CITY OF ROSEVILLE CALIFORNIA

AGENDA
September 2, 2020

CITY COUNCIL MEETING
FINANCE AUTHORITY MEETING
HOUSING AUTHORITY MEETING
6:00 p.m.
Council Chambers
311 Vernon Street
Roseville, California
www.roseville.ca.us

To help minimize the spread of COVID-19, members of the public may not attend in person, but may view the meeting on Comcast channel 14, Consolidated Communications channel 73, and AT&T U-Verse. City Council meetings are also video streamed live and are available on the City's website and YouTube channel. Members of the public may offer public comment by the following means:

Dial in Phone Number: 916-774-5353
Email: publiccomment@roseville.ca.us

If you need a disability-related modification or accommodation to participate in this meeting, please contact Voice: 916-774-5200, TDD: 916-774-5220. Requests must be made as early as possible.

THE CITY OF ROSEVILLE WELCOMES YOUR PARTICIPATION

If an agenda item is open to public comment, such public comment shall be addressed to the chair of the meeting.

Public Comment - Speakers have three minutes under Public Comment to speak on issues that are not listed on the agenda and are within the City's jurisdiction. The Brown Act does not permit any action or discussion on items not listed on the agenda.

Consent Calendar - If applicable, the Consent Calendar consists of routine items that may be approved by one motion. Any person can remove an item from the Consent Calendar to be discussed separately.

Agenda Items - Speakers have five minutes to address items that are listed on the agenda.

Americans with Disabilities Act - Notify the City Clerk or Secretary at least 72 hours in advance if special assistance is required to participate in a meeting including the need of auxiliary aids or services.

Audio/Visual Presentations - If making a presentation regarding an agenda item, audio/visual materials must be submitted to the City Clerk or Secretary at least 72 hours in advance.

Security procedures are in place to attend Roseville City Council meetings. All attendees must successfully pass through a security metal detector. Any person with a prohibited item will not be allowed entry. Prohibited items include, but are not limited to: firearms (even with valid CCW), knives, pepper spray/mace, explosives of any kind/ any weapons and/or dangerous devices of any kind, illegal drugs and alcohol.

Roseville City Clerk 311 Vernon Street, Roseville, CA 916-774-5200 TDD 916-774-5220

1. CALL TO ORDER

2. ROLL CALL

3. PLEDGE OF ALLEGIANCE

4. MEETING PROCEDURES

5. PUBLIC COMMENTS

6. PRESENTATIONS

6.1. Proclamation - Prostate Cancer Awareness Month

Presentation to city employee Norm Woods, Director of the ZERO Prostate Cancer Run/Walk 2020 to be held on September 19, 2020.

CONTACT: Katrina Six 916-774-5267 kmsix@roseville.ca.us

6.2. City Response to COVID-19 Pandemic

CONTACT: Dominick Casey 916-774-5362 dcasey@roseville.ca.us

7. CONSENT CALENDAR

BEGINNING OF CONSENT CALENDAR

Bids / Purchases / Services

7.3. Cresthaven Tennis Court Renovation Project - Award of Contract

Memo from Park Development Analyst Heather Buck and Parks, Recreation & Libraries Director Jill Geller recommending the City Council adopt RESOLUTION NO. 20-351 APPROVING AN AGREEMENT, BY AND BETWEEN THE CITY OF ROSEVILLE AND BIONDI PAVING, INC., AND AUTHORIZING THE CITY MANAGER TO EXECUTE IT ON BEHALF OF THE CITY OF ROSEVILLE. The existing tennis courts are located at the Jack Wallace Park at Cresthaven, a neighborhood park site located east of Vernon Street and south of Cirby Way. The project includes removal and replacement of the existing tennis court surfacing, new striping to include one tennis court and two pickleball courts, and new seating. Staff recommends award of the total contract amount of $145,800 which will result in a total project budget of $192,000, which includes the cost of construction, permits, inspections, construction administration, and contingency. Funding for the park improvements was provided through the Parks, Recreation & Library Capital Projects Fund within the FY2019-20 budget. Funding for maintenance of the existing neighborhood park is provided by the General Fund and will remain unchanged.

CC #: 0968

File #: 0704-01

CONTACT: Heather Buck 916-774-5254 hcbuck@roseville.ca.us

7.4. Roseville Electric Power Plant Control System Installation - Contract Purchase Agreement

Memo from Senior Power Plant Engineer Nathan Ribordy and Electric Utility Director Michelle Bertolino recommending the City Council adopt RESOLUTION NO. 20-353 APPROVING A CONTRACT PURCHASE AGREEMENT BETWEEN THE CITY OF ROSEVILLE AND EMERSON PROCESS MANAGEMENT POWER & WATER SOLUTIONS, INC., AND AUTHORIZING THE CITY MANAGER TO EXECUTE IT ON BEHALF OF THE CITY OF ROSEVILLE (3000846). This is a contract purchase agreement with Emerson Process Management for the installation and testing of control system hardware for use at the Roseville Energy Park. This sole source contract purchase agreement shall not exceed $320,152. Funding is included in the Electric Department's FY2020-21 capital budget.

CC #: 0970

File #: 0203-07

CONTACT: Nathan Ribordy 916-746-1673 nribordy@roseville.ca.us

Resolutions

7.5. Workers' Compensation Claims Administration Services - Agreement Amendment

Memo from Risk Manager Dave Rawe and Human Resources Director Stacey Peterson recommending the City Council adopt RESOLUTION NO. 20-350 APPROVING A SECOND AMENDMENT TO AGREEMENT, BY AND BETWEEN THE CITY OF ROSEVILLE AND TRISTAR RISK MANAGEMENT, AND AUTHORIZING THE CITY MANAGER TO EXECUTE IT ON BEHALF OF THE CITY OF ROSEVILLE. Staff requests the extension of an agreement with Tristar Risk Management for workers’ compensation third party administration through August 31, 2022. The negotiated administrative fee for the period of September 1, 2020, through August 31, 2022, is $245,062 for the first year of the extension and $251,182 for the second year of the extension. The administrative fee is budgeted in the Workers’ Compensation Fund budget.

CC #: 0967

File #: 0314

CONTACT: Dave Rawe 916-774-5207 drawe@roseville.ca.us

7.6. Effective Utility Assessment and Strategic Business Plan Development – Professional Services Agreement

Memo from Assistant Environmental Utilities Director Sean Bigley and Environmental Utilities Director Richard Plecker recommending the City Council adopt RESOLUTION NO. 20-354 APPROVING A PROFESSIONAL SERVICES AGREEMENT, BY AND BETWEEN THE CITY OF ROSEVILLE AND RAFTELIS FINANCIAL CONSULTANTS, INC., AND AUTHORIZING THE CITY MANAGER TO EXECUTE IT ON BEHALF OF THE CITY OF ROSEVILLE. Staff requests Council approval of a professional services agreement with Raftelis Financial Consultants, Inc. to perform an Effective Utility Assessment with a resulting Strategic Business Plan for the Environmental Utilities Department's Water Utility. The proposed professional services agreement contains a scope of services that will cost $55,572 and is budgeted in the Water Utility’s Administration budget funded through the Water Operations Fund that receives revenue from utility services sales.

CC #: 0971

File #: 0800-02

CONTACT: Sean Bigley 916-774-5513 sbigley@roseville.ca.us

7.7. Street Name Change - High School Road to Panther Place

Memo from GIS Analyst Scott Miller and Development Services Director Mike Isom recommending the City Council adopt RESOLUTION NO. 20-349 APPROVING THE RENAMING OF HIGH SCHOOL ROAD TO PANTHER PLACE. This item concerns a request from the Roseville Joint Union High School District to change the name of High School Road to Panther Place within the West Roseville Specific Plan area. This item has no impact to the City's General Fund.

CC #: 0966

File #: 0800-06

CONTACT: Scott Miller 916-774-5491 smiller@roseville.ca.us

7.8. Energy Storage Procurement Targets

Memo from Electric Resources Analyst David Saio and Electric Utility Director Michelle Bertolino recommending the City Council adopt RESOLUTION NO. 20-346 STATING THAT ENERGY STORAGE PROCUREMENT TARGETS ARE NOT APPROPRIATE AT THIS TIME FOR THE CITY OF ROSEVILLE. Assembly Bill 2514 requires publicly owned utilities to determine appropriate procurement targets, if any, for cost-effective energy storage systems, and reevaluate those targets every 3 years. This is the third time the City is evaluating potential storage procurement targets. In comparison with other energy supply options, storage continues to remain too costly for staff to recommend setting procurement targets. The resolution fulfills the requirements of AB 2514. There is no fiscal impact associated with this item.

CC #: 0958

File #: 0800-03

CONTACT: David Siao 916-746-1613 dsiao@roseville.ca.us

7.9. Downtown Bridges and Trail Project - Notice of Completion

Memo from Senior Engineer Noah Siviglia and Public Works Director Jason Shykowski recommending the City Council adopt RESOLUTION NO. 20-344 ACCEPTING THE PUBLIC WORK KNOWN AS THE DOWNTOWN BRIDGES AND TRAIL PROJECT, APPROVING THE "NOTICE OF COMPLETION", AND AUTHORIZING THE PUBLIC WORKS DIRECTOR TO EXECUTE SAID NOTICE ON BEHALF OF THE CITY OF ROSEVILLE. In general, the work consisted of refurbishing and reorienting the Ice House Bridge, constructing two new pedestrian bridges, reconstructing three parking lots in the vicinity of downtown and Royer Park, installing additional landscaping around the bridges and parking lot, and placing historic art work on the Downtown Bridge. The final construction cost of the project was $10,480,188.55, which is approximately $1,086,920 above the contract award amount. Major items contributing to the increase in construction costs were removal of rust and replacement of structural members on the Ice House Bridge, reconstruction instead of resurfacing of the parking lots at Oak Street and Royer Park, additional grading in the Royer Park parking lot for additional ADA compliant parking stalls, upgrading electrical wiring for the Oak Street and Royer Park parking lots, and creek bank stabilization on Dry Creek next to the new Taylor Street pedestrian bridge. All of these items were not visible from the surface and were encountered when they were exposed during construction. Because of the complexity of the project and the unknown issues that would be encountered during construction, this project had a 12% construction contingency. The project's change orders were covered by the contingency.

CC #: 0954

File #: 0721-05

CONTACT: Noah Siviglia 916-746-1300 nsiviglia@roseville.ca.us

7.10. 2019 Curb Ramps, Sidewalks, Curbs and Gutters Project - Notice of Completion

Memo from Assistant Engineer Daniel Lierly and Public Works Director Jason Shykowski recommending the City Council adopt RESOLUTION NO. 20-343 ACCEPTING THE PUBLIC WORK KNOWN AS THE 2019 CURB RAMPS, SIDEWALKS, CURBS, AND GUTTERS PROJECT, APPROVING THE "NOTICE OF COMPLETION", AND AUTHORIZING THE PUBLIC WORKS DIRECTOR TO EXECUTE SAID NOTICE ON BEHALF OF THE CITY OF ROSEVILLE. The scope of this project included the installation of ADA compliant curb ramps within neighborhoods with planned resurfacing, as well as the repair of sidewalk, curb, and/or gutter damaged by city tree roots. The final construction cost was $3,085,011 which is greater than the project award cost by 8.0% and is within the 10% change order authority. The extra funding was required for quantity adjustments due to additional work found within the project area as well as additional ADA requests received during the construction of the project. This project was fully funded by Gas Tax, Local Transportation, and Highway User Tax funds. No General Fund resources were used for this project.

CC #: 0953
File #: 0900-04-01

CONTACT: Daniel Lierly 916-746-1300 delierly@roseville.ca.us

7.11. South Placer Regional Mobility Training Program - Professional Services Agreement Amendment

Memo from Community Relations Analyst Tricia Litts and Public Works Director Jason Shykowski recommending the City Council adopt RESOLUTION NO. 20-348 APPROVING A FOURTH AMENDMENT TO PROFESSIONAL SERVICES AGREEMENT, BY AND BETWEEN THE CITY OF ROSEVILLE AND PARATRANSIT, INC., AND AUTHORIZING THE CITY MANAGER TO EXECUTE IT ON BEHALF OF THE CITY OF ROSEVILLE. This item requests authorization to execute a fourth and final amendment to the professional services agreement with Paratransit, Inc. to provide professional travel training services for eligible seniors or people with special needs for a period of one year. The not-to-exceed cost of the one-year amendment is $42,466. No General Fund resources will be used for this project.

CC #: 0965

File #: 0721-03

CONTACT: Tricia Litts 916-746-1308 tlitts@roseville.ca.us

7.12. Active Transportation Program Grant Authorization – Dry Creek Greenway East Phase 2 (Rocky Ridge Drive to Old Auburn Road)

Memo from Alternative Transportation Analyst Alison Winter and Public Works Director Jason Shykowski recommending the City Council adopt RESOLUTION NO. 20-352 AUTHORIZING THE CITY MANAGER OR HIS DESIGNEE TO SUBMIT AN ATP CYCLE 5 APPLICATION TO THE CALIFORNIA TRANSPORTATION COMMISSION (CTC), AND TO EXECUTE ALL RELATED FORMS AND AGREEMENTS ON BEHALF OF THE CITY OF ROSEVILLE. Staff recommends Council authorize the City Manager or his designee to submit a grant application and to execute all related forms and agreements that will allow the City to receive up to $5.5M through the Active Transportation Program for the Dry Creek Greenway East Trail Phase 2 (Rocky Ridge Drive to Old Auburn Road). General Fund resources will not be used for the project.

CC #: 0969

File #: 0721 & 0214

CONTACT: Alison Winter 916-774-5293 awinter@roseville.ca.us

7.13. Roseville Civic Plaza Storefront Modifications - Professional Services Agreement Amendment

Memo from Economic Development Manager Wayne Wiley and Economic Development Director Laura Matteoli recommending the City Council adopt RESOLUTION NO. 20-347 APPROVING A FIRST AMENDMENT TO PROFESSIONAL SERVICES AGREEMENT, BY AND BETWEEN THE CITY OF ROSEVILLE AND MARK SCOTT CONSTRUCTION, INC., AND

AUTHORIZING THE CITY MANAGER TO EXECUTE IT ON BEHALF OF THE CITY OF ROSEVILLE. Staff recommends Council approve a First Amendment to the Professional Services Agreement with Mark Scott Construction, Inc. for their exclusive knowledge and design background of the applicable standards and operational parameters related to the United States Postal Service. Funding for these services in an amount not to exceed $54,000 is available in the Post Office Tenant Improvements Capital Improvement Project established for design and construction-related services that will cover all of the City's construction obligations.

CC #: 0963

File #: 0110

CONTACT: Wayne Wiley 916-774-5283 wwiley@roseville.ca.us

Ordinances (for introduction and adoption - appropriation/urgency measures)

7.14. 116 S. Grant Street Tenant Improvements - Budget Adjustment

Memo from Electric Utility Financial Administrator Eric Campbell and Electric Utility Director Michelle Bertolino recommending the City Council adopt ORDINANCE NO. 6262 OF THE COUNCIL OF THE CITY OF ROSEVILLE AUTHORIZING CERTAIN AMENDMENTS TO THE FISCAL YEAR 2020-21 BUDGET AND DECLARING THIS ORDINANCE TO BE IMMEDIATELY EFFECTIVE AS AN APPROPRIATION MEASURE. This item requests a budget increase in the amount of $1,250,000 for the 116 S. Grant Street Tenant Improvements project. The budget increase will fund tenant improvements for Roseville Electric Utility to prepare the building for its occupancy, as well as to make other necessary repairs to the building. Funds are available in the Electric Fund balance to cover this increase for FY2020-21.

CC #: 0952

File #: 0900-03 & 0201-01

CONTACT: Eric Campbell 916-774-5626 ecampbell@roseville.ca.us

7.15. Carryforward of Unappropriated FY2019-20 City Council Discretionary Funds - Budget Adjustment

Memo from Management Assistant Heather Blanco and City Clerk Sonia Orozco recommending the City Council adopt ORDINANCE NO. 6264 OF THE COUNCIL OF THE CITY OF ROSEVILLE AUTHORIZING CERTAIN AMENDMENTS TO THE FISCAL YEAR 2020-21 BUDGET AND DECLARING THIS ORDINANCE TO BE IMMEDIATELY EFFECTIVE AS AN APPROPRIATION MEASURE. Staff requests Council approval to process a budget adjustment to carry forward unappropriated FY2019-20 Discretionary Funds for use in FY2020-21.

CC #: 0973

File #: 0102 & 0201-01

CONTACT: Heather Blanco 916-746-1171 hblanco@roseville.ca.us
Sonia Orozco 916-774-5269 sorozco@roseville.ca.us

7.16. Governor's Outreach Grant Funds - Budget Adjustment

Memo from Administrative Analyst Shelly Bracco and Police Chief James Maccoun recommending the City Council adopt ORDINANCE NO. 6263 OF THE COUNCIL OF THE CITY OF ROSEVILLE AUTHORIZING CERTAIN AMENDMENTS TO THE FISCAL YEAR 2020-21 BUDGET AND DECLARING THIS ORDINANCE TO BE IMMEDIATELY EFFECTIVE AS AN APPROPRIATION MEASURE. The Police Department has $8,944 in unearned revenue from the AB109 Governor's Outreach project originally received in FY2017-18. The budget adjustment will add $8,944 to the Police Department's budget and the funds will be spent in social services for outreach programs.

CC #: 0959

File #: 0214

CONTACT: Shelly Bracco 916-774-5018 sbracco@roseville.ca.us

Reports / Requests

7.17. Response to 2019-2020 Placer County Grand Jury Final Report - Access to Agendas

Memo from City Clerk Sonia Orozco requesting the City Council approve the City of Roseville's response to the 2019-2020 Placer County Grand Jury Final Report regarding access to agendas, and authorize the Mayor to sign the response on behalf of the City Council. The Grand Jury made one finding and one recommendation related to the process of posting agendas, requesting the City of Roseville update its website by incorporating a prominent, direct link to the current City Council meeting agenda or list of City Council agendas by October 1, 2020.

CC #: 0962

File #: 0111-02

CONTACT: Sonia Orozco 916-774-5269 sorozco@roseville.ca.us

7.18. Housing Authority Status Report - Housing Choice Voucher Program Activity

Memo from Housing Analyst Suzanne Acrell and Economic Development Director Laura Matteoli with a quarterly report on the Housing Authority's Housing Choice Voucher Program. This report is for informational purposes only and has no impact on the City's General Fund.

CC #: 0960

File #: 0709-02-01

CONTACT: Suzanne Acrell 916-774-5469 sacrell@roseville.ca.us

7.19. League of California Cities Annual Conference – Designation of Voting Delegate

Memo from Government Relations Administrator Mark Wolinski and Deputy City Manager Megan MacPherson recommending the City Council appoint Vice Mayor Krista Bernasconi as the voting delegate to the League of California Cities business meeting of the General Assembly to be held at noon on Friday, October 9, 2020.

CC #: 0974

File #: 0102-12

CONTACT: Mark Wolinski 916-774-5179 mwolinski@roseville.ca.us

END OF CONSENT CALENDAR

8. RESOLUTIONS

8.1. City Council / Finance Authority - Issuance and Sale of Electric System Revenue Refunding Bonds, Series 2020

Memo from Administrative Analyst Jeannine Thrash and Assistant City Manager/Chief Financial Officer Dennis Kauffman recommending the City Council adopt RESOLUTION NO. 20-345 OF THE CITY COUNCIL OF THE CITY OF ROSEVILLE AUTHORIZING THE ISSUANCE AND SALE OF ELECTRIC SYSTEM REVENUE REFUNDING BONDS BY THE ROSEVILLE FINANCE AUTHORITY, AND APPROVING RELATED DOCUMENTS AND OFFICIAL ACTIONS; and adopt RESOLUTION NO. 2-20 OF THE BOARD OF DIRECTORS OF THE ROSEVILLE FINANCE AUTHORITY AUTHORIZING THE ISSUANCE AND SALE OF ELECTRIC SYSTEM REVENUE REFUNDING BONDS, AND APPROVING RELATED DOCUMENTS AND OFFICIAL ACTIONS. Staff recommends that Council approve the resolutions, contracts, documents and actions related to the 2020 Roseville Finance Authority Electric System Revenue Refunding Bonds to refinance all or a portion of the Electric System bonds issued by the Authority in 2013 and 2014, and pay certain costs incurred in connection with the issuance of the 2020 Bonds. Currently, the expected range of annual debt service savings for Roseville Electric from this bond refinancing is $175,000 to $250,000, with a total expected net present value savings of $2.0 million to $3.8 million. Actual results will be dependent upon market conditions at the time of the bond issuance, particularly due to the volatility in the financial markets from the uncertain economic impacts of the COVID-19 pandemic.

CC #: 0957

File #: 0206

CONTACT: Jeannine Thrash 916-774-5473 jthrash@roseville.ca.us
Dennis Kauffman 916-774-5313 dkauffman@roseville.ca.us

9. ORDINANCES

9.1. Roseville Municipal Code Title 7 Regarding Animals

Memo from Lieutenant Brian Lewis and Police Chief James Maccoun recommending the City Council introduce for first reading ORDINANCE OF THE COUNCIL OF THE CITY OF ROSEVILLE REPEALING AND REPLACING TITLE 7 OF THE ROSEVILLE MUNICIPAL CODE REGARDING ANIMALS. The changes include sections related to general provisions and definitions related to animal laws, defines the duties of an animal control officer, defines and regulates animal licensing, defines and permits what kind of animals are allowed within the City, and defines policies and procedures related to vicious animals. The total estimated positive impact to the General

Fund is $326,160. This additional revenue will help offset the Police Department's Animal Control expenditure budget for emergency animal services and the contract with the Placer County Society for the Prevention of Cruelty to Animals.

CC #: 0964

File #: 0323-04

CONTACT: Brian Lewis 916-746-1051 blewis@roseville.ca.us

10. SPECIAL REQUESTS/REPORTS/PRESENTATION

10.1. Council Discretionary Funds Request - Gathering Inn

Memo from Management Assistant Heather Blanco and City Clerk Sonia Orozco requesting the City Council consider a request for $2,500 from Council discretionary funds for The Gathering Inn - Gathering for Hope Program.

CC #: 0955

File #: 0102

CONTACT: Heather Blanco 916-746-1171 hblanco@roseville.ca.us
Sonia Orozco 916-774-5269 sorozco@roseville.ca.us

10.2. Council Discretionary Funds Request - Blue Line Arts, Inc.

Memo from Management Assistant Heather Blanco and City Clerk Sonia Orozco requesting the City Council consider a request for $10,000 from Council discretionary funds for Blue Line Arts, Inc for their Tour, Talk, and Create program for local schools.

CC #: 0956

File #: 0102

CONTACT: Heather Blanco 916-746-1171 hblanco@roseville.ca.us
Sonia Orozco 916-774-5269 sorozco@roseville.ca.us

11. COUNCIL REPORTS / PUBLIC COMMENTS

12. ADJOURNMENT

COUNCIL COMMUNICATION

CC #: 0961
File #: 0102-06

Title:	Proclamation - Prostate Cancer Awareness Month
Contact:	Katrina Six 916-774-5267 kmsix@roseville.ca.us

Meeting Date: 9/2/2020
Item #: 6.1.

RECOMMENDATION TO COUNCIL

Proclaim September 2020 as Prostate Cancer Awareness Month and urge citizens to acquaint themselves with the issues involved in Prostate Cancer Awareness.

BACKGROUND

Not applicable.

FISCAL IMPACT

Not applicable.

ENVIRONMENTAL REVIEW

The California Environmental Quality Act (CEQA) does not apply to activities that will not result in a direct or reasonably foreseeable indirect physical change in the environment, or is otherwise not considered a project as defined by CEQA Statute §21065 and CEQA State Guidelines §15060(c)(3) and §15378. Ceremonial documents meet the above criteria and are not subject to CEQA. No additional environmental review is required.

Respectfully Submitted,

Katrina Six, Deputy City Clerk

Sonia Orozco, City Clerk

Dominick Casey, City Manager

ATTACHMENTS:

Description

Prostate Cancer Awareness Proclamation

CITY OF ROSEVILLE

PROCLAMATION

Prostate Cancer Awareness Month
September 2020

WHEREAS, prostate cancer is the most frequently diagnosed cancer in men and the second leading cause of cancer deaths in men; and

WHEREAS, the American Cancer Society estimates there will be 191,930 new cases of prostate cancer in the USA in 2020 resulting in an estimated 33,330 deaths, and 20,160 men in California will be diagnosed with prostate cancer and an estimated 3,890 California men will die from this disease in 2020; and

WHEREAS, early prostate cancer usually has no symptoms and studies suggest strong familial predisposition may be responsible for 5% to 10% of the disease cases; and

WHEREAS, late stage prostate cancer commonly spreads to the bones, which can cause pain in the hips, spine, ribs, or other areas in the body; and

WHEREAS, the 5-year survival rate approaches 100% when prostate cancer is diagnosed and treated early, but drops to 31% when it spreads to the other parts of the body; and

WHEREAS, the American Cancer Society recommends that men should have an opportunity to make an informed decision about whether to be tested for prostate cancer based on their personal values and preferences; and

WHEREAS, the rapid reduction in prostate cancer mortality is attributed to early detection through PSA testing and advancement in treatment; and

WHEREAS, the City of Roseville joins communities across the nation to increase awareness about the importance for men to make an informed decision with their health care provider about early detection and testing for prostate cancer; and

NOW, THEREFORE, I, JOHN B. ALLARD II, MAYOR OF THE CITY OF ROSEVILLE, CALIFORNIA, do hereby proclaim September 2020 as **PROSTATE CANCER AWARENESS MONTH** and urge citizens to acquaint themselves with the issues involved in Prostate Cancer Awareness.

SIGNED this 2nd day of September, 2020.

JOHN B. ALLARD II, MAYOR

ATTEST:

Sonia Orozco

SONIA OROZCO, CITY CLERK
CITY OF ROSEVILLE, CALIFORNIA

CITY OF ROSEVILLE ★ INCORPORATED APRIL 10, 1909 ★

COUNCIL COMMUNICATION

CC #: 0968
File #: 0704-01

Title:	Cresthaven Tennis Court Renovation Project - Award of Contract
Contact:	Heather Buck 916-774-5254 hcbuck@roseville.ca.us

Meeting Date: 9/2/2020
Item #: 7.3.

RECOMMENDATION TO COUNCIL

Recommend Council award the project to the apparent low bidder, Biondi Paving, Inc., authorize the City Manager to execute the agreement with Biondi Paving, Inc. in the amount of $145,800, and authorize staff to approve change order requests in an amount not to exceed 10% of the contract amount.

BACKGROUND

Jack Wallace Park at Cresthaven is a neighborhood park site located east of Vernon Street and south of Cirby Way. The tennis court renovation project includes removal and replacement of the existing tennis court surfacing due to extensive cracks in the surface. The project will include placement of a root and bio-barrier below the surface to discourage the adjacent tree roots from growing near the surface of the tennis courts and from creating future damage. Responding to current trends in park amenities, the project will also include new striping and nets for one tennis court and two pickleball courts as well as new seating.

In early 2020, during the public outreach phase of work, staff met with neighbors of the park. The project renovations were discussed and three potential trees along the eastern property line, were identified and agreed to be removed. Upon further tree root investigation, staff was able to decrease the number of trees to be removed to one as it related to the renovations project. Since that time, four additional trees (two tulip trees interior to the park and two redwood trees along the southern property line) have shown decline and have been confirmed as dying by our Urban Forester. Under a separate contract, these four trees will be removed. Notice will be provided to residents regarding the dying trees prior to removal.

City Council approved the plans and specifications and authorized the call for bids at the July 1, 2020, meeting. Bids were opened on July 21, 2020 and staff received nine bids. The bid results and engineer's estimate are as follows:

Bidder	Total Lump Sum Bid
Biondi Paving, Inc.	**$145,800.00**
Sierra Asphalt, Inc.	$149,450.00

Sauren Construction & Electric	$163,000.00
Western Engineering Contractors, Inc.	$174,795.00
Sierra Valley Construction, Inc.	$182,572.00
BRCO Constructors, Inc.	$188,000.00
Martin General Engineering, Inc.	$190,999.99
Baldoni Construction Services, Inc.	$200,000.00
B&M Builders, Inc.	$208,663.00
Engineer's Estimate	$210,000.00

Staff recommends award of the project to Biondi Paving, Inc. in the amount of $145,800 for the total lump sum bid.

CONTINGENCY

During the course of a construction project, it is common to encounter unanticipated or changed conditions in the field which necessitate additions or other changes to the project and the contract. Due to the complexity of this project, staff requests authorization to approve change order requests in an amount not to exceed 10% of the contract price in accordance with the terms and conditions of the contract.

FISCAL IMPACT

Funding for the park improvements was provided through the Parks, Recreation & Library Capital Projects Fund approved in the FY2019-20 budget. Staff recommends award of the total lump sum bid for a total contract award amount of $145,800. This will result in a total project budget of $192,000, which includes the cost of construction, permits, inspections, construction administration, and contingency. Funding for maintenance of the existing neighborhood park is provided by the General Fund and will remain unchanged.

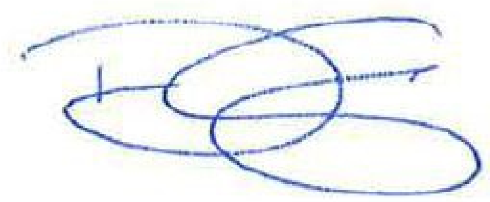
ENVIRONMENTAL REVIEW

The proposed project involves minor alterations of an existing facility. The proposed alterations meet the specified criteria, and is categorically exempt from CEQA as a Class 1 Exemption (State CEQA Guidelines Section 15301). The Exemption has been prepared and no further CEQA action is required.

Respectfully Submitted,

Heather Buck, Park Development Analyst

Jill Geller, Parks, Recreation & Libraries Director



Dominick Casey, City Manager

ATTACHMENTS:

Description

Resolution No. 20-351

Cresthaven-Agreement

Bid Summary

RESOLUTION NO. 20-351

APPROVING AN AGREEMENT, BY AND BETWEEN THE CITY OF ROSEVILLE AND BIONDI PAVING, INC., AND AUTHORIZING THE CITY MANAGER TO EXECUTE IT ON BEHALF OF THE CITY OF ROSEVILLE

WHEREAS, an Agreement for the Cresthaven Tennis Court Renovation Project, between Biondi Paving, Inc. and the City Of Roseville, has been reviewed by the City Council; and

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Roseville that said Agreement is hereby approved and the City Manager is authorized to execute it on behalf of the City of Roseville.

BE IT FURTHER RESOLVED that the City Manager or his designee is authorized to approve change orders for the project, consistent with the contract terms, provided that the net cost of all change orders shall not exceed ten percent (10%) of the contract price.

PASSED AND ADOPTED by the Council of the City of Roseville this____day of _______________, 2020, by the following vote on roll call:

AYES COUNCILMEMBERS:

NOES COUNCILMEMBERS:

ABSENT COUNCILMEMBERS:

____
MAYOR

ATTEST:

____
City Clerk

A G R E E M E N T

THIS AGREEMENT, is made and entered into this _____ day of _________________, 20_____, by and between the City of Roseville, a municipal corporation, ("CITY"), and Biondi Paving, Inc. _______________________, a California Corporation _______________, ("CONTRACTOR"); and

W I T N E S E T H:

WHEREAS, the City Council of the CITY, at a meeting held on the 1st day of July , 20 20 , approved plans and specifications for the Cresthaven Tennis Court Renovation Project and directed the City Clerk to advertise for sealed proposals for doing said work and providing that bids be submitted on the 21st day of July , 20 20 ; and

WHEREAS, the City Clerk, thereafter duly and regularly caused a notice to be published in the manner and for the time prescribed by law; and

WHEREAS, CONTRACTOR, pursuant to the provisions of said notice duly filed a bid with the City Clerk, a true copy of which bid is now on file in the office of the City Clerk, and is hereby referred to and by this reference made a part hereof as fully as if set forth at length herein; and

WHEREAS, all bids received pursuant to said notice were opened and examined and publicly declared at the time specified in said advertisement for bids and at a meeting of the City Council held on the _____ day of __________________, 20 20 , the Council found and declared the bid of CONTRACTOR to be the lowest responsible bid and thereupon awarded a contract to CONTRACTOR to do the work referred to in the aforementioned specifications.

NOW, THEREFORE, the parties agree as follows:

1. THE WORK. CONTRACTOR agrees:

a. To do the work and furnish all the labor, materials, tools, supplies, equipment, superintendence, insurance, and bonds required for the Cresthaven Tennis Court Renovation Project in accordance with the Contract Documents (the Work).

b. To do and perform the Work contemplated hereby in a good and workmanlike manner under the direction of and to the satisfaction of the Director of Public Works of the City of Roseville.

2. PAYMENT. CITY shall pay CONTRACTOR One hundred forty-five thousand eight hundred and no/100 dollars ($145,800.00) for the Work to be done under this Agreement in accordance with the Contract Documents.

3. CONTRACT DOCUMENTS. The complete Agreement between the parties hereto consists of the following documents:

a. The advertisement for bids (including the notice to bidders, instructions to bidders and proposals);

b. The accepted bid;

c. Plans and specifications (including general conditions, supplemental conditions, special provisions and construction details);

d. Bonds and insurance required by the specifications; and

e. This contract.

All documents specified above are intended to operate so that any work called for in any one and not mentioned in the other, or vice versa, is to be executed the same as if mentioned in all said documents.

4. LIQUIDATED DAMAGES. In the event CONTRACTOR does not complete the Work within the time specified, CONTRACTOR agrees that CITY will suffer damages. Inasmuch as the actual damages which would result from such breach by CONTRACTOR under this Agreement are uncertain, and would be impractical or extremely difficult to fix, CONTRACTOR agrees that it shall pay, or CITY shall deduct from CONTRACTOR's fee, the amount of $ 800 per day as liquidated damages, in the event of such delay.

5. TIME OF COMPLETION. Time is of the essence of this Agreement. CONTRACTOR shall complete all Work under the Contract Documents within 50 Days of the date of this Contract. CONTRACTOR shall begin work by the date specified in the "Notice to Proceed" letter and shall diligently prosecute all of the Work under this Contract in all parts and requirements as defined in the Contract Documents.

6. SERVICE OF NOTICE. Any notice required or permitted to be given under this Agreement shall be deemed given when (a) personally delivered to the recipient identified below; (b) mailed by registered or certified mail, return receipt requested, postage pre-paid, to the address specified below; or (c) sent by facsimile, with confirmation of receipt, to the facsimile number identified below.

CITY OF ROSEVILLE	CONTRACTOR
Jill Geller	Stephen Biondi
Parks, Recreation & Libraries	Biondi Paving, Inc.
316 Vernon Street, Suite 400	8150 37th Avenue
Roseville, CA 95678	Sacramento, CA95824

CITY may also act through either its architect or construction manager if CITY expressly gives notice to CONTRACTOR, in writing, that CITY's designee has authority to act for CITY in a specific capacity.

7. DISPUTES. Disputes arising from this Agreement will be determined in accordance with the Contract Documents and Public Contract Code Sections 10240-10240.13.

8. GOVERNING LAW. This Agreement shall be governed by and construed in accordance with the laws of the State of California.

9. INDEPENDENT CONTRACTOR. CONTRACTOR shall act as an independent contractor, and covenants and agrees that it will conduct itself consistent with such status, that it will neither hold itself out as, nor claim to be, an officer or employee of CITY by reason of this Agreement.

10. SUCCESSORS IN INTEREST. This Agreement shall be binding upon the heirs, successors, executors, administrators and assigns of the respective parties hereto.

11. MODIFICATION. This Agreement and each provision contained herein may be waived, amended, supplemented or eliminated only by mutual written agreement of the parties.

12. SEVERABILITY. If any of the provisions contained in this Agreement are for any reason held invalid or unenforceable, such holding shall not affect the remaining provisions or the validity and enforceability of the Agreement as a whole.

13. INTEGRATED AGREEMENT. This is an integrated agreement and contains all of the terms, considerations, understanding and promises of the parties. It shall be read as a whole.

14. CONTRACTORS LICENSE LAW. CONTRACTORS ARE REQUIRED BY LAW TO BE LICENSED AND REGULATED BY THE CONTRACTORS' STATE LICENSE

BOARD WHICH HAS JURISDICTION TO INVESTIGATE COMPLAINTS AGAINST CONTRACTORS IF A COMPLAINT REGARDING A PATENT ACT OR OMISSION IS FILED WITHIN FOUR (4) YEARS OF THE DATE OF THE ALLEGED VIOLATION. A COMPLAINT REGARDING A LATENT ACT OR OMISISON PERTAINING TO STRUCUTRAL DEFECTS MUST BE FILED WITHIN TEN (10) YEARS OF THE DATE OF THE ALLEGED VIOLATION. ANY QUESTIONS CONCERNING A CONTRACTOR MAY BE REFERRED TO THE REGISTRAR, CONTRACTORS' STATE LICENSE BOARD, P.O. BOX 26000, SACRAMENTO, CALIFORNIA 95826.

IN WITNESS WHEREOF, the City of Roseville, a municipal corporation, has authorized the execution of this Agreement in duplicate by its City Manager and attestation by its City Clerk under authority of Resolution No. _____, adopted by the Council of the City of Roseville on the ____day of ________________, 20 20 , and CONTRACTOR has caused this Agreement to be duly executed.

CITY OF ROSEVILLE, a
municipal corporation

BY:____________________________
DOMINICK CASEY
City Manager

ATTEST:

BY:____________________________
SONIA OROZCO
City Clerk

Biondi Paving, Inc., a
California Corporation

BY: [signature]
its: STEPHAN BIONDI
PRESIDENT

and

BY: ____________________________
its: ____________________________

APPROVED AS TO FORM:

BY: ______________________________
ROBERT R. SCHMITT
City Attorney

APPROVED AS TO SUBSTANCE:

BY: ______________________________

Print Name: Jill Geller

Title: Director, Parks, Recreation & Libraries

RFP #: 13-088

DATE: July 21, 2020

TIME: 3:05 PM

BID BOND REQUIRED: YES

BID SUMMARY SHEET

BID OPENING FOR:
Cresthaven Tennis Court Renovation

CITY OF ROSEVILLE CALIFORNIA

Bidders Name City, State	Bid Bond	Addendum 1	Addendum 2	Grand Total Price
Biondi Paving, Inc Sacramento, CA	✓	✓	✓	$145,800 —
Baldoni Construction Service Inc. Newcastle, CA	✓	✓	✓	$200,000 —
Martin General Engineering, Inc. Rancho Cordova, CA	✓		✓	$190,999.99
Western Engineering, Inc. Loomis, CA	✓	✓	✓	$174,795.00
Sauren Construction & Electrical Elk Grove, CA	✓	✓	✓	$163,000.00
Sierra Valley Construction Inc. Lincoln, CA	✓	✓	✓	$182,572.00
B&M Builders Rancho Cordova, CA	✓	✓	✓	$208,663.00
BRCO Constructors, Inc Rocklin, CA	✓	✓	✓	$188,000 —
Sierra Asphalt, Inc. Rancho Cordova, CA	✓	✓	✓	$149,450.00

Please Sign-In

Staff	*Visitors (Name & Company)*	*Visitors (Name & Company)*
Joe Speaker		
Heather Buck		

COUNCIL COMMUNICATION

CC #: 0970
File #: 0203-07

Title:	Roseville Electric Power Plant Control System Installation - Contract Purchase Agreement
Contact:	Nathan Ribordy 916-746-1673 nribordy@roseville.ca.us

Meeting Date: 9/2/2020
Item #: 7.4.

RECOMMENDATION TO COUNCIL

Staff recommends City Council adopt a resolution to approve a contract purchase agreement with Emerson Process Management for training, installation, and commissioning of control system hardware, and authorize the City Manager to execute it.

BACKGROUND

The Roseville Energy Park (REP) utilizes Emerson's Ovation Distributed Control System (DCS) to control plant processes. The DCS system is comprised of a server, field devices, operator and engineering work stations, and various networking hardware. While the field devices are anticipated to last in excess of twenty years, the server and workstations have a similar life cycle to that of a standard computer. Recently the REP has experienced minor equipment failure in these systems, indicating that an upgrade to more modern software and hardware is due.

Emerson supports life cycle upgrades through their Evergreen program that is intended to replace workstations, servers, and networking hardware while providing improved control methodologies. Due to the REP having standardized on the Emerson DCS, they are uniquely qualified to provide this upgrade service. Phase 1 of this upgrade, hardware procurement, was approved by City Council on May 6, 2020 to allow for the long procurement time. This service agreement is for Phase 2, installation and commissioning, scheduled for winter of 2020.

Technical training for the new control hardware is planned to occur onsite to minimize staff travel.

FISCAL IMPACT

The not-to-exceed cost for this service is $320,152. Funding is included in the Electric Department's FY2020-21 capital budget.

ENVIRONMENTAL REVIEW

The California Environmental Quality Act (CEQA) does not apply to activities that will not result in a direct or reasonably foreseeable indirect physical change in the environment, or is otherwise not considered a project as defined by CEQA Statute §21065 and CEQA State Guidelines §15060(c)(3) and §15378. The purchase of control system hardware for use at the Roseville Energy Park eets the above criteria and is not subject to CEQA. No additional environmental review is required.

Respectfully Submitted,

Nathan Ribordy, Senior Power Plant Engineer

Michelle Bertolino, Electric Utility Director

____
Dominick Casey, City Manager

ATTACHMENTS:

Description

Resolution No. 20-353

Contract Purchase Agreement 3000846

RESOLUTION NO. 20-353

APPROVING A CONTRACT PURCHASE AGREEMENT BETWEEN THE CITY OF ROSEVILLE AND EMERSON PROCESS MANAGEMENT POWER & WATER SOLUTIONS, INC., AND AUTHORIZING THE CITY MANAGER TO EXECUTE IT ON BEHALF OF THE CITY OF ROSEVILLE

WHEREAS, a contract purchase agreement (3000846) for the purchase of control system hardware for use at the Roseville Energy Park, between the City of Roseville and Emerson Process Management Power & Water Solutions, Inc., has been reviewed by the City Council;

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Roseville that said contract purchase agreement is approved and that the City Manager is authorized to execute it on behalf of the City of Roseville.

PASSED AND ADOPTED by the Council of the City of Roseville this ____ day of _______________, 2020, by the following vote on roll call:

AYES COUNCILMEMBERS:

NOES COUNCILMEMBERS:

ABSENT COUNCILMEMBERS:

____
MAYOR

ATTEST:

____
City Clerk

Contract Purchase Agreement 3000846

Supplier Details:

Company	Emerson Process Management Power & Water Solutions, Inc.
Contact	Ted Vanwermeskerken
Address	783 Palmyrita Ave
	Riverside, CA 92507

Submit your response to:

Company	City of Roseville
Contact	"Becky" Rebecca Philipp
Address	Purchasing Division
	2075 Hilltop Circle
	Roseville, CA 95747
Phone	(916) 774-5724
Fax	(916) 774-5736
E-mail	BPhilipp@roseville.ca.us

This Contract Purchase Agreement is sent for your review and acceptance. Notify the Buyer via email of any needed changes to the company name, address, and contact information. The Buyer will update the agreement prior to you signing the document.

Return signed copies of the agreement to the Buyer noted on the agreement. Alterations or modifications to the agreement are not allowed. Upon receipt of all necessary documents, the City will sign the agreement and return a fully executed copy to you. Receipt of the signed copy will be your notice to proceed with the work in accordance with the terms and conditions of the agreement. Work must not begin until the contract has been fully executed.

The following guidelines must be followed for the signature block on the agreement:

Sole proprietorship - By owner

Partnership - Any general partner

Corporation - Two options:
(1) A signature from the President and the corporate seal; **OR**
(2) One signature from the Chairman of the Board, President, or any Vice President **AND** one signature from the Secretary, any Assistant Secretary, Chief Financial Officer, or any Treasurer or Assistant Treasurer of the corporation

*General Manager, Office Manager and/or Sales Manager are **not** corporate officer titles. The agreement will be rejected if not signed in accordance with these guidelines.

Insurance requirements:
The City's insurance requirements are referenced on Attachment A of the agreement. By signing the agreement, you are confirming that your company has the minimum insurance limits required.

CITY OF ROSEVILLE CALIFORNIA

Contract Purchase Agreement 3000846

Agreement	**3000846**
Agreement Date	**10-AUG-2020**
Revision	**0**
Agreement Amount	**297,134.00 USD**

Invoice To	**City of Roseville** **Accounts Payable** **311 Vernon St** **ROSEVILLE CA 95678**	Supplier	**Emerson Process Management Power & Water Solutions, Inc.** 783 Palmyrita Ave Riverside, CA 92507
Phone:	(916) 774-5488	**Phone:**	()
Fax:	(916) 784-3796	**Fax:**	()
Email:	accountspayable@roseville.ca.us	**Email:**	Ted.Vanwermeskerken@Emerson.com

Description of Labor, equipment and/or materials

Purchase Evergreen Program - Phase 2 with On-Site A OVATION Operator training in accordance with the attached Emerson Process Management Power & Water Solutions, Inc. Proposal No. WE200112509R0 - Firm Offer dated 8/10/2020 utilizing the attached Terms and Conditions agreement.

Start Date: Upon Executed Agreement
End Date: Final Payment

Please contact Nathan Ribordy at 916-746-1673 or nribordy@roseville.ca.us for any questions regarding this contract.

Customer #	Supplier #	Payment Terms	Freight Terms	FOB	Shipping Method
	11416	**Net 30**	**Freight on Board at the destination**	**Destination**	**Best Method**

Start Date	End Date	Confirm To
		"Becky" Rebecca Philipp Phone **1-916-774-5724**

Attention: Total Cost not to exceed the agreement amount without prior approval of the Purchasing office.

TERMS AND CONDITIONS AGREEMENT

THIS AGREEMENT is made and entered into this ___ day of __________ , 2020, by and between the City of Roseville, a municipal corporation ("CITY"), and Emerson Process Management Power & Water Solutions, Inc., a Delaware corporation ("CONSULTANT"); and

----
W I T N E S SETH:

WHEREAS, CITY desires goods and services consisting of system support and maintenance of the Ovation Distributed Control System which monitors Roseville Energy Park equipment; and

WHEREAS, CONSULTANT has prepared a proposal, attached as EXHITBIT “A”, which describes the scope of work to be performed by CONSULTANT, the budget for the work, and the schedule for performance of the work; and

WHEREAS, CONSULTANT is qualified and experienced to provide such goods and services.

NOW, THEREFORE, the parties agree as follows:

1. Services. CONSULTANT shall perform, at the direction of CITY, the scope of services as described in EXHIBIT "A," attached hereto and incorporated herein by this reference.

2. Compensation. For its goods and services provided hereunder, CONSULTANT shall be compensated as described in EXHIBIT "A."

CONSULTANT shall submit an invoice in accordance with EXHIBIT "A". Such invoices shall be delineated by task and services performed. CITY shall pay invoices within thirty (30) days after receipt.

3. Term. The term of this Agreement shall be for a one (1) year period, with the option to extend the term for four (4) additional one (1) year terms by mutual agreement.

4. Indemnification. To the extent allowed by law, CONSULTANT shall defend, indemnify, and save and hold harmless CITY, its officers, and employees from any claims, suits or actions of every name, kind and description brought forth, or on account of, injuries to or death of any person (including but not limited to workers and the public), or damage to property, to the extent caused by CONSULTANT's willful misconduct or negligent act or omission while engaged in the performance of obligations or exercise of rights created by this Agreement. CONSULTANT's responsibility for such defense and indemnity obligations shall survive the termination or completion of this Agreement for the full period of time allowed by law. The defense and indemnity obligations of this Agreement are undertaken in addition to, and shall not in any way be limited by, the insurance obligations contained in this Agreement.

5. Insurance. CONSULTANT agrees to continuously maintain, in full force and effect, the following amounts and types of insurance during the term of this Agreement. CONSULTANT may self-insure any or all of its insurance obligations or the insurance requirements may be met by a combination of primary and excess insurance.

COVERAGE	LIMITS OF LIABILITY
Workers' Compensation	Statutory
Commercial General Liability	$1,000,000 each occurrence $2,000,000 aggregate Personal Injury: $1,000,000 each occurrence $2,000,000 aggregate
Automobile Liability	$1,000,000 combined single limit

a. Form. CONSULTANT shall submit a certificate evidencing such coverage for the period covered by this Agreement in ACORD form to Risk Management and the City Attorney, prior to undertaking any work hereunder.

b. Additional Insureds. CONSULTANT shall also provide a blanket endorsement form including CITY, its officers, employees as additional insureds to the extent of CONSULTANT's negligence for each type of coverage, except for Workers' Compensation. The additional insured coverage under the CONSULTANT's policy shall be primary and noncontributory to the extent of CONSULTANT's negligence.

c. Cancellation/Modification. CONSULTANT shall provide ten (10) days written notice to CITY prior to cancellation or modification of any insurance required by this Agreement.

d. Umbrella/Excess Insurance. The limits of insurance required in this Agreement may be satisfied by a combination of primary and excess insurance.

e. Subcontractors. CONSULTANT agrees to include in its contracts, relating to this scope of work, with all subcontractors, if any, utilized by CONSULTANT to perform work on CITY's site, the same requirements and provisions of this Agreement, including the indemnity and insurance requirements, to the extent they apply to the scope of the subcontractor's work. A copy of CITY's indemnity and insurance provisions will be furnished to any such subcontractor upon request.

f. Waiver of Subrogation. CONSULTANT hereby agrees to waive subrogation which any insurer of CONSULTANT may acquire from CONSULTANT by virtue of the payment of any loss under a Workers Compensation, Commercial General Liability or Automobile Liability policy, but only to the extent of CONSULTANT's negligence. All Workers Compensation, Commercial General Liability and Automobile Liability policies shall include a blanket endorsement with a waiver of subrogation in favor of CITY, its officers, agents, employees and volunteers to the extent of CONSULTANT's negligence for all worked performed by CONSULTANT, its employees, agents and subcontractors.

g. Liability/Remedies. Insurance coverage in the amounts set forth herein shall not be construed to relieve CONSULTANT of liability in excess of such coverage, nor shall it preclude CITY from taking such other actions as are available to it under any other provisions of this Agreement or law.

6. Access to Records. Only to the extent required by law, including the California Public Records Act (California Government Code, Section 6250 et seq.), CONSULTANT shall provide, make available or grant access to CITY, upon reasonable notice, records created for the services performed under this agreement, but limited to a time and material basis.

7. Time is a Material Term. Time is an important term of this Agreement.

8. Compliance with Laws. CONSULTANT shall comply with all federal, state and local laws, ordinances and policies as may be applicable to the performance of services under this Agreement.

9. Ability to Perform. CONSULTANT agrees and represents that it has the time,

ability and professional expertise to perform the services required under this Agreement.

10. Governing Agreement. In the event of any conflict between this Agreement and its EXHIBITS, the provisions of this Agreement shall govern. In the event of any conflict between any of the EXHIBITS, the provisions of the first in order of attachment shall govern.

11. Assignment. CONSULTANT is employed to perform unique personal services. CONSULTANT shall not assign this Agreement without the prior written consent of CITY.

12. Independent Contractor. CONSULTANT shall act as an independent contractor, and covenants and agrees that it will conduct itself consistent with such status, that it will neither hold itself out as, nor claim to be, an officer or employee of CITY by reason of this Agreement.

13. Representations and Warranties. CONSULTANT warrants that it has not employed or retained any company or person, other than a bona fide employee working for CONSULTANT, to solicit or secure this Agreement, and that it has not paid or agreed to pay any company or person, other than a bona fide employee, any fee, commission, percentage, brokerage fee, gift or any other consideration, contingent upon or resulting from the award or making of this Agreement. For breach or violation of this warranty, CITY shall have the right to terminate as void this Agreement, without liability, or, in its discretion, to deduct from the Agreement price or consideration, or otherwise recover, the full amount of such fee, commission, percentage, brokerage fee, gift or contingent fee.

14. Limited Warranty. Subject to the limitations contained herein, CONSULTANT warrants that the Goods manufactured by CONSULTANT will be free from defects in materials or workmanship under normal use and care and Services will be performed by trained personnel using proper equipment and instrumentation for the particular Service provided. The foregoing warranties will apply until the expiration of the applicable warranty period. Goods are warranted for twelve (12) months from the date of initial installation or eighteen (18) months from the date of shipment by CONSULTANT, whichever period expires first. Consumables and Services are warranted for a period of 90 days from the date of shipment or completion of the Services. Products purchased by CONSULTANT from a third party for resale to CITY ("Resale Products") shall carry only the warranty extended by the original manufacturer. CITY agrees that CONSULTANT has no liability for Resale Products beyond making a reasonable commercial effort to arrange for procurement and shipping of the Resale Products. If CITY discovers any warranty defects and notifies CONSULTANT thereof in writing during the applicable warranty period, CONSULTANT shall correct any errors that are found by CONSULTANT in the firmware or Services or repair or replace F.O.B. point of manufacture that portion of the Goods or firmware found to be defective, or refund the purchase price of the defective portion of the Goods/Services. All replacements or repairs necessitated by inadequate maintenance, normal wear and usage, unsuitable power sources or environmental conditions, accident, misuse, improper installation, modification, repair, use of unauthorized replacement parts, storage or handling, or any other cause not the fault of CONSULTANT are not covered by this limited warranty, and shall be at CITY's expense. Goods repaired and parts replaced by CONSULTANT during the warranty period shall be in warranty for the remainder of the original warranty period or ninety

(90) days, whichever is longer. This limited warranty is the only warranty made by CONSULTANT and can be amended only in a writing signed by CONSULTANT. THE WARRANTIES AND REMEDIES SET FORTH ABOVE ARE EXCLUSIVE. THERE ARE NO REPRESENTATIONS OR WARRANTIES OF ANY KIND, EXPRESS OR IMPLIED, AS TO MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE OR ANY OTHER MATTER WITH RESPECT TO ANY OF THE GOODS OR SERVICES.

