reputable insurers, a standard comprehensive general insurance policy or policies in protection of the City and its members, officers, agents, assignees and employees. Said policy or policies shall provide for indemnification of said parties against direct or contingent loss or liability for damages for bodily and personal injury, death or property damage occasioned by reason of the operation of the System. Said policy or policies shall provide coverage in such liability limits and shall be subject to such deductibles as shall be customary with respect to works and property of a like character. Such liability insurance may be maintained as part of or in conjunction with any other liability insurance coverage carried by the City, and may be maintained in whole or in part in the form of self-insurance by the City, in the form of the participation by the City in a joint powers agency or other program providing pooled insurance. The proceeds of such liability insurance shall be applied toward extinguishment or satisfaction of the liability with respect to which such proceeds shall have been paid.

Section 6.14. Casualty Insurance. The City shall procure and maintain, or cause to be procured and maintained, so long as any Bonds remain Outstanding, but only in the event and to the extent available from reputable insurers at reasonable cost, casualty insurance against loss or damage to any improvements constituting any part of the System, covering such hazards as are customarily covered with respect to works and property of like character. Such insurance may be subject to deductible clauses which are customary for works and property of a like character. Such insurance may be maintained as part of or in conjunction with any other casualty insurance carried by the City and may be maintained in whole or in part in the form of self-insurance by the City, subject to the provisions of Section 6.15, or in the form of the participation by the City in a joint powers agency or other program providing pooled insurance.

Section 6.15. Insurance Net Proceeds; Form of Policies.

(a) If all or any part of the System shall be damaged or destroyed, the Net Proceeds realized by the City therefrom shall be deposited by the City with the Trustee in a

special fund which the Trustee shall establish as needed in trust and applied by the City to the cost of acquiring and constructing additions, betterments, extensions or improvements to the System if (A) the City first secures and files with the Trustee a Written Certificate of the City showing (i) the loss in annual System Revenues, if any, suffered, or to be suffered, by the City by reason of such damage or destruction, (ii) a general description of the additions, betterments, extensions or improvements to the System then proposed to be acquired and constructed by the City from such proceeds, and (iii) an estimate of the additional System Revenues to be derived from such additions, betterments, extensions or improvements; and (B) the Trustee has been furnished a Written Certificate of the City, certifying that such additional System Revenues will sufficiently offset on a timely basis the loss of System Revenues resulting from such damage or destruction so that the ability of the City to pay principal and interest on the Bonds when due will not be substantially impaired, and such Written Certificate of the City shall be final and conclusive, and any balance of such proceeds not required by the City for such purpose shall be deposited in the System Revenue Fund and applied as provided in Section 5.01(b) hereof, provided, that if the foregoing conditions are not met, then such proceeds shall be deposited with the Trustee and applied to make principal and interest payments with respect to the Bonds as they come due and Parity Obligation Payments as they shall become due; provided further that the foregoing procedures for the application of Net Proceeds shall be subject to any similar provisions for Parity Debt on a pro rata basis.

If such damage or destruction has had no effect, or at most an immaterial effect, upon the System Revenues and the security of the Bonds, and a Written Certificate of the City to such effect has been filed with the Trustee, then the City shall forthwith deposit such proceeds in the System Revenue Fund, to be applied as provided in Section 5.01(b) hereof.

(b) The City shall annually on or before December 1, commencing on December 1, 2017, deliver to the Trustee a certificate to the effect that the City has complied with the requirements of Sections 6.13 and 6.14 hereof. In the event that any insurance required pursuant to Sections 6.13 or 6.14 shall be provided in the form of self-insurance, the City shall file with the Trustee annually, within ninety (90) days following the close of each Fiscal Year, a statement of an independent actuarial consultant identifying the extent of such self-insurance and stating the determination that the City maintains sufficient reserves with respect thereto. In the event that any such insurance shall be provided in the form of self-insurance by the City, the City shall not be obligated to make any payment with respect to any insured event except from System Revenues or from such reserves.

Section 6.16. Eminent Domain. If all or any part of the System shall be taken by eminent domain proceedings, the Net Proceeds realized by the City therefrom shall be deposited by the City with the Trustee in a special fund which the Trustee shall establish as needed in trust and applied by the City to the cost of acquiring and constructing additions, betterments, extensions or improvements to the System if (A) the City first secures and files with the Trustee a Written Certificate of the City showing (i) the loss in annual System Revenues, if any, suffered, or to be suffered, by the City by reason of such eminent domain proceedings, (ii) a general description of the additions, betterments, extensions or improvements to the System then proposed to be acquired and constructed by the City from such proceeds, and (iii) an estimate of the additional System Revenues to be derived from such additions, betterments, extensions or improvements; and (B) the Trustee has been furnished a Written Certificate of the City,

certifying that such additional System Revenues will sufficiently offset on a timely basis the loss of System Revenues resulting from such eminent domain proceedings so that the ability of the City to pay principal and interest with respect to the Bonds when due will not be substantially impaired, and such Written Certificate of the City shall be final and conclusive, and any balance of such proceeds not required by the City for such purpose shall be deposited in the System Revenue Fund and applied as provided in Section 5.01(b) hereof, provided, that if the foregoing conditions are not met, then such proceeds shall be deposited with the Trustee and applied to make principal and interest payments with respect to the Bonds as they come due and Parity Obligation Payments as they shall become due; provided further that the foregoing procedures for the application of Net Proceeds shall be subject to any similar provisions for Parity Debt on a pro rata basis.

If such eminent domain proceedings have had no effect, or at most an immaterial effect, upon the System Revenues and the security of the Bonds, and a Written Certificate of the City to such effect has been filed with the Trustee, then the City shall forthwith deposit such proceeds in the System Revenue Fund, to be applied as provided in Section 5.01(b) hereof.

Section 6.17. Establishment and Collection of Charges. The City covenants that, except to the extent that the City is required under agreements existing as of the date of this Indenture, no part of the System shall be used and no services from the System shall be furnished free to any public agency (such term to include the City, the United States of America, the State of California, any other municipal or public corporation, district or public agency) or any private corporation or person, and that, except to the extent that the City is required under agreements existing as of the date of this Indenture, no part of the System shall be used and no services from the System shall be furnished to any such public agency or any private corporation or person, at rates lower than those charged other persons for similar uses and services. The City shall have in effect an ordinance or resolution establishing rates and charges for services furnished from the System, and establishing regulations for the collection of such rates and charges. The City also covenants that it shall take such other action as may be necessary to ensure collection of System Revenues in amounts sufficient to satisfy the provisions of this Section, including, without limitation, taking the proceedings provided by law for declaring that delinquent charges and penalties shall constitute a lien upon the real property served by the System when a statement of delinquent charges and penalties is recorded in the manner provided by law.

Section 6.18. Restriction on Sale of System. The City covenants that, so long as any Bonds remain Outstanding, the City will not sell, lease, encumber or otherwise dispose of the System, a substantial portion of the System, or the City's rights to receive System Revenues, or suffer the System, a substantial portion of the System, or the City's rights to receive System Revenues, except to another public entity, unless the proceeds of such sale, lease, encumbrance or other disposal shall be adequate, and shall be used, to discharge this Indenture as provided in Article X hereof. For purposes of this covenant, a "substantial portion" of the System shall consist of more than five percent (5%) of the book value of the System. Nothing in this covenant shall be construed to restrict the sale by the City of less than a substantial portion of the System, provided that such sale is determined by the City to be necessary or desirable for the improvement, expansion or repair of the System, and the proceeds of such sale are used either to fund such improvement, expansion or repair of the System, or to redeem a portion of the Bonds pursuant to Section 4.01(a) hereof.

ARTICLE VII.

EVENTS OF DEFAULT AND REMEDIES OF BOND OWNERS

Section 7.01. Events of Default and Acceleration of Maturities. The following events shall be Events of Default hereunder:

(a) Default in the due and punctual payment of the principal of any Bond or any Parity Obligation when and as the same shall become due and payable, whether at maturity as therein expressed, by declaration or otherwise.

(b) Default in the due and punctual payment of any installment of interest on any Bond or any Parity Obligation when and as such interest installment shall become due and payable.

(c) Default by the City in the observance of any of the other covenants, agreements or conditions on its part in this Indenture or in the Bonds contained, if such default shall have continued for a period of thirty (30) days after written notice thereof, specifying such default and requiring the same to be remedied, shall have been given to the City by the Trustee; provided, however, that if in the reasonable opinion of the City the default stated in the notice (other than a default in the payment of any fees and expenses owing to the Trustee) can be corrected, but not within such thirty (30) day period, such default shall not constitute an Event of Default hereunder if the City shall commence to cure such default within such thirty (30) day period and thereafter diligently and in good faith cure such failure in a reasonable period of time.

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

(e) The payment of the principal of any Parity Debt is accelerated in accordance with its terms;

(f) An Event of Default shall occur under the 2013 Installment Purchase Agreement.

Upon the occurrence and during the continuance of any Event of Default the Trustee may, and at the written direction of the Owners of not less than twenty-five percent (25%) in aggregate principal amount of the Bonds at the time Outstanding, the Trustee shall, declare the principal of all of the Bonds then Outstanding, and the interest accrued thereon, to be due and payable immediately, and upon any such declaration the same shall become and shall be immediately due and payable, anything in this Indenture or in the Bonds contained to the contrary notwithstanding. 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 City shall deposit with the Trustee a sum sufficient to pay all of the principal of and interest on the Bonds having come due prior to such declaration, with interest on such overdue principal and interest calculated at the net effective rate of interest per annum then borne by the Outstanding Bonds, and the reasonable fees and expenses of the Trustee, together with interest thereon at the prime rate of the Trustee then in effect, and any and all other defaults known to the Trustee (other than in the payment of the principal of and interest on the Bonds having come 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 Trustee or the Owners of a majority in aggregate principal amount of the Bonds at the time Outstanding may, by written notice to the City and to the Trustee, on behalf of the Owners of all of the Outstanding 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 7.02. Application of Funds Upon Acceleration.

(a) Upon the date of the declaration of acceleration as provided in Section 7.01, all System Revenues thereafter received shall be applied in the following order (subject on a pro rata basis to the acceleration provisions of Parity Debt) -

First, to the payment, without preference or priority, and in the event of any insufficiency of such System Revenues ratably without any discrimination or preference, of the fees, costs and expenses of Trustee, if any, in carrying out the provisions of this article, including reasonable compensation to its accountants and counsel and similar costs with respect to Parity Debt;

Second, to the payment of Operation and Maintenance Costs;

Third, to the payment of the entire unpaid principal amount of the Bonds and the unpaid principal amount of all other Parity Debt and the accrued interest thereon, with interest on the overdue principal payments at the rate or rates of interest applicable to the Bonds and such other Parity Debt if paid in accordance with their respective terms; and

Fourth, to any insurer insuring any Parity Debt, any amounts owed to such insurer.

(b) All amounts received by the Trustee pursuant to any right given or action taken by the Trustee under the provisions of this Indenture and all other funds then held by the Trustee hereunder shall be applied by the Trustee in the following order upon presentation of the several Bonds, and the stamping thereon of the amount of the payment if only partially paid, or upon the surrender thereof if fully paid:

First, to the payment of fees, charges and expenses of the Trustee (including fees and disbursements of its counsel and financial consultants) incurred in and about the performance of its powers and duties under this Indenture; and

Second, to the payment of the whole amount then owing and unpaid upon the Bonds for interest and principal, with interest on such overdue amounts to the extent permitted by law at the net effective rate of interest then 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 and interest on overdue amounts ratably to the aggregate of such interest, principal and interest on overdue amounts.

Section 7.03. Other Remedies; Rights of Bond Owners. Upon the occurrence of an Event of Default, the Trustee may pursue any available remedy, in addition to the remedy specified in Section 7.01, at law or in equity to enforce the payment of the principal of and interest on the Outstanding Bonds, and to enforce any rights of the Trustee under or with respect to this Indenture. Such available remedies shall include the right to seek specific performance of the City's obligations hereunder.

If an Event of Default shall have occurred and be continuing and if requested so to do by the Owners of a majority in aggregate principal amount of Outstanding Bonds and indemnified as provided in Section 8.06, the Trustee shall be obligated to exercise such one or more of the rights and powers conferred by this Article VII, as the Trustee, being advised by counsel, shall deem in the interests of the Bond Owners.

No remedy by the terms of this Indenture conferred upon or reserved to the Trustee (or to the Bond Owners) is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative and shall be in addition to any other remedy given to the Trustee or to the Bond Owners hereunder or now or hereafter existing at law or in equity.

No delay or omission to exercise any right or power accruing upon any Event of Default shall impair any such right or power or shall be construed to be a waiver of any such Event of Default or acquiescence therein; such right or power may be exercised from time to time as often as may be deemed expedient.

Section 7.04. Power of Trustee to Control Proceeding. 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 in 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 in principal amount of the Outstanding Bonds hereunder opposing such discontinuance, withdrawal, compromise, settlement or other disposal of such litigation. Any suit, action or proceeding which any Owner of Bonds 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 of Bonds similarly situated and the Trustee is hereby appointed (and the successive respective Owners of the Bonds issued hereunder, by taking and

holding the same, shall be conclusively deemed so to have appointed it) the true and lawful attorney-in-fact of the respective Owners of the Bonds 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 of the Bonds as a class or classes, as may be necessary or advisable in the opinion of the Trustee as such attorney-in-fact. Trustee's counsel shall not be deemed under any circumstances to be counsel to the Owners. Communications between the Trustee and Trustee's counsel shall be deemed confidential and privileged entitled to all protection under the law.

Section 7.05. Appointment of Receivers. Upon the occurrence of an Event of Default hereunder, and upon the filing of a suit or other commencement of judicial proceedings to enforce the rights of the Trustee and of the Bond Owners under this Indenture, the Trustee shall be entitled, as a matter of right, to the appointment of a receiver or receivers of the System Revenues and other amounts pledged hereunder, pending such proceedings, with such powers as the court making such appointment shall confer.

Section 7.06. Non-Waiver. Nothing in this Article VII or in any other provision of this Indenture, or in the Bonds, shall affect or impair the obligation of the City, which is absolute and unconditional, to pay the interest on and principal of the Bonds to the respective Owners of the Bonds at the respective dates of maturity, as herein provided, out of the System Net Revenues and other moneys herein pledged for such payment.

A waiver of any default or breach of duty or contract by the Trustee or any Bond Owners shall not affect any subsequent default or breach of duty or contract, or impair any rights or remedies on any such subsequent default or breach. No delay or omission of the Trustee or any Owner of any of the Bonds 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 or Bond Owners by the Bond Law or by this Article VII may be enforced and exercised from time to time and as often as shall be deemed expedient by the Trustee or the Bond Owners, as the case may be.

Section 7.07. Rights and Remedies of Bond Owners. 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 in aggregate principal amount of all the Bonds then Outstanding shall have made written request upon the Trustee to exercise the powers hereinbefore granted or to institute such action, suit or proceeding in its own name; (c) said Owners shall have tendered to the Trustee indemnity acceptable to the Trustee in its sole discretion against the costs, expenses and liabilities to be incurred in compliance with such request; (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; and (e) the Trustee has not received any inconsistent direction during such 60-day period from the Owners of a majority in aggregate principal amount of the Outstanding Bonds.

Such notification, request, tender of indemnity and refusal or omission are hereby declared, in every case, to be conditions precedent to the exercise by any Owner of Bonds of any remedy hereunder; it being understood and intended that no one or more Owners of Bonds shall

have any right in any manner whatever by his or their action to enforce any right under this 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 interest on such Bond as herein provided or to institute suit for the enforcement of any such payment, 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 7.08. Termination of Proceedings. In case the Trustee shall have proceeded to enforce any right under this Indenture by the appointment of a receiver or otherwise, and such proceedings shall have been discontinued or abandoned for any reason, or shall have been determined adversely, then and in every such case, the City, the Trustee and the Bond Owners shall be restored to their former positions and rights hereunder, respectively, with regard to the property subject to this Indenture, and all rights, remedies and powers of the Trustee shall continue as if no such proceedings had been taken.

ARTICLE VIII.

THE TRUSTEE

Section 8.01. Duties, Immunities and Liabilities of Trustee.

(a) The Trustee shall, prior to an Event of Default, and after the curing or waiver of all Events of Default which may have occurred, perform such duties and only such duties as are expressly and specifically set forth in this Indenture and no implied duties or covenants whatsoever 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 its exercise, as a corporate trustee would exercise or use under the circumstances.

(b) The City may remove the Trustee at any time unless an Event of Default shall have occurred and then be continuing, and the City shall remove the Trustee if at any time requested to do so by the Owners of not less than a majority in aggregate principal amount of the Bonds then Outstanding or their attorneys duly authorized in writing, or if at any time the Trustee shall cease to be eligible in accordance with subsection (e) of this Section 8.01, 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 by giving written notice of such removal to the Trustee and thereupon shall appoint a successor Trustee by an instrument in writing. Any such removal shall be made upon at least thirty (30) days' prior written notice to the Trustee.

(c) The Trustee may at any time resign by giving written notice of such resignation to the City and by giving the Bond Owners notice of such resignation by mail at the

respective addresses shown on the Registration Books. Upon receiving such notice of resignation, the City 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 pursuant to the terms hereof. If no successor Trustee shall have been appointed and have accepted appointment within forty-five (45) days of giving notice of removal or notice of resignation as aforesaid, the City shall petition any federal or state 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 executions and delivering to the City and to its predecessor Trustee a written acceptance thereof, and thereupon 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 at the Written Request of the City or the request of the successor Trustee, such predecessor Trustee shall execute and deliver any and all instruments of conveyance or further 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 City 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 City shall mail or cause the successor Trustee to mail a notice of the succession of such Trustee to the trusts hereunder to each rating agency which is then rating the Bonds and to the Bond Owners at the respective addresses shown on the Registration Books. If the City 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 City.

(e) Any Trustee appointed under this Indenture shall be a corporation or association organized and doing business under the laws of any state or the United States of America or the District of Columbia, authorized under such laws to exercise corporate trust powers, which shall have (or, in the case of a corporation included in a bank holding company system, the related bank holding company shall have) a combined capital and surplus of at least Fifty Million Dollars (\$50,000,000), and subject to supervision or examination by federal or State agency, so long as any Bonds are Outstanding. If such corporation publishes a report of condition at least annually pursuant to law or to the requirements of any supervising or examining agency above referred to then for the purpose of this subsection (e), the combined capital and surplus of such corporation 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 resign immediately in the manner and with the effect specified in this Section 8.01.

Section 8.02. Merger or Consolidation. Any bank or trust company into which the Trustee may be merged or converted or with which it may be consolidated or any bank or trust company resulting from any merger, conversion or consolidation to which it shall be a party or any bank or trust company to which the Trustee may sell or transfer all or substantially all of its corporate trust business, provided such bank or trust company shall be eligible under subsection (e) of Section 8.01 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 8.03. Liability of Trustee.

(a) The recitals of facts herein and in the Bonds contained shall be taken as statements of the City, and the Trustee shall not and does not assume responsibility or liability for the correctness of the same, or make any representations as to the validity or sufficiency of this Indenture or the Bonds, nor shall the Trustee incur any responsibility or liability in respect thereof, other than as expressly stated herein in connection with the respective duties or obligations herein or in the Bonds assigned to or imposed upon it and expressly disclaims any obligation to make any such undertaking. The Trustee shall only be responsible for the 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 gross negligence. The Trustee may become the Owner of Bonds with the same rights it would have if it 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 any other capacity with respect to, any committee formed to protect the rights of Bond Owners, whether or not such committee shall represent the Owners of a majority in principal amount of the Bonds then Outstanding.

(b) The Trustee shall not be liable for any error of judgment made in good faith by a responsible officer, unless it shall be proved that the Trustee was negligent in ascertaining the pertinent facts.

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

(e) The Trustee shall not be deemed to have knowledge of any Event of Default hereunder, or any other event which, with the passage of time, the giving of notice, or both, would constitute an Event of Default hereunder, unless and until the trust administrator of this Indenture shall have actual knowledge thereof, or shall have received written notice thereof at the Trust Office. Except as otherwise expressly provided herein, the Trustee shall not be bound to ascertain or inquire as to the performance or observance by the City 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 or an event which would, with the giving of notice, the passage of time, or both, constitute an Event of Default. The Trustee shall not be responsible for the validity, effectiveness or priority of any collateral given to or held by it, nor shall have any duty or obligation to monitor continuing notice filing requirements, if any.

(f) No provision of this Indenture shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers, if it is not assured to its satisfaction that the repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it; provided, however, that if the Trustee shall advance any such funds at any time the Trustee shall be entitled to immediate reimbursement at the highest rate permitted by law.

(g) The Trustee may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or through agents or attorneys or receivers and the Trustee shall not be responsible for any misconduct or negligence on the part of any agent, receiver or attorney appointed in good faith by it hereunder.

(h) The Trustee shall be under no obligation to exercise any of the rights or powers vested in it by this Indenture at the request or direction of Owners pursuant to this Indenture, unless such Owners shall have offered to the Trustee such security or indemnity acceptable to the Trustee against the costs, expenses and liabilities which might be incurred by it in compliance with such request or direction. No permissive power, right or remedy conferred upon the Trustee hereunder shall be construed to impose a duty to exercise such power, right or remedy; and provided further that in the event the Trustee shall act, the scope of its obligations and duties thereunder shall not thereby be deemed, under any circumstances, to be expanded.

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

(j) The Trustee makes no representation or warranty, expressed or implied as to the title, value, design, compliance with specifications or legal requirements, quality, durability, operation, condition, merchantability or fitness for any particular purpose for the use contemplated by the City of the System. In no event shall the Trustee be liable for incidental, indirect, special or consequential damages in connection with or arising from this Indenture for the existence, furnishing or use of the System.

(k) The Trustee shall have no responsibility with respect to any information, statement or recital in any official statement, offering memorandum or other disclosure material prepared or distributed with respect to the Bonds.

Section 8.04. Right to Rely on Documents. The Trustee shall be protected in acting upon any notice, direction, requisition, resolution, request, consent, order, certificate, report, opinion, bonds or other paper or document believed by them to be genuine and to have been

signed or presented by the proper party or parties. The Trustee may consult with its counsel with regard to legal questions, and the opinion of such counsel or counsel to the City shall be full and complete authorization and protection in respect of any action taken or suffered by it hereunder in good faith and in accordance therewith.

The Trustee may treat the Owners of the Bonds appearing in the Registration Books as the absolute owners of the Bonds for all purposes and the Trustee shall not be affected by any notice to the contrary.

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, Written Request or Written Requisition of the City and such Written Certificate, Written Request or Written Requisition 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 Written Certificate, Written Request or Written Requisition, but in its discretion the Trustee may, in lieu thereof, accept other evidence of such matter or may require such additional evidence as to it may deem reasonable.

Section 8.05. 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 at all reasonable times to the inspection of the City and any Bond Owner, and their agents and representatives duly authorized in writing, at reasonable hours and under reasonable conditions.

Section 8.06. Compensation and Indemnification. Absent any fee agreement between the Trustee and the City to the contrary, the City shall pay to the Trustee (solely from System Revenues) from time to time the compensation for all services rendered under this Indenture and also all reasonable expenses and disbursements, incurred in and about the performance of its powers and duties under this Indenture. In the event the Trustee advances its own funds for the payment of the Bonds or for the protection or benefit of the Owners of the Bonds, the City shall promptly reimburse the Trustee for such advances with interest at the maximum rate allowed by law.

The City shall indemnify, defend and hold harmless the Trustee and its officers, directors, agents and employees, against any loss, liability or expense incurred without gross negligence or willful misconduct on its part, arising out of or in connection with the acceptance or administration of this trust, including costs and expenses of defending itself against any claim or liability in connection with the exercise or performance of any of its powers hereunder. As security for the performance of the obligations of the City under this Section 8.06, the Trustee shall have a lien prior to the lien of the Bonds upon all property and funds held or collected by the Trustee as such, except funds held in trust for the payment of principal of or interest on particular Bonds. The rights of the Trustee and the obligations of the City under this Section 8.06 shall survive the resignation or removal of the Trustee or the discharge of the Bonds and this Indenture.

ARTICLE IX.

MODIFICATION OR AMENDMENT OF THIS INDENTURE

Section 9.01. Amendments Permitted.

(a) This Indenture and the rights and obligations of the City and of the Owners of the Bonds and of the Trustee may be modified or amended from time to time and at any time, by an indenture or indentures supplemental hereto, which the City and the Trustee may enter into when the written consent of the Owners of a majority in aggregate principal amount of all Bonds then Outstanding, exclusive of Bonds disqualified as provided in this Indenture, shall have been filed with the Trustee. No such modification or amendment shall (i) extend the fixed maturity of any Bonds, or reduce the amount of principal thereof or extend the time of payment, or change the method of computing the rate of interest thereon, or extend the time of payment of interest thereon, without the consent of the Owner of each Bond so affected, or (ii) reduce the aforesaid percentage of Bonds the consent of the Owners of which is required to effect any such modification or amendment, or permit the creation of any lien on the System Net Revenues and other assets pledged under this Indenture prior to or on a parity with the lien created by this Indenture except as permitted herein, or deprive the Owners of the Bonds of the lien created by this Indenture on such System Net Revenues and other assets (except as expressly provided in this Indenture), without the consent of the Owners of all of the Bonds then Outstanding, or (iii) modify any of the rights or obligations of the Trustee hereunder without its written consent thereto. It shall not be necessary for the consent of the Bond Owners to approve the particular form of any Supplemental Indenture, but it shall be sufficient if such consent shall approve the substance thereof.

(b) This Indenture and the rights and obligations of the City, of the Trustee and the Owners of the Bonds may also be modified or amended from time to time and at any time by a Supplemental Indenture, which the City and the Trustee may enter into without the consent of any Bond Owners, if the Trustee has been furnished an opinion of counsel that the provisions of such Supplemental Indenture shall not materially adversely affect the interests of the Owners of the Bonds, including, without limitation, for any one or more of the following purposes:

(i) add to the covenants and agreements of the City in this Indenture contained, other covenants and agreements thereafter to be observed, to pledge or assign additional security for the Bonds (or any portion thereof), or to limit or surrender any right or power herein reserved to or conferred upon the City;

(ii) make such provisions for the purpose of curing any ambiguity, inconsistency or omission, or of curing or correcting any defective provision, contained in this Indenture, or in regard to matters or questions arising under this Indenture, as the City may deem necessary or desirable, provided that such modification or amendment does not materially adversely affect the interests of the Bond Owners, in the opinion of Bond Counsel;

(iii) to modify, amend or supplement this Indenture in such manner as to permit the qualification hereof under the Trust Indenture Act of 1939, as amended, or any

similar federal statute hereafter in effect, and to add such other terms, conditions and provisions as may be permitted by said act or similar federal statute; or

(iv) modify, amend or supplement this Indenture in such manner as to cause interest on the Bonds to remain excludable from gross income under the Code;

(c) The Trustee may in its discretion, but shall not be obligated to, enter into any such Supplemental Indenture authorized by subsections (a) or (b) of this Section 9.01 which affects the Trustee's own rights, duties or immunities under this Indenture or otherwise.

(d) Prior to the Trustee entering into any Supplemental Indenture hereunder, there shall be delivered to the Trustee an opinion of Bond Counsel stating, in substance, that such Supplemental Indenture has been adopted in compliance with the requirements of this Indenture and that the adoption of such Supplemental Indenture will not, in and of itself, adversely affect the exclusion from gross income for purposes of federal income taxation of interest on the Bonds.

(e) Notice of any modification hereof or amendment hereto shall be given by the City to each rating agency which then maintains a rating on the Bonds, at least fifteen (15) days prior to the effective date of the related Supplemental Indenture.

Section 9.02. Effect of Supplemental Indenture. Upon the execution of any Supplemental Indenture pursuant to this Article IX, this Indenture shall be deemed to be modified and amended in accordance therewith, and the respective rights, duties and obligations under this Indenture of the City, the Trustee and all Owners of Bonds Outstanding 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 such Supplemental Indenture shall be deemed to be part of the terms and conditions of this Indenture for any and all purposes.

Section 9.03. Endorsement of Bonds; Preparation of New Bonds. Bonds delivered after the execution of any Supplemental Indenture pursuant to this Article may, and if the City so determines shall, bear a notation by endorsement or otherwise in form approved by the City and the Trustee as to any modification or amendment provided for in such Supplemental Indenture, and, in that case, upon demand on the Owner of any Bonds Outstanding at the time of such execution and presentation of his Bonds for the purpose at the Trust Office or at such additional offices as the Trustee may select and designate for that purpose, a suitable notation shall be made on such Bonds. If the Supplemental Indenture shall so provide, new Bonds so modified as to conform, in the opinion of the City and the Trustee, to any modification or amendment contained in such Supplemental Indenture, shall be prepared and executed by the City and authenticated by the Trustee, and upon demand on the Owners of any Bonds then Outstanding shall be exchanged at the Trust Office, without cost to any Bond Owner, for Bonds then Outstanding, upon surrender for cancellation of such Bonds, in equal aggregate principal amount of the same series and maturity.

Section 9.04. Amendment of Particular Bonds. The provisions of this Article IX shall not prevent any Bond Owner from accepting any amendment as to the particular Bonds held by him.

Section 9.05. Notice to Rating Agencies. For all purposes of this Indenture: any rating agency rating the Bonds must receive notice from the City of each amendment and a copy thereof at least 15 days in advance of its execution or adoption.

ARTICLE X.

DEFEASANCE

Section 10.01. Discharge of Indenture. Any portion or all of the Outstanding Bonds may be paid by the City in any of the following ways, provided that the City also pays or causes to be paid any other sums payable hereunder by the City with respect to such Bonds:

- (a) by paying or causing to be paid the principal of and interest on such Bonds, as and when the same become due and payable;
- (b) by depositing with the Trustee, in trust, at or before maturity, money or non-callable Federal Securities in the necessary amount (as provided in Section 10.03) to pay or redeem such Bonds; or
- (c) by delivering such Bonds to the Trustee for cancellation.

If the City shall also pay or cause to be paid all other sums payable hereunder, then and in that case, at the election of the City (evidenced by a Written Certificate of the City, filed with the Trustee, signifying the intention of the City to discharge such Bonds and this Indenture with respect to such Bonds), and notwithstanding that any of such Bonds shall not have been surrendered for payment; this Indenture and the pledge of System Net Revenues and other assets made under this Indenture with respect to such Bonds and all covenants (other than the tax covenants in Section 6.07), agreements and other obligations of the City under this Indenture with respect to such Bonds shall cease, terminate, become void and be completely discharged and satisfied. In such event, upon the Written Request of the City, the Trustee shall be authorized to take such actions and execute and deliver to the City all such instruments as may be necessary or desirable to evidence such discharge and satisfaction. In the event all Outstanding Bonds are paid as provided in this Section 10.01, the Trustee shall pay over, transfer, assign or deliver to the City all moneys or securities or other property held by it pursuant to this Indenture which are not required for the payment or redemption of any Bonds not theretofore surrendered for such payment or redemption and after payment of amounts due to the Trustee under the Indenture.

Section 10.02. Discharge of Pledge of System Net Revenues. Upon the deposit with the Trustee, in trust, at or before maturity, of money or non-callable Federal Securities in the necessary amount (as provided in Section 10.03) to pay or redeem any Outstanding Bonds (whether upon or prior to the maturity or the redemption date of such Bonds), provided that, if such Bonds are to be redeemed prior to maturity, notice of such redemption shall have been given as provided in Article IV or provision satisfactory to the Trustee shall have been made for

the giving of such notice, then the pledge of System Net Revenues in respect of such Bonds shall cease, terminate and be completely discharged, and the Owners thereof shall thereafter be entitled only to payment out of such money or securities deposited with the Trustee as aforesaid for their payment, subject, however, to the provisions of Section 10.04.

The City may at any time surrender to the Trustee for cancellation by it any Bonds previously issued and delivered, which the City may have acquired in any manner whatsoever, and such Bonds, upon such surrender and cancellation shall be deemed to be paid and retired.

Section 10.03. Deposit of Money or Securities with Trustee. Whenever in this Indenture it is provided or permitted that there be deposited with or held in trust by the Trustee money or noncallable Federal Securities in the necessary amount to pay or redeem any Bonds, the money or non-callable Federal Securities so to be deposited or held may include money or non-callable Federal Securities held by the Trustee in the funds and accounts established pursuant to this Indenture and shall be:

(a) lawful money of the United States of America in an amount equal to the principal amount of such Bonds and all unpaid interest thereon to maturity, except that, in the case of Bonds which are to be redeemed prior to maturity and in respect of which notice of such redemption shall have been given as provided in Article IV or provision satisfactory to the Trustee shall have been made for the giving of such notice, the amount to be deposited or held shall be the principal amount of such Bonds, all unpaid interest and premium, if any, thereon to the redemption date; or

(b) non-callable Federal Securities, the principal of and interest on which when due will, in the written opinion of an Independent Accountant filed with the City and the Trustee, provide money sufficient to pay the principal of and interest and premium, if any, on the Bonds to be paid, as such principal and interest become due, provided that in the case of Bonds which are to be redeemed prior to the maturity thereof, notice of such redemption shall have been given as provided in Article IV or provision satisfactory to the Trustee shall have been made for the giving of such notice; provided, in each case, that (i) the Trustee shall have been irrevocably instructed (by the terms of this Indenture or by Written Request of the City) to apply such money to the payment of such principal of and interest and premium, if any, on such Bonds, and (ii) the City shall have delivered to the Trustee an opinion of Bond Counsel to the effect that such Bonds have been discharged in accordance with this Indenture (which opinion may rely upon and assume the accuracy of the Independent Accountant's opinion referred to above) (the "Defeasance Opinion").

In the event of an advance refunding to pay or redeem any Bonds, the City shall cause to be delivered a verification report of an independent nationally recognized certified public accountant. If a forward supply contract is employed in connection with the refunding, (i) such verification report shall expressly state that the adequacy of the escrow to accomplish the refunding relies solely on the initial escrowed investments and the maturing principal thereof and interest income thereon and does not assume performance under or compliance with the forward supply contract, and (ii) the applicable escrow agreement shall provide that in the event of any discrepancy or difference between the terms of the forward supply contract and the escrow

agreement (or the Indenture, if no separate escrow agreement is utilized), the terms of the escrow agreement or this Indenture, if applicable, shall be controlling.