15. Successors in Interest. This Agreement shall be binding upon the heirs, successors, executors, administrators and assigns of the respective parties hereto.

16. Limitation of Liability. THE REMEDIES OF CITY SET FORTH IN THIS AGREEMENT ARE EXCLUSIVE. IN NO EVENT, REGARDLESS OF THE FORM OF THE CLAIM OR CAUSE OF ACTION, WHETHER BASED IN CONTRACT, INFRINGEMENT, NEGLIGENCE, STRICT LIABILITY, OTHER TORT OR OTHERWISE, SHALL CONSULTANT'S LIABILITY TO CITY AND/OR ITS CUSTOMERS EXCEED THREE (3) TIMES THE TOTAL COMPENSATION PROVIDED IN EXHIBIT “A”. CITY AGREES THAT IN NO EVENT SHALL CONSULTANT'S LIABILITY TO CITY AND/OR ITS CUSTOMERS EXTEND TO INCLUDE INCIDENTAL, CONSEQUENTIAL OR PUNITIVE DAMAGES, EXCEPT AS PROVIDED IN THIS AGREEMENT. THE TERM "CONSEQUENTIAL DAMAGES" SHALL INCLUDE, BUT IS NOT LIMITED TO, LOSS OF ANTICIPATED PROFITS, REVENUE OR USE AND COSTS INCURRED INCLUDING WITHOUT LIMITATION FOR CAPITAL, FUEL, AND POWER, AND CLAIMS OF BUYER'S AND OWNER'S CUSTOMERS.

THIS SECTION SHALL PREVAIL OVER ALL OTHER PROVISIONS IN THIS AGREEMENT.

17. Copyright, Ownership and Use of Materials. All tangible material ("Material") created pursuant to this Agreement, to the extent that the Materials include CITY's proprietary information (CITY Owned Material) is considered a work made for hire under the Copyright Act. To the extent CITY Owned Material does not qualify as a work made for hire, subject to Section 18, CONSULTANT hereby assigns to CITY all right, title, and interest, in all CITY Owned Material created by CONSULTANT in its performance under this Agreement. All Material furnished by CITY is, and shall remain, the property of CITY.

18. Software and Firmware. Notwithstanding any other provision herein to the contrary, CONSULTANT or applicable third party owner shall retain all rights of ownership and title in its respective firmware and software, including all copyrights relating to such firmware and software and all copies of such firmware and software. Except as otherwise provided herein, CITY is hereby granted a nonexclusive, royalty free license to use firmware and software, and copies of firmware and software, incorporated into the Goods only in conjunction with such Goods and only at the Buyer's plant site where the Goods are first used. CITY's use of certain firmware (as specified by CONSULTANT) and all other software shall be governed exclusively by CONSULTANT's and/or third party owner's applicable license terms.

19. Termination of Agreement. CITY may terminate this Agreement without cause by giving CONSULTANT ten (10) days advance written notice from the City Manager.

CONSULTANT may terminate this Agreement without cause by giving CITY thirty (30) days advance written notice. In the event of termination through no fault of CONSULTANT, CITY shall compensate CONSULTANT for services performed as of the date of termination, upon the release, if applicable, to CITY of all Material hereunder, in any and all media or formats in which such materials have been created or are maintained for CITY. CITY retains the right to receive and use any MATERIAL, notwithstanding any termination or any dispute regarding the amount to be paid.

20. Venue; Governing Law. Any action arising out of this Agreement shall be brought in the State of California, regardless of where else venue may lie. This Agreement shall be governed by and construed in accordance with the laws of the State of California.

21. Modification. This Agreement and each provision contained herein may be waived, amended, supplemented or eliminated only by mutual written agreement of the parties.

22. Severability. If any of the provisions contained in this Agreement are for any reason held invalid or unenforceable, such holding shall not affect the remaining provisions or the validity and enforceability of the Agreement as a whole.

23. Notices. Any notices to parties required by this Agreement shall be delivered personally or mailed, U.S. first class postage prepaid, addressed as follows:

CITY OF ROSEVILLE	CONSULTANT
Michelle Bertolino Electric Utility Director 2090 Hilltop Circle Roseville, CA 95747	Emerson Process Management Power & Water Solutions, Inc. 783 Palmyrita Avenue, Suite D Riverside, CA 92507

Either party may amend its address for notice by giving notice to the other party in writing.

24. Nuclear Use Prohibited. GOODS AND SERVICES HEREUNDER ARE NOT INTENDED FOR USE IN ANY NUCLEAR OR NUCLEAR RELATED APPLICATIONS. Buyer (i) accepts Goods and Services in accordance with the restriction set forth in the immediately preceding sentence, (ii) agrees to communicate such restriction in writing to any and all subsequent purchasers or users and (iii) agrees to defend, indemnify and hold harmless Seller from any and all claims, losses, liabilities, suits, judgments and damages, including incidental and consequential damages, arising from use of Goods and Services in any nuclear or nuclear related applications, whether the cause of action be based in tort, contract or otherwise, including allegations that the Seller's liability is based on negligence or strict liability.

25. Integrated Agreement. This is an integrated agreement and contains all of the terms, considerations, understanding and promises of the parties. It shall be read as a whole.

IN WITNESS WHEREOF, the City of Roseville, a municipal corporation, has authorized the execution of this Agreement in duplicate by its City Manager and attested to by its City Clerk under the authority of Resolution No.________, adopted by the Council of the City of Roseville on the _____ day of _____________, 2020, and CONSULTANT has caused this Agreement to be executed.

CITY OF ROSEVILLE, a
municipal corporation

BY: ___________________________

EMERSON PROCESS MANAGEMENT
POWER & WATER SOLUTIONS, INC., a
Delaware corporation

BY:

its: President

EMERSON PROCESS MANAGEMENT POWER & WATER SOLUTIONS, INC.
CORPORATE
SEAL
1998
DELAWARE

Exhibit A

EMERSON
Process Management

Emerson Process Management
Power & Water Solutions, Inc.
783 Palmyrita Avenue, Suite D
Riverside, CA 92507
Tel 1 (951) 686-9880

August 10, 2020

Roseville Electric
Roseville Energy Park
5120 Philip Road,
Roseville, CA 95747

Attention: Sage Armstrong

Subject: Roseville Electric – Roseville Energy Park – Combined Cycle OVATION™ 3.5 to 3.X Evergreen Program –Phase 2
Emerson Process Management Power & Water Solutions, Inc.
Offer No. WE200112509 Rev. 1 –Firm Estimate

Dear Sage Armstrong:

Emerson Process Management Power & Water Solutions, Inc. (Emerson) is pleased to submit this offer to Roseville Electric for the Roseville Energy Park – Combined Cycle OVATION™ 3.5 to 3.X Evergreen Program. In accordance with your request for proposal, we have submitted one electronic copy of our offer for your review. This offer is based upon the attached commercial description and the contents within this submittal.

The OVATION™ Evergreen Program offers a convenient, cost effective solution for managing and eliminating system obsolescence, by ensuring key elements of the control system are regularly updated with the latest validated software, workstations, networks, IO, security, and optimization technology. This upgrade will effectively protect your initial system investment, therefore prolonging and sustaining the system's life.

Features of the OVATION™ Evergreen Program:

- Extends the life of your investment by sustaining current or incorporating new technology in the system
- Includes security features to comply with newly instituted regulations
- Avoids emerging maintenance issues caused by aging technology
- Addresses the changing needs of system security requirements
- Adopts new I/O or digital bus technology and takes advantage of the associated asset maintenance and management tools
- Requires only short outages.

The following OVATION™ Evergreen Program provides an overview of your system and the necessary planning needed for you to keep pace with advancements without budget overruns. Emerson looks forward to working with Roseville Electric to achieve the highest levels of success for the Roseville Energy Park – Combined Cycle OVATION™ 3.5 to 3.X Evergreen Program.

Thank you for the opportunity to submit this offer. If you should have any questions or require additional information, please feel free to contact me at any time by phone (425) 412-0792 or Email (Ted.Vanwermeskerken@Emerson.com).

Very truly yours,

Ted Vanwermeskerken
Service Sales Representative
Emerson Process Management

Commercial Description for the Roseville Electric, Roseville Energy Park – Combined Cycle OVATION™ 3.5 to 3.X Evergreen Program – Firm Estimate

This document defines the commercial basis under which Emerson makes this offer to Roseville Electric for the distributed control project at the Roseville Energy Park.

<table>
<tr><td>Terms and Conditions</td><td>This offer expressly limits acceptance to the terms of this offer including the Terms and Conditions Agreement by and between the City of Roseville and Emerson Process Management Power & Water Solutions, Inc., dated July 21, 2020.</td></tr>
<tr><td>Pricing</td><td>The price for the Evergreen program, on a hardware-exchange basis, exclusively as described in the attached bill of materials (and additional options) is shown in the table(s) below. Delivery shall be FOB origin. Freight and handling charges shall be added.

Evergreen Pricing
<table>
<tr><th>System</th><th>Price</th></tr>
<tr><td>Combined Cycle[1] –Phase 2</td><td>$244,848</td></tr>
</table>
Option Pricing

Optional pricing is only valid for purchase at time of initial purchase order placement.
<table>
<tr><th>Option</th><th>Price</th></tr>
<tr><td>Evergreen OVATION™ Training
On-Site A – OVATION™ Operator (Per Course)
On-Site B – OVATION™ Windows Upgrade (Per Course)</td><td>$52,286
$52,286</td></tr>
</table>
Notes:
1. Evergreen price shown above is based on Fall 2020 install.</td></tr>
<tr><td>Services</td><td>Training included within this offer is available for up to 3 months after complete equipment shipment.</td></tr>
<tr><td>Terms of Payment</td><td>Emerson would like to work with you in developing a mutually agreeable milestone payment schedule. A typical payment schedule is shown below.

Invoices will be issued for each of the following deliverable line items with payment due net 30 days from the date of the invoice.

The amount of each invoice shall be calculated by applying the percentages (%) shown below against the total Purchase Order price including any changes.

20% Upon Contract Award
50% Upon Shipment (on pro rata basis)
20% Upon Completion Of Control System Installation (but no later than 30 days after major product shipment)
10% Upon Customer Acceptance (but in any event not later than 60 days after last major product shipment)</td></tr>
</table>

Delivery	Emerson would like to offer a flexible delivery schedule so that the Evergreen program can be implemented in concert with the plant's outage schedule. Standard delivery for an upgrade is estimated at 32 weeks after receipt of an acceptable purchase order. If, after the project has started, Roseville Electric requests a delay in delivery, installation, or acceptance testing of any of the products or services purchased under this offer, then Emerson reserves the right to invoice for payment for all goods and services provided to date, and close out the project. Upon Emerson's request, Roseville Electric will issue a new purchase order for any remaining scope of supply using the previously offered pricing.
Hardware Exchange	The Evergreen program is priced based on hardware exchange where the existing OVATION™ and WDPF components are returned to Emerson. In the event Roseville Electric elects to purchase the Evergreen upgrades without the requirement to exchange the existing OVATION™ and WDPF components, pricing will be affected. For components not returned to Emerson, please note that the software (including any firmware) embedded in such components is subject to Emerson's software license agreement, which specifies that the software is non-transferable. Accordingly, Roseville Electric may not resell or otherwise transfer any OVATION™ and WDPF components (e.g., controllers, I/O cards, etc.), to the extent they include software, to a third party.
Bid Validity	This offer shall remain valid for ninety (90) days from the date of this letter, unless otherwise extended, modified, or withdrawn in writing by Emerson. The return of a purchase order acceptable to Emerson during such validity period will be sufficient to form an agreement based exclusively on the terms and conditions of this offer.
Proprietary and Confidential Information	This offer and any subsequent communications relative to this offer are considered to be proprietary and confidential information of Emerson. Accordingly, such proprietary information shall not be published, used, reproduced, transmitted, or disclosed to others outside your organization without prior written consent by Emerson.

OFFER TO

Roseville Electric

FOR THE

Roseville Energy Park – Combined Cycle
3.5 to 3.X
Evergreen Program – Phase 2

OVATION™ DISTRIBUTED CONTROL SYSTEM
BILL OF MATERIAL

Proposal No. WE200112509R0 – Firm Offer

Date: 8/10/2020

Emerson Process Management
Power & Water Solutions, Inc.
783 Palmyrita Avenue, Suite D
Riverside, CA 92507
Tel 1 (951) 686-9880

Table of Contents

1.0 ENGINEERING SERVICES

The program will be executed Fall 2020 at specified date mutually agreed by Roseville Electric and Emerson. An outage will be required to upgrade the system. This offer is for the delivery, install and commissioning of the system.

TABLE 1.0 ENGINEERING SERVICES

Item	Description
1.	Project Engineering
2.	Project Management
3.	Prepare equipment for shipment and deliver system to site
4.	Transfer data from existing historian to the new OPH
5.	Program existing reports into the new OPH

1.0 ENGINEERING SERVICES (Continued)

1.1 On-site Service

The total number of 8-hour-days and number of trip(s) included in this offer are stated in the table below. Additional days can be purchased through the Scheduled On-site Service module in SureService suite.

TABLE 1.1.1 ON-SITE SERVICE DAYS

Item	Description	FS Days
1.	Combined Cycle	16

TABLE 1.1.2 ON-SITE SERVICE

Item	Description
1.	Replace the existing workstation PC's with current technology workstations and install the new stations at the same locations
2.	Connect retained peripherals to the new workstations
3.	Replace all existing network switches and routers with the current technology switches and routers
4.	Replace existing controllers with the current version Ovation controller
5.	Replace existing Ovation power supplies with the Ovation Power Supply retrofit kit containing the current Ovation power scheme
6.	Connect the new controllers, workstations, switches, and remaining peripheral devices (RTU's) using the provided cables
7.	Remove the old hardware from the system to a designated area.
8.	Connect Emerson supplied equipment to the designated power source(s)
9.	Perform the system-wide testing before turning over the system to the customer
10.	Remove exchanged hardware from the plant site

1.0 ENGINEERING SERVICES (Continued)

Charges against the man-hour bank shall be as follows on a per field service engineer basis (no night shift differential will be charged).

Weekdays

First 8 hours that day @ 1 hour worked = 1 hour charged
Additional hours that day @ 1 hour worked = 1.5 hours charged

Saturdays

All hours that day @ 1 hour worked = 1.5 hour charged

Sundays & Holidays

All hours that day @ 1 hour worked = 2 hours charged

1.2 Customer Tasks

TABLE 1.2 CUSTOMER TASKS

Item	Description
1.	Assist Emerson in identifying where equipment will be installed
2.	Install any required cabling (communications, power, etc.) needed to implement the Ovation system upgrade/change

2.0 TRAINING

2.1 IN-HOUSE TRAINING

TABLE 2.1 IN-HOUSE TRAINING COURSE

Item	Qty	Description
A	4 Students	Ovation Training at the Pittsburgh Training Center (5 Days)

3.0 OPTIONS

3.1 Evergreen Ovation Training

3.1.1 On-Site Training

A total of (2) weeks of on-site training courses are offered and will be performed on Ovation Training Rental Equipment at the Customer site. The travel and living expenses of Emerson's training instructor are included.

Item	Description
B	OV010-WIN – Ovation Operator

- Standard on-site operator training consists of two identical 2 ½ day sessions conducted sequentially
- Each session accommodates up to a maximum of six (6) students.
- Three (3) rental workstations with controllers will be provide for use during the class and loaded with Power and Water Solution's standard training load set.

Item	Description
B	OV115-WIN – Ovation Windows Upgrade

- OV115-WIN is designed to teach the Ovation Windows 3.5 software utility packages from a higher level, this course provides instruction on the Ovation Windows studio of application programs including the building of point records, control sheets, graphic displays and the loading, saving and downloading of each entity. Topics of discussion include: basic network, architecture and components, Operator functions, Developer Studio features, Control and Graphics building and Basic system configuration
- Each session accommodates up to a maximum of six (6) students.
- Three (3) rental workstations with controllers will be provide for use during the class and loaded with Power and Water Solution's standard training load set.

---- END OF DOCUMENT ----

COUNCIL COMMUNICATION

CC #: 0967
File #: 0314

Title:	Workers' Compensation Claims Administration Services - Agreement Amendment
Contact:	Dave Rawe 916-774-5207 drawe@roseville.ca.us

Meeting Date: 9/2/2020
Item #: 7.5.

RECOMMENDATION TO COUNCIL

Staff recommends the City Council adopt a resolution to approve the Second Amendment to Agreement for Workers' Compensation Claims Administration Services with Tristar Risk Management (Tristar), and authorize the City Manager to execute it.

BACKGROUND

In 2015, staff released a Request for Proposals for Workers' Compensation Third Party Administration claims services. Tristar Risk Management was chosen to provide services. In the past six years, Risk Management and Tristar have reduced the City's reserve liabilities by $2.7 million. During a recent Workers' Compensation audit, Tristar scored a 99% average rating for efficiency, effectiveness, and consistency of claims administration services and the accuracy of loss experience reports. For continued success, staff determined it is important to continue the City's contractual relationship with Tristar. The agreement allowed for two options to renew the agreement for additional two-year terms after the initial three-year term. Staff has negotiated a two-year extension to the contract through August 31, 2022.

FISCAL IMPACT

The negotiated administrative fee, which includes comprehensive Workers' Compensation claims handling for the period of September 1, 2020, through August 31, 2022, is $245,062 for the first year of the extension and $251,182 for the second year of the extension. These are flat fees with no additional costs. The administrative fee is budgeted in the Workers' Compensation Fund budget.

ENVIRONMENTAL REVIEW

The California Environmental Quality Act (CEQA) does not apply to activities that will not result in a direct or reasonably foreseeable indirect physical change in the environment, or is otherwise not considered a project as defined by CEQA Statute §21065 and CEQA State Guidelines

§15060(c)(3) and §15378. The agreement for Workers' Compensation administration meets the above criteria and is not subject to CEQA. No additional environmental review is required.

Respectfully Submitted,

Dave Rawe, Risk Manager

Stacey Peterson, Human Resources Director

Dominick Casey, City Manager

ATTACHMENTS:

Description

Resolution No. 20-350

Tristar Amendment

RESOLUTION NO. 20-350

APPROVING A SECOND AMENDMENT TO AGREEMENT, BY AND BETWEEN THE CITY OF ROSEVILLE AND TRISTAR RISK MANAGEMENT, AND AUTHORIZING THE CITY MANAGER TO EXECUTE IT ON BEHALF OF THE CITY OF ROSEVILLE

WHEREAS, a Second Amendment to Agreement for Workers' Compensation Claims Administration Services, by and between the City of Roseville and TRISTAR Risk Management, has been reviewed by the City Council; and

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Roseville that said second amendment is hereby approved and that the City Manager is authorized to execute it on behalf of the City of Roseville.

PASSED AND ADOPTED by the Council of the City of Roseville this____day of ______________, 20_, by the following vote on roll call:

AYES COUNCILMEMBERS:

NOES COUNCILMEMBERS:

ABSENT COUNCILMEMBERS:

____
MAYOR

ATTEST:

____
City Clerk

SECOND AMENDMENT TO AGREEMENT FOR WORKERS' COMPENSATION CLAIMS ADMINSTRATION SERVICES

THIS SECOND AMENDMENT TO AGREEMENT is made and entered into this 17th day of August, 2020 by and between the City of Roseville, a municipal corporation ("CITY"), and TRISTAR Risk Management, a California corporation ("ADMINISTRATOR"); and

W I T N E S S E T H:

WHEREAS, CITY and ADMINISTRATOR previously entered into an Agreement dated July 1, 2015 and amended August 1, 2018 ("Agreement") regarding the administration of the workers' compensation self-insurance program for the CITY; and

WHEREAS, CITY desires to amend the term of the contract under the terms for renewal as set forth in the Agreement;

NOW, THEREFORE, the parties agree as follows:

1. ADMINISTRATOR shall continue providing services to the CITY as outlined in the original scope of services to the Agreement and in ADMINISTRATOR's July 15, 2020 letter attached hereto as Exhibit "A" and incorporated herein by this reference.

2. Paragraph 1 is amended by adding an additional paragraph to read as follows:

Term. The term of this Agreement shall be extended for two (2) additional years commencing September 1, 2020 and expiring August 31, 2022.

3. Paragraph 3 is amended by adding an additional paragraph to read as follows:

Compensation. For its services provided hereunder, Total compensation shall not exceed two hundred forty-five thousand, sixty-two dollars ($245,062) through August 31, 2021; and two hundred fifty-one thousand, one hundred eighty-two dollars ($251,182) between September 1, 2021 through August 31, 2022. Total compensation for the term of September 1, 2020 through August 31, 2022 shall not exceed four hundred ninety-six thousand, two hundred forty-four dollars ($496,244). Adjustment to the total compensation per year shall require a written amendment to this Agreement, subject to approval by the City Council.

4. All other provisions of the Agreement shall remain unchanged and in full force and effect.

IN WITNESS WHEREOF, the City of Roseville, a municipal corporation, has authorized the execution of this Second Amendment to Agreement in duplicate by its Acting City Manager and attested to by its City Clerk under the authority of Resolution No. ______, adopted by the Council of the City of Roseville on the ___ day of ____________, 20__, and ADMINISTRATOR has caused this Agreement to be executed.

SIGNATURES ON FOLLOWING PAGE

CITY OF ROSEVILLE, a
municipal corporation

BY:____________________________
DOMINICK CASEY
City Manager

ATTEST:

BY:____________________________
SONIA OROZCO
City Clerk

APPROVED AS TO FORM:

BY: ____________________________
ROBERT R. SCHMITT
City Attorney

APPROVED AS TO SUBSTANCE:

BY: Stacey Peterson
STACEY PETERSON
Human Resources Director

TRISTAR RISK MANAGEMENT, a
California corporation

BY:____________________________
THOMAS J. VEALE
President

and

BY: Denise Cotter
DENISE COTTER
Chief Financial Officer

EXHIBIT "A"

TRISTAR

7/15/2020

City of Roseville
Attention: Dave Rawe
Risk Manager
311 Vernon Street
Roseville, CA 95678

RE: Updated Service Agreement Proposal

Dear Mr. Rawe:

Thank you for the City's partnership with TRISTAR since 2015; it has been a distinct pleasure to serve as the City's third party administrator for workers' compensation claims. Over the duration of our partnership with the City TRISTAR is pleased to report a 32% reduction in outstanding labilities. The reduction in outstanding liabilities constitutes a savings to the City in excess of $2.7M. In consideration of the optional service years indicated in the original agreement, TRISTAR is proposing the fee schedule below for TRISTAR services and administration fees for your Self Insured Workers' Compensation program. The agreement would commence as of 9/1/20.

The current annual fee is $236,775 for a dedicated Claims Examiner exclusively available to the City's program. TRISTAR annual Claims Administration fees for FY 2015 through FY 2018 remained flat with no annual increases. The proposed fee schedule on a go-forward basis is listed below. Subsequent year's claims administration fees would be subject to an increase by an amount not to exceed the 3.5%. Based on this, the final totals for each fiscal year are:

FY 2015/2016	$205,000
FY 2016/2017	$205,000
FY 2017/2018	$205,000
FY 2018/2019	$225,500
FY 2019/2020	$236,775
FY 2020/2021	**$245,062**
FY 2021/2022	**$251,182**

The costs for managed care services will remain consistent with TRISTAR's 2020 preferred provider rates.

Sincerely,

Adrian Garcia
Director of Sales and Client Solutions.
916-631-0415 x 3496
Adrian.Garcia@tristargroup.net

COUNCIL COMMUNICATION

CC #: 0971
File #: 0800-02

Title:	Effective Utility Assessment and Strategic Business Plan Development – Professional Services Agreement
Contact:	Sean Bigley 916-774-5513 sbigley@roseville.ca.us

Meeting Date: 9/2/2020
Item #: 7.6.

RECOMMENDATION TO COUNCIL

Staff recommends that the City Council adopt a resolution to approve a professional services agreement with Raftelis Financial Consultants, Inc. to perform an Effective Utility Assessment with a resulting Strategic Business Plan for the Environmental Utility's Water Utility, and authorize the City Manager to execute it.

BACKGROUND

In 2017, the U.S. EPA published the Effective Utility Management (EUM) Primer document developed by the EUM Utility Leadership Group made up of the following national water and wastewater associations – the Association of Metropolitan Water Agencies (AMWA), the Association of Clean Water Agencies (ACWA), the Association of State Drinking Water Agencies (ASDWA), the American Public Works Association (APWA), the American Water Works Association (AWWA), the National Association of Clean Water Agencies (NACWA), the National Association of Water Companies (NAWC), the Water Environment Federation (WEF), the Water Environmental Reuse Federation (WERF) and the Water Research Foundation.

The City of Roseville's Environmental Utilities (EU) Department consists of the Water Utility, the Wastewater Utility, the Waste Services Utility, with a recycled water program and stormwater program.

Since early 2018, the Water Utility has undergone significant organizational and workplace culture changes brought on by new leadership, retirements and changes in staff, as well as a shift in organizational focus. This change has been transformational and the Water Utility is now better aligned and focused on delivering higher service levels, delivering on significant infrastructure development and rehabilitation projects, and more prepared to meet changing customer expectations and legal mandates.

There have been several operational changes and efforts that are either completed or well underway that have advanced the Water Utility that will be leveraged as part of this assessment

and planning effort:
• Development of key metrics to measure performance for the Water Utility with regular report out (near completion);
• Development of an Integrated Resources Plan for comprehensive water resources planning to 2050 (underway and to be completed in 2021);
• Statistically valid Customer Service Surveys that are developed every two years (last one completed was in late 2019 and results are published);
• Implemented in 2018, the Water Utility has a mission statement and five core values that align with the department's mission and City Council priorities that guide the Water Utility-Teamwork, Leadership, Integrity, Respect and Competence.

Using the "Ten Attributes of an Effectively Managed Utility and the Five Keys to Management Success" in the Effective Utility Management Primer, EU's Water Utility proposes to have Raftelis Financial Consultants, Inc. facilitate and guide the Water Utility's Leadership Team through the 4-step Self-Assessment Tool as well as help develop a resulting Strategic Business Plan and support, as needed, in implementation and reflection-adjustment processes. Raftelis Financial Consultants, Inc. will be expected to leverage all existing relevant work products into this effort and create in some cases new work product, as scoped.

The City issued a Request for Proposals (RFP) on April 22, 2020 and received three proposals, with two proposals being determined to meet the requirements as articulated in the RFP. A review committee reviewed the two proposals and determined that Raftelis Financial Consultants to be the best choice to meet the City's goals of this project.

FISCAL IMPACT

The proposed professional services agreement contains a scope of services that will cost $55,572 and is budgeted in the Water Utility's Administration budget funded through the Water Operations Fund that receives revenue from utility services sales.

ENVIRONMENTAL REVIEW

The California Environmental Quality Act (CEQA) does not apply to activities that will not result in a direct or reasonably foreseeable indirect physical change in the environment, or is otherwise not considered a project as defined by CEQA Statute §21065 and CEQA State Guidelines §15060(c)(3) and §15378. Approval of a professional services agreement for Effective Utility Assessment and Strategic Business Plan Development meets the above criteria and is not subject to CEQA. No additional environmental review is required.

Respectfully Submitted,

Sean Bigley, Assistant Environmental Utilities Director

Richard Plecker, Environmental Utilities Director

Dominick Casey, City Manager

ATTACHMENTS:

Description

Resolution No. 20-354

Professional Services Agreement

RESOLUTION NO. 20-354

APPROVING A PROFESSIONAL SERVICES AGREEMENT, BY AND BETWEEN THE CITY OF ROSEVILLE AND RAFTELIS FINANCIAL CONSULTANTS, INC., AND AUTHORIZING THE CITY MANAGER TO EXECUTE IT ON BEHALF OF THE CITY OF ROSEVILLE

WHEREAS, a professional services agreement for Effective Utility Management Assessment and Strategic Business Plan Development, by and between the City of Roseville and Raftelis Financial Consultants, Inc., has been reviewed by the City Council; and

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Roseville that said agreement is hereby approved and that the City Manager is authorized to execute it on behalf of the City of Roseville.

PASSED AND ADOPTED by the Council of the City of Roseville this ____ day of _______________, 20_, by the following vote on roll call:

AYES COUNCILMEMBERS:

NOES COUNCILMEMBERS:

ABSENT COUNCILMEMBERS:

____
MAYOR

ATTEST:

____
City Clerk

PROFESSIONAL SERVICES AGREEMENT

Effective Utility Management Assessment and Strategic Business Plan Development

THIS AGREEMENT is made and entered into this ___ day of _________________, 20__, by and between the City of Roseville, a municipal corporation ("CITY"), and Raftelis Financial Consultants, Inc., a North Carolina corporation ("CONSULTANT"); and

W I T N E S S E T H:

WHEREAS, CITY desires professional services consisting of effective utility management assessment and strategic business plan development for the Environmental Utilities Department; and

WHEREAS, CONSULTANT has prepared a proposal dated June 9, 2020, which describes the scope of work to be performed by CONSULTANT, the budget for the work, and the schedule for performance of the work; and

WHEREAS, CONSULTANT is qualified and experienced to provide such professional services.

NOW, THEREFORE, the parties agree as follows:

1. Services. CONSULTANT shall perform, at the direction of CITY, the scope of services as described in EXHIBIT "A," attached hereto and incorporated herein by this reference.

2. Compensation. For its services provided hereunder, CONSULTANT shall be compensated on a time and expense basis in accordance with the budget estimate as described in EXHIBIT "A." Total compensation shall not exceed fifty-five thousand, five hundred seventy-two dollars ($55,572).

CONSULTANT shall submit one monthly invoice for its services. Such invoices shall be delineated by task, the person performing the services, and the hourly rate, which shall be stated in time increments of not greater than one tenth (1/10) hours. CITY shall pay invoices within thirty (30) days after receipt, if the services specified in the invoice have been satisfactorily completed.

3. Indemnification. To the fullest extent allowed by law, CONSULTANT shall defend, indemnify, and save and hold harmless CITY, its officers, agents, employees and volunteers from any claims, suits or actions of every name, kind and description brought forth, or on account of, injuries to or death of any person (including but not limited to workers and the public), or damage to property, resulting from or arising out of CONSULTANT's willful misconduct or negligent act or omission while engaged in the performance of obligations or exercise of rights created by this Agreement, except those matters arising from CITY's sole negligence or willful misconduct. The parties intend that this provision shall be broadly construed.

CONSULTANT agrees to defend and indemnify CITY if, despite the parties intent and practice, any venue, agency, or court with competent jurisdiction determines that CONSULTANT and/or any of its agents, officers, employees, volunteers, independent contractors, or subcontractors, are characterized as employee(s) of CITY.

CONSULTANT's responsibility for such defense and indemnity obligations shall survive the termination or completion of this Agreement for the full period of time allowed by law. The defense and indemnity obligations of this Agreement are undertaken in addition to, and shall not in any way be limited by, the insurance obligations contained in this Agreement.

4. Insurance. CONSULTANT agrees to continuously maintain, in full force and effect, the following minimum policies of insurance during the term of this Agreement.

COVERAGE	LIMITS OF LIABILITY
Workers' Compensation	Statutory
Commercial General Liability	\$1,000,000 each occurrence \$2,000,000 aggregate Personal Injury: \$1,000,000 each occurrence \$2,000,000 aggregate
Automobile Liability	\$1,000,000 combined single limit
Professional Liability (errors and omissions)	\$1,000,000 per claim \$2,000,000 aggregate

a. Form. CONSULTANT shall submit a certificate evidencing such coverage for the period covered by this Agreement in a form satisfactory to Risk Management and the City Attorney, prior to undertaking any work hereunder. Any insurance written on a claims made basis is subject to the approval of Risk Management and the City Attorney.

b. Additional Insureds. CONSULTANT shall also provide a separate endorsement form or section of the policy showing CITY, its officers, agents, employees and volunteers as additional insureds for each type of coverage, except for Workers' Compensation and Professional Liability. Such insurance shall specifically cover the contractual liability of CONSULTANT. The additional insured coverage under the CONSULTANT's policy shall be primary and noncontributory, as evidenced by a separate endorsement or section of the policy, and shall not seek contribution from CITY's insurance or self-insurance. In addition, the additional insured coverage shall be at least as broad as the Insurance Services Office ("ISO") CG 20 01 Endorsement. Any available insurance proceeds in excess of the specified minimum insurance coverage requirements and limits shall be available to the additional insureds. Furthermore, the requirements for coverage and limits shall be: (1) the minimum coverage and limits specified in this Agreement; or (2) the full coverage and maximum limits of any insurance proceeds available to the named insureds, whichever is greater.

c. Cancellation/Modification. CONSULTANT shall provide ten (10) days written notice to CITY prior to cancellation or modification of any insurance required by this Agreement.

d. Umbrella/Excess Insurance. The limits of insurance required in this Agreement may be satisfied by a combination of primary and excess insurance. Any excess insurance shall contain or be endorsed to contain a provision that such coverage shall also apply on a primary and noncontributory basis for the benefit of CITY (if agreed to in a written contract) before CITY's own insurance shall be called upon to protect it as a named insured.

e. Subcontractors. CONSULTANT agrees to include in its contracts with all subcontractors the same requirements and provisions of this Agreement, including the indemnity and insurance requirements, to the extent they apply to the scope of the subcontractor's work. Furthermore, CONSULTANT shall require its subcontractors to agree to be bound to CONSULTANT and CITY in the same manner and to the same extent as CONSULTANT is bound to CITY under this Agreement. Additionally, CONSULTANT shall obligate its subcontractors to comply with these same provisions with respect to any tertiary subcontractor, regardless of tier. A copy of CITY's indemnity and insurance provisions will be furnished to the subcontractor or tertiary subcontractor upon request.

f. Self-Insured Retentions. All self-insured retentions ("SIR") must be disclosed to Risk Management for approval and shall not reduce the limits of liability. Policies containing any SIR provision shall provide or be endorsed to provide that the SIR may be satisfied by either the named insured or CITY. CITY reserves the right to obtain a full certified copy of any insurance policy and endorsements. The failure to exercise this right shall not constitute a waiver of such right.

g. Waiver of Subrogation. CONSULTANT hereby agrees to waive subrogation which any insurer of CONSULTANT may acquire from CONSULTANT by virtue of the payment of any loss under a Workers Compensation, Commercial General Liability or Automobile Liability policy. All Workers Compensation, Commercial General Liability and Automobile Liability policies shall be endorsed with a waiver of subrogation in favor of CITY, its officers, agents, employees and volunteers for all worked performed by CONSULTANT, its employees, agents and subcontractors.

h. Liability/Remedies. Insurance coverage in the minimum amounts set forth herein shall not be construed to relieve CONSULTANT of liability in excess of such coverage, nor shall it preclude CITY from taking such other actions as are available to it under any other provisions of this Agreement or law.

5. Records. CONSULTANT and its subcontractors shall maintain all files and records relating to the services performed hereunder during the term of this Agreement and for a period of not less than one (1) year after the date of termination or expiration. Provided, however, that in the event of litigation or settlement of claims arising from the performance of

this Agreement, CONSULTANT and its subcontractors shall maintain all files and records until such litigation, appeals or claims are resolved. Duly authorized representatives of CITY shall have right of access during normal business hours and after reasonable notice to CONSULTANT's and subcontractors' files and records relating to the services performed hereunder, and may review and copy the files and records at appropriate stages during performance of the services and during the one (1) year period following termination or expiration of this Agreement. CONSULTANT shall include this provisions in its contracts with all subcontractors.

6. Time is of the Essence. Time is of the essence of this Agreement.

7. Compliance with Laws. CONSULTANT shall comply with all federal, state and local laws, ordinances and policies as may be applicable to the performance of services under this Agreement.

8. Ability to Perform. CONSULTANT agrees and represents that it has the time, ability and professional expertise to perform the services required under this Agreement.

9. Governing Agreement. In the event of any conflict between this Agreement and its EXHIBITS, the provisions of this Agreement shall govern. In the event of any conflict between any of the EXHIBITS, the provisions of the first in order of attachment shall govern.

10. Assignment. CONSULTANT is employed to perform unique personal services. CONSULTANT shall not assign this Agreement without the prior written consent of CITY. CONSULTANT shall not employ or otherwise incur any obligation to pay other specialists or experts for services in connection with this Agreement, without prior written consent of CITY.

11. Independent Contractor. CONSULTANT shall act as an independent contractor, and covenants and agrees that it will conduct itself consistent with such status, that it will neither hold itself out as, nor claim to be, an officer or employee of CITY by reason of this Agreement.

CONSULTANT and CITY agree that: (a) CONSULTANT is free from the control and direction of CITY in connection with the performance of the work; (b) CONSULTANT is providing services directly to CITY; (c) CONSULTANT has and will maintain at all relevant times a business license; (d) CONSULTANT maintains a business location that is separate from CITY; (e) CONSULTANT is customarily engaged in an independently established business of the same nature as that involved in the work performed hereunder; (f) CONSULTANT actually contracts with other businesses to provide the same or similar services and maintains a clientele without restrictions from CITY; (g) CONSULTANT advertises and holds itself out to the public as available to provide the same or similar services; (h) CONSULTANT provides its own tools, vehicles, and equipment to perform the services; (i) CONSULTANT has negotiated its own rates; (j) CONSULTANT set its own hours and location of work in accomplishing CITY's on-call needs; and (k) CONSULTANT has the right to control the manner and means of accomplishing the result desired and exercises its own expert independent judgement.

12. Representations and Warranties. CONSULTANT warrants that it has not employed or retained any company or person, other than a bona fide employee working for CONSULTANT, to solicit or secure this Agreement, and that it has not paid or agreed to pay any company or person, other than a bona fide employee, any fee, commission, percentage, brokerage fee, gift or any other consideration, contingent upon or resulting from the award or making of this Agreement. For breach or violation of this warranty, CITY shall have the right to terminate as void this Agreement, without liability, or, in its discretion, to deduct from the

Agreement price or consideration, or otherwise recover, the full amount of such fee, commission, percentage, brokerage fee, gift or contingent fee.

13. Successors in Interest. This Agreement shall be binding upon the heirs, successors, executors, administrators and assigns of the respective parties hereto.

14. Copyright, Ownership and Use of Materials. All tangible material ("Material") created or delivered pursuant to this Agreement shall be the property of the City, CONSULTANT hereby assigns to CITY all right, title, and interest, in all Material created by CONSULTANT in its performance under this Agreement. Material constitutes the scope of work outlined in Exhibit A and attached hereto, and all written and other tangible expressions, including but not limited to, drawings (including computer aided drawings), papers, documents, reports, surveys, renderings, exhibits, sketches, maps, models, prints, paintings or photographs, in any and all media or formats in which such materials have been created or are maintained. All Material furnished by CONSULTANT is, and shall remain, the property of CITY.

CONSULTANT shall execute any documents necessary to effectuate such assignment. In the event that CONSULTANT uses, employs, designates, or retains any person or entity who is not an employee of CONSULTANT, to perform any work required of it pursuant to this Agreement, CONSULTANT shall require said person or entity to execute an agreement containing the preceding paragraph.

15. Termination of Agreement. The City may terminate this Agreement without cause by giving CONSULTANT ten (10) days advance written notice from the City Manager. CONSULTANT may terminate this Agreement without cause by giving CITY thirty (30) days advance written notice. In the event of termination through no fault of CONSULTANT, CITY shall compensate CONSULTANT for services performed as of the date of termination, upon the

release to CITY of all Material hereunder, in any and all media or formats in which such materials have been created or are maintained. CITY retains the right to receive and use any Material, notwithstanding any termination or any dispute regarding the amount to be paid.

16. Attorney's Fees; Venue; Governing Law. If either party commences any legal action against the other party arising out of this Agreement or the performance hereof, the prevailing party in such action shall be entitled to recover its reasonable litigation expenses, including but not limited to, court costs, expert witness fees, discovery expenses, and attorney's fees. Any action arising out of this Agreement shall be brought in Placer County, California, regardless of where else venue may lie. This Agreement shall be governed by and construed in accordance with the laws of the State of California.

17. Modification. This Agreement and each provision contained herein may be waived, amended, supplemented or eliminated only by mutual written agreement of the parties.

18. Severability. If any of the provisions contained in this Agreement are for any reason held invalid or unenforceable, such holding shall not affect the remaining provisions or the validity and enforceability of the Agreement as a whole.

19. Notices. Any notices to parties required by this Agreement shall be delivered personally or mailed, U.S. first class postage prepaid, addressed as follows:

CITY OF ROSEVILLE	CONSULTANT
Sean Bigley 2005 Hilltop Circle Roseville, CA 95747	Darin Thomas 445 S. Figueroa Street, Ste. 1925 Los Angeles, CA 90071

Either party may amend its address for notice by giving notice to the other party in writing.

20. Integrated Agreement. This is an integrated agreement and contains all of the terms, considerations, understanding and promises of the parties. It shall be read as a whole.

IN WITNESS WHEREOF, the City of Roseville, a municipal corporation, has authorized the execution of this Agreement in duplicate by its City Manager and attested to by its City Clerk under the authority of Resolution No. ______, adopted by the Council of the City of Roseville on the ___ day of ____________, 20__, and CONSULTANT has caused this Agreement to be executed.

CITY OF ROSEVILLE, a
municipal corporation

BY:_________________________
DOMINICK CASEY
City Manager

ATTEST:

BY:_________________________
SONIA OROZCO
City Clerk

APPROVED AS TO FORM:

BY: _________________________
ROBERT R. SCHMITT
City Attorney

APPROVED AS TO SUBSTANCE:

BY: Richard D. Plecker
RICHARD D. PLECKER
Environmental Utilities Director

RAFTELIS FINANCIAL
CONSULTANTS, INC., a North
Carolina corporation

BY: Darin Thomas
its: Vice President

and

BY: _________________________
its: _________________________

EXHIBIT “A”

RAFTELIS

June 9, 2020

Mr. Sean Bigley
Assistant Environmental Utilities Director
City of Roseville
311 Vernon Street
Roseville, CA 95678

Subject: Scope of Service for an Effective Utility Management Assessment and Strategic Business Plan Development for the City of Roseville's Water Utility

Dear Mr. Bigley:

Raftelis is pleased to provide the City of Roseville with the attached Scope of Services to assist the City in completing a comprehensive examination of its operations through facilitation of an effective utility management (EUM) self-assessment and assistance in crafting a Water Utility strategic business plan. To the extent possible, both the assessment and planning efforts will recognize and incorporate recent efforts to improve the Water Utility through staffing changes, reorganization, and the development of key performance indicators (KPIs).

This proposed Scope of Services leverages the Raftelis EUM assessment methodology, which allows for the results of the assessment to be considered as input to the Water Utility's strategic plan. Further, our proposed Scope of Services ensures that the Roseville Water Utility's need for implementable planning documents will facilitate progress measurement through use of quantifiable KPIs.

We sincerely appreciate the opportunity to assist the City with this effort. Please let me know if you have any questions regarding this submittal. I can be contacted at either dthomas@raftelis.com, or by phone at 336.209.1347.

Sincerely,

Darin Thomas

Darin Thomas
Vice President

445 S. Figueroa Street, Suite 1925
Los Angeles, CA 90071
www.raftelis.com

SCOPE OF SERVICES

TASK 1: EUM SELF-ASSESSMENT FACILITATION

At the initiation of the project, Raftelis will issue a brief data request for items, such as the Water Utility's organizational chart and budget, so that we may arrive already familiar with the Water Utility's basic operations with tailored assessment materials. Raftelis will facilitate a combined kick-off and EUM assessment workshop with the Water Utility's Leadership Team. The kick-off meeting portion of the workshop will introduce the Raftelis team and clarify roles, expectations, and timelines. During the EUM assessment, we will deploy our EUM methodology to examine the Water Utility's performance across the 10 attribute areas. Raftelis team members will serve as facilitators during this process, leveraging our experience working as both facilitators and examiners in other utilities' EUM-based assessments.

At the conclusion of the self-assessment, Raftelis will collect any data produced as part of the self-assessment (e.g., worksheets, surveys, etc.) and will perform analyses prior to presenting results at a second on-site session. Raftelis will use this second session to confirm and validate assessment findings prior to issuing a final assessment memo. In order to minimize travel time, presentation of EUM findings will occur in the same session as the initial session for the strategic business plan (Task 2).

Task 1 Subtasks

A. Prepare for kick-off workshop and EUM self-assessment
B. Conduct project kick-off & conduct EUM assessment – Workshop Session 1
C. Receive EUM self-assessment data and perform analysis
D. Present EUM assessment results – Workshop Session 2

Deliverables

- Data request
- Workshop briefing materials (documents and presentations)
- Draft EUM assessment memo
- Final EUM assessment memo

TASK 2: DEVELOP STRATEGIC BUSINESS PLAN

Raftelis will use the findings of the EUM assessment and recently developed performance metrics to facilitate development of the Water Utility's strategic business plan. Task 2 will begin with a kick-off workshop (Workshops Session 2) to initiate the strategic business planning process. Raftelis will coordinate with the Water Utility Leadership Team to identify important stakeholder groups with whom to engage. Coinciding with Workshop Session 2, we will engage the identified stakeholders via one-on-one interviews, focus group meetings, and online survey tools, as appropriate, to ensure both a broad and deep engagement of stakeholders.

Following stakeholder engagement, Raftelis will lead a foundation workshop (Workshop Session 3) with the Water Utility Leadership Team to consider national, regional, and local trends; the aspirations; and desired results for the Water Utility. In addition, strategic direction (vision, values, and mission) will be reviewed, and the organization's highest priority goals will be identified.

All prior tasks will culminate in the strategy phase of the project. During the strategy phase, a one-day strategy workshop (Workshop Session 4) will take place, and the participants will determine the Water Utility's strategic objectives and develop specific strategies and measurable objectives (considering Phase 1 EUM assessment findings and recommendations) to achieve its vision, mission, and goals, as developed during the foundation workshop. The strategy workshop again brings together the Water Utility Leadership Team members. During this workshop, groups will engage in critical analysis of the strategic initiatives that warrant the organization's investment of time and resources. Raftelis will prepare a concise Strategic Business Plan with clear goals mapped to priority attributes, and will provide a draft document to the Water Utility for review and comment prior to issuing a final version.

Task 2 Subtasks

A. Conduct strategic business planning kick-off workshop – Workshop Session 2
B. Stakeholder engagement (e.g., interviews, focus groups, and online survey)
C. Prepare for and conduct strategy foundations workshop – Workshop Session 3
D. Prepare for and conduct strategy workshop – Workshop Session 4
E. Develop and deliver a final Strategic Business Plan

Deliverables

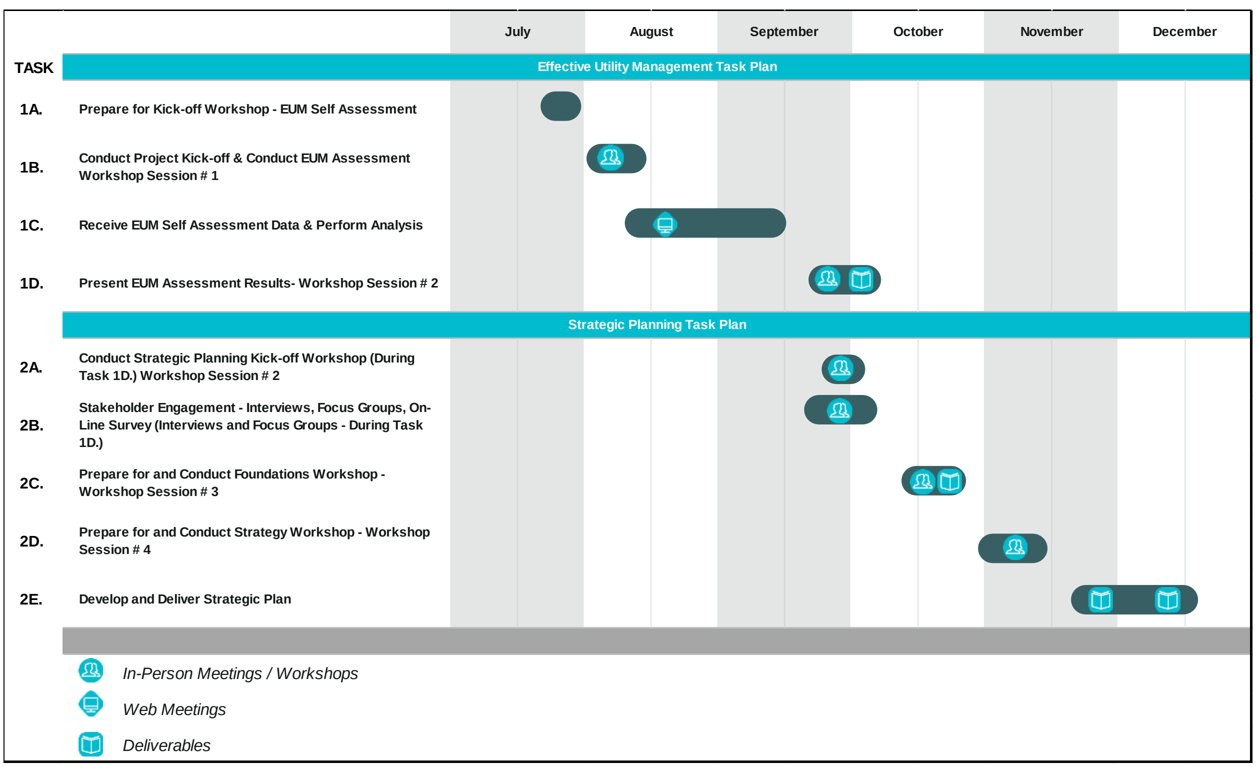
- Workshop briefing materials (documents and presentations)
- Draft Strategic Business Plan and framework
- Final Strategic Business Plan and framework

FEES

Tasks	Number of On-Site Meetings	Hours					Total Labor	Total Expenses	Total Labor and Expenses
		DT	CC	KE	Admin	Total			
Task 1. EUM Self Assessment Facilitation	□	□□	□□	□□	□	□□	$14,880	$4,370	$19,250
Task 2. Develop Strategic Business Plan	□	□□	□□	□□	□□	□□□	$30,620	$5,702	$36,322
Total Estimated Meetings / Hours	4	46	60	84	44	234			
Hourly Billing Rate		$310	$245	$155	$80				
Total Professional Fees		$14,260	$14,700	$13,020	$3,520		$45,500	$10,072	$55,572

DT - Darin Thomas
CC - Catherine Carter
KE - Kelsey Engelking
Admin - Administrative Support

PROJECT SCHEDULE



RESOLUTION
20-001

BOARD RESOLUTION ESTABLISHING SIGNATURE AUTHORITY

WHEREAS the Amended Raftelis Bylaws state "The Board of Directors may authorize any officer or officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Corporation, and such authority may be general or confined to specific instances," now

Therefore, the Board of Directors of Raftelis Financial Consultants, Inc. authorizes the following signatory authority.

Professional Services Contracts

The Board authorizes any Officer or Vice President of the Corporation to execute, on behalf of the Corporation, any contractual documentation related to entering into an obligation to perform professional services for an entity and/or an obligation with a subcontractor to perform such professional services. The Board also authorizes individuals who are acting on an executive level to execute on behalf of the Corporation any contractual documentation related to entering into an obligation to perform professional services for an entity. The contractual ceiling to which these individuals are limited to enter into an obligation to perform professional services for an entity are as follows:

Individual	**Signatory Limit**
Bart Kreps	Unlimited
Bill Stannard	Unlimited
Darin Thomas	Unlimited
Elaine Conti	Unlimited
Harold Smith	Unlimited
Henrietta Locklear	Unlimited
Henry Thomas	Unlimited
John Mastracchio	Unlimited
Jon Davis	Unlimited
Julia Novak	Unlimited
Keith Readling	Unlimited
Melissa Levin	Unlimited
Mike Burton	Unlimited
Peiffer Brandt	Unlimited

Rick Giardina	Unlimited
Rob Ori	Unlimited
Sanjay Gaur	Unlimited
Sudhir Pardiwala	Unlimited
Tom Beckley	Unlimited
Tony Hairston	Unlimited
Andrew Rheem	$100,000
Angie Flores	$100,000
Brandon Vatter	$100,000
Catherine Tuck Parrish	$100,000
Chris McPhee	$100,000
Joe Crea	$100,000
John Wright	$100,000
Mac Underwood	$100,000
Marco Rocca	$100,000
Melissa Elliott	$100,000
Michelle Ferguson	$100,000
Murray Hamilton	$100,000
Rich McGillis	$100,000
Rocky Craley	$100,000
Seth Garrison	$100,000
Steve Gagnon	$100,000
Thierry Boveri	$100,000
Todd Cristiano	$100,000
Catherine Carter	$50,000
Collin Drat	$50,000
David Fox	$50,000
Dwayne Guthrie	$50,000
Hannah Phan	$50,000
Jeff Wilson	$50,000
Jennifer Reichelt	$50,000
Jennifer Tavantzis	$50,000
Jill Wu	$50,000
Joe Williams	$50,000
Jonathan Ingram	$50,000
Katherine Cromwell	$50,000
Kevin Kostiuk	$50,000
Ryan Smith	$50,000
Townsend Collins	$50,000
Will Kerr	$50,000

Vendor Contracts

The Board also authorizes individuals who are acting on an executive level to execute on behalf of the Corporation any contractual documentation related to entering into an obligation to a vendor, with the exception of office leases. The contractual ceiling to which these individuals are limited to enter into an obligation to a vendor are as follows:

Individual	**Signatory Limit**
Peiffer Brandt	Unlimited
Bart Kreps	$25,000
Bill Stannard	$25,000
Chris McPhee	$25,000
Darin Thomas	$25,000
Elaine Conti	$25,000
Harold Smith	$25,000
Henrietta Locklear	$25,000
Henry Thomas	$25,000
John Mastracchio	$25,000
Jon Davis	$25,000
Julia Novak	$25,000
Keith Readling	$25,000
Melissa Levin	$25,000
Mike Burton	$25,000
Rick Giardina	$25,000
Rob Ori	$25,000
Sanjay Gaur	$25,000
Sudhir Pardiwala	$25,000
Tom Beckley	$25,000
Tony Hairston	$25,000

Office Leases

The Board authorizes only the Chief Executive Officer to execute office leases.

Approved and adopted the 20 day of Feb 2020. I, the undersigned, Secretary of the Company, hereby certify that the foregoing Resolution was duly adopted by the Raftelis Financial Consultants, Inc. Board of Directors.

RAFTELIS FINANCIAL CONSULTANTS, INC.
CORPORATE SEAL
NORTH CAROLINA

Secretary (Seal)

COUNCIL COMMUNICATION

CC #: 0966
File #: 0800-06

Title:	Street Name Change - High School Road to Panther Place
Contact:	Scott Miller 916-774-5491 smiller@roseville.ca.us

Meeting Date: 9/2/2020
Item #: 7.7.

RECOMMENDATION TO COUNCIL

Staff recommends City Council adopt a resolution to approve a street name change located in the West Roseville Specific Plan area from High School Road to Panther Place.

BACKGROUND

The Roseville Joint Unified High School District is requesting to rename High School Road to Panther Place. High School Road is the primary access road to the new West Park High School located in the West Roseville Specific Plan area and connects at the intersection of Hayden Parkway to the west. On the east side of Hayden Parkway, the road continues with the name of Bellanca Way. There is no change to the street name on the east side of Hayden Parkway. The street name Panther Place was requested as the Panther is the mascot for the new High School. The road is fully improved, and the High School is the only building(s) addressed off this street.

FISCAL IMPACT

This item will have a negligible impact to the City's General Fund for the cost of staff time to change the street name and address data in the City's database systems (Accela, GIS, CIS), and the cost to change out the street signage.

ENVIRONMENTAL REVIEW

The California Environmental Quality Act (CEQA) does not apply to activities that will not result in a direct or reasonably foreseeable indirect physical changes in the environment, or is otherwise not considered a project as defined by CEQA Statute §21065 and CEQA State Guidelines §15060(c)(3) and §15378. The change to a street name meets the above criteria and is not subject to CEQA. No additional environmental review is required.

Respectfully Submitted,

Scott Miller, GIS Analyst II

Mike Isom, Development Services Director

Dominick Casey, City Manager

ATTACHMENTS:

Description

Resolution No. 20-349

Street Name Change Exhibit

RESOLUTION NO. 20-349

APPROVING THE RENAMING OF HIGH SCHOOL ROAD TO PANTHER PLACE

WHEREAS, staff requests the renaming of High School Road to Panther Place within the West Roseville Specific Plan area; and

WHEREAS, the street name Panther Place was requested as the Panther is the mascot for the new High School; and

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Roseville that it formally recognizes and approves the request to rename High School Road to Panther Place as shown in Exhibit "A."

PASSED AND ADOPTED by the Council of the City of Roseville this _____ day of ____________, 2020, by the following vote on roll call.

AYES COUNCILMEMBERS:

NOES COUNCILMEMBERS:

ABSENT COUNCILMEMBERS:

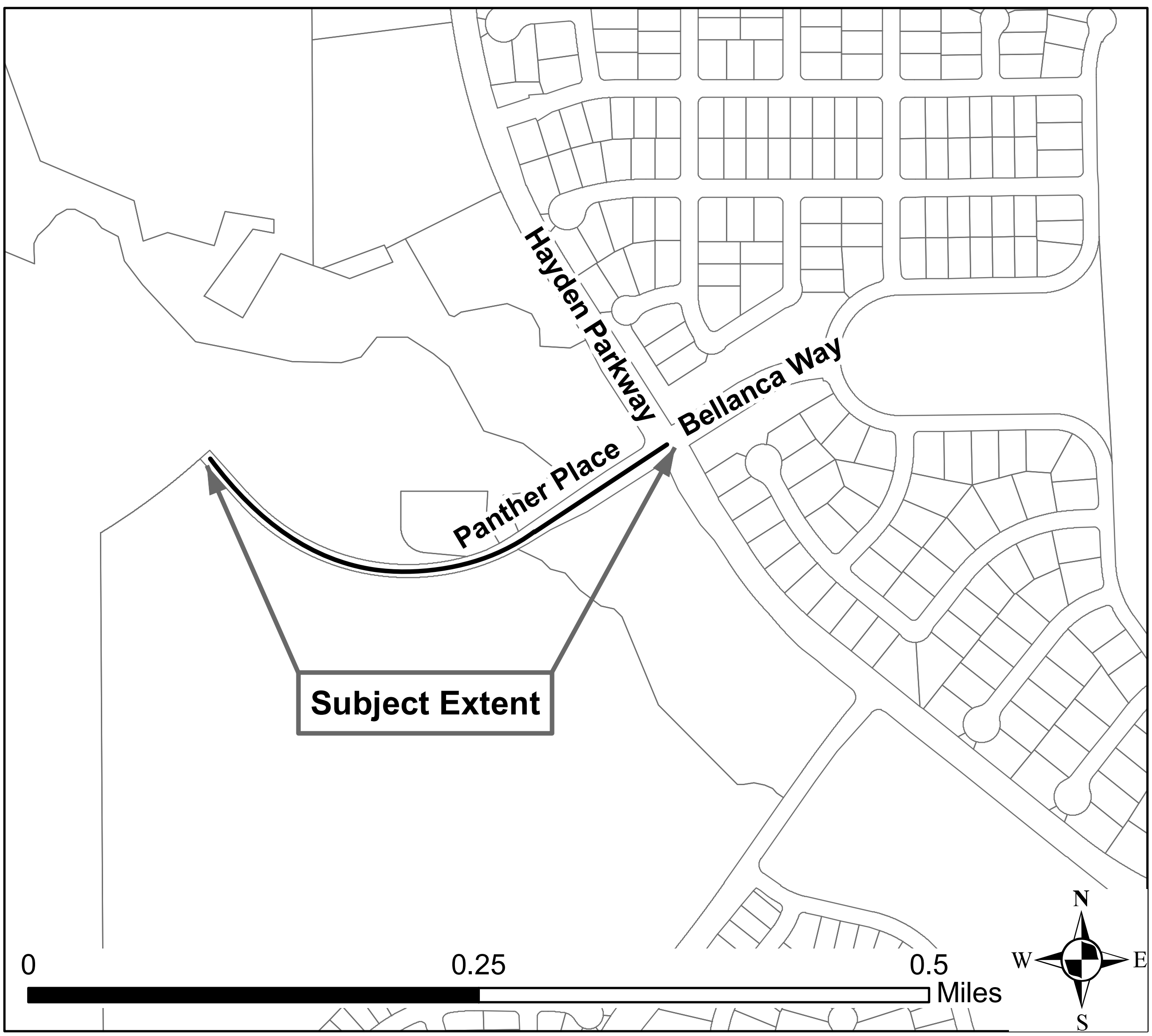
____
MAYOR

ATTEST:

____
City Clerk

EXHIBIT A

City of Roseville
Street Name Reassignment
High School Road to Panther Place



COUNCIL COMMUNICATION

CC #: 0958
File #: 0800-03

Title:	Energy Storage Procurement Targets
Contact:	David Siao 916-746-1613 dsiao@roseville.ca.us

Meeting Date: 9/2/2020
Item #: 7.8.

RECOMMENDATION TO COUNCIL

Staff recommends the City Council adopt a resolution stating that energy storage procurement targets remain inappropriate at this time for the City of Roseville. This resolution will fulfill the regulatory requirement of AB 2514.

BACKGROUND

Assembly Bill 2514 requires publicly owned utilities to determine appropriate procurement targets, if any, for cost-effective energy storage systems, and reevaluate those targets every 3 years. In 2013, the City Council adopted a resolution directing Roseville Electric to begin a process to determine and recommend energy storage targets as defined by AB 2514. Subsequently, based on staff's conclusion that storage technologies were significantly more costly than Roseville's existing portfolio of resources, in 2014, the City Council adopted Resolution No. 14-424, which stated that energy storage procurement targets were not appropriate for the City of Roseville at that time. Three years later, the City Council adopted Resolution 17-379, which also stated that energy storage procurement targets were not appropriate for the City of Roseville at that time.

By January 1, 2021, Roseville Electric will provide an additional update to the California Energy Commission. This update will describe Roseville Electric's efforts to evaluate energy storage. In the past, Roseville has evaluated storage via a joint utility study, its integrated resource planning (IRP) process, and by reviewing studies on energy storage. Currently, Roseville is participating in an energy storage study being coordinated by the Northern California Power Agency, and staff has analyzed a recent industry study on the cost of storage. This industry study indicates that while costs have gone down, storage is not yet cost competitive with Roseville's existing portfolio of resources at current storage prices and benefits. Accordingly, staff's recommendation remains unchanged: energy storage procurement targets remain inappropriate for the City of Roseville at this time.

Staff will continue to evaluate cost-effective opportunities to utilize storage in Roseville Electric's IRP, and through ongoing Roseville-specific reviews.

This Council Communication and the proposed resolution fulfill the regulatory requirement of AB 2514.

FISCAL IMPACT

There is no fiscal impact associated with this item.

ENVIRONMENTAL REVIEW

The California Environmental Quality Act (CEQA) does not apply to activities that will not result in a direct or reasonably foreseeable indirect physical change in the environment, or is otherwise not considered a project as defined by CEQA Statute §21065 and CEQA State Guidelines §15060(c)(3) and §15378. The Energy Storage Procurement Targets meets the above criteria and is not subject to CEQA. No additional environmental review is required.

Respectfully Submitted,

David Siao, Electric Resources Analyst

Michelle Bertolino, Electric Utility Director

Dominick Casey, City Manager

ATTACHMENTS:

Description

Resolution No. 20-346

RESOLUTION NO. 20-346

STATING THAT ENERGY STORAGE PROCUREMENT TARGETS ARE NOT APPROPRIATE AT THIS TIME FOR THE CITY OF ROSEVILLE

WHEREAS, in September 2010, the State enacted Assembly Bill 2514 requiring publicly owned utilities to determine appropriate procurement targets for cost-effective energy storage systems; and

WHEREAS, in March 2013, the City Council adopted a resolution directing Roseville Electric to begin a process to determine and recommend energy storage targets as defined by AB 2514; and

WHEREAS, Roseville is participating in an energy storage study being coordinated by the Northern California Power Agency, and staff has analyzed a recent industry study on the cost of storage; and

WHEREAS, this industry study indicates that while costs have gone down, storage is not yet cost competitive with Roseville's existing portfolio of resources at current storage prices and benefits; and

WHEREAS, staff recommends stating that energy storage procurement targets remain inappropriate for the City of Roseville at this time.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Roseville that energy storage procurement targets are not appropriate at this time for the City of Roseville.

PASSED AND ADOPTED by the Council of the City of Roseville this____day of __________________________, 20_, by the following vote on roll call:

AYES COUNCILMEMBERS:

NOES COUNCILMEMBERS:

ABSENT COUNCILMEMBERS:

____
MAYOR

ATTEST:

____
City Clerk

COUNCIL COMMUNICATION

CC #: 0954
File #: 0721-05

Title:	Downtown Bridges and Trail Project - Notice of Completion
Contact:	Noah Siviglia 916-746-1300 nsiviglia@roseville.ca.us

Meeting Date: 9/2/2020
Item #: 7.9.

RECOMMENDATION TO COUNCIL

Staff recommends that the City Council accept the Downtown Bridges and Trail Project as complete and adopt a resolution authorizing the Public Works Director to execute the Notice of Completion.

BACKGROUND

In May of 2018 the Downtown Bridges and Trail Project was awarded to MCM Construction in the amount of $9,393,269.00. In general, the work consisted of refurbishing and reorienting the Ice House Bridge, constructing two new pedestrian bridges - one at the end of Taylor Street (in the vicinity of the the Downtown Library), and the other across from the Town Square. This bridge connects Town Square and Royer Park. In addition to the bridge construction, the project also: reconstructed three parking lots in the vicinity of downtown and Royer Park; installed additional landscaping around the bridges and parking lot; and placed historic art work on the Downtown Bridge.

Although the grand opening for the project happened in late September of 2019, construction consisting of creek bank stabilization on Dry Creek was completed in early October of 2019.

The final construction cost of the project was $10,480,188.55, which is approximately $1,086,920 (change order amount) above the contract award amount. The major items that contributed to the increase in construction cost were: removal of rust and replacement of structural members on the Ice House Bridge; reconstruction instead of resurfacing of the parking lots at Oak Street and Royer Park; additional grading in the Royer Park parking lot for additional ADA compliant parking stalls; upgrading electrical wiring for the Oak Street and Royer Park parking lots; and creek bank stabilization on Dry Creek next to the new Taylor Street pedestrian bridge. All of these items were not visible from the surface and were encountered when they were exposed during construction.

Because of the complexity of the project and the unknown issues that would be encountered during construction, this project had a 12% construction contingency. The project's changer orders were covered by the contingency.

In late April of this year, the contractor submitted all project documentation (the delay in getting the documentation from the contractor was due primarily to COVID-19) to staff and the agreed completion date for the project is March 19, 2020.

FISCAL IMPACT

The project is funded by: a Congestion Mitigation Grant (CMAQ); Active Transportation Grant (ATP); Bicycle Transportation Grant; Public Facilities Funds; and Local Transportation Funds.

The project's construction account has sufficient funds to cover the construction change orders and no General Funds were used on the construction of the project.

ENVIRONMENTAL REVIEW

The California Environmental Quality Act (CEQA) does not apply to activities that will not result in a direct or reasonably foreseeable indirect physical change in the environment, or is otherwise not considered a project as defined by CEQA Statute §21065 and CEQA State Guidelines §15060 (c)(3) and §15378. Issuing a Notice of Completion does not include the potential for a significant environmental effect, and therefore is not subject to CEQA.

Respectfully Submitted,

Noah Siviglia, Senior Engineer

Jason Shykowski, Public Works Director

Dominick Casey, City Manager

ATTACHMENTS:

Description

Resolution No. 20-344

Notice of Completion

Exhibit A

RESOLUTION NO. 20-344

ACCEPTING THE PUBLIC WORK KNOWN AS THE DOWNTOWN BRIDGES AND TRAIL PROJECT, APPROVING THE "NOTICE OF COMPLETION", AND AUTHORIZING THE PUBLIC WORKS DIRECTOR TO EXECUTE SAID NOTICE ON BEHALF OF THE CITY OF ROSEVILLE

BE IT RESOLVED by the City Council of the City of Roseville as follows:

1. The "Notice of Completion" on file in the City Clerk's Department relative to that public work known as the Downtown Bridges and Trail Project, has been approved and the public work accepted.

2. The Public Works Director is hereby authorized and directed to execute said Notice on behalf of the City of Roseville.

PASSED AND ADOPTED by the Council of the City of Roseville this_____day of ______________________, 20______, by the following vote on roll call:

AYES COUNCILMEMBERS:

NOES COUNCILMEMBERS:

ABSENT COUNCILMEMBERS:

____
MAYOR

ATTEST:

____
City Clerk

RECORDING REQUESTED BY AND WHEN
RECORDED MAIL TO:

CITY CLERK
CITY OF ROSEVILLE
311 VERNON STREET
ROSEVILLE, CA 95678

Exempt from recording fees
Pursuant to Gov't Code §27383

NOTICE OF COMPLETION

NOTICE IS HEREBY GIVEN that the public work of improvement known as the Downtown Bridges and Trail Project was completed and accepted by the City of Roseville on ______________________. The location is situated in the City of Roseville, County of Placer, State of California and is indicated on the attached map, marked as Exhibit "A" and incorporated herein by this reference. The real property herein described is owned by the City of Roseville, 311 Vernon Street, Roseville CA 95678.

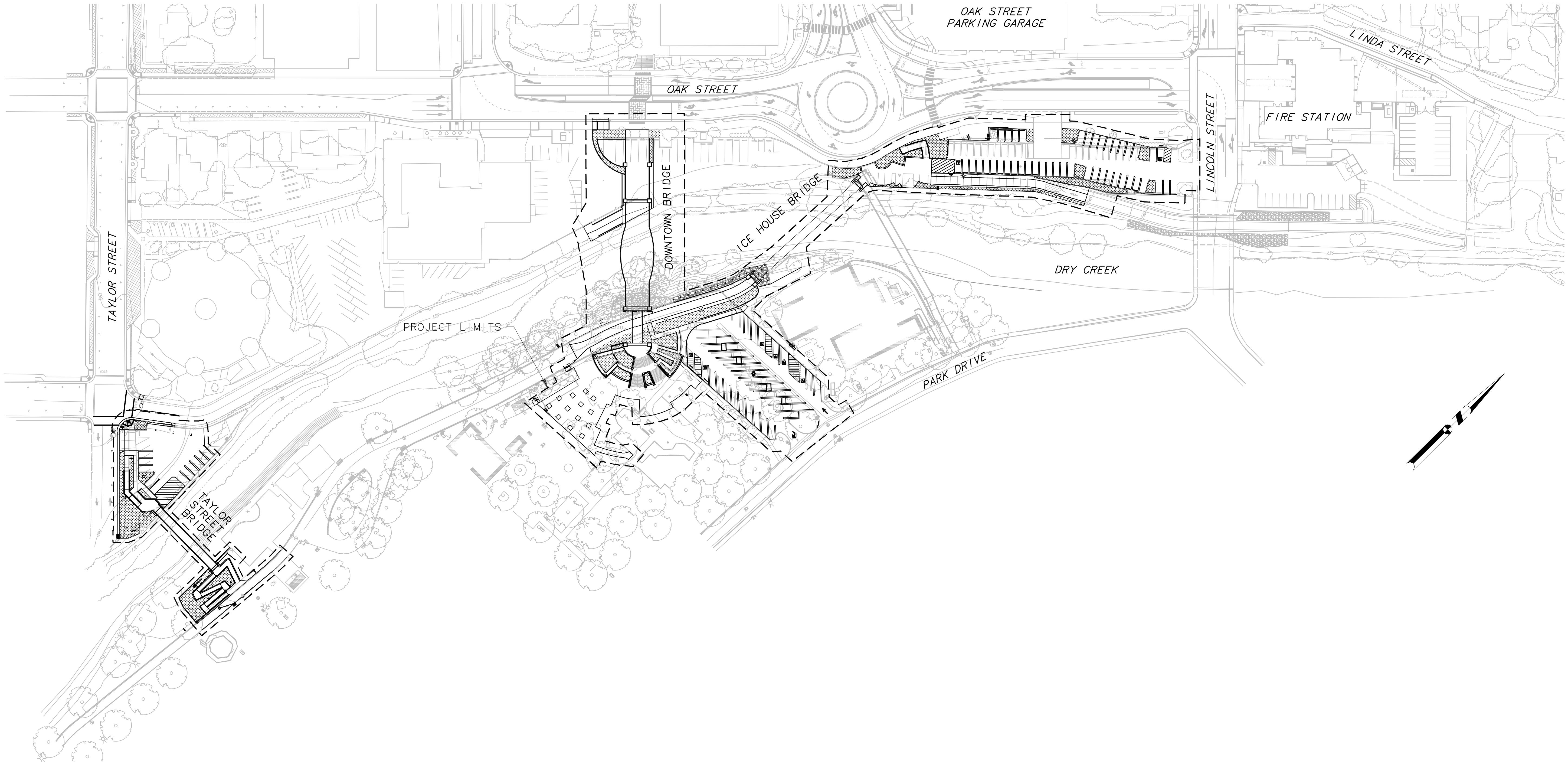
The direct/general contractor on said project was MCM Construction, Inc.

The surety on said project was Travelers Casualty and Surety of America.

____
Jason Shykowski
Public Works Director
City of Roseville
Owner

ATTEST:

____
Sonia Orozco, City Clerk



CITY OF ROSEVILLE CALIFORNIA

EXHIBIT A

DOWNTOWN BRIDGES AND TRAIL PROJECT

CITY OF ROSEVILLE CALIFORNIA

COUNCIL COMMUNICATION

CC #: 0953
File #: 0900-04-01

Title:	2019 Curb Ramps, Sidewalks, Curbs and Gutters Project - Notice of Completion
Contact:	Daniel Lierly 916-746-1300 delierly@roseville.ca.us

Meeting Date: 9/2/2020
Item #: 7.10.

RECOMMENDATION TO COUNCIL

Staff recommends that the City Council accept the 2019 Curb Ramps, Sidewalk, Curbs and Gutters Project as complete and adopt a resolution to authorize the Public Works Director to execute the Notice of Completion.

BACKGROUND

The 2019 Curb Ramps, Sidewalks, Curbs and Gutters Project was the combination of two biennial City maintenance projects; the 2019 Residential Curb Ramps Project, and the 2019 Sidewalks, Curbs and Gutters Project.

This project improved 426 curb ramps within the Foothills Junction, Woodcreek Oaks, South Cirby, Maidu, Los Cerritos, and Roseville Heights neighborhoods in preparation for planned resurfacing projects. Federal law requires that all curb ramps adjacent to roadways targeted for resurfacing meet Americans With Disabilities Act (ADA) requirements. The project also included 142 sidewalk, curb, and/or gutter repair locations. These locations were determined primarily due to damage caused by the roots of official city trees.

A map showing the project locations for the 2019 Curb Ramps, Sidewalks, Curbs and Gutters Project is provided as Exhibit A.

The Engineering Division has made the final inspection of the project and has found the work to be completed in accordance with the improvement plans and City specifications and it is now ready for acceptance. In accordance with the specifications and the Faithful Performance Bond, the contractor shall guarantee the installations of the improvements for a period of twelve months from the date of the notice of completion.

FISCAL IMPACT

This project was awarded at the June 19, 2019 City Council meeting for $2,855,699.00 and the final construction cost was $3,085,011.36. The project cost is greater than the project award cost by 8.0% which fits within the 10% contingency. The extra funding was required for quantity adjustments due to additional work found within the project area as well as additional ADA requests received during the construction of the project. This project was fully funded by Gas Tax, Local Transportation, and Highway User Tax funds. No General Fund resources were used for this project.

ENVIRONMENTAL REVIEW

The California Environmental Quality Act (CEQA) does not apply to activities that will not result in a direct or reasonably foreseeable indirect physical change in the environment, or is otherwise not considered a project as defined by CEQA Statute §21065 and CEQA State Guidelines §15060(c)(3) and §15378. The project acceptance and Notice of Completion meets the above criteria and is not subject to CEQA. No additional environmental review is required.

Respectfully Submitted,

Daniel Lierly, Assistant Engineer

Jason Shykowski, Public Works Director

Dominick Casey, City Manager

ATTACHMENTS:

Description

Resolution No. 20-343

NOC - 2019 Curb Ramps, Sidewalks, Curbs and Gutters

Exhibit A - Location Map

RESOLUTION NO. 20-343

ACCEPTING THE PUBLIC WORK KNOWN AS THE 2019 CURB RAMPS, SIDEWALKS, CURBS AND GUTTERS PROJECT, APPROVING THE "NOTICE OF COMPLETION", AND AUTHORIZING THE PUBLIC WORKS DIRECTOR TO EXECUTE SAID NOTICE ON BEHALF OF THE CITY OF ROSEVILLE

BE IT RESOLVED by the City Council of the City of Roseville as follows:

1. The "Notice of Completion" on file in the City Clerk's Department relative to that public work known as the 2019 Curb Ramps, Sidewalks, Curbs and Gutters Project, has been approved and the public work accepted.

2. The Public Works Director is hereby authorized and directed to execute said Notice on behalf of the City of Roseville.

PASSED AND ADOPTED by the Council of the City of Roseville this_____day of ______________________, 20______, by the following vote on roll call:

AYES COUNCILMEMBERS:

NOES COUNCILMEMBERS:

ABSENT COUNCILMEMBERS:

____
MAYOR

ATTEST:

____
City Clerk

RECORDING REQUESTED BY AND WHEN
RECORDED MAIL TO:

CITY CLERK
CITY OF ROSEVILLE
311 VERNON STREET
ROSEVILLE, CA 95678

Exempt from recording fees
Pursuant to Gov't Code §27383

NOTICE OF COMPLETION

NOTICE IS HEREBY GIVEN that the public work of improvement known as the
____ Project was completed and
accepted by the City of Roseville on __________________________. The location is situated in the City of Roseville, County of Placer, State of California and is indicated on the attached map, marked as Exhibit "A" and incorporated herein by this reference. The real property herein described is owned by the City of Roseville, 311 Vernon Street, Roseville CA 95678.

The direct/general contractor on said project was ___________________________.

The surety on said project was ____

____.

____

City of Roseville
Owner

ATTEST:

____
Sonia Orozco, City Clerk

State of California)
County of Placer)

I,______________________________, being first duly sworn, depose and say: I am the ________________________________ of the City of Roseville, a municipal corporation in the State of California, owner of the property described in the above Notice. I am duly authorized to make this verification for and on behalf of the City of Roseville. I have read the Notice of Completion and know its contents and the facts stated therein are true.

____

City of Roseville

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

State of California)
County of Placer)

Subscribed and sworn to (or affirmed) before me on this _____ day of _________________,

20___, _______________________________

proved to me on the basis of satisfactory evidence to be the person(s) who appeared before me.

Place Notary Seal and/or Stamp Above

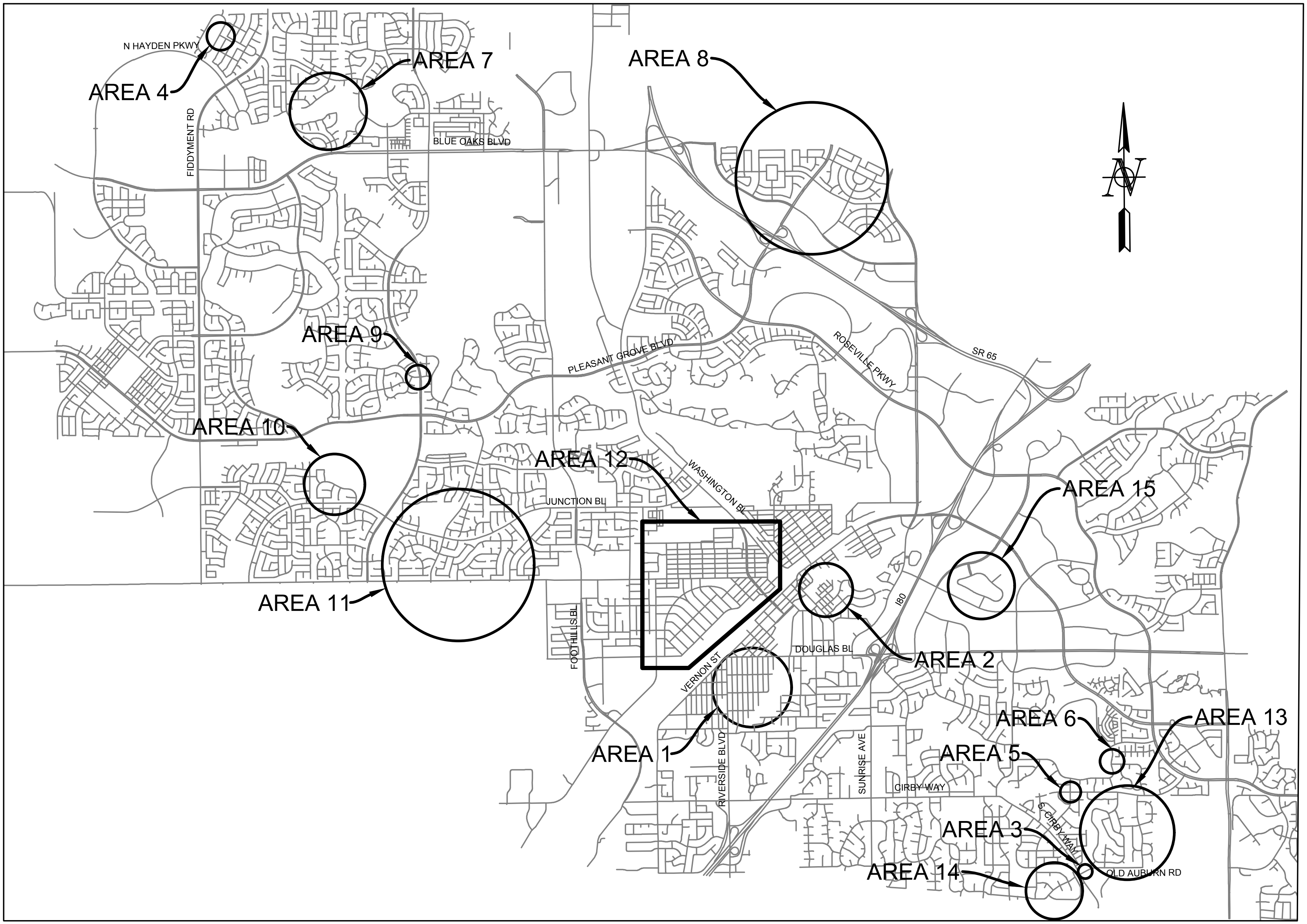
____

Signature of Notary Public

"EXHIBIT A"

2019 CURB RAMPS, SIDEWALKS , CURBS, & GUTTERS PROJECT

VICINITY MAP



COUNCIL COMMUNICATION

CC #: 0965
File #: 0721-03

Title:	South Placer Regional Mobility Training Program - Professional Services Agreement Amendment
Contact:	Tricia Litts 916-746-1308 tlitts@roseville.ca.us

Meeting Date: 9/2/2020
Item #: 7.11.

RECOMMENDATION TO COUNCIL

Staff recommends that Council adopt a resolution to approve a fourth amendment to the professional services agreement with Paratransit, Inc. for the South Placer Regional Mobility Training Program, and authorize the City Manager to execute it.

BACKGROUND

On September 21, 2016, the City hired Paratransit, Inc. to provide professional mobility training to support our Mobility Training Program. This program provides free local fixed-route training to teach seniors and individuals with special needs how to safely and independently ride local fixed-route buses within Roseville and across jurisdictional boundaries within the region.

The original agreement was for a term of one year with four one-year options available. The agreement has been extended three times previously. With Council approval, this fourth amendment will effectuate the final one-year option for extending the agreement. Paratransit Inc. has been meeting the goals of the Mobility Training Program by conducting referral assessments, implementing custom-designed mobility training plans for each qualified individual or group, providing reports, and following up with trainees. Those trained are elderly or persons with physical, psychological or intellectual disabilities.

As with many community services, the COVID-19 pandemic has had an impact on transit in general and the mobility training program in particular. Transit service has continued as an essential service during the COVID-19 pandemic, with changes implemented to protect passengers and drivers. These changes have included: temporary route changes; free boarding for local and dial-a-ride services; mask requirements for passengers and drivers per state law; installation of clear plastic shields to partition off the driver areas; and enhanced cleaning and disinfection of buses, including more than daily disinfection of high touch areas.

Although transit service continued with enhanced protocols, we discontinued the mobility training program's in-person, classroom, and one-on-one training on March 16, 2020. This was done to ensure the safety of our trainers and customers, many of whom are COVID-vulnerable due to age and/or physical challenges.

Paratransit, Inc. recently developed a virtual training that will allow us to re-start the mobility training program immediately. This will help increase participation and give passengers the information they need to use transit as their mobility choice when they feel comfortable and as we emerge from the COVID pandemic.

FISCAL IMPACT

The proposed amendment would extend the contractor performance period for one year to September 20, 2021 at a not-to-exceed cost of an additional $42,466, bringing the total not-to-exceed contract amount to $158,255 covering the total period of September 21, 2016 to September 21, 2021. The contract with Paratransit is funded by Federal Transit Administration (FTA) Section 5310 grant funds and Consolidated Transportation Services Agency (CTSA) Transit Development Act (TDA) funds. No General Fund resources are used for this project.

ENVIRONMENTAL REVIEW

The California Environmental Quality Act (CEQA) does not apply to activities that will not result in a direct or reasonably foreseeable indirect physical change in the environment, or is otherwise not considered a project as defined by CEQA Statute §21065 and CEQA State Guidelines §15060(c)(3) and §15378. Approval of an amendment to a Professional Services Agreement meets the above criteria and is not subject to CEQA. No additional environmental review is required.

Respectfully Submitted,

Tricia Litts, Community Relations Analyst

Jason Shykowski, Public Works Director

Dominick Casey, City Manager

ATTACHMENTS:

Description

Resolution No. 20-348

RESOLUTION NO. 20-348

APPROVING A FOURTH AMENDMENT TO PROFESSIONAL SERVICES AGREEMENT, BY AND BETWEEN THE CITY OF ROSEVILLE AND PARATRANSIT, INC., AND AUTHORIZING THE CITY MANAGER TO EXECUTE IT ON BEHALF OF THE CITY OF ROSEVILLE

WHEREAS, a fourth amendment to professional services agreement for the South Placer Regional Mobility Training Program, by and between the City of Roseville and Paratransit, Inc., has been reviewed by the City Council; and

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Roseville that said fourth amendment is hereby approved and that the City Manager is authorized to execute it on behalf of the City of Roseville.

PASSED AND ADOPTED by the Council of the City of Roseville this ____ day of _______________, 20_, by the following vote on roll call:

AYES COUNCILMEMBERS:

NOES COUNCILMEMBERS:

ABSENT COUNCILMEMBERS:

____
MAYOR

ATTEST:

____
City Clerk

FOURTH AMENDMENT TO

PROFESSIONAL SERVICES AGREEMENT

Project: South Placer Regional Mobility Training Program

THIS FOURTH AMENDMENT TO AGREEMENT is made and entered into this 5th day of August, 2020, by and between the City of Roseville, a municipal corporation ("CITY"), and Paratransit, Inc., a California corporation ("CONSULTANT"); and

W I T N E S S E T H:

WHEREAS, CITY and CONSULTANT previously entered into a Professional Services Agreement dated September 21, 2016, amended on September 20, 2017, September 19, 2018 and September 4, 2019 ("Agreement") regarding the South Placer Regional Mobility Training Program ("Project"); and

WHEREAS, CITY desires to amend the Agreement to extend the term by one year; and

WHEREAS, CONSULTANT is willing and able to continue providing mobility training services for an additional year.

NOW, THEREFORE, the parties agree as follows:

1. Paragraph 2 of the Agreement is amended by adding an additional paragraph to read as follows:

"CITY exercises it final option to renew the Agreement for one additional year. Therefore, the term of the Agreement is hereby extended to September 21, 2021."

2. Paragraph 3 of the Agreement is amended by adding an additional paragraph to read as follows:

"CITY shall pay forty-two thousand, four hundred sixty-six dollars ($42,466), in consideration of the renewed services through September 21, 2021. This brings the total not to exceed contract amount to two hundred thousand, seven hundred twenty-one dollars ($200,721)."

3. All other provisions of the Agreement shall remain unchanged and in full force and effect.

IN WITNESS WHEREOF, the City of Roseville, a municipal corporation, has authorized the execution of this Fourth Amendment to Agreement in duplicate by its City Manager and attested to by its City Clerk under the authority of Resolution No._________, adopted by the Council of the City of Roseville on the____day of___________, 20_, and CONSULTANT has caused this Fourth Amendment to Agreement to be executed.

CITY OF ROSEVILLE, a municipal corporation	PARATRANSIT, INC., a California corporation
BY:________________________ DOMINICK CASEY City Manager	BY: Diane M. Funk its: Chief Executive Officer

[SIGNATURES CONTINUED ON FOLLOWING PAGE]

[E:\COUNCIL COMMUNICATIONS\paratransit.docx; 7/13/2020]

ATTEST:

BY:__________________________
SONIA OROZCO
City Clerk

and

BY: __________________________

its: Chief Administrative Officer

APPROVED AS TO FORM:

BY:__________________________
ROBERT R. SCHMITT
City Attorney

APPROVED AS TO SUBSTANCE:

BY:__________________________
JASON SHYKOWSKI
Public Works Director

[E:\COUNCIL COMMUNICATIONS\paratransit.docx; 7/13/2020]

COUNCIL COMMUNICATION

CC #: 0969
File #: 0721 & 0214

Title:	Active Transportation Program Grant Authorization – Dry Creek Greenway East Phase 2 (Rocky Ridge Drive to Old Auburn Road)
Contact:	Alison Winter 916-774-5293 awinter@roseville.ca.us

Meeting Date: 9/2/2020
Item #: 7.12.

RECOMMENDATION TO COUNCIL

Staff recommends that the City Council adopt a resolution authorizing the City Manager or his designee to submit an ATP Cycle 5 application to the California Transportation Commission (CTC) and to execute all related forms and agreements for the Dry Creek Greenway East Trail Phase 2 (Rocky Ridge Drive to Old Auburn Road).

BACKGROUND

The State of California recently released a call for projects for Cycle 5 of the Active Transportation Program (ATP). The ATP is a competitive program that provides funding for projects that encourage increased use of active modes of transportation, such as walking and biking. Funding for the ATP was augmented in 2017 through the passage of Senate Bill 1, the Road Repair and Accountability Act. The City has received funding in prior ATP cycles for the Downtown Bridges, Washington Bike/Ped Project, and Dry Creek Greenway East Phase 1 (Riverside Avenue to Rocky Ridge Drive).

Per the General Plan and Bicycle Master Plan, the Dry Creek Greenway East Trail Project is a proposed paved multi-use trail along Dry, Cirby, and Linda Creeks from Darling Way/Riverside Avenue to the City limits at S. Cirby Way/Old Auburn Road, a distance of 4.25 miles. The project alignment and a phasing plan were approved by the City Council on March 20, 2019. As noted above, Phase 1 has already received ATP funding.

Staff believes that Phase 2, Rocky Ridge Drive to Old Auburn Road, has the potential to compete well for ATP Cycle 5 construction funding. If ATP construction funding is approved, staff would return to City Council with an action plan for locally-funded final design, permitting, and right-of-way acquisition that would facilitate trail construction as early as 2024.

FISCAL IMPACT

The estimated total cost for the Dry Creek Greenway Multi-Use Trail Phase 2, from Rocky Ridge Drive to Old Auburn Road, is approximately $6.5M. The estimated cost of Plans, Specifications, and Estimates (PS&E), permitting, and right-of-way is approximately $850,000, which will be funded through local transportation funds. If the ATP Cycle 5 grant is successful, it will provide up to $5.5M to be applied towards the construction and non-infrastructure costs.(i.e. Safe Routes to School Program). General Fund resources will not be used for the project.

ENVIRONMENTAL REVIEW

Project level CEQA compliance for the Dry Creek Greenway Multi-Use Trail Phase 2, from Rocky Ridge Drive to Old Auburn Road (Project) was accomplished with preparation of the Dry Creek Greenway East Trail Project Final Environmental Impact Report (EIR) (Adopted: March 20, 2019) (SCH: 2014032087). Because the Project is consistent with the project evaluated in the Dry Creek Greenway East Trail Project Final EIR, no new effects would be expected to occur and all applicable mitigation measures from the Dry Creek Greenway East Trail Project Final EIR will be implemented. As such, no additional CEQA action is required at this time.

Respectfully Submitted,

Alison Winter, Alternative Transportation Analyst

Jason Shykowski, Public Works Director

Dominick Casey, City Manager

ATTACHMENTS:

Description

Resolution No. 20-352

RESOLUTION NO. 20-352

AUTHORIZING THE CITY MANAGER OR HIS DESIGNEE TO SUBMIT AN ATP CYCLE 5 APPLICATION TO THE CALIFORNIA TRANSPORTATION COMMISSION (CTC), AND TO EXECUTE ALL RELATED FORMS AND AGREEMENTS ON BEHALF OF THE CITY OF ROSEVILLE

WHEREAS, the State of California recently released a call for projects for Cycle 5 of the Active Transportation Program (ATP); and

WHEREAS, per the General Plan and Bicycle Master Plan, the Dry Creek Greenway East Trail Project is a proposed paved multi-use trail along Dry, Cirby, and Linda Creeks from Darling Way/Riverside Avenue to the City limits at S. Cirby Way/Old Auburn Road, a distance of 4.25 miles; and

WHEREAS, staff believes that Phase 2, Rocky Ridge Drive to Old Auburn Road, has the potential to compete well for ATP Cycle 5 construction funding; and

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Roseville that the City Manager or his designee is hereby authorized to submit an ATP Cycle 5 application to the California Transportation Commission (CTC) and to execute all related forms and agreements for the Dry Creek Greenway East Trail Phase 2 (Rocky Ridge Drive to Old Auburn Road).

PASSED AND ADOPTED by the Council of the City of Roseville this ____ day of ____________________________, 20_, by the following vote on roll call:

AYES COUNCILMEMBERS:

NOES COUNCILMEMBERS:

ABSENT COUNCILMEMBERS:

____
MAYOR

ATTEST:

____
City Clerk

COUNCIL COMMUNICATION

CC #: 0963
File #: 0110

Title:	Roseville Civic Plaza Storefront Modifications - Professional Services Agreement Amendment
Contact:	Wayne Wiley 916-774-5283 wwiley@roseville.ca.us

Meeting Date: 9/2/2020
Item #: 7.13.

RECOMMENDATION TO COUNCIL

Staff recommends the City Council adopt a resolution approving a First Amendment to Professional Services Agreement with Mark Scott Construction, Inc. for the design and construction of City obligated improvements to the United States Postal Services (USPS) tenant space, and authorize the City Manager to execute it.

BACKGROUND

Mark Scott Construction, Inc. is the provider of design and construction related services for the United States Postal Service (USPS) and will be performing and overseeing all Tenant Improvement (TI) work related to the USPS' relocation to 116 South Grant. In coordination with the USPS, to date, the contractor has designed the tenant space and began related construction work. To maintain continuity with the USPS' vendor who has exclusive knowledge and design background of the applicable standards and operational parameters of the USPS, the City wishes to enter into an agreement allowing Mark Scott Construction, Inc. to construct the City's required improvements related to the installation of demising walls and new storefront systems.

The City has entered into a Professional Services Agreement with Mark Scott Construction, Inc. to perform work obligated to the City for an amount not to exceed $21,000. However, due to the cost of additional improvements, as noted above, the City is now requesting an amendment to include design and construction related services that will cover all of the City's construction obligations for an amount not to exceed $54,000.

FISCAL IMPACT

A budget adjustment was approved by Council on June 17, 2020, allocating funds to cover the City's obligated expenses associated with the relocation of the Post Office to 116 South Grant Street. The cost of the improvements is consistent with what was anticipated for this project and the Post Office Tenant Improvements Capital Improvement Project has been established to pay the expenses of the construction work.

ENVIRONMENTAL REVIEW

The proposed project involves the construction of improvements to an existing facility. This activity is categorically exempt from CEQA as a Class 1 Exemption (State CEQA Guidelines Section 15301). The Exemption has been prepared and no further CEQA action is required.

Respectfully Submitted,

Wayne Wiley, Economic Development Manager

Laura Matteoli, Economic Development Director

Dominick Casey, City Manager

ATTACHMENTS:

Description

Resolution No. 20-347

Mark Scott Amendment

RESOLUTION NO. 20-347

APPROVING A FIRST AMENDMENT TO PROFESSIONAL SERVICES AGREEMENT, BY AND BETWEEN THE CITY OF ROSEVILLE AND MARK SCOTT CONSTRUCTION, INC., AND AUTHORIZING THE CITY MANAGER TO EXECUTE IT ON BEHALF OF THE CITY OF ROSEVILLE

WHEREAS, a first amendment to professional services agreement for design and construction services related to the United States Postal Service's tenant improvements at 116 S. Grant Street, by and between the City of Roseville and Mark Scott Construction, Inc., has been reviewed by the City Council; and

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Roseville that said first amendment is hereby approved and that the City Manager is authorized to execute it on behalf of the City of Roseville, upon receipt and approval of bonds by the City Attorney's office.

PASSED AND ADOPTED by the Council of the City of Roseville this____day of _______________, 20_, by the following vote on roll call:

AYES COUNCILMEMBERS:

NOES COUNCILMEMBERS:

ABSENT COUNCILMEMBERS:

____
MAYOR

ATTEST:

____
City Clerk

FIRST AMENDMENT TO

PROFESSIONAL SERVICES AGREEMENT

Project: Roseville Civic Plaza Storefront Modifications

THIS FIRST AMENDMENT TO AGREEMENT is made and entered into this ___ day of __________, 20__, by and between the City of Roseville, a municipal corporation ("CITY"), and Mark Scott Construction, Inc., a California corporation ("CONSULTANT"); and

W I T N E S S E T H:

WHEREAS, CITY and CONSULTANT previously entered into a Professional Services Agreement dated July 30, 2020 ("Agreement") regarding the design and construction of storefront modifications at 116 S. Grant Street ("Project"); and

WHEREAS, CITY desires to amend the Agreement to include additional services as described in CONSULTANT's proposal which is attached hereto as Exhibit "A" and incorporated herein by reference; and

WHEREAS, CONSULTANT is willing and able to provide such additional services.

NOW, THEREFORE, the parties agree as follows:

1. CONSULTANT shall provide additional services as described in Exhibit "A" of this First Amendment to Agreement.

2. Section 2 of the Agreement is amended by adding an additional paragraph to read as follows:

"CITY shall pay fifty-four thousand dollars ($54,000), in consideration of the additional services as set forth in Exhibit "A" to the First Amendment to Agreement. This brings the total not to exceed contract amount to seventy-five thousand dollars ($75,000)."

3. Section 21 is hereby added to the Agreement, to read as follows:

"21. Prevailing Wages. When applicable, for purposes of this Agreement, CONSULTANT and its subcontractors shall comply with all applicable prevailing wage laws, e.g., but not limited to, California Labor Code Sections 1770 et seq. In accordance with said Section 1775, CONSULTANT shall forfeit as a penalty to the City two hundred dollars ($200) for each calendar day or portion thereof for each worker paid less than the prevailing rates for such work or craft in which such worker is employed for any work done on-site under the Agreement by CONSULTANT or by any subcontractor in violation of the provisions of the Labor Code and in particular, Labor Code Sections 1770 to 1780, inclusive. In addition to said penalty and pursuant to said Section 1775, the difference between such stipulated prevailing wage rates and the amount paid to each worker for each calendar day or portion thereof for which each worker was paid less than the stipulated prevailing wage shall be paid to each worker by CONSULTANT or the applicable subcontractor.

Pursuant to the provisions of California Labor Code Section 1773, the contracting department has identified the source, stated below, of the general prevailing rate of wages applicable to the site to be done, for straight time, overtime, and holiday work. The holiday wage rate listed shall be applicable to all holidays recognized in the collective bargaining agreement of the particular craft, classification or type of worker concerned. These wage rates may be obtained from the State Department of Industrial Relations and/or the following website address: http://www.dir.ca.gov/dlsr/DPreWageDetermination.htm.

Pursuant to Labor Code Section 1773.2, general prevailing wage rates set forth above, which forms a part of this Agreement, shall be posted by CONSULTANT at a prominent place at the work site. Prevailing wage rates to be posted at the work site will be furnished by the contracting department. The possibility of wage increases is one of the elements to be considered by CONSULTANT in determining its proposal, and will not under any circumstances be considered as the basis of a claim against CITY or the Agreement."

4. Section 22 is hereby added to the Agreement, to read as follows:

"22. Contractor Registration. No contractor or subcontractor may work on a public works project unless registered with the Department of Industrial Relations pursuant to Labor Code section 1725.5. During the performance of this Agreement, CONSULTANT and its subcontractors shall have a continuing legal obligation to maintain current registration with the Department of Industrial Relations. CONSULTANT is hereby notified that this Agreement is subject to compliance monitoring and enforcement by the Department of Industrial Relations."

5. All other provisions of the Agreement shall remain unchanged and in full force and effect.

IN WITNESS WHEREOF, the City of Roseville, a municipal corporation, has authorized the execution of this First Amendment to Agreement in duplicate by its City Manager and attested to by its City Clerk under the authority of Resolution No. _________, adopted by the Council of the City of Roseville on the ___ day of ___________, 20__, and CONSULTANT has caused this First Amendment to Agreement to be executed.

CITY OF ROSEVILLE, a
municipal corporation

BY: ________________________
DOMINICK CASEY
City Manager

ATTEST:

BY: ________________________
SONIA OROZCO
City Clerk

APPROVED AS TO FORM:

BY: ________________________
ROBERT R. SCHMITT
City Attorney

APPROVED AS TO SUBSTANCE:

BY: Laura Matteoli
LAURA MATTEOLI
Economic Development Director

MARK SCOTT CONSTRUCTION, INC.,
a California corporation

BY: ________________________

its: Vice President

and

BY: ________________________

its: CFO

EXHIBIT “A”

Date 7/10/20

Project Roseville Civic Plaza Demising Wall Modifications
Job C20060
Address 116 S Grant St
City & State Roseville, CA

Scope of Work: Design and Construction of Demising Partition Wall

1.) Design and build all demising wall improvements to postal serivce standards.
2.) Supply and install new full height demising wall for new USPS tentant space.
3.) New wall to be framed with steel gauge non bearing studs to deck.
4.) Includes new type x drywall. Finish to be level 4 on USPS side.
5.) Ceiling tile removeal and replacement only.

Pricing Notes:

1. Excludes ceiling grid, MEP, fire spirnkler, or fire alarm modifications to accomidate new wal
2. Excludes permits, fees, or bonds.
3. Excludes construction surveying, engineering, or layout.
4. Excludes priming/painting, baseboard, doors, frames, or hardware.
6. Anything not listed in our quote.
7. Phasing or any additional mobilizations will result in additional costs.
   Excludes weekend or overtime work.

TOTAL ***$ 54,000***

COUNCIL COMMUNICATION

CC #: 0952
File #: 0900-03 & 0201-01

Title: 116 S. Grant Street Tenant Improvements - Budget Adjustment
Contact: Eric Campbell 916-774-5626 ecampbell@roseville.ca.us

Meeting Date: 9/2/2020
Item #: 7.14.

RECOMMENDATION TO COUNCIL

Staff recommends City Council adopt an ordinance to approve the attached budget adjustment authorizing a $1,250,000 increase for the 116 S. Grant Street Tenant Improvements.

BACKGROUND

The 116 S. Grant Street building was acquired earlier this year to support the future needs of Roseville Electric Utility's operations, including supporting the utility's customer service function and customer programs. The building will provide the City's utility customers with a one-stop shop where they can pay their bill and learn about exciting new programs, emerging technology, and rebates.

The recommended budget adjustment will provide additional funds for office space design and construction to support the new customer service experience, relocation of functions such as utility billing and customer solutions, and to make certain repairs to the building. The FY2020-21 budget included an initial budget of $250,000. Staff recommends that the budget be increased by $1,250,000 for a total budget of $1,500,000.

FISCAL IMPACT

Approval of the attached budget adjustment appropriates an additional $1,250,000 in funding from the Electric Fund for FY2020-21.

ENVIRONMENTAL REVIEW

The California Environmental Quality Act (CEQA) does not apply to activities that will not result in a direct or reasonably foreseeable indirect physical change in the environment, or is otherwise not considered a project as defined by CEQA Statute §21065 and CEQA State Guidelines §15060(c)(3) and §15378. Approval of a budget adjustment meets the above criteria and is not subject to CEQA. No additional environmental review is required.

Respectfully Submitted,

Eric Campbell, Electric Financial Administrator

Michelle Bertolino, Electric Utility Director

Dominick Casey, City Manager

ATTACHMENTS:

Description

Ordinance No. 6262

Budget Adjustment

ORDINANCE NO. 6262

ORDINANCE OF THE COUNCIL OF THE CITY OF ROSEVILLE AUTHORIZING CERTAIN AMENDMENTS TO THE FISCAL YEAR 2020-21 BUDGET AND DECLARING THIS ORDINANCE TO BE IMMEDIATELY EFFECTIVE AS AN APPROPRIATION MEASURE

THE CITY OF ROSEVILLE ORDAINS:

SECTION 1. The City of Roseville Annual Budget, Fiscal Year 2020-21, is hereby amended by transferring appropriation to and from the activities indicated below:

Appropriate funds for the116 S. Grant Street Tenant Improvements project, per the request of the Electric Department as listed on the attached Request for Budget Adjustment in the amount of $1,250,000.

SECTION 2. This ordinance is hereby declared to be an appropriation measure, immediately effective pursuant to the provisions of Section 5.03 of the Charter.

SECTION 3. The City Clerk is hereby authorized and directed to post a true copy of the foregoing ordinance in each of three (3) conspicuous locations in the City and she shall immediately after such posting enter in the ordinance book, under the record of the ordinance, a certificate under her hand stating the time and place of such publication by posting.