Section 10.04. Unclaimed Funds. Notwithstanding any provisions of this Indenture, and subject to applicable provisions of State law, any moneys held by the Trustee in trust for the payment of the principal of, or interest on, any Bonds and remaining unclaimed for two (2) years after the principal of such Bonds has become due and payable (whether at maturity or upon call for redemption or by acceleration as provided in this Indenture), if such moneys were so held at such date, or two (2) years after the date of deposit of such moneys if deposited after said date when such Bonds became due and payable, shall be repaid to the City free from the trusts created by this Indenture and at the request of the Trustee an indemnification agreement acceptable to the City and the Trustee indemnifying the Trustee with respect to claims of Owners of Bonds which have not yet been paid, and all liability of the Trustee with respect to such moneys shall thereupon cease; provided, however, that before the repayment of such moneys to the City as aforesaid, the Trustee shall (at the cost of the City) first mail to the Owners of Bonds which have not yet been paid, at the addresses shown on the Registration Books, a notice, in such form as may be deemed appropriate by the Trustee with respect to the Bonds so payable and not presented and with respect to the provisions relating to the repayment to the City of the moneys held for the payment thereof.

ARTICLE XI. MISCELLANEOUS

Section 11.01. Liability of the City Limited to System Net Revenues. Notwithstanding anything in this Indenture or in the Bonds contained, the City shall not be required to advance any moneys derived from any source other than the Bonds or System Net Revenues and other assets pledged under this Indenture for any of the purposes in this Indenture mentioned, whether for the payment of the principal of or interest on the Bonds or for any other purpose of this Indenture. Nevertheless, the City may, but shall not be required to, advance for any of the purposes hereof any funds of the City that may be made available to it for such purposes.

Section 11.02. Limitation of Rights to Parties, Bond Owners. Nothing in this Indenture or in the Bonds expressed or implied is intended or shall be construed to give to any person other than the City, the Trustee and the Owners of the Bonds, any legal or equitable right, remedy or claim under or in respect of this Indenture or any covenant, condition or provision therein or herein contained; and all such covenants, conditions and provisions are and shall be held to be for the sole and exclusive benefit of the City, the Trustee and the Owners of the Bonds.

Section 11.03. Funds and Accounts. Any fund or account required by this Indenture to be established and maintained by the Trustee may be established and maintained in the accounting records of the Trustee, either as a fund or an account, and may, for the purposes of such records, any audits thereof and any reports or statements with respect thereto, be treated either as a fund or as an account; but all such records with respect to all such funds and accounts shall at all times be maintained in accordance with industry standards to the extent practicable, and with due regard for the requirements of Section 6.05 and for the protection of the security of

the Bonds and the rights of every Owner thereof. The Trustee may establish such funds and accounts as it deems necessary or appropriate to perform its obligations hereunder.

Section 11.04. Waiver of Notice; Requirement of Mailed Notice. Whenever in this Indenture the giving of notice by mail or otherwise is required, the giving of such notice may be waived in writing by the person entitled to receive such notice and in any such case the giving or receipt of such notice shall not be a condition precedent to the validity of any action taken in reliance upon such waiver. Whenever in this Indenture any notice shall be required to be given by mail, such requirement shall be satisfied by the deposit of such notice in the United States mail, postage prepaid, by first class mail.

Section 11.05. Destruction of Bonds. Whenever in this Indenture provision is made for the cancellation by the Trustee and the delivery to the City of any Bonds, the Trustee shall, in lieu of such cancellation and delivery, destroy such Bonds as may be allowed by law, and deliver a certificate of such destruction to the City.

Section 11.06. Severability of Invalid Provisions. If any one or more of the provisions contained in this Indenture or in the Bonds shall for any reason be held to be invalid, illegal or unenforceable in any respect, then such provision or provisions shall be deemed severable from the remaining provisions contained in this Indenture and such invalidity, illegality or unenforceability shall not affect any other provision of this Indenture, and this Indenture shall be construed as if such invalid or illegal or unenforceable provision had never been contained herein. The City hereby declares that it would have entered into this Indenture and each and every other Section, paragraph, sentence, clause or phrase hereof and authorized the issuance 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 11.07. Notices. All written notices to be given under this Indenture shall be given by first class mail, overnight delivery or personal delivery to the party entitled thereto at its address set forth below, or at such address as the party may provide to the other party in writing from time to time. Notice shall be effective either (a) upon transmission by facsimile transmission or other form of telecommunication, confirmed by the recipient (b) 48 hours after deposit in the United States mail, postage prepaid, or (c) in the case of personal delivery to any person, upon actual receipt. The City 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 City: City of South Pasadena
 1414 Mission Street
 South Pasadena, California 91030
 Attention: City Manager

If to the Trustee: The Bank of New York Mellon Trust Company, N.A.
 400 South Hope Street, Suite 500
 Los Angeles, California 90071
 Attention:

Section 11.08. Evidence of Rights of Bond Owners. Any request, consent or other instrument required or permitted by this Indenture to be signed and executed by Bond Owners may be in any number of concurrent instruments of substantially similar tenor and shall be signed or executed by such Bond Owners in person or by an agent or agents duly appointed in writing. Proof of the execution of any such request, consent or other instrument or of a writing appointing any such agent, or of the holding by any person of Bonds transferable by delivery, shall be sufficient for any purpose of this Indenture and shall be conclusive in favor of the Trustee and the City if made in the manner provided in this Indenture.

The fact and date of the execution by any person of any such request, consent or other instrument or writing may be proved by the certificate of any notary public or other officer of any jurisdiction, authorized by the laws thereof to take acknowledgments of deeds, certifying that the person signing such request, consent or other instrument 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 shall be proved by the Registration Books.

Any request, consent, or other instrument or writing of the Owner of any Bond shall bind every future Owner of the same Bond and the Owner of every Bond issued in exchange therefor or in lieu thereof, in respect of anything done or suffered to be done by the Trustee or the City in accordance therewith or reliance thereon.

Section 11.09. 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, unless all outstanding Bonds are then so owned or held, Bonds which are known by the Trustee to be owned or held by or for the account of the City or by any other obligor on the Bonds, or by any person directly or indirectly controlling or controlled by, or under direct or indirect common control with, the City or any other obligor on the Bonds, shall be disregarded and deemed not to be Outstanding for the purpose of any such determination. Bonds so owned that have been pledged in good faith may be regarded as Outstanding for the purposes of this Section 11.09 if the pledgee shall certify to the Trustee the pledgee's right to vote such Bonds and that the pledgee is not a person directly or indirectly controlling or controlled by, or under direct or indirect common control with, the City or any other obligor on the Bonds. In case of a dispute as to such right, any decision by the Trustee taken upon the advice of counsel shall be full protection to the Trustee. Upon request of the Trustee, the City shall specify to the Trustee those Bonds which are disqualified pursuant to this Section 11.09.

Section 11.10. Money Held for Particular Bonds. The money held by the Trustee for the payment of the interest or principal due on any date with respect to particular Bonds (or portions of Bonds in the case of Bonds redeemed in part only) shall, on and after such date and pending such payment, be set aside on its books and held in trust by it for the Owners of the Bonds entitled thereto, *subject, however,* to the provisions of Section 10.04 hereof, but without any liability for interest thereon.

Section 11.11. Waiver of Personal Liability. No member, officer, agent or employee of the City shall be individually or personally liable for the payment of the principal of or interest

on the Bonds or be subject to any personal liability or accountability by reason of the issuance thereof; but nothing herein contained shall relieve any such member, officer, agent or employee from the performance of any official duty provided by law or by this Indenture.

Section 11.12. Successor Is Deemed Included in All References to Predecessor. Whenever in this Indenture either the City 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 City or the Trustee shall bind and inure to the benefit of the respective successors and assigns thereof whether so expressed or not.

Section 11.13. Execution in Several Counterparts. This Indenture may be executed in any number of counterparts and each of such counterparts shall for all purposes be deemed to be an original; and all such counterparts, or as many of them as the City and the Trustee shall preserve undestroyed, shall together constitute but one and the same instrument.

Section 11.14. Governing Law. This Indenture shall be governed by and construed in accordance with the laws of the State.

IN WITNESS WHEREOF, the City of South Pasadena has caused this Indenture to be signed in its name by its City Manager, and The Bank of New York Mellon Trust Company, 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.

CITY OF SOUTH PASADENA

By: _____
City Manager

THE BANK OF NEW YORK MELLON TRUST
COMPANY, N.A., as Trustee

By: _____
Authorized Officer

EXHIBIT A
FORM OF BOND

R-_____

\$_____

UNITED STATES OF AMERICA
STATE OF CALIFORNIA
COUNTY OF LOS ANGELES

CITY OF SOUTH PASADENA
2016 WATER REVENUE REFUNDING BONDS

NEITHER THIS BOND NOR THE PAYMENT OF THE PRINCIPAL OR ANY PART THEREOF NOR ANY INTEREST THEREON CONSTITUTES A DEBT, LIABILITY OR OBLIGATION OF THE COUNTY OF LOS ANGELES, THE STATE OF CALIFORNIA, OR ANY OF ITS POLITICAL SUBDIVISIONS, OTHER THAN THE CITY 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 OF THE CITY OTHER THAN THE SYSTEM NET REVENUES.

INTEREST RATE	MATURITY DATE	DATED DATE	CUSIP
_____%	October 1, 20__	_____, 2016	

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: _____ DOLLARS

The City of South Pasadena, a municipal corporation duly organized and existing under and by virtue of the laws of the State of California (the "City"), for value received, hereby promises to pay to the Registered Owner specified above or registered assigns (the "Registered Owner"), on the Maturity Date specified above (subject to any right of prior redemption hereinafter provided for), the Principal Amount specified above, in lawful money of the United States of America, and to pay interest thereon in like lawful money from the Interest Payment Date (as hereinafter defined) next preceding the date of authentication of this Bond unless (i) this Bond is authenticated on or before an Interest Payment Date and after the close of business on the fifteenth day of the month preceding such Interest Payment Date, in which event it shall bear interest from such Interest Payment Date, or (ii) this Bond is authenticated on or before [March 15, 2017], in which event it shall bear interest from the Dated Date specified above; provided, however, that if at the time of authentication of this Bond, interest is in default on this Bond, this

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Bond shall bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment on this Bond, at the Interest Rate per annum specified above, payable semiannually on April 1 and October 1, in each year, commencing April 1, 2017 (collectively, the "Interest Payment Dates"), calculated on the basis of a 360-day year composed of twelve 30-day months. Principal hereof are payable upon presentation and surrender hereof at the corporate trust office (the "Trust Office") of The Bank of New York Mellon Trust Company, N.A. (the "Trustee"). Interest hereon is payable by check of the Trustee mailed by first class mail to the Registered Owner hereof at the Registered Owner's address as it appears on the registration books of the Trustee as of the close of business on the fifteenth day of the month preceding each Interest Payment Date (a "Record Date"), or, upon written request filed with the Trustee prior to such Record Date by a Registered Owner of at least \$1,000,000 in aggregate principal amount of Bonds, by wire transfer in immediately available funds to an account in the United States of America designated by such Registered Owner in such written request.

This Bond is one of a duly authorized issue of bonds of the City designated as the "City of South Pasadena 2016 Water Revenue Refunding Bonds (the "Bonds"), in an aggregate principal amount of \$_____ 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 Articles 10 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code (the "Bond Law"), and pursuant to an Indenture of Trust, dated as of _____ 1, 2016, by and between the City and the Trustee (the "Indenture") and a resolution of the City Council of the City adopted on _____, 2016, authorizing the issuance of the Bonds. Reference is hereby made to the Indenture (copies of which are on file at the office of the City) and all supplements thereto for a description of the terms on which the Bonds are issued, the provisions with regard to the nature and extent of the System Net Revenues (as 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 City thereunder, to all of the provisions of which the Registered Owner of this Bond, by acceptance hereof, assents and agrees.

This Bond and the interest hereon and all other Bonds and the interest thereon (to the extent set forth in the Indenture) are special obligations of the City, and are payable from, and are secured by a charge and lien on the System Net Revenues (as defined in the Indenture). As and to the extent set forth in the Indenture, all of the System Net Revenues are exclusively and irrevocably pledged in accordance with the terms hereof and the provisions of the Indenture, to the payment of the principal of and interest on the Bonds.

The rights and obligations of the City 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 extend the fixed maturity of any Bonds, or reduce the amount of principal thereof, or extend the time of payment, or change the method of computing the rate of interest thereon, or extend the time of payment of interest thereon, without the consent of the owner of each Bond so affected.

Bonds maturing on or after October 1, 20___, shall be subject to optional redemption, as a whole or in part on any date prior to the maturity thereof, at the option of the City, on or after October 1, 20___, from funds derived by the City from any source, at the redemption price equal

to the principal amount of Bonds to be redeemed together with accrued interest, without premium.

The Term Bonds maturing on October 1, 20__, are also subject to mandatory redemption from sinking account payments made by the City, in part by lot, on April 1 in each year commencing October 1, 20__, at a redemption price equal to the principal amount thereof to be redeemed together with accrued interest thereon to the redemption date, without premium, as set forth in the following tables:

Schedule of Sinking Account Payments for Term Bonds
Maturing October 1, ____

Redemption Date (<u>October 1</u>)	Principal <u>Amount</u>
---	----------------------------

As provided in the Indenture, notice of redemption shall be mailed by the Trustee by first class mail not less than twenty (20) 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 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 or the cessation of accrual of interest thereon from and after the date fixed for redemption.

The City shall have the right to rescind any notice of optional redemption by written notice to the Trustee on or prior to the date fixed for redemption. Any notice of such redemption shall be cancelled and annulled if for any reason funds will not be or are not available on the date fixed for redemption for the payment in full of the Bonds then called for redemption, and such cancellation shall not constitute an Event of Default hereunder. The City 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.

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.

If an Event of Default (as defined in the Indenture) shall occur, the principal of all 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 the Trust Office, 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. This Bond may be exchanged at the Trust Office for Bonds of the same tenor, aggregate principal amount, interest rate and maturity, of other authorized denominations. Transfer or exchange of this Bond will not be permitted during the period established by the Trustee for selection of Bonds for redemption or if this Bond has been selected for redemption.

The City and the Trustee may treat the Registered Owner hereof as the absolute owner hereof for all purposes, and the City 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 Bond Law and the laws of the State of California and that the amount of this Bond, together with all other indebtedness of the City, does not exceed any limit prescribed by the Bond 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.

Capitalized terms used and not defined herein shall have the meanings ascribed to them in the Indenture.

IN WITNESS WHEREOF, the City of South Pasadena has caused this Bond to be executed in its name and on its behalf with the manual signature of its Mayor and attested to by the manual signature of its City Clerk, all as of the Dated Date specified above.

CITY OF SOUTH PASADENA

By: _____
Mayor

Attest:

City Clerk

CERTIFICATE OF AUTHENTICATION

This is one of the Bonds described in the within-mentioned Indenture.

Dated: _____, _____

The Bank of New York Mellon Trust Company, N.A.

By: _____
Authorized Signatory

FORM OF PROJECT FUND REQUISITION

_____, 20__

**Re: CITY OF SOUTH PASADENA
2016 WATER REVENUE REFUNDING BONDS**

**WRITTEN REQUEST NO. __ FOR DISBURSEMENTS FROM THE PROJECT
FUND**

Dear _____:

In accordance with the terms of the Indenture of Trust, dated as November 1, 2016 (the "Indenture"), by and between the City of South Pasadena (the "City") and you, as Trustee, you are hereby authorized and requested to make immediate disbursement of funds held by you as set forth herein.

In this regard, the undersigned hereby states and certifies:

that the undersigned is the duly appointed, qualified and acting _____ of the City, and as such, is familiar with the facts herein certified and is authorized and qualified to certify the same;

that you, as Trustee, are hereby requested to disburse from the Project Fund, established pursuant to the Indenture, to the payee(s) set forth below, the amount(s) set forth below, for payment of such costs identified below;

that each item of cost identified below has been properly incurred and the amounts to be disbursed pursuant to this Written Request are for costs of the Project properly chargeable by the City to the Project Fund, and no amounts to be disbursed pursuant to this Written Request have been the subject of a previous Written Request for disbursement from said account or subaccount; and

that an invoice for each item of cost identified below is attached hereto.

Payee Name: _____
Payee Address: _____

Amount: _____

Purpose: _____

All payments made pursuant to this Written Request shall be made by check or wire transfer in accordance with payment instructions submitted herewith and the Trustee shall have no duty or obligation to authenticate such invoice, payment instructions or the authorization thereof.

Capitalized terms used herein and not otherwise defined shall have the meanings ascribed thereto in the Indenture.

Sincerely,

City of South Pasadena

By: _____

Name: _____

Title: _____

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ATTACHMENT 4
Preliminary Official Statement

PRELIMINARY OFFICIAL STATEMENT DATED OCTOBER __, 2016**NEW ISSUE — FULL BOOK-ENTRY****RATING: Standard & Poor's: “__”
(See “RATING” herein.)**

In the opinion of Norton Rose Fulbright US LLP, Los Angeles, California, under existing statutes, regulations, rulings and court decisions, and subject to the matters described in “TAX MATTERS” herein, interest on the Bonds is excluded pursuant to section 103(a) of the Internal Revenue Code of 1986 from the gross income of the owners thereof for federal income tax purposes and is not included in the federal alternative minimum tax for individuals or, except as described herein, corporations. It is also the opinion of Bond Counsel that under existing law interest on the Bonds is exempt from personal income taxes of the State of California. See the caption “TAX MATTERS,” which includes a discussion of the federal alternative minimum tax consequences for corporations.

\$ _____*

**CITY OF SOUTH PASADENA
2016 WATER REVENUE REFUNDING BONDS**

Dated: Date of Delivery**Due: October 1, as shown on the inside cover**

The City of South Pasadena 2016 Water Revenue Refunding Bonds (the “Bonds”) are being issued as fully registered bonds, registered in the name of Cede & Co. as nominee of The Depository Trust Company, New York, New York (“DTC”), and will be available to ultimate purchasers of Bonds in denominations of \$5,000 or any integral multiple thereof under the book-entry system maintained by DTC. Ultimate purchasers of Bonds will not receive physical certificates representing their interest in the Bonds. So long as the Bonds are registered in the name of Cede & Co., as nominee of DTC, references herein to the owners shall mean Cede & Co., and shall not mean the ultimate purchasers of the Bonds. Payment of the principal of and interest on the Bonds will be made directly to DTC, or its nominee, Cede & Co., by The Bank of New York Mellon Trust Company, N.A. (the “Trustee”), so long as DTC or Cede & Co. is the registered owner of the Bonds. Disbursement of such payments to DTC’s Participants is the responsibility of DTC and disbursement of such payments to the Beneficial Owners is the responsibility of DTC’s Participants and Indirect Participants, as more fully described herein. See “APPENDIX E – BOOK-ENTRY ONLY SYSTEM.”

The Bonds will be issued by the City of South Pasadena (the “City”) under an Indenture of Trust, dated as of November 1, 2016 (the “Indenture”), by and between the City and the Trustee. The Bonds will bear interest at the rates set forth on the inside cover, payable semi-annually on April 1 and October 1 of each year, commencing April 1, 2017, as described herein. Proceeds of the Bonds will be used (i) to cause the refunding of all of the outstanding South Pasadena Public Financing Authority 2009 Water Revenue Bonds that were issued on behalf of the City, (ii) [to purchase a surety for a reserve fund for the Bonds] and (iii) to pay costs of issuance of the Bonds.

The Bonds are subject to optional and mandatory sinking fund redemption as described herein.

The City has applied for a policy of municipal bond insurance with respect to the Bonds. If bond insurance is purchased, payment of the principal of and interest on any insured Bonds when due will be guaranteed under an insurance policy to be issued concurrently with the issuance of the Bonds. See “BOND INSURANCE” herein.

The obligation of the City to pay the principal of and interest on the Bonds is a special obligation of the City payable solely from System Net Revenues (as defined in this Official Statement) of the City’s water system. **THE OBLIGATION OF THE CITY TO PAY PRINCIPAL OF AND INTEREST ON THE BONDS IS A SPECIAL OBLIGATION OF THE CITY PAYABLE SOLELY FROM SYSTEM NET REVENUES AND AMOUNTS ON DEPOSIT IN CERTAIN FUNDS AND ACCOUNTS CREATED UNDER THE INDENTURE, AND DOES NOT CONSTITUTE A DEBT OF THE CITY OR OF THE STATE OF CALIFORNIA OR OF ANY POLITICAL SUBDIVISION THEREOF IN CONTRAVENTION OF ANY CONSTITUTIONAL OR STATUTORY DEBT LIMITATION OR RESTRICTION.**

The obligation of the City to pay principal of and interest on the Bonds is payable from System Net Revenues on a parity with the obligation of the City to make installment payments under an Installment Purchase Agreement, which secures the South Pasadena Public Financing Authority’s 2013 Water Revenue Refunding Bonds, outstanding in the aggregate principal amount of \$5,720,000, as described herein. The City has covenanted not to incur additional obligations payable from System Net Revenues senior to the payment of principal of and interest on the Bonds. The City may incur additional obligations payable from System Net Revenues on a parity with the obligation to pay principal of and interest on the Bonds, subject to the terms and conditions of the Indenture, as more fully described herein.

This cover page contains certain information for quick and general reference only. It is not a summary of this issue. Investors must read the entire Official Statement to obtain information essential to making an informed investment decision.

The Bonds are offered when, as and if issued and accepted by the Underwriter, subject to the approval as to legality by Norton Rose Fulbright US LLP, Los Angeles, California, Bond Counsel. Certain legal matters will be passed on for the City by Norton Rose Fulbright US LLP, Los Angeles, California, Disclosure Counsel, and for the City by the City Attorney of the City of South Pasadena, and the Underwriter by Nossaman LLP, Irvine, California. It is anticipated that the Bonds will be available for delivery through the facilities of DTC on or about November __, 2016.

STIFEL

Dated: _____, 2016

* Preliminary; subject to change.

Maturity Dates, Amounts, Interest Rates and Yields

\$ _____*
City of South Pasadena
2016 Water Revenue Refunding Bonds

\$ _____ Serial Bonds

<u>Maturity Date</u> <u>(October 1)</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>CUSIP[†]</u> <u>(_____)</u>
	\$	%	%	

\$ _____ % Term Bonds Due October 1, _____ – Yield _____% CUSIP[†]: _____

*Preliminary; subject to change.

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CITY OF SOUTH PASADENA

CITY COUNCIL

Diana Mahmud, *Mayor*
Michael A. Cacciotti, *Mayor Pro Tem*
Robert S. Joe, *Council Member*
Marina Khubesrian, M.D., *Council Member*
Richard D. Schneider, M.D., *Council Member*

ELECTED CITY OFFICIAL

Gary E. Pia, *City Treasurer*

CITY STAFF

Sergio Gonzalez, *City Manager*
David Batt, *Finance Director*
Anthony Mejia, *City Clerk*
Paul Toor, P.E., *Public Works Director*
Teresa Highsmith, *City Attorney*

SPECIAL SERVICES

BOND AND DISCLOSURE COUNSEL

Norton Rose Fulbright US LLP
Los Angeles, California

FINANCIAL ADVISOR

Fieldman, Rolapp & Associates
Irvine, California

TRUSTEE

The Bank of New York Mellon Trust Company, N.A.
Los Angeles, California

VERIFICATION AGENT

Grant Thornton, LLP
Minneapolis, Minnesota

This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the Bonds by any person in any jurisdiction in which it is unlawful for such person to make such an offer, solicitation or sale.

No dealer, broker, salesperson or other person has been authorized by the City or the Underwriter to provide any information or to make any representations other than as contained herein and, if given or made, such other information or representation must not be relied upon as having been authorized by any of the foregoing.

This Official Statement is not to be construed as a contract or agreement between the City and the purchasers or the owners of the Bonds. Any statements contained in this Official Statement which involve estimates, forecasts, or matters of opinion, whether or not expressly so described herein, are intended solely as such and are not to be construed as representations of fact.

The Underwriter has provided the following sentence for inclusion in this Official Statement. The Underwriter has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

The information set forth herein has been furnished by the City and obtained from public documents, records and other sources which are believed to be reliable, but is not guaranteed as to accuracy or completeness and is not to be construed as representations of the Underwriter. Any statements in this Official Statement involving estimates, assumptions and matters of opinion, whether or not so expressly stated, are intended as such and not as representations that such estimates, assumptions and opinions will be realized or fulfilled. The information and expressions of opinion herein are subject to change without notice and neither delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the City since the date hereof or the earliest date on which such information was given.

This Official Statement is submitted in connection with the sale and delivery of the Bonds referred to herein and may not be reproduced or used, in whole or in part, for any other purpose, unless authorized in writing by the City. All summaries of documents and laws contained herein are qualified by reference to the complete provisions of all such documents and laws, and do not purport to be complete statements of any or all such provisions. This Official Statement, including any supplements or amendments hereto, is intended to be deposited with the Municipal Securities Rulemaking Board through the Electronic Municipal Market Access (EMMA).

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITER MAY OVERALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

THE BONDS HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, IN RELIANCE UPON AN EXEMPTION CONTAINED IN SUCH ACT. THE BONDS HAVE NOT BEEN REGISTERED OR QUALIFIED UNDER THE SECURITIES LAWS OF ANY STATE.

The City maintains a web site. However, the information presented therein is not part of this Official Statement and must not be relied upon in making an investment decision with respect to the Bonds.

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OFFICIAL STATEMENT

\$_____*

CITY OF SOUTH PASADENA 2016 WATER REVENUE REFUNDING BONDS

INTRODUCTION

This Official Statement of the City of South Pasadena (the “City”) sets forth certain information in connection with the sale by the City of \$_____* aggregate principal amount of its 2016 Water Revenue Refunding Bonds (the “Bonds”). This Introduction is not a summary of this Official Statement. It is only a brief description of and guide to, and is qualified by, more complete and detailed information contained in the entire Official Statement, including the appendices hereto, and the documents summarized or described herein. A full review should be made of the entire Official Statement. The offering of Bonds to potential investors is made only by means of the entire Official Statement. The capitalization of any word not conventionally capitalized or otherwise defined herein indicates that such word is defined in a particular agreement or other document and, as used herein, has the meaning given it in such agreement or document. See “APPENDIX C – SUMMARY OF THE INDENTURE” for a summary of certain of such definitions.

The Bonds

The Bonds are being issued pursuant to the Constitution and the laws of the State of California (the “State”), including Articles 10 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code, as amended (the “Bond Law”), and pursuant to an Indenture of Trust, dated as of November 1, 2016 (the “Indenture”), by and between the City and The Bank of New York Mellon Trust Company, N.A., as trustee (the “Trustee”).

The Bonds are payable from and secured by a pledge of System Net Revenues (as defined below) of the City’s water system (the “System”) and amounts on deposit in certain funds and accounts established under the Indenture. The obligation of the City to pay principal of and interest on the Bonds is payable from System Net Revenues on a parity with the installment payments (the “2013 Installment Payments”) payable by the City pursuant to an Installment Purchase Agreement, dated as of March 1, 2013 (the “2013 Installment Purchase Agreement”), by and between the City and the South Pasadena Public Financing Authority (the “Authority”). The 2013 Installment Payments secure the Authority’s 2013 Water Revenue Refunding Bonds (the “2013 Authority Bonds”), which are currently outstanding in the aggregate principal amount of \$5,720,000.

The City may issue additional bonds or execute contracts the payments or installment payments under which are secured by a pledge of the System Net Revenues on a parity with the Bonds and the 2013 Installment Payments, all subject to the conditions described in this Official Statement. See “SECURITY FOR THE BONDS – Limitation on Superior and Parity Obligations; Subordinate Obligations.”

Use of Proceeds

On May 21, 2009, the Authority issued its 2009 Water Revenue Bonds (the “2009 Bonds”). The proceeds of the 2009 Bonds were used to (i) finance the acquisition and construction of certain improvements to the System, (ii) fund a debt service reserve fund for the 2009 Bonds, (iii) fund a capitalized interest account for the 2009 Bonds, and (iv) pay costs of issuing the 2009 Bonds.

* Preliminary; subject to change.

The proceeds of the sale of the Bonds will be used: (i) to cause the refunding of all of the outstanding 2009 Bonds, (ii)[to purchase a surety for a reserve fund for the Bonds] and (iii) to pay costs of issuance of the Bonds. See "PLAN OF REFUNDING" and "ESTIMATED SOURCES AND USES OF FUNDS."

Further Information

Brief descriptions of the Bonds, the Indenture, the Bond Law, the City and the System are included in this Official Statement. Such information does not purport to be comprehensive or definitive. All references herein to the Indenture, the Bond Law, the Constitution and the laws of the State, and the proceedings of the City, are qualified in their entirety by reference to each such document, statute, constitution or proceedings. References herein to the Bonds are qualified in their entirety by reference to the form thereof included in the Indenture. Copies of the Indenture are available for inspection at the office of the City.

THE BONDS

General

The Bonds will be issued in fully registered form without coupons in Authorized Denominations. The Bonds will initially be registered in the name of Cede & Co., as nominee of The Depository Trust Company of New York, New York ("DTC"), and will be evidenced by one Bond for each of the maturities in the principal amounts shown on the inside cover page of this Official Statement. DTC is the depository for the Bonds, and registered ownership may not thereafter be transferred except as set forth in the Indenture. The Bonds will mature on October 1 in the years and in the amounts shown on the inside cover page of this Official Statement and will bear interest on each Interest Payment Date at the rates shown on the inside cover of this Official Statement.

Interest on the Bonds will be payable semi-annually on each April 1 and October 1, calculated based on a 360-day year of twelve (12) thirty-day months on each Interest Payment Date, commencing April 1, 2017, to the person whose name appears on the registration books of the Trustee as the Owner thereof as of the close of business on the fifteenth day of the calendar month preceding the Interest Payment Date (the "Record Date"), such interest to be paid by check of the Trustee, sent by first class mail to the Owner at such Owner's address as it appears on the Registration Books. An Owner of \$1,000,000 or more in principal amount of Bonds may, at such Owner's option, be paid interest by wire transfer of immediately available funds in accordance with written instructions provided to the Trustee by such Owner prior to the applicable Record Date. The principal of and interest and premium on the Bonds will be payable in lawful money of the United States of America.

Each Bond will be dated as of the Closing Date and will 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 March 15, 2017, in which event it shall bear interest from the Closing Date; provided, however, that if, as of the date of authentication of any Bond, interest thereon is in default, such Bond will bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment thereon.

Optional Redemption

The Bonds maturing on or after October 1, 20__ shall be subject to optional redemption, as a whole or in part on any date prior to the maturity thereof, at the option of the City, on or after October 1, 20__, from funds derived by the City from any source, at the redemption price equal to the principal amount of Bonds to be redeemed together with accrued interest, without premium.

Mandatory Sinking Fund Redemption

The Bonds maturing on October 1, 20__ (the "Term Bonds") are subject to mandatory redemption, in part by lot, from Sinking Account payments set forth in the following schedule on October 1 in each year, commencing October 1, 20__, at a redemption price equal to the principal amount thereof to be redeemed (without premium), together with interest accrued thereon to the date fixed for redemption; provided, however, that if some but not all of the Term Bonds have been optionally redeemed pursuant to the Indenture, the total amount of Sinking Account payments to be made subsequent to such redemption shall be reduced in an amount equal to the principal amount of the Term Bonds so redeemed by reducing each such future Sinking Account payment on a pro rata basis (as nearly as practicable) in integral multiples of \$5,000, as shall be designated pursuant to written notice filed by the City with the Trustee.

Schedule of Sinking Account Payments for Term Bonds Maturing October 1, 20__

Redemption Date (October 1)	Principal Amount
--------------------------------	---------------------

In lieu of such redemption, the Trustee may apply amounts in the Sinking Account to the purchase of Term Bonds at public or private sale, as and when and at such prices (including brokerage and other charges, but excluding accrued interest, which is payable from the Interest Account) as may be directed by the City, except that the purchase price (exclusive of accrued interest) may not exceed the redemption price then applicable to the Term Bonds, as set forth in a Written Request of the City. The par amount of Term Bonds so purchased by the City in any twelve-month period immediately preceding any mandatory Sinking Account payment date in the table above will be credited towards and will reduce the principal amount of Term Bonds required to be redeemed on the succeeding Principal Payment Date.

Notice of Redemption

The City shall give the Trustee notice of its determination to redeem any Bonds in accordance with the Indenture not less than 60 days and no more than 90 days prior to the date fixed for redemption. Notice of redemption shall be mailed by first class mail, postage prepaid, not less than twenty (20) nor more than sixty (60) days before any redemption date, to respective Owners of any Bonds designated for redemption at their addresses appearing on the Registration Books, and by first class mail, facsimile or electronic mails, to the Securities Depositories and to the Information Services. Each notice of redemption shall state the date of the notice, the redemption date, the place or places of redemption, whether less than all of the Bonds (or all Bonds of a single maturity or series) are to be redeemed, the CUSIP numbers and (if less than all Bonds of a maturity are redeemed) Bond numbers of the Bonds to be redeemed, the maturity or maturities of the Bonds to be redeemed and in the case of Bonds to be redeemed in part only, the respective portions of the principal amount thereof to be redeemed. Each such notice shall also state that on the redemption date there will become due and payable on each of said Bonds the redemption price thereof, and that from and after such redemption date interest thereon shall cease to accrue, and shall require that such Bonds be then surrendered. Neither the failure to receive any notice nor any defect therein shall affect the proceedings for such redemption or the cessation of accrual of interest from and after the redemption date. Notice of redemption of Bonds shall be given by the Trustee, at the expense of the City, for and on behalf of the City.

If at the time of mailing of any notice of optional redemption there shall not have been deposited with the Trustee moneys sufficient to redeem all the Bonds called for redemption, such notice shall state

that it is subject to the deposit of the redemption moneys with the Trustee not later than the opening of business on the redemption date and will be of no effect unless such moneys are so deposited.

The City shall have the right to rescind any notice of optional redemption by written notice to the Trustee on or prior to the date fixed for redemption. Any notice of such redemption shall be cancelled and annulled if for any reason funds will not be or are not available on the date fixed for redemption for the payment in full of the Bonds then called for redemption, and such cancellation shall not constitute an Event of Default under the Indenture. The City 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.

Selection of Bonds for Redemption

Whenever provision is made in the Indenture for the redemption of less than all of the Bonds, the Trustee shall select the Bonds to be redeemed from all Bonds or such given portion thereof not previously called for redemption, pro rata by maturity or, at the election of the City set forth in a Written Request of the City, filed with the Trustee, from such maturities as the City shall determine, and by lot within a maturity in any manner which the Trustee, in its sole discretion, shall deem appropriate and fair. Any such determination shall be deemed conclusive. For purposes of such selection, the Trustee shall treat each Bond as consisting of separate \$5,000 portions and each such portion shall be subject to redemption as if such portion were a separate Bond.

Effect of Redemption

Notice of redemption having been duly given as aforesaid, and moneys for payment of the redemption price of, together with interest accrued to the date fixed for redemption on, the Bonds (or portions thereof) so called for redemption being held by the Trustee, on the redemption date designated in such notice, the Bonds (or portions thereof) so called for redemption shall become due and payable, interest on the Bonds so called for redemption shall cease to accrue, said Bonds (or portions thereof) shall cease to be entitled to any benefit or security under the Indenture, and the Owners of said Bonds shall have no rights in respect thereof except to receive payment of the redemption price thereof.