PASSED AND ADOPTED by the Council of the City of Roseville, this _______________ day of __________________, 2020, by the following vote on roll call:

AYES COUNCILMEMBERS:

NOES COUNCILMEMBERS:

ABSENT COUNCILMEMBERS:

____
MAYOR

ATTEST:

____
City Clerk

REQUEST FOR BUDGET ADJUSTMENT

CITY OF ROSEVILLE CALIFORNIA

REQUESTER NAME & TITLE: Eric Campbell — FISCAL YEAR: 2021

PREPARER NAME & TITLE: Joanna Cucchi — COUNCIL DATE (if applicable): 9/2/2020

DEPARTMENT/DIVISION: Electric/Administration — ORDINANCE:

EXPENDITURES/EXPENSES/TRANSFERS OUT

ACCOUNT STRING				BUDGET ($)	DESCRIPTION
Fund	Account	Center	Project	Adjustment	
6001	6587	84701	500160	1,250,000	Increase 116 S. Grant Street Tenant Improvements Project
			TOTAL	1,250,000	

REVENUES/TRANSFERS IN

ACCOUNT STRING				BUDGET ($)	DESCRIPTION
Fund	Account	Center	Project	Adjustment	
			TOTAL	-	

NET ADJUSTMENT	1,250,000	

FUND BALANCE

ACCOUNT STRING				BUDGET ($)	DESCRIPTION
Fund	Account	Center	Project	Adjustment	
6001				(1,250,000)	
			TOTAL	(1,250,000)	

Justification for Budget Adjustment:

This recommended budget adjustment will provide additional funds to the 116 S. Grant Street tenant improvement project, including office space design and construction, to support customer service delivery functions such as utility billing and customer solutions. The Fiscal Year (FY) 2020-21 budget included a preliminary estimate of $250,000 for tenant improvements but was made before a comprehensive evaluation of the building and occupancy plan was completed. Staff recommends that the budget be increased by $1.25 million for a total of $1.5 million to fund tenant improvements to prepare the building for occupancy.

REQUIRED APPROVALS:

Michelle Bertolino (Aug 6, 2020 09:44 PDT) — Aug 6, 2020

REQUESTING DEPARTMENT HEAD / DESIGNEE	DATE	BUDGET MANAGER / DESIGNEE	DATE
CHIEF FINANCIAL OFFICER / DESIGNEE	DATE	CITY MANAGER / DESIGNEE	DATE

BUDGET DEPARTMENT USE ONLY:

POSTED BY — DATE

Revised: June 24, 2019

8/6/20209:17 AM

116 Grant Budget adjustment

Final Audit Report 2020-08-06

Created:	2020-08-06
By:	Lynn Garcia (lcgarcia@roseville.ca.us)
Status:	Signed
Transaction ID:	CBJCHBCAABAAUMo71qvC8TZN1qwfHnYBIzU84CYEoaAa

"116 Grant Budget adjustment" History

Document created by Lynn Garcia (lcgarcia@roseville.ca.us)
2020-08-06 - 4:29:40 PM GMT- IP address: 136.245.4.245

Document emailed to Michelle Bertolino (mbertolino@roseville.ca.us) for signature
2020-08-06 - 4:30:35 PM GMT

Document e-signed by Michelle Bertolino (mbertolino@roseville.ca.us)
Signature Date: 2020-08-06 - 4:44:57 PM GMT - Time Source: server- IP address: 136.245.4.245

Signed document emailed to Lynn Garcia (lcgarcia@roseville.ca.us) and Michelle Bertolino (mbertolino@roseville.ca.us)
2020-08-06 - 4:44:57 PM GMT

COUNCIL COMMUNICATION

CC #: 0973
File #: 0102 & 0201-01

Title:	Carryforward of Unappropriated FY2019-20 City Council Discretionary Funds - Budget Adjustment
Contact:	Heather Blanco 916-746-1171 hblanco@roseville.ca.us Sonia Orozco 916-774-5269 sorozco@roseville.ca.us

Meeting Date: 9/2/2020
Item #: 7.15.

RECOMMENDATION TO COUNCIL

Direct staff to process a budget adjustment to carry forward unappropriated FY2019-20 Discretionary Funds for use in FY2020-21.

BACKGROUND

Per section 4.06.040 of the Roseville Municipal Code, the unappropriated amounts will be carried forward to subsequent fiscal years. The unappropriated balance of Council's Discretionary Funds at the end of the FY2019-20 is $21,909. The recommended budget adjustment will carry forward the unspent balance, increasing the Council's Discretionary Funds for FY2020-21 to $36,909 allowing the Council greater flexibility on discretionary requests received in FY2020-21.

FISCAL IMPACT

There is no fiscal impact to the City's General Fund. Annually the City Treasurer allocates $15,000 of the annual earnings on the Citizens' Benefit Fund per section 4.06.040 in the Municipal Code and is included in the annual budget along with the Citizens' Benefit Fund available for appropriation each year. These earnings are restricted for the purpose of improving the quality of life for the citizens in Roseville and appropriated by the City Council.

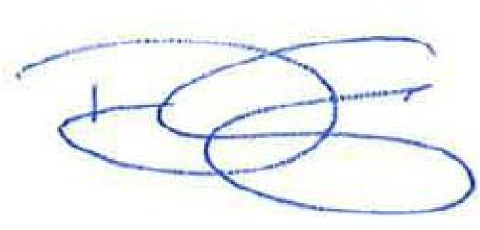
ENVIRONMENTAL REVIEW

The California Environmental Quality Act (CEQA) does not apply to activities that will not result in a direct or reasonable foreseeable indirect physical change in the environment CEQA Guidelines § 15061(b) (3)). The award of funds does not include the potential for a significant environmental effect, and therefore is not subject to CEQA.

Respectfully Submitted,

Heather Blanco, Management Assistant

Sonia Orozco, City Clerk



Dominick Casey, City Manager

ATTACHMENTS:

Description

Ordinance No. 6264

Budget Adjustment

ORDINANCE NO. 6264

ORDINANCE OF THE COUNCIL OF THE CITY OF ROSEVILLE
AUTHORIZING CERTAIN AMENDMENTS TO THE FISCAL YEAR 2020-21
BUDGET AND DECLARING THIS ORDINANCE TO BE IMMEDIATELY
EFFECTIVE AS AN APPROPRIATION MEASURE

THE CITY OF ROSEVILLE ORDAINS:

SECTION 1. The City of Roseville Annual Budget, Fiscal Year 2020-21, is hereby amended by transferring appropriation to and from the activities indicated below:

> Appropriate funds for unappropriated Council discretionary funds, per request of the City Managers' Department, as listed on the attached Request for Budget Adjustment totaling $21,909.

SECTION 2. This ordinance is hereby declared to be an appropriation measure, immediately effective pursuant to the provisions of Section 5.03 of the Charter.

SECTION 3. The City Clerk is hereby authorized and directed to post a true copy of the foregoing ordinance in each of three (3) conspicuous locations in the City and she shall immediately after such posting enter in the ordinance book, under the record of the ordinance, a certificate under her hand stating the time and place of such publication by posting.

PASSED AND ADOPTED by the Council of the City of Roseville, this ______________ day of _________________, 2020, by the following vote on roll call:

AYES COUNCILMEMBERS:

NOES COUNCILMEMBERS:

ABSENT COUNCILMEMBERS:

____
MAYOR

ATTEST:

____
City Clerk

CITY OF ROSEVILLE CALIFORNIA

REQUEST FOR BUDGET ADJUSTMENT

REQUESTER NAME & TITLE:	HEATHER BLANCO, MANAGEMENT ASSISTANT	FISCAL YEAR:	2021
PREPARER NAME & TITLE:	HEATHER BLANCO, MANAGEMENT ASSISTANT	COUNCIL DATE (if applicable):	9/2/2020
DEPARTMENT/DIVISION:	CITY MANAGER	ORDINANCE:	

EXPENDITURES/EXPENSES/TRANSFERS OUT

ACCOUNT STRING				BUDGET ($)	DESCRIPTION
Fund	Account	Center	Project	Adjustment	
3901	5570	54091	000000	21,909	Citizens' Benefit Trust - Council Discretionary Funds FY20 to FY21 balance Carry forward - FUNCTION=30504
			TOTAL	**21,909**	

REVENUES/TRANSFERS IN

ACCOUNT STRING				BUDGET ($)	DESCRIPTION
Fund	Account	Center	Project	Adjustment	
			TOTAL	-	

NET ADJUSTMENT	21,909	

FUND BALANCE

ACCOUNT STRING				BUDGET ($)	DESCRIPTION
Fund	Account	Center	Project	Adjustment	
3901				(21,909)	Reduce Citizen's Benefit Trust fund balance
			TOTAL	(21,909)	

Justification for Budget Adjustment:

Per Roseville Municipal Code - Section 4.060.040, City Council has the authority to carry forward any unappropriated Citizen's Benefit Trust (Council Discretionary funds) from one fiscal year to the next. City Council Action will be taken on 9/2/2020 to request the carry forward of $21,909 from FY2020 to FY2021, which will increase the Council's Discretionary Funds for FY2021 to $36,909 allowing the Council greater flexibility on discretionary requests received in FY2021.

REQUIRED APPROVALS:

REQUESTING DEPARTMENT HEAD / DESIGNEE	DATE	BUDGET MANAGER / DESIGNEE	DATE
CHIEF FINANCIAL OFFICER / DESIGNEE	DATE	CITY MANAGER / DESIGNEE	8/25/2020 DATE

BUDGET DEPARTMENT USE ONLY:

POSTED BY — DATE

Revised: June 24, 2019

8/24/20206:09 PM

COUNCIL COMMUNICATION

CC #: 0959
File #: 0214

Title:	Governor's Outreach Grant Funds - Budget Adjustment
Contact:	Shelly Bracco 916-774-5018 sbracco@roseville.ca.us

Meeting Date: 9/2/2020
Item #: 7.16.

RECOMMENDATION TO COUNCIL

Staff recommends that City Council adopt an ordinance approving a budget adjustment for $8,944 to the Police Department's budget with funds to be spent in the Social Services Unit.

BACKGROUND

In FY2017-18, the Police Department was a recipient of AB109 funding from the Governor's Budget, as part of the Governor's Outreach Project, in the amount of $39,930. The funding was allocated to city police departments to assist with positive outcomes between municipal law enforcement, and high-risk populations. The funding can be used on homeless outreach teams, crisis intervention training for officers and outreach to high-risk youth. This grant has no end date and all funding was provided in FY2017-18. The Social Services Unit was able to meet grant expectations through outreach, training and intervention, but had only spent $30,986.20 before the end of FY2018-19. The Police Department requested that the balance of the grant, $8,943.80, be accounted for as unearned revenue in order to access the funds in FY2019-20.

In January 2020, the Police Department went to Council and carried forward the unearned revenue of $8,943.80 to meet the goals of the Governor's Outreach Program. Due to COVID-19, all outreach efforts were put on hold through the end of FY2019-20. The Police Department is recommending that the balance of the grant, once again, be carried into the new fiscal year, FY2020-21.

FISCAL IMPACT

The budget adjustment will appropriate $8,944 back into the Police Department's Social Services budget for continued community outreach.

ENVIRONMENTAL REVIEW

The California Environmental Quality Act (CEQA) does not apply to activities that will not result in a direct or reasonably foreseeable indirect physical change in the environment, or is otherwise not considered a project as defined by CEQA Statute §21065 and CEQA State Guidelines §15060(c)(3) and §15378. A budget adjustment meets the above criteria and is not subject to CEQA. No additional environmental review is required.

Respectfully Submitted,

Shelly Bracco, Administrative Analyst

James Maccoun, Police Chief

Dominick Casey, City Manager

ATTACHMENTS:

Description

Ordinance No. 6263

Budget Adjustment

ORDINANCE NO. 6263

ORDINANCE OF THE COUNCIL OF THE CITY OF ROSEVILLE AUTHORIZING CERTAIN AMENDMENTS TO THE FISCAL YEAR 2020-21 BUDGET AND DECLARING THIS ORDINANCE TO BE IMMEDIATELY EFFECTIVE AS AN APPROPRIATION MEASURE

THE CITY OF ROSEVILLE ORDAINS:

SECTION 1. The City of Roseville Annual Budget, Fiscal Year 2020-21, is hereby amended by transferring appropriation to and from the activities indicated below:

Appropriate funds from the Governor's Outreach grant funds, per the request of the Police Department, as listed on the attached Request for Budget Adjustment in the amount of $8,944.

SECTION 2. This ordinance is hereby declared to be an appropriation measure, immediately effective pursuant to the provisions of Section 5.03 of the Charter.

SECTION 3. The City Clerk is hereby authorized and directed to post a true copy of the foregoing ordinance in each of three (3) conspicuous locations in the City and she shall immediately after such posting enter in the ordinance book, under the record of the ordinance, a certificate under her hand stating the time and place of such publication by posting.

PASSED AND ADOPTED by the Council of the City of Roseville, this _______________ day of__________________, 2020, by the following vote on roll call:

AYES COUNCILMEMBERS:

NOES COUNCILMEMBERS:

ABSENT COUNCILMEMBERS:

____
MAYOR

ATTEST:

____
City Clerk

CITY OF ROSEVILLE CALIFORNIA

REQUEST FOR BUDGET ADJUSTMENT

REQUESTER NAME & TITLE:	Shelly Bracco, Administrative Analyst	FISCAL YEAR:	2021
PREPARER NAME & TITLE:	Shelly Bracco, Administrative Analyst	COUNCIL DATE (if applicable):	09.02.2020
DEPARTMENT/DIVISION:	Police Social Services	ORDINANCE:	

EXPENDITURES/EXPENSES/TRANSFERS OUT

ACCOUNT STRING				BUDGET ($)	DESCRIPTION
Fund	Account	Center	Project	Adjustment	
1001	5585	44025		8,944	Social Services Misc Grant Expenses, function 34024
			TOTAL	8,944	

REVENUES/TRANSFERS IN

ACCOUNT STRING				BUDGET ($)	DESCRIPTION
Fund	Account	Center	Project	Adjustment	
1001	4410	44025		8,944	Social Services State Grant, function 34024
			TOTAL	8,944	

NET ADJUSTMENT	-	

FUND BALANCE

ACCOUNT STRING				BUDGET ($)	DESCRIPTION
Fund	Account	Center	Project	Adjustment	
			TOTAL	-	

Justification for Budget Adjustment:

In FY2017-18 the Police Department was the recipient of AB 109 Funding in the amount of $39,930. To date only $30,986.20 has been expended. Due to the onset of COVID-19, the Governor's Outreach grant funds were not expended in FY20; the Police Department deferred a total of $8,943.80. Staff recommends a budget adjustment in the amount of $8,943.80 to recognize the funding and provide expenditure authority. The Governor's Outreach grant has a function code of 34024, and will be fully expended in FY21.

REQUIRED APPROVALS:

7-24-2020			
REQUESTING DEPARTMENT HEAD / DESIGNEE	DATE	BUDGET MANAGER / DESIGNEE	DATE
CHIEF FINANCIAL OFFICER / DESIGNEE	DATE	CITY MANAGER / DESIGNEE	DATE

BUDGET DEPARTMENT USE ONLY:

POSTED BY | DATE

Revised: June 24, 2019

COUNCIL COMMUNICATION

CC #: 0962
File #: 0111-02

Title:	Response to 2019-2020 Placer County Grand Jury Final Report - Access to Agendas
Contact:	Sonia Orozco 916-774-5269 sorozco@roseville.ca.us

Meeting Date: 9/2/2020
Item #: 7.17.

RECOMMENDATION TO COUNCIL

Recommend the City Council approve the City of Roseville's response to the 2019-2020 Placer County Grand Jury Final Report, and authorize Mayor John B. Allard II to execute a response on behalf of the City Council.

BACKGROUND

On June 30, 2020, the Placer County Grand Jury issued its final report for 2019-2020. The final report includes a report entitled "Access to Agendas County Board of Supervisors, City and Town Councils." The report recites requirements in the Ralph M. Brown Act, California Government Code § 54950, et seq. for public meetings, and focuses on a legislative change effective January 1, 2019, regarding the posting of agendas on agency websites. The Placer County Grand Jury studied local agency websites to ascertain how easy it is for the public to access City Council meeting agendas and concluded the websites for Placer County, Auburn, Lincoln, Rocklin and Roseville did not comply with the new legislation.

California Penal Code section 933.05 sets forth the requirements for the City to respond to the Placer County Grand Jury report. The City must indicate whether the City agrees with, or disagrees in part or in whole, with the finding. As to each recommendation, the City is required to report whether the recommendation has been implemented, with a summary regarding the implemented action, or whether the City disagrees with the recommendation because it is not warranted or is not reasonable, with an explanation why the change will not be made. Unfortunately, the Placer County Grand Jury did not contact the City during the investigation, as required by California Penal Code section 933.05, so there was a missed opportunity for consultation.

The California State Legislature enacted Assembly Bill 2257 (California Government Code § 54954.2) updated the Ralph M. Brown Act with new requirements for posting meeting agendas on local agency websites. In relevant part, California Government Code section 54954.2, as amended by Assembly Bill 2257, requires that for a City Council meeting agenda posted on, or after January 1, 2019, the agency must provide an on-line posting of the agenda on the City's primary internet website homepage that is accessible through a prominent, direct link to the current agenda.

For legislative bodies using an integrated agenda management platform (IAMP) to manage the content of their website, California Government Code § 54954.2 outlines that if an agenda is posted in an integrated agenda management platform (e.g. NOVUS), it must be posted in an open format that is:

1. Retrievable, downloadable, indexable, and electronically searchable by commonly used internet search applications;
2. Platform independent and machine readable; and
3. Available to the public free of charge and without any restriction that would impede the reuse or redistribution of the agenda.

The City of Roseville's website currently complies with the requirements outlined above.

However, the Placer County Grand Jury found that Roseville technically complies with the requirement to list the most recent agenda first, but determined mixing City Council agendas with other agendas was "contrary to the intent of AB 2257." Clicking on the City Council link results in having to scroll down to a list of meetings for multiple city agencies (Planning Commission, Parks and Recreation and other boards and commissions) including the City Council agenda. Though a search function is available at the bottom of the page, access to the City Council agenda is not a simple direct link as required.

Based on the Grand Jury's recommendations, the City of Roseville home webpage now has an easy to find, prominent direct link for City Council agendas at the top of the page. Agendas are now available in a separated function with the most current agenda available.

FISCAL IMPACT

There is no fiscal impact associated with the City's response to the 2019-2020 Placer County Grand Jury report.

ENVIRONMENTAL REVIEW

The California Environmental Quality Act (CEQA) does not apply to activities that will not result in a direct or reasonably foreseeable indirect physical change in the environment, or is otherwise not considered a project as defined by CEQA Statute §21065 and CEQA State Guidelines §15060(c)(3) and §15378. Responding to the Placer County Grand Jury meets the above criteria and is not subject to CEQA. No additional environmental review is required.

Respectfully Submitted,

Sonia Orozco, City Clerk

Dominick Casey, City Manager

ATTACHMENTS:

Description

2019-2020 Placer County Grand Jury Report

Response to Grand Jury Report Form

Response Letter to Superior Judge and Grand Jury Foreman

Access to Agendas

County Board of Supervisors, City and Town Councils

Access to Agendas:
County Board of Supervisors, City and Town Councils

Summary
California enacted Assembly Bill 2257, codified in California Government Code § 54954.2 requiring all legislative bodies, such as city councils and boards of supervisors, to have a prominent, direct link to their agenda on their website's homepage and other specific requirements related to the listing of that agenda after January 1, 2019. The Placer County Grand Jury investigated compliance with this legislation for the Placer County Board of Supervisors, the City Councils of Auburn, Colfax, Lincoln, Roseville, and Rocklin and the Town Council of Loomis. We found that only the City of Colfax was fully compliant as of February 2020. The grand jury recommends that the non-compliant legislative bodies update their websites to comply with the current requirements.

Methodology
The grand jury viewed the websites for Placer County, Auburn, Colfax, Lincoln, Roseville, Rocklin, and Loomis to determine if each complies with the new legislation. Each website was viewed by the grand jury numerous times over a three-week period during February to verify and validate the findings.

Discussion
The California State Legislature passed The Ralph M. Brown Act (California Government Code § 54950) in 1953. The Brown Act applies to the legislative bodies of local agencies in California, including city and county government agencies, school districts, and special districts. Under current law, the legislative body of a local agency must post an agenda that specifies the time and location of an upcoming meeting and briefly describes the items of business to be discussed at least 72 hours before a regular meeting or 24 hours before a special meeting. The agenda must be posted in a physical location freely accessible to members of the public and on the agency's website, if it has one.

In 2016, the California State Legislature enacted Assembly Bill 2257 (California Government Code § 54954.2) updating the Brown Act with new requirements for posting meeting agendas on local agency websites. It also requires the agenda be retrievable, downloadable, searchable and indexable, and adds additional requirements governing the location, platform, and methods by which an agenda must be accessible.

The grand jury looked at how easy it is for the public to access the meeting agendas for the county board of supervisors and the councils of Auburn, Colfax, Lincoln, Roseville, Rocklin, and Loomis.

The first element of interest is access to the agenda itself. The law requires there to be a prominent, direct link to the agenda on the home page.

There are two similar, specific requirements based on whether or not the legislative body uses an integrated agenda management platform (IAMP) to manage the content of their website:

- California Government Code § 54954.2. (a) (2) (A) requires that a prominent, direct link is on the home page and not within a contextual menu.
- For legislative bodies using an IAMP, California Government Code § 54954.2. (a) (2) (C) (i) requires a prominent, direct link to the IAMP list of agendas on the home page and not within a contextual menu.

For those agencies using an IAMP, the most recent agenda must be shown at the top of a list of agendas. This requirement does not apply to legislative bodies not using an IAMP, because the direct link will display the current agenda.

The grand jury interprets the language in AB 2257 to mean the following:

- *Retrievable:* the agenda can be viewed using commonly available web browsers.
- *Downloadable:* the agenda can be downloaded to a computer.
- *Searchable:* the agenda document can be searched for specific terms using the search-on-the-page function provided in browsers.
- *Indexable:* commonly used search engines will respond to a search with the agenda for that legislative body.

The grand jury found that Placer County, Auburn, Lincoln, Roseville and Rocklin each use an IAMP. Neither Colfax nor Loomis appears to use an IAMP.

The grand jury found that the Colfax website complies with AB 2257. The grand jury acknowledges and commends the city for providing additional value to its citizens by offering a subscription service to the agendas.

Placer County's home page contains a prominent, direct agenda link under the Board of Supervisors section on a button labeled "Agendas & Summaries"; however, the list of agendas does not list the most recent agenda first as required.

Prominent, Direct Link

The grand jury found that the home pages for Auburn, Lincoln, Roseville, Rocklin, and Loomis do not contain a prominent, direct link to the current agenda or an agenda list.

- Auburn provides a link to a page that lists meetings for the city council and other city agencies. A second click is required to open the agenda from the list.
- Lincoln provides a direct link to the agenda, which we commend, but it is in a small, gray font at the top of the page and therefore not prominent.
- The Roseville and Rocklin home pages each provide a link to a page with an array of different city functions including the city council. Clicking on the city council link results in having to scroll down to a list of meetings for multiple city agencies including the city council. Though a search function is available at the top of that page, access to the city council agenda is not a simple direct link as required.

Agenda Listing Order

The grand jury found that Auburn, Lincoln, Roseville and Rocklin technically comply with the requirement of listing the most recent agenda first. However, these cities mix the agendas for the city council with the agendas for other city agencies, such as the planning commission. A search capability is provided to allow narrowing the display of agendas, but this occupies most of the page when it loads, making it more difficult to find the city council agenda. The grand jury interprets this as contrary to the intent of AB 2257.

Searchability

The grand jury found that the agenda posted on the website for Loomis does not comply with the section of AB 2257 that requires the agenda be electronically searchable. The Loomis agenda is a document type that is not searchable for specific terms using the search-on-the-page function provided in all browsers. The other governing bodies comply with this requirement.

Indexability

The grand jury found that indexing of agendas may not occur due to the nature of search engines.

The agenda for any *specific date* may not be indexed and found with commonly used search engines such as Google, DuckDuckGo, or Bing. The Brown Act requires that the agenda be available at least 72 hours prior to the meeting. This is insufficient time to guarantee that the agenda would be found by search engines.

Searching for an agenda of a specific date did not find that specific agenda, confirming the grand jury's understanding of the limits of search engines within the 72-hour posting requirement. Based on these results, the grand jury concludes that Placer County and the local councils all meet the intent of being indexable.

Conclusion

The grand jury found that the website for Colfax complies with AB 2257 and commends the city for their efforts to stay updated with the current law and to provide additional value to the citizens by offering an agenda subscription service.

The websites of the other legislative bodies do not comply with AB 2257.

Compliance Chart

Organization	Compliant w/ Agenda Listing Req't	Current Agenda Listed First (IAMP only)	Ability to Download Agenda	Ability to Print Agenda	Ability to Search the Agenda for specific topic or word	Compliant
Section	549524.2 (a)(2)(A	549524.2 (a)(2)(C)(iii)	549524.2 (a)(2)(B)(i)	549524.2 (a)(2)(B)(i)	549524.2 (a)(2)(B)(i)	
County of Placer	**No**	**No**	**Yes**	**Yes**	**Yes**	**No**
City of Auburn	**No**	**Yes**	**Yes**	**Yes**	**Yes**	**No**
City of Colfax	**Yes**	**Does Not Apply**	**Yes**	**Yes**	**Yes**	**Yes**
City of Lincoln	**No**	**Yes**	**Yes**	**Yes**	**Yes**	**No**
City of Roseville	**No**	**Yes**	**Yes**	**Yes**	**Yes**	**No**
City of Rocklin	**No**	**Yes**	**Yes**	**Yes**	**Yes**	**No**
Town of Loomis	**No**	**Does Not Apply**	**Yes**	**No**	**No**	**No**

Findings

The grand jury finds:

F1: The City of Colfax complies with AB 2257 and offers the convenience of an agenda subscription service.

F2: The Placer County website provides a prominent, direct link to the current Board of Supervisors meeting agenda. The listing of the Board of Supervisors meeting agendas is not sorted in reverse chronological order; therefore, it does not comply with AB 2257.

F3: The City of Auburn website does not provide a prominent, direct link to the current City Council meeting agenda, nor does it provide a direct link to an agenda management platform listing of City Council meeting agendas; therefore, it does not comply with AB 2257.

F4: The City of Lincoln website does not provide a prominent link to the current City Council meeting agenda; therefore, it does not comply with AB 2257.

F5: The City of Roseville website does not provide a prominent, direct link to the current City Council meeting agenda, nor does it provide a direct link to an agenda management platform listing of the City Council meeting agendas; therefore, it does not comply with AB 2257.

F5: The City of Rocklin website does not provide a prominent, direct link to the current City Council meeting agenda, nor does it provide a direct link to an agenda management platform listing of the City Council meeting agendas; therefore, it does not comply with AB 2257.

F6: The Town of Loomis website does not provide a prominent, direct link to the current City Council meeting agenda, nor does it provide a direct link to an agenda management platform listing of the City Council meeting agendas. The agenda for the Town of Loomis is not searchable for specific terms. Therefore, it does not comply with AB 2257.

Recommendations

The grand jury recommends:

R1: Placer County update its website to ensure that the Board of Supervisors agenda webpage lists the most recent agenda first by October 1, 2020.

R2: The City of Auburn update its website by incorporating a prominent, direct link to the current City Council meeting agenda or listing of city council agendas by October 1, 2020. If the link is to a list of agendas, they must list the most recent agenda first.

R3: The City of Lincoln update its website by making the direct link to the current City Council meeting agenda prominent by October 1, 2020.

R4: The City of Roseville update its website by incorporating a prominent, direct link to the current City Council meeting agenda or list of city council agendas by October 1, 2020. If the link is to a list of agendas, they must list the most recent agenda first.

R5: The City of Rocklin update its website by incorporating a prominent, direct link to the current City Council meeting agenda or list of city council agendas by October 1, 2020. If the link is to a list of agendas, they must list the most recent agenda first.

R6: The Town of Loomis update its website by incorporating a prominent, direct link to the current City Council meeting agenda or list of city council agendas and ensure that the posted agenda is searchable by October 1, 2020. If the link is to a list of agendas, they must list the most recent agenda first.

Request for Response

Pursuant to California Penal Code § 933.05, the Placer County Grand Jury requests a response from the following governing bodies:

Legislative Body	Recommendations Requiring Response	Response Due Date
Bonnie Gore, Chair **Placer County Board of Supervisors** 175 Fulweiler Avenue Auburn, CA 95603	**R1**	**October 1, 2020**
Daniel Berlant, Mayor **City Council, City of Auburn** 1225 Lincoln Way Auburn, CA 95603	**R2**	**October 1, 2020**
Dan Karleskint, Mayor **City Council, City of Lincoln** 600 6th Street Lincoln, CA 95648	**R3**	**October 1, 2020**
John B. Allard II, Mayor **City Council, City of Roseville** 311 Vernon St. Roseville, California 95678	**R4**	**October 1, 2020**
Greg Janda, Mayor **City Council, City of Rocklin** 3970 Rocklin Road Rocklin, CA 95677	**R5**	**October 1, 2020**
Jan Clark-Crets, Mayor **Town Council, Town of Loomis** 3665 Taylor Road Loomis, CA 95650	**R6**	**October 1, 2020**

Copy sent to:

Joe Fatula, Mayor
City Council, City of Colfax
33 South Main St
Colfax, CA 95713

Reference 1: Organization Web Links

District	Website
Placer County	https://www.placer.ca.gov/
City of Auburn	https://www.auburn.ca.gov/
City of Colfax	http://colfax-ca.gov/
City of Lincoln	http://www.lincolnca.gov/
City of Roseville	http://roseville.ca.us/
City of Rocklin	https://www.rocklin.ca.us/
Town of Loomis	https://loomis.ca.gov/

Reference 2: Text of Assembly Bill 2257 § 54954.2

State of California GOVERNMENT CODE

Section 54954.2

54954.2. (a) (1) At least 72 hours before a regular meeting, the legislative body of the local agency, or its designee, shall post an agenda containing a brief general description of each item of business to be transacted or discussed at the meeting, including items to be discussed in closed session. A brief general description of an item generally need not exceed 20 words. The agenda shall specify the time and location of the regular meeting and shall be posted in a location that is freely accessible to members of the public and on the local agency's Internet Web site, if the local agency has one. If requested, the agenda shall be made available in appropriate alternative formats to persons with a disability, as required by Section 202 of the Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 12132), and the federal rules and regulations adopted in implementation thereof. The agenda shall include information regarding how, to whom, and when a request for disability-related modification or accommodation, including auxiliary aids or services, may be made by a person with a disability who requires a modification or accommodation in order to participate in the public meeting.

(2) For a meeting occurring on and after January 1, 2019, of a legislative body of a city, county, city and county, special district, school district, or political subdivision established by the state that has an Internet Web site, the following provisions shall apply:

(A) An online posting of an agenda shall be posted on the primary Internet Web site homepage of a city, county, city and county, special district, school district, or political subdivision established by the state that is accessible through a prominent, direct link to the current agenda. The direct link to the agenda shall not be in a contextual menu; however, a link in addition to the direct link to the agenda may be accessible through a contextual menu.

(B) An online posting of an agenda including, but not limited to, an agenda posted in an integrated agenda management platform, shall be posted in an open format that meets all the following requirements:

(i) Retrievable, downloadable, indexable, and electronically searchable by commonly used Internet search applications.

(ii) Platform independent and machine readable.

(iii) Available to the public free of charge and without any restriction that would impede the reuse or redistribution of the agenda.

(C) A legislative body of a city, county, city and county, special district, school district, or political subdivision established by the state that has an Internet Web site and an integrated agenda management platform shall not be required to comply with subparagraph (A) if all of the following are met:

(i) A direct link to the integrated agenda management platform shall be posted on the primary Internet Web site homepage of a city, county, city and county, special district, school district, or political subdivision established by the state. The direct link to the integrated agenda management platform shall not be in a contextual menu. When a person clicks on the direct link to the integrated agenda management platform, the direct link shall take the person directly to an Internet Web site with the agendas of the legislative body of a city, county, city and county, special district, school district, or political subdivision established by the state.

(ii) The integrated agenda management platform may contain the prior agendas of a legislative body of a city, county, city and county, special district, school district, or political subdivision established by the state for all meetings occurring on or after January 1, 2019.

(iii) The current agenda of the legislative body of a city, county, city and county, special district, school district, or political subdivision established by the state shall be the first agenda available at the top of the integrated agenda management platform.

(iv) All agendas posted in the integrated agenda management platform shall comply with the requirements in clauses (i), (ii), and (iii) of subparagraph (B).

(D) For the purposes of this paragraph, both of the following definitions shall apply:

(i) "Integrated agenda management platform" means an Internet Web site of a city, county, city and county, special district, school district, or political subdivision established by the state dedicated to providing the entirety of the agenda information for the legislative body of the city, county, city and county, special district, school district, or political subdivision established by the state to the public.

(a) "Legislative body" has the same meaning as that term is used in subdivision of Section 54952.

(E) The provisions of this paragraph shall not apply to a political subdivision of a local agency that was established by the legislative body of the city, county, city and county, special district, school district, or political subdivision established by the state.

(3) No action or discussion shall be undertaken on any item not appearing on the posted agenda, except that members of a legislative body or its staff may briefly respond to statements made or questions posed by persons exercising their public testimony rights under Section 54954.3. In addition, on their own initiative or in response to questions posed by the public, a member of a legislative body or its staff may ask a question for clarification, make a brief announcement, or make a brief report on his or her own activities. Furthermore, a member of a legislative body, or the body itself, subject to rules or procedures of the legislative body, may provide a reference to staff or other resources for factual information, request staff to report back to the body at a subsequent meeting concerning any matter, or take action to direct staff to place a matter of business on a future agenda.

(b) Notwithstanding subdivision (a), the legislative body may take action on items of business not appearing on the posted agenda under any of the conditions stated below. Prior to discussing any item pursuant to this subdivision, the legislative body shall publicly identify the item.

(1) Upon a determination by a majority vote of the legislative body that an emergency situation exists, as defined in Section 54956.5.

(2) Upon a determination by a two-thirds vote of the members of the legislative body present at the meeting, or, if less than two-thirds of the members are present, a unanimous vote of those members present, that there is a need to take immediate action and that the need for action came to the attention of the local agency subsequent to the agenda being posted as specified in subdivision (a).

(3) The item was posted pursuant to subdivision (a) for a prior meeting of the legislative body occurring not more than five calendar days prior to the date action is taken on the item, and at the prior meeting the item was continued to the meeting at which action is being taken.

(c) This section is necessary to implement and reasonably within the scope of paragraph (1) of subdivision (b) of Section 3 of Article I of the California Constitution.

(d) For purposes of subdivision (a), the requirement that the agenda be posted on the local agency's Internet Web site, if the local agency has one, shall only apply to a legislative body that meets either of the following standards:

(1) A legislative body as that term is defined by subdivision (a) of Section 54952.

(2) A legislative body as that term is defined by subdivision (b) of Section 54952, if the members of the legislative body are compensated for their appearance, and if one or more of the members of the legislative body are also members of a legislative body as that term is defined by subdivision (a) of Section 54952.

(Amended by Stats. 2016, Ch. 265, Sec. 1, (AB 2257) Effective January 1, 2017.)

RESPONSE TO GRAND JURY REPORT FORM

Report Title: Access to Agendas - City of Roseville

Report Date: 2019-2020 Placer County Grand Jury

Response By: John B. Allard II **Title:** Mayor

FINDINGS

- I (we) agree with the findings, numbered: *F - 5*.
- I (we) disagree wholly or partially with the findings, numbered: *N/A*.

  (Describe here or attach a statement specifying any portions of the findings that are disputed or not applicable; include an explanation of the reasons therefore.)

RECOMMENDATIONS

- Recommendations numbered *R - 4* have been implemented.

  (Describe here or attach a summary statement regarding the implemented actions.)

- Recommendations numbered *N/A* have not yet been implemented, but will be implemented in the future.

  (Per Penal Code § 933.05(b)(2), a time frame for implementation must be included. Describe here or in an attachment.)

- Recommendations numbered *N/A* require further analysis.

  (Describe here or attach an explanation and the scope and parameters of an analysis or study, and a timeframe for the matter to be prepared for discussion by the officer or director of the agency or department being investigated or reviewed, including the governing body of the public agency when applicable. This timeframe shall not exceed six (6) months from the date of publication of the grand jury report.)

- Recommendations numbered *N/A* will not be implemented because they are not warranted or are not reasonable.

  (Describe here or attach an explanation.)

Date: *9/2/2020* **Signed:** ______________________

John B. Allard II Mayor

Number of pages attached *2*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Transportation Commission

Youth Sports Coalition

City Council
311 Vernon Street
Roseville, California

September 2, 2020

The Honorable Alan V. Pineschi
Presiding Judge of the Superior Court
County of Placer
P.O. Box 619072
Roseville, CA 95661

Walter Moore
Foreman
2019-2020 Placer County Grand Jury
11532 B Avenue
Auburn, CA 95603

Re: Response to 2019-2020 Grand Jury Final Report
Access to Agendas – City of Roseville

Dear Honorable Judge Pineschi and Placer County Grand Jury,

On behalf of the Roseville City Council, I would like to thank the Placer County Grand Jury for the continued dedication to the citizens of Placer County. I am pleased to submit the City of Roseville's response to the 2019-2020 Grand Jury Final Report.

Report Title:	Access to Agendas – County Board of Supervisors, City and Town Councils
Report Date:	Released to the public on June 26, 2020
Response by:	Roseville City Council – Mayor John B. Allard II

FINDINGS

The City of Roseville agrees with the finding numbered F5. Please note there are two F5's in the final report and the City of Roseville is only responding to the finding directed to the City of Roseville.

RECOMMENDATIONS

Recommendation Numbered R4 –The recommendation of the Grand Jury is that the City of Roseville update its website by incorporating a prominent, direct link to the City Council meeting agenda or list of City Council agendas by October 1, 2020. If the link is to a list of agendas, they must list the most recent agenda first.

Response to R4 – The City of Roseville has placed a prominent, direct link to the current City Council meeting agenda on the City's homepage, which lists the most recent agenda first.

The City of Roseville will continue to use an agenda management platform (Novus Agenda) listing all City Council agendas.

Again, I would like to thank the 2019-2020 Placer County Grand Jury for its report and service to the City of Roseville.

Sincerely,

John B. Allard II, Mayor
Acting on Behalf of the Roseville City Council

Cc: Roseville City Council

COUNCIL COMMUNICATION

CC #: 0960
File #: 0709-02-01

Title: Housing Authority Status Report - Housing Choice Voucher Program Activity

Contact: Suzanne Acrell 916-774-5469 sacrell@roseville.ca.us

Meeting Date: 9/2/2020
Item #: 7.18.

RECOMMENDATION TO COUNCIL

The City Council, acting as the Roseville Housing Authority Board, is not required to take any action on this item. This quarterly report is for informational purposes only.

BACKGROUND

Pursuant to the bylaws of the Roseville Housing Authority (RHA), the City Council, acting as the Board of Directors for the Housing Authority, holds its quarterly meeting the first Wednesday of March, June, September, and December, or as soon as possible thereafter. Staff has prepared the following status report regarding lease-up activity for the Housing Choice Voucher (HCV) Program. The HCV Program provides income-qualified households in Roseville and Rocklin with rental assistance using funding from the US Department of Housing and Urban Development (HUD). This assistance is utilized at rental units that meet program specific housing standards, are owned by a willing landlord, and are within Roseville or Rocklin city limits. This rental assistance ensures that the household is able to afford to live in safe and decent housing.

The RHA implemented the HUD-required Small Area Fair Market Rents (SAFMRs) starting February 1, 2018. Staff is monitoring the effects of these higher SAFMRs, which results in a higher cost per voucher to the Housing Authority. There are 521 RHA vouchers utilized in Roseville, 115 RHA vouchers being utilized in Rocklin, and 5 in other jurisdictions (approved transfers out of the area).

The RHA is authorized to provide 710 households with HCV rental assistance. This total includes 75 vouchers allocated specifically for families on the waiting list with a head-of-household or spouse that are non-elderly and disabled (NED vouchers), 40 Veterans Affairs Supportive Housing (VASH) vouchers used with veteran households that come by referral from the Veterans Affairs (VA) Department, and 33 Mainstream vouchers that assist households who have a non-elderly adult person with a disability and are transitioning out of institutional and other segregated settings, or are currently homeless or at risk of becoming homeless. RHA was awarded its first Mainstream vouchers (14 vouchers) in November 2018, and began accepting pre-applications by direct referral December 24, 2018. RHA applied for, and was awarded, an additional 11 vouchers effective January 2020 and 8 vouchers to be effective August 2020 for a total of 33. The RHA was awarded its first Veterans Affairs Supportive Housing (VASH) vouchers in October 2014 and continues to apply for additional vouchers as HUD makes more available. The Housing Division has 40 VASH vouchers to house veterans who were homeless or at risk of being homeless. RHA also administers the Family Self-Sufficiency Program (FSS), which is a component of the HCV Program. The FSS Program provides assistance to families who are working to become free of all public assistance. The RHA currently has 28 families enrolled in this worthwhile program, which is within its goal of 25-30 families.

Meta Housing, a developer of affordable housing, is constructing 65 new affordable units in Old Town Roseville. The project is scheduled to open October and November 2020. The RHA has committed 30 Project-Based vouchers to the 100% affordable housing project. It is anticipated that 8 of these vouchers will be leased up shortly after October 8, 2020 and 22 will be leased up shortly after November 19, 2020, which will be reflected in the table below. Of the 30 vouchers, 1 will be a regular voucher (applicants will come from the HCV waiting list), 10 will be regular vouchers layered with Mental Health Services Act funding, 3 of which must be homeless (applicants will come by Placer County HHS referral), and 19 will be VASH vouchers (applicants will come by VA referral). Project basing vouchers allows developers to secure necessary funding resulting in project feasibility and allows HCV participants increased housing opportunities not previously available.

For RHA to be in compliance with HUD's regulations, the lease-up rate for a calendar year cannot exceed 100% of its allocation of vouchers (per voucher type), and each Housing Authority is required to be at least 95% leased up for its voucher allocation or utilizing at least 95% of its annual budget authority. Agencies leasing up 98% or more of its allocated vouchers can reach high-performing status. The term "lease-up" refers to the number of families receiving rental assistance from RHA. As of July 2020, 78 of the NED vouchers, 32 of the VASH vouchers, and 22 of the Mainstream vouchers were utilized. Below is a summary chart of voucher lease-up. This translates to the following lease-up rates: regular vouchers, 92.3%, NED vouchers, 99.8%, VASH vouchers, 81.4%, and Mainstream vouchers, 82.9%. The RHA continues to meet the HUD program requirement for high-performing status through 100% expenditure of its annual budget allocation for the program.

This table provides a monthly summary of the RHA's voucher programs for calendar year 2020:

	Actual Lease-up of Regular	**HUD Regular (562)**	**Actual Lease-up of Non-Elderly Disabled**	**HUD Non-Elderly Disabled (75)**	**Actual Lease-up of VASH**	**HUD VASH (40)**	**Actual Lease-up of Main stream**	**HUD Main stream (25)**
January 2020	515	562	73	75	33	40	17	25
February 2020	522	562	73	75	33	40	19	25
March 2020	522	562	73	75	33	40	21	25
April 2020	520	562	73	75	33	40	22	25
May 2020	512	562	77	75	32	40	22	25

June 2020	519	562	77	75	32	40	22	25
July 2020	520	562	78	75	32	40	22	25
YTD Total	**3,630**	**3,934**	**524**	**525**	**228**	**280**	**145**	**175**
YTD % Leased	**92.3%**		**99.8%**		**81.4%**		**82.9%**	

Senate Bill 329 went into effect January 1, 2020, which prohibited owners and managers of rental units in California from rejecting a renter's application simply due to utilizing a Housing Choice Voucher. The RHA has already welcomed about ten rental properties and new owners to the HCV program who previously did not participate in the rental assistance program. This has greatly expanded housing opportunities for HCV participants statewide. The RHA is grateful for its established and new community partners and continues efforts to build owner relationships and increase additional housing inventory.

FISCAL IMPACT

Estimates of total employment created can be based on expenditure data, consistent with guidance from the Council of Economic Advisers (CEA), a three-member council that analyzes and interprets economic developments, and advises the President of the United States on national economic policy.

Total employment not only includes direct and indirect jobs, but also induced jobs. CEA estimates that total employment is increased by one job-year for every $92,000 in direct government spending. Based on this estimate, the HCV program will increase the economy with over 46 jobs over the current fiscal year.

ENVIRONMENTAL REVIEW

The California Environmental Quality Act (CEQA) does not apply to activities that will not result in a direct or reasonably foreseeable indirect physical change in the environment, or is otherwise not considered a project as defined by CEQA Statute §21065 and CEQA State Guidelines §15060(c)(3) and §15378.

The Roseville Housing Authority Quarterly Report meets the above criteria and is not subject to CEQA. No additional environmental review is required.

Respectfully Submitted,

Suzanne Acrell, Housing Analyst

Laura Matteoli, Econimic Development Director

Dominick Casey, City Manager

COUNCIL COMMUNICATION

CC #: 0974
File #: 0102-12

Title: League of California Cities Annual Conference – Designation of Voting Delegate
Contact: Mark Wolinski 916-774-5179 mwolinski@roseville.ca.us

Meeting Date: 9/2/2020
Item #: 7.19.

RECOMMENDATION TO COUNCIL

Staff recommends that the City Council appoint by motion, Vice Mayor Krista Bernasconi as the voting delegate to the League of California Cities business meeting of the General Assembly. The meeting will be held at noon on Friday, October 9, 2020.

BACKGROUND

The League of California Cities Annual Conference is being held October 7 - 9, 2020. This year, with so many factors related to the COVID-19 pandemic still unknown and the health and safety of League members, staff, partners, vendors, and guests as their priority, the Board Executive Committee has made the decision to transform the annual conference into a virtual event. The annual business meeting will be held at noon on Friday, October 9, 2020 when the membership takes action on resolutions that establish League policy.

In order to vote at the Annual Business Meeting, the City Council must designate a voting delegate. Designated voting delegates registered to attend the Annual Conference constitute the League's General Assembly. One very important aspect of the conference is the annual business meeting where the membership takes action on conference resolutions. Annual conference resolutions guide cities and the League in efforts to improve the quality, responsiveness and vitality of local government in California.

FISCAL IMPACT

Registration, is approximately $150 for the delegate and the funds were approved in the City Council's 2020/21 budget.

ENVIRONMENTAL REVIEW

The California Environmental Quality Act (CEQA) does not apply to activities that will not result in

a direct or reasonably foreseeable indirect physical change in the environment, or is otherwise not considered a project as defined by CEQA Statute §21065 and CEQA State Guidelines §15060(c)(3) and §15378.

This action meets the above criteria and is not subject to CEQA. No additional environmental review is required.

Respectfully Submitted,

Mark Wolinski, Government Relations Administrator

Megan MacPherson, Deputy City Manager

____
Dominick Casey, City Manager

COUNCIL COMMUNICATION

CC #: 0957
File #: 0206

Title:	City Council / Finance Authority - Issuance and Sale of Electric System Revenue Refunding Bonds, Series 2020
Contact:	Jeannine Thrash 916-774-5473 jthrash@roseville.ca.us Dennis Kauffman 916-774-5313 dkauffman@roseville.ca.us

Meeting Date: 9/2/2020
Item #: 8.1.

RECOMMENDATION TO COUNCIL

Staff recommends that Council approve the attached resolutions, contracts, documents and actions related to the 2020 Roseville Finance Authority Electric System Revenue Refunding Bonds:

1) Roseville Finance Authority Resolution;
2) City Resolution;
3) Trust Agreement;
4) 2020 Supplement;
5) Purchase Contract;
6) Escrow Agreement;
7) Preliminary Official Statement;

and authorizing certain other related actions, findings and determinations by law.

BACKGROUND

After a review of the existing Electric System debt portfolio, City staff identified an opportunity to refinance bonds at more favorable interest rates. The 2020 Bonds are being issued to redeem all or a portion of the Electric System bonds issued by the Authority in 2013 and all of the outstanding Electric System bonds issued by the Authority in 2014, and pay certain costs incurred in connection with the issuance of the 2020 Bonds. The net proceeds from the sale of the 2013 Bonds and 2014 Bonds were used to refinance certain outstanding obligations of the Electric System relating to certificates of participation executed and delivered in 2004 and 2005. The 2013 bonds and 2014 bonds are currently outstanding in the amount of $25.2 million and $16.5 million, respectively. As a result of this analysis, staff is recommending the refinancing of a portion of the 2013 bonds and all of the 2014 bonds.

FISCAL IMPACT

The financial markets are currently experiencing volatility due to, among other things, the uncertain economic impacts of the COVID-19 pandemic. Currently, the expected range of annual debt service savings for Roseville Electric from this bond refinancing is $175,000 to $250,000, with a total expected net present value savings of $2.0 million to $3.8 million. Actual results will be dependent upon market conditions at the time of the bond issuance.

ENVIRONMENTAL REVIEW

The California Environmental Quality Act (CEQA) does not apply to activities that will not result in a direct or reasonably foreseeable indirect physical change in the environment, or is otherwise not considered a project as defined by CEQA Statute §21065 and CEQA State Guidelines §15060(c)(3) and §15378. Adoption of the resolutions meets the above criteria and is not subject to CEQA. No additional environmental review is required.

COMPLIANCE STATEMENT

In accordance with Government Code 5852.1, the following information consists of charges for the Bonds that have been provided by the City's municipal financial advisor, which has been represented by such party to have been provided in good faith: (1) estimated true interest costs of the Bonds: 2.500%; (2) estimated finance charge of the Bonds (sum of all fees and charges paid to third parties): $400,000; (3) estimated amount of proceeds of the Bonds received by the City (net of finance charges, reserves): $35,667,606.57: and (4) estimated total payment amount (sum total of all payments to pay debt service on the Bonds plus the finance charge not paid with proceeds of the Bonds) calculated to the final maturity of the Bonds: $43,563,993.64.

Respectfully Submitted,

Jeannine Thrash, Administrative Analyst

Dennis Kauffman, Assistant City Manager/Chief Financial Officer

Dominick Casey, City Manager

ATTACHMENTS:

Description

Resolution No. 20-345

Finance Authority Resolution No. 2-20

Trust Agreement

Supplemental Installment Purchase Contract

Purchase Contract

Escrow Agreement

Preliminary Official Statement

CITY COUNCIL OF THE CITY OF ROSEVILLE
RESOLUTION NO. 20-345

A RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF ELECTRIC SYSTEM REVENUE REFUNDING BONDS BY THE ROSEVILLE FINANCE AUTHORITY AND APPROVING RELATED DOCUMENTS AND OFFICIAL ACTIONS

WHEREAS, the City has previously caused the issuance and delivery by the Roseville Finance Authority (the “Authority”) of Electric System Revenue Refunding Bonds, Series 2013 in the aggregate original principal amount of $48,780,000 (the “2013 Bonds”) under a Trust Agreement dated as of November 1, 2013 (the “2013 Trust Agreement”), between the Authority and The Bank of New York Mellon Trust Company, N.A., as trustee, secured by Revenues (as defined in the 2013 Trust Agreement), consisting primarily of installment payments payable by the City under a 2013 Supplemental Installment Purchase Contract dated as of November 1, 2013 (the “2013 Supplemental Contract”), supplementing the Master Installment Purchase Contract (the "Master Contract"), dated as of November 1, 1997, as previously amended and supplemented , between the Authority and the City, to finance and refinance the costs of various improvements to the City’s municipal electric system (the “Electric System”); and

WHEREAS, the City has also previously caused the issuance and delivery by the Authority of Electric System Revenue Refunding Bonds, Series 2014 in the aggregate original principal amount of $16,485,000 (the “2014 Bonds”) under a Trust Agreement dated as of August 1, 2014 (the “2014 Trust Agreement”), between the Authority and The Bank of New York Mellon Trust Company, N.A., as trustee, secured by Revenues (as defined in the 2014 Trust Agreement), consisting primarily of installment payments payable by the City under a 2014 Supplemental Installment Purchase Contract dated as of August 1, 2014 (the “2014 Supplemental Contract”), supplementing the Master Contract, as previously amended and supplemented , between the Authority and the City, all to finance and refinance the costs of various improvements to the Electric System; and

WHEREAS, the City proposes to enter into a Supplemental Installment Purchase Contract (the “2020 Supplemental Contract”), between the City and the Authority for the purpose of refinancing all or a portion of its obligations under the 2013 Supplemental Contract and the 2014 Supplemental Contract; and

WHEREAS, the Authority proposes to assist the City by issuing and selling its Electric Revenue Refunding Bonds, Series 2020 (the “Bonds”), in one or more taxable and/or tax-exempt series, in the aggreagate principal amount of not to exceed $40,000,000 under the provisions of Article 4 of Chapter 5, Division 7, Title 1 of the Government Code of the State of California, commencing with Section 6584 of said Code (the “Bond Law”), for the purpose of providing the funds to enable the Authority to purchase the project financed or refinanced by the 2013 Supplemental Contract and 2014 Supplemental Contract, and thereby provide refinancing for all or a portion of the costs of the Electric System projects financed or refinanced by the 2013 Bonds and 2014 Bonds; and

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF ROSEVILLE RESOLVES AS FOLLOWS:

1. **Approval of Financing Plan; Authorization of Bonds by Authority.** The City Council hereby approves the refinancing plan described in the recitals of this Resolution. To that end, the City Council hereby approves of the issuance of the Bonds by the Authority under the Bond Law, in the aggregate principal amount of not to exceed $40,000,000, in one or more series, as tax-exempt and/or federally taxable, for the purpose of refinancing all or a portion of the costs of projects of the Electric System financed or refinanced by the 2013 Supplemental Contract and the 2014 Supplemental Contract, as described in the 2020 Supplemental Contract.