Book-Entry Only System

DTC will act as securities depository for the Bonds. The Bonds will be issued as fully-registered bonds registered in the name of Cede & Co. (DTC's partnership nominee). One fully-registered Bond will be issued for each maturity of the Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC. Ultimate purchasers of Bonds will not receive physical certificates representing their interest in the Bonds. Payment of the principal of and interest on the Bonds will be made directly to DTC, or its nominee, Cede & Co., by the Trustee so long as DTC or Cede & Co. is the registered owner of the Bonds. Disbursement of such payments to DTC's Participants is the responsibility of DTC and disbursement of such payments to the Beneficial Owners is the responsibility of DTC's Participants and Indirect Participants. See "APPENDIX E – BOOK-ENTRY ONLY SYSTEM."

PLAN OF REFUNDING

The 2009 Bonds, which are currently outstanding in the aggregate principal amount of \$40,395,000, were issued pursuant to an Indenture, dated as of May 1, 2009 (the "2009 Indenture"), by and between the Authority and Wells Fargo Bank, National Association, as trustee thereunder. Concurrently with the delivery of the Bonds, a portion of the proceeds thereof will be irrevocably deposited into an escrow fund (the "Escrow Fund") created pursuant to the Escrow Agreement, dated as of November 1, 2016 (the "Escrow Agreement"), by and between the City and Wells Fargo Bank,

National Association, acting as escrow agent (the "Escrow Agent") under the Escrow Agreement. Such Bond proceeds, together with other funds held under the 2009 Indenture, will be applied to the purchase of direct obligations issued by the United States Treasury ("Federal Securities"). Grant Thornton, as verification agent ("Verification Agent") will verify the computations concluding that moneys and Federal Securities deposited in the Escrow Fund will together produce sufficient funds to provide for the payment or redemption, as applicable, of all principal of and interest on all of the outstanding 2009 Bonds through and including October 1, 2019. On October 1, 2019, the Escrow Agent will apply moneys on deposit in the Escrow Fund to redeem all remaining 2009 Bonds at a prepayment price of 102% of the principal amount thereof, plus accrued but unpaid interest. Upon such irrevocable deposit, the 2009 Bonds will be defeased, and the holders of the 2009 Bonds will be entitled to payment solely out of the moneys and Defeasance Securities deposited in the Escrow Fund. See "VERIFICATION OF MATHEMATICAL COMPUTATIONS" herein.

The following table sets forth the 2009 Bonds to be paid or redeemed under the Escrow Agreement.

Maturity Date (October 1)	Redemption Date	Principal Amount Outstanding	CUSIP (Base No. 839270)
2017	Paid to Maturity	\$815,000	AE5
2018	Paid to Maturity	845,000	AF2
2019	Paid to Maturity	875,000	AG0
2020	October 1, 2019	910,000	AH8
2021	October 1, 2019	950,000	AJ4
2022	October 1, 2019	995,000	AK1
2023	October 1, 2019	1,040,000	AL9
2024	October 1, 2019	1,090,000	AM7
2029	October 1, 2019	6,335,000	AN5
2034	October 1, 2019	11,620,000	AP0
2039	October 1, 2019	14,920,000	AQ8

ESTIMATED SOURCES AND USES OF FUNDS

The following table sets forth the estimated sources and uses of funds related to the issuance of the Bonds.

Sources:

Principal Amount of Bonds	\$
[Plus][Less] Original Issue [Premium] [Discount]	_____
Amounts released from the 2009 Indenture	
Total Sources	\$ _____

Uses:

Deposit to Costs of Issuance Fund ⁽¹⁾	\$
Deposit to Escrow Fund	
Total Uses	\$ _____

⁽¹⁾ Costs of issuance include Underwriter's Discount, fees and expenses of the Bond Counsel, Disclosure Counsel and the Trustee, fees of the Verification Agent, premiums for municipal bond insurance and the reserve surety, if any, and printing expenses and other costs of issuing the Bonds.

BOND DEBT SERVICE

The following table sets forth the annualized debt service schedule for the Bonds.

<u>For Bond Year</u> <u>Ending October 1</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
	\$	\$	\$
	_____	_____	_____
TOTAL	\$ _____	\$ _____	\$ _____

SECURITY FOR THE BONDS

General

The Bonds are special obligations of the City and will be payable from and secured by a charge and lien on System Net Revenues. Neither the faith and credit of the City, the State of California or any political subdivision thereof nor the taxing power of the City, the State of California or any political subdivision thereof is pledged to the payment of the principal or redemption price of or interest on the Bonds. The payment of the principal of or interest on the Bonds does not constitute a debt of the City, the State of California or any political subdivision thereof within the meaning of the Constitution or the laws of the State of California.

Security Under the Indenture

The City is obligated to make payments of principal of and interest on the Bonds solely from System Net Revenues and any other amounts (including the proceeds of the sale of the Bonds) held in any of the funds and accounts under the Indenture. The obligation to make payments of principal of and interest on the Bonds is payable from System Net Revenues on a parity with the Parity Obligations. See Appendix B—"SUMMARY OF THE INDENTURE" for a detailed discussion of the terms of the Indenture.

"System Net Revenues" are defined under the Indenture as, for any period; System Revenues less Operation and Maintenance Costs for such period; provided that certain adjustments in the amount of System Net Revenue deemed collected during a Fiscal Year may be made in connection with amounts deposited in the Rate Stabilization Fund.

Under the Indenture, "System Revenues" are defined as all gross income and revenue received or receivable by the City from the ownership or operation of the System, determined in accordance with Generally Accepted Accounting Principles, including all fees (including connection fees), rates, charges and all amounts paid under any contracts received by or owed to the City in connection with the operation of the System and all proceeds of insurance relating to the System and investment income allocable to the System and all other income and revenue howsoever derived by the City from the ownership or operation of the System or arising from the System, subject to and after satisfaction of any Prior Liens. System Revenues shall include any amounts reimbursed to the City by the United States of America pursuant to a future program similar to the previously enacted Section 54AA of the Code.

"Operation and Maintenance Costs" are defined under the Indenture as the reasonable and necessary costs paid or incurred by the City for maintaining and operating the System, determined in accordance with Generally Accepted Accounting Principles, including all reasonable expenses of management and repair and all other expenses necessary to maintain and preserve the System in good repair and working order, and including all administrative costs of the City that are charged directly or apportioned to the operation of the System, such as salaries and wages of employees, overhead, taxes (if any) and insurance premiums (including payments required to be paid into any self-insurance funds), and including all other reasonable and necessary costs of the City or charges required to be paid by it to comply with the terms of the Indenture or of any Supplemental Indenture or of any resolution authorizing the execution of any Parity Debt, such as compensation, reimbursement and indemnification of the Trustee and fees and expenses of Independent Certified Public Accountants; but excluding in all cases (i) payment of Parity Debt and Subordinate Obligations, (ii) costs of capital additions, replacements, betterments, extensions or improvements which under Generally Accepted Accounting Principles are chargeable to a capital account, and (iii) depreciation, replacement and obsolescence charges or reserves therefor and amortization of intangibles.

System Revenue Fund

The City has previously established a System Revenue Fund into which it deposits all System Revenues. All System Revenues shall be deposited by the City in the System Revenue Fund. The City is required, from the moneys in the System Revenue Fund, to pay all Operation and Maintenance Costs (including amounts reasonably required to be set aside in contingency reserves for Operation and Maintenance Costs, the payment of which is not then immediately required) as such Operation and Maintenance Costs become due and payable. Thereafter, all remaining moneys in the System Revenue Fund are required to be set aside by the City at the following times for the transfer to the following respective special funds in the following order of priority:

(a) Not later than the fifteenth day of the month prior to each related Interest Payment Date, the City is required, from moneys in the System Revenue Fund, to transfer to the Trustee for deposit into the Bond Fund the amount equal to (i) the aggregate amount of interest coming due and payable on the Bonds on the next succeeding Interest Payment Date; plus (ii) to the extent principal is due and payable on next succeeding Interest Payment Date, the aggregate amount of the principal coming due and payable on the next succeeding Principal Payment Date (including any Mandatory Sinking Account payments), which payments shall be made on a parity basis with any outstanding Parity Obligations. The City will also, from the moneys in the System Revenue Fund, transfer to the applicable trustee for deposit in the respective funds, without preference or priority, and in the event of any insufficiency of such moneys ratably without any discrimination or preference, any other Parity Obligation Payments in accordance with the provisions of any Parity Obligation; and

(b) On or before the first Business Day of each month, the City is required to, from the remaining moneys in the System Revenue Fund, thereafter, without preference or priority, and in the event of any insufficiency of such moneys ratably without any discrimination or preference, transfer to the Trustee for deposit in the Bond Fund for application to the Reserve Account in accordance with the Indenture and transfer to the applicable trustee for such other reserve funds, if any, as may have been established in connection with Parity Obligations that sum, if any, necessary to restore the Reserve Account to an amount equal to the Reserve Requirement and otherwise replenish the Reserve Account for any withdrawals (including draws upon any credit facility) to pay the principal of and interest on the Bonds due under the Indenture and necessary to restore such other reserve funds to an amount equal to the amount required to be maintained therein; provided that payments to restore the Reserve Account after a withdrawal may be made in monthly installments equal to 1/12 of the aggregate amount needed to restore the Reserve Account to the Reserve Requirement as of the date of the withdrawal.

Subject to the provisions of the instruments relating to the issuance of any Parity Obligations, moneys on deposit in the System Revenue Fund not necessary to make any of the payments required above, may be expended by the City at any time for any purpose permitted by law, including but not limited to deposits to the Rate Stabilization Fund, the payment of any subordinate obligations or any unsecured obligations, the costs for additional improvements, extensions, replacements and betterments to the System, and the prepayment of any obligations of the City relating to the System.

Bond Fund

The Indenture creates a Bond Fund, and within the Bond Fund, an Interest Account, a Principal Account, a Sinking Account and a Reserve Account. On or before the fifth Business Day preceding each date on which interest on the Bonds becomes due and payable, the Trustee shall transfer from the Bond Fund and deposit into the following respective accounts (each of which the Trustee shall establish and maintain within the Bond Fund), the following amounts in the following order of priority, the requirements of each such account (including the making up of any deficiencies in any such account resulting from lack of System Net Revenues sufficient to make any earlier required deposit) at the time of deposit to be satisfied before any transfer is made to any account subsequent in priority:

(a) The Trustee shall deposit in the Interest Account an amount required to cause the aggregate amount on deposit in the Interest Account to be at least equal to the amount of interest becoming due and payable on such date on all Bonds then Outstanding on the next Succeeding Interest Payment Date.

(b) The Trustee shall deposit in the Principal Account, the aggregate amount of principal becoming due and payable on the Outstanding Serial Bonds plus, deposit to the Sinking Account, the aggregate amount of the mandatory Sinking Account payment required to be paid for Outstanding Term Bonds on the next succeeding Principal Payment Date, until the balance in said accounts are equal to said respective aggregate amounts of such principal and mandatory Sinking Account payments.

(c) The Trustee shall deposit in the Reserve Account the amount, if any, required to restore the balance in the Reserve Account to the Reserve Requirement, the notice of which deficiency shall have been given by the Trustee to the City pursuant to the Indenture.

(d) The Trustee shall transfer any remaining amounts in the Bond Fund to the City for any lawful use with respect to the System.

[Reserve Account

The Indenture establishes a Reserve Account to be held by the Trustee solely for the benefit of the Owners of the Bonds. From the proceeds of the Bonds, the Trustee will deposit in the Reserve Account the Reserve Requirement and apply moneys in the Reserve Account in accordance with the Indenture. The term "Reserve Requirement" means _____.

The City may purchase a municipal bond debt service reserve insurance policy (the "Reserve Policy") to satisfy the Reserve Requirement. If the City decides to purchase the Reserve Policy, it would be in an amount sufficient to satisfy the Reserve Requirement and would be deposited with the Trustee in the Reserve Account.]

Rate Covenant

The City covenants in the Indenture to fix, prescribe and collect rates, fees and charges and manage the operation of the System for each Fiscal Year so as to yield System Revenues at least sufficient, after making reasonable allowances for contingencies and errors in the estimates, to pay the following amounts during such Fiscal Year:

- (i) All current Operation and Maintenance Costs.
- (ii) The payment of the principal of and interest on the Bonds and payments for other Parity Debt (including the 2013 Installment Payments) and the payment of the Subordinate Obligations as they become due and payable.
- (iii) All payments required for compliance with the terms of the Indenture, including restoration of the Reserve Account to an amount equal to the Reserve Fund Requirement, and of any Supplemental Indenture.
- (iv) All payments to meet any other obligations of the City which are charges, liens or encumbrances upon, or payable from, the System Net Revenues.

In addition, the City covenants, to the maximum extent permitted by law, to fix, prescribe and collect rates, fees and charges and manage the operation of the System for each Fiscal Year so as to yield System Net Revenues during such Fiscal Year equal to at least 120% of the Annual Debt Service in such Fiscal Year; provided, an adjustment will be made to the amount of System Net Revenues for amounts

deposited into or withdrawn from the Rate Stabilization Fund. For purposes of foregoing calculation, any amounts reimbursed to the City by the United States of America pursuant to a future program similar to the previously enacted Section 54AA of the Code shall not be included in System Revenues.

Rate Stabilization Fund

The City has previously created a Rate Stabilization Fund, which such fund will be continued under the Indenture. The City may, during or within 210 days after a Fiscal Year, deposit surplus System Net Revenues transferred from the System Revenue Fund attributable to such Fiscal Year (on the basis of Generally Accepted Accounting Principles) into the Rate Stabilization Fund. The City may at any time withdraw moneys from the Rate Stabilization Fund and deposit such amounts into the System Revenue Fund. System Net Revenues deposited into the Rate Stabilization Fund will not be taken into account as System Net Revenues for purposes of determining whether the City is permitted to issue additional Parity Debt or whether the City is in compliance with the rate covenant established under the Indenture, in the Fiscal Year to which such deposit is attributable, and amounts withdrawn from the Rate Stabilization Fund and deposited into the System Revenue Fund, during or within 210 days after a Fiscal Year, may be taken into account as System Revenues purposes of determining whether the City is permitted to issue additional Parity Debt or whether the City is in compliance with the rate covenant established under the Indenture, in such Fiscal Year; provided that, for purposes of determining whether the City is in compliance with the rate covenant established under the Indenture, the amount of System Net Revenues before any credits for withdrawals from the Rate Stabilization Fund may not be less than 100% of Maximum Annual Debt Service for outstanding Parity Debt; provided further that the foregoing are subject to the rate stabilization fund provisions of any Parity Debt outstanding as of the date of the Indenture.

PARITY OBLIGATIONS

Set forth below is a summary of the provisions of the Indenture with respect to the incurrence of superior obligations and issuance of any Parity Obligations.

In addition to the Bonds and the 2013 Installment Payments, the City may at any time enter into any Parity Obligations; subject to satisfaction of the following conditions:

(a) The City must be in compliance with all agreements, conditions, covenants and terms contained in the Indenture and in all Supplemental Indentures required to be observed or performed by it, and a Written Certificate of the City to that effect must have been filed with the Trustee; and

(b) The Parity Obligations must have been duly authorized pursuant to the Law and all applicable laws;

(c) The System Net Revenues for the last completed Fiscal Year or any 12 consecutive months within the last 18 months preceding the date of execution of such Parity Debt, as shown by a Written Certificate of the City on file with the Trustee, plus an allowance for increased System Net Revenues arising from any increase in the rates, fees and charges of the System which was duly adopted by the governing board of the City prior to the date of the execution of such Parity Obligations but which, during all or any part of such 12 month period, was not in effect, in an amount equal to the amount by which the System Net Revenues would have been increased if such increase in rates, fees and charges had been in effect during the whole of such 12 month period, as shown by a Written Certificate of the City on file with the Trustee, will have produced a sum equal to at least 120% of the Maximum Annual Debt Service as calculated after the execution of such Parity Obligations; *provided*, that in the event that all or a portion of such Parity Debt is to be issued for the purpose of refunding and retiring any Parity Obligations then outstanding, interest and principal payments on the Parity Debt to be so refunded and retired from the proceeds of such Parity Obligations being issued will be excluded from this computation

of Maximum Annual Debt Service; *provided further*, that the City may at any time issue Parity Obligations without compliance with the foregoing conditions if the Annual Debt Service for each Fiscal Year during which such Parity Debt is outstanding will not be increased by reason of the issuance of such Parity Obligations; and *provided further*, an adjustment is made in the amount of System Net Revenues as provided in the Indenture; *provided further* that for purposes of the calculation described in this paragraph, any amounts reimbursed to the City by the United States of America pursuant to a future program similar to the previously enacted Section 54AA of the Code shall not be included in System Revenues.

Subordinate Obligations. The Indenture does not limit the issuance of any revenue bonds of the City payable from the System Net Revenues and secured by a lien and charge on the System Net Revenues on a subordinate basis to the Bonds.

Limited Liability

THE OBLIGATION OF THE CITY TO PAY PRINCIPAL OF AND INTEREST ON THE BONDS IS A SPECIAL OBLIGATION OF THE CITY PAYABLE SOLELY FROM SYSTEM NET REVENUES AND AMOUNTS ON DEPOSIT IN CERTAIN FUNDS AND ACCOUNTS CREATED UNDER THE INDENTURE, AND DOES NOT CONSTITUTE A DEBT OF THE CITY OR OF THE STATE OR OF ANY POLITICAL SUBDIVISION THEREOF IN CONTRAVENTION OF ANY CONSTITUTIONAL OR STATUTORY DEBT LIMITATION OR RESTRICTION.

NOTWITHSTANDING ANYTHING CONTAINED IN THE INDENTURE, THE CITY WILL NOT BE REQUIRED TO ADVANCE ANY MONEYS DERIVED FROM ANY SOURCE OF INCOME OTHER THAN THE NET SYSTEM REVENUES, THE BOND FUND AND THE OTHER FUNDS PROVIDED IN THE INDENTURE FOR THE PAYMENT OF PRINCIPAL OF OR INTEREST ON THE BONDS OR FOR THE PERFORMANCE OF ANY AGREEMENTS OR COVENANTS REQUIRED TO BE PERFORMED BY IT CONTAINED IN THE INDENTURE.

BOND INSURANCE

The City has applied for a policy of municipal bond insurance with respect to the Bonds. If bond insurance is purchased, payment of the principal of and interest on any insured Bonds when due will be guaranteed under an insurance policy to be issued concurrently with the issuance of the Bonds.

THE CITY

General

The City was incorporated on March 2, 1888 as a general law city and is located approximately six miles northeast of downtown Los Angeles in Los Angeles County (the "County"). The City is a full service city operating under a council-manager form of government. The City currently encompasses 3.44 square miles, with a population of 26,028 as of January 1, 2016. See "APPENDIX B – GENERAL INFORMATION ABOUT THE CITY OF SOUTH PASADENA."

Governance and Management

General. The City operates under the council-manager form of government. The City Council consists of five members elected to four-year staggered terms of office. The Mayor is selected from the City Council members and serves a one-year term. The City's other elected officials are the City Treasurer and City Clerk, each of whom serves a four-year term.

The City Council appoints the City Manager to function as the chief administrator of the City. The City Council sets the policy direction for the City, incorporating public input received directly from

local citizens and several Council-appointed city commissions. The City Manager is charged with implementing City Council directions, keeping the City Council informed of City operations, preparing the annual budget and coordinating department activities.

City Council. The current City Council members and the expiration dates of their terms of office are set forth below.

<u>Mayor, Mayor Pro Tem and City Council Members</u>	<u>Expiration of Term</u>
Diana Mahmud, Mayor	December 2018
Michael A. Cacciotti, Mayor Pro Tempore	December 2018
Robert S. Joe, Councilmember	December 2020
Marina Khubesrian, M.D., Councilmember	December 2020
Richard D. Schneider, M.D., Councilmember	December 2020

City Staff. The System is managed by the following members of the City’s staff:

Sergio Gonzalez serves as City Manager. Prior to being appointed as City Manager, Mr. Gonzalez held the position of City Manager on an interim basis since 2011. Prior to his interim appointment, he served as the City’s Assistant City Manager since 2008. Mr. Gonzalez joined the City of South Pasadena in 2003, when he was hired as a supervisor of the Recreation Division to manage the City’s sports fields, leisure classes, daycare program, and special events. Prior to joining the City of South Pasadena, Mr. Gonzalez spent 13 years in nonprofit management.

David Batt serves as Finance Director. Mr. Batt joined the City as the Assistant Finance Director in 2007, and was appointed Finance Director in 2013. Mr. Batt has nearly 30 years of experience in municipal finance, working both as a City employee as well as an independent consultant.

Management of the System is provided by Paul Toor, Public Works Director since October, 2011. Mr. Toor is a registered professional engineer and has over 36 years of experience in the public works field including utilities. He has served as Public Works/Utilities Director and City Engineer for full service cities including water, waste water & electric utilities since 1990 and has managed public works projects over \$300 million during the last two decades.

City Staff

The City currently employs approximately 146 full-time individuals, of whom 11.5 full time equivalent work in the Water Department. Employees of the City belong to one of four different labor unions or remain unrepresented.

The current status of the City’s employment agreements is set forth below:

<u>Organization</u>	<u>Status</u>
Public Service Employees’ Association – Full Time	Extending to June 30, 2017
Public Service Employees’ Association – Part Time	Extending to June 30, 2017
South Pasadena Police Officers’ Association	Extending to June 30, 2017
South Pasadena Firefighters’ Association	Extending to June 30, 2017

The System is responsible for paying a portion of the City’s personnel costs. The City’s Fiscal Year 2015-16 personnel costs totaled \$19.2 million, of which 8.5% was allocated to the System. See “APPENDIX A – GENERAL INFORMATION ABOUT THE CITY OF SOUTH PASADENA” for information about the City’s pension obligations and post-retirement medical benefit obligations.

Insurance Coverage

The insurable property and facilities of the System are covered under the City's general insurance policies. The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The City is a member of the California State Association of Counties – Excess Insurance Authority (“CSAC-EIA”), a joint powers authority formed under Section 990 of the California Government Code for the purpose of jointly funding programs of insurance coverage for its members. CSAC-EIA is currently comprised of over 1500 participating member agencies. The City participates in the liability, worker's compensation, crime insurance, pollution legal liability insurance and property insurance programs of CSAC-EIA. See Note 8 in “APPENDIX A - AUDITED FINANCIAL STATEMENTS OF THE CITY FOR FISCAL YEAR ENDED JUNE 30, 2015” for additional details regarding the insurance coverage of the City.

In addition, the City is obligated under the Indenture to maintain certain insurance. See “APPENDIX C – SUMMARY OF THE INDENTURE”.

THE SYSTEM

General

The City operates four wells with a total capacity of 5.5 millions of gallons per day (“mgd”) and pumps the water into the City through two collection reservoirs with a capacity of 2.3 million gallons (“mg”), three distribution reservoirs with a total capacity of 10 mg, two elevated tanks with a total capacity of 300,000 gallons, six booster stations and four pressure zones. The City's Garfield Reservoir has the capacity to hold 6.5 mg of water and provides the primary storage and pressure regulation for the System. The City maintains approximately 85 miles of water lines ranging from 2 to 24 inches in diameters that deliver water to approximately 6,300 meters. The average daily demand on the System is 3.0 mgd and the peak flow/demand on the System is 4.1 mgd.

Billing Practices

System accounts are billed bi-monthly. The invoice is due 30 days after the billing date. If payment has not been received within the 30 day period, a 5% penalty is assessed. When the delinquent invoice is sent, notice is given as to when it is to be paid so that further fees will not be assessed. If the invoice is not paid within this time period, a 24-hour door hanger is placed at the property and a \$10.00 door hanger fee assessed. The door hanger notice states that the bill must be paid within the 24-hour period or the water service will be restricted and a \$45.00 restrict fee will be assessed. Water service will be re-connected only after the entire balance on the account is paid. For the past five Fiscal Years, the average collection rate for fees charged for water service was 99.7%.

Service Area

The System currently serves an area of approximately 3.44 square miles encompassing the incorporated area of the City and certain portions of the Cities of San Marino and Los Angeles. The System's customers are primarily residential with small to medium retailers and financial institutions, limited manufacturing and no agriculture. In addition, the Cal-America Water Company purchases a small amount of water from the System's groundwater supply for use in the City of San Marino.

Because of the built-out nature of the City, the City does not expect any significant population growth within the service area.

Sources of Water Supply

General. The City has three sources of water:

- Groundwater from the Main San Gabriel Basin (the “Main Basin”), which historically has accounted for approximately 90% of the City’s water supply.
- Imported water, which historically has accounted for approximately 10% of the City’s water supply.
- Water from adjacent water purveyors.

Recycled water is not available in the City because of the great distance between the City and the local water recycling facilities. However, the City could receive indirect benefits from recycling projects developed by other local water agencies, as a result of the resulting reduction of groundwater pumping by others in the Main Basin.

The City manages its water supplies to maximize the use of groundwater and minimize the use of imported water.

Groundwater. With respect to its groundwater rights, the City has a pumper’s share of 1.8052% of the “Operating Safe Yield” from the Main Basin. The Main Basin is a large groundwater basin replenished by stream runoff from the adjacent mountains and hills, by rainfall directly on the surface of the valley floor, subsurface inflow from Raymond Basin and Puente Basin, and by return flow from water applied for overlying uses. In addition, the Main Basin is replenished with imported water. The Main Basin serves as a natural storage reservoir, transmission system and filtering medium for wells constructed therein. There are three municipal water districts overlying and partially overlying the Main Basin. The three districts are the Upper San Gabriel Valley Municipal Water District, of which the City is a member (the “Upper District”), San Gabriel District and Three Valleys District.

The Main Basin was adjudicated in 1973 and is managed by a Main Basin Watermaster. Although there is no limit on the quantity of water that may be extracted by parties to the Main Basin adjudication, including the City, groundwater production in excess of water rights, or the proportional share (pumper’s share) of the Operating Safe Yield, requires purchase of imported replacement water to recharge the Main Basin. If the City pumps more than the allowed amount of water, replacement water must be purchased from the Upper District. During the period of management under the Main Basin adjudication, significant drought events occurred from 1969 to 1977, 1983 to 1991 , 1998 to 2004 and 2011 to present. In each drought cycle, the Main Basin was managed to maintain its water levels.

Imported Water. In addition, the City may purchase water from the Metropolitan Water District of Southern California (“MWD”) through the outlet designated for delivery of water purchased by the City from MWD (“USG-2”), which has a capacity of 4,500 gpm.

Furthermore, the City receives approximately 17 acre-feet of water each year from the City of Pasadena to serve a small portion of the City.

Historical Water Supply. The following table sets forth historical water supply for Fiscal Years 2011-12 through 2015-16.

Table 1
CITY OF SOUTH PASADENA WATER SYSTEM
Historical Water Supply
(in acre feet)

	<u>Fiscal</u> <u>Year</u> <u>2011-12</u>	<u>Fiscal</u> <u>Year</u> <u>2012-13</u>	<u>Fiscal</u> <u>Year</u> <u>2013-14</u>	<u>Fiscal</u> <u>Year</u> <u>2014-15</u>	<u>Fiscal</u> <u>Year</u> <u>2015-16</u>
Sources of Supply					
Groundwater production ⁽¹⁾	4,354	4,350	4,461	3,710	3,303
Purchase from MWD (USG-2)	-	196	88	145	0
Purchase from the City of Pasadena	<u>25</u>	<u>23</u>	<u>23</u>	<u>17</u>	<u>17</u>
Total Sources of Supply	4,379	4,569	4,572	3,872	3,320
Basin Operating Safe Yield	170,000	200,000	180,000	150,000	150,000
City Pumper's Share ⁽¹⁾	3,069	3,610	3,249	2,708	2,708
Over Production/Pumping ⁽²⁾	1,285	740	1,212	1,002	595

⁽¹⁾ The City has pumper's share of 1.8052% of Operating Safe Yield.

⁽²⁾ For amounts in excess of the City's 1.8052% of the Operating Safe Yield, the City must purchase water from the Upper District for a Watermaster Replenishment Assessment Charge. The Watermaster Replenishment Assessment Charge was \$640 per acre foot for Fiscal Years 2011-12 through 2013-14 and was \$697 in Fiscal Years 2014-15 and 2015-16.

Source: City of South Pasadena.

The City considers its water supply to be adequate for its long-term needs.

Pumping and Distribution

The City has four active wells located within the Main Basin: Graves Well 2, Wilson Well 2, Wilson Well 3 and Wilson Well 4. The City also has one MWD connection, USG-2. In addition, the City has two interconnections with the City of Pasadena.

The total pumping capacity is about 4,900 gallons per minute (gpm), as follows:

Graves Well 2: 700 gpm
Wilson Well 2: 1,200 gpm
Wilson Well 3: 1,900 gpm
Wilson Well 4: 1,100 gpm

Water from Graves Well 2 is pumped into the Graves Reservoir and water from the Wilson Wells 2, 3 and 4 is pumped into the Wilson Reservoir. The Graves Reservoir has a capacity of 1.0 mg and the Wilson Reservoir has a capacity of 1.3 mg. A booster station at each well site pumps water through a transmission main that leads to the Garfield Reservoir, a 6.5 mg reservoir located within the City. Replacement of the Garfield Reservoir is underway and is expected to be completed mid-2017. Design process for the Graves Reservoir is in progress and it is anticipated that reconstruction of Graves Reservoir will start in mid-2017. There are two distribution reservoirs, the Grand and Westside Reservoirs, and two elevated steel tanks, the Raymond Hill Tank and Bilicke Tank, within the City limits that receive water from the Garfield Reservoir. Reconstruction of the Grand Reservoir was completed in February 2007. Wilson Well 2 is being currently rehabilitated and anticipated to be completed and back in service in 2017.

The City's distribution system contains four pressure zones: the Raymond Zone, the Central Zone, the Bilicke Zone and the Pasadena Zone. The City provides water to the Raymond Zone, the Central Zone, and the Bilicke Zone. The City of Pasadena provides water to the Pasadena Zone, located at the top of the Raymond Hill. The City may also deliver water to Raymond Hill Tank when Pasadena is unable to supply water to the Pasadena Zone.

Water Treatment

There is one chlorination station at the Graves site, two chlorination stations at the Wilson site and one chlorination station at the Grand Reservoir. The chlorination stations provide normal and emergency chlorination to the water leaving each reservoir and prior to the booster stations.

Historically, Volatile Organic Chemicals ("VOCs") and Nitrate have been detected at the City's wells at concentrations above the Maximum Contaminant Levels ("MCL"). The City has been using blending to treat VOCs and Nitrate detected at its wells, allowing the City to meet its water contaminant requirements established by State Water Resources Control Board ("SWRCB") Division of Drinking Water ("DDW").

Historical Water Consumption

The City has undertaken several measures to encourage water conservation by System users and in furtherance of its aim of decreasing water consumption. The following table sets forth historical water demand for the System for Fiscal Years 2011-12 through 2015-16. The City does not expect a material change in the System's water consumption in the Fiscal Year 2016-17 from the amounts reported for the Fiscal Year 2015-16.

Table 2
CITY OF SOUTH PASADENA WATER SYSTEM
Historical Water Consumption
(in acre feet)

<u>Historical Consumption</u>	<u>Fiscal Year 2011-12</u>	<u>Fiscal Year 2012-13</u>	<u>Fiscal Year 2013-14</u>	<u>Fiscal Year 2014-15</u>	<u>Fiscal Year 2015-16</u>
Single family residential	2,254	2,274	2,293	2,286	1,708
Multi-family residential	1,097	1,105	1,110	1,233	966
Commercial	457	480	476	471	334
Fire Service	1	1	1	3	1
Other	<u>214</u>	<u>19</u>	<u>10</u>	<u>18</u>	<u>29</u>
Total Consumption	4,023	3,879	3,890	4,011	3,038

Source: City of South Pasadena.

Customer Base

Active Water Connections. The following table shows the historical number of connections by user type for Fiscal Years 2011-12 through 2015-16. The City does not expect a material change in the number of active water connections in the Fiscal Year 2016-17 from the number of connections reported for Fiscal Year 2015-16.

**Table 3
CITY OF SOUTH PASADENA WATER SYSTEM
Historical Active Water Connections**

<u>Type of Use</u>	<u>Fiscal Year 2011-12</u>	<u>Fiscal Year 2012-13</u>	<u>Fiscal Year 2013-14</u>	<u>Fiscal Year 2014-15</u>	<u>Fiscal Year 2015-16</u>
Residential	5,604	5,652	5,653	5,662	5,670
Commercial/Industrial	521	364	365	369	371
Other ⁽¹⁾	<u>3</u>	<u>18</u>	<u>18</u>	<u>18</u>	<u>18</u>
Total	6,128	6,034	6,036	6,049	6,059

⁽¹⁾ Includes water sales to Cal-American.
Source: City of South Pasadena.

Largest Users. The following table shows the top ten water users in the City based on service charge revenue to the System.

**Table 4
CITY OF SOUTH PASADENA WATER SYSTEM
Top Ten Customers by Service Charge Revenue
Fiscal Year 2015-16**

<u>Name</u>	<u>Service Charge Revenue</u>	<u>% of Total Annual Service Charge Revenue⁽¹⁾</u>
Dept. of Trans./Caltrans	\$30,815.46	0.39%
Prospect Manor	23,814.30	0.30
Franciscan Woods	19,116.95	0.24
Corbell Partnership	17,998.37	0.23
Mission Meridian Village	17,086.90	0.22
512 Garfield H.O.A.	16,628.48	0.21
Chess, Thomas J.	16,459.01	0.21
YMCA	14,238.80	0.18
Cozen, Debora H.	12,289.54	0.16
So. Pasadena Unified School District	<u>12,137.97</u>	<u>0.16</u>
Total	\$180,585.78	2.31%

⁽¹⁾ Based on standby service charge revenues of \$7,811,467 for Fiscal Year 2015-16.
Source: City of South Pasadena.

Water Rates and Charges

The City Council has the independent authority to establish rates and fees for use of the System, subject to the provisions of State law.

The City employs a “Tiered by Meter Size” rate structure that has 3 fixed tiers of water priced at inclining rates. In recent years, there have been court challenges to tiered rate structures, including the challenge faced by the City of San Juan Capistrano. The City does not believe that the methodology underlying its tiered rate structure is similar to the one utilized by the City of San Juan Capistrano in creating its challenged rates. Thus the City does not believe that its tiered rate structure would be susceptible to a successful legal challenge on the same basis as the challenge in the case involving the City of San Juan Capistrano. “See “BONDOWNERS’ RISKS – California Constitution Article XIIC and Article XIID” herein. As of the date of this Official Statement, the City is not aware of any pending or threatened challenges to its tiered rate structure.

On December 5, 2012, based on a rate study by Raftelis Financial Consultants dated October 16, 2012 (the “Rate Study”), the City Council approved an increase in water rates for the calendar year 2013 that went into effect on January 1, 2013. At that time, the City Council did not approve the rate increases recommended by the Rate Study for calendar years 2014 and 2015. On January 15, 2014, the City Council raised water rates for the calendar years 2014 through 2016. The City, based on the Rate Study, determined that increases of 8.0% in calendar year 2014, 6.0% in 2015 and 4.0% in 2016 were necessary to meet the City’s existing debt coverage through Fiscal Year 2015-16. As of the date of this Official Statement, the City does not anticipate raising rates for the calendar year 2017. As a result, the rates for calendar year 2016 will remain in place for calendar year 2017.

In addition to the rate increases noted above, in January 2014, the City also adopted a program that allows the City to pass through any wholesale water rate increases to System users. Under the program, for each increase in the wholesale water charge per unit, the City adds the same amount to the City’s water rate. The City calculates these pass-through increase amounts on an annual basis. As of the date of this Official Statement, the City has not added on any wholesale pass-through increase amounts to its water rates.

The City has currently engaged Raftelis Financial Services to conduct a new rate study. The City anticipates the study to be completed in April 2017.

The following table summarizes the adopted schedule of bi-monthly water rates for the calendar years 2013 through 2016. The service charge is a combination of a fixed base rate and a consumption charge.

Table 5
CITY OF SOUTH PASADENA WATER SYSTEM
Water Rate Structure
(Bi-Monthly Charges)

<u>Meter Size</u>	<u>2013</u> ⁽¹⁾	<u>2014</u> ⁽²⁾⁽³⁾	<u>2015</u> ⁽¹⁾⁽³⁾	<u>2016</u> ⁽¹⁾⁽³⁾
¾ inch	\$ 61.25	\$ 66.15	\$ 70.12	\$ 72.93
1 inch	92.31	99.70	105.69	109.92
1 ½ inch	169.98	183.58	194.60	202.39
2 inch	263.19	284.25	301.31	313.37
3 inch	480.66	519.12	550.27	572.29
4 inch	791.34	854.65	905.93	942.17
6 inch	1,568.01	1,693.46	1,795.07	1,866.88
8 inch	2,810.72	3,035.58	3,217.72	3,346.43
<u>Volume Charge</u>				
Tier 1	\$1.64	\$1.78	\$1.89	\$1.97
Tier 2	2.81	3.04	3.23	3.36
Tier 3	4.53	4.90	5.20	5.41
Efficiency Fee	\$0.14	\$0.14	\$0.14	\$0.14

⁽¹⁾ As of January 1.

⁽²⁾ As of January 15.

⁽³⁾ The rates assume a Watermaster Replenishment Assessment Charge of \$697 for each of calendar years 2014-16.

Source: City of South Pasadena.

Development Impact Fees

The City charges development impact fees for new development (the “Development Impact Fee”). The Development Impact Fee is charged for: (i) adding new physical connections to the System or (ii) increasing the capacity of an existing utility connection. The purpose of Development Impact Fee is for new development within the System service area to pay its fair share without burdening existing System customers. The Development Impact Fee is based on the new customer’s proportionate share of existing and planned utility assets, including fixed assets and water rights. In Fiscal Year 2015-16, \$43,537 of Development Impact Fees were collected by the City.

Existing Debt of the System

Following the refunding of the 2009 Bonds, the only outstanding obligation of the System other than the Bonds is the obligation to pay the 2013 Installment Payments under the 2013 Installment Purchase Agreement. The outstanding principal component of the 2013 Installment Payments was equal to \$5,720,000 as of October 20, 2016.

Environmental Issues Relating to the System

Permits and Licenses. The System operates and is governed under regulatory licenses and permits from the following agencies:

- 1.) SWRCB Division of Drinking Water
- 2.) California Department of Water Resources
- 3.) San Gabriel Basin Water Quality Authority
- 4.) Main San Gabriel Basin Watermaster
- 5.) Upper San Gabriel Valley Metropolitan Water District

All permits and licenses are current and there have been no non-compliance notices of any kind in the last three years.

The City is not aware of any environmental or regulatory issues that would adversely impact its ability to deliver water.

Regulatory Issues. The applicable drinking water standards for the System are provided in the California Domestic Water Quality and Monitoring Regulations, Title 22 of the California Administrative Code. These regulations incorporate the requirements of the U.S. Environmental Protection Agency in conformance with the Safe Drinking Water Act (PL 93-523). The standards specify water quality sampling frequencies and location as well as maximum concentrations of chemical constituents and are continuously revised and amended.

The State regulations contain requirements for both primary and secondary drinking water standards. The primary standards relate to those contaminants that, if exceeding the maximum contaminant levels would present a health risk if used for drinking or culinary purposes. The secondary standards relate to contaminants that, if in excess of MCL, may be objectionable, but generally do not present a health risk.

As described in “THE SYSTEM – Water Treatment” above, two of the System’s wells produce high levels of volatile organic compounds and/or nitrate. Water from these wells is blended with water from other wells to decrease these high levels. Through this blending process, the water quality of the System meets all existing standards, and the System is in compliance with all current Federal and State requirements.

In addition, City wells are located in the vicinity of the San Gabriel Valley Area 3 Superfund Site (“Area 3”) established by the United States Environmental Protection Agency (“USEPA”). The City does not expect the proximity of Area 3 to adversely impact the quantity or quality of the City’s water supply.

Capital Improvement Plan

The following table outlines the ten-year System capital improvement plan (“CIP”). The CIP accounts for inflation, as well as additional water purchase costs that will be required while the reservoirs are out of service. The City expects to fund the CIP with proceeds of the 2009 Bonds, which currently amount to approximately \$7 million, ongoing System Revenues and the proceeds of a Clean Water State Revolving Fund Loan (the “SRF Loan”) from the SWRCB. The City estimates that the SRF Loan would be approximately \$10 million. The SRF Loan would be considered a Parity Obligation under the Indenture and thus the City would be required to meet the conditions for issuing Parity Obligations under the Indenture prior to the incurrence of the SRF Loan.

Of the projects identified in the CIP, the Garfield Reservoir project is the only project considered by the City to be of critical importance to the System. The City intends to apply the remaining proceeds of the 2009 Bonds to the completion of the Garfield Reservoir project. The City anticipates that the Garfield Reservoir Project will be completed by April 2017. If the sources identified in the prior paragraph are not sufficient to finance the projects in the CIP, the City currently does not plan to issue Parity Obligations to finance the balance. While the City does not currently plan to issue Parity

Obligations (with the exception of the SRF Loan) to finance projects in the CIP, the City is permitted under the Indenture to issue Parity Obligations to fund such projects.



Table 6
CITY OF SOUTH PASADENA WATER SYSTEM
Capital Improvement Plan

<u>Capital Improvement Plan - inflated</u>	Projected Fiscal Year <u>2016-17</u>	Projected Fiscal Year <u>2017-18</u>	Projected Fiscal Year <u>2018-19</u>	Projected Fiscal Year <u>2019-20</u>	Projected Fiscal Year <u>2020-25</u>
Wilson Well 2	\$ 400,000	\$ 0	\$ 0	\$ 0	\$ 0
Transmission Line Repairs	250,000	250,000	250,000	250,000	1,250,000
Garfield Reservoir	8,000,000	0	0	0	0
Westside Reservoir	0	500,000	500,000	2,000,000	4,000,000
Graves Reservoir + Treatment Facility	800,000	4,200,000	5,000,000	0	0
Automated Meter Reading	50,000	500,000	500,000	500,000	500,000
Annual Service Replacement Program	500,000	500,000	500,000	500,000	2,500,000
Raymond & Billicke Tank	50,000	150,000	150,000	0	0
SCADA System Upgrade	0	75,000	75,000	0	0
Wilson Well 4	0	250,000	250,000	0	0
Water Master Plan	<u>0</u>	<u>75,000</u>	<u>75,000</u>	0	0
Site Security	<u>0</u>	<u>75,000</u>	<u>75,000</u>	<u>0</u>	<u>0</u>
Total Capital Improvement Plan	<u>\$10,050,000</u>	<u>\$6,575,000</u>	<u>\$7,375,000</u>	<u>\$3,250,000</u>	<u>\$8,250,000</u>

Source: City of South Pasadena.

Historical Revenues and Expenses and Debt Service Coverage

The following table shows the System revenues and expenses and debt service coverage for Fiscal Years 2011-12 through 2014-15 based on the City's audited financial statements and for Fiscal Year 2015-16 based on the unaudited financial results of the City. The City's audited financial statements for Fiscal Year 2014-15 are attached in "APPENDIX B – AUDITED FINANCIAL STATEMENTS OF THE CITY FOR FISCAL YEAR ENDED JUNE 30, 2015."

Table 7
CITY OF SOUTH PASADENA
Historical Water System Revenues, Operation and Maintenance Costs,
Unrestricted Cash Balance and Debt Coverage Ratio
for the Five Fiscal Years Ended June 30, 2016

	<u>2011-12</u>	<u>2012-13</u>	<u>2013-14</u>	<u>2014-15</u>	<u>2015-16⁽¹⁾</u>
Operating Revenues:					
Sales and service charges	\$6,899,639	\$8,022,705	\$9,210,982	\$8,694,880	\$8,028,338
Miscellaneous	10,901	5,972	10,143	184,726	298,426
Total Operating Revenues	<u>\$6,910,540</u>	<u>\$8,028,677</u>	<u>\$9,221,125</u>	<u>\$8,879,606</u>	<u>\$8,326,764</u>
Operating Expenses:					
Administrative and general	\$635,398	\$787,893	\$734,171	\$885,946	\$998,689
Water distribution	1,106,808	1,217,271	1,344,058	1,052,657	1,023,230
Water production	2,343,681	3,504,511	3,595,960	2,492,259	2,457,269
Depreciation expense	125,207	125,171	129,420	336,785	336,784
Total Operating Expenses⁽²⁾	<u>4,211,094</u>	<u>5,634,846</u>	<u>5,803,609</u>	<u>4,767,647</u>	<u>4,815,974</u>
Operating Income (Loss)	<u>2,699,446</u>	<u>2,393,831</u>	<u>3,417,516</u>	<u>4,111,959</u>	<u>3,510,790</u>
Nonoperating Revenue (Expenses):					
Interest revenue	\$42,810	\$35,617	\$25,713	\$26,024	\$183,849
Interest expense	(387,660)	(500,957)	(900)	(5,000)	0
Gain (loss) on disposal of capital assets	4,177	0	0	0	0
Total Nonoperating Revenues (Expenses)	<u>(340,673)</u>	<u>(465,340)</u>	<u>24,813</u>	<u>21,024</u>	<u>183,849</u>
Changes in Net Assets	<u>2,358,773</u>	<u>1,928,491</u>	<u>3,442,329</u>	<u>4,132,983</u>	<u>3,694,639</u>
Transfers:					
Transfers in	0	0	0	0	0
Transfers out	0	0	0	(72,500)	(11,599)
Total Transfers	<u>0</u>	<u>0</u>	<u>0</u>	<u>(72,500)</u>	<u>(11,599)</u>
Net Assets:					
Beginning of Year, as previously reported	8,571,637	10,930,410	11,590,368	15,032,697	16,595,981
Restatements	0	(1,268,533)	0	(2,497,199)	0
Beginning of Fiscal Year, as restated	<u>8,571,637</u>	<u>9,661,877</u>	<u>11,590,368</u>	<u>12,535,498</u>	<u>16,595,981</u>
End of Fiscal Year	<u>\$10,930,410</u>	<u>\$11,590,368</u>	<u>\$15,032,697</u>	<u>\$16,595,981</u>	<u>\$20,279,021</u>
Unrestricted Cash Balance	7,185,016	8,644,730	8,042,985	8,568,756	7,377,491
Debt Service Coverage					
System Net Revenues ⁽³⁾	\$2,871,640	\$2,554,619	\$3,632,649	\$4,474,768	\$4,031,424
Total Debt Service ⁽⁴⁾	1,645,075	2,665,425	3,266,034	3,304,888	3,305,763

Debt Service Coverage Ratio	<u>2011-12</u>	<u>2012-13</u>	<u>2013-14</u>	<u>2014-15</u>	<u>2015-16⁽¹⁾</u>
	1.75	0.96	1.11	1.35	1.22

⁽¹⁾ Unaudited.

⁽²⁾ In Fiscal Year 2013-14, Operating Expenses in the City’s audited financial statements were overstated by \$178,974 due to the misapplication of capital expenses relating to the construction of the Wilson Reservoir.

⁽³⁾ System Net Revenues include Operating Income, Total Non-Operating Revenues and the Depreciation Expense. System Net Revenues for Fiscal Year 2013-14 includes \$60,000 from the Rate Stabilization Fund.

⁽⁴⁾ For the Fiscal Years 2011-12 and 2012-13, Total Debt Service was comprised of debt service on the 2009 Bonds and the California Statewide Communities Development Authority Water and Wastewater Revenue Bonds (Pooled Financing Program), Series 2004A (the “2004 Bonds”). The 2004 Bonds were refunded with proceeds of the 2013 Authority Bonds. For the Fiscal Years 2013-14 through 2015-16, Total Debt Service was comprised of debt service on the 2009 Bonds and the 2013 Authority Bonds.

Source: City of South Pasadena.

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FINANCIAL STATEMENTS

Financial information regarding the System for the Fiscal Year ended June 30, 2015, are set forth in the City's audited financial statements, which are included in Appendix B hereto. The City's audited financial statements have been audited by Moss, Levy & Hartzheim, a licensed certified public accounting firm (the "Auditor"), as stated in the report appearing in Appendix B hereto. The City has not requested nor did the City obtain permission from the Auditor to include the audited financial statements as an appendix to this Official Statement. Accordingly, the Auditor has not performed any post-audit work on the financial statements.

BONDOWNERS' RISKS

PURCHASE OF THE BONDS INVOLVES CERTAIN RISKS. EACH PROSPECTIVE INVESTOR IN THE BONDS IS ENCOURAGED TO READ THIS OFFICIAL STATEMENT IN ITS ENTIRETY. PARTICULAR ATTENTION SHOULD BE GIVEN TO THE FACTORS DESCRIBED BELOW WHICH, AMONG OTHERS, COULD AFFECT THE MARKET PRICE OF THE BONDS TO AN EXTENT THAT CANNOT BE DETERMINED. HOWEVER, THEY DO NOT PURPORT TO BE AN EXHAUSTIVE LISTING OF RISKS AND OTHER CONSIDERATIONS WHICH MAY BE RELEVANT TO AN INVESTMENT IN THE BONDS. IN ADDITION, THE ORDER IN WHICH THE FOLLOWING FACTORS ARE PRESENTED IS NOT INTENDED TO REFLECT THE RELATIVE IMPORTANCE OF ANY SUCH RISKS.

Bonds are Limited Obligations

THE OBLIGATION OF THE CITY TO PAY PRINCIPAL OF AND INTEREST ON THE BONDS IS A SPECIAL OBLIGATION OF THE CITY PAYABLE SOLELY FROM SYSTEM NET REVENUES AND AMOUNTS ON DEPOSIT IN CERTAIN FUNDS AND ACCOUNTS CREATED UNDER THE INDENTURE, AND DOES NOT CONSTITUTE A DEBT OF THE CITY OR OF THE STATE OR OF ANY POLITICAL SUBDIVISION THEREOF IN CONTRAVENTION OF ANY CONSTITUTIONAL OR STATUTORY DEBT LIMITATION OR RESTRICTION.

NOTWITHSTANDING ANYTHING CONTAINED IN THE INDENTURE, THE CITY WILL NOT BE REQUIRED TO ADVANCE ANY MONEYS DERIVED FROM ANY SOURCE OF INCOME OTHER THAN THE NET SYSTEM REVENUES, THE BOND FUND AND THE OTHER FUNDS PROVIDED IN THE INDENTURE FOR THE PAYMENT OF PRINCIPAL OF OR INTEREST ON THE BONDS OR FOR THE PERFORMANCE OF ANY AGREEMENTS OR COVENANTS REQUIRED TO BE PERFORMED BY IT CONTAINED IN THE INDENTURE.

No Liability of the City to the Bondowners

Except as expressly provided in the Indenture, the City will not have any obligation or liability to the Bondowners with respect to the observance or performance of other agreements, conditions, covenants and terms required to be observed or performed by the City under the Indenture or any related documents or with respect to the performance by the Trustee of any duty required to be performed by it under the Indenture.

Limitations on Remedies Available to Owners of the Bonds and the Trustee

The enforceability of the rights and remedies of the Owners of the Bonds and the Trustee, and the obligations incurred by the City and the System, may be subject to the following: the federal bankruptcy code and applicable bankruptcy, insolvency, reorganization, moratorium or similar laws relating to or affecting the enforcement of creditors' rights generally, now or hereafter in effect; usual equity principles which may limit the specific enforcement under state law of certain remedies; the exercise by the United

States of America of the powers delegated to it by the Federal Constitution; and the reasonable and necessary exercise, in certain exceptional situations, of the police power inherent in the sovereignty of the State of California and its governmental bodies in the interest of serving a significant and legitimate public purpose. Bankruptcy proceedings, or the exercise of powers by the federal or state government, if initiated, could subject the Owners of the Bonds to judicial discretion and interpretation of their rights in bankruptcy or otherwise, and consequently may entail risks of delay, limitations or modification of their rights. Remedies may be limited since the System serves essential public purposes.

Limited Recourse on Default

If the City defaults on its obligations to make debt service payments on the Bonds, the Trustee has the right to accelerate the total unpaid principal amount of the Bonds. However, in the event of a default and such acceleration, there can be no assurance that the Trustee will have sufficient moneys available for payment of the Bonds.

Loss of Tax Exemption

As discussed under the caption "TAX MATTERS" herein, interest with respect to the Bonds could fail to be excluded pursuant to section 103(a) of the Code from the gross income of the owners thereof for purposes of federal income taxation retroactive to the date of the execution and delivery of the Bonds as a result of future acts or omissions of the City in violation of its covenants contained in the Indenture. Should such an event of taxability occur, the Bonds are not subject to special redemption or any increase in interest rate, and will remain outstanding until maturity or until redeemed under one of the redemption provisions contained in the Indenture.

IRS Audit of Tax-Exempt Issues

The IRS has initiated an expanded program for the auditing of tax-exempt issues, including both random and targeted audits. It is possible that the Bonds will be selected for audit by the IRS. It is also possible that the market value of the Bonds might be affected as a result of such an audit of the Bonds (or by an audit of similar obligations).

Secondary Market

There can be no guarantee that there will be a secondary market for the Bonds or, if a secondary market exists, that the Bonds can be sold for any particular price. Occasionally, because of general market conditions or because of adverse history or economic prospects connected with a particular issue, secondary marketing practices in connection with a particular issue are suspended or terminated. Additionally, prices of issues for which a market is being made will depend upon then prevailing circumstances. Such prices could be substantially different from the original purchase price.

Forecasts

Although the City believes that the projections herein of future operating results of the System are reasonable, there can be no assurance that actual operating results will match the projections due to changes in general economic conditions and similar factors. In addition, the System and economic development within the service area of the City are subject to federal, State and local regulations. There can be no assurance that the System will not be adversely affected by future economic conditions, governmental policies or other factors beyond the control of the City.

System Expenses and Collections

There can be no assurance that the expenses for the System will remain at the levels described in this Official Statement. Changes in technology, energy or other expenses would reduce the System

Revenues and could require substantial increases in rates or charges. Such rate increases could increase the likelihood of nonpayment, and could also decrease demand. Although the City has covenanted to fix, prescribe, revise and collect rates, fees and charges of the System at certain levels, there can be no assurance that such amounts will be collected in the amounts and at the time necessary to make timely payments with respect to the Bonds.

Drought Measures

State Orders. On January 17, 2014, the California Governor declared a drought state of emergency (the "Declaration") with immediate effect. The Declaration includes the following orders, among others:

- (a) local urban water suppliers, including the City, are encouraged to implement their local water shortage contingency plans; the City's plan is discussed under the subcaption "- City Response to Drought;"
- (b) local urban water suppliers, including the City, are encouraged to update their urban water management plans to prepare for extended drought conditions;
- (c) the California Department of Water Resources ("DWR") and the SWRCB are directed to expedite the processing of water transfers;
- (d) the SWRCB is directed to put water rights holders on notice that they may be required to cease or reduce water diversions in the future;
- (e) the SWRCB is directed to consider modifying requirements for reservoir releases or diversion limitations; and (f) DWR is directed to take necessary actions to protect water quality and supply in the Sacramento-San Joaquin River Delta/San Francisco Bay Estuary (the "Bay-Delta"), including the installation of temporary barriers or temporary water supply connections, while minimizing impacts to aquatic species. In addition, on July 15, 2014, the SWRCB adopted emergency measures requiring water suppliers to implement mandatory Statewide water conservation actions.

On March 17, 2015, the SWRCB adopted additional emergency regulations limiting outdoor irrigation to two days per week, extending certain measures set forth in the July 15, 2014 action for an additional 270 days, prohibiting outdoor irrigation for 48 hours following rain and prohibiting restaurants from serving water to customers unless requested.

On April 1, 2015, the California Governor issued an executive order extending the measures set forth in the Declaration and adopting the following additional orders, among others: (i) the SWRCB is directed to impose restrictions to reduce potable urban water usage, including usage by commercial, industrial and institutional properties and golf courses, by 25% from 2013 amounts through February 28, 2016; portions of a water supplier's service area with higher per capita use must achieve proportionally greater reductions than areas with lower per capita use; (ii) DWR is directed to lead a statewide initiative to replace 50 million square feet of lawns with drought tolerant landscaping; (iii) the California Energy Commission is directed to implement a rebate program for replacement of inefficient appliances; (iv) urban water suppliers are required to provide monthly water usage, conservation and enforcement information; (v) service providers are required to monitor groundwater basin levels in accordance with California Water Code § 10933; (vi) permitting agencies are required to prioritize approval of water infrastructure and supply projects; and (vii) DWR is required to plan salinity barriers in the Bay-Delta. On May 6, 2015, the SWRCB adopted regulations in response to the Governor's executive order that require the Agency to effect a 32% reduction from 2013 water usage. The City has complied with the State mandates on conservation.

On November 13, 2015, the Governor issued Executive Order B-36-15, which calls for an extension of urban water use restrictions until October 31, 2016 should drought conditions persist through January 2016.

On February 2, 2016, the SWRCB extended its previous emergency regulations through October 2016 while making available credits and adjustments of up to 8% in urban water suppliers' conservation mandates based upon climate, water-efficient growth and investments in drought-resilient supply sources. On May 18, 2016, the SWRCB adopted a statewide water conservation approach that replaces the prior percentage reduction-based water conservation standard with a localized "stress test" approach that mandates urban water suppliers act now to ensure at least a three year supply of water to their customers under drought conditions.

City Response to Drought. In response to the drought, the City has implemented numerous conservation measures, including the adoption of a Water Conservation Ordinance, adopting a water supply shortage plan, and adopting the State's updates to the Model Water Efficient Landscape Ordinance. In addition, the City has instituted residential and commercial water and landscape audits, water saving incentive giveaways, rebate programs (e.g. turf removal and low-flow toilets) and upgraded City medians and landscape areas with drought-tolerant plants and more efficient irrigation. The City also hosts numerous community events and workshops promoting water efficiency, along with extensive community outreach through newsletters and social media.

Natural Disasters

The City, like all California communities, is subject to unpredictable seismic activity, fires or floods. If there were a severe seismic, flood or fire event in the City, there could be substantial damage to and interference with the City, including the System, which could impact the receipt of System Revenues, increase Operation and Maintenance Costs and adversely affect the City's ability to pay the principal of and interest on the Bonds.

Seismic Hazards. The City is subject to seismic activity and is likely to experience strong earthquakes during the term of the Bonds. According to the City's 1998 General Plan, the City is located in seismically active region, in an area of potential fault rupture, strong ground shaking and slope instability. These geologic and seismic hazards can affect the structural integrity of structures and utilities, and in turn can cause severe property damage and potential loss of life.

The principal threat in an earthquake is the potential for injuries or threat to human life due to damage or collapse of structures, such as buildings, freeways, bridges, and other infrastructure. Pursuant to Section 8876 of the California Government Code, cities and counties located within this Seismic Zone 4 are required to identify all potentially hazardous buildings and establish a program for their mitigation. Hazardous buildings, according to the General Plan Guidelines, are structures that are hazardous to life in the event of an earthquake because they were constructed prior to the adoption and enforcement of building codes requiring earthquake resistant building design; are constructed of unreinforced masonry; or include features that are not capable of resisting or withstanding a seismic event.

The City has adopted minimum standards for structural seismic resistance, and provides systematic procedures and standards for the identification and classification of unreinforced masonry buildings. A 1996 inventory of hazardous buildings reported that there are four buildings in the Mission West Historic District that have not been structurally reinforced and six unreinforced buildings in the remainder of the City.

Regional Faults. Regional faults that are potential sources of ground shaking within the City include the Sierra Madre Fault system, the Whittier Fault, and the San Andreas Fault. An earthquake anywhere on any of these faults could trigger secondary impacts in the City.

Local Faults. The General Plan reports that three local faults influence the City:

Raymond Hill Fault: this is the only “active” fault (the Alquist-Priolo Zones Special Studies Act defines “active” faults as those that have experienced surface displacement, or movement during the last 11,000 years) running through the City that is designated as an Alquist-Priolo Special Study Zone. This fault extends through the southern portion of South Pasadena.

According to a 1973 report, an earthquake of 7.5 magnitude is assumed along the Raymond Hill-Santa Monica-Malibu Coast fault on the average of approximately once in every 5,000 years. This rate suggests a recurrence interval of approximately 500 years for a 6.5 magnitude event, and 100 years for a 5.6 magnitude event. A seismic event along the Raymond Hill fault has the potential to generate surface rupture that would affect structures on and adjacent to the fault. In addition, a seismic event could generate ground shaking and associated secondary impacts that could affect areas beyond the immediate proximity of the fault.

York Boulevard Fault: this fault is commonly referred to as a parallel extension of the Raymond Hill Fault. It has not been designated as an Alquist-Priolo Special Studies Zone.

Elysian Park Fault: this fault has been identified as a seismically active plane fault buried at a depth of approximately 10 kilometers beneath the City. It underlies most of the City, including the 710 Freeway extension through the City. The Elysian Park Fault is second to the Raymond Fault, only in that since it is buried, ground rupture is not expected. In considerations of earthquake size and activity of the fault, it must be considered at least as significant as the Raymond Fault. The General Plan reports that, if the 1994 Northridge Earthquake, which occurred on a similar structure, is an indication, it is reasonable to expect earthquakes and magnitudes of 6.5 to 7.0 range.

Other Seismic Hazards. Liquefaction of the soil, occurring during a quake and often caused by high water table, is of secondary concern. The Los Angeles County Safety Element, however, indicates that the City is at low risk for liquefaction.

Flooding Hazards. As part of the National Flood Insurance Program, floodplain studies have been conducted for various communities in Los Angeles County, including the City. The results of these studies are presented on Flood Insurance Rate Maps (FIRM), which identify 100 and 500-year floodplain boundaries.

Because there are no floodplains in the City, the entire City is located within Zone C, which designates areas of minimal flooding.

The City is subject to flooding as a result of reservoir or dam failure. Devils Gate Dam is located approximately 5 miles north of the northwesterly City boundary. This dam is part of the Los Angeles County Flood Control District and is a concrete gravity dam. The dam has a capacity of 2,709 acre feet, and is 103 feet in height. However, the Dam has not retained its maximum capacity since the 1971 San Fernando earthquake. Extensive retrofitting was completed in early 1998 and approved by the California Department of Water Resources, Division of Safety of Dams.

Fire Hazards. The threat of wildland fire to the City is generally low. A small portion of the southwestern corner of the City is identified in the Los Angeles County General Plan as having a high wildland fire hazard potential.

California Constitution Article XIIC and Article XIID

Proposition 218, a state ballot initiative known as the “Right to Vote on Taxes Act” was approved by California voters on November 5, 1996 and, except for certain provisions that became effective on July 1, 1997, became effective on November 6, 1996. Proposition 218 added Article XIIC, entitled

“Voter Approval of Local Tax Levies” (“Article XIIC”), and Article XIID, entitled “Assessment and Property Related Fee Reform (“Article XIID”), to the California Constitution. Article XIIC and Article XIID limit the imposition by a local government of “general taxes,” “special taxes,” “assessments” and “fees” or “charges.” The City is a local government within the meaning of Article XIIC and Article XIID.

Article XIIC, provides, among other things, that the initiative power shall not be prohibited or otherwise limited in matters of reducing or repealing any local fee or charge. This extension of the initiative power is not limited by the terms of Article XIIC to fees and charges imposed after November 6, 1996 and, absent other authority, could result in retroactive reduction in existing fees and charges. Although the terms “fees” and “charges” are not defined in Article XIIC, the California Supreme Court, in *Bighorn-Desert View Water Agency v. Kari Verjil; E.W. Kelley* (July 2006), has stated that there is no basis for excluding from Article XIIC’s authorization any of the fees subject to Article XIID. If fees or charges charged or collected by the City for its Enterprises are subjected to the initiative process and the outcome of any initiative proceedings results in a reduction or repeal of such fees or charges, the ability of the City to generate revenues sufficient to comply with its covenants under the Indenture may be adversely affected. Furthermore, if voters were to approve an initiative lowering the City’s water or sewer rates or other charges, the City would need voter approval before it could change the rate or charge that had been set by initiative. The City could, however, increase a charge that was not affected by initiative or to impose an entirely new charge without voter approval.

The California Supreme Court further stated in *Bighorn* that it was not holding that the initiative power is free of all limitations and was not determining whether the initiative power is subject to the statutory provision requiring that water service charges be set at a level that will pay debt service on bonded debt and operating expenses. Such initiative power could be subject to the limitations imposed on the impairment of contracts under the contract clause of the United States Constitution. Additionally, SB 919 provides that the initiative power provided for in Proposition 218 “shall not be construed to mean that any owner or beneficial owner of a municipal security, purchased before or after (the effective date of Proposition 218) assumes the risk of, or in any way consents to, any action by initiative measure that constitutes an impairment of contractual rights” protected by the United States Constitution. However, no assurance can be given that the voters of the City will not, in the future, approve an initiative that reduces or repeals local taxes, assessments, fees or charges.

Article XIID prohibits the assessment upon any parcel of property or upon any person “as an incident of property ownership” (defined to exclude fees for the provision of electrical or gas service) by a local government of any tax, assessment, fee or charge except voter-approved ad valorem property taxes and special taxes, fees or charges as a condition of property development, and assessments and “fees or charges for property related services” levied or imposed in accordance with the provisions of Article XIID.

Under Article XIID, revenues derived from a “fee” or “charge” (defined as “any levy other than an ad valorem tax, a special tax or an assessment, imposed by a local government upon a parcel or upon a person as an incident of property ownership, including user fees or charges for a property related service”) may not exceed the funds required to provide the “property-related service” and may not be used for any purpose other than that for which the fee or charge was imposed. Further, the amount of a “fee” or “charge” may not exceed the proportional cost of the service attributable to the parcel, no “fee” or “charge” may be imposed for a service unless that service is actually used by, or is immediately available to, the owner of the property in question, and no “fee” or “charge” may be imposed for general governmental service where the service is “available to the public at large in substantially the same manner as it is to the property owners.”

The California Court of Appeal, in *Capistrano Taxpayers Association, Inc. v. City of San Juan Capistrano* (April 2015), held that the City of San Juan Capistrano’s tiered water rates violated Article

XIIID in that the “. . . water agency here did not try to calculate the cost of actually providing water at its various tier levels. It merely allocated all its costs among the price tier levels, based not on costs, but on pre-determined usage budgets.” In February 2011, the City of San Juan Capistrano adopted new water rate structure recommended by a consulting firm. The way the City of San Juan Capistrano calculated the new rate structure is it first identified classes of customers, differentiating, for example, between “regular lot” residential customers and “large lot” residential customers, and between construction customers and agricultural customers. Then, in regard to each class, the City of San Juan Capistrano calculated four possible budgets of water usage, based on historical data of usage patterns: low, reasonable, excessive and very excessive. The four budgets were then used as a basis for four distinct “tiers” of pricing. The City of San Juan Capistrano did not try to calculate the incremental cost of providing water at the level of use represented by each tier. Rather, the City of San Juan Capistrano allocated its total costs in such a way that the anticipated revenues from all four tiers would equal its total costs. The City of San Juan Capistrano filed a petition for a rehearing but subsequently withdrew the petition in accordance with a settlement of the case with the Capistrano Taxpayers Association, Inc.

There has not been a similar challenge made to the City’s current tiered rates. However, no assurance can be made that a similar challenge would not be made with respect to the City’s current tiered rates in the future. The City does not believe that its tiered rate structure would be susceptible to a successful challenge on the same grounds upon which the plaintiffs in the San Juan Capistrano case challenged the City of San Juan Capistrano’s tiered rate structure because the City developed its tiered rate structure using a methodology that takes into account the incremental cost of providing water at the level of use represented by each tier. While the City believes that its rates have been validity established, if there were a successful challenge, and the City were required to cease from charging any water rate that was determined to be in violation of Article XIIID, the City believes, although it cannot give any assurances, that the System would still generate sufficient System Revenues to pay the principal of and interest on the Bonds as they become due and payable. In any event, the City has covenanted in the Indenture to fix, prescribe, revise and collect rates, fees and charges and manage the operation of the System during each Fiscal Year so that System Revenues (taking in account and including transfers, if any, from the Rate Stabilization Fund) less Operation and Maintenance Costs will be at least equal to one-hundred twenty percent (120%) of the Annual Debt Service for such Fiscal Year. See “SECURITY FOR THE BONDS – Rate Covenant” herein.

In addition, in order for a “fee” or “charge” to be imposed or increased, Article XIIID provides that, among other things, the parcel upon which a fee or charge is proposed for imposition must be identified, the amount of the fee or charge proposed to be imposed on each such parcel must be calculated, written notice by mail of the proposed fee or charge must be provided to the “record owner” of each identified parcel, and a public hearing must be conducted upon the proposed fee or charge. If written protests against the proposed “fee” or “charge” are presented by a majority of owners of the identified parcels, the fee or charge may not be imposed. The California Supreme Court in Bighorn indicated that once a property owner or resident has paid the connection charges and has become a customer of a public water agency, all charges for water delivery incurred thereafter are charges for a property-related service, whether the charge is calculated on the basis of consumption or is imposed as a fixed monthly fee. Accordingly, the imposition or increase of any fee or charge by the City for its water and sewer service will be the subject of such a majority protest. If such a majority protest occurs, the ability of the City to generate revenues sufficient to comply with its covenants under the Indenture may be adversely affected.