2. **Approval of Related Financing Agreements.** The City Council hereby approves each of the following agreements required to implement the financing plan to be accomplished by the Bonds, in substantially the respective forms on file with the City Clerk together with any changes therein or additions thereto deemed advisable by the City Manager, Chief Financial Officer, or an authorized designee thereof, (each, an "Authorized Officer"), which may include any changes necessary for the sale of the Bonds on a tax-exempt rather than taxable basis, and the execution thereof by an Authorized Officer shall be conclusive evidence of the approval of any such changes or additions.

- <u>2020 Supplemental Installment Purchase Contract</u> between the City and the Authority, under which the City will purchase the Electric System project described thereunder.

- <u>Contract of Purchase</u> among the Authority, the City and the Underwriter, under which the Underwriter agrees to purchase the Bonds from the Authority.

- <u>Escrow Agreement</u> among the City, the Authority and The Bank of New York Mellon Trust Company, N.A., as escrow bank, under which the escrow bank is directed to establish and maintain the escrow funds for the payment and redemption of all or a part of the 2013 Bonds and 2014 Bonds.

- <u>Continuing Disclosure Certificate</u> relating to the undertaking to make continuing disclosure filings with respect to the Bonds as required by Rule 15c2-12 of the Securities and Exchange Commission (shown as an exhibit to the Official Statement, which is described below).

An Authorized Officer is hereby authorized and directed for and in the name and on behalf of the City to execute, and the City Clerk is hereby authorized and directed to attest the final form of each of the foregoing agreements.

3. **Sale of Bonds.** The City Council hereby approves the negotiated sale of the Bonds by the Authority to the Underwriter. The Bonds shall be sold upon the terms and conditions set forth in the Contract of Purchase, which is approved under Section 2, and upon such final terms and conditions as are approved by the Authority (such approval to be evidenced by the Authority's execution thereof).

4. **Official Statement.** The City Council hereby approves and deems final within the meaning of Rule 15c2-12 of the Securities Exchange Act of 1934, the preliminary Official Statement describing the Bonds substantially in the form on file with the City Clerk together with any changes therein or additions thereto approved by an Authorized Officer. Each Authorized Officer is authorized and directed to (a) execute and deliver to the Underwriter a certificate deeming the preliminary Official Statement to be final as of its date within the meaning of such

Rule, (b) approve any changes in or additions to cause the preliminary Official Statement to be put in final form, and (c) if requested by the Underwriter, execute the final Official Statement for and in the name and on behalf of the City. The City Council hereby authorizes the distribution of the preliminary Official Statement and the final Official Statement by the Underwriter.

5. **Official Actions.** The Mayor, the City Manager, City Treasurer, Assistant City Manager, Chief Financial Officer, the City Clerk, the City Attorney and all other officers of the City are each authorized and directed in the name and on behalf of the City to make and to execute any and all assignments, certificates, requisitions, agreements, notices, consents, instruments of conveyance, warrants and other documents, which they or any of them might deem necessary or appropriate in order to consummate any of the transactions contemplated by the documents approved pursuant to this Resolution. Whenever in this resolution any officer of the City is authorized to execute or countersign any document or take any action, such execution, countersigning or action may be taken on behalf of such officer by any person designated by such officer to act on his or her behalf in the case such officer shall be absent or unavailable.

6. **Effective Date.** This resolution shall take effect from and after the date of approval and adoption thereof.

* *

I hereby certify that the foregoing Resolution was duly adopted by the City Council of the City of Roseville, California, at a regularly scheduled meeting thereof, held on the day of ________, 2020, by the following vote of the City Council:

AYES: COUNCILMEMBERS
NOES: COUNCILMEMBERS
ABSENT: COUNCILMEMBERS
ABSTAIN: COUNCILMEMBERS

____
Mayor

ATTEST:

____
City Clerk of the City of Roseville

ROSEVILLE FINANCE AUTHORITY
RESOLUTION NO. 2-20

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE ROSEVILLE FINANCE AUTHORITY AUTHORIZING THE ISSUANCE AND SALE OF ELECTRIC SYSTEM REVENUE REFUNDING BONDS, AND APPROVING RELATED DOCUMENTS AND OFFICIAL ACTIONS

WHEREAS, the City of Roseville (the "City") has previously caused the issuance and delivery by the Roseville Finance Authority (the "Authority") of Electric System Revenue Refunding Bonds, Series 2013 in the aggregate original principal amount of $48,780,000 (the "2013 Bonds") under a Trust Agreement dated as of November 1, 2013 (the "2013 Trust Agreement"), between the Authority and The Bank of New York Mellon Trust Company, N.A., as trustee, secured by Revenues (as defined in the 2013 Trust Agreement) consisting primarily of installment payments payable by the City under a 2013 Supplemental Installment Purchase Contract dated as of November 1, 2013 (the "2013 Supplemental Contract"), supplementing the Master Installment Purchase Contract (the "Master Contract"), dated as of November 1, 1997, as previously amended and supplemented, between the Authority and the City, to finance and refinance the costs of various improvements to the City's municipal electric system (the "Electric System"); and

WHEREAS, the City has also previously caused the issuance and delivery by the Authority of Electric System Revenue Refunding Bonds, Series 2014 in the aggregate original principal amount of $16,485,000 (the "2014 Bonds") under a Trust Agreement dated as of August 1, 2014 (the "2014 Trust Agreement"), between the Authority and The Bank of New York Mellon Trust Company, N.A., as trustee, secured by Revenues (as defined in the 2014 Trust Agreement), consisting primarily of installment payments payable by the City under a 2014 Supplemental Installment Purchase Contract dated August 1, 2014 (the "2014 Supplemental Contract"), supplementing the Master Contract, as previously supplemented , between the Authority and the City, to finance and refinance the costs of various improvements to the Electric System; and

WHEREAS, the City proposes to enter into a Supplemental Installment Purchase Contract (the "2020 Supplemental Contract"), between the City and the Authority for the purpose of refinancing all or a portion of its obligations under the 2013 Supplemental Contract and the 2014 Supplemental Contract; and

WHEREAS, the Authority proposes to assist the City by issuing and selling its Electric Revenue Refunding Bonds, Series 2020 (the "Bonds"), in one or more taxable and/or tax-exempt series, in the aggregate principal amount of not to exceed $40,000,000 under the provisions of Article 4 of Chapter 5, Division 7, Title 1 of the Government Code of the State of California, commencing with Section 6584 of said Code (the "Bond Law"), for the purpose of providing the funds to enable the Authority to purchase the project financed by the 2013 Supplemental Contract and 2014 Supplemental Contract, and thereby provide refinancing for all or a portion of the costs of the Electric System projects financed or refinanced by the 2013 Bonds and 2014 Bonds; and

WHEREAS, the Authority proposes to sell the Bonds on a negotiated basis to Goldman Sachs & Co. LLC, as underwriter (the "Underwriter"); and

WHEREAS, the information required to be obtained and disclosed with respect to the Bonds by the Authority in accordance with Government Code Section 5852.1 is set forth in the staff report accompanying this Resolution; and

WHEREAS, the Board of Directors of the Authority wishes at this time to approve all proceedings to which it is a party relating to the issuance and sale of the Bonds and the refinancing of certain projects of the Electric System.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE ROSEVILLE FINANCE AUTHORITY RESOLVES AS FOLLOWS:

1. **Approval of Financing Plan; Authorization of Bonds.** The Board of Directors hereby approves the financing plan described in the recitals of this Resolution. To that end, the Board of Directors hereby authorizes the issuance of the Bonds under the Bond Law in the principal amount of not to exceed $40,000,000, in one or more taxable or tax-exempt series, for the purpose of refinancing all or a portion of the costs of projects of the Electric System financed or refinanced by the 2013 Supplemental Contract and 2014 Supplemental Contract, as described in the 2020 Supplemental Contract. The Bonds shall be issued under a Trust Agreement, which is approved below.

2. **Approval of Related Financing Agreements.** The Board of Directors hereby approves each of the following agreements required to implement the financing plan to be accomplished by the Bonds, in substantially the respective forms on file with the Secretary together with any changes therein or additions thereto deemed advisable by the Executive Director or the Treasurer or an authorized designee thereof (each, an "Authorized Officer"), which may include any changes necessary for the sale of the Bonds on a tax-exempt rather than taxable basis and with or without insurance, and the execution thereof by an Authorized Officer shall be conclusive evidence of the approval of any such changes or additions.

- Trust Agreement between the Authority and The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee"), prescribing the terms and conditions upon which the Bonds will be issued.

- 2020 Supplemental Installment Purchase Contract between the City and the Authority, under which the City will purchase the Electric System project described thereunder.

- Contract of Purchase among the Authority, the City and the Underwriter, under which the Underwriter agrees to purchase the Bonds from the Authority.

- Escrow Agreement among the City, the Authority and The Bank of New York Mellon Trust Company, N.A., as escrow bank, under which the escrow bank is directed to establish and maintain the escrow funds for the payment and redemption of all or a part of the 2013 Bonds and 2014 Bonds.

An Authorized Officer is hereby authorized and directed for and in the name and on behalf of the Authority to execute, and the Secretary is hereby authorized and directed to attest the final form of each of the foregoing agreements.

3. **Sale of Bonds.** The Board of Directors hereby approves the negotiated sale of the Bonds to the Underwriter. The Bonds shall be sold upon the terms and conditions set forth in the Contract of Purchase, which is approved under Section 2; provided, that the principal amount of the Bonds shall not exceed $40,000,000, the true interest cost represented by all of the Bonds shall not exceed 5.0% per annum and the maximum amount of Underwriter's discount on the purchase of the Bonds shall not exceed 1.0% of the par amount of the Bonds.

4. **Official Statement.** The Board of Directors hereby approves and deems final within the meaning of Rule 15c2-12 of the Securities Exchange Act of 1934, the preliminary Official Statement describing the Bonds substantially in the form on file with the Secretary together with any changes therein or additions thereto approved by an Authorized Officer. Each Authorized Officer is authorized and directed to (a) execute and deliver to the Underwriter a certificate deeming the preliminary Official Statement to be final as of its date within the meaning of such Rule, (b) approve any changes in or additions to cause the preliminary Official Statement to be put in final form, and (c) execute the final Official Statement for and in the name and on behalf of the Authority. The Board of Directors hereby authorizes the distribution of the preliminary Official Statement and the final Official Statement by the Underwriter.

5. **Official Actions.** The Chair, the Executive Director, the Treasurer, the Secretary and all other officers of the Authority are each authorized and directed in the name and on behalf of the Authority to make and to execute any and all assignments, Bonds, requisitions, agreements, notices, consents, instruments of conveyance, warrants and other documents, which they or any of them might deem necessary or appropriate in order to consummate any of the transactions contemplated by the agreements and documents approved under this Resolution. Whenever in this Resolution any officer of the Authority is authorized to execute or countersign any document or take any action, such execution, countersigning or action may be taken on behalf of such officer by any person designated by such officer to act on his or her behalf in the case such officer is absent or unavailable.

6. **Effective Date.** This resolution shall take effect from and after the date of approval and adoption thereof.

* *

I hereby certify that the foregoing Resolution was duly adopted by the Board of Directors of the Roseville Finance Authority, at a regularly scheduled meeting thereof, held on the _______ day of _______, 2020, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

Chair
Roseville Finance Authority

ATTEST:

Secretary
Roseville Finance Authority

TRUST AGREEMENT

between

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

and the

ROSEVILLE FINANCE AUTHORITY

Dated as of
_______________ 1, 2020

relating to the

$_______________
ELECTRIC SYSTEM REVENUE REFUNDING BONDS
SERIES 2020

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TRUST AGREEMENT

This TRUST AGREEMENT, made and entered into as of ______________ 1, 2020, is between THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., a national banking association, duly organized and existing under the laws of the United States of America with a corporate trust office located in San Francisco, California, as trustee (the "Trustee") and the ROSEVILLE FINANCE AUTHORITY, a joint exercise of powers authority duly organized and existing under and by virtue of the laws of the State of California (the "Authority").

RECITALS:

WHEREAS, the Authority is a joint exercise of powers authority duly organized and existing under and pursuant to the Joint Exercise of Powers Act (being Sections 6500 et seq. of the Government Code of the State of California) (the "Act") and a Joint Exercise of Powers Agreement (the "Joint Powers Agreement"), between the City of Roseville (the "City") and the Redevelopment Agency of the City of Roseville (now succeeded by the Successor Agency to the Redevelopment Agency of the City of Roseville); and

WHEREAS, the Act and the Joint Powers Agreement authorize and empower the Authority to assist the City in acquiring and financing and refinancing certain additions, betterments, extensions and improvements to the electric system of the City; and

WHEREAS, the City and the Authority have entered into a Master Installment Purchase Contract (as supplemented and amended, the "Master Contract"), dated as of November 1, 1997, as supplemented and amended, including by the following supplements, all pursuant to which the Authority agreed to assist the City by financing or refinancing certain additions, betterments, extensions and improvements to the electric system of the City:

- (i) a 1997 Supplemental Installment Purchase Contract dated as of November 1, 1997,
- (ii) a 1999 Supplemental Installment Purchase Contract dated as of August 1, 1999,
- (iii) a 2002 Supplemental Installment Purchase Contract dated as of December 1, 2002,
- (iv) a 2004 Supplemental Installment Purchase Contract dated as of July 1, 2004 (the "2004 Supplemental Contract"),
- (v) a 2005 Supplemental Installment Purchase Contract dated as of June 1, 2005,
- (vi) a 2008 Supplemental Installment Purchase Contract dated as of May 1, 2008,
- (vii) a 2009 Supplemental Installment Purchase Contract dated as of December 1, 2009,
- (viii) a 2010 Supplemental Installment Purchase Contract dated as of July 1, 2010,
- (ix) a 2012 Supplemental Installment Purchase Contract executed and entered into as of November 1, 2012 (the "2012 Supplemental Contract"),
- (x) a 2013 Supplemental Installment Purchase Contract dated as of November 1, 2013 (the "2013 Supplemental Contract"),
- (xi) a 2014 Supplemental Installment Purchase Contract dated as of August 1, 2014 (the "2014 Supplemental Contract"), and
- (xii) a 2017 Supplemental Installment Purchase Contract dated as of February 1, 2017 (the "2017 Supplemental Contract"); and

WHEREAS, the installment payment obligations of the City under the supplements entered into in 1997, 1999, 2002, 2005, 2008, 2009, 2010 have been satisfied, as well as a portion of the payment obligations under the 2012 Supplemental Contract; and

WHEREAS, the City and the Authority have additionally executed and entered into a 2020 Supplemental Installment Purchase Contract dated as of ______________ 1, 2020 (the "2020 Supplemental Contract" and together with the Master Contract and all previous supplements and amendments, the "Contract") under and pursuant to which the Authority has agreed to assist the City in refinancing [a portion of] the improvements to the electric system of the City as described in the 2013 Supplemental Contract and 2014 Supplemental Contract (the respective "2013 Project" and "2014 Project, as defined therein); and

WHEREAS, in connection with the 2013 Supplemental Contract, the City financed the 2013 Project with the proceeds of Electric System Revenue Refunding Bonds, Series 2013 (the "2013 Bonds") executed and delivered pursuant to a Trust Agreement dated as of November 1, 2013 (the "2013 Trust Agreement") between the Authority and the Trustee; and

WHEREAS, in connection with the 2014 Supplemental Contract, the City financed the 2014 Project with the proceeds of Electric System Revenue Refunding Bonds, Series 2014 (the "2014 Bonds") executed and delivered pursuant to a Trust Agreement dated as of August 1, 2014 (the "2014 Trust Agreement") between the Authority and the Trustee; and

WHEREAS, the City and the Authority, after due investigation and deliberation, have determined that it is in the best interests of the City that the Authority at this time provide for the optional redemption of [a portion of] the 2013 Bonds and [all of the] 2014 Bonds through bonds authorized under this Trust Agreement; and

WHEREAS, the City has determined that the consummation of the transactions contemplated in the Contract, including the 2020 Supplemental Contract, are necessary and proper for City purposes and is for the common benefit of the City as a whole; and

WHEREAS, the Authority is empowered pursuant to the Act to assist the City in refinancing a portion of the cost of acquisition and construction of the projects financed or refinanced by the 2013 Supplemental Contract and 2014 Supplemental Contract by executing and delivering revenue bonds payable from and secured by revenues consisting primarily of payments (the "2020 Payments") received by the Authority under the 2020 Supplemental Contract; and

WHEREAS, all rights to receive the 2020 Payments have been assigned by the Authority to the Trustee pursuant to this Trust Agreement; and

WHEREAS, in consideration of such assignment and the execution and entering into of the Trust Agreement, the Trustee has agreed to execute and deliver bonds (as described herein, the "2020 Bonds") described herein in an aggregate principal amount equal to the aggregate principal amount of such 2020 Payments; and

WHEREAS, the Authority has determined that all acts, conditions and things required by law to exist, to have happened and to have been performed precedent to and in connection with the execution and delivery of this Trust Agreement do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the execution and delivery of this Trust Agreement have been in all respects duly authorized.

NOW, THEREFORE, in consideration of the premises and the mutual agreements and covenants herein, and for other valuable consideration, the parties hereto do hereby covenant and agree, as follows:

ARTICLE I

DEFINITIONS; EQUAL SECURITY

SECTION 1.01. Definitions. Unless the context otherwise requires, the terms defined in this Section will for all purposes of this Trust Agreement and of any Supplemental Trust Agreement and of the 2020 Bonds and of any certificate, opinion, request or other documents herein mentioned, have the meanings herein specified or specified in the Master Contract.

"Authority" means the Roseville Finance Authority, a joint exercise of powers authority duly organized and existing under and by virtue of the laws of the State.

"Business Day" means any day (other than a Saturday or a Sunday) on which banks in New York, New York are open for business and on which the Trustee is open for business at its corporate trust office in San Francisco, California.

"Certificate of the Authority" means an instrument in writing signed by the Executive Director or Treasurer of the Authority or by any other officer of the Authority duly authorized by the Authority for that purpose.

"City" means the City of Roseville, a charter city and municipal corporation, duly organized and existing under and by virtue of the Constitution and laws of the State.

"Closing Date" means ____________, 2020, the date of original issuance and delivery of the 2020 Bonds.

"Code" or "Tax Code" means the Internal Revenue Code of 1986, and the regulations issued thereunder, as the same may be amended from time to time, and any successor provisions of law. Reference to a particular section of the Code will be deemed to be a reference to any successor to any such section.

"Contract" means the Master Contract, as supplemented and amended by a 1997 Supplemental Installment Purchase Contract dated as of November 1, 1997 (the "1997 Supplemental Contract"), a 1999 Supplemental Installment Purchase Contract dated as of August 1, 1999 (the "1999 Supplemental Contract"), a 2002 Supplemental Installment Purchase Contract dated as of December 1, 2002 (the "2002 Supplemental Contract"), a 2004 Supplemental Installment Purchase Contract dated as of July 1, 2004 (the "2004 Supplemental Contract"), a 2005 Supplemental Installment Purchase Contract executed and entered into as of June 1, 2005 (the "2005 Supplemental Contract"); a 2008 Supplemental Installment Purchase Contract dated as of May 1, 2008 (the "2008 Supplemental Contract"), a 2009 Supplemental Installment Purchase Contract executed and entered into as of December 1, 2009 (the "2009 Supplemental Contract"), a 2010 Supplemental Installment Purchase Contract executed and entered into as of July 1, 2010 (the "2010 Supplemental Contract"), a 2012 Supplemental Installment Purchase Contract dated as of November 1, 2012 (the "2012 Supplemental Contract"), a 2013 Supplemental Installment Purchase Contract dated as of November 1, 2013 (the "2013 Supplemental Contract"), a 2014 Supplemental Installment Purchase Contract executed and entered into as of August 1, 2014 (the "2014 Supplemental Contract"), a 2017 Supplemental Installment Purchase Contract executed and entered into as of February 1, 2017 (the "2017 Supplemental Contract") and the 2020 Supplemental Contract pursuant to which the Authority has agreed to assist the City by refinancing certain obligations under the 2013 Supplemental

Contract and 2014 Supplemental Contract, and as otherwise amended or supplemented from time to time.

"Corporate Trust Office" means the corporate trust office of the Trustee in San Francisco, California, or such other office designated by the Trustee from time to time, except that with respect to presentation of Bonds for payment or for registration of transfer and exchange such term will mean the office or agency of the Trustee at which, at any particular time, its corporate trust agency business will be conducted.

"Costs of Issuance" means all items of expense directly or indirectly payable by or reimbursable to the City or the Authority and related to the authorization, execution and delivery of the Contract, the Trust Agreement and the sale of the Bonds, including, but not limited to, costs of preparation and reproduction of documents, costs of rating agencies and costs to provide information required by rating agencies, filing and recording fees, initial fees and charges of the Trustee, legal fees and charges, fees and disbursements of consultants and professionals, fees and expenses of the underwriter, fees and charges for preparation, execution and safekeeping of the Bonds, fees of the Authority and any other cost, charge or fee in connection with the original execution and delivery of the Bonds.

"Event of Default" means an event described in Section 7.01 hereof.

"Fair Market Value" means the price at which a willing buyer would purchase the investment from a willing seller in a bona fide, arm's length transaction (determined as of the date the contract to purchase or sell the investment becomes binding) if the investment is traded on an established securities market (within the meaning of section 1273 of the Tax Code) and, otherwise, the term "Fair Market Value" means the acquisition price in a bona fide arm's length transaction (as referenced above) if (i) the investment is a certificate of deposit that is acquired in accordance with applicable regulations under the Tax Code, (ii) the investment is an agreement with specifically negotiated withdrawal or reinvestment provisions and a specifically negotiated interest rate (for example, a guaranteed investment contract, a forward supply contract or other investment agreement) that is acquired in accordance with applicable regulations under the Tax Code, (iii) the investment is a United States Treasury Security--State and Local Government Series that is acquired in accordance with applicable regulations of the United States Bureau of Public Debt, or (iv) any commingled investment fund in which the Authority or the City and related parties do not own more than a ten percent (10%) beneficial interest therein if the return paid by the fund is without regard to the source of the investment.

"Federal Securities" means direct obligations of, or obligations the interest on and principal of which are unconditionally guaranteed by, the United States of America, including obligations issued or held in book-entry form on the books of the Department of the Treasury of the United States of America and including a receipt, certificate or any other evidence of any ownership interest in such an obligation, or in specified portions thereof (which may consist of specified portions of interest thereon).

"Fiscal Year" means the period beginning on July 1 of each year and ending on the next succeeding June 30, or any other annual accounting period hereafter selected and designated by the Authority as its Fiscal Year.

"Independent Certified Public Accountant" means any certified public accountant or firm of such accountants duly licensed and entitled to practice and practicing as such under the laws of the State, appointed and paid by the Authority, and who, or each of whom

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

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

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

"Information Services" means "EMMA" or the "Electronic Municipal Market Access" system of the Municipal Securities Rulemaking Board; or, in accordance with then-current guidelines of the Securities and Exchange Commission, such other services providing information with respect to called bonds, and/or such other services providing information with respect to called bonds as the Trustee may have knowledge or the Authority may designate to the Trustee.

"Interest Payment Date" means February 1 and August 1 of each year, commencing February 1, 2021.

"Joint Powers Agreement" means that certain Joint Exercise of Powers Agreement, originally entered into as of July 1, 1989 and amended and restated as of July 1, 1997, by and between the City and the Redevelopment Agency of the City of Roseville (now succeeded by the Successor Agency to the Redevelopment Agency of the City of Roseville), as amended from time to time.

"Master Contract" means that certain Master Installment Purchase Contract, dated as of November 1, 1997, by and between the City and the Authority.

"Moody's" means Moody's Investors Service, Inc., a corporation duly organized and existing under and by virtue of the laws of the State of Delaware, and its successors or assigns, except that if such corporation will be dissolved or liquidated or will no longer perform the services of a municipal securities rating agency, then the term "Moody's" will be deemed to refer to any other nationally recognized municipal securities rating agency selected by the Authority.

"Opinion of Counsel" means a written opinion of counsel of recognized national standing in the field of law relating to municipal bonds, retained by the Authority.

"Outstanding," when used as of any particular time with reference to Bonds, means (subject to the provisions of Section 6.02) all Bonds theretofore executed, issued and delivered by the Authority under this Trust Agreement except:

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

(2) Bonds paid or deemed to have been paid within the meaning of Section 8.01; and

(3) Bonds in lieu of or in substitution for which other Bonds will have been executed and delivered by the Trustee pursuant hereto.

"Owner" means any person who will be the registered owner of any Outstanding Bond as indicated in the registration books of the Trustee.

"Parity Obligations" has the meaning set forth in the Contract.

"Parity Reserve Fund" means the fund by that name established pursuant to Section 3.04 of the 1997 Trust Agreement.

"Parity Trust Agreements" means, collectively, each Trust Agreement entered into by the Trustee and the Authority in connection with bonds or certificates of participation which are supported by the Parity Obligations outstanding as of the date of issuance of the Bonds.

"Permitted Investments" means any of the following obligations if and to the extent that they are permissible investments of funds of the City as stated in its current investment policy and to the extent then permitted by law (provided that the Trustee is entitled to rely upon any investment directions from the City as conclusive certification to the Trustee that the investments described therein are so authorized under the current investment policy of the City and permitted by law):

1. 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, including those of the Trustee and its affiliates.

5. Deposits the aggregate amount of which are fully insured by the Federal Deposit Insurance Corporation (FDIC), in banks which have capital and surplus of at least $5 million, including the Trustee and its affiliates.

6. Commercial paper (having original maturities of not more than 270 days) rated at the time of purchase "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 funds for which the Trustee, its affiliates or subsidiaries provide investment advisory or other management services or for which the Trustee or an affiliate of the Trustee serves as investment administrator, shareholder servicing agent, and/or custodian or subcustodian, notwithstanding that (i) the Trustee or an affiliate of the Trustee receives, and retains a fee for services provided to the fund, (ii) the Trustee collects fees for services rendered pursuant to this Trust Agreement, which fees are separate from the fees received from such funds, and (iii) services performed for such funds and pursuant to this Trust Agreement may at times duplicate those provided to such funds by the Trustee or an affiliate of the Trustee.

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 Certificates (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 prepayment prior to maturity or (2) the trustee for the municipal obligations has been given irrevocable instructions concerning their call and prepayment and the issuer of the municipal obligations has covenanted not to prepay 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 with respect to 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 will 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 104%;

b) The Trustee or a third party acting solely as agent therefor or for the Authority (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 will state and an opinion of counsel will 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 will be met;

e) The repurchase agreement will 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 Authority 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 Authority 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 at the time of execution; 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 2020 Bonds;

b) the invested funds are available for withdrawal, for reasons under this Trust Agreement, without penalty or premium, upon not more than seven days' prior notice; the Authority 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 will 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 will 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 Authority or the Trustee receives the opinion of domestic counsel (which opinion will be addressed to the Authority) 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 will 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 will, 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 Authority, 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 least 104% (with a market value approach); or (ii) repay the principal of and accrued but unpaid interest with respect to 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 Authority or the Trustee, within 10 days of receipt of such direction, repay the principal of and accrued but unpaid interest with respect to the investment, in either case with no penalty or premium to the Authority or Trustee, and

f) the investment agreement will state and an opinion of counsel will 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 will default in its payment obligations, the provider's obligations under the investment agreement will, at the direction of the Authority or the Trustee, be accelerated and amounts invested and accrued but unpaid interest thereon will be repaid to the Authority or Trustee, as appropriate; and

ii) the provider will 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 will automatically be accelerated and amounts invested and accrued but unpaid interest thereon will be repaid to the Authority or Trustee, as appropriate.

12. shares in the California Asset Management Program.

13. the Local Agency Investment Fund established under Section 16429.1 of the Government Code of the State of California, *provided, however,* that the Trustee must be allowed to make investments and withdrawals in its own name and the Trustee may restrict investments in the Local Agency Investment Fund if required to keep moneys available for the purposes of this Trust Agreement.

"Rating Agency" means any rating agency selected by the Authority to provide a rating of the 2020 Bonds.

"Record Date" means, with respect to an Interest Payment Date, the 15th day of the month immediately preceding such Interest Payment Date, whether or not such date is a Business Day.

"Representation Letter" means the letter of representation to The Depository Trust Company, New York, New York, from the Authority.

"Revenues" means: (a) all of the 2020 Payments, and (b) all interest, profits or other income derived from the investment of amounts in any fund or account established under this Trust Agreement.

"Securities Depositories" means The Depository Trust Company, or, in accordance with then current guidelines of the Securities and Exchange Commission, such other securities depositories as the Authority may designate in a Certificate of the Authority to the Trustee.

"S&P" means S&P Global Ratings, a division of Standard & Poor's Financial Services LLC, and its successors or assigns, except that if such entity will be dissolved or liquidated or will no longer perform the services of a municipal securities rating agency, then the term “S&P” will be deemed to refer to any other nationally recognized municipal securities rating agency selected by the Authority.

“State” means the State of California.

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

[[“Tax Certificate” means the Certificate as to Arbitrage of the City concerning certain matters pertaining to the use and investment of proceeds of the Bonds, executed and delivered by the City on the date of delivery of the Bonds, including any and all exhibits attached thereto.]]

“Trust Agreement” means this Trust Agreement, dated as of ______________ 1, 2020, between the Authority and the Trustee, as originally executed and as it may from time to time be amended or supplemented by all Supplemental Trust Agreements executed pursuant to the provisions hereof.

“Trustee” means The Bank of New York Mellon Trust Company, N.A., or any other association or corporation, which may at any time be substituted in its place as provided in Section 5.01.

“2013 Bonds” means the Authority’s Electric System Revenue Refunding Bonds Series 2013 issued pursuant to a Trust Agreement dated as of November 1, 2013, between the Authority and the Trustee.

“2014 Bonds” means the Authority’s Electric System Revenue Refunding Bonds Series 2014 eissued pursuant to a Trust Agreement dated as of August 1, 2014, between the Authority and the Trustee.

“2020 Bonds” or “Bonds” means the “Roseville Finance Authority Electric System Revenue Refunding Bonds, Series 2020”, issued in accordance with Article II hereof.

“2020 Debt Service Fund” means the fund by that name established pursuant to Section 3.02.

“2020 Interest Account” means the account by that name established pursuant to Section 3.03.

“2020 Parity Reserve Account” means the 2020 Parity Reserve Account established under Section 3.04.

“2020 Payments” means the installment payments of interest, principal and redemption premiums, if any, payable by the City under and pursuant to the 2020 Supplemental Contract.

“2020 Redemption Account” means the account by that name established pursuant to Section 3.03.

"2020 Principal Subaccount" means the subaccount by that name established in Section 3.03.

"2020 Supplemental Contract" means that certain 2020 Supplemental Installment Purchase Contract, dated as of ______________ 1, 2020, by and between the City and the Authority.

"2020 Escrow Agreement" means the Escrow Agreement dated as of ______________ 1, 2020, among the City, the Authority and the 2020 Escrow Bank, related to the 2013 Bonds and 2014 Bonds.

"2020 Escrow Bank" means The Bank of New York Mellon Trust Company, N.A., in its capacity as escrow bank under the 2020 Escrow Agreement.

"2020 Escrow Fund" means the account by that name established pursuant to the 2020 Escrow Agreement.

"Written Request of the Authority" means an instrument in writing signed by the Treasurer of the Authority or by any other officer of the Authority duly authorized by the Authority for that purpose.

SECTION 1.02. Equal Security. In consideration of the acceptance of the Bonds by the Owners thereof, this Trust Agreement will be deemed to be and will constitute a contract between the Authority and the Owners from time to time of all Bonds authorized, executed and delivered hereunder and then Outstanding to secure the full and final payment of the interest, and principal and redemption premiums, if any, on the Bonds which may from time to time be authorized, executed and delivered hereunder, subject to the agreements, conditions, covenants and provisions contained herein; and all agreements and covenants set forth herein to be performed by or on behalf of the Trustee will be for the equal and proportionate benefit, protection and security of all Owners without distinction, preference or priority as to security or otherwise of any Bonds over any other Bonds by reason of the number or date thereof or the time of authorization, execution or delivery thereof or for any cause whatsoever, except as expressly provided herein or therein.

ARTICLE II
THE BONDS

SECTION 2.01. Authorization of Bonds. The Bonds authorized to be issued by the Authority under and subject to this Trust Agreement shall be designated the "Roseville Finance Authority Electric System Revenue Refunding Bonds, Series 2020", and shall be issued in the original principal amount of _________ Million, _________ Hundred and _________ Thousand Dollars ($__________________). The Bonds will be lettered and numbered in a customary manner as determined by the Trustee.

SECTION 2.02. Terms of the Bonds. The Bonds will be dated the Closing Date, will be issued as fully registered Bonds without coupons in the denomination of $1,000 or any integral multiple of $1,000 in excess thereof. No Bond principal will become payable in more than one year.

Principal on the 2020 Bonds will be payable on the dates and in the principal amounts and bear interest at the per annum rates as set forth in the following schedule:

Maturity Date (February 1)	Principal Amount	Interest Rate

Interest on the Bonds will be payable in lawful money of the United States of America at the rates (based on a 360-day year of twelve 30-day months) set forth above, payable on February 1, 2021, and semiannually thereafter on August 1 and February 1 and in each year to the respective maturity date or redemption prior thereto. The Bonds will bear interest from the Interest Payment Date next preceding the date of execution thereof, unless such date of execution is after a Record Date and on or before the following Interest Payment Date, in which event they will bear interest from such Interest Payment Date, or unless such date of execution is on or before the first Record Date, in which event such Bond will bear interest from the Closing Date; provided, that if at the time of execution of any Outstanding Bond interest is then in default, such Bond will bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment with respect to the Outstanding Bonds. Payment of interest on the Bonds will be made to the person whose name appears in the Bond registration books kept by the Trustee pursuant to Section 2.08 as the registered owner thereof as of the close of business on the Record Date for an Interest Payment Date, whether or not such day is a Business Day, and will be paid by check mailed on such Interest Payment Date by first-class mail to such registered owner at the address as it appears in such books; provided, that upon the written request of any Owner of one million dollars ($1,000,000) or more in aggregate principal amount of Bonds received by the Trustee prior to the applicable Record Date (which such request will remain in effect until rescinded in writing by such Owner) interest will be paid by wire transfer in immediately available funds to an account in the United States designated by the Owner.

The principal amount of the Bonds will be payable in lawful money of the United States of America upon the surrender thereof on the respective maturity date or on redemption prior thereto at the Corporate Trust Office of the Trustee.

"CUSIP" identification numbers will be imprinted on the Bonds, but such numbers will not constitute a part of the contract evidenced by the Bonds and any error or omission with respect thereto will not constitute cause for refusal of any purchaser to accept delivery of and pay for the Bonds. In addition, failure on the part of the Authority or the Trustee to use such CUSIP numbers in any notice to Owners will not constitute an event of default or any violation of the Authority's contract with such Owners and will not impair the effectiveness of any such notice.

SECTION 2.03. Redemption of Bonds.

(a) Optional Redemption.

2031 and Later Maturities. The 2020 Bonds maturing on and after February 1, 2031 are subject to optional redemption prior to their respective stated maturity dates, upon notice as hereinafter provided, from prepayment of 2020 Payments made by the City pursuant to the Contract, as a whole or in part (from such maturity dates as are designated by the Authority to the Trustee at the direction of the City and by lot within a maturity date) on any date on or after February 1, 2030, at a redemption price equal to the principal amount of the 2020 Bonds called for redemption, plus accrued and unpaid interest to the redemption date, without premium.

Prior to 2030 (Make Whole). The 2020 Bonds are subject to optional redemption prior to their respective stated maturity dates, upon notice as hereinafter provided, from prepayment of 2020 Payments made by the City pursuant to the Contract, as a whole or in part (from such maturity dates as are designated by the Authority to the Trustee at the direction of the City and by lot within a maturity date, on any date prior to February 1, 2030, at a redemption price equal to the principal amount of the 2020 Bonds called for redemption plus the Applicable Premium, if any, together with accrued interest to the redemption date. The "Applicable Premium" of any redeemed 2020 Bond equals the excess of: (a) the present value at the date of redemption of the principal amount of such 2020 Bonds subject to redemption, plus all required interest payments due on such 2020 Bonds to the principal payment date(s) (excluding accrued but unpaid interest), calculated by an independent financial institution appointed by the Authority which calculation shall be conclusive), using a discount rate equal to the Treasury Rate plus _____ basis points minus (b) the principal amount of such 2020 Bond. The Applicable Premium shall not be less than $0.00. For purposes of this provision, with respect to 2020 Bonds subject to sinking fund redemption as described below, "such 2020 Bonds" and "principal payment" refers to those sinking fund installments that the Authority has determined to reduce or eliminate as a result of such optional redemption.

If the period from the date of redemption to the weighted average maturity of the principal payment date(s) is greater than one year, the "Treasury Rate" will be equal to the actual or interpolated yield to maturity of U.S. Treasury Securities with a constant maturity (as compiled and published in the most recent Federal Reserve Statistical Release H. 15) that becomes publicly available on the date of calculation of the Applicable Premium, but in no event less than seven days nor more than sixty days prior to the date of redemption, equal to the period from the date of redemption to the weighted average maturity of the principal payment date(s). If the weighted average maturity of the principal payment date(s) is less than one year, the "Treasury Rate" will be equal to the weekly average yield of actually traded United States Treasury securities adjusted to a constant maturity of one year. If the Federal Reserve Statistical Release H. 15 is no longer published, the Applicable Premium shall be calculated using any publicly available source of similar market data.

(b) Mandatory Redemption. The 2020 Bonds maturing on February 1, _______ and February 1, _______ are term bonds subject to mandatory redemption prior to such maturity date, in part by lot, on February 1 of each year on and after February 1, _______ and February 1, _______, respectively, upon notice as hereinafter provided, from and in the amount of the principal installment of the 2020 Payments due and payable on such dates, at a redemption price equal to the sum of the principal amount thereof plus accrued and unpaid interest thereon to the redemption date, without a redemption premium as follows.

Term 2020 Bonds Maturing February 1, ______

Mandatory Redemption Date (February 1)	Sinking Fund Payment

Term 2020 Bonds Maturing February 1, ______

Mandatory Redemption Date (February 1)	Sinking Fund Payment

Upon an optional redemption of any 2020 Term Bond, the Authority will provide the Trustee with a revised schedule of the foregoing payments which shall provide for the reduction of the remaining payments coming due on such 2020 Term Bond in such amounts and on such dates as designated by the Authority at the direction of the City to correspond to the 2020 Payments prepaid.

(b) Selection of Bonds for Redemption. If less than all of the Bonds are to be redeemed, the Authority will designate the maturities to be redeemed. If less than all Outstanding Bonds of any particular maturity date are to be redeemed at any one time, the Trustee will select the portions of the Bonds of such maturity date to be redeemed, in authorized denominations, by lot in a manner which the Trustee deems to be fair. For purposes of such selection, all Bonds will be deemed to be comprised of separate $1,000 denominations and such separate denominations will be treated as separate Bonds that may be separately redeemed. If the Authority elects to redeem 2020 Bonds pursuant to Section 2.03(a), it will notify the Trustee of the redemption date and principal amount of the 2020 Bonds of each maturity date to be redeemed on such redemption date at least forty-five (45) days prior to such redemption date; provided, that the Trustee may, at its option, waive any such notice or accept any notice received at a later date.

(c) Notice of Redemption. Notice of redemption will be mailed by the Trustee, not less than twenty (20) nor more than sixty (60) days prior to the redemption date to (i) the respective Owners of the Bonds designated for redemption at their addresses appearing on the registration books of the Trustee, (ii) the Securities Depositories and (iii) the Information Services. Notice of redemption to the Securities Depositories and the Information Services will be given by registered mail, certified mail, overnight delivery, electronic, or facsimile transmission or by other acceptable means. Each notice of redemption will state the date of such notice, the redemption price, the place of redemption (including the name and appropriate address of the Trustee), the CUSIP number (if any) of the Bonds to be redeemed, and, if less than all of the Bonds of any one maturity date are to be redeemed, the distinctive bond numbers of the Bonds of such maturity date to be redeemed and, in the case of Bonds to be redeemed in part only, the respective portion of the principal amount thereof to be redeemed. Each such notice will also state that on the redemption date there will become due and payable on each of said Bonds the redemption price thereof and in the case of a Bond to be redeemed in part only, the specified portion of the principal amount thereof to be redeemed, together with accrued and unpaid interest to the redemption date, and that from and after such redemption date interest thereon will cease to accrue. Any such notice of optional redemption may be conditional upon the Trustee having funds available for for the redemption on the date designated for such redemption. Failure to receive such notice will not invalidate any of the proceedings taken in connection with such redemption.

In the event of redemption of Bonds, the Trustee will mail a notice of redemption upon receipt of a Written Request of the Authority or written notice from the City, may give notice of optional redemption which is conditional upon the Trustee having funds available for the redemption on the date designated for such redemption and which may provide for rescission of the contemplated redemption in the event that funds do not become available.

If notice of redemption has been duly given as aforesaid and money for the payment of the redemption price of the Bonds called for redemption is held by the Trustee, then on the redemption date designated in such notice Bonds so called for redemption will become due and payable, and from and after the date so designated interest on such Bonds will cease to accrue, and the Owners of such Bonds will have no rights in respect thereof except to receive payment of the redemption price thereof.

All Bonds redeemed pursuant to the provisions of this section will be cancelled and destroyed by the Trustee and will not be redelivered.

(d) Rescission of Optional Redemption. The Authority shall have the right to rescind any optional redemption by written notice to the Trustee on or prior to the date fixed for redemption. Any such notice of optional redemption shall be canceled and annulled if for any reason funds will not be or are not available on the date fixed for redemption for the payment in full of the Outstanding Bonds then called for redemption, and such cancellation shall not constitute an Event of Default under this Trust Agreement. Neither the Authority nor the City nor the Trustee shall have any 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.

(e) Purchase in lieu of Redemption. In lieu of redemption of Bonds as provided above, amounts held by the Trustee for such redemption may be applied by the Trustee to the purchase of Bonds at public or private sale as and when and at such prices (including brokerage, accrued interest and other charges) at the direction of the Authority or the City received by the Trustee at least 75 days prior to the selection of the Bonds for redemption, but such purchase price must not exceed the redemption price that would be payable if such Bonds were redeemed.

(f) Manner of Redemption. If less than all Outstanding Bonds of any particular maturity date are to be redeemed at any one time, the Authority or the City shall direct the Trustee to select the portions of the Bonds of such maturity date to be redeemed by lot in a manner which the Authority or the City deems to be fair. For purposes of such selection, all Bonds will be deemed to be comprised of separate $1,000 denominations and such separate denominations will be treated as separate Bonds that may be separately redeemed.

SECTION 2.04. Form of Bonds. The Bonds will be substantially in the form set forth in Exhibit A hereto attached and by this reference herein incorporated.

SECTION 2.05. Execution of Bonds. The Bonds will be executed by the Executive Director or Treasurer of the Authority and attested to the by the Secretary of the Authority, or by any other officials of the Authority duly authorized by the Authority for those purposes, and authenticated by the Trustee.

SECTION 2.06. Transfer and Payment of Bonds. Any Bond may, in accordance with its terms, be transferred in the books required to be kept pursuant to the provisions of Section 2.08 by the person in whose name it is registered, in person or by his duly authorized attorney, upon surrender of such Bond at the Corporate Trust Office of the Trustee for cancellation accompanied by delivery of a duly executed written instrument of transfer in a form acceptable to the Trustee. Whenever any Bond or Bonds will be surrendered for transfer, the Trustee will execute and deliver to the transferee a new Bond or Bonds of the same maturity date evidencing and representing a like aggregate principal amount in authorized denominations. The Trustee will require the payment by the Owner requesting such transfer of any tax or other governmental charge required to be paid with respect to such transfer as a condition precedent to the exercise of such privilege.

The Trustee may deem and treat the registered owner of any Bond as the absolute owner of such Bond for the purpose of receiving payment of the principal and interest and redemption premium, if any, thereon and for all other purposes, whether such Bond will be overdue or not, and the Trustee will not be affected by any notice or knowledge to the contrary; and payment of the interest and principal and redemption premium, if any, on such Bond will be made only to such registered owner, which payments will be valid and effectual to satisfy and discharge liability on such Bond to the extent of the sum or sums so paid.

The Trustee will not be required to register the transfer of any Bond during the period commencing on the date 15 days preceding the selection of Bonds for redemption and ending on the date of mailing of notice of such redemption, or any Bond which has been selected for redemption in whole or in part, from and after the day of mailing of a notice of redemption of such Bonds selected for redemption in whole or in part as provided in Section 2.03.

SECTION 2.07. Exchange of Bonds. Any Bond may be exchanged at the Corporate Trust Office of the Trustee for a Bond of a like aggregate principal amount of the same maturity date of other authorized denominations. The Trustee will require the payment by the Owner requesting such exchange of any tax or other governmental charge required to be paid with respect to such exchange as a condition precedent to the exercise of such privilege.

The Trustee will not be required to exchange any Bond during the period commencing on the date 15 days preceding the selection of Bonds for redemption and ending on the date of mailing of notice of such redemption, or any Bond which has been selected for redemption in whole or in part, from and after the day of mailing of a notice of redemption of such Bonds selected for redemption in whole or in part as provided in Section 2.03.

SECTION 2.08. Bond Registration Books. The Trustee will keep at its Corporate Trust Office sufficient books for the registration and transfer of the Bonds which will at all times be open to inspection by the Authority during regular business hours with reasonable prior notice, and upon presentation for such purpose the Trustee will, under such reasonable regulations as it may prescribe, register or transfer the Bonds in such books as hereinabove provided.

SECTION 2.09. Mutilated, Destroyed, Stolen or Lost Bonds. If any Bond will become mutilated, the Trustee, at the expense of the Owner, will thereupon execute and deliver a new Bond of like tenor and amount in exchange and substitution for the Bond so mutilated, but only upon surrender to the Trustee of the Bond so mutilated. Every mutilated Bond so surrendered to the Trustee will be cancelled and destroyed.

If any Bond will be lost, destroyed or stolen, evidence of such loss, destruction or theft may be submitted to the Trustee and, if such evidence be satisfactory to the Trustee and indemnity satisfactory to the Trustee will be given, the Trustee, at the expense of the Owner, will thereupon execute and deliver a new Bond of like tenor in lieu of and in substitution for the Bond so lost, destroyed or stolen.

The Trustee may require payment of a reasonable sum for each new Bond delivered under this Section 2.09 and of the expenses that may be incurred by the Authority and the Trustee in the premises. Any Bond executed and delivered under the provisions of this section in lieu of any Bond alleged to be lost, destroyed or stolen will be equally and proportionately entitled to the benefits of this Trust Agreement with all other Bonds secured by this Trust Agreement. The Trustee will not be required to treat both the original Bond and any replacement Bond as being Outstanding for the purpose of determining the principal amount of Bonds which may be executed and delivered hereunder or for the purpose of determining any percentage of Bonds Outstanding hereunder, but both the original and replacement Bond will be treated as one and the same.

SECTION 2.10. Temporary Bonds. The Bonds executed and delivered under this Trust Agreement may be initially executed and delivered in temporary form exchangeable for definitive Bonds when ready for delivery. The temporary Bonds may be printed, lithographed or typewritten, will be of such denominations as may be determined by the Trustee, will be in fully registered form and may contain such reference to any of the provisions of this Trust Agreement as may be appropriate. Every temporary Bond will be executed and delivered by the Trustee, upon the same conditions and terms and in substantially the same manner as definitive Bonds. If the Trustee executes and delivers temporary Bonds it will execute and furnish definitive Bonds and thereupon the temporary Bonds may be surrendered, for cancellation, in exchange therefor at the Corporate Trust Office of the Trustee, and the Trustee will deliver in exchange for such temporary Bonds definitive Bonds of an equal aggregate principal amount of Bonds of authorized denominations. Until so exchanged, the temporary Bonds will be entitled to the same benefits under this Trust Agreement as definitive Bonds delivered hereunder.

SECTION 2.11. Use of Book-Entry System for Bonds.

(a) The Bonds initially will be delivered in the form of a single executed fully registered Bond for each stated maturity date of the Bonds, representing the aggregate principal amount of the Bonds of such maturity date. Upon initial delivery, the ownership of all such Bonds will be registered in the registration records maintained by the Trustee pursuant to Section 2.08 hereof in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), or such other nominee as DTC will request pursuant to the Representation Letter. The Trustee may treat DTC (or its nominee) as the sole and exclusive owner of the Bonds registered in its name for the purposes of payment of the principal or redemption price and interest on such Bonds, selecting the Bonds or portions thereof to be redeemed, giving any notice permitted or required to be given to Owners hereunder, registering the transfer of Bonds, obtaining any consent or other action to be taken by Owners of the Bonds and for all other purposes whatsoever; and the Trustee will not be affected by any notice to the contrary. Neither the Trustee nor the Authority will have any responsibility or obligation to any Participant (which will mean, for purposes of this section, securities brokers and dealers, banks, trust companies, clearing corporations and other entities, some of whom directly or indirectly own DTC, any person claiming a beneficial ownership interest in the Bonds under or through DTC or any Participant, or any other person which is not shown on the registration records as being an Owner of Bonds, with respect to (i) the accuracy of any records maintained by DTC or any Participant, (ii) the payment by DTC or any Participant of any amount in respect of the principal or redemption price or interest on the Bonds (iii) any notice which is permitted or required to be given to Owners of Bonds hereunder, (iv) the selection by DTC or any Participant of any person to receive payment in the event of a partial redemption of the Bonds, or (v) any consent given or other action taken by DTC as Owner of Bonds. The Trustee will pay all principal, redemption premium, if any, and interest on the Bonds only at the times, to the accounts, at the addresses and otherwise in accordance with the Representation Letter, and all such payments will be valid and effective to satisfy fully and discharge the principal, redemption premium, if any, and interest on the Bonds to the extent of the sum or sums so paid. Upon delivery by DTC to the Trustee of written notice to the effect that

DTC has determined to substitute a new nominee in place of its then existing nominee, the Bonds will be transferable to such new nominee in accordance with subsection (c) of this section.

(b) In the event that the Authority determines that it is in the best interests of the beneficial owners of the Bonds that they be able to obtain securities certificates, the Trustee will, upon the written instruction of the Authority, so notify DTC, whereupon DTC will notify the Participants of the availability through DTC of securities certificates. In such event, the Bonds will be transferable in accordance with subsection (c) of this section. DTC may determine to discontinue providing its services with respect to the Bonds at any time by giving written notice of such discontinuance to the Authority and the Trustee and discharging its responsibilities with respect thereto under applicable law. In such event, the Bonds will be transferable in accordance with subsection (c) of this section. Whenever DTC requests the Authority and the Trustee to do so, the Trustee and the Authority will cooperate with DTC in taking appropriate action after reasonable notice to arrange for another securities depository to maintain custody of all certificates evidencing the Bonds then Outstanding. In such event, the Bonds will be transferable to such securities depository in accordance with subsection (c) of this section, and thereafter, all references in this Trust Agreement to DTC or its nominee will be deemed to refer to such successor securities depository and its nominee, as appropriate.

(c) In the event that any transfer or exchange of Bonds is authorized under subsection (a) or (b) of this section, such transfer or exchange will be accomplished upon receipt by the Trustee from the registered owner thereof of the Bonds to be transferred or exchanged and appropriate instruments of transfer to the permitted transferee, all in accordance with the applicable provisions of Sections 2.06 and 2.07 hereof. In the event certificates are delivered to Owners other than Cede & Co., its successor as nominee for DTC as Owner of all the Bonds, another securities depository as Owner of all the Bonds, or the nominee of such successor securities depository, the provisions of Sections 2.06 and 2.07 hereof will also apply to, among other things, the registration, exchange and transfer of the Bonds and the method of payment of principal, redemption premium, if any, and interest on the Bonds.

SECTION 2.12. Procedure for the Delivery of Bonds; Disposition of Proceeds.

(a) The Trustee is hereby authorized to authenticate the Bonds to the purchaser thereof upon the Written Request of the Authority and upon receipt of the proceeds of the sale thereof.

(b) On the Closing Date, the Trustee will deposit the proceeds received from the sale of the Bonds from the purchaser thereof and other amounts transferred to the Trustee for such purposes as provided herein. The amount transferred to the Trustee is $____________, calculated as follows: $____________ with respect to the 2020 Bonds (representing the aggregate principal amount of 2020 Bonds of $____________, [plus a net original issue premium of $____________,] less an Underwriter's discount of $____________).

(c) On the Closing Date, the proceeds of the 2020 Bonds and other available moneys described below will be transferred and deposited as follows:

(i) $____________ from proceeds of the 2020 Bonds to the 2020 Escrow Bank for deposit in the 2020 Escrow Fund, to be utilized for accumulating the moneys needed to pay and redeem the 2013 Bonds in accordance with the 2020 Escrow Agreement.

(ii) $____________ from proceeds of the 2020 Bonds to the 2020 Escrow Bank for deposit in the 2020 Escrow Fund, to be utilized for accumulating the moneys needed to pay and redeem the 2014 Bonds in accordance with the 2020 Escrow Agreement.