Article XIIID states that, beginning July 1, 1997, all “fees” or “charges” must comply with its provisions. It is unclear how the provisions of Article XIIID will be applied to fees or charges established prior to such date. It is also unclear how the provisions of Article XIIID will be applied to fees or charges established after such date but prior to the Bighorn decision.

As a result of the Bighorn decision, there can be no assurance that Proposition 218 will not limit the ability of the City to impose, levy, charge and collect increased fees and charges for water and sewer services.

The City has followed the notice, hearing and protest procedures in Article XIID in connection with its water rate increases and plans to follow such notice, hearing and protest procedure in connection with future rate increases.

The City is unable to predict how Article XIIC and Article XIID will be interpreted by the courts in the future. Bond Counsel has advised that there can be no assurance that Article XIIC and Article XIID will not limit the ability of the City to charge and collect fees and charges for its water or sewer service sufficient to enable the City to comply with its covenants under the Indenture or that the ability of the City to generate revenues sufficient to pay principal and interest on the Bonds will not be adversely affected.

Voter Initiatives – State Constitutional Amendment

California's voter initiative process allows measures which qualify for the ballot to be approved or disapproved by voters in a State of California statewide election. From time to time initiative measures could be adopted which adversely affect the ability of the City to generate System Revenues.

FORWARD LOOKING STATEMENTS

This Official Statement contains certain "forward-looking statements" concerning the City's operations, the Water Enterprise and the operations, performance and financial condition of the City, including their future economic performance, plans and objectives and the likelihood of success in developing and expanding. These statements are based upon a number of assumptions and estimates which are subject to significant uncertainties, many of which are beyond the control of the City. The words "may," "would," "could," "will," "expect," "anticipate," "believe," "intend," "plan," "estimate" and similar expressions are meant to identify these forward-looking statements. Actual results may differ materially from those expressed or implied by these forward-looking statements.

UNDERWRITING

Stifel, Nicolaus & Company, Incorporated (the "Underwriter"), has agreed to purchase the Bonds at the purchase price of \$_____, representing the aggregate principal amount of the Bonds, [plus][minus] net original issue [premium][discount] of \$_____ and less an Underwriter's discount of \$_____, and to re-offer the Bonds pursuant to the terms and conditions set forth on the inside cover page of this Official Statement. The Underwriter will be obligated to take and pay for all of the Bonds if any Bond is purchased.

The Underwriter reserves the right to join with dealers and other underwriters in offering the Bonds to the public. The Underwriter may offer and sell the Bonds to certain dealers (including dealers depositing Bonds into investment trusts) at prices lower than the public offering prices, and such dealers may reallow any such discounts on sales to other dealers.

VERIFICATION OF MATHEMATICAL CALCULATIONS

Grant Thornton, a firm of independent public accountants, will deliver to the City, on or before the date of delivery of the Bonds, its verification report indicating that it has verified, in accordance with attestation standards established by the American Institute of Certified Public Accountants, the mathematical accuracy of computations prepared on behalf of the City relating to the sufficiency of amounts on deposit and expected investment earnings thereon with respect to the Escrow Fund and to the yield on the Bonds and the Federal Securities for federal income tax purposes. Such report will be relied

upon by Bond Counsel in rendering its opinions with respect to the exclusion from gross income of interest on the Bonds for federal income tax purposes and with respect to defeasance of the 2009 Bonds.

CERTAIN LEGAL MATTERS

Legal matters in connection with the authorization, execution, delivery and sale of the Bonds are subject to the approval of Norton Rose Fulbright US LLP, Los Angeles, California, Bond Counsel. The form of the approving opinion of Bond Counsel is attached hereto as Appendix F. Norton Rose Fulbright US LLP, Los Angeles, California, is serving as Disclosure Counsel. Certain legal matters will be passed upon for Underwriter by Nossaman LLP, Irvine, California. Certain legal matters will be passed upon for the City by the City Attorney for the City of South Pasadena.

TAX MATTERS

Tax Exemption

The delivery of the Bonds is subject to the opinion of Bond Counsel to the effect that interest on the Bonds for federal income tax purposes (1) will be excludable from gross income, as defined in section 61 of the Internal Revenue Code of 1986, as amended to the date of such opinion (the "Code"), pursuant to section 103 of the Code and existing regulations, published rulings, and court decisions, and (2) will not be included in computing the alternative minimum taxable income of the owners thereof who are individuals or, except as hereinafter described, corporations. The delivery of the Bonds is also subject to the delivery of the opinion of Bond Counsel, based upon existing provisions of the laws of the State of California, that interest on the Bonds is exempt from personal income taxes of the State of California. A form of Bond Counsel's opinion is reproduced as Appendix F. The statutes, regulations, rulings, and court decisions on which such opinion is based are subject to change.

Interest on the Bonds owned by a corporation will be included in such corporation's adjusted current earnings for purposes of calculating the alternative minimum taxable income of such corporation, other than an S corporation, a qualified mutual fund, a real estate investment trust, a real estate mortgage investment conduit, or a financial asset securitization investment trust ("FASIT"). A corporation's alternative minimum taxable income is the basis on which the alternative minimum tax imposed by Section 55 of the Code will be computed.

In rendering the foregoing opinions, Bond Counsel will rely upon representations and certifications of the City made in a certificate dated the date of delivery of the Bonds pertaining to the use, expenditure, and investment of the proceeds of the Bonds and will assume continuing compliance by the City with the provisions of the Indenture subsequent to the issuance of the Bonds. The Indenture contains covenants by the City with respect to, among other matters, the use of the proceeds of the Bonds and the facilities financed with the 2009 Bonds by persons other than state or local governmental units, the manner in which the proceeds of the Bonds are to be invested, the periodic calculation and payment to the United States Treasury of arbitrage "profits" from the investment of proceeds, and the reporting of certain information to the United States Treasury. Failure to comply with any of these covenants may cause interest on the Bonds to be includable in the gross income of the owners thereof from the date of the issuance of the Bonds.

Bond Counsel's opinion is not a guarantee of a result, but represents its legal judgment based upon its review of existing statutes, regulations, published rulings and court decisions and the representations and covenants of the City described above. No ruling has been sought from the Internal Revenue Service (the "IRS") with respect to the matters addressed in the opinion of Bond Counsel, and Bond Counsel's opinion is not binding on the IRS. The IRS has an ongoing program of auditing the tax-exempt status of the interest on tax-exempt obligations. If an audit of the Bonds is commenced, under current procedures the IRS is likely to treat the City as the "taxpayer," and the owners of the Bonds would

have no right to participate in the audit process. In responding to or defending an audit of the tax-exempt status of the interest on the Bonds, the City may have different or conflicting interests from the owners of Bonds. Public awareness of any future audit of the Bonds could adversely affect the value and liquidity of the Bonds during the pendency of the audit, regardless of its ultimate outcome.

Except as described above, Bond Counsel expresses no other opinion with respect to any other federal, state or local tax consequences under present law, or proposed legislation, resulting from the receipt or accrual of interest on, or the acquisition or disposition of, the Bonds. Prospective purchasers of the Bonds should be aware that the ownership of tax-exempt obligations such as the Bonds may result in collateral federal tax consequences to, among others, financial institutions, life insurance companies, property and casualty insurance companies, certain foreign corporations doing business in the United States, S corporations with subchapter C earnings and profits, individual recipients of Social Security or Railroad Retirement benefits, individuals otherwise qualifying for the earned income tax credit, owners of an interest in a FASIT, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry, or who have paid or incurred certain expenses allocable to, tax-exempt obligations. Prospective purchasers should consult their own tax advisors as to the applicability of these consequences to their particular circumstances.

Existing law may change to reduce or eliminate the benefit to bondholders of the exclusion of interest on the Bonds from gross income for federal income tax purposes. Any proposed legislation or administrative action, whether or not taken, could also affect the value and marketability of the Bonds. Prospective purchasers of the Bonds should consult with their own tax advisors with respect to any proposed or future changes in tax law.

Tax Accounting Treatment of Discount and Premium on Certain Bonds

The initial public offering price of certain Bonds (the "Discount Bonds") may be less than the amount payable on such Bonds at maturity. An amount equal to the difference between the initial public offering price of a Discount Bond (assuming that a substantial amount of the Discount Bonds of that maturity are sold to the public at such price) and the amount payable at maturity constitutes original issue discount to the initial purchaser of such Discount Bond. A portion of such original issue discount allocable to the holding period of such Discount Bond by the initial purchaser will, upon the disposition of such Discount Bond (including by reason of its payment at maturity), be treated as interest excludable from gross income, rather than as taxable gain, for federal income tax purposes, on the same terms and conditions as those for other interest on the Bonds described above under "—Tax Exemption." Such interest is considered to be accrued actuarially in accordance with the constant interest method over the life of a Discount Bond, taking into account the semiannual compounding of accrued interest, at the yield to maturity on such Discount Bond and generally will be allocated to an initial purchaser in a different amount from the amount of the payment denominated as interest actually received by the initial purchaser during the tax year.

However, such interest may be required to be taken into account in determining the alternative minimum taxable income of a corporation, for purposes of calculating a corporation's alternative minimum tax imposed by Section 55 of the Code, and the amount of the branch profits tax applicable to certain foreign corporations doing business in the United States, even though there will not be a corresponding cash payment. In addition, the accrual of such interest may result in certain other collateral federal income tax consequences to, among others, financial institutions, life insurance companies, property and casualty insurance companies, S corporations with subchapter C earnings and profits, individual recipients of Social Security or Railroad Retirement benefits, individuals otherwise qualifying for the earned income tax credit, owners of an interest in a FASIT, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry, or who have paid or incurred certain expenses allocable to, tax-exempt obligations. Moreover, in the event of the redemption, sale or other taxable disposition of a Discount Bond by the initial owner prior to maturity, the amount realized by such

owner in excess of the basis of such Discount Bond in the hands of such owner (adjusted upward by the portion of the original issue discount allocable to the period for which such Discount Bond was held) is includable in gross income.

Owners of Discount Bonds should consult with their own tax advisors with respect to the determination of accrued original issue discount on Discount Bonds for federal income tax purposes and with respect to the state and local tax consequences of owning and disposing of Discount Bonds. It is possible that, under applicable provisions governing determination of state and local income taxes, accrued interest on Discount Bonds may be deemed to be received in the year of accrual even though there will not be a corresponding cash payment.

The initial public offering price of certain Bonds (the "Premium Bonds") may be greater than the amount payable on such Bonds at maturity. An amount equal to the difference between the initial public offering price of a Premium Bond (assuming that a substantial amount of the Premium Bonds of that maturity are sold to the public at such price) and the amount payable at maturity constitutes premium to the initial purchaser of such Premium Bonds. The basis for federal income tax purposes of a Premium Bond in the hands of such initial purchaser must be reduced each year by the amortizable bond premium, although no federal income tax deduction is allowed as a result of such reduction in basis for amortizable bond premium. Such reduction in basis will increase the amount of any gain (or decrease the amount of any loss) to be recognized for federal income tax purposes upon a sale or other taxable disposition of a Premium Bond. The amount of premium which is amortizable each year by an initial purchaser is determined by using such purchaser's yield to maturity.

Purchasers of the Premium Bonds should consult with their own tax advisors with respect to the determination of amortizable bond premium on Premium Bonds for federal income tax purposes and with respect to the state and local tax consequences of owning and disposing of Premium Bonds.

NO LITIGATION

There is no action, suit, proceeding, inquiry or investigation at law or in equity or before or by any court, public board or body pending or, to the knowledge of the City, threatened, questioning (i) the corporate existence of the City, or the title of the officers of the City to their respective offices, (ii) the validity of the Bonds or the power and authority of the City to issue or remarket the Bonds, (iii) the validity of the Indenture, or (iv) the authority of the City to fix, charge and collect rates as provided in the Indenture.

There are no pending suits contesting or affecting the collection of System Revenues or that would materially impair the City's ability to make payments of the principal of and interest on the Bonds when due, or to receive System Revenues.

RATING

S&P Global Ratings, a Standard & Poor's Financial Services LLC business ("Standard & Poor's") has assigned its municipal bond rating of "___" on the Bonds. Such rating reflects only the view of such rating agency, and an explanation of the significance of the rating may be obtained from Standard & Poor's at: Standard & Poor's, 55 Water Street, New York, NY 10041. There is no assurance that such rating will continue for any given period of time or that it will not be revised downward or withdrawn entirely by the rating agency, if in the judgment of such rating agency circumstances so warrant. Any such downward revision or withdrawal of such rating may have an adverse effect on the market price of the Bonds.

CONTINUING DISCLOSURE

The City has covenanted for the benefit of owners of the Bonds to provide certain financial information and operating data relating to the City not later than January 31 following the end of the City's Fiscal Year (currently its Fiscal Year ends on June 30), commencing with the report for Fiscal Year ending June 30, 2016 (the "Annual Report"), and to provide notices of the occurrences of certain enumerated events. The Annual Report and any notices of enumerated events will be filed by the City with the Municipal Securities Rulemaking Board through the Electronic Municipal Marketplace Access ("EMMA") website. The Municipal Securities Rulemaking Board has made such information available to the public without charge through such internet portal. The specific nature of information to be contained in the Annual Report or the notice of enumerated events is set forth in "APPENDIX D – FORM OF CONTINUING DISCLOSURE CERTIFICATE." These covenants have been made by the City in order to assist the Underwriter in complying with Rule 15c2-12(b)(5) (the "Rule") promulgated by the Securities and Exchange Commission.

[To be updated based upon the City's current compliance]

MISCELLANEOUS

This Official Statement does not constitute a contract with the purchasers of the Bonds.

All information included herein has been provided by the City, except where attributed to other sources. Any statements made in this Official Statement involving matters of opinion or of estimates, whether or not so expressly stated, are set forth as such and not as representations of fact, and no representation is made that any of the estimates will be realized.

All of the preceding descriptions and summaries of certain legal documents, other applicable legislation, agreements, reports and other documents are made subject to the provisions of such documents respectively, and do not purport to be complete statements of any or all of such provisions. Reference is hereby made to such documents available from the Underwriter and following issuance of the Bonds, on file at the offices of the Trustee in Los Angeles, California, for further information in connection therewith. The information contained herein has been compiled from official and other resources and, while not guaranteed by the City, is believed to be correct.

AUTHORIZATION OF OFFICIAL STATEMENT

The delivery of this Official Statement has been duly authorized by the City. At the time of delivery of the Bonds, an authorized officer of the City will furnish a certificate to the effect that such authorized officer has no knowledge or reason to believe that this Official Statement, as of its date and as of the date of issuance of the Bonds, contains any untrue statement of a material fact or omits to state a material fact necessary in order to make the statements made herein, in light of the circumstances under which they were made, not misleading.

CITY OF SOUTH PASADENA

By: _____
City Manager

APPENDIX A

GENERAL INFORMATION ABOUT THE CITY OF SOUTH PASADENA

General

The City was incorporated on March 2, 1888 as a general law city and is located approximately six miles northeast of downtown Los Angeles in Los Angeles County (the "County"). The City is a full service city operating under a council-manager form of government. The City currently encompasses 3.44 square miles, with a population of 26,028 as of January 1, 2016.

Population

Population estimates of the past five years for the City, the County and the State are shown in the following table.

CITY OF SOUTH PASADENA AND COUNTY OF LOS ANGELES Population Estimates Calendar Years 2012 through 2016

Year	City of <u>South Pasadena</u>	Los Angeles <u>County</u>	State of <u>California</u>
2012	25,804	9,956,722	37,881,357
2013	25,770	10,023,753	38,239,207
2014	25,851	10,093,053	38,567,459
2015	25,929	10,155,069	38,907,642
2016	26,028	10,241,335	39,255,883

Source: California State Department of Finance.

Employment

The following tables show civilian labor force and wage and salary employment data for Los Angeles County, for the years 2012 through 2015. These figures are county-wide statistics and may not necessarily accurately reflect employment trends in the City.

LOS ANGELES COUNTY
(Los Angeles-Long Beach-Glendale MD)
Civilian Labor Force, Employment and Unemployment, Unemployment by Industry
(Annual Averages)

	2012	2013	2014	2015
Civilian Labor Force	4,921,800	4,979,000	5,025,900	5,011,700
Employment	4,385,300	4,494,400	4,611,500	4,674,800
Unemployment	536,500	484,600	414,300	336,900
Unemployment Rate	10.9%	9.7%	8.2%	6.7%
<u>Wage and Salary Employment:</u> ⁽¹⁾				
Agriculture	5,400	5,500	5,200	5,000
Logging and Mining	4,300	4,500	4,300	3,900
Construction	109,200	116,200	119,600	126,100
Manufacturing	367,400	368,200	364,100	360,800
Wholesale Trade	211,900	218,700	222,500	227,000
Retail Trade	400,900	405,600	413,000	420,500
Trans., Warehousing, Utilities	154,500	157,500	163,400	170,400
Information	191,500	196,400	198,000	202,700
Financial and Insurance	140,200	138,300	134,500	134,300
Real Estate, Rental & Leasing	72,200	74,700	76,700	79,900
Professional and Business Services	570,100	593,200	599,100	600,300
Educational and Health Services	699,500	702,100	720,700	742,200
Leisure and Hospitality	415,800	440,500	466,600	488,100
Other Services	141,700	145,700	150,500	151,700
Federal Government	48,100	47,200	46,700	47,400
State Government	83,100	83,600	85,300	87,400
Local Government	425,600	420,500	424,200	431,600
Total All Industries ⁽²⁾	4,041,400	4,118,100	4,194,200	4,279,200

⁽¹⁾ Industry employment is by place of work; excludes self-employed individuals, unpaid family workers, household domestic workers, and workers on strike.

⁽²⁾ May not add due to rounding.

Source: State of California, Employment Development Department.

Major Employers

The tables below lists the larger employers in Los Angeles County. Major private employers in the Los Angeles area include those in aerospace, health care, entertainment, electronics, retail and manufacturing. Major public sector employers include public universities and schools, the State of California and Los Angeles County.

LOS ANGELES COUNTY Major Employers 2016

<u>Employer Name</u>	<u>Location</u>	<u>Industry</u>
AHMC Healthcare Inc	Alhambra	Billing Service
California State University	Long Beach	Schools-Universities & Colleges Academic
Cedars-Sinai Medical Ctr	West Hollywood	Hospitals
Century Plaza Towers	Los Angeles	Office Buildings & Parks
City of Hope Cancer Ctr	Duarte	Hospitals
Kaiser Permanente	Los Angeles	Hospitals
LAC & USC MEDICAL CTR	Los Angeles	Hospitals
Liberty Tax Svc	Compton	Tax Return Preparation & Filing
Liberty Tax Svc	Long Beach	Tax Return Preparation & Filing
Long Beach City Hall	Long Beach	Government Offices-City, Village & Twp
Los Angeles County Sheriff	Monterey Park	Government Offices-County
Los Angeles Police Dept	Los Angeles	Police Departments
Miller's Children's Hospital	Long Beach	Hospitals
Nestle USA Inc	Glendale	Food Facilities (whls)
Paramount Petroleum Corp	Paramount	Asphalt & Asphalt Products-Manufacturers
Security Industry Specialist	Culver City	Security Systems Consultants
Six Flags Magic Mountain Inc	Valencia	Amusement & Theme Parks
Sony Pictures Entertainment	Culver City	Motion Picture Producers & Studios
Torrid	City of Industry	Women's Apparel-Retail
UCLA	Los Angeles	Schools-Universities & Colleges Academic
UCLA Health System	Los Angeles	Schools-Universities & Colleges Academic
Vitamin Shoppe	Downey	Vitamin & Food Supplements
Vxi Global Solutions	Los Angeles	Call Centers
Walt Disney Co	Burbank	Motion Picture Producers & Studios
Warner Bros Studio	Burbank	Television Program Producers

Source: State of California Employment Development Department.

Commercial Activity

Taxable sales in the City totaled approximately \$191,211 in 2014, the most recent full year for which figures are available. The following tables show the taxable transactions of the City and the County of Los Angeles for the years shown, as provided by the California State Board of Equalization.

CITY OF SOUTH PASADENA Taxable Transactions (Dollars in Thousands)

Year	Retail Sales	Retail Sales Permits	Total Taxable Transactions	Total Sales Permits
2010	\$132,450	345	\$168,310	740
2011	134,467	449	155,594	660
2012	142,996	458	176,145	668
2013	153,465	462	165,708	656
2014	164,969	465	191,211	664

Source: State Board of Equalization.

LOS ANGELES COUNTY Taxable Transactions (Dollars in Thousands)

Year	Retail Sales	Retail Sales Permits	Total Taxable Transactions	Total Sales Permits
2010	\$95,554,193	142,512	\$136,162,552	295,701
2011	89,251,447	179,872	126,440,737	266,868
2012	95,318,603	180,359	135,295,582	266,414
2013	99,641,174	179,370	140,079,708	263,792
2014	104,189,819	187,408	147,446,927	272,733

Source: State Board of Equalization.

Retirement System

The City allocated approximately 8.5% of personnel costs, including a portion of Miscellaneous Plan retirement costs to the System.

Plan Description. All qualified employees are eligible to participate in the City's Miscellaneous and Safety Employee Pension Plan, cost-sharing multiple employer defined benefit pension plan administered by the California Public Employees Retirement System ("CalPERS"). Benefit provisions under the Plan are established by State statute and District resolution. CalPERS issues publicly available report that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

Benefits Provided. CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

The provisions and benefits of the City's retirement plan (the "Plan") in effect at June 30, 2015, are summarized as follows:

	Miscellaneous	
	Prior to January 1, 2013	On or after January 1, 2013
Hire date		
Benefit formula	2% @ 55	2% @ 62
Benefit vesting schedule	5 years service	5 years service
Benefit payments	Monthly for life	Monthly for life
Retirement age	50-63	52-67
Monthly benefits, as a % of eligible compensation	1.426% - 2.418%	1.00% - 2.50%
Required employee contribution rates	7.0%	6.7%
Required employer contribution rates	15.661%	6.5%

	Safety	
	Prior to January 1, 2013	On or after January 1, 2013
Hire date		
Benefit formula	2% @ 50	2.70% @ 57
Benefit vesting schedule	5 years service	5 years service
Benefit payments	Monthly for life	Monthly for life
Retirement age	50-55	50-57
Monthly benefits, as a % of eligible compensation	2.00% - 2.70%	2.00% - 2.70%
Required employee contribution rates	9.0%	12.25%
Required employer contribution rates	22.302%	12.25%

Contributions. Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employees be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for the Plan are determined annually on an actuarial basis of June 30 by CalPERS. The

actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

For the fiscal year ended June 30, 2015, the contributions recognized by the City as part of pension expense for the Plan was \$1,926,440:

Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions. As of June 30, 2015, the District reported net pension liabilities for its proportionate share of the net position liability of the Plan as follows:

	Proportionate Share of Net Pension Liability
Miscellaneous	\$8,302,609
Miscellaneous PEPRA	474
Safety	13,885,453
Safety PEPRA	<u>934</u>
Total Net Pension Liability	<u>\$22,189,470</u>

The City's net pension liability for the Plan is measured as the proportionate share of the net pension liability. The net pension liability of the Plan is measured as of June 30, 2014, and the total pension liability for the Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2013 rolled forward to June 30, 2014 using standard update procedures. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined. The City's proportionate share of the net pension liability for the Plan as of June 30, 2013 and 2014 was as follows:

	Miscellaneous	Miscellaneous PEPRA	Safety	Safety PEPRA
Proportion – June 30, 2013	<u>0.32805%</u>	<u>0.00002%</u>	<u>0.38431%</u>	<u>0.00003%</u>
Proportion – June 30, 2014	<u>0.33594%</u>	<u>0.00002%</u>	<u>0.37018%</u>	<u>0.00002%</u>
Change – Increase (Decrease)	<u>0.00789%</u>	<u>0.00000%</u>	<u>-0.01413%</u>	<u>-0.00001%</u>

For the fiscal year ended June 30, 2015, the City recognized pension expense of \$2,009,827. At June 30, 2015, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 1,926,460	\$ -
Net differences between projected and actual earnings on pension plan investments	-	(6,509,558)
Adjustment due to differences in proportions	186,893	(584)
Total	<u>\$ 2,113,353</u>	<u>\$ (6,510,142)</u>

\$1,926,460 reported as deferred outflows of resources related to contributions subsequent to the measurement date and will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions and will be recognized as pension expense as follows:

Fiscal Year Ended June 30,	
2016	\$ (1,560,852)
2017	(1,560,852)
2018	(1,574,157)
2019	(1,627,388)
Total	<u>\$ (6,323,249)</u>

Actuarial Assumptions. The total pension liabilities in the June 30, 2013 actuarial valuations were determined using the following actuarial assumptions:

	<u>Miscellaneous</u>	<u>Safety</u>
Valuation Date	June 30, 2013	June 30, 2013
Measurement Date	June 30, 2014	June 30, 2014
Actuarial Cost Method	Entry Age Normal Cost Method	Entry Age Normal Cost Method
Actuarial Assumptions:		
Discount Rate	7.50%	7.50%
Inflation	2.75%	2.75%
Payroll Growth	3.00%	3.00%
Projected Salary Increases	3.30% to 14.20% ⁽¹⁾	3.30% to 14.20% ⁽¹⁾
Investment Rate of Return	7.5% ⁽²⁾	7.5% ⁽²⁾
Mortality	Data for all Funds ⁽³⁾	Data for all Funds ⁽³⁾

	<u>Miscellaneous PEPRA</u>	<u>Safety PEPRA</u>
Valuation Date	June 30, 2013	June 30, 2013
Measurement Date	June 30, 2014	June 30, 2014
Actuarial Cost Method	Entry Age Normal Cost Method	Entry Age Normal Cost Method
Actuarial Assumptions:		
Discount Rate	7.50%	7.50%
Inflation	2.75%	2.75%
Payroll Growth	3.00%	3.00%
Projected Salary Increases	3.30% to 14.20% ⁽¹⁾	3.30% to 14.20% ⁽¹⁾
Investment Rate of Return	7.5% ⁽²⁾	7.5% ⁽²⁾
Mortality	Data for all Funds ⁽³⁾	Data for all Funds ⁽³⁾

(1) Depending on age, service and type of employment.

(2) Net of pension plan investment expenses, including inflation.

(3) The mortality table used was developed based CalPERS' specific data. The table includes 20 years of mortality improvements using Society of Actuaries Scale BB. For more details on this table, please refer to the 2014 experience study report.

All other actuarial assumptions used in the June 30, 2013 valuation were based on the results of an actuarial experience study for the fiscal years 1997 to 2011, including updates to salary increase, mortality, and retirement rates. The experience study report can be obtained at CalPERS' website under Forms and Publications.

Discount Rate. The discount rate used to measure the total pension liability was 7.50%. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current 7.50% discount rate is adequate and the use of the municipal bond rate calculation is not necessary. The long-term expected discount rate of 7.50% is applied to all plans in the Public Employees Retirement Fund. The stress test results are presented in a detailed report called "GASB Crossover Testing Report" that can be obtained at CalPERS' website under the GASB 68 section.

According to Paragraph 30 of Statement 68, the long-term discount rate should be determined without reduction for pension plan administrative expense. The 7.50% investment return assumption used in this accounting valuation is net of administrative expenses. Administrative expenses are assumed to be 15 basis points. An investment return excluding administrative expenses would have been 7.65%. Using this lower discount rate has resulted in a slightly higher total pension liability and net pension liability. This difference was deemed immaterial to the Public Agency Cost-Sharing Multiple-Employer Defined Benefit Pension Plan.

CalPERS is scheduled to review all actuarial assumptions as part of its regular Asset Liability Management review cycle that is scheduled to be completed in February 2018. Any changes to the discount rate will require Board action and proper stakeholder outreach. For these reasons, CalPERS expects to continue using a discount rate net of administrative expenses for GASB 67 and 68 calculations through at least the 2017-18 fiscal year. CalPERS will continue to check the materiality of the difference in calculation until such time as we have changed our methodology.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, staff took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Such cash flows were developed assuming that both members and employers will make their required contributions on time and as scheduled in all future years. Using historical returns of all the funds' asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

The table below reflects long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These geometric rates of return are net of administrative expenses.

Asset Class	New Strategic Allocation	Real Return Years 1 – 10 ^(a)	Real Return Years 11+ ^(b)
Global Equity	47.00%	5.25%	5.71%
Global Fixed Income	19.00%	0.99%	2.43%
Inflation Sensitive	6.00%	0.45%	3.36%
Private Equity	12.00%	6.83%	6.95%
Real Estate	11.00%	4.50%	5.13%
Infrastructure and Forestland	3.00%	4.50%	5.09%
Liquidity	2.00%	-0.55%	-1.05%
Total	100.00%		

(a) An expected inflation of 2.50% used for this period.

(b) An expected inflation of 3.00% used for this period.

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate. The following presents the net pension liability/(asset) of the Plan as of the measurement date, calculated using the discount rate of 7.50%, as well as what the net pension liability/(asset) would be if it were calculated using a discount rate that is 1 percentage-point lower (6.50%) or 1 percentage-point higher (8.50%) than the current rate:

The following presents the net pension liability/(asset) of the Plan as of the measurement date, calculated using the discount rate of 7.50%, as well as what the net pension liability/(asset) would be if it were calculated using a discount rate that is 1 percentage-point lower (6.50%) or 1 percentage-point higher (8.50%) than the current rate:

	Miscellaneous	Miscellaneous PEPRA	Safety	Safety PEPRA
1% Decrease	6.50%	6.50%	6.50%	6.50%
Net Pension Liability	\$13,878,334	\$ 844	\$23,895,067	\$1,607
Current Discount Rate	7.50%	7.50%	7.50%	7.50%
Net Pension Liability	8,302,609	474	13,885,453	934
1% Increase	8.50%	8.50%	8.50%	8.50%
Net Pension Liability	3,675,288	167	5,637,963	379

Post-Retirement Benefits

The City provides certain post-employment health care benefits (“OPEB”). Employees are eligible for retiree health benefits if they retire from the City on or after age 50 with at least five years of service. The City pays the full cost of retiree medical premiums (single party rates) for all retirees and surviving spouses. Dependent coverage is paid by the retiree.

The expenditure is accounted for within the general government funds and is funded on a pay-as-you-go (cash) basis. The total post-employment health insurance expenditures for the Fiscal Year 2014-

15 were \$552,000, for Fiscal Year 2015-16 were \$599,800 and for Fiscal Year 2016-17 are budgeted to be \$480,000.

In the January 1, 2015, actuarial valuation, the entry age normal cost method was used. The actuarial assumptions include a 4.0% investment rate of return, which is a blended rate of the expected long-term investment on plan assets and on the employer's own investments calculated based on the funded level of the plan at the valuation date, and annual healthcare cost trend rate of 4.5%. The actuarial value of assets is set equal to the reported market value of assets. The Unfunded Actuarial Accrued Liability ("UAAL") is being amortized as a level percentage of payroll on an open basis. The remaining amortization period at June 30, 2015, was 20 years. At January 1, 2015, the number of active participants was 151 and the number of retirees receiving benefits was 119.

As a result, the City calculated and recorded a Net OPEB Liability, representing the difference between the Annual OPEB Cost and actual contributions, as presented below:

Annual required contribution (ARC)	\$1,501,000
Interest on net OPEB obligation	297,000
Adjustment to ARC	<u>(413,000)</u>
Annual OPEB Cost	1,385,000
Contributions made	(552,000)
Implied subsidy payments	<u>(103,199)</u>
(Decrease) increase in Net OPEB obligation	729,801
Net OPEB obligation liability June 30, 2014	<u>7,424,199</u>
Net OPEB obligation liability June 30, 2015	\$8,154,000

The ARC of \$1,501,000, an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis is projected to cover the annual normal cost and the amortization of unfunded actuarial liabilities (or funding excess) over a twenty year period.

City Investments

The City invests its funds, including funds of the System, in accordance with the City's Investment Policy, which is subject to annual review and approval by the City Council. The purpose of the policy is to establish the investment objectives of safety, liquidity, and yield. The City's Investment Policy complies with the provisions of the California government Code, Sections 53600 through 53659 (the authority governing investments for municipal governments in the State). The Finance Director provides quarterly investments report to the City Manager and City Council.

As of August 31, 2016, the City's invested cash totaled \$28,405,544. The weighted annual yield of the City's portfolio as of August 31, 2016 was 1.314%. The City's practice is to hold securities to maturity.

CITY OF SOUTH PASADENA
Current Investments
(as of August 31, 2016)

<u>Type of Investment</u>	<u>Amount</u>	<u>Percent of Total</u>
LAIF	\$12,094,764	42.72%
Government Bonds	11,749,454	41.28
Corporate Bond	<u>4,561,326</u>	<u>16.00</u>
Total:	\$28,405,544	100%

APPENDIX B

**AUDITED FINANCIAL STATEMENTS
OF THE CITY FOR FISCAL YEAR ENDING JUNE 30, 2015**

APPENDIX C
SUMMARY OF THE INDENTURE



APPENDIX D

FORM OF CONTINUING DISCLOSURE CERTIFICATE

APPENDIX E

BOOK-ENTRY ONLY SYSTEM

The following description concerning DTC and DTC's book-entry system is based solely on information furnished by DTC. No representation is made herein by the City or the Underwriter as to the accuracy or completeness of such information.

The Depository Trust Company ("DTC"), New York, NY, will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered bond certificate will be issued for each maturity of each series of the Bonds, in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation, and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com and www.dtc.org. The information set forth on these websites is not incorporated by reference herein.

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership.

DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Redemption notices shall be sent to DTC. If less than all of the Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal, premium, if any, and interest payments on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Trustee, on a payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC nor its nominee, the Trustee, or the City, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal, premium, if any, and interest to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Bonds at any time by giving reasonable notice to the Trustee. Under such circumstances, in the event that a successor depository is not obtained, Bond certificates are required to be printed and delivered.

The City may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, bond certificates will be printed and delivered.

If DTC determines not to continue to act as securities depository by giving notice to the City and the Trustee, and discharges its responsibilities with respect thereto under applicable law and there is not a successor securities depository, or the City determines that it is in the best interest of the Beneficial Owners of the Bonds that they be able to obtain certificates, the Trustee will execute, transfer and exchange Bonds as requested by DTC and will deliver new Bonds in fully registered form in denominations of \$5,000 principal amount or any integral multiple thereof in the names of Beneficial Owners or DTC Participants.

In the event the book-entry system is discontinued, the principal amount of and premium, if any, payable with respect to the Bonds will be payable upon surrender thereof at the principal corporate trust

office of the Trustee. The interest on Bonds will be payable by check mailed to the respective Owners thereof at their addresses as they appear on the books maintained by the Trustee.

Any Bond may, in accordance with its terms, be transferred, upon the register required to be kept pursuant to the provisions of the Indenture, by the person in whose name it is registered, in person or by his or her duly authorized attorney, upon surrender of such Bond for cancellation, accompanied by delivery of a written instrument of transfer, duly executed in a form approved by the Trustee. The Bonds may be exchanged at the corporate trust office of the Trustee for a like aggregate principal amount of Bonds of other authorized denominations of the same series, tenor, maturity and interest rate by the person in whose name it is registered, in person or by his or her duly authorized attorney, upon surrender of such Bond for cancellation; provided that no transfer or exchange may occur during the period established by the Trustee for selection of Bonds for redemption, or of any Bond or portion of a Bond so selected for redemption. The Trustee shall require the Bondholder requesting such transfer or exchange to pay any tax or other governmental charge required to be paid with respect to such exchange.

APPENDIX F

PROPOSED FORM OF OPINION OF BOND COUNSEL

City of South Pasadena
1414 Mission Street
South Pasadena, California 91030

City of South Pasadena
2016 Water Revenue Refunding Bonds

Ladies and Gentlemen:

We have acted as bond counsel to the City of South Pasadena (the "City") in connection with the issuance of its 2016 Water Revenue Refunding Bonds (the "Bonds") in the aggregate principal amount of \$_____. The Bonds will be issued pursuant to the Constitution and laws of the State of California, including Article 10 and Article 11 (commencing with Section 53570) of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code of the State of California (the "Bond Law") and an Indenture of Trust, dated as of November 1, 2016 (the "Indenture"), by and between the City and The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee").

As bond counsel, we have examined applicable provisions of the Bond Law and copies certified to us as being true and complete copies of the proceedings of the City for the authorization and issuance of the Bonds, including the Indenture, the Tax Certificate with respect to the Bonds (the "Tax Certificate"), and a special report of Grant Thornton (the "Report"). Our services as bond counsel were limited to an examination of such proceedings and to the rendering of the opinions set forth below. In this connection we have also examined such certificates of public officials and officers of the City as we have considered necessary for the purposes of this opinion.

We have assumed the genuineness of all documents and signatures presented to us. We have not undertaken to verify independently, and have assumed, the accuracy of the factual matters represented, warranted or certified in the documents. Furthermore, we have assumed compliance with all covenants and agreements contained in the Indenture and the Tax Certificate. In addition, we call attention to the fact that the rights and obligations under the Bonds and the Indenture are subject to bankruptcy, insolvency, reorganization, arrangement, fraudulent conveyance, moratorium and other similar laws affecting creditors' rights, to the application of equitable principles, to the possible unavailability of specific performance or injunctive relief, to the exercise of judicial discretion in appropriate cases and to the limitations on legal remedies against public agencies in the State of California.

Based on and subject to the foregoing, and in reliance thereon, as of the date hereof, we are of the following opinions:

Based upon the foregoing, we are of the opinion that:

1. The Bonds constitute valid and binding obligations of the City, payable as to principal and interest from System Net Revenues as provided in the Indenture.
2. The Indenture has been duly and validly authorized, executed and delivered by the City and, assuming the Indenture constitutes the legally valid and binding obligation of the

Trustee, constitutes the legally valid and binding obligation of the City, enforceable against the City in accordance with its terms.

3. Pursuant to section 103 of the Internal Revenue Code of 1986, as amended and in effect on the date hereof (the "Code"), and existing regulations, published rulings, and court decisions thereunder, and assuming continuing compliance with the provisions of the Indenture and the Tax Certificate and in reliance upon the Report and representations and certifications of the City made in the Tax Certificate of even date herewith pertaining to the use, expenditure, and investment of the proceeds of the Bonds, when the Bonds are delivered to and paid for by the initial purchasers thereof, interest on the Bonds for federal income tax purposes (1) will be excludable from the gross income, as defined in section 61 of the Code, of the owners thereof, and (2) will not be included in computing the alternative minimum taxable income of the owners thereof who are individuals or, except as hereinafter described, corporations. Interest on the Bonds owned by a corporation will be included in such corporation's adjusted current earnings for purposes of calculating the alternative minimum taxable income of such corporation, other than an S corporation, a qualified mutual fund, a real estate mortgage investment conduit, a real estate investment trust, or a financial asset securitization investment trust ("FASIT"). A corporation's alternative minimum taxable income is the basis on which the alternative minimum tax imposed by section 55 of the Code will be computed. It is further our opinion that under existing law, interest on the Bonds is exempt from personal income taxes of the State of California.

We express no other opinion with respect to any other federal, state, or local tax consequences under present law or any proposed legislation resulting from the receipt or accrual of interest on, or the acquisition or disposition of, the Bonds. Ownership of tax-exempt obligations such as the Bonds may result in collateral federal tax consequences to, among others, financial institutions, life insurance companies, property and casualty insurance companies, certain S corporations with subchapter C earnings and profits, certain foreign corporations doing business in the United States, owners of an interest in a FASIT, individuals otherwise qualifying for the earned income tax credit, individual recipients of Social Security or Railroad Retirement benefits, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry, or who have paid or incurred certain expenses allocable to, tax-exempt obligations.

The opinions expressed in paragraphs 1 and 2 above are qualified to the extent the enforceability of the Bonds and the Indenture may be limited by applicable bankruptcy, insolvency, debt adjustment, reorganization, moratorium or similar laws or equitable principles relating to or limiting creditors' rights generally or as to the availability of any particular remedy. The enforceability of the Bonds and the Indenture is subject to the effect of general principles of equity, including, without limitation, concepts of materiality, reasonableness, good faith and fair dealing, to the possible unavailability of specific performance or injunctive relief, regardless of whether considered in a proceeding in equity or at law, and to the limitations on legal remedies against governmental entities in California.

No opinion is expressed herein on the accuracy, completeness or fairness of the Official Statement or other offering material relating to the Bonds.

Our opinions are based on existing law, which is subject to change. Such opinions are further based on our knowledge of facts as of the date hereof. We assume no duty to update or supplement our opinions to reflect any facts or circumstances that may thereafter come to our attention or to reflect any changes in any law that may thereafter occur or become effective. Moreover, our opinions are not a guarantee of result and are not binding on the Internal Revenue Service; rather, such opinions represent

our legal judgment based upon our review of existing law that we deem relevant to such opinions and in reliance upon the representations and covenants referenced above.

This opinion is limited to the laws of the State of California and the federal laws of the United States.

Very truly yours,

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ATTACHMENT 5
Bond Purchase Contract

\$ _____
CITY OF SOUTH PASADENA
2016 WATER REVENUE REFUNDING BONDS

PURCHASE CONTRACT

_____, 2016

City of South Pasadena
1414 Mission Street
South Pasadena, California 91030

Ladies and Gentlemen:

Stifel, Nicolaus & Company, Incorporated (the "Underwriter") hereby offers to enter into this Purchase Contract with you, the City of South Pasadena (the "City"), for the purchase by the Underwriter and the delivery by you of the Bonds specified below. The Bonds are being issued by the City for the purpose of (i) refunding all of the outstanding South Pasadena Public Financing Authority 2009 Water Revenue Bonds that were issued on behalf of the City (the "2009 Bonds"), (ii) [to purchase a surety for a reserve fund for the Bonds (the "Reserve Surety Policy")] and (iii) to pay costs of issuance of the Bonds. This offer is made subject to acceptance by you prior to 11:59 p.m., Los Angeles time, on the date hereof. Upon such acceptance, this Purchase Contract shall be in full force and effect in accordance with its terms and shall be binding upon you and the Underwriter. All terms not defined herein shall have the meanings set forth in the Indenture (defined below).

1. Purchase and Sale. Upon the terms and conditions and upon the basis of the representations, warranties and agreements hereinafter set forth, the Underwriter agrees to purchase from the City, and the City agrees to sell to the Underwriter, all (but not less than all) of the \$_____ aggregate principal amount of the City's 2016 Water Revenue Refunding Bonds (the "Bonds"), at the purchase price of \$_____ (being the principal amount of the Bonds, less an Underwriter's discount in the amount of \$_____, and plus original issue premium of \$_____).

The Bonds will have the maturities and bear interest at the rates set forth on Exhibit A hereto. The Bonds will be subject to redemption as set forth in the Official Statement herein described. The Bonds will be dated as described in the Official Statement. The Bonds will be issued in book entry form only.

The City acknowledges and agrees that: (i) the purchase and sale of the Bonds pursuant to this Purchase Contract is an arm's-length commercial transaction between the City and the Underwriter in which the Underwriter is acting solely as principal and not as agent of the City and the Underwriter is not acting as a municipal advisor, financial advisor or fiduciary to the

City; (ii) the Underwriter has not assumed any advisory or fiduciary responsibility to the City with respect to the transaction contemplated by this Purchase Contract and the discussions, undertakings or procedures leading thereto (irrespective of whether the Underwriter, or any affiliate of the Underwriter has provided other services or is currently providing other services to the City on other matters); (iii) the only obligations the Underwriter has to the City with respect to the transaction contemplated by this Purchase Contract are expressly set forth in this Purchase Contract; and (iv) the City has consulted its own financial and/or municipal legal, accounting, tax and other advisors, as applicable, to the extent the City has deemed appropriate. The City acknowledges that it has previously provided the Underwriter with an acknowledgement of receipt of the required Underwriter disclosure under Rule G-17 of the Municipal Securities Rulemaking Board (the "MSRB").

The scheduled payment of principal of and interest on the Bonds when due will be guaranteed under a municipal bond insurance policy (the "Insurance Policy") to be issued concurrently with the delivery of the Bonds by _____ (the "Insurer"). The Insurer will also issue the Reserve Surety Policy concurrently with the delivery of the Bonds.

2. Authorizing Instruments and Law. The Bonds shall be issued pursuant to the provisions of a resolution (the "Resolution") adopted by the City on _____, 2016 authorizing the issuance of the Bonds. The Bonds are issued pursuant to an Indenture of Trust, dated as of November 1, 2016 (the "Indenture"), between the City and _____ (the "Trustee"), and shall be as described in the Indenture.

The Bonds are limited obligations of the City payable primarily from and secured by certain revenues (the "System Net Revenues") pledged under the Indenture.

3. Offering the Bonds. The Underwriter agrees to offer all the Bonds to the public initially at the prices (or yields) set forth on the cover pages of the Official Statement of the City pertaining to the Bonds, dated _____, 2016 (the Official Statement, together with all appendices thereto, and with such changes therein and supplements thereto as are consented to in writing by the Underwriter, are herein called the "Official Statement"). Subsequent to the initial public offering of the Bonds, the Underwriter reserves the right to change the public offering prices (or yields) as it deems necessary in connection with the marketing of the Bonds. The Bonds may be offered and sold to certain dealers at prices lower than such initial public offering prices. "Public Offering" shall include an offering to a representative number of institutional investors or registered investment companies, regardless of the number of such investors to which the Bonds are sold.

4. Delivery of Official Statement on the Date Hereof. The City shall deliver to the Underwriter one copy of the Official Statement manually executed on behalf of the City by an authorized representative. The City shall also deliver a sufficient number of copies of the Official Statement to enable the Underwriter to distribute a single copy of each Official Statement to any potential customer of the Underwriter requesting an Official Statement during the time period beginning when the Official Statement becomes available and ending on the End Date (defined below). The City shall deliver these copies to the Underwriter within seven (7)

business days after the execution of this Purchase Contract and in sufficient time to accompany or precede any sales confirmation that requests payment from any customer of the Underwriter. The Underwriter shall inform the City in writing of the End Date, and covenants to file the Official Statement with the Municipal Securities Rulemaking Board (the "MSRB") on a timely basis.

"End Date" as used herein is that date which is the earlier of:

(a) ninety (90) days after the end of the underwriting period, as defined in SEC Rule 15c2-12 adopted by the Securities and Exchange Commission on June 28, 1989 ("Rule 15c2-12"); or

(b) the time when the Official Statement becomes available from the MSRB, but in no event less than twenty-five (25) days after the underwriting period (as defined in Rule 15c2-12) ends.

The City has authorized the use of the Official Statement in connection with the public offering of the Bonds. The City also has consented to the use by the Underwriter prior to the date hereof of the Preliminary Official Statement dated _____, 2016 relating to the Bonds in connection with the public offering of the Bonds (which, together with all appendices thereto, is herein called the "Preliminary Official Statement"). Authorized officers of the City have certified to the Underwriter that such Preliminary Official Statement was deemed to be final as of its date for purposes of Rule 15c2-12, with the exception of certain final pricing and related information referred to in Rule 15c2-12. The Underwriter has distributed a copy of each Preliminary Official Statement to potential customers on request.

5. The Closing. At 8:00 A.M., California time, on _____, 2016, or at such other time or on such earlier or later business day as shall have been mutually agreed upon by the City and the Underwriter, the City will deliver (i) the Bonds in book entry form through the facilities of The Depository Trust Company ("DTC"), and (ii) the closing documents hereinafter mentioned at the offices of Norton Rose Fulbright US LLP, Los Angeles, California, or another place to be mutually agreed upon by the City and the Underwriter. The Underwriter will accept such delivery from the City. The Underwriter will pay the purchase price of the Bonds as set forth in Section 1 hereof by wire transfer of immediately available funds. This payment and delivery, together with the delivery of the aforementioned documents, is herein called the "Closing."

6. City Representations, Warranties and Covenants. The City represents, warrants and covenants to the Underwriter that:

(a) The City is a municipal corporation of the State of California (the "State"), duly organized and validly existing pursuant to the Constitution and laws of the State, and has all necessary power and authority to enter into and perform its duties under the Indenture, the Continuing Disclosure Certificate, dated the Closing Date (the "Continuing Disclosure Certificate"), of the City, the Escrow Agreement, dated as of November 1, 2016 (the "Escrow

Agreement”), between the City and Wells Fargo Bank, National Association, as escrow agent (the “Escrow Agent”) and this Purchase Contract (collectively, the “City Documents”).

(b) The Bonds, when issued in accordance with the Indenture, will be legally valid and binding special obligations of the City, entitled to the benefits of the Indenture and enforceable in accordance with their terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles relating to or limiting creditors’ rights generally.

(c) To the best knowledge of the City, neither the execution and delivery of the City Documents, or the approval and execution of the Official Statement or this Purchase Contract, and compliance with the provisions on the City’s part contained therein, nor the consummation of any other of the transactions herein and therein contemplated, nor the fulfillment of the terms hereof and thereof, materially conflicts with or constitutes a material breach of or default under nor materially contravenes any law, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the City is a party or is otherwise subject, nor does any such execution, delivery, adoption or compliance result in a security interest or encumbrance of any nature whatsoever upon any of the properties or assets of the City under the terms of any such law, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement or other instrument, except as provided by the City Documents.

(d) The City Documents have been duly authorized, executed and delivered by the City, and, assuming due authorization, execution and delivery by the other parties thereto, as applicable, constitute legal, valid and binding agreements of the City enforceable in accordance with their respective terms, except as the enforcement thereof may be limited by bankruptcy, insolvency, moratorium, reorganization, fraudulent conveyance or other laws affecting the enforcement of creditors’ rights generally and by the application of equitable principles if sought and by the limitations on legal remedies imposed on actions against cities in the State of California.

(e) Except as may be required under blue sky or other securities laws of any state, there is no consent, approval, authorization or other order of, or filing with, or certification by, any regulatory agency having jurisdiction over the City required for the consummation by the City of the transactions contemplated by the Official Statement and this Purchase Contract.

(f) To the best of the knowledge of the City, there is, and on the Closing there will be, no action, suit, proceeding or investigation at law or in equity before or by any court or governmental agency or body pending or threatened against the City to restrain or enjoin the issuance or delivery of any of the Bonds, or the payment or collection of any amounts pledged or to be pledged to pay the principal of and interest on the Bonds, or in any way contesting or affecting the validity of the City Documents or the authority of the City to approve this Purchase Contract, or enter into the City Documents or contesting the powers of the City to enter into or perform its obligations under any of the foregoing or in any way contesting the powers of the City in connection with any action contemplated by this Purchase Contract or to

restrain or enjoin the execution of, or, except as described in the Preliminary Official Statement and the Official Statement, the issuance or delivery of any of the Bonds, or the payment or collection of any amounts pledged or to be pledged to pay the principal of and interest on the Bonds, nor is there any basis for any such action, suit, proceeding or investigation.

(g) The Preliminary Official Statement provided to the Underwriter has been deemed final by the City, as required by Rule 15c2-12. As of the date thereof and at all times subsequent thereto up to and including the End Date, the information relating to the City, the Bonds, the System and the City Documents contained in the Official Statement was and will be materially complete for its intended purposes. The information relating to the City, the Bonds, the System and the City Documents contained in the Official Statement is true and correct in all material respects and such information does not contain any untrue or misleading statement of a material fact or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading in any material respect.

(h) The City agrees to cooperate with the Underwriter in endeavoring to qualify the Bonds for offering and sale under the securities or blue sky laws of such jurisdictions of the United States as the Underwriter may request; provided, however, that the City will not be required to execute a special or general consent to service of process in any jurisdiction in which it is not now so subject.

(i) By official action of the City prior to or concurrently with the execution hereof, the City has duly approved the distribution of the Official Statement, and has duly authorized and approved the execution and delivery of, and the performance by the City of the obligations on its part contained in the City Documents and the consummation by it of all other transactions contemplated by the Official Statement and this Purchase Contract.

(j) To the best knowledge of the City, it is not in breach of or default under any material applicable law or administrative regulation of the State of California or the United States or any material applicable judgment or decree or any loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the City is a party or is otherwise subject and in connection with which the City is obligated to make payments from its own funds, and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute a default or an event of default under any such instrument the consequence of which could be to materially and adversely affect the performance of the City under the City Documents.

(k) If between the date of this Purchase Contract and the End Date an event occurs, of which the City has knowledge, which might or would cause the information relating to the City, the System or the City's functions, duties and responsibilities contained in the Official Statement, as then supplemented or amended, to contain an untrue statement of a material fact or to omit to state a material fact required to be stated therein or necessary to make such information therein, in the light of the circumstances under which it was presented, not misleading in any material respect, the City will notify the Underwriter, and if, in the opinion of the Underwriter, such event requires the preparation and publication of a supplement or amendment to the Official

Statement, the City will cooperate with the Underwriter in the preparation of an amendment or supplement to the Official Statement in a form and in a manner approved by the Underwriter, provided all expenses thereby incurred will be paid for by the City.

(l) If the information relating to the System, the City, its functions, duties and responsibilities contained in the Official Statement is amended or supplemented pursuant to the immediately preceding subparagraph, at the time of each supplement or amendment thereto and (unless subsequently again supplemented or amended pursuant to such subparagraph) at all times subsequent thereto up to and including the date of the Closing, the portions of the Official Statement so supplemented or amended (including any financial and statistical data contained therein) will 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 such information therein, in the light of the circumstances under which it was presented, not misleading in any material respect.

(m) The City covenants that it will comply with all tax covenants relating to it in the City Documents, the Tax Certificate of the City and this Purchase Contract.

(n) Substantially all the proceeds from the sale of the Bonds (after deducting the expenses of issuance and sale of the Bonds paid for from such proceeds) will be used to defease and redeem the 2009 Bonds, and the City will not take or omit to take any action which action or omission will in any way cause the proceeds from the sale of the Bonds to be applied in a manner contrary to that provided in the Indenture.

(o) The City will deliver all opinions, certificates, letters and other instruments and documents reasonably required by the Underwriter and this Purchase Contract.

(p) Any certificate of the City delivered to the Underwriter shall be deemed a representation and warranty by the City to the Underwriter as to the statements made therein.

(q) As of the time of acceptance hereof and as of the Closing, the City does not, and will not have outstanding, any indebtedness which is secured by a lien on System Net Revenues except as disclosed in the Official Statement.

(r) Between the date of this Purchase Contract and the date of Closing, the City will not, without the prior written consent of the Underwriter, and except as disclosed in the Official Statement, offer or issue any certificates, notes or other obligations for borrowed money, or incur any material liabilities, direct or contingent, secured by a lien on System Revenues or System Net Revenues.

(s) All authorizations, approvals, licenses, permits, consents and orders of or filings with any governmental authority, legislative body, board, agency or commission having jurisdiction in the matters which are required for the due authorization of, which would constitute a condition precedent to or the absence of which would adversely affect the due performance by the City of its obligations in connection with, the City Documents have been duly obtained or

made, except as may be required under the Blue Sky or securities laws of any state in connection with the offering and sale of the Bonds.

(t) The City has not been notified of any listing or proposed listing by the Internal Revenue Service to the effect that the City is a bond issuer whose arbitrage certifications may not be relied upon.

(u) Except as otherwise described in the Preliminary Official Statement and Official Statement, the City has not failed in any material respect to comply with any undertaking of the City under Rule 15c2-12 in the previous five years.

7. Representations and Agreements of the Underwriter. The Underwriter represents to and agrees with the City that, as of the date hereof and as of the date of the Closing:

(a) The Underwriter is duly authorized to execute and deliver this Purchase Contract and to take any action under this Purchase Contract required to be taken by it.

(b) The Underwriter is in compliance with MSRB Rule G-37 with respect to the City, and is not prohibited thereby from acting as underwriter with respect to securities of the City.

(c) The Underwriter has, and has had, no financial advisory relationship with the City with respect to the Bonds, and no investment firm controlling, controlled by or under common control with the Underwriter has or has had any such financial advisory relationship, within the meaning of California Government Code Section 53590, or otherwise.

(d) The Underwriter has not paid or agreed to pay, nor will it pay or agree to pay, any entity, company, firm or person, other than a bona fide officer, agent or employee working for the Underwriter, any compensation, fee, gift or other consideration contingent upon or resulting from the award of or entering into this Purchase Contract.

(e) The Underwriter has reasonably determined that the undertaking to provide continuing disclosure with respect to the Bonds, pursuant to the Continuing Disclosure Agreement, is sufficient to effect compliance with Rule 15c2-12.

8. Closing Conditions. The Underwriter has entered into this Purchase Contract in reliance upon the representations, warranties and covenants herein and the performance by the City of its respective obligations hereunder, both as of the date hereof and as of the date of the Closing. The Underwriter's obligations hereunder are and shall be subject to the following additional conditions:

(a) Bring-Down Representation. The representations, warranties and covenants of the City contained herein shall be true and correct at the date hereof and at the time of the Closing, as if made on the date of the Closing.

(b) Executed Agreements and Performance Thereunder. At the time of the Closing:

(i) the City Documents shall be in full force and effect, and shall not have been amended, modified or supplemented except with the written consent of the Underwriter;

(ii) there shall be in full force and effect such resolutions (the "Authorizing Resolutions") as, in the opinion of Norton Rose Fulbright US LLP ("Bond Counsel"), shall be necessary in connection with the transactions on the part of the City contemplated by this Purchase Contract, the Official Statement and the City Documents;

(iii) the City shall perform or have performed its obligations required as specified in the City Documents to be performed at or prior to Closing; and

(iv) the Official Statement shall not have been supplemented or amended, except pursuant to Paragraph 6(k), or as otherwise may have been agreed to in writing by the Underwriter.

(c) No Default. At the time of the Closing, no default shall have occurred or be existing under the City Documents and the City shall not be in default in the payment of principal or interest on any of its bonded indebtedness which default shall adversely impact the ability of the City to make payments on the Bonds.

(d) Termination Events. The Underwriter shall have the right to terminate this Purchase Contract, without liability therefor, by written notification to the City if at any time at or prior to the Closing:

(i) Any event occurring, or information becoming known which, in the reasonable judgment of the Underwriter, makes untrue in any material respect any statement or information contained in the Preliminary Official Statement or the Official Statement, or results in the Preliminary Official Statement or the Official Statement containing any untrue statement of a material fact or omitting 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; or

(ii) Legislation shall be enacted by or introduced in the Congress of the United States or recommended to the Congress for passage by the President of the United States, or the Treasury Department of the United States or the Internal Revenue Service or favorably reported for passage to either House of the Congress by any committee of such House to which such legislation has been referred for consideration, a decision by a court of the United States or of the State or the United States Tax Court shall be rendered, or an order, ruling, regulation (final, temporary or proposed), press release, statement or other form of notice by

or on behalf of the Treasury Department of the United States, the Internal Revenue Service or other governmental agency shall be made or proposed, the effect of any or all of which would be to alter, directly or indirectly, federal income taxation upon interest received on obligations of the general character of the Bonds, or the interest on the Bonds as described in the Official Statement, or other action or events shall have transpired which may have the purpose or effect, directly or indirectly, of changing the federal income tax consequences of any of the transactions contemplated herein; or

(iii) 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 are not exempt from registration under or other requirements of the Securities Act of 1933, as amended, or that the Indenture is not exempt from qualification under or other requirements of the Trust Indenture Act of 1939, as amended, or that the issuance, offering, or sale of obligations of the general character of the Bonds, as contemplated hereby or by the Official Statement or otherwise, is or would be in violation of the federal securities law as amended and then in effect; or

(iv) A general suspension of trading in securities on the New York Stock Exchange or any other national securities exchange, the establishment of minimum or maximum prices on any such national securities exchange, the establishment of material restrictions (not in force as of the date hereof) upon trading securities generally by any governmental authority or any national securities exchange, or any material increase of restrictions now in force (including, with respect to the extension of credit by, or the charge to the net capital requirements of, the Underwriters); or

(v) The declaration of a general banking moratorium by federal, New York or State authorities, or the general suspension of trading by the New York Stock Exchange, any national securities exchange, or any governmental authority securities exchange or a material disruption in securities settlement, payment or clearance services affecting the Bonds shall have occurred; or

(vi) Establishment of any new restrictions in securities materially affecting the free market for securities of the same nature as the Bonds (including the imposition of any limitations on interest rates) or the charge to the net capital requirements of the Underwriters established by

the New York Stock Exchange, the Securities and Exchange Commission, any other Federal or state agency or the Congress of the United States, or by Executive Order; or

(vii) The occurrence of an adverse event in the affairs of the City which, in the opinion of the Underwriter, materially impairs the investment quality of the Bonds; or

(viii) Any amendment to the federal or California Constitution or action by any federal or California court, legislative body, regulatory body or other authority materially adversely affecting the tax status of the City, its property, income or securities (or interest thereon), or the ability of the City to issue the Bonds and pledge the System Net Revenues as contemplated by the Indenture and the Official Statement; or

(ix) There shall have occurred any (1) new material outbreak of hostilities (including, without limitation, an act of terrorism) or (2) new material other national or international calamity or crisis, or any material adverse change in the financial, political or economic conditions affecting the United States, including, but not limited to, an escalation of hostilities that existed prior to the date hereto; or

(x) There shall have occurred since the date of this Purchase Contract any materially adverse change in the affairs or financial position, results of operations or condition, financial or otherwise, of the City, other than changes in the ordinary course of business or activity or in the normal operation of the City, except as described in the Official Statement; or

(xi) An event described in Section 6(f) hereof shall have occurred which, in the reasonable professional judgment of the Underwriter, requires the preparation and publication of a supplement or amendment to the Official Statement; or

(xii) Any rating of the Bonds or other obligations of the Insurer by a national rating agency shall have been withdrawn or downgraded or placed on negative outlook or negative watch; or

(xiii) Any proceeding shall have been commenced or be threatened in writing by the SEC against the City or the suspension by the SEC of trading in the outstanding securities of the City; or

(xiv) The purchase of and payment for the Bonds by the Underwriter, or the resale of the Bonds by the Underwriter, on the terms and conditions herein provided shall be prohibited by any applicable law, governmental authority, board, agency or commission; or

(xv) Any rating of the Bonds or other obligations of the City by a national rating agency shall have been withdrawn or downgraded or placed on negative outlook or negative watch.

(e) Closing Documents. At or prior to the Closing, the Underwriter shall receive with respect to the Bonds (unless the context otherwise indicates) the following documents:

(1) Bond Opinion. The approving opinion of Bond Counsel dated the date of the Closing and substantially in the form included as APPENDIX F to the Official Statement, together with a letter from such counsel, dated the date of the Closing and addressed to the Underwriter to the effect that the foregoing opinion may be relied upon by the Underwriter to the same extent as if such opinion was addressed to them.

(2) Supplemental Opinion. A supplemental opinion or opinions of Bond Counsel addressed to the Underwriter, in substantially the form and to the following effect:

(a) The statements and information relating to the City Documents and Bond Counsel's closing opinion contained in the Official Statement on the cover page and under the captions "INTRODUCTION," "THE BONDS" (except for the information under the captions "Book-Entry Only System"), "SECURITY FOR THE BONDS" and "TAX MATTERS," and in APPENDICES C and F, are true and accurate in all material respects; and

(b) The Bonds are exempt from registration under the Securities Act of 1933, as amended (the "1933 Act"), and the Indenture is exempt from qualification as an indenture pursuant to the Trust Indenture Act of 1939, as amended;

(c) The Purchase Contract and Continuing Disclosure Certificate have been duly authorized, executed and delivered by the City, and, assuming due authorization, execution and delivery by the other parties thereto, constitutes legal, valid and binding agreement of the City enforceable against each in accordance with its terms, except as the enforcement thereof may be limited by bankruptcy, insolvency or other laws affecting the enforcement of creditors' rights generally and equitable remedies if equitable remedies are sought, and except no opinion need be expressed as to the enforceability of the indemnification, waiver, choice of law or contributions provisions contained in the Purchase Contract.

(3) City Attorney Opinion. An opinion of the City Attorney, dated as of the Closing and addressed to Bond Counsel and the Underwriter, in form and substance acceptable to Bond Counsel and counsel for the Underwriter, to the following effect:

(i) the City is a municipal corporation and general law city, duly organized and validly existing under the Constitution and the laws of the State of California;

(ii) the preparation and distribution of the Preliminary Official Statement and the Official Statement and this Purchase Contract have been duly approved by the City;

(iii) the resolution of the City approving and authorizing the execution and delivery of the Official Statement, this Purchase Contract and the City Documents has been duly adopted at a meeting of the governing body of the City 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;

(iv) there is no action, suit, proceeding or investigation at law or in equity before or by any court, public board or body, pending or, to the best knowledge of such counsel, threatened against or affecting the City, which would adversely impact the City's ability to complete the transactions described in and contemplated by the Official Statement, to restrain or enjoin the payments under, or in any way contesting or affecting the validity of the City Documents, or the transactions described and defined in the Official Statement wherein an unfavorable decision, ruling or finding would adversely affect the validity and enforceability of the City Documents;

(v) the execution and delivery of the City Documents and the approval of the Official Statement, and compliance with the provisions thereof and hereof, under the circumstances contemplated thereby, do not and will not in any material respect conflict with or constitute on the part of the City a breach of or default under any agreement or other instrument to which the City is a party or by which it is bound or any existing law, regulation, court order or consent decree to which the City is subject;

(vi) the City Documents have been duly authorized, executed and delivered by the City, and, assuming due authorization, execution and delivery by the other parties thereto, as applicable, constitute legal, valid and binding agreements of the City enforceable in accordance with their respective terms, except as the enforcement thereof may be limited by bankruptcy, insolvency or other laws affecting the enforcement of creditors' rights generally and by the application of equitable principles if sought and by the limitations on legal remedies imposed on actions against public agencies in the State of California;

(vii) no authorization, approval, consent, or other order of the State of California or any other governmental authority or agency within the State of California is required for the valid authorization, execution and delivery of the City Documents and the approval of the Official Statement; and

(viii) without having undertaken any independent inquiry, nothing has come to their attention which would lead them to believe that the information

relating to the City contained in the Official Statement contains an untrue statement or omits to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

(4) Trustee Counsel Opinion. The opinion of counsel to the Trustee, dated the date of the Closing, addressed to Bond Counsel and the Underwriter, in form and substance acceptable to counsel for the Underwriter substantially to the following effect:

(i) The Trustee is a national banking association duly organized and validly existing under the laws of the United States.

(ii) The Trustee has duly authorized the execution and delivery of the Indenture and authenticated the Bonds.

(iii) The Indenture has been duly entered into and delivered by the Trustee and assuming due, valid and binding authorization, execution and delivery by the City, constitutes the legal, valid and binding obligation of the Trustee enforceable against the Trustee in accordance with its terms, except as the enforceability thereof may be limited by applicable bankruptcy, insolvency or other similar laws affecting the enforcement of creditors' rights generally, or by general principles of equity.

(iv) acceptance by the Trustee of the duties and obligations under the Indenture and compliance with provisions thereof will not conflict with or constitute a breach of or default under any law or administrative regulation to which the Trustee are subject.

(v) All approvals, consents and orders of any governmental authority or agency having jurisdiction in the matter which would constitute a condition precedent to the performance by the Trustee of its duties and obligations under the Indenture have been obtained and are in full force and effect.

(5) Disclosure Counsel Opinion. An opinion, dated the date of the Closing addressed to the City and the Underwriter, of Norton Rose Fulbright US LLP, disclosure counsel, to the effect that based upon their participation in the preparation of the Official Statement as Disclosure Counsel to the City and without having undertaken to determine independently the accuracy or completeness of the contents in the Official Statement, such counsel has no reason to believe that the Official Statement, as of its date and as of the Closing Date (except for the financial statements and the other financial and statistical data included therein and the information included therein relating to the Insurer, the Insurance Policy, the Reserve Surety Policy, The Depository Trust Company and the book entry system (as such terms are defined in the Official Statement), and in the Appendices thereto as to all of which no opinion or belief need be expressed) contained or contains any untrue statement of a material fact or omitted or omits to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

(6) City Certificate. A certificate, dated the date of the Closing, signed by a duly authorized official of the City satisfactory in form and substance to the Underwriter, (a) confirming as of such date the representations and warranties of the City contained in this Purchase Contract; (b) certifying that the City has complied with all agreements, covenants and conditions to be complied with by the City at or prior to the Closing under the City Documents; (c) certifying that to the best of such official's knowledge, no event affecting the City has occurred since the date of the Official Statement which either makes untrue or incorrect in any material respect as of the Closing the statements or information contained in the Official Statement or is not reflected in the Official Statement but should be reflected therein in order to make the statements and information therein not misleading in any material respect; and (d) certifying that the City has authorized and consented to the inclusion in the Official Statement of the City's financial report and accountant's opinion for the year ended June 30, 2015, and no further consent of any party is required for such inclusion.

(7) Trustee's Certificate. A Certificate of the Trustee, dated the date of Closing, addressed to the City and the Underwriter, in form and substance acceptable to counsel for the Underwriter to the following effect:

(i) The Trustee is duly organized and existing as a national banking association in good standing under the laws of the United States, having the full power and authority to accept and perform its duties under the Indenture;

(ii) Subject to the provisions of the Indenture, the Trustee will apply the proceeds from the Bonds to the purposes specified in the Indenture; and

(iii) The Trustee has duly authorized and executed the Indenture.