(iii) The Trustee will deposit the remainder of the proceeds of sale of the Bonds in the amount of $____________ in the Costs of Issuance Fund, which fund is hereby created and which fund the Authority hereby agrees to maintain with the Trustee until February 1, 2021. All money in the Costs of Issuance Fund will be used and withdrawn by the Trustee to pay the Costs of Issuance of the Bonds upon receipt of a Written Request of the Authority filed with the Trustee, each of which will be sequentially numbered and will state 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. On February 1, 2021 or upon the earlier Written Request of the Authority, any remaining balance in the Costs of Issuance Fund will be transferred for deposit in the 2020 Debt Service Fund established under Section 3.03 below, and used to pay interest on the Bonds.

(iv) On or before the Closing Date, the Trustee, as trustee for the 2013 Bonds, will transfer $____________ from the Parity Reserve Fund into the Escrow Fund to pay and redeem the 2013 Bonds, in accordance with the 2020 Escrow Agreement.

(v) On or before the Closing Date, the Trustee, as trustee for the 2014 Bonds, will transfer $____________ from the Parity Reserve Fund into the Escrow Fund to pay and redeem the 2014 Bonds, in accordance with the 2020 Escrow Agreement.

(vi) [[There will be no deposit into 2020 Parity Reserve Account. After the release of amounts in the Parity Reserve Fund set forth in subsection (iii) above, the aggregate amount on deposit in the Parity Reserve Fund will be $____________, which is the Reserve Fund Requirement as of the Closing Date. As a result, no deposit will be made into 2020 Parity Reserve Account at the time the Bonds are issued.]]

The Authority hereby directs the Trustee to make the transfers required above. The Trustee may, at its option, establish and maintain a temporary account or accounts in connection with the deposit and transfer of the proceeds of the Bonds.

ARTICLE III
2020 PAYMENTS

SECTION 3.01. Pledge of Revenues. Subject only to the provisions of this Trust Agreement permitting the application thereof for the purposes and on the terms and conditions set forth herein, all of the Revenues and all amounts (including proceeds of the sale of the Bonds) held in any fund or account established under this Trust Agreement are hereby pledged to secure the payment of the principal of and interest and premium (if any) on the Bonds in accordance with their terms and the provisions of this Trust Agreement. Said pledge constitutes a lien on and security interest in the Revenues and such amounts and will attach, be perfected and be valid and binding from and after the Closing Date, without the need for any physical delivery thereof or further act. Notwithstanding anything in this Trust Agreement or in the Bonds contained, the Authority is not required to advance any moneys derived from any source other than the Revenues and other assets pledged under this Trust Agreement for any of the purposes in this Trust Agreement mentioned, whether for the payment of the principal of or interest on the Bonds or for any other purpose of this Trust Agreement. Nevertheless, the Authority may, but is not required to, advance for any of the purposes hereof any funds of the Authority which may be made available to it for such purposes.

SECTION 3.02. Deposit of Revenues. All Revenues will be promptly deposited by the Trustee upon receipt thereof in a special fund designated as the "2020 Debt Service Fund" which the Trustee will establish, maintain and hold in trust, for so long as any Bonds will be Outstanding hereunder. All Revenues will be promptly deposited by the Trustee upon receipt thereof in the 2020 Debt Service Fund; except that all moneys received by the Trustee and required hereunder or under the 2020 Supplemental Contract to be used for optional redemption of Bonds pursuant to Section 2.03(a)) will be promptly deposited in a special fund and disbursed for that purpose. All Revenues deposited with the Trustee will be held, disbursed, allocated and applied by the Trustee only as provided in this Trust Agreement. Any surplus remaining in the 2020 Debt Service Fund, after payment in full of (i) the principal of and interest on the Bonds or provision therefore under Article VIII, and (ii) any applicable fees and expenses to the Trustee, will be withdrawn by the Trustee and remitted to the City.

SECTION 3.03. Establishment and Maintenance of Accounts for Use of Money in the 2020 Debt Service Fund. [[[Subject to Section 4.03,]]]all money in the 2020 Debt Service Fund will be set aside by the Trustee in the following respective special accounts within the 2020 Debt Service Fund (each of which is hereby created and each of which the Trustee hereby agrees and covenants to maintain) and disbursed as provided below in the following order of priority:

(i) 2020 Interest Account, and

(ii) 2020 Redemption Account (with a 2020 Principal Subaccount therein).

All money in each of such accounts and subaccounts will be held in trust by the Trustee for the benefit of the Owners and will be applied, used and withdrawn only for the purposes hereinafter authorized in this section.

(a) 2020 Interest Account. On the Business Day immediately preceding each February 1 and August 1, commencing on February 1, 2021, the Trustee will set aside from the 2020 Debt Service Fund and deposit in the 2020 Interest Account that amount of money which is equal to the amount of interest on the 2020 Bonds becoming due and payable on such February 1 or August 1, as the case may be.

No deposit need be made in the 2020 Interest Account if the amount contained therein is at least equal to the aggregate amount of interest on the 2020 Bonds becoming due and payable on such Interest Payment Date.

All money in the 2020 Interest Account will be used and withdrawn by the Trustee solely for the purpose of paying the interest as becomes due and payable (including accrued interest on any 2020 Bonds purchased or redeemed prior to their respective maturity dates).

(b) 2020 Redemption Account. On the Business Day immediately preceding each February 1, commencing on February 1, 2021, the Trustee will set aside from the 2020 Debt Service Fund and deposit in the 2020 Principal Subaccount in the 2020 Redemption Account an amount of money equal to the principal amount of the 2020 Bonds becoming due on such February 1.

No deposit need be made in the 2020 Redemption Account if the amount contained in the 2020 Principal Subaccount therein is at least equal to the aggregate amount of the principal of the 2020 Bonds becoming due on such February 1.

SECTION 3.04. Parity Reserve Fund. The Trustee hereby agrees and covenants to maintain the Parity Reserve Fund originally established under the 1997 Trust Agreement so long as the Contract has not been discharged in accordance with its terms or any Bonds remain Outstanding hereunder (notwithstanding that the Parity Reserve Fund is no longer maintained in connection with the Parity Obligations issued prior to the date hereof and no longer outstanding). The Parity Reserve Fund will be maintained so long as any Parity Obligations secured thereby remain outstanding.

The Contract provides that On or before the third Business Day before each Interest Payment Date, the City will, from the remaining money on deposit in its Electric Revenue Fund after deposits and transfers under for debt service, transfer to the Trustee for deposit in the Parity Reserve Fund that sum, if any, necessary to restore the Parity Reserve Fund to an amount equal to the Reserve Fund Requirement. The City will also, from such remaining moneys in the Electric Revenue Fund, transfer or cause to be transferred to the reserve fund or account for any Parity Obligations which are not Supplemental Contracts, without preference or priority between transfers made in accordance with this sentence and the preceding sentence, and in the event of any insufficiency of such moneys ratably without any discrimination or preference, that sum or sums, if any, equal to the amount required to be deposited therein pursuant to such Parity Obligations.

[After the release of amounts in the Parity Reserve Fund as set forth in Section 2.12, the combined amount on deposit in the Parity Reserve Fund will be $____________, which is the Reserve Fund Requirement as of the Closing Date. Such amount is available to all outstanding Parity Obligations secured thereby.]

[[A 2020 Parity Reserve Account need not initially be established within the Parity Reserve Fund (since no proceeds of the 2020 Bonds are deposited into the Parity Reserve Fund, but]] may be established as a special account of the 2020 Debt Service Fund at a later date, if the need arises. In such event, the Trustee will deposit in the 2020 Parity Reserve Account such amounts transferred to the Trustee by the City from any source, as directed by the Authority in a Written Request of the Authority. Moneys on deposit in the 2020 Parity Reserve Account, if any, will be transferred by the Trustee to the 2020 Debt Service Fund to pay principal and interest on the Bonds on any Interest Payment Date in the event amounts on deposit therein are insufficient for such purposes. The Trustee will also, from such amounts on deposit in the 2020 Parity Reserve Account, transfer or cause to be transferred to the debt service fund established under any applicable debt service fund established under a trust agreement under which any Parity Obligations are issued in connection with a supplement to the Master Contract and are secured by the Parity Reserve Fund, without preference or priority between transfers made pursuant to this sentence and the preceding sentence, and in the event of any insufficiency of such moneys ratably without discrimination or preference, that sum or sums, if any, equal to the amount required to be deposited therein pursuant to the 1997 Trust Agreement or such trust agreement under which any Parity Obligations are issued in connection with a supplement to the Master Contract.

Interest earnings on amounts on deposit in the 2020 Parity Reserve Account, and any amount in the 2020 Parity Reserve Account in excess of the amount which, when added to the amount in the Parity Reserve Fund equals the Reserve Fund Requirement, unless needed to pay debt service on any obligations issued pursuant to the Contract or to replenish the Parity Reserve Fund, or unless subject to rebate requirements pursuant to Section 2.06 of the 2020 Supplemental Contract, will be withdrawn from the 2020 Parity Reserve Account and transferred, upon Written Request of the Authority submitted to the Trustee, to the City for deposit in the Revenue Fund established under the Contract.

Any withdrawals of excess amounts in either or both of the Parity Reserve Fund, the 2020 Parity Reserve Account and any accounts established in connection with other Parity Obligations which are attributable to other-than interest earnings will be allocated and withdrawn, upon Written Request of the Authority submitted to the Trustee, from the amount on deposit in the Parity Reserve Fund, the 2020 Parity Reserve Account and any accounts established in connection with other Parity Obligations pro-rata, based on the portion of the Reserve Fund Requirement originally deposited in the Parity Reserve Fund from such Parity Obligations, in the 2020 Parity Reserve Account from the Bonds, and in such other accounts established in connection with other Parity Obligations from proceeds of such Parity Obligations, except that to the extent that the reduction is attributable in whole or in part to any particular Parity Obligations, the Parity Reserve Fund, to the extent possible, will be reduced by the portion of the total reduction that is reasonably attributable to such Parity Obligations, and the 2020 Parity Reserve Account will be reduced by the portion of the total reduction that is reasonably attributable to the 2020 Bonds and the accounts established in connection with the other Parity Obligations will be reduced by the portion of the total reduction that is reasonably attributable to such other Parity Obligations.]]]

SECTION 3.05. Deposit and Investments of Money in Accounts and Funds. Subject to Section 4.03, all money held by the Trustee in any of the accounts or funds established pursuant hereto will be invested in Permitted Investments at the Written Request of the Authority filed with the Trustee which such Permitted Investments will, as nearly as practicable, mature on or before the dates on which such money is anticipated to be needed for disbursement hereunder, and the Trustee will have no liability or responsibility for any loss resulting from any investment made in accordance herewith; provided, that if no such Written Request is received by the Trustee, the Trustee will invest such money in those Permitted Investments described in clause (7) of the definition thereof, provided, however, that any such investment will be made by the Trustee only if, prior to the date on which such investment is to be made, the Trustee will have received a Written Request of the Authority specifying a specific money market fund and, if no such Written Request of the Authority is so received, the Trustee will hold such moneys uninvested. Subject to Sections 3.04 and 4.03, all interest or profits received on any money so invested will be deposited in the 2020 Debt Service Fund. Investments purchased with funds on deposit in the

Parity Reserve Fund will have an average aggregate weighted term to maturity not greater than five years.

For Investment purposes only, the Trustee may commingle the funds and accounts established hereunder, but will account for each separately.

The Authority acknowledges that to the extent regulations of the Comptroller of the Currency or other applicable regulatory entity grant the Authority the right to receive brokerage confirmations of security transactions as they occur, the Authority specifically waives receipt of such confirmations to the extent permitted by law. The Trustee will furnish the Authority periodic cash transaction statements that include detail for all investment transactions made by the Trustee hereunder.

The Trustee or any of its affiliates may act as sponsor, advisor or manager in connection with any investments made by the Trustee hereunder.

The Trustee will not be liable for any loss from any Permitted Investments acquired, held or disposed of in accordance herewith.

SECTION 3.06. Assignment to Trustee, Enforcement of Obligations.

(a) The Authority hereby irrevocably transfers, assigns and sets over to the Trustee, without recourse to the Authority, all of its rights in the Revenues and in the Contract as supplemented by the 2020 Supplemental Contract (excepting only the Authority's rights under Section 7.09 of the Contract), including but not limited to all of the Authority's rights to receive and collect all of the 2020 Payments. The Trustee is entitled to collect and receive all of the Revenues, and any Revenues collected or received by the Authority will be deemed to be held, and to have been collected or received, by the Authority as the agent of the Trustee and will forthwith be paid by the Authority to the Trustee. The Trustee is also entitled to and will, subject to the provisions of Article V, take all steps, actions and proceedings which the Trustee determines to be reasonably necessary in its judgment to enforce, either jointly with the Authority or separately, all of the rights of the Authority and all of the obligations of the City under the 2020 Supplemental Contract.

(b) The Trustee may, in performing the obligations set forth in Section 3.06(a) above, rely and will be protected in acting or refraining from acting upon an Opinion of Counsel furnished by the City.

ARTICLE IV
COVENANTS OF THE AUTHORITY AND THE TRUSTEE

SECTION 4.01. Compliance with Trust Agreement. The Trustee will not execute or deliver any Bonds in any manner other than in accordance with the provisions hereby; and the Authority will not suffer or permit any default by it to occur hereunder, but will faithfully comply with, keep, observe and perform all the agreements and covenants to be observed or performed by it contained herein and in the Bonds.

SECTION 4.02. Issuance and Payment of Bonds.

(a) The Authority will punctually pay or cause to be paid the principal of and interest and premium (if any) on all the Bonds in strict conformity with the terms of the Bonds and of this Trust Agreement, according to the true intent and meaning thereof, but only out of the Revenues and other amounts pledged for such payment as provided in this Trust Agreement.

(b) The Authority will 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 will be extended, such Bonds or claims for interest will not be entitled, in case of any default hereunder, to the benefits of this Trust Agreement, except subject to the prior payment in full of the principal of all of the Bonds then Outstanding and of all claims for interest thereon which have not been so extended.

(c) The Authority will not create, or permit the creation of, any pledge, lien, charge or other encumbrance upon the Revenues and other assets pledged or assigned under this Trust Agreement while any of the Bonds are Outstanding, except the pledge and assignment created by this Trust Agreement. Subject to this limitation, the Authority expressly reserves the right to enter into one or more other trust agreements for any of its purposes (including in connection with Supplemental Contracts), and reserves the right to issue other obligations for such purposes.

(d) The Authority is duly authorized under law to issue the Bonds and to enter into this Trust Agreement and to pledge and assign the Revenues and other amounts purported to be pledged and assigned, respectively, under this Trust Agreement in the manner and to the extent provided in this Trust Agreement. The Bonds and the provisions of this Trust Agreement are and will be the legal, valid and binding special obligations of the Authority in accordance with their terms. The Authority and the Trustee will at all times, subject to the provisions of Article V and to the extent permitted by law, defend, preserve and protect said pledge and assignment of Revenues and other assets and all the rights of the Bond Owners under this Trust Agreement against all claims and demands of all persons whomsoever.

(e) The Authority will faithfully comply with, keep, observe and perform all valid and lawful obligations or regulations now or hereafter imposed on it by contract, or prescribed by any law of the United States of America or of the State, or by any officer, board or commission having jurisdiction or control, as a condition of the continued enjoyment of each and every franchise, right or privilege now owned or hereafter acquired by it, including its right to exist and carry on its businesses, to the end that such franchises, rights and privileges will be maintained and preserved and will not become abandoned, forfeited or in any manner impaired.

[[[SECTION 4.03. Tax Covenants. The Authority hereby covenants with the Owners of the 2020 Bonds that, notwithstanding any other provisions of this Trust Agreement, it will not take any action, or fail to take any action, if any such action or failure to take action would adversely affect the exclusion from gross income of interest on the 2020 Bonds under Section 103 of the Code. The Authority will not, directly or indirectly, use or permit the use of proceeds of the 2020 Bonds or any of the property financed or refinanced with proceeds of the 2020 Bonds, or any portion thereof, by any person other than a governmental unit (as such term is used in Section 141 of the Code), in such manner or to such extent as would result in the loss of exclusion from gross income for federal income tax purposes of interest on the 2020 Bonds.

The Authority will not take any action, or fail to take any action, if any such action or failure to take action would cause the 2020 Bonds to be "private activity bonds" within the meaning of Section 141 of the Code, and in furtherance thereof, will not make any use of the proceeds of the 2020 Bonds or any of the property financed or refinanced with proceeds of the 2020 Bonds, or any portion thereof, or any other funds of the Authority, that would cause the 2020 Bonds to be "private activity bonds" within the meaning of Section 141 of the Code. To that end, so long as any 2020 Bonds are Outstanding, the Authority, with respect to such proceeds and property and such other funds, will comply with applicable requirements of the Code and all regulations of the United States Department of the Treasury issued thereunder, to the extent such requirements are, at the time, applicable and in effect. The Authority has established reasonable procedures necessary to ensure continued compliance with Section 141 of the Code and the continued qualification of the 2020 Bonds as "governmental bonds."

The Authority will not, directly or indirectly, use or permit the use of any proceeds of any 2020 Bonds, or of any property financed or refinanced thereby, or other funds of the Authority, or take or omit to take any action, that would cause the 2020 Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code. To that end, the Authority will comply with all requirements of Section 148 of the Code and all regulations of the United States Department of the Treasury issued thereunder to the extent such requirements are, at the time, in effect and applicable to the 2020 Bonds.

The Authority will not make any use of the proceeds of the 2020 Bonds or any other funds of the Authority, or take or omit to take any other action that would cause the 2020 Bonds to be "federally guaranteed" within the meaning of Section 149(b) of the Code.

The Authority will assure that the proceeds of the 2020 Bonds are not so used as to cause the 2020 Bonds to satisfy the private business tests of section 141(b) of the Code or the private loan financing test of section 141(c) of the Code.

In furtherance of the foregoing tax covenants, the Authority covenants that it will comply with the provisions of the Tax Certificate, which is incorporated herein as if fully set forth herein. These covenants will survive payment in full or defeasance of the 2020 Bonds.]]]

SECTION 4.04. Accounting, Records and Reports. The Trustee will keep or cause to be kept proper books of record and accounts in which complete and correct entries will be made of all transactions made by the Trustee relating to the receipts, disbursements, allocation and application of the 2020 Payment and the proceeds of the Bonds, and such books will be available for inspection by the Authority, at reasonable hours and under reasonable conditions and with reasonable notice. Not more than 180 days after the close of each Fiscal Year, the Trustee will furnish or cause to be furnished to the Authority a complete financial statement covering receipts, disbursements, allocation and application of 2020 Payments received by the Trustee for such Fiscal Year. [[[The Authority will keep or cause to be kept such information as required under the Tax Certificate.]]]

SECTION 4.05. Prosecution and Defense of Suits. The Authority will defend against every suit, action or proceeding at any time brought against the Trustee upon any claim to the extent arising out of the receipt, application or disbursement of any of the 2020 Payments and the proceeds of the Bonds or to the extent involving the failure of the Authority to fulfill its obligations hereunder; provided that the Trustee or any affected Owner at its election may appear in and defend any such suit, action or proceeding. The Authority will indemnify and hold harmless the Trustee against any and all liability claimed or asserted by any person to the extent arising out of such failure by the Authority, and will indemnify and hold harmless the Trustee against any attorney's fees or other expenses which it may incur in connection with any litigation to which it may become a party by reason of its actions hereunder, except for any loss, cost, damage or expense resulting from the active or passive negligence, willful misconduct or breach of duty by the Trustee. Notwithstanding any contrary provision hereof, this covenant will remain in full force and effect even though all Bonds secured hereby may have been fully paid and satisfied.

SECTION 4.06. Enforcement of Contract; Amendments to Contract.

(a) The Authority will promptly collect all amounts due pursuant to the 2020 Supplemental Contract and will diligently enforce, and take all steps, actions and proceedings reasonably necessary for the enforcement of all of the rights of the Authority thereunder.

(b) Except for any Supplemental Contract delivered in accordance with the terms of the Contract, the Authority will not supplement, amend, modify or terminate any of the terms of the Contract, or consent to any such supplement, amendment, modification or termination, unless (a) such supplement, amendment, modification or termination will not materially adversely affect the interests of the Owners or result in any material impairment of the security hereby given for the payment of the Bonds, or (b) the Authority or the Trustee first obtains the written consent of the Owners of a majority in aggregate principal amount of the Bonds and Parity Obligations then Outstanding to such supplement, amendment, modification or termination; provided, however, that no such supplement, amendment, modification or termination will reduce the amount of 2020 Payments to be made to the Authority or the Trustee by the City pursuant to the Contract, or extend the time for making such 2020 Payments in any manner that would require the amendment of the Trust Agreement in any manner not in compliance with Section 6.01 hereof.

SECTION 4.07. Maintenance of Existence. In the event the existence of the Authority will be impaired by any termination of the existence of the Successor Agency of the Redevelopment Agency of the City of Roseville, as successor to the Redevelopment Agency of the City of Roseville in its capacity as a member of the Authority, the Authority will take or cause to be taken all actions reasonably necessary to continue its existence until such time as the Bonds have been paid in full.

SECTION 4.08. Further Assurances. Whenever and so often as reasonably requested to do so by the Trustee or any Owner, the Authority will promptly execute and deliver or cause to be executed and delivered all such other and further assurances, documents or instruments, and promptly do or cause to be done all such other and further things as may be necessary or reasonably required in order to further and more fully vest in the Trustee and the Owners all rights, interests, powers, benefits, privileges and advantages conferred or intended to be conferred upon them hereby.

ARTICLE V
THE TRUSTEE

SECTION 5.01. The Trustee. The Bank of New York Mellon Trust Company, N.A. will serve as the Trustee for the purpose of receiving all money which the Authority is required to deposit with the Trustee hereunder and for the purpose of allocating, applying and using such money as provided herein and for the purpose of paying the interest and principal and redemption premiums, if any, on the Bonds presented for payment and for the purpose of canceling all paid or redeemed Bonds as provided herein. The Authority agrees that it will at all times maintain a Trustee having a corporate trust office in either San Francisco, California or Los Angeles, California.

The Authority may at any time (unless there exists any Event of Default as defined in Section 7.01) remove the Trustee initially appointed and any successor thereto and may appoint a successor or successors thereto by an instrument in writing; provided that any such successor will be a bank, national banking association or trust company doing business and having a principal office in either San Francisco, California or Los Angeles, California, having a combined capital (exclusive of borrowed capital) and surplus of at least seventy-five million dollars ($75,000,000) (including, for such proposal, the combined capital and surplus of any parent holding companies) and subject to supervision or examination by federal or state authority. If such bank, national banking association or trust company publishes a report of condition at least annually, pursuant to law or to the requirements of any supervising or examining authority above referred to, then for the purpose of this section the combined capital and surplus of such bank, national banking association or trust company will be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. The Trustee may at any time resign by giving written notice of such resignation to the Authority and by mailing to the Owners notice of such resignation. Upon receiving such notice of resignation, the Authority will promptly appoint a successor Trustee by an instrument in writing. Any removal or resignation of a Trustee and appointment of a successor Trustee will become effective only upon the acceptance of appointment by the successor Trustee. If, within thirty (30) days after notice of the removal or resignation of the Trustee no successor Trustee will have been appointed and will have accepted such appointment, the removed or resigning Trustee may petition any court of competent jurisdiction for the appointment of a successor Trustee, which court may thereupon, after such notice, if any, as it may deem proper and prescribe and as may be required by law, appoint a successor Trustee having the qualifications required hereby.

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

SECTION 5.02. Liability of Trustee. The recitals of facts, agreements and covenants herein and in the Bonds will be taken as recitals of facts, agreements and covenants of the Authority, and the Trustee assumes no responsibility for the correctness of the same, or makes any representation as to the sufficiency or validity hereof or of the Bonds, and will not incur any responsibility in respect thereof other than in connection with the rights or obligations assigned to or imposed upon it herein, in the Bonds or in law or equity. The Trustee will not be liable in connection with the performance of its duties hereunder except for its own active or passive negligence, willful misconduct or breach of duty.

The Trustee will not be liable for any error of judgment made in good faith by a responsible officer, unless it will be proved that the Trustee was negligent in ascertaining the pertinent facts.

The Trustee will 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 hereunder.

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

The Trustee will not be deemed to have knowledge of any default hereunder or default under the Contract unless and until it will have actual knowledge thereof or will have received written notice thereof at its Corporate Trust Office. Except as otherwise expressly provided herein, the Trustee will not be bound to ascertain or inquire as to the performance or observance of any of the terms, conditions, covenants or agreements herein or of any of the documents executed in connection with the Bonds or as to the existence of a default hereunder.

The Trustee will be entitled to advice of counsel and other professionals concerning all matters of trust and its duty hereunder, but the Trustee will not be answerable for the professional malpractice of any attorney-at-law or certified public accountant in connection with the rendering of his professional advice in accordance with the terms hereof, if such attorney-at-law or certified public accountant was selected by the Trustee with due care.

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

Whether or not therein expressly so provided, every provision hereof or of the Contract or any related documents relating to the conduct or affecting the liability of or affording protection to the Trustee will be subject to the provisions of this article.

The Trustee makes no representation or warranty, express 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 Authority or City of the project financed or refinanced with proceeds of the Bonds. In no event will the Trustee be liable for incidental, indirect, special or consequential damages in connection with or arising from the Contract or this Trust Agreement for the existence, furnishing or use of the project financed or refinanced with proceeds of the Bonds.

The Trustee will be protected in acting upon any notice, requisition, resolution, request, consent, order, certificate, report, opinion, bond or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties. The Trustee may consult with counsel, who may be counsel of or to the Authority, with regard to legal questions, and the opinion of such counsel will be full and complete authorization and protection in respect of any action taken or suffered by it hereunder in good faith and in accordance therewith.

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

No provision of this Trust Agreement will 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 its rights or powers.

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

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

Any company into which the Trustee may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which it will be a party or any company to which the Trustee may sell or transfer all or substantially all of its corporate trust business, so long as such company will meet the requirements set forth in Section 5.01, will be the successor to the Trustee and vested with all of the title to the trust estate and all of the trusts, powers, discretions, immunities, privileges and all other matters as was its predecessor, without the execution or filing of any paper or further act, anything herein to the contrary notwithstanding.

The Trustee may become the owner or pledgee of any Bonds with the same rights it would have if it were not Trustee.

Money held by the Trustee in trust hereunder need not be segregated from other funds except to the extent required by law. The Trustee will be under no liability for interest on any money received by it hereunder except as otherwise agreed with the Authority.

Whether or not therein expressly so provided, every provision of this Trust Agreement relating to the conduct or affecting the liability of or affording protection to the Trustee will be subject to the provisions of this Section 5.02.

The Trustee will not be considered in breach of or in default in its obligations hereunder or progress in respect thereto in the event of enforced delay ("unavoidable delay") in the performance of such obligations due to unforeseeable causes beyond its control and without its fault or negligence, including, but not limited to, acts of God or of the public enemy or terrorists, acts of a government, acts of the other party, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, earthquakes, explosion, mob violence, riot, inability to procure or general sabotage or rationing of labor, equipment, facilities, sources of energy, material or supplies in the open market, litigation or arbitration involving a party or others relating to zoning or other governmental action or inaction pertaining to the project financed or refinanced with proceeds of the Bonds, malicious mischief, condemnation, and unusually severe weather or delays of suppliers or subcontractors due to such causes or any similar event and/or occurrences beyond the control of the Trustee.

The Trustee will have the right to accept and act upon instructions, including funds transfer instructions ("Instructions") given pursuant to this Trust Agreement and delivered using Electronic Means ("Electronic Means" will mean the following communications methods: e-mail, facsimile transmission, secure electronic transmission containing applicable authorization codes, passwords and/or authentication keys issued by the Trustee, or another method or system specified by the Trustee as available for use in connection with its services hereunder); provided, however, that the Authority will provide to the Trustee an incumbency certificate listing officers with the authority to provide such Instructions ("Authorized Officers") and containing specimen signatures of such Authorized Officers, which incumbency certificate will be amended by the Authority whenever a person is to be added or deleted from the listing. If the Authority elects to give the Trustee Instructions using Electronic Means and the Trustee in its discretion elects to act upon such Instructions, the Trustee's understanding of such Instructions will be deemed controlling. The Authority understands and agrees that the Trustee cannot determine the identity of the actual sender of such Instructions and that the Trustee will conclusively presume that directions that purport to have been sent by an Authorized Officer listed on the incumbency certificate provided to the Trustee have been sent by such Authorized Officer. The Authority will be responsible for ensuring that only Authorized Officers transmit such Instructions to the Trustee and that the Authority and all Authorized Officers are solely responsible to safeguard the use and confidentiality of applicable user and authorization codes, passwords and/or authentication keys upon receipt by the Authority. The Trustee will not be liable for any losses, costs or expenses arising directly or indirectly from the Trustee's reliance upon and compliance with such Instructions notwithstanding such directions conflict or are inconsistent with a subsequent written instruction. The Authority agrees: (i) to assume all risks arising out of the use of Electronic Means to submit Instructions to the Trustee, including without limitation the risk of the Trustee acting on unauthorized Instructions, and the risk of interception and misuse by third parties; (ii) that it is fully informed of the protections and risks associated with the various methods of transmitting Instructions to the Trustee and that there may be more secure methods of transmitting Instructions than the method(s) selected by the Authority; (iii) that the security procedures (if any) to be followed in connection with its transmission of Instructions provide to it a commercially reasonable degree of protection in light of its particular needs and circumstances; and (iv) to notify the Trustee immediately upon learning of any compromise or unauthorized use of the security procedures.

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

The Trustee may execute any of the trusts or powers hereof and perform the duties required of it hereunder by or through attorneys, agents, affiliates, or receivers, and will be entitled to advice of counsel concerning all matters of trust and its duty hereunder, and the Trustee will not be answerable for the default or misconduct of any such attorney, agent, or receiver selected by it with reasonable care.

SECTION 5.03. Compensation and Indemnification of Trustee. The Authority covenants to pay to the Trustee from time to time, and the Trustee will be entitled to, reasonable compensation for all services rendered by it in the exercise and performance of any of the powers and duties hereunder of the Trustee, and the Authority will pay or reimburse the Trustee upon its request for all expenses, disbursements and advances incurred or made by the Trustee in accordance with any of the provisions hereof (including the reasonable compensation and the expenses and disbursements of its counsel, agents and of all persons not regularly in its employ) except any such expense, disbursement or advance as may arise from its negligence, default or willful misconduct. The Authority, to the extent permitted by law, will indemnify, defend and hold harmless the Trustee against any loss, damages, liability or expense (including legal fees and expenses) incurred without negligence, default or willful misconduct on the part of the Trustee arising out of or in connection with (i) the acceptance or administration of the trusts created hereby, or the exercise or performance of any of its powers or duties hereunder, or (ii) any untrue statement or alleged untrue statement of any material fact or omission or alleged omission to state a material fact necessary to make the statements made, in the light of the circumstances under which they were made, not misleading in any official statement or other offering circular utilized in connection with the sale of any of the Bonds, including costs and expenses (including attorneys' fees) of defending itself against any claim or liability in connection with the exercise or performance of any of its powers hereunder. The rights of the Trustee and the obligations of the Authority under this section will survive the discharge of the Bonds and the Trust Agreement and the resignation or removal of the Trustee.

ARTICLE VI
AMENDMENT OF THE TRUST AGREEMENT

SECTION 6.01. Amendment of the Trust Agreement. The Trust Agreement and the rights and obligations of the Authority and of the Owners may be amended at any time by a Supplemental Trust Agreement which will become binding when the written consents of the Owners of a majority in aggregate principal amount of the Bonds then Outstanding, exclusive of Bonds disqualified as provided in Section 6.02, are filed with the Trustee; provided, that before executing any such Supplemental Trust Agreement the Trustee may first obtain at the Authority's expense an Opinion of Counsel that such Supplemental Trust Agreement complies with the provisions of the Trust Agreement, on which opinion the Trustee may conclusively rely. No such amendment will (1) extend the maturity date of, or change the payment dates of, or reduce the rate of interest or principal or redemption premium, if any, on any Bond without the express written consent of the Owner of such Bond, or (2) reduce the percentage of Bonds required for the written consent to any such amendment, or (3) modify any rights or obligations of the Trustee without its prior written assent thereto.

The Trust Agreement and the rights and obligations of the Authority and of the Owners may also be amended at any time by a Supplemental Trust Agreement which will become binding upon adoption without the consent of any Owners, but only to the extent permitted by law, for any purpose that will not materially adversely affect the interests of the Owners, including (without limitation) for any one or more of the following purposes:

(a) to add to the agreements and covenants required herein to be performed by the Authority other agreements and covenants thereafter to be performed by the Authority, or to surrender any right or power reserved herein to or conferred herein on the Authority;

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

(c) to add to the agreements and covenants required herein, such agreements and covenants as may be necessary to qualify the Trust Agreement under the Trust Indenture Act of 1939;

(d) to make any amendments or supplements necessary or appropriate to preserve or protect the exclusion of interest on the Bonds from gross income for federal income tax purposes under the Code or the exemption of such interest from State personal income taxes;

(e) to make such amendments or supplements as may be necessary or appropriate to maintain any then current rating on the Bonds; or

(f) to add to the rights of the Trustee.

In executing, or accepting the additional trusts created by, any Supplemental Trust Agreement permitted by this Article or the modification thereby of the trusts created by this Trust Agreement, the Trustee shall be entitled to receive, and shall be fully protected in relying upon, an opinion of counsel stating that the execution of such Supplemental Trust Agreement is authorized or permitted by this Trust Agreement and complies with the terms hereof. The Trustee may, but shall not be obligated to, enter into any such Supplemental Trust Agreement which affects the Trustee's own rights, duties or immunities under this Trust Agreement or otherwise.

SECTION 6.02. Disqualified Bonds. Bonds owned or held by or for the account of the Authority or the City will not be deemed Outstanding for the purpose of any consent or other action or any calculation of Outstanding Bonds provided in this article, and will not be entitled to consent to or take any other action provided in this article. Upon request of the Trustee, the Authority will specify in a certificate to the Trustee those Bonds disqualified pursuant to this Section and the Trustee may conclusively rely on such certificate.

SECTION 6.03. Endorsement or Replacement of Bonds After Amendment. After the effective date of any action taken as hereinabove provided, the Authority may determine that the Bonds may bear a notation by endorsement in form approved by the Authority as to such action, and in that case upon demand of the Owner of any Outstanding Bonds and presentation of such Owner's Bond for such purpose at the Corporate Trust Office of the Trustee a suitable notation as to such action will be made on such Bond. If the Authority will so determine, new Bonds so modified as, in the opinion of the Authority, will be necessary to conform to such action will be prepared and executed, and in that case upon demand of the Owner of any Outstanding Bond a new Bond or Bonds will be exchanged at the Corporate Trust Office of the Trustee without cost to each Owner for its Bond or Bonds then Outstanding upon surrender of such Outstanding Bonds.

SECTION 6.04. Amendment by Mutual Consent. The provisions of this article will not prevent any Owner from accepting any amendment as to the particular Bonds held by him or her, provided that due notation thereof is made on such Bonds.

ARTICLE VII
EVENTS OF DEFAULT AND REMEDIES OF OWNERS

SECTION 7.01. Events of Default; Acceleration; Waiver of Default

The following events constitute “Events of Default” hereunder:

(a) Failure to pay any installment of the principal of any Bonds when due, whether at maturity as therein expressed, by proceedings for redemption, by acceleration, or otherwise.

(b) Failure to pay any installment of interest on the Bonds when due.

(c) Failure by the Authority to observe and perform any of the other covenants, agreements or conditions on its part contained in this Trust Agreement or in the Bonds, if such failure has continued for a period of 30 days after written notice thereof, specifying such failure and requiring the same to be remedied, has been given to the Authority by the Trustee; *provided, however*, if in the reasonable opinion of the Authority the failure stated in the notice can be corrected, but not within such 30-day period, such failure will not constitute an Event of Default if the Authority institutes corrective action within such 30-day period and thereafter diligently and in good faith cures the failure in a reasonable period of time.

(d) The commencement by the Authority of a voluntary case under Title 11 of the United States Code or any substitute or successor statute.

(e) The occurrence and continuation of an Event of Default under and as defined in the Contract.

SECTION 7.02. Remedies Upon Event of Default. If an Event of Default occurs, and in each and every such case during the continuance of such Event of Default the Trustee or the Owners of not less than a majority in aggregate principal amount of the Bonds then Outstanding may exercise the remedies provided to the Authority in the Contract; provided, that nothing contained herein will affect or impact the right of action of any Owner to institute suit directly against the Authority to enforce payment of such Owner’s Bonds.

If any Event of Default occurs, then, and in each and every such case during the continuance of such Event of Default, the Trustee may, and at the written direction of the Owners of a majority in aggregate principal amount of the Bonds at the time Outstanding will, in each case, upon receipt of indemnification satisfactory to Trustee against the costs, expenses and liabilities to be incurred in connection with such action, upon notice in writing to the Authority, 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 will become and will be immediately due and payable, anything in this Trust Agreement or in the Bonds contained to the contrary notwithstanding.

Any such declaration is subject to the condition that if, at any time after such declaration and before any judgment or decree for the payment of the moneys due will have been obtained or entered, the Authority deposits with the Trustee a sum sufficient to pay all the principal of and installments of interest on the Bonds payment of which is overdue, with interest on such overdue principal at the rate borne by the respective Bonds to the extent permitted by law, and the reasonable fees, charges and expenses (including those of its legal counsel, including the allocated costs of internal attorneys) of the Trustee, and any and all other Events of Default known to the Trustee (other than in the payment of principal of and interest on the Bonds due and payable solely by reason of such declaration) have been made good or cured to the satisfaction of the Trustee or provision deemed by the Trustee to be adequate has been made therefor, then, and in every such case, the Owners of a majority in aggregate principal amount of the Bonds then Outstanding, by written notice to the Authority, the City and the Trustee, may, on behalf of the Owners of all of the Bonds, rescind and annul such declaration and its consequences and waive such Event of Default; but no such rescission and annulment will extend to or will affect any subsequent Event of Default, or will impair or exhaust any right or power consequent thereon.

The Trustee additionally will have the right:

(a) by mandamus or other action or proceeding or suit at law or in equity to enforce the Authority's rights under the Contract against the City or any director, officer or employee thereof, and to compel the City or any such director, officer or employee to perform or carry out its or his duties under law and the agreements and covenants required to be performed by it or him contained in the Contract;
1.

(b) by suit in equity to enjoin any acts or things which are unlawful or violate the rights of the Trustee; or

(c) by suit in equity upon the happening of any Event of Default hereunder to enforce the Authority's rights under the Contract to require the City and its directors, officers and employees to account as the trustee of an express trust.

SECTION 7.03. Application of Revenues and Other Funds After Default. If an Event of Default occurs and is continuing, all Revenues and any other funds then held or thereafter received by the Trustee under any of the provisions of this Trust Agreement will be applied by the Trustee in the following order of priority:

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

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

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

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

SECTION 7.04. Non-Waiver. A waiver of any default or breach of any duty or contract by the Trustee will not affect any subsequent default or breach of duty or contract or impair any rights or remedies on any such subsequent default or breach of duty or contract. No delay or omission by the Trustee to exercise any right or remedy accruing upon any default or breach of duty or contract will impair any such right or remedy or will be construed to be a waiver of any such default or breach of duty or contract or any acquiescence therein, and every right or remedy conferred upon the Trustee by law or by this article may be enforced and exercised from time to time and as often as will be deemed expedient by the Trustee.

SECTION 7.05. Remedies Not Exclusive. No remedy herein conferred upon or reserved to the Trustee or the Owners is intended to be exclusive of any other remedy, and each such remedy will be cumulative and will be in addition to every other remedy given hereunder or now or hereafter existing in law or in equity or by statute or otherwise and may be exercised without exhausting and without regard to any other remedy conferred by law.

SECTION 7.06. Trustee to Represent Bond Owners. The Trustee is hereby irrevocably appointed (and the successive respective Owners of the Bonds, by taking and holding the same, will be conclusively deemed to have so appointed the Trustee) as trustee and true and lawful attorney-in-fact of the Owners of the Bonds for the purpose of exercising and prosecuting on their behalf such rights and remedies as may be available to such Owners under the provisions of the Bonds, this Trust Agreement and applicable provisions of any law. All rights of action under this Trust Agreement or the Bonds or otherwise may be prosecuted and enforced by the Trustee without the possession of any of the Bonds or the production thereof in any proceeding relating thereto, and any such suit, action or proceeding instituted by the Trustee will be brought in the name of the Trustee for the benefit and protection of all the Owners of such Bonds, subject to the provisions of this Trust Agreement.

SECTION 7.07. Limitation on Bond Owners' Right to Sue. Notwithstanding any other provision hereof, no Owner of any Bonds has the right to institute any suit, action or proceeding at law or in equity, for the protection or enforcement of any right or remedy under this Trust Agreement, the 2020 Supplemental Contract or any other applicable law with respect to such Bonds, unless (a) such Owner has 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 the Bonds then Outstanding have requested the Trustee in writing to exercise the powers hereinbefore granted or to institute such suit, action or proceeding in its own name; (c) such Owner or Owners have tendered to the Trustee reasonable indemnity against the costs, expenses and liabilities to be incurred in compliance with such request; (d) the Trustee has failed to comply with such request for a period of 60 days after such written request has been received by, and said tender of indemnity has been made to, the Trustee; and (e) no direction inconsistent with such written request has been given to the Trustee during such 60 day period by the Owners of a majority in aggregate principal amount of the Bonds then Outstanding.

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 or under law; it being understood and intended that no one or more Owners of Bonds will have any right in any manner whatever by his or their action to affect, disturb or prejudice the security of this Trust Agreement or the rights of any other Owners of Bonds, or to enforce any right under the Bonds, this Trust Agreement, the 2020 Supplemental Contract or other applicable law with respect to the Bonds, except in the manner herein provided, and that all proceedings at law or in equity to enforce any such right will be instituted, had and maintained in the manner herein provided and for the benefit and protection of all Owners of the Outstanding Bonds, subject to the provisions of this Trust Agreement.

SECTION 7.08. Absolute Obligation of Authority. Nothing in Section 7.06 or in any other provision of this Trust Agreement or in the Bonds contained affects or impairs the obligation of the Authority, which is absolute and unconditional, to pay the principal of and interest and premium (if any) on the Bonds to the respective Owners of the Bonds at their respective dates of maturity, or upon acceleration or call for redemption, as herein provided, but only out of the Revenues and other assets herein pledged therefor, or affect or impair the right of such Owners, which is also absolute and unconditional, to enforce such payment by virtue of the contract embodied in the Bonds.

SECTION 7.09. Termination of Proceedings. In case any proceedings taken by the Trustee or by any one or more Bond Owners on account of any Event of Default have been discontinued or abandoned for any reason or have been determined adversely to the Trustee or the Bond Owners, then in every such case the Authority, the Trustee and the Bond Owners, subject to any determination in such proceedings, will be restored to their former positions and rights hereunder, severally and respectively, and all rights, remedies, powers and duties of the Authority, the Trustee and the Bond Owners will continue as though no such proceedings had been taken.

ARTICLE VIII
DEFEASANCE

SECTION 8.01. Discharge of Trust Agreement. When the obligations of the City under the Contract with respect to the Bonds will cease in whole or in part pursuant to Article VI of the Contract (except for the right of the Trustee and the obligation of the City to have the money and securities mentioned therein applied to the payment of Payments as therein set forth), then and in that case the respective obligations created by this Trust Agreement will thereupon cease, determine and become void except for the right of the Owners and the obligation of the Trustee to apply such moneys and securities to the payment of the Bonds as herein set forth and the right of the Trustee to collect any fees or expenses due hereunder and the Trustee will turn over to the City, as an overpayment of 2020 Payments, all balances remaining in any other funds or accounts other than moneys and Federal Securities held for the payment of the Bonds at maturity or on redemption, which moneys and Federal Securities will continue to be held by the Trustee in trust for the benefit of the Owners and will be applied by the Trustee to the payment, when due, of the principal and interest and premium if any on the Bonds, and after such payment, this Trust Agreement will become void, except for the Authority's obligation to indemnify the Trustee pursuant to Section 5.03.

If moneys or securities are deposited with and held by the Trustee as hereinabove provided, the Trustee will mail a notice, first-class postage prepaid, or Electronic Means (as defined in Section 5.02), to the Owners at the addresses listed on the registration books kept by the Trustee pursuant to Section 2.08, stating that (a) moneys or Federal Securities are so held by it, and (b) that this Trust Agreement has been released with respect to such Bonds in accordance with the provisions of this Section.

SECTION 8.02. Deposit of Money or Securities with Trustee. Whenever in this Trust Agreement or the Contract it is provided or permitted that there be deposited with or held in trust by the Trustee money or securities (certified to be sufficient by a report of an Independent Certified Public Accountant verifying the sufficiency of the escrow established to pay the Bonds in full or in part on the maturity or redemption date) in the necessary amount to pay or redeem any Bonds, the money or securities to be so deposited or held may include money or securities held by the Trustee in the funds and accounts established pursuant to this Trust Agreement and will be --

(a) lawful money of the United States of America in an amount equal to the principal amount on such Bonds and all unpaid interest represented thereby 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 will have been given as in Article II provided or provision satisfactory to the Trustee will have been made for the giving of such notice, the amount to be deposited or held will be the principal amount plus accrued interest to such date of redemption plus a redemption premium, if any, on such Bonds; or

(b) Federal Securities which are not subject to redemption except by the holder thereof prior to maturity (including any such securities issued or held in book-entry form) or municipal obligations which have been defeased under irrevocable escrow instructions with Federal Securities, the principal of and interest on which when due will provide, in its opinion of an Independent Certified Public Accountant, delivered to the Trustee, money sufficient to pay the principal plus redemption premium, if any, plus all accrued interest to maturity or to the redemption date, as the case may be, on the Bonds to be paid or redeemed, as such amounts become due, provided that, in the case of Bonds which are to be redeemed prior to the maturity thereof, notice of such redemption will have been given as in Article II provided or provision satisfactory to the

Trustee will have been made for the giving of such notice; provided, in each case, that the Trustee will have been irrevocably instructed (by the terms of this Trust Agreement and the Contract or by Written Request of the City) to apply such money to the payment of such principal plus redemption premium, if any, plus interest on such Bonds.

SECTION 8.03. Unclaimed Money. Anything contained herein to the contrary notwithstanding, any money held by the Trustee in trust for the payment and discharge of any of the Bonds which remains unclaimed for two (2) years after the date when such Bonds have become due and payable, either at their stated maturity dates or by call for redemption prior to maturity date, if such money was held by the Trustee at such date, or for two (2) years after the date of deposit of such money if deposited with the Trustee after the date when such Bonds have become due and payable, will be repaid by the Trustee to the City as its absolute property free from trust, and the Trustee will thereupon be released and discharged with respect thereto and the Owners will look only to the City for the payment of the 2020 Payments; provided, however, that before being required to make any such payment to the City, the Trustee will at the request of and at the expense of the City, cause to be mailed to all Owners and the Securities Depositories and the Information Services a notice that such money remains unclaimed and that, after a date named in such notice, which date will not be less than thirty (30) days after the date of the first publication of each such notice, the balance of such money then unclaimed will be returned to the City.

ARTICLE IX
MISCELLANEOUS

SECTION 9.01. Benefits of this Trust Agreement Limited to Parties. Nothing contained herein, expressed or implied, is intended to give to any person other than the Authority and the Owners any right, remedy or claim under or by reason hereof. Any agreement or covenant required herein to be performed by or on behalf of the Authority or any member, officer or employee thereof will be for the sole and exclusive benefit of the Trustee and the Owners.

SECTION 9.02. Successor Is Deemed Included In All References To Predecessor. Whenever herein either the Authority or any member, officer or employee thereof is named or referred to, such reference will be deemed to include the successor to the powers, duties and functions that are presently vested in the Authority or such member, officer or employee, and all agreements and covenants required hereby to be performed by or on behalf of the Authority or any member, officer or employee thereof will bind and inure to the benefit of the respective successors thereof whether so expressed or not.

SECTION 9.03. Execution of Documents by Owners. Any declaration, request or other instrument which is permitted or required herein to be executed by Owners may be in one or more instruments of similar tenor and may be executed by Owners in person or by their attorneys appointed in writing. The fact and date of the execution by any Owner or his attorney of any declaration, request or other instrument or of any writing appointing such attorney may be proved by the certificate of any notary public or other officer authorized to make acknowledgments of deeds to be recorded in the state or territory in which he purports to act that the person signing such declaration, request or other instrument or writing acknowledged to him the execution thereof, or by an affidavit of a witness of such execution duly-sworn to before such notary public or other officer. The ownership of any Bonds and the amount, maturity date, number and date of holding the same may be proved by the registration books relating to the Bonds at the Corporate Trust Office of the Trustee.

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

SECTION 9.04. Waiver of Personal Liability. No member, officer or employee of the Authority will be individually or personally liable for the payment of the interest or principal or redemption premiums, if any, on the Bonds by reason of their delivery, but nothing herein contained will relieve any such member, officer or employee from the performance of any official duty provided by applicable provisions of law or hereby.

SECTION 9.05. Content of Certificates. Every Certificate of the Authority with respect to compliance with any agreement, condition, covenant or provision provided herein will include (a) a statement that the person or persons making or giving such certificate have read such agreement, condition, covenant or provision and the definitions herein relating thereto; (b) a brief statement as to the nature and scope of the examination or investigation upon which the statements contained in such certificate are based; (c) a statement that, in the opinion of the signers, they have made or caused to be made such examination or investigation as is necessary to enable them to express an informed opinion as to whether or not such agreement, condition, covenant or provision has been complied with; and (d) a statement as to whether, in the opinion of the signers, such agreement, condition, covenant or provision has been complied with.

Any Certificate of the Authority may be based, insofar as it relates to legal matters, upon an Opinion of Counsel unless the person making or giving such certificate knows that the Opinion of Counsel with respect to the matters upon which his certificate may be based, as aforesaid, is erroneous, or in the exercise of reasonable care should have known that the same was erroneous. Any Opinion of Counsel may be based, insofar as it relates to factual matters or information with respect to which is in the possession of the Authority, upon a representation by an officer or officers of the Authority unless the counsel executing such Opinion of Counsel knows that the representation with respect to the matters upon which his opinion may be based, as aforesaid, is erroneous, or in the exercise of reasonable care should have known that the same was erroneous.

SECTION 9.06. Accounts and Funds, Business Days. Any account or fund required herein to be established and maintained by the Trustee may be established and maintained in the accounting records of the Trustee either as an account or a fund, and may, for the purposes of such accounting records, any audits thereof and any reports or statements with respect thereto, be treated either as an account or a fund; but all such records with respect to all such accounts and funds will at all times be maintained in accordance with sound corporate trust industry practice and with due regard for the protection of the security of the Bonds and the rights of the Owners. Any action required to occur hereunder on a day which is not a Business Day will be required to occur on the next succeeding Business Day with the same effect as if made on such non-Business Day.

SECTION 9.07. Notices. All written notices to be given hereunder will be given by mail or hand delivery to the party entitled thereto at its address set forth below, or at such other address as such party may provide to the other party in writing from time to time, namely:

If to the Authority: Roseville Finance Authority
c/o City of Roseville
311 Vernon Street
Roseville, CA 95678
Attention: Treasurer

If to the City: City of Roseville
311 Vernon Street
Roseville, CA 95678
Attention: Chief Financial Officer

If to the Trustee: The Bank of New York Mellon Trust Company, N.A.
100 Pine Street, Suite 3100
San Francisco, CA 94111
Attention: Corporate Trust

SECTION 9.08. CUSIP Numbers. Neither the Authority nor the Trustee will be liable for any defect or inaccuracy in the CUSIP number that appears on any Bond or in any redemption notice relating thereto. The Trustee may, in its discretion, include in any redemption notice relating to any of the Bonds 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 Authority nor the Trustee will be liable for any defects or inaccuracies in such numbers.

SECTION 9.09. Article and Section Headings and References. The headings or titles of the several articles and sections hereof and the table of contents appended hereto will be solely for convenience of reference and will not affect the meaning, construction or effect hereof. All references herein to “articles,” “sections” and other subdivisions or clauses are to the corresponding articles, sections, subdivisions or clauses hereof; and the words “hereby,” “herein,” “hereof,” “hereto,” “herewith,” “hereunder” and other words of similar import refer to this Trust Agreement as a whole and not to any particular article, section, subdivision or clause hereof.

SECTION 9.10. Partial Invalidity. If any one or more of the agreements or covenants or portions thereof required hereby to be performed by or on the part of the Authority or the Trustee will be contrary to law, then such agreement or agreements, such covenant or covenants or such portions thereof will be null and void and will be deemed separable from the remaining agreements and covenants or portions thereof and will in no way affect the validity hereof or of the Bonds, and the Owners will retain all the benefit, protection and security afforded to them under any applicable provisions of law. The Authority and the Trustee hereby declare that they would have executed and delivered this Trust Agreement and each and every other article, section, paragraph, subdivision, sentence, clause and phrase hereof and would have authorized the execution and delivery of the Bonds pursuant hereto irrespective of the fact that any one or more articles, sections, paragraphs, subdivisions, sentences, clauses or phrases hereof or the application thereof to any person or circumstance may be held to be unconstitutional, unenforceable or invalid.

SECTION 9.11. California Law. This Trust Agreement will be construed and governed in accordance with the laws of the State.