(8) Escrow Agent's Certificate. A Certificate of the Escrow Agent, dated the date of Closing, addressed to the City and the Underwriter, in form and substance acceptable to counsel for the Underwriter to the following effect:

(i) The Escrow Agent is duly organized and existing as a national banking association in good standing under the laws of the United States, having the full power and authority to accept and perform its duties under the Escrow Agreement;

(ii) Subject to the provisions of the Escrow Agreement, the Escrow Agent will apply the proceeds from the Bonds to the purposes specified in the Escrow Agreement; and

(iii) The Escrow Agent has duly authorized and executed the Escrow Agreement.

(9) Transcripts. Two transcripts of all proceedings relating to the authorization and issuance of the Bonds.

(10) Official Statement. The Official Statement and each supplement or amendment, if any, thereto, executed on behalf of the City by a duly authorized officer of the City.

(11) City Documents. An original executed copy of each of the City Documents.

(12) City Resolution. Two copies certified by the Clerk or Assistant Clerk of the City, of each resolution of the City relating to the City Documents, the actions contemplated thereby, provided that such resolutions may be contained in the transcripts provided pursuant to Paragraph 8(e)(9) above.

(13) IRS Form 8038-G. Evidence that the federal tax information form 8038-G has been prepared for filing.

(14) Nonarbitrage Certificate. A tax and nonarbitrage certificate in form satisfactory to Bond Counsel.

(15) Rating. Evidence that the Bonds have been rated as set forth in the Official Statement and that such ratings continue in effect as of the Closing.

(16) CDIAC Statement. A copy of the Notice of Sale required to be delivered to the California Debt and Investment Advisory Commission pursuant to Section 53583 of the Government Code and Section 8855(g) of the Government Code.

(17) Escrow Verification. An escrow verification report of Grant Thornton, LLP (the "Verification Agent") with respect to the refunding of the 2009 Bonds.

(18) Escrow Agent Counsel Opinion. The opinion of counsel to the Escrow Agent, dated the date of the Closing, addressed to Bond Counsel and the Underwriter, in form and substance acceptable to counsel for the Underwriter substantially to the following effect:

(i) The Escrow Agent is a national banking association duly organized and validly existing under the laws of the United States.

(ii) The Escrow Agent has duly authorized the execution and delivery of the Escrow Agreement.

(iii) The Escrow Agreement has been duly entered into and delivered by the Escrow Agent, and assuming due, valid and binding authorization, execution and delivery by the City, constitutes the legal, valid and binding obligation of the Escrow Agent enforceable against the Escrow Agent in accordance with its terms, except as the enforceability thereof may be limited by applicable bankruptcy, insolvency or other similar laws affecting the enforcement of creditors' rights generally, or by general principles of equity.

(19) Defeasance Opinion. A defeasance opinion of Bond Counsel, dated the date of Closing, and addressed to City, the Escrow Agent and the Underwriter with respect to the 2009 Bonds.

(20) Underwriter's Counsel Opinion. An opinion, dated the date of the Closing and addressed to the Underwriter, of Nossaman LLP, counsel to the Underwriter, in such form as may be acceptable to the Underwriter.

(21) Insurance Policy. The Insurance Policy, duly executed by the Insurer.

(22) Reserve Surety Policy. The Reserve Surety Policy, duly executed by the Insurer.

(23) Insurer Counsel Opinion. An opinion of counsel to the Insurer, dated the Closing Date, addressed to the City and Underwriter, in form and substance satisfactory to the Underwriter and Bond Counsel.

(24) Insurer Certificate. A certificate or certificates of the Insurer, dated the Closing Date, as to the accuracy of the information relating to the Insurer, the Insurance Policy and the Reserve Surety Policy included in the Official Statement and such other matters reasonably requested by the Underwriter and Bond Counsel.

(25) Additional Documents. Such additional certificates, instruments and other documents as the Underwriter may reasonably deem necessary, including, but not limited to: copies of the specimen Bonds, a blanket letter of representations as filed with DTC, and a copy of delivered notice of the defeasance of the 2009 Bonds.

If the City shall be unable to satisfy the conditions contained in this Purchase Contract, or if the obligations of the Underwriter shall be terminated for any reason permitted by this Purchase Contract, this Purchase Contract may be terminated by the Underwriter, and neither the Underwriter nor the City shall be under any further obligation hereunder.

9. Expenses. The Underwriter shall be under no obligation to pay, and the City shall pay or cause to be paid, the expenses incident to the performance of the obligations of the City hereunder including but not limited to:

(a) the costs of the preparation and printing, or other reproduction (for distribution on or prior to the date hereof) of the City Documents and the cost of preparing, printing, issuing and delivering the Bonds;

(b) the fees and disbursements of any counsel, financial advisors, accountants or other experts or consultants retained by the City;

(c) the fees and disbursements of Bond Counsel and Disclosure Counsel;

(d) the cost of preparation and printing the Preliminary Official Statement and any supplements and amendments thereto and the cost of preparation and printing of the Official Statement, including a reasonable number of copies thereof for distribution by the Underwriter;

(e) charges of rating agencies for the rating of the Bonds;

(f) the cost of printing of the City Documents; and

(g) the expenses incurred by the Underwriter in connection with the public offering and distribution of the Bonds.

The Underwriter shall pay: (i) the cost of preparation and printing of any "blue sky" filings; (ii) all "blue sky" filing fees in connection with the public offering of the Bonds; (iii) fees, if any, payable to the California Debt and Investment Advisory Commission, the MSRB, the fees associated with obtaining CUSIP numbers for the Bonds, and fees of the Public Securities Association and the California Public Securities Association in connection with the execution and delivery of the Bonds; and (iv) all other expenses incurred by them in connection with the public offering of the Bonds not outlined in (a) through (g) above, including the fees and disbursements of Underwriter's Counsel and any advertising expenses incurred by the Underwriter in connection with the public offering and distribution of the Bonds. Any meals in connection with or adjacent to meetings, rating agency presentations, pricing activities or other transaction-related activities shall be considered an expense of the transaction and included in the expense component of the Underwriter's discount.

10. Notice. Any notice or other communication to be given to the Underwriter may be given by delivering the same to Stifel, Nicolaus & Company, Incorporated, 515 South Figueroa Street, Suite 1800, Los Angeles, California 90071 Attn.: Jose Vera. Any notice or other communication to be given to the City pursuant to this Purchase Contract may be given by delivering the same in writing to such entity, at the address set forth on the first page hereof.

11. Entire Agreement. This Purchase Contract, when accepted by the City, shall constitute the entire agreement between the City and the Underwriter and is made solely for the benefit of the City and the Underwriter (including the successors or assigns of any Underwriter). No other person shall acquire or have any right hereunder by virtue hereof, except as provided herein. All the City's representations, warranties and agreements in this Purchase Contract shall remain operative and in full force and effect, regardless of any investigation made by or on behalf of the Underwriter, until the earlier of (a) delivery of and payment for the Bonds hereunder, and (b) any termination of this Purchase Contract.

12. Counterparts. This Purchase Contract 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.

13. **Severability.** In case any one or more of the provisions contained herein shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision hereof.

14. **State of California Law Governs.** The validity, interpretation and performance of the City Documents shall be governed by the laws of the State.

15. **No Assignment.** The rights and obligations created by this Purchase Contract shall not be subject to assignment by the Underwriter or the City without the prior written consent of the other parties hereto.

16. **Definitions.** Terms not otherwise defined herein shall have the same meaning as used in the Indenture.

**STIFEL, NICOLAUS & COMPANY,
INCORPORATED, as Underwriter**

By: _____
Authorized Representative

Accepted as of the date first stated above:

CITY OF SOUTH PASADENA

By: _____
Title: _____

Date of Execution: _____

Time of Execution: _____

EXHIBIT A

CITY OF SOUTH PASADENA
2016 WATER REVENUE REFUNDING BONDS

<u>Maturity Date</u> <u>(October 1)</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>Yield</u>
2017			
2018			
2019			
2020			
2021			
2022			
2023			
2024			
2025			
2026			
2027			
2028			
2029			
2030			
2031			
2032			
2033			
2034			
2035			
2036			
20__*			

* Term Bond.

(c) Yield to first optional redemption date of October 1, 20__ at par.

ATTACHMENT 6
Continuing Disclosure Agreement

CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (the “Disclosure Certificate”) is executed and delivered by the City of South Pasadena (the “City”) in connection with the issuance of \$_____ aggregate principal amount of the City of South Pasadena 2016 Water Revenue Refunding Bonds (the “Bonds”). The Bonds are being issued pursuant to an Indenture of Trust, dated as of _____ 1, 2016 (the “Indenture”), between the City and The Bank of New York Mellon Trust Company, N.A., as trustee (the “Trustee”). In connection therewith the City covenants and agrees as follows:

Section 1. Purpose of this Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the City for the benefit of the Bondholders and Beneficial Owners of the Bonds and in order to assist the Participating Underwriters (as defined herein) in complying with Securities and Exchange Commission Rule 15c2-12(b)(5).

Section 2. Definitions. In addition to the definitions set forth above and in the Indenture, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this section, the following capitalized terms shall have the following meanings:

“Annual Report” shall mean any Annual Report provided by the City pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

“Beneficial Owner” shall mean any person who (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries); or (b) is treated as the owner of any Bonds for federal income tax purposes.

“Disclosure Representative” shall mean the Finance Director of the City or his or her designee, or such other officer or employee as the City shall designate in writing to the Trustee from time to time.

“Dissemination Agent” shall mean Urban Futures, Inc., acting in its capacity as Dissemination Agent hereunder, or any successor Dissemination Agent designated in writing by the City and which has filed with the Trustee a written acceptance of such designation.

“Holder” shall mean either the registered owners of the Bonds or, if the Bonds are registered in the name of The Depository Trust Company or another recognized depository, any applicable participant in such depository system.

“Listed Event” shall mean any of the events listed in Section 5(a) of this Disclosure Certificate.

“MSRB” shall mean the Municipal Securities Rulemaking Board established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934 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 Marketplace Access (EMMA) website of the MSRB, currently located at <http://emma.msrb.org>.

“Official Statement” shall mean the Official Statement for the Bonds dated _____, 2016.

“Participating Underwriter” shall mean any of the original underwriter of the Bonds listed in the Official Statement required to comply with the Rule in connection with offering of the Bonds.

“Rule” shall mean Rule 15c2-12(b)(5) adopted by the SEC under the Securities Exchange Act of 1934, as the same may be amended from time to time.

“SEC” shall mean the United States Securities and Exchange Commission.

“State” shall mean the State of California.

Section 3. Provision of Annual Reports.

(a) The City shall, or shall cause the Dissemination Agent to, not later than January 31 following the end of the City’s Fiscal Year (currently ending June 30), commencing with the Fiscal Year ending June 30, 2016, provide to the MSRB an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Certificate. The Annual Report must be submitted in electronic format, accompanied by such identifying information as prescribed by the MSRB. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Disclosure Certificate; *provided* that if the audited financial statements of the City are not available by the date required above for the filing of the Annual Report, the City shall submit the audited financial statements as soon as available. If the City’s Fiscal Year changes, it shall give notice of such change in the same manner as for a Listed Event under Section 5(f).

(b) If the City is unable to provide (or cause the Dissemination Agent to provide) to the MSRB an Annual Report by the date required in subsection (a), the Dissemination shall send in a timely manner to the MSRB a notice in substantially the form attached hereto as Exhibit A.

(c) The Dissemination Agent shall:

- (i) determine the electronic filing address of, and then-current procedures for submitting Annual Reports to, the MSRB each year prior to the date for providing the Annual Report; and
- (ii) file a report with the City and (if the Dissemination Agent is not the Trustee) the Trustee certifying that the Annual Report has been

provided to the MSRB pursuant to this Disclosure Certificate, and stating the date it was provided.

Section 4. Content of Annual Reports. The City's Annual Report shall contain or include by reference the following categories or similar categories of information updated to incorporate information for the most recent fiscal or calendar year, as applicable (the tables referred to below are those appearing in the Official Statement relating to the Bonds):

(a) The audited financial statements of the City for the prior Fiscal Year, prepared in accordance with Generally Accepted Accounting Principles as promulgated to apply to governmental entities from time to time by the Governmental Accounting Standards Board. If the City's audited financial statements are not available by the time the Annual Report is required to be filed pursuant to Section 3(a), the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the final Official Statement, and the audited financial statements shall be filed in the same manner as the Annual Report when they become available;

(b) Unless otherwise provided in the audited financial statements filed pursuant to Section 3(a), financial information and operating data with respect to the City for the preceding fiscal year, substantially similar to that provided in the corresponding tables in the Official Statement:

- (i) a schedule of water rates in effect as of the close of the preceding fiscal year, by classification of customer;
- (ii) updates to the historical information provided in the following tables of the Official Statement: Table 1 – Historical Water Supply; Table 2 – Historical Water Consumption; Table 3 – Historical Active Water Connections; Table 4 – Top Five Customers by Service Charge Revenue; and Table 7 – Historical Water System Revenues, Operation and Maintenance Costs, Unrestricted Cash Balance and Debt Coverage Ratio; and
- (iii) a description of any additional indebtedness incurred during the most recently-completed fiscal year payable from System Net Revenues on a parity with the Installment Payments.

(c) In addition to any information expressly required to be provided under this Disclosure Certificate, the City shall provide such further material information, if any, as may be necessary to make the specifically required statements in the light of the circumstances under which they are made, not misleading.

Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the City or related public entities, which have been submitted to the MSRB or the SEC. If any document included by reference is a final official statement, it must be available from the MSRB. The City shall clearly identify each such other document so included by reference.

Section 5. Reporting of Listed Events.

(a) Pursuant to the provisions of this section, upon the occurrence of any of the following events (in each case to the extent applicable) with respect to the Bonds, the City shall give, or cause to be given by so notifying the Dissemination Agent in writing and instructing the Dissemination Agent to give, notice of the occurrence of such event, in each case, pursuant to Section 5(c) hereof:

1. principal or interest payment delinquencies;
2. non-payment related defaults, if material;
3. modifications to the rights of the Bondholders, if material;
4. optional, contingent or unscheduled calls, if material, and tender offers;
5. defeasances;
6. rating changes;
7. adverse tax opinions or the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds or other material events affecting the tax status of the Bonds;
8. unscheduled draws on the debt service reserves reflecting financial difficulties;
9. unscheduled draws on the credit enhancements reflecting financial difficulties;
10. substitution of the credit or liquidity providers or their failure to perform;
11. release, substitution or sale of property securing repayment of the Bonds, if material;
12. bankruptcy, insolvency, receivership or similar proceedings of the City, which shall occur as described below;
13. appointment of a successor or additional trustee or the change of name of a trustee, if material, or;
14. the consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of the assets of the City other than in the ordinary course of business, the entry into a definitive agreement to

undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material.

For these purposes, any event described in item 12 of this Section 5(a) is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the City in a proceeding under the United States Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the City, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the City.

(b) Upon receipt of notice from the City and instruction by the City to report the occurrence of any Listed Event, the Dissemination Agent shall provide notice thereof to the MSRB in accordance with Section 5(c) hereof. In the event the Dissemination Agent shall obtain actual knowledge of the occurrence of any of the Listed Events, the Dissemination Agent shall, immediately after obtaining such knowledge, contact the Disclosure Representative, inform such person of the event, and request that the City promptly notify the Dissemination Agent in writing whether or not to report the event pursuant to Section 5(c). For purposes of this Disclosure Certificate, "actual knowledge" of the occurrence of such Listed Event shall mean actual knowledge by the Dissemination Agent, if other than the Trustee, and if the Dissemination Agent is the Trustee, then by the officer at the corporate trust office of the Trustee with regular responsibility for the administration of matters related to the Indenture. The Dissemination Agent shall have no responsibility to determine the materiality, if applicable, of any of the Listed Events.

(c) The City, or the Dissemination Agent, if the Dissemination Agent has been instructed by the City to report the occurrence of a Listed Event, shall file a notice of such occurrence with the MSRB in a timely manner not more than ten business days after the occurrence of the event.

Section 6. Termination of Reporting Obligation. The City's obligations under this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds. If such termination occurs prior to the final maturity of the Bonds, the City shall give notice of such termination in the same manner as for a Listed Event under Section 5(f).

Section 7. Dissemination Agent. The City may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. If at any time there is not any other designated Dissemination Agent, Urban Futures, Inc., upon notice from the City, shall be the Dissemination Agent. The initial Dissemination Agent shall be Urban Futures, Inc. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report prepared by the City pursuant to this Disclosure Certificate. The Dissemination Agent shall receive compensation for the services

provided pursuant to this Disclosure Certificate. The Dissemination Agent may resign by providing thirty days written notice to the City and the Trustee.

Section 8. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the City, the Trustee and the Dissemination Agent may amend this Disclosure Certificate provided, the Dissemination Agent shall not be obligated to enter into any such amendment that modifies or increases its duties or obligations hereunder, and any provision of this Disclosure Certificate may be waived, provided that in the opinion of nationally recognized bond counsel, such amendment or waiver is permitted by the Rule. In the event of any amendment or waiver of a provision of this Disclosure Certificate, the City shall describe such amendment 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 City.

Section 9. Filings with the MSRB. All information, operating data, financial statements, notices and other documents provided to the MSRB in accordance with this Disclosure Certificate shall be provided in an electronic format prescribed by the MSRB and shall be accompanied by identifying information as prescribed by the MSRB.

Section 10. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the City from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the City chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the City shall have no obligation under this Disclosure Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

Section 11. Default. In the event of a failure of the City or the Dissemination Agent to comply with any provision of this Disclosure Certificate, the Trustee, at the written request of any Participating Underwriter or the Holders of at least 25% of the aggregate principal amount of Outstanding Bonds and upon provision of indemnification satisfactory to the Trustee, shall, or any Holder or Beneficial Owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the City or the Dissemination Agent, as the case may be, to comply with its obligations under this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an Event of Default under the Indenture, and the sole remedy under this Disclosure Certificate in the event of any failure of the City or the Dissemination Agent to comply with this Disclosure Certificate shall be an action to compel performance hereunder.

Section 12. Duties, Immunities and Liabilities of the Dissemination Agent. Article VIII of the Indenture is hereby made applicable to this Disclosure Certificate as if the Disclosure Certificate were (solely for this purpose) contained in the Indenture. The Dissemination Agent shall be entitled to the protections and limitations on liability afforded to the Trustee thereunder. The Dissemination Agent shall have only such duties as are specifically set forth in this

Disclosure Certificate, and the City agrees to indemnify and save the Dissemination Agent, their officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys fees) of defending against any claim of liability, but excluding any loss, expense and liabilities due to the Dissemination Agent's negligence or willful misconduct. The obligations of the City under this Section 12 shall survive resignation or removal of the Dissemination Agent and payment of the Bonds.

Section 13. Notices. Any notices or communications to be given under this Disclosure Certificate may be given as follows:

To the City:

City of South Pasadena
1414 Mission Street
South Pasadena, California 91030
Attention: Assistant City Manager
Phone: (626) 403-7210
Fax: (626) 403-7211

To the Dissemination Agent:

Urban Futures, Inc.
3111 North Tustin Avenue, Suite 230
Orange, California 92865
Attention: Michael Busch
Phone: (714) 283-9334
Fax: (714) 283-5465

Section 14. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the City, the Trustee, the Dissemination Agent, the Bond Insurer (as long as the Bond Insurance Policy shall be in full force and effect), the Participating Underwriter and the Holders and Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

Section 15. Counterparts. This Disclosure Certificate may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK.]

IN WITNESS WHEREOF, this Disclosure Certificate has been executed on behalf of the City and agreed to and accepted on behalf of the Dissemination Agent by their duly authorized representatives as of _____, 2016.

CITY OF SOUTH PASADENA

By: _____
Finance Director

AGREED AND ACCEPTED:

URBAN FUTURES, INC.,
as Dissemination Agent

By: _____
Authorized Officer

EXHIBIT A

NOTICE TO MSRB OF FAILURE TO FILE ANNUAL REPORT

Name of Obligated Person: City of South Pasadena

Name of Bond Issue: City of South Pasadena 2016 Water Revenue Refunding Bonds

Date of Issuance: _____, 2016

NOTICE IS HEREBY GIVEN that the City of South Pasadena (the "City") has not provided an Annual Report with respect to the above-named Bonds as required by Section 3(a) of the Continuing Disclosure Certificate, dated as of _____, 2016, by and between the City and Urban Futures, Inc., as dissemination agent (the "Dissemination Agent"). The City anticipates that the Annual Report will be filed by _____, 20__.

Dated: _____, 20__

URBAN FUTURES, INC., as Dissemination Agent
on behalf of the City

By: _____
Authorized Officer

cc: City of South Pasadena

City of South Pasadena Agenda Report

*Diana Mahmud, Mayor
Michael A. Cacciotti, Mayor Pro Tem
Robert S. Joe, Councilmember
Marina Khubesrian, M.D., Councilmember
Richard D. Schneider, M.D., Councilmember*

*Evelyn G. Zneimer, City Clerk
Gary E. Pia, City Treasurer*

COUNCIL AGENDA: October 19, 2016
TO: Honorable Mayor and City Council
VIA: Sergio Gonzalez, City Manager 
FROM: Sheila Pautsch, Community Service Director 
SUBJECT: **Approval of a Revised Concept Plan for the South Pasadena
Community Center**

Recommendation

It is recommended that the City Council approve the revised Concept Plan (Concept Plan) for the South Pasadena Community Center (Community Center) and to exclude the development of commercial lease space within the design.

Fiscal Impact

With moving forward with only one Concept Plan, there will be a cost savings of about \$20,000 to the Designated Reserve for the Community Center and City Yard.

Commission Review and Recommendation

This matter was reviewed by the Community Center Subcommittee (Subcommittee) at their September 14, 2016 meeting. The Subcommittee recommends that the City Council approve the revised 30,000 square foot Concept Plan and to exclude the commercial lease space at this time. The Subcommittee believes this new Concept Plan will serve the current and future needs of the community.

Background

At the July 6, 2016 City Council Meeting, the City Council discussed the possibility of further evaluating both community center concept plans, pointing out that evaluating a second design is significantly discounted. The City Council voted unanimously to move forward with further evaluation of both community center concept plans, including development of 3D videos.

Integrated Consulting Group, Inc. (ICG) and the Community Services Staff (Staff) met to determine the right size for the Community Center. Staff performed a Space Priority Exercise to first define the current and future programming space requirements. ICG was able to create a 30,000 square foot Concept Plan based on the space priority exercise which features the restoration of the existing building, a shared community and senior space, separate youth and teen center and two levels of parking. The 30,000 square foot Community Center is estimated to

AGENDA ITEM 19

cost \$17 million.

The commercial lease space of 4,000 square feet would increase cost due to underground parking required with the development. The lease space is not accounted for within the \$17 million cost of the Community Center. Therefore, the originally proposed commercial lease space would best serve as an outdoor covered patio area which could be used for classes, events, and leisure.

Analysis

It is recommended that the City Council approve the revised Concept Plan of 30,000 square feet. Once approved, the next steps for ICG will be to move forward with grading plans, utility plans, structural floor plans, room floor plans, architectural elevations, and cost estimates.

Legal Review

The City Attorney has not reviewed this item.

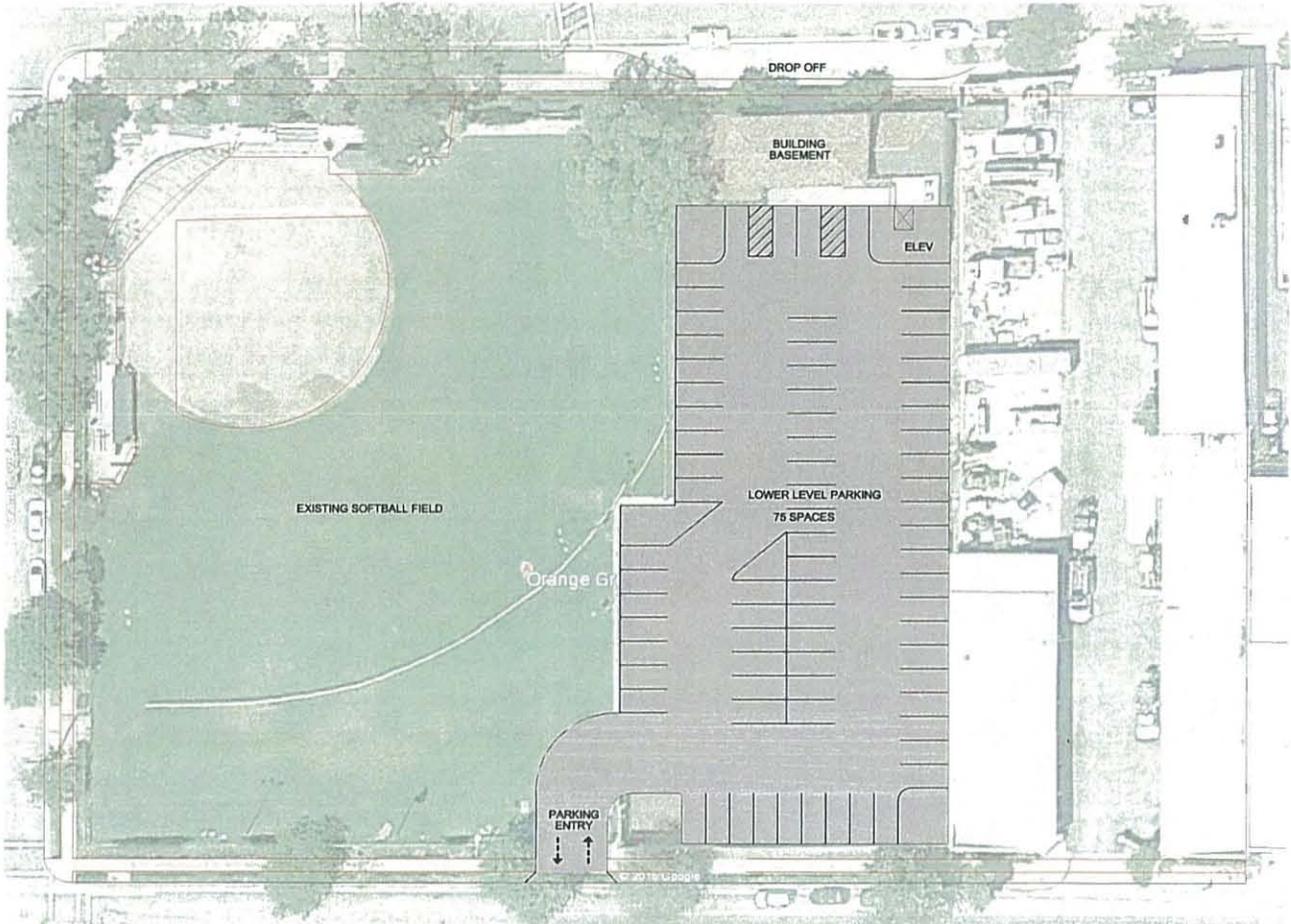
Public Notification of Agenda Item

The public was made aware that this item was to be considered this evening by virtue of its inclusion on the legally publicly noticed agenda, posting of the same agenda and reports on the City's website and/or notice in the *South Pasadena Review* and/or the *Pasadena Star-News*.

Attachment: Revised Concept Plan



City of South Pasadena Community Center Conceptual Layout: *Orange Grove Park*



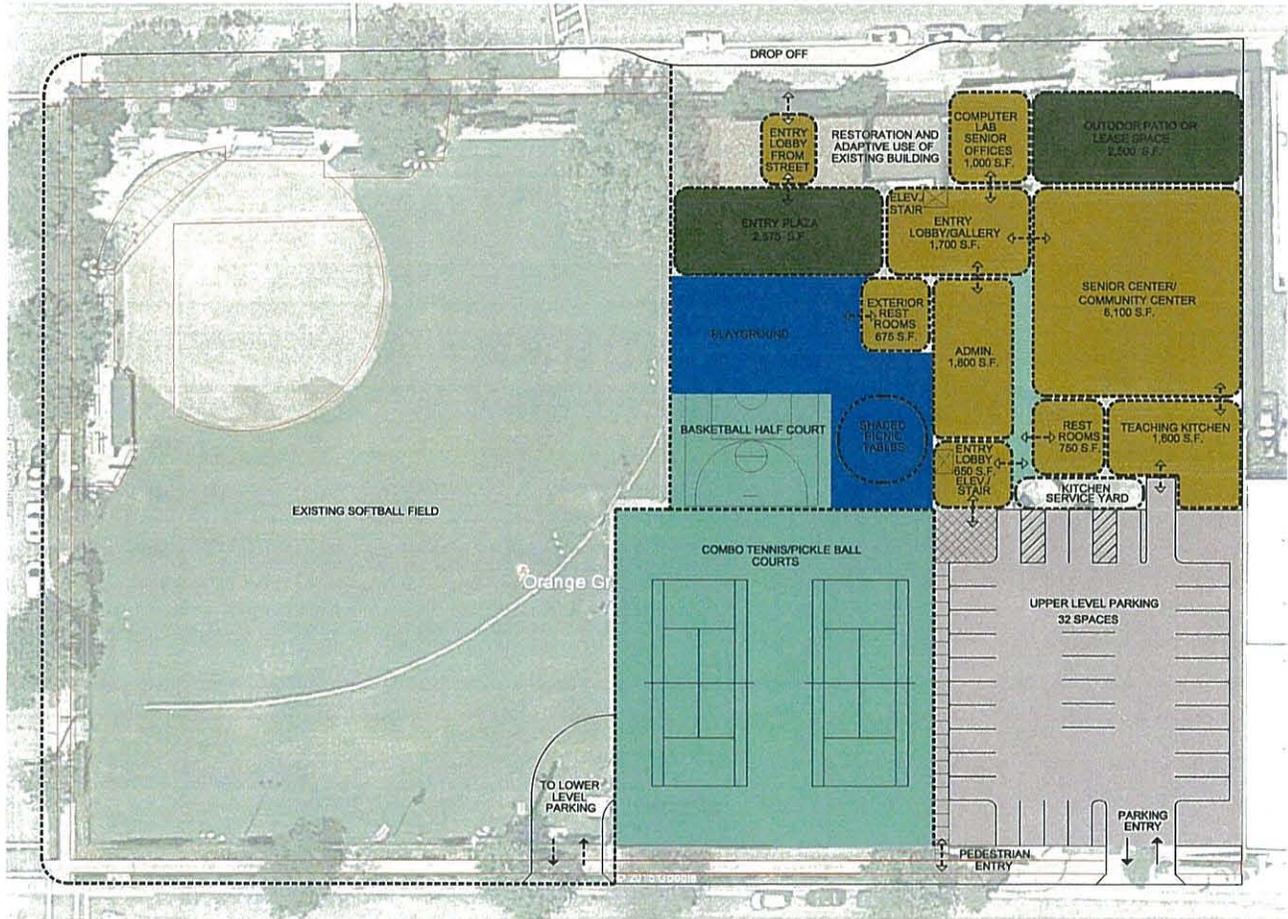
FIELD LEVEL



SEPT 2016



City of South Pasadena Community Center Conceptual Layout: *Orange Grove Park*



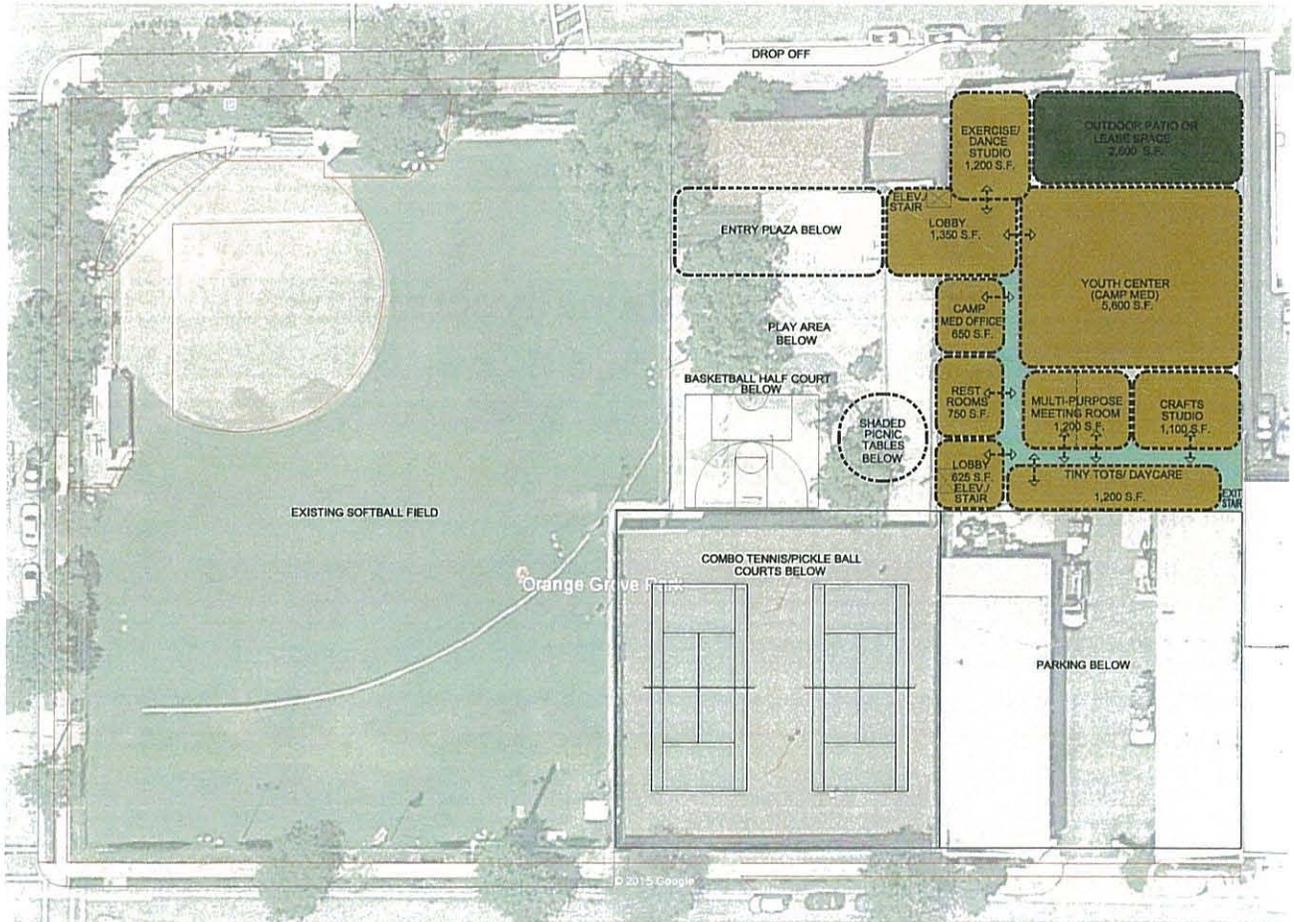
MID LEVEL



SEPT 2016



City of South Pasadena Community Center Conceptual Layout: *Orange Grove Park*



UPPER LEVEL



SEPT 2016

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City of South Pasadena Agenda Report

Diana Mahmud, Mayor
Michael A. Cacciotti, Mayor Pro Tem
Robert S. Joe, Councilmember
Marina Khubesrian, M.D., Councilmember
Richard D. Schneider, M.D., Councilmember

Evelyn G. Zneimer, City Clerk
Gary E. Pia, City Treasurer

COUNCIL AGENDA: October 19, 2016

TO: Honorable Mayor and City Council

VIA: Sergio Gonzalez, City Manager *SG*

FROM: Arthur Miller, Chief of Police *AM*
Mike Neff, Police Captain *MN*
Mike Sanchez, Police Corporal

SUBJECT: **Provide Direction Regarding the Adoption of a Social Host Ordinance**

Recommendation

It is recommended that the City Council provide direction regarding the adoption of a Social Host Ordinance.

Fiscal Impact

No fiscal impact.

Commission Review and Recommendation

On June 13, 2016, Police Chief Miller met and discussed the proposed Social Host Ordinance with the Public Safety Commission (PWC). The consensus of the PWC was not to adopt a Social Host Ordinance and continue with enforcement through Juvenile Courts.

Background

At the March 16, 2016 City Council Meeting, Day One, a community-based nonprofit organization, and RAD (Rethinking Alcohol and Other Drugs), a coalition of community-based agencies and residents that collaborate on alcohol and drug abuse prevention service projects in the San Gabriel Valley) recommended that the City of South Pasadena (City) adopt a Social Host Ordinance as a tool to reduce underage drinking. The proposed ordinance would subject a responsible person(s) or "host" (whether adult or juvenile) to the issuance of a civil citation and administrative fines if minors are allowed to drink alcoholic beverages on their property.

Day One and RAD believe an ordinance that holds adults and minors responsible for providing alcoholic beverages to minors would help deter and prevent alcohol-involved incidents among residents and could be useful in connecting South Pasadena residents and families to local counseling and treatment services.

Analysis

A review of juvenile arrests and calls for service in South Pasadena over the past few years reveals a minimal amount of alcohol-involved incidents and parties involving minors. By contrast, the municipalities that have implemented a Social Host Ordinance (such as City of Huntington Beach and County of Ventura) have numerous calls for service regarding house parties and alcohol-related incidents involving minors.

In September, 2016, Police Captain Neff served on a Day One-sponsored panel, regarding a discussion on social host policies. Pasadena Police Chief Phillip L. Sanchez also served on the panel and was not in favor of a Social Host Ordinance because of the fiscal impact of the substantial amount of the fines on the responsible party. Pasadena Police Chief Sanchez raised concerns that a resident may be evicted for failure to pay rent in order to be compliant with paying the fine that was levied by the city.

Staff believes that existing state laws regarding underage drinking are a more effective deterrent to underage drinking. Juveniles can already be cited on probable cause, and instances of contributing to the delinquency of a minor can be sent to the Juvenile District Attorney for criminal charges being filed even if the crime was actually not witnessed by an officer. In the cases of juvenile offenders, both the juvenile and parent/legal guardian are cited to Court. In addition, if the responsible party (such as a "social host") is indigent, the Court has the ability to convert fines to community service and order local counseling and treatment services. Juvenile offenses are handled by fines, community service, probation, DMV restrictions, counseling, diversion, and custody. The additional enforcement tool of a Social Host Ordinance is not focused on counseling or treatment of the juvenile offender, but on punishment through high civil fines of the person determined responsible for providing a venue for juvenile alcohol consumption; as stated, house parties involving alcohol related incidents with juveniles has not been an issue in South Pasadena.

Staff is seeking direction from the City Council on this matter. If the City Council decides to adopt a Social Host Ordinance, staff will prepare an ordinance for first reading and introduction at a future meeting.

Legal Review

The City Attorney has reviewed this item.

Public Notification of Agenda Item

The public was made aware that this item was to be considered this evening by virtue of its inclusion on the legally publicly noticed agenda, posting of the same agenda and reports on the City's website and/or notice in the *South Pasadena Review* and/or the *Pasadena Star-News*.

Attachment

1. 03/16/2016 City Council Meeting Additional Documents Provided by Day One
2. 08/23/2016 Letter of Support Submitted by KShift

ATTACHMENT 1
03/16/2016 City Council Meeting
Additional Documents Submitted by Day One

SOCIAL HOST ORDINANCE

A Tool for Reducing Underage Drinking

Youth Access to Alcohol

According to a 2014 alcohol opinion survey of 100 South Pasadena youth:

- **48%** of youth surveyed said they know or have heard of an adult who allows minors to drink in their home.
- **66%** of youth surveyed said the most common place to drink was at house parties.
- **66%** of youth agreed that adults would be less likely to provide alcohol to youth if a Social Host policy existed.

For more information on survey results visit:

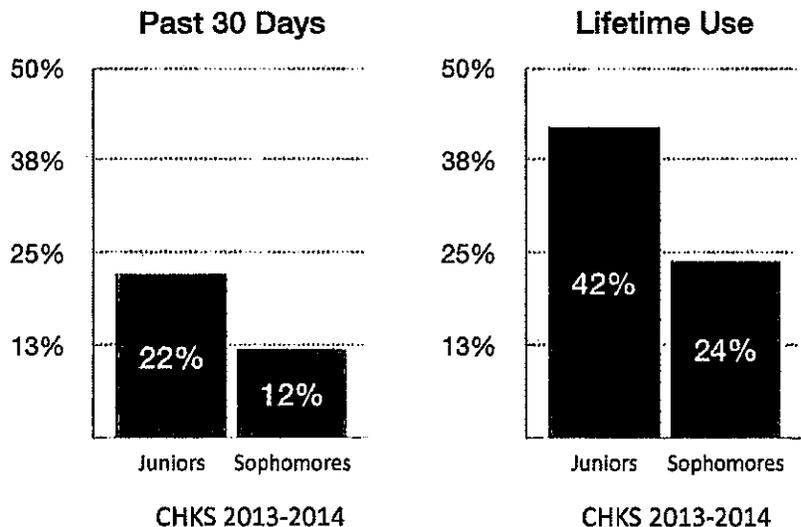
healthysouthpasadena.org

Healthy South Pasadena is a coalition of residents, community partners and youth leaders committed to advancing public health in South Pasadena.

For the past two years we have come together to learn, share, and develop ideas to reduce underage drinking. One of our main focus is to reduce youth availability and access to alcohol.

Youth Access to Alcohol

According to the CDC alcohol is the most commonly used and abused drug among youth in the United States. Youth drink 11% of all alcohol consumed in the United States. Data from the 2013-2014 California Healthy Kids Survey (CHKS) shows that 22% of South Pasadena High School juniors reported having at least one drink in the past 30 days. Meanwhile 42% of juniors reported having consumed alcohol in their lifetimes.



Who has adopted a Social Host Ordinance ?

Here are a few cities and counties who have adopted a SHO policy. As a result they have experienced a significant decline in underage drinking and alcohol related incidents.

City Ordinance

- Laguna Hills
- Huntington Beach
- Pomona
- Ojai
- Rosemead
- Sacramento
- Covina
- Palo Alto
- Temecula
- Santa Monica
- Irvine

County Wide Ordinance

- San Diego County
- Ventura County
- Santa Barbara County
- Santa Clara County
- Napa County

For more information on cities that have adopted SHO visit:

alcoholpolicy.niaaa.nih.gov

Consequences of Underage Drinking

Underage drinking is one of the most widespread public health concerns in the United States. Studies show that youth who drink alcohol consume more drinks per occasion than adults who drink. This is major public health and safety concern because of the many consequences associated with it.

The human brain continues to develop until the age of 25. Alcohol interferes with brain development and can affect brain structure and function which can result in short and long-term brain damage. Youth who begin drinking before the age of 15 are five times more likely to become dependent on alcohol later in life than youth who began drinking at the age of 21.

Alcohol impairs judgement and inhibitions and often results in drunk driving and DUI, suicide, risky sexual behavior and sexual assault, alcohol poisoning, youth violence and even death. Underage drinking is responsible for claiming 4,300 lives per year in the United States.

Why Setting is Important

National and local data has identified house parties as the number one source of alcohol for minors. Private homes and house parties are ideal settings for underage drinking and binge drinking (consumption of 5+ drinks in two hours for men and 4+ drinks in two hours for women). They allow for unmonitored consumption of alcohol. This type of drinking increases the risk for drunk driving, suicide, sexual assault, alcohol poisoning, and youth violence.

Parent's Role

Many parents dismiss underage drinking as a "rite of passage" and believe that underage drinking is an inevitable youth

SHO Civil Liability

According to law enforcement officials this type of citation is easy to administer. It eliminates the need to revisit the scene because of a progressive fine structure for repeat offenders.

**— NOTICE —
"LOUD PARTY"
FIRST RESPONSE
CITY OF HUNTINGTON BEACH
POLICE DEPARTMENT**

CN Number _____

This NOTICE OF VIOLATION given to:

Name _____
Responsible Party

DOB _____

GDL _____

Location _____

Date _____ Time _____

Phone _____

is the result of a loud party in violation of California Penal Code Section 415 (Disturbance of the Peace). A second police call to this disturbance location will result in a service fee charge to you for all City personnel and equipment costs expended during this second, and any subsequent, returns to this location. You will be billed by the City of Huntington Beach for all costs described above pursuant to the Huntington Beach Municipal Code Section 8.43.040. The second call will also result in the dispersal of the party with the violator(s) subject to arrest and/or citation.

LOUORAT doc

SHO Citation Notice
Huntington Beach Police Dept.

experience. The reality is that allowing youth to drink in the home doesn't lessen the dangers of underage drinking. Youth who consume alcohol before the age of 21 are more likely to abuse it and become dependent later in life.

Social Host Ordinance

A Social Host Ordinance (SHO) gives communities a practical tool for dealing with underage drinking. The aim of the policy is to create safer youth environments, and deter underage drinking. The policy empowers law enforcement by implementing a mechanism to cite the "host" for allowing underage drinking on their property. A "host" is anyone who willingly provides or allows the consumption of alcohol by minors on their property. The ordinance aims to target the environment where underage drinking takes place.

SHO policies are among the most effective policies in reducing underage and binge drinking and alcohol related incidents such as drunk driving, suicide, sexual assault, alcohol poisoning, and youth violence.

Enforcement & Liability

As of now when law enforcement arrive on the scene where underage drinking is taking place it can be very difficult to determine who provided the alcohol. In order to charge anyone with contributing to the delinquency of a minor, law enforcement officials have to witness an adult providing alcohol to a minor and witness the youth consuming it.

Social Host policies allow law enforcement officials to cite "hosts" for permitting underage drinking on property they control. They shift the focus from the person who provided the alcohol to place where underage drinking takes place.

Current Reality

In September 2014 Healthy South Pasadena collaborated with Moms for Community and Straight Up to host South Pasadena's first Reality Party. The event exposed the current realities of underage drinking and the consequences associated with it. Parents were led through a simulated house party while local youth showcased what happens at house parties. After the tour parents voiced their concerns and discussed ideas for change.



For more information on the Reality Party visit:

losangeles.cbslocal.com

Communities can tailor the policy to the needs of the community. Penalties can range from community service hours, fines, or mandated prevention education. Civil administrative penalties are easy to collect through existing infrastructure and do not require legal action.

A parent cannot be cited if they allow their own child to drink in their presence. However, they would be in violation of the ordinance if they knowingly allow someone else's child to consume alcohol in their home.

Do Social Host Ordinances Reduce Underage Drinking?

Social Host laws reduce DUI, community violence, property damage, sexual crime, and youth violence. The idea of being held responsible for underage drinking acts as an effective deterrent. It encourages parents to take action to prevent underage drinking in their homes while they are away.

Ventura County has successfully passed a county wide Social Host Ordinance. Evaluation of the ordinance has found that:

- 3 out of 4 law enforcement officials agreed that SHO is an effective tool for reducing underage drinking parties
- 3 out of 4 law enforcement officials reported they found no problems/obstacles when trying to enforce the ordinance
- CHKS data showed a decrease in the ease of obtaining alcohol since the implementation of SHO among 9th and 11th graders

SHO policies provide law enforcement with an effective tool for dealing underage drinking and underage drinking related incidents. Furthermore they effectively deter underage drinking and reaffirm community norms that underage drinking is not acceptable.

SOCIAL HOST ORDINANCE

Commonly Asked Questions

Q: What is a Social Host Ordinance?

A: A Social Host Ordinance is a local policy that makes it illegal to provide youth with the environment where underage drinking takes place, regardless of who provides the alcohol.

Q: Can the police enter my home without my permission?

A: A Social Host Ordinance does not grant any additional permission for law enforcement to enter private property.

Q: If I am upstairs sleeping and my child sneaks alcohol into the house, am I responsible?

A: If an adult is not aware that youth brought alcohol onto their property, or if the youth knowingly concealed the alcohol, that adult will not be held responsible.

Q: If youth are going to drink anyway, isn't it better to provide them a safe place to do so?

A: No, there are many consequences associated with underage drinking. Alcohol is the most frequently used drug among youth in the United States. Underage drinking parties often involve binge drinking (4 or more drinks in an hour for women, 5 or more for men) which substantially increases the risk of alcohol poisoning, injury, car accidents, violence, sexual abuse, unsafe or unprotected sex, and in some cases death.

Q: Can a parent be cited if the parent allows their child to consume alcohol in the privacy of their own home?

A: A parent cannot be cited if they allow their own child to drink in their presence. However, they would violate the ordinance if they knowingly allow someone else's child to consume alcohol in their home.

Q: Will I violate the Social Host Ordinance if my child consumes alcohol in my home for religious purposes?

A: No, the policy has no effect on religious services or practices.

Q: Isn't it already illegal to sell alcohol to minors? Why do we need a Social Host Ordinance?

A: Yes it is, however a social host ordinance holds people accountable for providing youth with the environment where underage drinking occurs not for furnishing. Social Host policies are intended to act as a deterrent for youth as well as adults.

South Pasadena:

Alcohol Availability Report

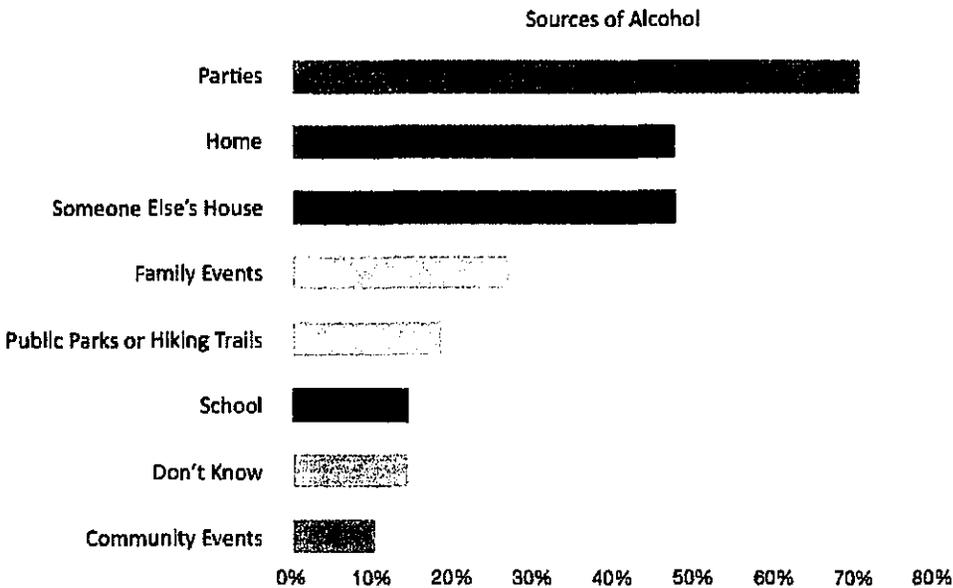
71%

of South Pasadena residents surveyed were in favor of a local policy that holds party hosts accountable for allowing underage drinking (N=199).

Social Hosts 2021

- o Social Hosts hold parties create safer environments for youth through preventative efforts targeted at underage drinking environments.
- o Social Hosts hold parties create safer environments for youth through preventative efforts targeted at underage drinking environments.

78% of youth agreed that teen drinking has long term health



Healthy South Pasadena is a coalition of South Pasadena Residents and community partners committed to keeping youth safe through preventative efforts. For more information visit www.HealthySouthPasadena.org or contact Day One at (626) 229-9750.

Findings

According to local, state and federal surveys, alcohol is overwhelmingly and consistently the most commonly used and abused drug among adolescents. Studies show that youth who begin drinking before the age of fifteen are five times more likely to develop alcohol dependence or abuse later in life than those who begin drinking at or after the age of twenty-one. According to the Centers for Disease Control and Prevention, Youth who consume alcohol are more likely to experience the following:

- a) Lower academic performance
- b) Unplanned and unprotected sexual activity
- c) Physical and sexual assault
- d) Abuse of illicit drugs
- e) Alcohol related injuries
- f) Changes in brain development and function

Reducing underage drinking and the risks associated with it require community-based efforts that formally establish standards and practices which target the availability of and access to alcohol by youth. Local, state and federal data indicates house parties, gatherings or events as the most common source of access to alcohol by youth.

Intent and Purpose

The intent of this chapter is to protect the public health, safety, welfare, and quiet enjoyment of residential property, rather than to punish. Its purpose is to formally establish standards and controls of parties, gatherings or events involving underage persons consuming alcoholic beverages on private property when such gatherings have been determined to threaten public peace, health, safety or general welfare. An ordinance that imposes liability on property owners and other responsible persons for loud and unruly gatherings that allow underage drinking is necessary to deter and prevent such events. Persons who actively and passively aid, allow, or tolerate such loud gatherings shall be held strictly liable for the nuisances created by such gatherings and the cost associated with responding to such gatherings.

Terms and Definitions

- a) Alcohol means ethyl alcohol or hydrated oxide of ethyl from whatever source or by whatever process produced.
- b) Alcoholic Beverage means and includes alcohol, spirits, liquor, wine, beer, and every liquid or solid containing alcohol, spirits, wine, or beer, and which contains one-half of one percent or more of alcohol by volume and which is fit for beverage purposes either alone or when diluted, mixed, or combined with other substances.
- c) Juvenile means any person under the age of eighteen.
- d) Minor means any person under the age of twenty-one.
- e) Responsible person or host means any of the following:
 - a. Any person or entity that owns, rents, leases, or otherwise has control of a residence or other private property, including without limitation, a hotel/motel room or rented or leased area, where a party, gathering or event occurs.
 - b. Any person or entity present at a party, gathering or event who provides an alcoholic beverage to anyone under the age of 21 years.

Model Social Host Ordinance -- Healthy South Pasadena

- c. Any person or entity present at a party, gathering or event where unruly or loud conduct occurs and that receives money or other consideration for granting access to the party, gathering or event, or hosts, organizes, supervises, officiates, conducts or controls, or willingly accepts responsibility for such a party, gathering or event.
- f) Large party, gathering or event means and includes a group of two or more persons who have assembled or are assembling for a social occasion or social activity at a residence or on other private property or rented public property.
- g) Residence or private property means a home, yard, apartment, condominium, hotel, or motel room, or other dwelling unit, or a hall or meeting room, whether occupied on a temporary or permanent basis, whether occupied as a dwelling, party or other social function, and whether owned, rented, or used with or without compensation.
- h) Police services fee is the cost to the City of any special security assignment. Such fee may be either a flat fee of two-hundred and fifty dollars (\$250) or an itemized fee based on, but not limited to, salaries of police officers while responding to or remaining at the party, gathering or event, the pro rata cost of equipment, the cost of repairing City equipment and property, the cost of any medical treatment of injured police officers.

Prohibition of parties, gatherings, or event where alcohol is served to, consumed by or in the possession of underage persons

It is unlawful and a public nuisance for a responsible person or host to cause or allow a party, gathering or event to occur at any residence or other private property at which any underage person is being served, in possession of, or is consuming an alcoholic beverage, if the responsible person or host knows or reasonably should know that an underage person is being served, is in possession of, or is consuming an alcoholic beverage. A responsible person or host need not have been issued a prior warning in order to be subject to the penalties for violation of this section. A responsible person or host shall be presumed to have knowledge that an underage person was being served, was in possession of, or was consuming an alcoholic beverage at a party, gathering or event if the responsible person or host did not take all reasonable steps to prevent such activity from occurring. Reasonable steps include, without limitation: controlling the access to and serving of alcoholic beverages to underage persons, and monitoring the responsible, safe and lawful conduct of underage persons. If the owner of the private property has leased the property to another person, such owner shall not be considered a responsible person until that owner received notice of at least one previous party, gathering or event on his property in the prior twelve (12) months. Notice shall be by a copy of the administrative citation transmitted via certified mail to the owner of the private property.

Exempted Activities

This chapter shall not apply, nor be interpreted to apply to, any of the following:

- a) Activities protected by Article I, Section IV of the California Constitution.

Free exercise and enjoyment of religion without discrimination or preference are guaranteed. This liberty of conscience does not excuse acts that are licentious or inconsistent with the peace or safety of the State. The Legislature shall make no law respecting an establishment of religion. A person is not incompetent to be a witness or juror because of his or her opinions on religious beliefs.

Model Social Host Ordinance – Healthy South Pasadena

- b) A responsible person or host who takes all reasonable steps, including, but not limited to, requesting assistance of law enforcement, to exclude all uninvited persons at a gathering who provide, serve or facilitate the possession of consumption of alcohol by a minor.
- c) Conduct regulated by state and/or federal law or regulation, including, but not limited to, the California Alcoholic Beverage Control Act, in such a manner that the City is preempted or precluded from imposing additional regulation.

Violations and Penalties

For any responsible person or host who is a juvenile, the parent(s) and/or legal guardian of the juvenile shall be considered a responsible person(s) liable for any fines, penalties and fees imposed pursuant to this chapter if they are present. If they are not present the host who is a juvenile shall be considered responsible.

Each separate violation shall be subject to the issuance of a civil citation to each responsible person or host. Each separate violation shall, in addition to any police services fee that may be assessed pursuant to this chapter, be subject to the following administrative fines:

- a) For a first violation, an administrative fine shall not exceed two-hundred and fifty dollars (\$250) or twenty hours of community service to a local organization, group, or club.
- b) For a second violation within a 12-month period, an administrative fine shall not exceed five-hundred dollars (\$500) and mandatory community service of forty hours to a local organization, group, or club.
- c) For a third violation, or any subsequent violation thereafter, within a 12-month period, an administrative fine shall not exceed twelve-hundred dollars (\$1,200)

The city council, by resolution, may amend and/or establish new civil penalties.

Cost and Collection

The Police Chief shall notify the City Treasurer in writing of the performance of a special security assignment and/or administrative fees imposed pursuant to this chapter, of the name and address of the responsible person or persons, the date and the time of the incident, the services performed, the costs thereof and such other information as may be required. The City Treasurer shall thereafter cause appropriate billings to be made.

Administrative Appeal

An administrative appeal of a police service fee and/or administrative fines imposed pursuant to this chapter, may be made to the Police Chief or designee within 10 business days from the date of mailing and billing. The request for an appeal shall be made in writing and include a copy of the billing and grounds for appeal.



Rethinking Alcohol and Other Drugs
www.rad-sgv.org



CELEBRATING
160 YEARS
OF SERVICE



Los Angeles County
Office of Education



March 15, 2016

South Pasadena City Council

RE: SOCIAL HOST ORDINANCE

The **Rethinking Alcohol and Other Drugs (RAD)** is a coalition of community-based agencies and residents that collaborate on alcohol and drug abuse prevention service projects in the San Gabriel Valley. Given that alcohol remains the number two cause of premature death and disability in LA County, one of our goals as a coalition is to raise awareness about underage substance abuse and to help prevent accidents, injuries, and deaths related to alcohol and other drug-use.

Our coalition would like to express our full support for the adoption of a Social Host Ordinance by the City of South Pasadena. A social host policy will help deter and prevent alcohol-involved incidents among youth and could be useful in connecting South Pasadena residents and families to local counseling and treatment services. A social host prevention strategy is considered a best-practice public health strategy by the National Research Council, the Institute of Medicine, and the Office of Juvenile Justice and Delinquency, and would help lead the way for a healthier and safer San Gabriel Valley.

The following are some key points that illustrate the need for a Social Host Ordinance.

- Alcohol is the #1 drug of choice among children and adolescents; they use alcohol 10 times more than ALL illegal drugs, combined. (*U.S. Dept. of Health and Human Services*)
- Youth who begin drinking before age 15 are 4 times more likely to develop alcohol dependence or abuse. (*Substance Abuse and Mental Health Services Administration*)
- Every year 6,500 people under the age of 21 die from alcohol-related accidents and thousands more are injured (*National Highway Traffic Safety Administration*)
- Alcohol is a factor in half of all teen car crashes which is the leading cause of death among teenagers.

Given the high risks to public safety and community well-being that alcohol poses particularly to young people, we recommend the approval of a Social Host ordinance by the City of South Pasadena. We believe an ordinance that holds adults and minors responsible for providing alcohol to minors would go a long way in preventing high-risk situations from happening in South Pasadena and help to safeguard youth in your city so that they can thrive in a healthier and more drug-free environment.

Thank you in advance for your leadership,
Catalina Gonzalez
RAD Coalition Coordinator

Rethinking Alcohol and Other Drugs
www.rad-sgv.org



@radsgv



f/RADSGV



@RAD_SGV

#RADSGV

Creating a healthier San Gabriel Valley by reducing Alcohol and Other Drug (AOD) use through education and prevention policy.



BEHAVIORAL HEALTH SERVICES, INC.

15519 Crenshaw Boulevard, Gardena, CA 90249
310 679 9176 Fax 310 679 2920 corporate@bhs-inc.org

The mission of BHS is to transform lives by offering hope and opportunities for recovery, wellness and independence.

March 2, 2015

South Pasadena City Council
1414 Mission Street
South Pasadena, CA 901030

American Recovery Center
909 865 2316

BHS/NCAAD Torrance
310 328 1460

Boyle Heights Recovery Service Center
323 262 1786

Community Assessment Services Center
310 473 2272 (CASC)

Florris Lewis Center
562 435 2350

Hollywood Recovery Center
323 461 3161

Joint Efforts
310- 831 2358

Lincoln Heights Recovery Center
323 221 1746

Pacifica House
323 754 2816

Patterns
310 675 4431

Redgate Memorial Recovery Center
562-599 8444

South Bay Recovery Center
310 679 9031

Wilmington Recovery Center
310 549 2710

All the above programs of Behavioral Health Services, Inc. have been accredited by



High Gain
310 644 3659

Re: Social Host Ordinance in South Pasadena

Dear Mayor Joe and City Councilmembers;

I am writing to support Healthy South Pasadena and ask the City Council to take measures to reduce the occurrence of underage and binge drinking in South Pasadena. In doing so, the public health of your residents will advance greatly. Our main concern is finding the solutions which will stop teen drinking in private homes, considering this is where most of the underage drinking is occurring.

It is the Mission of Behavioral Health Services (BHS) to transform lives by offering hope and opportunities for recovery, wellness, and independence. We support Healthy South Pasadena's commitment to the health and well-being of its youth and the future of its community.

We became aware of Healthy South Pasadena's work through widespread coverage of the South Pasadena Reality Party by KCAL-9. The news coverage and positive response to the event helped motivate similar efforts in the Beach Cities.

Considering the serious health impact associated with this issue, we encourage the City Council to take action to reduce incidence of underage drinking. Positive action will reduce the amount of alcohol-related issues such as teen pregnancy, sexual assaults, youth violence, drunk driving, and even death.

We look forward to hearing about the development of measures to reduce underage drinking in South Pasadena and all cities. Thank you for making the safety and health of our youth a priority and for inspiring other communities to do the same.

Sincerely,

Shirley Summers, LCSW
President/CEO
Behavioral Health Services



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35519 Crenshaw Boulevard, Gardena, CA 90249
310 679 9176 Fax 310 679 2920 corporate@bhs-inc.org

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Sincerely,

Shirley Summers, LCSW
President/CEO
Behavioral Health Services



2333 Lake Avenue
Altadena, CA 91001
p: 626.794.5737
www.pppsgv.org

Planned Parenthood Pasadena and San Gabriel Valley

March 16, 2016

Honorable Mayor Diana Mahmud and Members of the City Council,

As a provider of health care and education for teens and young adults throughout the San Gabriel Valley, Planned Parenthood Pasadena and San Gabriel Valley encourages the South Pasadena City Council to agendaize for the purpose of thoughtfully considering and taking action on measures that reduce underage drinking in South Pasadena, and by extension, to protect youth in our community. We believe that solutions that target house parties should be examined, as they are the primary source of youth access to alcohol.

According to the national study conducted by the Center for Applied Research Solutions 64% of 8th graders and 84% of 10th graders believe that alcohol is readily available to them for consumption. Local data also suggests that the most common way youth obtain alcohol is at house parties.

House parties are high risk environments for youth. Research has indicated that underage drinking is correlated with a variety of harms, including but not limited to drunk driving, binge drinking, youth violence, sexual assault, and in some cases death. In particular, PPPSGV is concerned with the increased risk of sexual assault and risky sexual behaviors that negatively impact the health and well-being of teens and young adults.

Our community should not disregard the risks associated with underage drinking. Please consider community-wide solutions that will reduce youths' access to alcohol, especially in social environments such as house parties, where the risks are highest.

Thank you for taking time to make the safety and health of our community a priority.

Sincerely,

Julianne S. Hines
Vice President of External Affairs

Natalie Sanchez

From: Catalina Gonzalez [REDACTED]
Sent: Wednesday, March 16, 2016 7:00 PM
To: CCO; rjoe@southpasadena.gov; mcacciotti@southpasadena.gov;
dmahmud@southpasadena.gov; mkhubesrian@southpasadena.gov;
rshneider@southpasadena.gov
Subject: 3/16 Council Meeting - Public Comment
Attachments: 3.16.16-South Pasadena City Council Meeting-Public Comment.pdf

Dear Council Members,

Please find attached a public comment statement on behalf of the Rethinking Alcohol and Other Drugs (RAD) working group for tonight's 3/16 council meeting in support of Healthy South Pasadena's proposal for a draft Social Host Ordinance.

Thank you,

--

-Catalina Gonzalez
Rethinking Alcohol and Other Drugs

*cc: Council; CM; CA; CDEC; Reference Binder;
Original to 3/16/16 ADDL Docs*



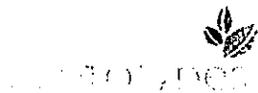
Rethinking Alcohol and Other Drugs
www.rad-sgv.org



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Los Angeles County
Office of Education



March 16, 2016

South Pasadena City Council

RE: PUBLIC COMMENT

The **Rethinking Alcohol and Other Drugs (RAD)** is a coalition of community-based agencies and residents that collaborate on alcohol and drug abuse prevention service projects in the San Gabriel Valley. Given that alcohol remains the number two cause of premature death and disability in LA County, one of our goals as a coalition is to raise awareness about underage substance abuse and to help prevent accidents, injuries, and deaths related to alcohol and other drug-use.

Our coalition would like to express our full support for the consideration of a Social Host Ordinance by the City of South Pasadena. A social host policy will help deter and prevent alcohol-involved incidents among youth and could be useful in connecting South Pasadena residents and families to local counseling and treatment services. A social host prevention strategy is considered a best-practice public health strategy by the National Research Council, the Institute of Medicine, and the Office of Juvenile Justice and Delinquency, and would help lead the way for a healthier and safer San Gabriel Valley.

The following are some key points that illustrate the need for a Social Host Ordinance.

- Alcohol is the #1 drug of choice among children and adolescents; they use alcohol 10 times more than ALL illegal drugs, combined. (*U.S. Dept. of Health and Human Services*)
- Youth who begin drinking before age 15 are 4 times more likely to develop alcohol dependence or abuse. (*Substance Abuse and Mental Health Services Administration*)
- Every year 6,500 people under the age of 21 die from alcohol-related accidents and thousands more are injured (*National Highway Traffic Safety Administration*)
- Alcohol is a factor in half of all teen car crashes which is the leading cause of death among teenagers.

Given the high risks to public safety and community well-being that alcohol poses, particularly to young people, we recommend the adoption of a Social Host ordinance by the City of South Pasadena. We believe an ordinance that holds adults and minors responsible for providing alcohol to minors would go a long way in preventing high-risk situations from happening in South Pasadena and help to safeguard youth in your city so that they can thrive in a healthier and more drug-free environment.

Thank you in advance for your leadership,
Catalina Gonzalez
RAD Coalition Coordinator

Rethinking Alcohol and Other Drugs
www.rad-sgv.org



@radsgv



f/RADSGV



@RAD_SGV

#RADSGV

Creating a healthier San Gabriel Valley by reducing Alcohol and Other Drug (AOD) use through education and prevention policy

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ATTACHMENT NO. 2
08/23/2016 Letter of Support
Submitted by KShift



AUG 30 2016

City Clerk's Division

YOUR PERSPECTIVE > POSSIBILITIES > PROFITABILITY

LETTER OF SUPPORT – SOCIAL HOST ORDINANCE

August 23, 2016

Honorable Diana Mahmud
1424 Mission St.
South Pasadena, CA 91030

Honorable Mayor Diana Mahmud and Members of the City Council,

I am writing to express our support for Healthy South Pasadena’s recommendation for a Social Host Ordinance in the City of South Pasadena. It is our belief that the City Council should take measures to reduce underage drinking in South Pasadena, and by extension, help protect youth in our community. We are particularly interested in solutions that target house parties, since they are the primary source of youth access to alcohol.

My husband and I are long time residents of South Pasadena and I am a local business owner. We are committed to leadership that draws out latent potential and helps businesses and individuals live their legacy, NOW . . . on purpose. Our children are our future leaders and we fully support any measure that encourages healthy and safe choices. We believe the Social Host Ordinance will do just that and ask you to adopt and enforce this ordinance. Our children and our community will be better for it.

The adoption of a Social Host Ordinance will help deter gatherings where teen alcohol and consumption typically occurs. House parties are high risk environments for youth. They are often unsupervised and alcohol is free, inexpensive and abundant. Getting drunk is often the primary goal of youth who attend house parties. As result, youth are exposed to a variety of harms, including but not limited to drunk driving, binge drinking, youth violence, sexual assault, and in some cases death.

Given the serious health impacts associated with underage drinking, we encourage city council to take action to reduce the incidents of underage drinking in homes and thereby reduce the amount of alcohol-related incidents such as teen pregnancy, sexual assaults, youth violence, drunk driving, and, in some cases, death.

Thank you for taking time to make the safety and health of our community a priority. I hope the City of South Pasadena will join the many communities who are adopting and enforcing a Social Host Ordinance.

ONWARD & UPWARD!

Kathleen "Kat" O'Sullivan
CEO/People Strategist
kat@kshift.com

cc: Council; CM; AMiller; MAJPP; BSolinsky; PRiddle; JF;
original to Council correspondence