SECTION 9.12. Execution in Several Counterparts. This Trust Agreement may be executed in any number of counterparts and each of such counterparts will for all purposes be deemed to be an original; and all such counterparts, or as many of them as the Authority and the Trustee will preserve undestroyed, will together constitute but one and the same instrument.

IN WITNESS WHEREOF, the Roseville Finance Authority has caused this Trust Agreement to be signed in its name by its Treasurer and attested by its Secretary, and The Bank of New York Mellon Trust Company, N.A., in token of its acceptance of the trusts created hereunder, has caused this Trust Agreement to be signed by one of the officers thereunder duly authorized, all as of the day and year first above written.

ROSEVILLE FINANCE AUTHORITY

By: ____________________________________
Treasurer

Attest:

By: _________________________________
Secretary

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

By: ____________________________________
Authorized Officer

EXHIBIT A

[FORM OF BOND]

No. R-________ $ _________

ROSEVILLE FINANCE AUTHORITY
ELECTRIC SYSTEM REVENUE REFUNDING BOND
SERIES 2020

Interest Rate	Maturity Date	Bond Date	CUSIP
________%	February 1, ____	___________, 2020	77781R ____

REGISTERED OWNER: CEDE & CO

PRINCIPAL SUM: $ _________________

The Roseville Finance Authority, a joint exercise of powers agency duly organized and existing under and by virtue of the laws of the State of California (the "Authority"), for value received, hereby promises to pay solely from the Revenues or amounts in certain funds and accounts held under the Trust Agreement (as hereinafter defined), to the Registered Owner named above, or registered assigns (the "Owner"), on the Maturity Date set forth above, unless redeemed prior thereto as hereinafter provided, the principal amount set forth above, and to pay interest on such principal amount from the Bond Date shown above, or from the most recent Interest Payment Date (as hereinafter defined) to which interest has been paid or duly provided for, semiannually on February 1 and August 1, commencing February 1, 2021 (the "Interest Payment Dates"), at the Interest Rate set forth above, until the principal amount hereof is paid or made available for payment. The principal of this Bond is payable to the Owner hereof in lawful money of the United States of America upon presentation and surrender of this Bond at the principal corporate trust office of The Bank of New York Mellon Trust Company, N.A. in San Francisco, California (the "Trustee"). Interest on this Bond will be paid by check of the Trustee mailed by first class mail on each Interest Payment Date to the Owner hereof as of the close of business on the 15th day of the month preceding the month in which the Interest Payment Date occurs (the "Record Date") at such Owner's address as it appears on the registration books maintained by the Trustee, or by wire transfer made on such Interest Payment Date upon written instructions delivered to the Trustee by the applicable Record Date of any Owner of $1,000,000 or more in aggregate principal amount of Bonds.

THIS BOND is one of a duly authorized issue of bonds of the Authority designated "Roseville Finance Authority Electric System Revenue Refunding Bonds, Series 2020" (the "Bonds"), in an aggregate principal amount of $_____________, all of like date (except for such variation, if any, as may be required to designate varying series, numbers, or redemption or other provisions) and all pursuant to the Marks Roos Local Bond Pooling Act of 1985 (commencing with Section 6584 of the California Government Code) (the "Act") and a Trust Agreement dated as of

______________ 1, 2020 (the "Trust Agreement") between the Authority and the Trustee. Copies of the Trust Agreement are on file at the Corporate Trust Office of the Trustee and reference is hereby made to the Trust Agreement and to any and all amendments thereof and supplements thereto for a description of the agreements, conditions, covenants and terms of the Bonds, for the nature, extent and manner of enforcement of such agreements, conditions, covenants and terms, for the rights and remedies of the registered owners of the Bonds with respect thereto and for the other agreements, conditions, covenants and terms upon which the Bonds are executed and delivered.

The Bonds are special obligations of the Authority and this Bond and the interest hereon and all other Bonds and the interest thereon (to the extent set forth in the Trust Agreement) are payable from, and are secured by a lien on Revenues (as that term is defined in the Trust Agreement). The Revenues consist primarily of installment payments ("2020 Payments") to be made under and pursuant to that certain 2020 Supplemental Installment Purchase Contract, executed and entered into as of ______________ 1, 2020, which is supplemental to that certain Master Contract executed and entered into as of November 1, 1997, each by and between the City of Roseville, a charter city and municipal corporation organized and existing under and by virtue of the Constitution and laws of the State of California (the "City") (which Master Contract as so supplemented is referred to herein as the "Contract"), all of which rights to receive such 2020 Payments have been assigned by the Authority to the Trustee, or any other association or corporation which may at any time be substituted in place of the original trustee as provided the Trust Agreement. Capitalized terms used in this Bond not otherwise defined herein will have the meanings given such terms in the Trust Agreement hereinafter mentioned or in the Contract.

To the extent and in the manner permitted by the terms of the Trust Agreement, the provisions of the Trust Agreement may be amended by the parties thereto, but no such amendment will (1) extend the maturity date of this Bond, or change the payment dates of, or reduce the rate of interest or principal or redemption premium, if any, on this Bondwithout the express written consent of the registered owner hereof, or (2) reduce the percentage of Bonds required for the written consent to any amendment, or (3) modify any rights or obligations of the Trustee without its prior written assent thereto.

The Authority has covenanted In the Trust Agreement that, except for any supplement to the Contract delivered in accordance with the terms of the Contract, the Authority will not supplement, amend, modify or terminate any of the terms of the Contract, or consent to any such supplement, amendment, modification or termination, unless (a) such supplement, amendment, modification or termination will not materially adversely affect the interests of the Owners or result in any material impairment of the security hereby given for the payment of the Bonds, or (b) the Authority or the Trustee first obtains the written consent of the Owners of a majority in aggregate principal amount of the aggregate amount of Bonds and Parity Obligations then Outstanding to such supplement, amendment, modification or termination; provided, however, that no such supplement, amendment, modification or termination will reduce the amount of 2020 Payments to be made to the Authority or the Trustee by the City pursuant to the Contract, or extend the time for making such 2020 Payments in any manner that would require the amendment of the Trust Agreement in any manner not in compliance with the amendment provisions of the Trust Agreement.

The Bonds maturing on and after February 1, 2031 are subject to optional redemption prior to their respective stated maturity dates, upon notice as hereinafter provided, from prepayment of 2020 Payments made by the City pursuant to the Contract, as a whole or in part (from such maturity dates as are designated by the Authority to the Trustee at the direction of the

City and by lot within a maturity date) on any date on or after February 1, 2030, at a redemption price equal to the principal amount of the Bonds called for redemption, plus accrued and unpaid interest to the redemption date, without premium.

The Bonds are subject to optional redemption prior to their respective stated maturity dates, upon notice as hereinafter provided, from prepayment of 2020 Payments made by the City pursuant to the Contract, as a whole or in part (from such maturity dates as are designated by the Authority to the Trustee at the direction of the City and by lot within a maturity date, on any date prior to February 1, 2030, at a redemption price equal to the principal amount of the Bonds called for redemption plus the Applicable Premium, if any, together with accrued interest to the redemption date. The "Applicable Premium" of any redeemed Bond equals the excess of: (a) the present value at the date of redemption of the principal amount of such Bonds subject to redemption, plus all required interest payments due on such Bonds to the principal payment date(s) (excluding accrued but unpaid interest), calculated by an independent financial institution or its designee which calculation shall be conclusive), using a discount rate equal to the Treasury Rate plus _____ basis points minus (b) the principal amount of such Bond. The Applicable Premium shall not be less than $0.00. For purposes of this provision, with respect to Bonds subject to sinking fund redemption as described below, "such Bonds" and "principal payment" refers to those sinking fund installments that the Authority has determined to reduce or eliminate as a result of such optional redemption.

If the period from the date of redemption to the weighted average maturity of the principal payment date(s) is greater than one year, the "Treasury Rate" will be equal to the actual or interpolated yield to maturity of U.S. Treasury Securities with a constant maturity (as compiled and published in the most recent Federal Reserve Statistical Release H. 15) that becomes publicly available on the date of calculation of the Applicable Premium, but in no event less than seven days nor more than sixty days prior to the date of redemption, equal to the period from the date of redemption to the weighted average maturity of the principal payment date(s). If the weighted average maturity of the principal payment date(s) is less than one year, the "Treasury Rate" will be equal to the weekly average yield of actually traded United States Treasury securities adjusted to a constant maturity of one year. If the Federal Reserve Statistical Release H. 15 is no longer published, the Applicable Premium shall be calculated using any publicly available source of similar market data.

The Bonds with maturing on February 1, _______ and February 1, _______ are subject to mandatory redemption prior to such maturity date, in part by lot, on February 1 of each year on and after February 1, _______ and February 1, _______, respectively, upon notice as hereinafter provided, from and in the amount of the principal installment of the 2020 Payments due and payable on such dates, at a redemption price equal to the sum of the principal amount evidenced and represented thereby plus accrued and unpaid interest evidenced and represented thereby to the redemption date, without a redemption premium as follows.

Term Bonds Maturing February 1, ______

Mandatory Redemption Date (February 1)	Sinking Fund Payment

Term Bonds Maturing February 1, ______

Mandatory Redemption Date (February 1)	Sinking Fund Payment

The amounts in the foregoing tables shall be reduced, at the direction of the City, as a result of any prior partial optional or mandatory redemption of the Bonds.If less than all of the Bonds are to be redeemed, the Authority will designate the maturities to be redeemed. If less than all Outstanding Bonds of any particular maturity date are to be redeemed at any one time, the Trustee will select the portions of the Bonds of such maturity date to be redeemed, in authorized denominations, by lot in a manner which the Trustee deems to be fair. For purposes of such selection, all Bonds will be deemed to be comprised of separate $1,000 denominations and such separate denominations will be treated as separate Bonds that may be separately redeemed.

Notice of redemption of any Bond selected for redemption will be mailed by the Trustee not less than twenty (20) days nor more than sixty (60) days before the redemption date to the registered owner hereof, subject to and in accordance with provisions of the Trust Agreement with respect thereto. If notice of redemption has been duly given as aforesaid and money for the payment of the redemption price is held by the Trustee, then this Bond will, on the redemption date designated in such notice, become due and payable, and from and after the date so designated interest on this Bond will cease to accrue, and the registered owner of this Bond will have no rights with respect hereto except to receive payment of the redemption price hereof.

This Bond is transferable on the books required to be kept for that purpose at the Corporate Trust Office of the Trustee in whose name it is registered, in person or by his duly authorized attorney, upon payment of the charges provided in the Trust Agreement, and upon surrender of this Bond for cancellation accompanied by delivery of a duly executed written instrument of transfer in a form acceptable to the Trustee, and thereupon a new Bond or Bonds of the same maturity date evidencing and representing a like aggregate principal amount in authorized denominations will be delivered to the transferee. This Bond may be exchanged at the Corporate Trust Office of the Trustee, upon payment of the charges provided in the Trust Agreement, for Bonds evidencing and representing a like aggregate principal amount of Bonds of the same maturity date of other authorized denominations. The Trustee may deem and treat the registered owner hereof as the absolute owner hereof for the purpose of receiving payment of the interest and principal and redemption premium, if any, on this Bond and for all other purposes, whether overdue or not, and the Trustee will not be affected by any notice or knowledge to the contrary; and payment of the interest and principal and redemption premium, if any, on this Bond will be made only to such registered owner, which payments will be valid and effectual to satisfy and discharge liability on this Bond to the extent of the sum or sums so paid.

The Bonds each evidence and represent a proportionate interest in the 2020 Payments to be held in trust by the Trustee pursuant to the Trust Agreement in an amount equal to the aggregate principal amount of Bonds originally executed and delivered by the Trustee pursuant to the Trust Agreement, subject to the provisions of the Trust Agreement permitting the disbursement thereof for or to the purposes and on the conditions and terms set forth therein. The obligation of the Authority to pay the Bonds is a special obligation of the Authority payable solely from the Revenues (as defined in the Trust Agreement) and the obligation of the City to make the 2020 Payments is a special obligation of the City payable solely from the Net Revenues on a parity with the Parity Obligations (as defined in the Contract) of the City's Electric System as provided in the Contract. *The general fund of the City is not liable, and neither the faith and credit nor the taxing power of the City is pledged, for the payment of the 2020 Payments under the Contract.* The City has incurred and may in the future incur other obligations payable on parity with the 2020 Payments, in accordance with the Contract.

The Trustee has no obligation or liability to the Bond owners for the payment of the interest or principal or the redemption premiums, if any, on the Bonds; but rather the Trustee's sole obligations are those stated in the Trust Agreement.

No member, officer or employee of the Authority will be individually or personally liable for the payment of the interest or principal or redemption premiums, if any, on the Bonds by reason of their delivery, but nothing herein contained will relieve any such member, officer or employee from the performance of any official duty provided by applicable provisions of law or hereby.

The Trust Agreement prescribes the manner in which it may be discharged and after which the Bonds will no longer be secured by or entitled to the benefits of the Trust Agreement.

The Authority has certified that all acts, conditions and things required by the Constitution and statutes of the State of California and the Trust Agreement, to have been performed, to have happened and to exist precedent to and in connection with the execution and delivery of this Bond, have been performed, have happened and do exist in regular and due time, form and manner as required by law, and that the Trustee is duly authorized to execute and deliver this Bond, and that the amount of this Bond, together with all other Bonds executed and delivered under the Trust Agreement, is not in excess of the amount of Bonds authorized to be executed and delivered thereunder.

Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the Trustee for registration of transfer, exchange, or payment, and any Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

IN WITNESS WHEREOF, the Roseville Finance Authority has caused this Bond to be dated as of the Bond Date stated above and to be signed by the Treasurer of the Authority and countersigned by the Secretary of the Authority.

ROSEVILLE FINANCE AUTHORITY

By: ______________________________________
Treasurer

By: ___________________________________
Secretary

[FORM OF CERTIFICATE OF AUTHENTICATION]

This is one of the Bonds described in the Trust Agreement.

Dated: __________

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

By: ___________________________________
Authorized Officer

[FORM OF ASSIGNMENT]

FOR VALUE RECEIVED, the undersigned do(es) hereby sell, assign and transfer unto

____

____

____

(Name, address and Tax identification Number of Assignee)

the within-mentioned registered Bond and hereby irrevocably constitute(s) and appoint(s) ____________________________, attorney, ____ to transfer the same on the registration books of the Trustee with full power of substitution in the premises.

Dated: ________________

Signature Guaranteed:

____

NOTE: Signature(s) must be guaranteed by a member firm of the New York Stock Exchange or a commercial bank or trust company.

____

NOTE: The signature(s) on this Assignment must correspond with the name(s) as written on the face of the within Bond in every particular without alteration or enlargement or any change whatsoever.

2020 SUPPLEMENTAL INSTALLMENT PURCHASE CONTRACT

between the

CITY OF ROSEVILLE

and the

ROSEVILLE FINANCE AUTHORITY

Dated as of ____________ 1, 2020

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2020 SUPPLEMENTAL INSTALLMENT PURCHASE CONTRACT

This 2020 Supplemental Installment Purchase Contract (the "2020 Supplemental Contract"), dated as of ___________ 1, 2020, is between the City of Roseville, California, a charter city and municipal corporation duly organized and existing under and by virtue of the Constitution and laws of the State of California (the "City"), and the Roseville Finance Authority, a joint exercise of powers authority duly organized and existing under and by virtue of the laws of the State of California (the "Authority").

WITNESSETH:

WHEREAS, the City and the Authority have entered into a Master Installment Purchase Contract (as supplemented and amended, the "Master Contract"), dated as of November 1, 1997, as supplemented and amended, including by the following supplements, all pursuant to which the Authority agreed to assist the City by financing or refinancing certain additions, betterments, extensions and improvements to the electric system of the City:

(i) a 1997 Supplemental Installment Purchase Contract dated as of November 1, 1997,
(ii) a 1999 Supplemental Installment Purchase Contract dated as of August 1, 1999,
(iii) a 2002 Supplemental Installment Purchase Contract dated as of December 1, 2002,
(iv) a 2004 Supplemental Installment Purchase Contract dated as of July 1, 2004 (the "2004 Supplemental Contract"),
(v) a 2005 Supplemental Installment Purchase Contract dated as of June 1, 2005,
(vi) a 2008 Supplemental Installment Purchase Contract dated as of May 1, 2008,
(vii) a 2009 Supplemental Installment Purchase Contract dated as of December 1, 2009,
(viii) a 2010 Supplemental Installment Purchase Contract dated as of July 1, 2010 (the "2010 Supplemental Contract"),
(ix) a 2012 Supplemental Installment Purchase Contract executed and entered into as of November 1, 2012 (the "2012 Supplemental Contract"),
(x) a 2013 Supplemental Installment Purchase Contract dated as of November 1, 2013 (the "2013 Supplemental Contract"),
(xi) a 2014 Supplemental Installment Purchase Contract dated as of August 1, 2014 (the "2014 Supplemental Contract"), and
(xii) a 2017 Supplemental Installment Purchase Contract dated as of February 1, 2017 (the "2017 Supplemental Contract"); and

WHEREAS, the installment payment obligations of the City under the supplements entered into in 1997, 1999, 2002, 2005, 2008, 2009, 2010, and a portion of the payment obligations under the 2012 Supplemental Contract, have been fully paid; and

WHEREAS, Master Contract provides that Parity Obligations (as defined in the Master Contract) may be entered into by the City from time to time, including for the purpose of refunding prior obligations of the City under the Master Contract; and

WHEREAS, the City and the Authority desire to refinance [a portion of] the costs of improvements to the Electric System of the City financed or refinanced through the 2013 Payments (as described in the 2013 Supplemental Contract) and 2014 Payments (as described in the 2014 Supplemental Contract) and in connection therewith to enter into this 2020 Supplemental Contract pursuant to the Master Contract; and

WHEREAS, the City has determined that the foregoing is necessary and proper for City purposes; and

WHEREAS, the City and the Authority have determined that all acts, conditions and things required by law to exist, to have happened and to have been performed precedent to and in connection with the execution and delivery of this 2020 Supplemental Contract do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the parties hereto are now duly authorized to execute and enter into this 2020 Supplemental Contract;

NOW, THEREFORE, in consideration of the premises and of the mutual agreements and covenants contained herein and for other valuable consideration the parties hereto do hereby agree as follows:

ARTICLE I
DEFINITIONS

SECTION 1.01 Definitions. Unless the context otherwise requires, the terms defined in Section 1.01 of the Master Contract, as amended, or in this section will for all purposes hereof and of any opinion or report or other document mentioned herein or therein have the meanings defined herein or therein, the following definitions to be equally applicable to both the singular and plural forms of any of the terms defined herein:

Parity Obligation Payment Fund

"Parity Obligation Payment Fund" means the fund by that name established pursuant to Section 2.04 of the Master Contract.

Parity Trust Agreements

"Parity Trust Agreements" means, collectively, each Trust Agreement entered into by the Trustee and the Authority in connection with obligations issued by the Authority which are supported by the Parity Obligations.

[[Tax Certificate]]

[["Tax Certificate" means the Tax and Non-Arbitrage Certificate concerning certain matters pertaining to the use and investment of proceeds of the 2020 Bonds executed and delivered by the City on the date of initial delivery of the 2020 Bonds, including any and all exhibits attached thereto.]]

Trust Agreement

"Trust Agreement" means that certain Trust Agreement, dated as of ___________ 1, 2020, by and between the Authority and the Trustee, as originally executed and as it may from time to time be amended or supplemented in accordance with its terms.

2013 Project

"2013 Project" means capital improvements to the City's electric system financed or refinanced by the 2013 Payments described herein.

2014 Project

"2014 Project" means capital improvements to the City's electric system financed or refinanced by the 2014 Payments described herein.

2020 Bonds

"2020 Bonds" means the Electric System Revenue Refunding Bonds, Series 2020 executed and delivered by the Authority pursuant to the Trust Agreement.

2020 Payment Date

"2020 Payment Date" means each Interest Payment Date and each day on which payments of principal of the 2020 Bonds become due (whether at maturity or because of prepayment or acceleration).

2020 Payments

"2020 Payments" means the Payments scheduled to be paid by the City under and pursuant to the terms hereof, as described in Exhibit A hereto.

2020 Project

"2020 Project" means the 2013 Project and 2014 Project refinanced by the 2020 Payments hereunder.

[2020 Rebate Fund]

"2020 Rebate Fund" means the City of Roseville Electric System 2020 Rebate Fund established pursuant to Section 2.06 of the 2020 Supplemental Contract.

2020 Supplemental Contract

"2020 Supplemental Contract" means this 2020 Supplemental Installment Purchase Contract, dated as of ___________ 1, 2020, by and between the City and the Authority, as originally executed and as it may from time to time be amended or supplemented in accordance herewith.

2020 Supplemental Contract Payment Account

"2020 Supplemental Contract Payment Account" means the account by that name within the Parity Obligation Payment Fund established pursuant to Section 2.04 of the Master Contract.

ARTICLE II
TERMS OF THE 2020 SUPPLEMENTAL CONTRACT

SECTION 2.01. Authority for the 2020 Supplemental Contract. The City has reviewed all proceedings heretofore taken relative to the authorization of the 2020 Supplemental Contract and has found, as a result of such review, and hereby finds and determines that all acts, conditions and things required by law to exist, happen or be performed precedent to and in connection with the execution hereof do exist, have happened and have been performed in due time, form and manner as required by law, and the City is now duly authorized, pursuant to each and every requirement of law, to execute and enter into the 2020 Supplemental Contract in the manner and form provided herein for the financing and refinancing of the costs of the 2020 Project.

SECTION 2.02. Purpose of the 2020 Supplemental Contract. The City hereby transfers to the Authority the 2020 Project for the purpose of refinancing the improvements financed or refinanced by the 2013 Project and 2014 Project from the Authority. Immediately upon issuance of the 2020 Bonds, all right, title and interest in and to the 2020 Project will transfer to the City from the Authority without any further action by the City or the Authority. The City agrees to acquire the 2020 Project from the Authority pursuant to the terms hereof, to cause the acquisition of the 2020 Project as agent for the Authority in accordance with Section 2.01 of the Master Contract and in accordance with the terms hereof and of the Trust Agreement.

SECTION 2.03. Payment of the 2020 Supplemental Contract. The City hereby establishes a 2020 Supplemental Contract Payment Account within the Parity Obligation Payment Fund. On or before the fourth Business Day immediately preceding each 2020 Payment Date, the City will, from the money in the Electric Revenue Fund, deposit in the 2020 Supplemental Contract Payment Account a sum equal to the amount of the interest and principal components of the 2020 Payments becoming due and payable under the 2020 Supplemental Contract on the next succeeding 2020 Payment Date, net of any amounts then on deposit in the 2020 Supplemental Contract Payment Account and the 2020 Debt Service Fund (if any), and except that no such deposit need be made if the amount then on deposit in the 2020 Supplemental Contract Payment Account is at least equal to the amount of the interest and principal components of the 2020 Payments becoming due and payable under the 2020 Supplemental Contract on the next succeeding 2020 Payment Date; and all money on deposit in the 2020 Supplemental Contract Payment Account will be transferred by the City to the Trustee on the fourth Business Day preceding each 2020 Payment Date to make and satisfy the 2020 Payment due on such 2020 Payment Date in accordance with the Master Contract. On or before the fourth Business Day preceding each 2020 Payment Date, the City will from the money in the Electric Revenue Fund, transfer to the Trustee for deposit in the Parity Reserve Fund that sum, if any, necessary to restore the amount in the Parity Reserve Fund to the Reserve Fund Requirement, except no such deposit need be made if the amount then on deposit in the Parity Reserve Fund is at least equal to the Reserve Fund Requirement.

SECTION 2.04. Payment of 2020 Payments. The City will, subject to any rights of prepayment provided in Section 2.05 hereof, pay the Authority as the purchase price for the 2020 Project the sum of $______________, without offset or deduction of any kind, by paying the principal installments of the 2020 Payments in accordance with the payment schedule set forth in Exhibit A attached hereto and incorporated herein, together with interest installments of the 2020 Payments, which interest installments will be paid in the amounts and on the 2020 Payment Dates in accordance with Section 2.03 hereof and the interest payment schedule set forth in Exhibit A attached hereto and incorporated herein and in Article II of the Trust Agreement, and which interest will constitute interest paid on the principal amount of the City's obligations hereunder.

The obligation of the City to pay the 2020 Payments is, subject to Section 7.01 of the Master Contract, absolute and unconditional, and until such time as the 2020 Payments have been paid in full (or provision for the payment thereof will have been made pursuant to Article VI of the Master Contract), the City will not discontinue or suspend any 2020 Payments required to be paid by it under this section when due, whether or not the Electric System or any part thereof (including the 2020 Project) is operating or operable, or its use is suspended, interfered with, reduced, curtailed or terminated in whole or in part, and such payments will not be subject to reduction whether by offset, abatement or otherwise and will not be conditional upon the performance or nonperformance by any party to any agreement for any cause whatsoever.

The City additionally agrees to undertake the obligations of the Authority for compensation and indemnification as set forth in Section 5.03 of the Trust Agreement. The Trustee shall be considered a third-party beneficiary hereunder with regard to enforcing such rights.

SECTION 2.05. Prepayment of 2020 Payments. The City may elect to prepay all or part of the 2020 Payments, on the same terms as set forth in Section 2.03 of the Trust Agreement for optional redemption of the 2020 Bonds. Notwithstanding any such prepayment, the City will not be relieved of its obligations hereunder until all of the 2020 Bonds have been fully paid and retired (or provision for payment thereof has been made as provided in Section 8.02 of the Trust Agreement).

SECTION 2.06. Establishment of 2020 Funds and Accounts.

(a) [Reserved]

[[if tax-exempt…]] (b) 2020 Rebate Fund. The City hereby agrees to establish and maintain, so long as any 2020 Payments remain unpaid, a fund separate from any other fund established and maintained hereunder designated the City of Roseville Electric System 2020 Rebate Fund (the "2020 Rebate Fund"). All amounts at any time on deposit in the 2020 Rebate Fund will be held by the City to the extent required to satisfy the requirement to make rebate payments to the United States (the "Rebate Requirement") pursuant to Section 148 of the Code and the Treasury Regulations promulgated thereunder (the "Treasury Regulations"). Such amounts will be free and clear of any lien under the Master Contract and the 2020 Supplemental Contract and will be governed by this section and by the Tax Certificate.

(1) Within 45 days of the end of each Bond Year (as such term is defined in the Tax Certificate), (i) the City will calculate or cause to be calculated with the 2020 Supplemental Contract the amount that would be considered the "rebate amount" within the meaning of Section 1.148-3 of the Treasury Regulations, using as the "computation date" for this purpose the end of such Bond Year, and (ii) the City will deposit to the 2020 Rebate Fund from amounts on deposit in the Electric Revenue Fund or other amounts received by the City, if and to the extent required, amounts sufficient to cause the balance in the 2020 Rebate Fund to be equal to the "rebate amount" so calculated.

The City will not be required to deposit any amount to the 2020 Rebate Fund in accordance with the preceding sentence if the amount on deposit in the 2020 Rebate Fund prior to the deposit required to be made under this paragraph (1) equals or exceeds the "rebate amount," if any, calculated in accordance with the preceding sentence. Such excess may be withdrawn from the 2020 Rebate Fund to the extent permitted under paragraph (2) of this section.

The City will not be required to calculate the “rebate amount,” and will not be required to deposit any amount to the 2020 Rebate Fund in accordance with this paragraph (1), with respect to all or a portion of the proceeds of the 2020 Bonds (including amounts treated as proceeds of the 2020 Bonds) (i) to the extent such proceeds satisfy the expenditure requirements of Section 148(f)(4)(g) or Section 148(f)(4)(C) of the Code or Section 1.148-7(d) of the Treasury Regulations, whichever is applicable, and otherwise qualify for the exception to the Rebate Requirement pursuant to whichever of said sections is applicable, (ii) to the extent such proceeds are subject to an election by the City under Section 148(f)(4)(C)(vii) of the Code to pay a penalty in lieu of arbitrage rebate in the event any of the percentage expenditure requirements of Section 148(f)(4)(C) are not satisfied, or (iii) to the extent such proceeds qualify for the exception to arbitrage rebate under Section 148(f)(4)(A)(ii) of the Code for amounts in a “bona fide debt service fund.”

(2) Any funds remaining in the 2020 Rebate Fund after payment of all the 2020 Payments hereunder and any amounts described in clause (ii) of paragraph (3) of this section, or provision made therefor, including accrued interest, will be transferred by the City to the Electric Revenue Fund.

(3) Subject to the exceptions contained in paragraph (1) of this section to the requirement to calculate the “rebate amount” and make deposits to the 2020 Rebate Fund, the City will pay to the United States, from amounts on deposit the 2020 Rebate Fund,

(i) not later than 60 days after the end of (A) the fifth Bond Year, and (B) each fifth Bond Year thereafter, an amount that, together with all previous rebate payments, is equal to at least 90% of the “rebate amount” calculated as of the end of such Bond Year in accordance with Section 1.148-3 of the Treasury Regulations; and

(ii) not later than 60 days after the payment of all 2020 Bonds, an amount equal to 100% of the “rebate amount” calculated as of the date of such payment (and any income attributable to the “rebate amount” determined to be due and payable) in accordance with Section 1.148-3 of the Treasury Regulations.

(4) Each payment required to be made pursuant to paragraph (3) of this section will be made to the Internal Revenue Service Center, Philadelphia, Pennsylvania 19255 on or before the date on which such payment is due, and will be accompanied by Internal Revenue Service Form 8038-T, which will be completed by or on behalf of the City.

(5) In the event that, prior to the time any payment is required to be made from the 2020 Rebate Fund, the amount in the 2020 Rebate Fund is not sufficient to make such payment when such payment is due, the City will calculate the amount of such deficiency and deposit an amount equal to such deficiency into the 2020 Rebate Fund prior to the time such payment is due.

(6) In the event that immediately following the calculation required by paragraph (1) of this section, but prior to any deposit made under said subsection, the amount on deposit in the 2020 Rebate Fund exceeds the “rebate amount” calculated in accordance with said subsection, the City will transfer the excess from the 2020 Rebate Fund to the Revenue Fund.

(7) The City will retain records of all determinations made hereunder until six years after the final payment or discharge of all 2020 Bonds.

(8) Notwithstanding anything in the Master Contract or the 2020 Supplemental Contract to the contrary, the Rebate Requirement will survive the payment in full or discharge of the 2020 Bonds and the 2020 Payments.

SECTION 2.07. [[if tax-exempt…]] Tax Covenants. The City hereby covenants it will not take any action, or fail to take any action, if any such action or failure to take action would adversely affect the exclusion from gross income of the interest on the 2020 Bonds under Section 103 of the Code. The City will not, directly or indirectly, use or permit the use of proceeds of the 2020 Bonds or any of the property financed or refinanced with proceeds of the 2020 Bonds, or any portion thereof, by any person other than a governmental unit (as such term is used in Section 141 of the Code), in such manner or to such extent as would result in the loss of exclusion from gross income for federal income tax purposes of the interest on the 2020 Bonds.

The City will not take any action, or fail to take any action, if any such action or failure to take action would cause the 2020 Bonds to be "private activity bonds" within the meaning of Section 141 of the Code, and in furtherance thereof, will not make any use of the proceeds of the 2020 Supplemental Contract or any of the property financed or refinanced with proceeds of the 2020 Supplemental Contract, or any portion thereof, or any other funds of the City, that would cause any of the 2020 Bonds or other obligations delivered in connection with the 2020 Supplemental Contract to be "private activity bonds" within the meaning of Section 141 of the Code. To that end, so long as any 2020 Bonds are outstanding, the City, with respect to such proceeds and property and such other funds, will comply with applicable requirements of the Code and all regulations of the United States Department of the Treasury issued thereunder to the extent such requirements are, at the time, applicable and in effect. The City will establish reasonable procedures necessary to ensure continued compliance with Section 141 of the Code and the continued qualification of 2020 Bonds as "governmental bonds."

The City will not, directly or indirectly, use or permit the use of any proceeds of the 2020 Supplemental Contract, or of any property financed or refinanced thereby, or other funds of the City, or take or omit to take any action, that would cause the 2020 Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code. To that end, the City will comply with all requirements of Section 148 of the Code and all regulations of the United States Department of the Treasury issued thereunder to the extent such requirements are, at the time, in effect and applicable to the 2020 Supplemental Contract and the 2020 Bonds.

The City will not make any use of the proceeds of the 2020 Bonds or any other funds of the City, or take or omit to take another action, which would cause the 2020 Bonds to be "federally guaranteed" within the meaning of Section 149(b) of the Code.

The City covenants that it will comply with the provisions of the Tax Certificate, which is incorporated herein as if fully set forth herein. These covenants will survive payment in full or discharge of the 2020 Bonds and the 2020 Payments used to pay the 2020 Bonds.

SECTION 2.08. Continuing Disclosure. The City hereby covenants and agrees that, in accordance with continuing disclosure requirements under Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, it will undertake to comply with and carry out all applicable provisions of the City's continuing disclosure undertaking executed and delivered with respect to the 2020 Bonds. Notwithstanding any other provision of the Master Contract or hereof, failure of the City to comply with such continuing disclosure obligation will not be considered an Event of Default under the Master Contract or hereunder.

SECTION 2.09. Prior Amendments to the Master Contract.

(a) The definition of "Parity Obligations" in the Master Contract was corrected and amended in the 2005 Supplemental Contract to read in its entirety as follows:

> "Parity Obligations" means all Supplemental Contracts and all other obligations hereafter incurred by the City the payment of which constitutes a charge and lien on the Net Revenues equal to and on a parity with the charge and lien upon the Net Revenues for the payment of the Payments, including, except for purposes of application of Article III, (i) Parity Payment Agreements and (ii) Parity Bank Agreements (provided that no amounts have been drawn under any such Parity Bank Agreements which have not been reimbursed by the City).

(b) The definition of "Annual Debt Service" in the Master Contract was amended in the 2010 Supplemental Contract to add after subsection "(E)" thereof, the following, provided however, this addition will only become operative at such time as the City no longer has outstanding payment obligations under any Supplemental Contracts entered into prior to July 1, 2010:

> "(F) Government Refundable Credits. For purposes of calculating Annual Debt Service for the purposes of determining compliance with Section 4.12 and conditions for the execution of Parity Obligations, it will be assumed that the calculation of the actual amount of interest, as referred to in subsection (A) above, that is payable under any Parity Obligation is the net amount after deducting for any portion of such interest that the Federal government is obligated to pay (the "Refundable Credits") under a program which provides for interest subsidy payments to a governmental issuer of bonds, provided such Refundable Credits are pledged to such Parity Obligation and deposited directly with the trustee of such Parity Obligation; and provided further that such Refundable Credits will not be included as "Revenues" in making such calculation.

(c) The 2010 Supplemental Contract set forth an amendment deleting Section 3.02(5) of the Master Contract (regarding participation of future Parity Obligations in the Parity Reserve Fund), however this deletion will only become operative at such time as the City no longer has outstanding payment obligations under all Supplemental Contracts entered into prior to July 1, 2010. If a Parity Obligation is issued without the Parity Reserve Fund as security for its repayment, the documents setting forth the security for such Parity Obligation shall reflect that the Parity Reserve Fund is not available for payment of that Parity Obligation, and certain provisions of the Master Contract, including the definition of "Reserve Requirement" in the Master Contract shall be amended to exclude such Parity Obligation from the applicable calculation and security.

SECTION 2.10. Terms of the 2020 Supplemental Contract Subject to the Master Contract. Every term and condition contained in the Master Contract will apply to the 2020 Supplemental Contract with the same force and effect as if the same were herein set forth at length, with such omissions, variations and modifications thereof as may be appropriate to make the same conform to the 2020 Supplemental Contract.

SECTION 2.11. Assignment of the 2020 Supplemental Contract. The City hereby acknowledges that the Authority, for good and valuable consideration, has transferred, assigned and sent over to the Trustee, pursuant to the provisions of the Trust Agreement, all of the 2020 Payments and any and all rights and privileges it has under the Master Contract and hereunder. The Trustee will not assume any responsibility for any duties or covenants or warranties of the Authority hereunder.

IN WITNESS WHEREOF, the parties hereto have executed and attested the 2020 Supplemental Installment Purchase Contract by their officers thereunto duly authorized as of the day and year first written above.

CITY OF ROSEVILLE

By: ________________________________
Chief Financial Officer

Approved as to form:

____
City Attorney

(SEAL)

Attest:

____
City Clerk

ROSEVILLE FINANCE AUTHORITY

By: ________________________________
Treasurer

Attest:

____
Secretary

EXHIBIT A

Schedule of 2020 Payments

Principal Amount: $__________

Fiscal Year Ending June 30	2020 Bonds Principal	2020 Bonds Interest	2020 Bonds Total Debt Service

$_______________
ROSEVILLE FINANCE AUTHORITY
Electric System Revenue Refunding Bonds,
Taxable Series 2020

CONTRACT OF PURCHASE

____________, 2020

Roseville Finance Authority
c/o City of Roseville
311 Vernon Street
Roseville, California 95678

Ladies and Gentlemen:

The undersigned, Goldman Sachs & Co. LLC, as underwriter (the "Underwriter"), hereby offers to enter into this Contract of Purchase (this "Contract of Purchase") with the Roseville Finance Authority, a joint exercise of powers authority duly organized and existing under the laws of the State of California (the "Authority"), for the purchase by the Underwriter of the Roseville Finance Authority Electric System Revenue Refunding Bonds, Taxable Series 2020 (the "2020 Bonds"). This offer is made subject to acceptance by the Authority and written approval by the City of Roseville (the "City") on or before 5:00 P.M., California time, on the date hereof or such other time as the parties hereto mutually agree upon, and upon such acceptance and approval, this Contract of Purchase shall be in full force and effect in accordance with its terms and shall be binding upon the Authority, the City and the Underwriter. The Underwriter may withdraw this Contract of Purchase upon written notice delivered by the Underwriter to the Authority and the City at any time before the Authority accepts this Contract of Purchase. Capitalized terms used in this Contract of Purchase and not defined shall have the meanings assigned to such terms in the Official Statement mentioned below.

The Authority and the City acknowledge and agree that (i) the purchase and sale of the 2020 Bonds pursuant to this Contract of Purchase is an arm's-length commercial transaction between the Authority, and the City and the Underwriter, and the Underwriter has financial and other interests that differ from those of the Authority and the City; (ii) in connection with such transaction, and with the discussions, undertakings, and procedures leading up to the consummation of such transaction, the Underwriter is acting solely as a principal and not as an agent, municipal advisor, financial advisor or fiduciary of the Authority or the City; (iii) the Underwriter has not assumed an advisory or fiduciary responsibility in favor of the Authority or the City with respect to the offering of the 2020 Bonds or the process leading thereto (whether or not the Underwriter, or any affiliate of the Underwriter, has advised or is currently advising the Authority or the City on other matters); (iv) the only obligations the Underwriter has to the Authority or the City with respect to the transaction contemplated by this Contract of Purchase are expressly set forth in this Contract of Purchase; and (v) the Authority and the City have consulted with their own municipal, tax, legal and financial advisors to the extent they deemed appropriate in connection with the offering of the 2020 Bonds.

1. Purchase and Sale. Upon the terms and conditions and upon the basis of the representations, warranties and agreements herein set forth, the Underwriter hereby agrees to purchase from the Authority for reoffering to the public, and the Authority agrees to sell to the Underwriter for such purpose, all (but not less than all) of the $________ aggregate principal amount of the 2020 Bonds, such 2020 Bonds being more fully described in the Official Statement (as defined below) at a purchase price of $__________ (representing the aggregate principal amount of $__________, [plus a [net] original issue premium of $__________], less $________ of Underwriter's discount).

The Underwriter hereby agrees to purchase not less than all of the 2020 Bonds if any are purchased in accordance with this Contract of Purchase. If the Underwriter fails to accept such delivery and pay the purchase price of the 2020 Bonds by wire transfer in immediately available funds at the Closing (as defined below) in accordance with the terms hereof, then this Contract of Purchase shall terminate. Any failure by the Underwriter to accept delivery and pay the purchase price in accordance with this Contract of Purchase shall be governed by the terms hereof.

The 2020 Bonds are to be issued pursuant to the provisions of a resolution adopted by the Board of Directors of the Authority approving the 2020 Bonds and related documents and official actions (the "Authority Resolution"), a resolution adopted by the City Council of the City approving the 2020 Bonds and related documents and official actions (the "City Resolution" and together with the Authority Resolution, the "Authorizing Resolutions"), the Marks-Roos Local Bond Pooling Act of 1985, consisting of Article 4, Chapter 5, Division 7, Title 1 of the Government Code of the State of California (commencing with Section 6584), [and Article 11, Chapter 3, Part 1, Division 2, Title 5 of the Government Code of the State of California] (the "Act"), and a Trust Agreement, dated as of [September 1], 2020 (the "Trust Agreement"), by and between the Authority and The Bank of New York Mellon Trust Company, N. A., as trustee (the "Trustee"). The 2020 Bonds shall be secured by a pledge, charge and lien upon Revenues which consist primarily of certain installment payments (the "2020 Payments") to be made by the City under and pursuant to that certain 2020 Supplemental Installment Purchase Contract, executed and entered into as of [September 1], 2020, supplementing the Master Installment Purchase Contract executed and entered into as of November 1, 1997, as previously supplemented and amended, each by and between the City and the Authority (which Master Installment Purchase Contract as so supplemented and amended is referred to herein as the "Installment Purchase Contract"), all of which rights to receive such Revenues have been assigned by the Authority to the Trustee.

The 2020 Bonds shall be dated the date of delivery thereof and shall mature in the years, bear interest, be purchased at the prices and be subject to redemption at the times and in the amounts, all as set forth in Schedule 1 attached hereto. The authorized denominations, record dates, interest payment dates, sinking fund payment dates, and other details and particulars of the 2020 Bonds shall be as described in the Trust Agreement and the Official Statement.

The 2020 Bonds are being issued to provide funds, together with other available moneys, to (i) (a) prepay the 2013 Payments due on and after February 1, 2025 payable by the City under the 2013 Supplemental Installment Purchase Contract dated as of November 1, 2013 (the "2013 Supplemental Contract"), by and between the City and the Authority, and effect the redemption on August 1, 2023 of the Authority's Electric System Revenue Refunding Bonds, Series 2013 maturing on and after February 1, 2025 (the "Refunded 2013 Obligations") and (b) prepay all of the 2014 Payments payable by the City under the 2014 Supplemental Installment Purchase Contract dated as of August 1, 2014 (the "2014 Supplemental Contract"), by and between the City and the Authority, and effect the redemption of all of the Authority's Electric System Revenue Refunding Bonds, Series 2014 (the "Refunded 2014 Obligations" and, together with the Refunded 2013 Obligations, the "Refunded Obligations"); and (ii) pay certain costs incurred in connection with the issuance of the 2020 Bonds. Pursuant to an Escrow Agreement, dated as of [September 1], 2020 (the "Escrow Agreement"), among the City, the Authority and The Bank of New York Mellon Trust Company, N.A., as trustee for the Refunded Obligations and as escrow bank (the "Escrow Bank"), a portion of the proceeds of the 2020 Bonds will be deposited, together with certain other available moneys, into one or more escrow funds created thereunder to effect the refunding of the Refunded Obligations.

2. Use and Preparation of Documents. The Authority and the City hereby approve and ratify the use and distribution by the Underwriter of the Preliminary Official Statement, dated __________, 2020, relating to the 2020 Bonds (which, including the cover page and all appendices thereto, is referred to herein as the "Preliminary Official Statement") in connection with the prospective offering of the 2020 Bonds prior to the date hereof. The Authority and the City hereby confirm they have "deemed final" the Preliminary Official Statement as of its date for purposes of Rule 15c2-12 promulgated under the Securities Exchange Act of 1934 ("Rule 15c2-12"), except for information permitted to be omitted therefrom by Rule 15c2-12. The Authority and the City hereby acknowledge that the Preliminary Official Statement has been made available to investors in electronic form.

The Authority and the City will deliver to the Underwriter, within seven (7) business days of the date hereof, the Official Statement, dated the date hereof, in final form (the "Official Statement"), and will deliver any amendment or supplement thereto as have been approved by the Underwriter, in such format and in sufficient quantity in order to permit the Underwriter to comply with the obligations of the Underwriter including, without limitation, as necessary to accompany any confirmation requesting payment from any customers of the Underwriter, pursuant to the rules of the Municipal Securities Rulemaking Board (the "MSRB") and Rule 15c2-12. The Official Statement shall be in substantially the same form as the Preliminary Official Statement and, other than information previously permitted to have been omitted by Rule 15c2-12, the Authority and the City shall only make such other additions, deletions and revisions in the Official Statement which are approved by the Underwriter. The Authority and the City hereby authorize the use and distribution by the Underwriter of the Official Statement and any supplements or amendments thereto. The Authority and the City hereby acknowledge that the Official Statement may be made available to investors in electronic form.

In order to assist the Underwriter in complying with the Rule 15c2-12, the City will deliver to the Underwriter on the Closing Date (as defined below) an executed copy of its Continuing Disclosure Certificate (the "Continuing Disclosure Certificate") in the form contained in Appendix E to the Official Statement, pursuant to which the City undertakes to provide annual reports and notices of certain events as described in the Continuing Disclosure Certificate.

The Authority and the City hereby authorize the use by the Underwriter of the Official Statement and the forms or copies of the Trust Agreement, the Installment Purchase Contract, the Escrow Agreement and the Continuing Disclosure Certificate in connection with the public offering and sale of the 2020 Bonds. The Trust Agreement, the Installment Purchase Contract, the Escrow Agreement, the Continuing Disclosure Certificate and this Contract of Purchase are sometimes collectively referred to herein as the "Legal Documents."

3. [Reserved.]

4. Closing. At 8:30 A.M., California time, on [September ____], 2020, or at such other time or on such other business day as shall have been mutually agreed upon by the Authority, the City and the Underwriter (the "Closing Date"), the Authority, subject to the terms and conditions hereof, will cause the sale and delivery of the 2020 Bonds to the Underwriter and, the parties will deliver or cause to be delivered the other documents mentioned herein. Upon satisfaction of the conditions herein specified, the Underwriter shall accept the delivery of the 2020 Bonds, and pay the purchase price of the 2020 Bonds as set forth in Section 1 hereof in immediately available funds (such delivery and payment being herein referred to as the "Closing"). Sale, delivery and payment as aforesaid shall be made at the offices of Jones Hall, A Professional Law Corporation ("Bond Counsel"), San Francisco, California 94108 or at such other place as shall have been mutually agreed upon by the Authority and the Underwriter. The 2020 Bonds shall be delivered to the Underwriter by fast automated securities transfer (FAST) through the book-entry system of The Depository Trust Company ("DTC"). The 2020 Bonds shall be made available to the Underwriter at least one (1) business day before the Closing Date for purposes of inspection.

5. Representations, Warranties and Agreements of the City. The City hereby represents, warrants and covenants to the Underwriter that:

(a) The City is duly existing as a charter city and a municipal corporation organized under the Constitution and laws of the State of California.

(b) The City has, and at the Closing Date will have, (i) full legal right, power and authority to adopt the City Resolution and to enter into the Installment Purchase Contract, the Escrow Agreement, the Continuing Disclosure Certificate and this Contract of Purchase (collectively, the "City Documents"), and to execute and deliver the Official Statement; (ii) duly authorized and approved the execution and delivery of the City Documents and the performance of its obligations contained herein and therein; (iii) duly authorized the consummation by it of all transactions contemplated by the City Documents and the Official Statement, all in accordance with applicable law, and the City is and will be in compliance with the provisions thereof in all material respects. The City has executed and delivered, or will execute and deliver on or before the Closing Date, each of the City Documents. Each of the City Documents constitutes, or will, as of the Closing Date, constitute, a legal, valid and binding obligation of the City enforceable in accordance with its terms, subject to applicable bankruptcy, insolvency or other laws affecting creditors' rights or remedies heretofore or hereafter enacted. Each of the City Documents has been executed and delivered, or will be executed and delivered on or before the Closing Date, by each respective signatory and is currently in full force and effect or, as of the Closing Date, will be in full force and effect.

(c) The City Resolution approving and authorizing the execution and delivery by the City Documents was duly adopted at a meeting of the City Council of the City called and held pursuant to law and with all public notice required by law and at which a quorum was present and acting throughout, and is in full force and effect and has not been amended or repealed.

(d) All authorizations, approvals, licenses, permits, consents and orders of any governmental authority, legislative body, board, agency or commission having jurisdiction of the matter that are required for the due authorization by or that would constitute a condition precedent to or the absence of which would materially adversely affect the due performance by the City of its obligations under the City Documents or in connection with the issuance of the 2020 Bonds under the Trust Agreement have been duly obtained, except for such approvals, consents and orders as may be required under the Blue Sky or securities laws of any state in connection with the offering and sale of the 2020 Bonds; and, except as described in or contemplated by the Official Statement, all authorizations, approvals, licenses, permits, consents and orders of any governmental authority, board, agency or commission having jurisdiction of the matter that are required for the due authorization by or that would constitute a condition precedent to or the absence of which would materially adversely affect the due performance by the City of its obligations under the City Documents or in connection with the 2020 Bonds have been duly obtained.

(e) The City is not in any material respect in breach of or default under any constitutional provision, law or administrative regulation of the State or of the United States or any agency or instrumentality of either, or of any other governmental agency, or any Material Judgment or Agreement (as defined below), and no event has occurred and is continuing which with the passage of time or the giving of notice, or both, would constitute a default or event of default under any Material Judgment or Agreement; and the execution and delivery of the City Documents and the 2020 Bonds and the performance of its obligations contained in the City Documents do not and will not in any material respect conflict with or constitute a breach of or default under any such constitutional provision, law or administrative regulation of the State or of the United States or any agency or instrumentality of either, or of any other governmental agency, or any Material Judgment or Agreement, nor will any such execution, delivery or performance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the property or assets of the City or under the terms of any such law, administrative regulation or Material Judgment or Agreement. As used herein, the term "Material Judgment or Agreement" means any judgment or decree or any loan agreement, indenture, bond, note or resolution or any material agreement or other instrument to which the City is a party or to which the City or any of its property or assets is otherwise subject (including, without limitation, the Act, the City Resolution and the City Documents).

(f) Except as disclosed in the Official Statement, no litigation, proceeding or official investigation of any governmental or judicial body is pending against the City or against any other party of which the City has notice of, or, to the knowledge of the City, is threatened against the City (i) in any way questioning the corporate existence of the City or the titles of the officers of the City to their respective offices; (ii) seeking to restrain or enjoin the issuance of the 2020 Bonds, or the collection of revenues pledged or to be pledged to pay the 2020 Payments, or in any way contesting or affecting the validity of the 2020 Bonds, the Trust Agreement or any of the City Documents or the collection of said revenues, or the pledge thereof, or contesting the powers of the City in connection with the issuance of the 2020 Bonds, or the execution and delivery of any of the City Documents or the performance of its obligations contained therein or with respect thereto or contesting the tax-exempt status of interest on the 2020 Bonds for State of California income tax purposes; (iii) which would be likely to result in any material adverse change in the business, properties, assets or financial condition of the City relating to the Electric System or to have a material adverse effect on the ability of the City to meet its obligations under any of the City Documents; or (iv) asserting that the Preliminary Official Statement or the Official Statement 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.

(g) The 2020 Bonds, the Legal Documents and the other documents described in the Official Statement conform in all material respects to the descriptions thereof contained in the Official Statement.

(h) The City will furnish such information, execute such instruments and take such other action in cooperation with the Underwriter as the Underwriter may reasonably request in order (i) to qualify the 2020 Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and other jurisdictions of the United States as the Underwriter may designate and (ii) to determine the eligibility of the 2020 Bonds for investment under the laws of such states and other jurisdictions and will use its best efforts to continue such qualifications in effect so long as required for the distribution of the 2020 Bonds; provided, however, that the City shall not be required to qualify to do business or consent to service of process in connection with any such qualification or determination in any jurisdiction.

(i) As of the date thereof and as of the date hereof, the Preliminary Official Statement did not and does not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; except that no representation is made as to any information included in the Preliminary Official Statement relating to DTC and its book-entry only system.

(j) As of the date thereof and at all times subsequent thereto to and including the date which is 25 days following the End of the Underwriting Period (as such term is hereinafter defined) for the 2020 Bonds, the Official Statement did not and 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 the statements therein, in the light of the circumstances under which they were made, not misleading; except that no representation is made as to any information included in the Official Statement relating to DTC and its book-entry only system. “End of the Underwriting Period” shall mean the later of: (i) the Closing Date or (ii) the date the Underwriter do not retain, directly or as a member of an underwriting syndicate, an unsold balance of the securities for sale to the public.

(k) If between the date of this Contract of Purchase and the date which is 25 days following the End of the Underwriting Period (as defined below) any event shall occur which might or would cause the Official Statement, as then supplemented or amended, to contain any untrue statement of a material fact or to omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, the City shall notify the Underwriter, and if in the opinion of the Underwriter or their respective counsel, such event requires the preparation and publication of a supplement or amendment to the Official Statement, the City will, at its expense, supplement or amend the Official Statement in a form and in a manner approved by the Underwriter. For the purposes of this paragraph (k), between the date of the Official Statement and the date which is 25 days following the End of the Underwriting Period, the City will furnish such information with respect to itself as the Underwriter may from time to time reasonably request.

(l) If the Official Statement is supplemented or amended pursuant to paragraph (k) of this Section 5, 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 which is 25 days following the End of the Underwriting Period, the Official Statement so supplemented or amended 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.

(m) After the Closing, the City will not participate in the issuance of any amendment of or supplement to the Official Statement to which, after being furnished with a copy, the Underwriter reasonably shall object in writing or that shall be disapproved by counsel for the Underwriter.

(n) Between the date hereof and the Closing Date, the City shall not, without the prior written consent of the Underwriter, offer or issue in any material amount any bonds, notes or other obligations for borrowed money, or incur any material liabilities, direct or contingent, except in the course of normal business operations of the City or except for such borrowings as may be described in or contemplated by the Official Statement.

(o) The financial statements of the City as of June 30, 2019 fairly represent the receipts, expenditures, assets, liabilities and cash balances of such amounts and, insofar as presented, other funds of the City as of the dates and for the periods therein set forth; such financial statements of the City have been prepared in accordance with generally accepted accounting principles applicable to governmental entities consistently applied; except as noted in the Preliminary Official Statement and in the Official Statement, the other historical financial information regarding the revenues, operating expenses and net income of the Electric System set forth in the Preliminary Official Statement and in the Official Statement has been presented on a basis consistent with that of the City's audited financial statements included in the Preliminary Official Statement and in the Official Statement. Except as disclosed in the Preliminary Official Statement and the Official Statement or otherwise disclosed in writing to the Underwriter, there has not been any materially adverse change in the financial condition of the City or in its Electric System operations since June 30, 2019 and there has been no occurrence, circumstance or combination thereof which is reasonably expected to result in any such materially adverse change.

(p) The City agrees, pursuant to the Continuing Disclosure Certificate, to provide or cause to be provided to the MSRB certain annual financial information and operating data and agrees to provide, or cause to be provided, to the MSRB in a timely manner notice of certain specified events respecting the 2020 Bonds. These agreements have been made in order to assist the Underwriter in complying with the Rule.

(q) Except as disclosed in the Preliminary Official Statement and the Official Statement, the City has not failed to comply with any of its undertakings to provide continuing disclosure pursuant to Rule 15c2-12.

(r) Any certificate signed by any official or other representative of the City and delivered to the Underwriter pursuant to this Contract of Purchase shall be deemed a representation and warranty by the City to the Underwriter as to the truth of the statements therein made.

All representations, warranties and agreements of the City in this Contract of Purchase shall remain operative and in full force and effect, regardless of any investigations made by the Underwriter or on the Underwriter's behalf, and shall survive delivery of the 2020 Bonds.

6. Representations, Warranties and Agreements of the Authority. The Authority hereby represents, warrants and covenants to the Underwriter that:

(a) The Authority is duly existing as a joint powers agency of the State of California organized and operating pursuant to the laws of the State of California.

(b) The Authority has, and at the Closing Date will have, (i) full legal right, power and authority to issue, sell and deliver the 2020 Bonds, to adopt the Authority Resolution, to execute, deliver and perform its obligations under the Trust Agreement, the Installment Purchase Contract, the Escrow Agreement and this Contract of Purchase (collectively, the "Authority Documents"), and to execute and deliver the Official Statement; (ii) duly authorized and approved the issuance of the 2020 Bonds, the execution and delivery of the Authority Documents and the performance of its obligations contained herein and therein; (iii) duly authorized the consummation by it of all transactions contemplated by the Authority Documents and the Official Statement, all in accordance with applicable law, and the Authority is and will be in compliance with the provisions thereof in all material respects. The Authority has executed and delivered, or will execute and deliver on or before the Closing Date, each of the Authority Documents. Each of the Authority Documents constitutes, or will, as of the Closing Date, constitute, a legal, valid and binding obligation of the Authority enforceable in accordance with its terms, subject to any applicable bankruptcy, insolvency or other laws affecting creditors' rights or remedies heretofore or hereafter enacted. Each of the Authority Documents has been executed and delivered, or will be executed and delivered on or before the Closing Date, by each respective signatory and is currently in full force and effect or, as of the Closing Date, will be in full force and effect. The 2020 Bonds, when duly issued and authenticated in accordance with the Trust Agreement and delivered to the Underwriter as provided herein, will be validly issued and outstanding obligations of the Authority, entitled to the benefits of the Trust Agreement and payable from the sources therein specified.

(c) The Authority Resolution approving and authorizing the execution and delivery by the Authority Documents was duly adopted at a meeting of the Board of Directors of the Authority called and held pursuant to law and with all public notice required by law and at which a quorum was present and acting throughout, and is in full force and effect and has not been amended or repealed.

(d) All authorizations, approvals, licenses, permits, consents and orders of any governmental authority, legislative body, board, agency or commission having jurisdiction of the matter that are required for the due authorization by or that would constitute a condition precedent to or the absence of which would materially adversely affect the due performance by the Authority of its obligations under the Authority Documents or in connection with the issuance of the 2020 Bonds under the Trust Agreement have been duly obtained, except for such approvals, consents and orders as may be required under the Blue Sky or securities laws of any state in connection with the offering and sale of the 2020 Bonds; and, except as described in or contemplated by the Official Statement, all authorizations, approvals, licenses, permits, consents and orders of any governmental authority, board, agency or commission having jurisdiction of the matter that are required for the due authorization by or that would constitute a condition precedent to or the absence of which would materially adversely affect the due performance by the Authority of its obligations under the Authority Documents or in connection with the 2020 Bonds have been duly obtained.

(e) The Authority is not in any material respect in breach of or default under any constitutional provision, law or administrative regulation of the State or of the United States or any agency or instrumentality of either, or of any other governmental agency, or any Material Judgment or Agreement (as defined below), and no event has occurred and is continuing which with the passage of time or the giving of notice, or both, would constitute a default or event of default under any Material Judgment or Agreement; and the execution and delivery of the Authority Documents and the 2020 Bonds and the performance of its obligations contained in the Authority Documents do not and will not in any material respect conflict with or constitute a breach of or default under any such constitutional provision, law or administrative regulation of the State or of the United States or any agency or instrumentality of either, or of any other governmental agency, or any Material Judgment or Agreement, nor will any such execution, delivery or performance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the property or assets of the Authority or under the terms of any such law, administrative regulation or Material Judgment or Agreement. As used herein, the term "Material Judgment or Agreement" means any judgment or decree or any loan agreement, indenture, bond, note or resolution or any material agreement or other instrument to which the Authority is a party or to which the Authority or any of its property or assets is otherwise subject (including, without limitation, the Act, the Authority Resolution and the Authority Documents).

(f) Except as disclosed in the Official Statement, no litigation, proceeding or official investigation of any governmental or judicial body is pending against the Authority or against any other party of which the Authority has notice or, to the knowledge of the Authority, threatened against the Authority (i) in any way questioning the corporate existence of the Authority or the titles of the officers of the Authority to their respective offices; (ii) seeking to restrain or enjoin the issuance of the 2020 Bonds, or the collection of Revenues pledged or to be pledged to pay the 2020 Bonds, or in any way contesting or affecting the validity of the 2020 Bonds, the Trust Agreement or any of the other Authority Documents or the collection of said Revenues, or the pledge thereof, or contesting the powers of the Authority for the issuance, and execution and delivery of the 2020 Bonds, the execution and delivery of the Authority Documents or the performance of its obligations contained therein or with respect thereto or contesting the tax-exempt status of interest on the 2020 Bonds for State of California income tax purposes; (iii) which would be likely to result in any material adverse change in the business, properties, assets or financial condition of the Authority or to have a material adverse effect on the ability of the Authority to meet its obligations under any of the Authority Documents; or (iv) asserting that the Preliminary Official Statement or the Official Statement contained any untrue statement of a material fact or omitted to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

(g) The Installment Purchase Contract, the 2020 Bonds, the Trust Agreement and the other documents described in the Official Statement conform in all material respects to the descriptions thereof contained in the Preliminary Official Statement and the Official Statement.

(h) The Authority will furnish such information, execute such instruments and take such other action in cooperation with the Underwriter as the Underwriter may reasonably request in order (i) to qualify the 2020 Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and other jurisdictions of the United States as the Underwriter may designate and (ii) to determine the eligibility of the 2020 Bonds for investment under the laws of such states and other jurisdictions and will use its best efforts to continue such qualifications in effect so long as required for the distribution of the 2020 Bonds; provided, however, that the Authority shall not be required to qualify to do business or consent to service of process in connection with any such qualification or determination in any jurisdiction.

(i) As of the date thereof and as of the date hereof, the Preliminary Official Statement did not and does not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; except that no representation is made as to any information included in the Preliminary Official Statement relating to DTC and its book-entry only system.

(j) As of the date thereof and at all times subsequent thereto to and including the date which is 25 days following the End of the Underwriting Period (as such term is hereinafter defined) for the 2020 Bonds, the Official Statement did not and 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 the statements therein, in the light of the circumstances under which they were made, not misleading; except that no representation is made as to any information included in the Official Statement relating to DTC and its book-entry only system. "End of the Underwriting Period" shall mean the later of: (i) the Closing Date or (ii) the date the Underwriter do not retain, directly or as a member of an underwriting syndicate, an unsold balance of the securities for sale to the public.

(k) If between the date of this Contract of Purchase and the date which is 25 days following the End of the Underwriting Period (as defined below) any event shall occur which might or would cause the Official Statement, as then supplemented or amended, to contain any untrue statement of a material fact or to omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, the Authority shall notify the Underwriter, and if in the opinion of the Underwriter or their respective counsel, such event requires the preparation and publication of a supplement or amendment to the Official Statement, the Authority will, at its expense, supplement or amend the Official Statement in a form and in a manner approved by the Underwriter. For the purposes of this paragraph (k), between the date of the Official Statement and the date which is 25 days following the End of the Underwriting Period, the Authority will furnish such information with respect to itself as the Underwriter may from time to time reasonably request.

(l) If the Official Statement is supplemented or amended pursuant to paragraph (k) of this Section 6, 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 which is 25 days following the End of the Underwriting Period, the Official Statement so supplemented or amended 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.

(m) After the Closing, the Authority will not participate in the issuance of any amendment of or supplement to the Official Statement to which, after being furnished with a copy, the Underwriter reasonably shall object in writing or that shall be disapproved by counsel for the Underwriter.

(n) Between the date hereof and the Closing Date, the Authority shall not, without the prior written consent of the Underwriter, offer or issue in any material amount any bonds, notes or other obligations for borrowed money, or incur any material liabilities, direct or contingent, except in the course of normal business operations of the Authority or except for such borrowings as may be described in or contemplated by the Official Statement

(o) Any certificate signed by any official or other representative of the Authority and delivered to the Authority pursuant to this Contract of Purchase shall be deemed a representation and warranty by the Authority to the Underwriter as to the truth of the statements therein made.

All representations, warranties and agreements of the Authority in this Contract of Purchase shall remain operative and in full force and effect, regardless of any investigations made by the Underwriter or on the Underwriter's behalf, and shall survive delivery of the 2020 Bonds.

7. Closing Conditions. The Underwriter has entered into this Contract of Purchase in reliance upon the representations, warranties and covenants of the Authority and the City contained herein and the performance by the Authority and the City of their respective obligations hereunder, both as of the date hereof and as of the Closing Date. The Underwriter's

obligations under this Contract of Purchase are and shall be subject to the following further conditions:

(a) The representations of the City and the Authority contained herein shall be true and correct at the date hereof and at and as of the Closing, as if made at and as of the Closing, and the statements made in all certificates and other documents delivered to the Underwriter at the Closing pursuant hereto shall be true, complete and correct at the Closing; the City and the Authority shall be in compliance with each of the agreements made by each of them in this Contract of Purchase (unless such agreements are waived by the Underwriter); and there shall not have occurred any change in or particularly affecting the City or the Authority, the Act, the Authorizing Resolutions, the Legal Documents or the financial position, results of operations, financial condition or prospects of the City which in the reasonable judgment of the Underwriter may result in any material adverse change in the business, properties, assets or the financial condition of the City or the Electric System or which may have a material adverse effect on the ability of the City to meet its obligations under the Installment Purchase Contract or materially impairs the investment quality of the 2020 Bonds.

(b) At the Closing Date, the Authorizing Resolutions and each of the Legal Documents, all as described in the Official Statement, shall be in full force and effect, as valid and binding agreements between the various parties thereto and the Legal Documents and the Official Statement and shall not have been amended, modified or supplemented (except as may be agreed to in writing by the Underwriter) and necessary official action of the Authority and City relating to the Legal Documents and the Official Statement shall have been taken; the ratings quoted in the Official Statement shall be in effect; the Authority shall have delivered to the Underwriter the Official Statement by the time, and in the form and quantity, required by Section 2 of this Contract of Purchase, and the City and the Authority shall perform or have performed their obligations required under or specified in the City Documents and the Authority Documents, respectively, or in the Official Statement, to be performed at or prior to the Closing Date; and there shall be in full force and effect such resolutions as, in the opinion of Bond Counsel, shall be necessary in connection with the transactions contemplated hereby.

(c) At the time of the Closing, the Official Statement (as amended and supplemented in accordance with the terms hereof) shall be true and correct in all material respects, and shall not contain any untrue statement or a material fact or omit any statement or information necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(d) No decision, ruling or finding shall have been entered by any court or legislative body or governmental official, department, commission, board, bureau, agency, instrumentality, body or public benefit corporation, since the date of this Contract of Purchase (and not reversed on appeal or otherwise set aside) which has any of the effects described in Sections 5(f) or 6(f) hereof.

(e) Between the date hereof and the Closing Date, the Underwriter may terminate this Contract of Purchase (evidenced by a written notice to the Authority and the City terminating the obligation of the Underwriter to accept delivery of and make any payment for the 2020 Bonds), if, in the judgment of the Underwriter, any of the following shall occur:

(i) an amendment to the Constitution of the State of California shall have been passed or legislation shall have been introduced in or enacted by the legislature of the State of California, or a decision shall have been rendered by a court of the United States or of the State of California, or a ruling shall have been made or a regulation or temporary regulation shall have been proposed or made, by a State of California authority with respect to State of California taxation upon revenues or other income of the general character to be derived by the City or upon interest received with respect to obligations of the general character of the 2020 Bonds that, in the reasonable judgment of the Underwriter, directly or indirectly may have the purpose or effect of affecting the State tax status of the City or the Authority, their respective property or income, their respective securities (including the 2020 Bonds) or the interest with respect thereto, or any tax exemption granted or authorized by State of California legislation or materially and adversely affecting the market for the 2020 Bonds or the market price generally of obligations of the general character of the 2020 Bonds or the ability of the Underwriter to enforce contracts for the sale, at the contemplated offering prices (or yields) of the 2020 Bonds;

(ii) legislation enacted, introduced in the Congress or recommended for passage by the President of the United States, or a decision rendered by a court established under Article III of the Constitution of the United States or by the Tax Court of the United States, or an order, ruling, regulation (final, temporary or proposed) or official statement issued or made by or on behalf of the Securities and Exchange Commission or by any other governmental agency having jurisdiction of the subject matter to the effect that obligations of the general character of the 2020 Bonds, including any or all underlying arrangements, are not exempt from registration under the Securities Act of 1933, as amended, or that the Trust Agreement is not exempt from qualification under the Trust Indenture Act of 1939, as amended;

(iii) the declaration of war or any outbreak or escalation of hostilities or acts of terrorism involving the United States, or the occurrence or escalation of any other national or international emergency or calamity (including a public health emergency), or any other crisis or event relating to the effective operation of the government of, or the financial community in, the United States, which materially adversely affects the market price or marketability of the 2020 Bonds or the ability of the Underwriter to enforce contracts for the sale, at the contemplated offering prices (or yields) of the 2020 Bonds;

(iv) the declaration of a general banking moratorium by federal, New York or California authorities or the general suspension of trading on any national securities exchange which materially adversely affects the market price or marketability of the 2020 Bonds or the ability of the Underwriter to enforce contracts for the sale, at the contemplated offering prices (or yields) of the 2020 Bonds;

(v) the imposition by the New York Stock Exchange or other national securities exchange or any governmental authority of any material restrictions not now in force with respect to the 2020 Bonds or obligations of the general character of the 2020 Bonds or securities generally or the material increase of any such restrictions now in force, including those relating to the extension of credit by, or the charge to the net capital requirements of, the Underwriter which materially adversely affects the market price or marketability of the 2020 Bonds or the ability of the Underwriter to enforce contracts for the sale, at the contemplated offering prices (or yields) of the 2020 Bonds;

(vi) an order, decree or injunction of any court of competent jurisdiction or order, ruling, regulation or official statement by the Securities and Exchange Commission or any other governmental agency having jurisdiction of the subject matter issued or made to the effect that the issuance, offering or sale of obligations of the general character of the 2020 Bonds or the execution, offering or sale of the 2020 Bonds or any of the Legal Documents, including any or all underlying obligations, as contemplated hereby or by the Official Statement, is or would be in violation of any applicable law, rule or regulation, including (without limitation) any provision of applicable federal securities laws, including the 1933 Act, the Securities Exchange Act of 1934 or the Trust Indenture Act, as amended and then in effect;

(vii) Any litigation shall be instituted or be pending at the time of the Closing to restrain or enjoin the issuance, sale or delivery of the 2020 Bonds, or in any way contesting or affecting any authority for or the validity of the proceedings authorizing and approving the Act, the Authorizing Resolutions, the Legal Documents or the existence or powers of the Authority and/or City with respect to its obligations under the Legal Documents;

(viii) a material disruption in commercial banking, payment or securities settlement or clearance services in the United States or the State, or a material disruption or deterioration in the fixed income or municipal securities market, shall have occurred which materially adversely affects the market price or marketability of the 2020 Bonds or the ability of the Underwriter to enforce contracts for the sale, at the contemplated offering prices (or yields) of the 2020 Bonds;

(ix) any change in or particularly affecting the City or the Authority, the Act, the Authorizing Resolutions, the Legal Documents or the Revenues as the foregoing matters are described in the Official Statement, which in the reasonable professional judgment of the Underwriter materially impairs the investment quality of the 2020 Bonds;

(x) the withdrawal, downgrading or placement on negative watch of any rating of the 2020 Bonds or any underlying or unenhanced rating of any obligations payable on parity with the 2020 Bonds or the Electric System by a national rating agency; or

(xi) any event or circumstance occurs or information becomes known which, in the professional judgment of the Underwriter, makes untrue as of the time of such event or circumstance or information becoming known any statement of a material fact set forth in the Official Statement, or results in an omission to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(f) At or prior to the Closing Date, the Underwriter shall receive the following documents:

(i) The Official Statement and each supplement or amendment, if any, thereto executed on behalf of the Authority and the City by a duly authorized officer of the Authority and the City, respectively;

(ii) Copies of each of the City Documents and each of the Authority Documents, duly executed and delivered by the respective parties thereto;

(iii) The approving opinion of Jones Hall, A Professional Law Corporation, Bond Counsel to the Authority, dated the Closing Date, substantially in the form attached to the Official Statement, together with a reliance letter to the Underwriter;

(iv) The supplemental opinion of Jones Hall, A Professional Law Corporation, Bond Counsel and Disclosure Counsel, in form and substance satisfactory to the Underwriter and Underwriter's Counsel, addressed to the Underwriter, substantially in the form attached hereto as Exhibit A;

(v) The opinion of the City Attorney in form and substance satisfactory to the Underwriter and Underwriter's Counsel dated the Closing Date, addressed to the Underwriter, substantially in the form attached hereto as Exhibit B;

(vi) The opinion of Stradling Yocca Carlson & Rauth LLP, Underwriter's Counsel, dated the Closing Date, in form and substance satisfactory to the Underwriter;

(vii) The opinion of counsel to the Authority, dated the Closing Date, in form, and substance satisfactory to the Underwriter, addressed to the City and the Underwriter, to the effect that:

(1) the Authority is a joint exercise of powers agency duly organized, validly existing and in good standing under the laws of the State of California;

(2) the Authority Resolution approving and authorizing the execution and delivery of the Authority Documents was duly adopted at a meeting of the Board of Directors of the Authority which was called and held pursuant to law and with all public notice required by law and at which a quorum was present and acting through, and the Authority Resolution is in full force and effect and has not been modified, amended or rescinded as of the Closing Date;

(3) the Authority has full legal power and authority to issue the 2020 Bonds, to execute and deliver the Authority Documents and to own its properties and to carry on its business as then conducted;

(4) the Authority Documents have been duly authorized, executed and delivered by the Authority and constitute legal, valid and binding agreements of the Authority, enforceable in accordance with their terms, subject to bankruptcy,

insolvency or other laws affecting the enforcement of creditors' rights generally and the application of equitable principles if equitable remedies are sought;

(5) no consent, approval, authorization or order of any court or governmental body is required for the consummation by the Authority of the transactions contemplated by the Official Statement, except such as have been obtained and except such as may be required under state securities or blue sky laws in connection with the purchase and distribution of the 2020 Bonds by the Underwriter;

(6) there are no legal or governmental proceedings pending or, to the best knowledge of such counsel, threatened against the Authority: (i) to restrain or enjoin the issuance of the 2020 Bonds, (ii) in any way contesting or affecting the validity of the 2020 Bonds or the Legal Documents, (iii) contesting in any way the completeness or accuracy of the Preliminary Official Statement or the Official Statement; or (iv) which are otherwise required to be disclosed in the Preliminary Official Statement or the Official Statement, other than those disclosed therein; and

(7) the execution and delivery of the Authority Documents by the Authority, and performance by the Authority of its obligations thereunder, will not conflict with or result in a breach of any of the terms, conditions or provisions of any agreement or instrument to which the Authority is a party or by which it is bound or constitute a default thereunder, and all consents, approvals, authorizations and orders of a governmental or regulatory authority, if any, which are required to be obtained by the Authority for the consummation of the transactions contemplated thereby or as conditions precedent to the execution and delivery of the 2020 Bonds have been obtained (provided no opinion need be expressed as to any action required under state securities or blue sky laws in connection with the purchase of distribution of the 2020 Bonds by the Underwriter);

(8) without having undertaken to determine independently the accuracy, completeness or fairness of the statements contained in the Official Statement and based upon the information made available to such counsel in the course of their participation in the preparation of the Official Statement as counsel to the Authority, nothing has come to the attention of such counsel which would cause such counsel to believe that the Official Statement (excluding therefrom the information concerning DTC and the book-entry system and the financial statements and the statistical data included in the Official Statement, as to which no opinion need be expressed), as of the date thereof and the Closing Date, contained an untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; and

(9) the assignment of rights by the Authority to the Trustee pursuant to the Trust Agreement is effective to grant to the Trustee all of the rights granted

thereby (including the right to receive payments paid by the City under the Installment Purchase Contract free and clear of any lien or security interest or other claim of any third party or entity claiming by or through the Authority other than as set forth in the Official Statement);

(viii) The opinion of counsel to the Trustee and Escrow Bank, dated the Closing Date, addressed to the Underwriter, to the effect that:

(1) the Trustee and Escrow Bank is and will be as of the Closing Date a national banking association, duly organized and validly existing under the laws of the United States of America, having full power to (a) execute and deliver the Trust Agreement as Trustee and to enter into, accept and administer the trust created thereunder and to authenticate the 2020 Bonds; and (b) execute and deliver the Escrow Agreement as Escrow Bank and to accept and perform its obligations thereunder; and

(2) the 2020 Bonds have been duly authenticated by the Trustee and the Trust Agreement has been duly authorized, executed and delivered by the Trustee and the Escrow Agreement has been duly authorized, executed and delivered by the Escrow Bank, and the Trust Agreement and the Escrow Agreement constitute the valid and binding obligation of the Trustee and Escrow Bank, respectively, each enforceable in accordance with its terms;

(ix) A certificate, dated the Closing Date, of the City executed by its City Manager, Chief Financial Officer or other appropriate official, to the effect that (A) on the date of the Official Statement and on the Closing Date (i) the descriptions and statements of or pertaining to the City and the Electric System contained in the Official Statement were and are true and correct in all material respects; (ii) the Official Statement did not and does not contain an untrue statement of a material fact or omit any statement or information which is necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; and (iii) insofar as the descriptions and statements, including financial data, of or pertaining to other bodies and their activities contained in the Official Statement are concerned, such descriptions, statements and data have been obtained from sources which the City believes to be reliable and the City has no reason to believe that they are untrue in any material respect (no representation being made as to DTC and its book-entry only system); (B) the representations of the City in this Contract of Purchase are true and correct on and as of the Closing Date as if made on and as of the Closing Date, and the City has complied with and performed all of its covenants and agreements in this Contract of Purchase to be complied with and performed at or prior to the Closing Date; and (C) each of the City Documents have been duly authorized, executed and delivered by the City and, assuming due authorization and execution thereof by the respective parties thereto, constitutes a legal, valid and binding agreement of the City enforceable in accordance with its terms, subject to laws relating to bankruptcy, insolvency or other laws affecting the enforcement of creditors' rights generally and the application of equitable principles if equitable remedies are sought;

(x) A certificate dated the Closing Date, of the City Manager, Chief Financial Officer or other appropriate official of the City, and the City Attorney, to the effect that other than as described in the Preliminary Official Statement and the Official Statement, no litigation is pending (with the City having received service of process) or, to their knowledge, threatened in any court (i) in any way questioning the corporate existence of the City or the titles of the officers of the City to their respective offices; (ii) seeking to restrain or enjoin the issuance or delivery of the 2020 Bonds, or the collection of revenues pledged or to be pledged to pay the 2020 Payments; (iii) in any way contesting or affecting the validity of the 2020 Bonds, the Trust Agreement or any of the City Documents; (iv) in any way contesting or affecting the collection of said revenues or the pledge thereof, or contesting the powers of the City to cause the issuance of the 2020 Bonds and the performance of its obligations in connection therewith or the execution and delivery of the Trust Agreement or any of the City Documents and the performance of its obligations contained therein or with respect thereto; (v) which would be likely to result in any material adverse change in the business, properties, assets or the financial condition of the City or to have a material adverse effect on the ability of the City to meet its obligations under any of the City Documents or with respect to the 2020 Bonds, the Trust Agreement or the Installment Purchase Contract; or (vi) asserting that the Preliminary Official Statement or the Official Statement contained any untrue statement of a material fact or omitted to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, which certificate shall be in form and substance acceptable to the Underwriter;

(xi) A certificate of an authorized officer of the City, dated the Closing Date, confirming as of such date the representations, warranties and covenants of the City contained in this Contract of Purchase and stating that the City has complied with all of the terms and conditions of this Contract of Purchase required to be complied with by the City at or prior to the Closing Date;

(xii) A certificate dated the Closing Date, of an appropriate official of the Authority, and the City Attorney as general counsel to the Authority, to the effect that (A) other than as described in the Preliminary Official Statement and the Official Statement, no litigation is pending (with the Authority having received service of process) or, to their knowledge, threatened in any court (i) in any way questioning the corporate existence of the Authority or the titles of the officers of the Authority to their respective offices; (ii) seeking to restrain or enjoin the issuance or delivery of the 2020 Bonds, or the collection of Revenues pledged or to be pledged to pay the 2020 Bonds; (iii) in any way contesting or affecting the validity of the 2020 Bonds or any of the Authority Documents; (iv) in any way contesting or affecting the collection of said Revenues or the pledge thereof, or contesting the powers of the Authority to execute and issue the 2020 Bonds and the performance of its obligations contained therein or the execution and delivery of any of the Authority Documents and the performance of its obligations contained therein or with respect thereto; (v) which would be likely to result in any material adverse change in the business, properties, assets or the financial condition of the Authority or to have a material adverse effect on the ability of the Authority to meet its obligations under any of the Authority Documents or with respect to the 2020 Bonds; or (vi) asserting that the Preliminary Official Statement or the Official

Statement contained any untrue statement of a material fact or omitted to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, which certificate shall be in form and substance acceptable to the Underwriter; and (B) the representations of the Authority in this Contract of Purchase are true and correct on and as of the Closing Date as if made on and as of the Closing Date, and the Authority has complied with and performed all of its covenants and agreements in this Contract of Purchase to be complied with and performed at or prior to the Closing Date;

(xiii) A Certificate of the Trustee and Escrow Bank, dated the Closing Date to the effect that:

(1) the Trustee and Escrow Bank is duly organized and existing as a national banking association, duly organized and validly existing under the laws of the United States of America, having the full power and authority to enter into (a) the Trust Agreement as Trustee and to authenticate the 2020 Bonds and perform its duties as Trustee pursuant to the Trust Agreement, and (b) the Escrow Agreement as Escrow Bank and to perform its duties as Escrow Bank thereunder;

(2) the Trustee and the Escrow Bank is duly authorized to enter into the Trust Agreement and the Escrow Agreement, respectively and the Trust Agreement and Escrow Agreement have been duly executed and delivered by the Trustee and Escrow Bank, respectively, and when duly executed and delivered by the other parties thereto, the Trust Agreement and the Escrow Agreement will constitute the legal, valid and binding obligation of the Trustee and Escrow Bank, respectively, each in accordance with its terms;

(3) the Trustee is duly authorized to authenticate the 2020 Bonds, and the 2020 Bonds have been duly authenticated by the Trustee, in accordance with the terms of the Trust Agreement;

(4) no consent, approval, authorization or other action by any governmental or regulatory authority having jurisdiction over the Trustee or Escrow Bank that has not been obtained is or will be required for the execution and delivery of the Trust Agreement or the authentication of the 2020 Bonds by the Trustee or the execution and delivery of the Escrow Agreement by the Escrow Bank, except as such may be required under the state securities or blue sky laws in connection with the distribution of the 2020 Bonds by the Underwriter;

(5) the execution and delivery by the Trustee of the Trust Agreement and by the Escrow Bank of the Escrow Agreement, and compliance by the Trustee and Escrow Bank, respectively, with the terms thereof will not conflict with, or result in a violation or breach of, or constitute a default under, any loan agreement, indenture bond, note, resolution or any other agreement or instrument to which the Trustee or Escrow Bank is a party or by which it is bound, or any law or any rule, regulation, order or decree of any court or governmental agency or body having jurisdiction over the Trustee or Escrow Bank or any of its

activities or properties (except that no representation, warranty or agreement is made by the Trustee or the Escrow Bank with respect to any federal or state securities or blue sky laws or regulations), or result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the property or assets of the Trustee or Escrow Bank (except with respect to the lien of the Trust Agreement or the Escrow Agreement, respectively); and

(6) there is no action, suit, proceeding, inquiry or investigation at law or in equity, before or by any court or governmental agency, public board or body that has been served on the Trustee or the Escrow Bank or, to the best knowledge of the Trustee and Escrow Bank, respectively, which is threatened against the Trustee or Escrow Bank which would affect the existence of the Trustee or Escrow Bank or seeking to prohibit, restrain or enjoin the execution and delivery of the Trust Agreement and the authentication of the 2020 Bonds by the Trustee or the execution and delivery of the Escrow Agreement by the Escrow Bank, or in an way contesting or affecting the validity or enforceability of the 2020 Bonds or the Trust Agreement or Escrow Agreement, or contesting the powers of the Trustee or Escrow Bank or its authority to enter into and perform its respective obligations under the Trust Agreement or Escrow Agreement, wherein an unfavorable decision, ruling or finding would adversely affect the transactions contemplated thereby or by this Contract of Purchase, or which, in any way, would adversely affect the validity of the 2020 Bonds, the Trust Agreement or the Escrow Agreement or any agreement or instrument to which the Trustee or Escrow Bank is a party and which is used or contemplated for use in the consummation of the transactions contemplated by the Trust Agreement or Escrow Agreement or by this Contract of Purchase;

(xiv) Two certified copies of excerpts from the By-laws of the Trustee and Escrow Bank authorizing the execution and delivery of certain documents by certain officers and employees of the Trustee and Escrow Bank, which resolution authorizes the authentication of the 2020 Bonds and the execution and delivery of the Trust Agreement and Escrow Agreement;

(xv) A certified copy of the Joint Exercise of Powers Agreement establishing the Authority, and all amendments thereto, and related certificates issued by the Secretary of State;

(xvi) Two certified copies of City Resolution adopted by the City and certified by the City Clerk authorizing the execution and delivery of the City Documents;

(xvii) Two copies of Authority Resolution adopted by the Authority and certified by the Secretary or Assistant Secretary of the Authority, authorizing the issuance of the 2020 Bonds and the execution and delivery of the Authority Documents;

(xviii) A signature and incumbency certificate of the Authority and a certificate, dated the Closing Date and signed by an authorized officer of the Authority;

(xix) A signature and incumbency certificate of the City and a certificate, dated the Closing Date and signed by an authorized officer of the City;

(xx) A non-arbitrage certification by the Authority and the City in form and substance acceptable to Bond Counsel;

(xxi) evidence from S&P Global Ratings and Fitch Ratings that the ratings on the 2020 Bonds of "____" and "____," respectively, are in full force and effect on the Closing Date;

(xxii) A copy of any Blue Sky Memorandum with respect to the 2020 Bonds, prepared by Underwriter's Counsel;

(xxiii) A verification report relating to the sufficiency of the escrow fund established under the Escrow Agreement to defease the Refunded Obligations; and

(xxiv) Such additional legal opinions, certificates, instruments and other documents as the Underwriter or Bond Counsel may reasonably require to evidence the compliance by the Authority and the City with legal requirements, the accuracy as of the Closing Date of the representations contained herein and the due performance or satisfaction by the City and the Authority at or prior to such time of all agreements then to be performed and all conditions then to be satisfied by the City and the Authority pursuant to this Contract of Purchase.

If the Authority and/or the City shall be unable to satisfy the conditions to the Underwriter's obligations contained in this Contract of Purchase or if the Underwriter's obligations shall be terminated for any reason permitted by this Contract of Purchase, this Contract of Purchase may be cancelled by the Underwriter at or at any time before, the time of the Closing. Notice of such cancellation shall be given by the Underwriter to the Authority and/or City in writing, or by telephone confirmed in writing. The performance by the Authority and the City of any and all conditions contained in this Contract of Purchase for the benefit of the Underwriter may be waived by the Underwriter.

None of the City, the Authority or the Underwriter shall have any further obligation hereunder, nor any liability to any other party with respect to such termination.

8. <u>Expenses</u>. No expenses and costs of the Authority or the City incident to the performance of the obligations of the Authority or City in connection with the issuance and sale of the 2020 Bonds to the Underwriter shall be borne by the Underwriter. The Authority and the City shall pay or cause to be paid (which may include by reimbursement to the Underwriter) the expenses incident to the performance of their respective obligations hereunder including but not limited to (i) the cost of the preparation and printing or other reproduction (for distribution on or prior to the date hereof) of the Trust Agreement and the other documents mentioned herein; (ii) the fees and disbursements of Hilltop Securities Inc., Jones Hall, A Professional Law Corporation, and any other experts or consultants retained by the City; (iii) the costs and fees of the Trustee and its counsel; (iv) the fees of the credit rating agencies; (v) the cost of preparing and delivering the definitive 2020 Bonds; (vi) the cost of immediately available funds on the Closing Date; (vii) the cost of the printing or other reproduction of the Preliminary Official

Statement and the Official Statement and any supplement thereto, including a reasonable number of certified or conformed copies thereof; and (viii) all expenses incurred on behalf of the Authority's and the City's employees which are directly related to the offering of the 2020 Bonds, including, but not limited to, meals, transportation and lodging of those employees.

The Underwriter shall pay all other expenses incurred by the Underwriter in connection with the 2020 Bonds (which may be included as an expense component of the Underwriter's discount to be reimbursed by the Authority and the City), including (i) the cost of preparation of this Contract of Purchase and any Blue Sky Memorandum; (ii) the fees and disbursements of Stradling Yocca Carlson & Rauth LLP, Counsel to the Underwriter; (iii) all advertising expenses and blue sky filing fees and all other expenses incurred by the Underwriter in connection with the public offering and distribution of the 2020 Bonds; (iv) the fees to a third party for a continuing disclosure undertaking compliance review; (v) the fees payable to DTC, the California Debt and Investment Advisory Commission and the MSRB (if any) in connection with the 2020 Bonds; (vi) the fees associated with obtaining CUSIP numbers for the 2020 Bonds; and (vii) all other out-of-pocket expenses incurred by the Underwriter in connection with the 2020 Bonds and the public offering thereof. The Authority and the City hereby acknowledges that, notwithstanding that the fees of the California Debt and Investment Advisory Commission are solely the legal obligation of the Underwriter, the Authority and the City agree that such fees are to be reimbursed to the Underwriters as hereinabove provided.

9. Indemnification. To the extent permitted by law, the City agrees to indemnify and hold harmless the Underwriter, its directors, officers, employees and agents and each person, if any, who controls (as such term is defined in Section 15 of the Securities Act of 1933, as amended) the Underwriter (any such person being herein sometimes called an "Underwriter Indemnitee") against any and all judgments, losses, claims, damages, liabilities, joint or several, and expenses (i) to which any such Underwriter Indemnitee may become subject under any statute or regulation at law or in equity or otherwise, insofar as such losses claims, damages or liabilities (or actions in respect thereof) arising out of any statement or information in the Preliminary Official Statement or in the Official Statement (excluding in both cases information contained under the caption "Underwriting") that is or is alleged to be untrue or incorrect in any material respect or the omission or alleged omission therefrom of any statement or information that should be stated therein or that is necessary to make the statements therein not misleading in any material respect, and (ii) to the extent of the aggregate amount paid in settlement of any litigation commenced or threatened arising from a claim based upon any such untrue statement or omission if such settlement is effected with the written consent of the City; and will reimburse any legal or other expenses reasonably incurred by any such Underwriter Indemnitee in connection with investigating or defending any such loss, claim, damage, liability or action. This indemnity agreement shall not be construed as a limitation on any other liability which the Issuer may otherwise have to any Underwriter Indemnitee. In case any claim shall be made or action brought against the Underwriter or any controlling person based upon the Official Statement for which indemnity may be sought against the City, as provided above, the Underwriter shall promptly notify the City in writing setting forth the particulars of such claim or action, and the City shall assume the defense thereof, including the retaining of counsel acceptable to the Underwriter and the payment of all expenses. The Underwriter or any such controlling person shall have the right to retain separate counsel in any such action and to participate in the defense thereof but shall bear the fees and expenses of such counsel unless (i) the City shall have

specifically authorized the retaining of such counsel or (ii) the parties to such suit include the Underwriter or such controlling person or persons, and the City and the Underwriter or any such controlling person or persons have been advised by such counsel that one or more legal defenses may be available to it or them which may not be available to the City, in which case the City shall not be entitled to assume the defense of such suit notwithstanding its obligation to bear the fees and expenses of such counsel.

10. Attorneys' Fees. In the event of a dispute arising under this Contract of Purchase, the prevailing party shall have the right to collect from the other party its reasonable costs and necessary disbursements and attorneys' fees incurred in enforcing this Contract of Purchase.

11. Notices. Any notice or other communication to be given to the Authority under this Contract of Purchase shall be given by delivering the same in writing to: Roseville Finance Authority, c/o City of Roseville, 311 Vernon Street, Roseville, California 95678, Attention: Chief Financial Officer; and any notice or other communication to be given to the Underwriter under this Contract of Purchase may be given by delivering the same in writing to: Goldman Sachs & Co. LLC, 2121 Avenue of the Stars, 26th Floor, Los Angeles, California 90067, Attention: Vanessa Eckert.

12. Governing Law. This Contract of Purchase shall be governed by and construed in accordance with the laws of the State of California, applicable to contracts made and performed within the State of California.

13. Counterpart Signatures. This Contract of Purchase may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be any original, but all such counterparts shall together constitute but one and the same instrument.

[Remainder of page intentionally left blank.]

14. Parties in Interest. This Contract of Purchase, when accepted by the City in writing as heretofore specified, shall constitute the entire agreement between the Underwriter and is made solely for the benefit of the City and the Underwriter (including any successor in business). No other person shall acquire or have any right hereunder or by virtue hereof. The representations and agreements of the City in this Contract of Purchase shall remain operative and in full force and effect, regardless of (a) any investigation made by the Underwriter or on our behalf, (b) delivery of and payment for the 2020 Bonds hereunder, and (c) any termination of this Contract of Purchase.

Very truly yours,

GOLDMAN SACHS & CO. LLC

By: ____
Authorized Officer

Accepted on ________, 2020

ROSEVILLE FINANCE AUTHORITY

By:__________________________________
Executive Director

Approved on _________, 2020

CITY OF ROSEVILLE

By:__________________________________
City Manager

Approved as to form:

By:__________________________________
City Attorney

SCHEDULE I

MATURITY SCHEDULE AND REDEMPTION PROVISIONS

2020 BONDS
MATURITY SCHEDULE

Maturity Date (February 1)	Principal Amount	Interest Rate	Price or Yield

2020 BONDS
REDEMPTION PROVISIONS

[REVISIONS TO COME][Optional Redemption of 2020 Bonds on or after _______, 20__. The 2020 Bonds maturing on and after February 1, 20__ are subject to optional redemption prior to their respective stated maturity dates, upon notice as provided in the Trust Agreement, from prepayment of 2020 Payments made by the City pursuant to the Installment Purchase Contract, as a whole or in part (from such maturity dates as are designated by the Authority to the Trustee at the direction of the City or, if the Authority fails to designate such maturity dates, in inverse order of maturity date and by lot within a maturity date) on any date on or after February 1, 20__, at a redemption price equal to the principal amount of the 2020 Bonds called for redemption, plus accrued and unpaid interest to the redemption date, without premium.

[***Optional Redemption of 2020 Bonds Prior to _________, 20__***. The 2020 Bonds are subject to redemption prior to their respective stated maturity dates, upon notice as provided in the Trust Agreement, from prepayment of 2020 Payments made by the City pursuant to the Installment Purchase Contract, as a whole or in part, on any Business Day, at the Make-Whole Redemption Price (as defined herein) determined by the Designated Investment Banker (as defined herein).

The "Make-Whole Redemption Price" is the greater of (i) the issue price of the 2020 Bonds as shown on the cover page of this Official Statement (but not less than 100% of the principal amount of the 2020 Bonds to be redeemed), or (ii) the sum of the present values of the remaining scheduled payments of principal and interest on the 2020 Bonds to be redeemed, not including any portion of those payments of interest accrued and unpaid as of the date on which the 2020 Bonds are to be redeemed, discounted to the date on which such 2020 Bonds are to be redeemed on a semi-annual basis, assuming a 360-day year consisting of twelve 30-day months, at the "Treasury Rate" (defined below) plus ___ basis points, plus accrued and unpaid interest on the 2020 Bonds to be redeemed on the redemption date.

"Treasury Rate" means, with respect to any redemption date for a particular 2020 Bond, the rate per annum, expressed as a percentage of the principal amount, equal to the semi-annual equivalent yield to maturity or interpolated maturity of the Comparable Treasury Issue (defined below), assuming that the Comparable Treasury Issue is purchased on the redemption date for a price equal to the Comparable Treasury Price (defined below), as calculated by the Designated Investment Banker (defined below).

"Comparable Treasury Issue" means, with respect to any redemption date for a particular 2020 Bond, the U.S. Treasury security or securities selected by the Designated Investment Banker that has an actual or interpolated maturity comparable to the remaining average life of the 2020 Bonds to be redeemed, and that would be utilized in accordance with customary financial practice in pricing new issues of debt securities of comparable maturity to the remaining average life of such 2020 Bonds to be redeemed.

"Comparable Treasury Price" means, with respect to any redemption date, (i) he most recent yield data for the applicable U.S. Treasury maturity index from the Federal Reserve Statistical Release H.15 Daily Update (or any comparable or successor publication) reported, as of 11:00 a.m. New York City time, on the Valuation Date; or (ii) if the yield described in (i) above is not reported as of such time or the yield reported as of such time is not ascertainable, the average of five Reference Treasury Dealer Quotations for that redemption date, after excluding the highest and lowest such Reference Treasury Dealer Quotations, or if the Designated Investment Banker obtains fewer than five Reference Treasury Dealer Quotations, the average of all such quotations.

"Designated Investment Banker" means one of the Reference Treasury Dealers appointed by the Authority.

"Reference Treasury Dealer" means each of five firms, specified by the Authority from time to time, that are primary U.S. Government securities dealers in the City of New York (each, a "Primary Treasury Dealer"); provided, however, that if any of them ceases to be a Primary Treasury Dealer, the Authority will substitute another Primary Treasury Dealer.

"Reference Treasury Dealer Quotations" means, with respect to each Reference Treasury Dealer and any redemption date for a particular 2020 Bond, the average, as determined by the Designated Investment Banker, of the bid and asked prices for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) quoted in writing to the Authority and the Trustee by such Reference Treasury Dealer at 3:30 p.m. (New York City time) on the Valuation Date.

"Valuation Date" means a date that is no earlier than four days prior to the date the redemption notice is to be mailed.]

EXHIBIT A

FORM OF SUPPLEMENTAL OPINION

[Letterhead of Jones Hall, A Professional Law Corporation]

[Closing Date]

Goldman Sachs & Co. LLC
Los Angeles, California

Re: Roseville Finance Authority,
Electric System Refunding Revenue Bonds, Taxable Series 2020
(Supplemental Opinion)

Ladies and Gentlemen:

This letter is addressed to you, as Underwriter, pursuant to Section 7(f)(iv) of the Contract of Purchase, dated _____________, 2020 (the "Contract of Purchase"), among you, the Roseville Finance Authority (the "Authority") and the City of Roseville, California (the "City"), providing for the purchase of the Authority's $_________ Electric System Revenue Refunding Bonds, Taxable Series 2020 (the "2020 Bonds"). The 2020 Bonds are being issued pursuant to a Trust Agreement (the "Trust Agreement"), dated as of [September 1], 2020, between the Authority and The Bank of New York Mellon Trust Company, N.A., as trustee. Capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the Trust Agreement or, if not defined in the Trust Agreement, in the Contract of Purchase.

We have delivered our final legal opinion (the "Opinion") as Bond Counsel concerning the validity of the 2020 Bonds and obligations represented thereby, and certain other matters, dated the date hereof and addressed to the Authority. You may rely on such opinion as though the same were addressed to you.

In connection with our role as Bond Counsel, we have reviewed the Contract of Purchase, the Preliminary Official Statement, dated __________, 2020, relating to the 2020 Bonds (the "Preliminary Official Statement"), the Official Statement, dated ____________, 2020, relating to the 2020 Bonds (the "Official Statement"), the documents, certificates, opinions and matters mentioned in the second paragraph of the Opinion, and such other documents, opinions and matters to the extent we deemed necessary to express the opinions set forth in the numbered paragraphs below.

The opinions expressed herein are based on an analysis of existing laws, regulations, rulings and court decisions and cover certain matters not directly addressed by such authorities. Such opinions may be affected by actions taken or omitted or events occurring after the date hereof. We have not undertaken to determine, or to inform any person, whether any such actions are taken or omitted or events do occur or any other matters come to our attention after the date hereof. We have assumed the genuineness of all documents and signatures presented to us (whether as originals or as copies) and the due and legal execution and delivery thereof by, and validity against, any parties other than the City. We have assumed, without undertaking to verify, the accuracy of the factual matters represented, warranted or certified in the documents, and of the legal conclusions contained in the opinions, referred to in the third paragraph hereof. We have further assumed compliance with all covenants and agreements contained in such documents. In addition, we call attention to the fact that the rights and obligations under the 2020 Bonds, the Trust Agreement, the Tax Certificate, and the Contract of Purchase and their enforceability may be subject to bankruptcy, insolvency, reorganization, arrangement, fraudulent conveyance, moratorium and other laws relating to or affecting creditors' rights, to the application of equitable principles, to the exercise of judicial discretion in appropriate cases and to the limitations on legal remedies against cities in the State of California. We express no opinion with respect to any indemnification, contribution, penalty, choice of law, choice of forum or waiver provisions contained in the foregoing documents, nor do we express any opinions with respect to the state or quality of title to or interest in any real or personal property described in or as subject to the lien of the Trust Agreement or any other document or the accuracy or sufficiency of the description contained therein of, or the remedies available to enforce liens on, any such property. Finally, we undertake no responsibility for the accuracy, completeness or fairness of the Official Statement or other offering material relating to the 2020 Bonds and express no opinion relating thereto except as expressly set forth in numbered paragraph 3 below.

Based on and subject to the foregoing, and in reliance thereon, as of the date hereof, we are of the following opinions:

1. The 2020 Bonds are not subject to the registration requirements of the Securities Act of 1933, as amended, and the Trust Agreement is exempt from qualification pursuant to the Trust Indenture Act of 1939, as amended.

2. The Official Statement has been duly authorized, executed and delivered by the Authority and the City, and the Contract of Purchase and the Continuing Disclosure Certificate have been duly authorized, executed and delivered by the Authority and the City, and the Contract of Purchase and the Continuing Disclosure Certificate are valid and binding agreements of the City and the Authority, as applicable.

3. The statements contained in the Preliminary Official Statement and the Official Statement under the captions "INTRODUCTION," "THE 2020 BONDS," "SECURITY FOR THE 2020 BONDS," and "TAX MATTERS," and in "APPENDIX C – DEFINITIONS AND SUMMARY OF CERTAIN DOCUMENTS, "APPENDIX D – PROPOSED FORM OF BOND COUNSEL OPINION," and "APPENDIX E – FORM OF CONTINUING DISCLOSURE CERTIFICATE," excluding any material that may be treated as included under such captions by cross-reference, insofar as such statements expressly summarize certain provisions of the Trust Agreement, the Installment Purchase Contract and the Continuing Disclosure Certificate and the Opinion concerning certain federal tax matters relating to the 2020 Bonds, are accurate in all material respects; provided, however, that no opinion is expressed with respect to any statements relating to The Depository Trust Company ("DTC") or its operations.

We are not passing upon and do not assume any responsibility for the accuracy (except as explicitly stated in numbered paragraph 3 above), completeness or fairness of any of the statements contained in the Preliminary Official Statement or the Official Statement and make no representation that we have independently verified the accuracy, completeness or fairness of any such statements. In our capacity as Bond Counsel and Disclosure Counsel in connection with issuance of the 2020 Bonds, we participated in conferences with your representatives, your counsel, representatives of certain consultants to the Authority and the City, the Authority and the City, and the City Attorney, as counsel to the Authority and the City, during which conferences the contents of the Preliminary Official Statement and the Official Statement and related matters were discussed. Based on our participation in the above-referenced conferences (which did not extend beyond the date of the Official Statement), and in reliance thereon and on the records, documents, certificates, opinions and matters mentioned in the Opinion and herein, we advise you that no facts came to the attention of the attorneys in our firm rendering legal services in connection with the 2020 Bonds which caused us to believe that the Preliminary Official Statement as of its date and as of [PRICING DATE] and the Official Statement as of its date and as of the date hereof (except for any CUSIP numbers, financial, statistical or economic data or forecasts, numbers, charts, tables, graphs, estimates, projections, assumptions or expressions of opinion, or any information about book-entry, DTC and the information contained in Appendices B and F, which we expressly exclude from the scope of this paragraph and as to which we express no opinion or view), contained or contains any untrue statement of a material fact or omitted or omits to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

This letter is furnished by us as Bond Counsel and Disclosure Counsel. No attorney-client relationship has existed or exists between our firm and you in connection with the 2020 Bonds or by virtue of this letter. Our engagement with respect to the 2020 Bonds has concluded with their issuance. We disclaim any obligation to update this letter. This letter is delivered to you as the Underwriter of the 2020 Bonds, is solely for your benefit as such Underwriter and is not to be used, circulated, quoted or otherwise referred to or relied upon for any other purpose or by any other person. This letter is not intended to, and may not, be relied upon by owners of the 2020 Bonds or by any other party to whom it is not specifically addressed.

Very truly yours,

JONES HALL, A PROFESSIONAL LAW CORPORATION

EXHIBIT B

FORM OF OPINION OF THE CITY ATTORNEY

[Letterhead of City Attorney]

_______________, 2020

Goldman Sachs & Co. LLC
Los Angeles, California

Re: $____________ Roseville Finance Authority
Electric System Revenue Refunding Bonds, Taxable Series 2020

Ladies and Gentlemen:

I am the City Attorney for the City of Roseville (the "City") and I have been requested by the City to provide this opinion in accordance with Section 7(f)(v) of the Contract of Purchase dated ___________, 2020 (the "Contract of Purchase"), for the above captioned Bonds (the "2020 Bonds"). Capitalized terms used herein and not defined shall have the meanings assigned to such terms in the Contract of Purchase.

The City has entered into an agreement entitled "Master Installment Purchase Contract," dated as of November 1, 1997, as previously amended and supplemented and as amended and supplemented by an agreement entitled "2020 Supplemental Installment Purchase Contract," dated as of [September 1], 2020, with the Roseville Finance Authority (the "Authority"), which are collectively referred to herein as the "Installment Purchase Contract".

Opinion

It is my opinion that:

1. The City is a charter city and municipal corporation duly organized and existing under and by virtue of the laws of the State of California.

2. The City Resolution approving and authorizing the execution and delivery of the City Documents was duly adopted at a meeting of the City Council 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 through, and the City Resolution is in full force and effect and has not been modified, amended or rescinded as of the Closing Date.

3. The City has full power, authority and legal right to execute, deliver and perform the City Documents.

4. The execution, delivery and performance by the City of the City Documents have been duly authorized by all appropriate action and do not and will not (i) violate any provision of any law, rule, regulation, order, writ, judgment, injunction, decree, determination or award presently in effect having applicability to the City or (ii) result in a breach of or constitute a

default under any indenture or loan or credit agreement, lease or instrument to which it is a party or by which it or its properties may be bound or affected.

5. All authorizations, consents, approvals, licenses, exemptions of or registrations with any court or governmental department, commission, board, bureau, agency or instrumentality, domestic or foreign, necessary to the valid execution, delivery or performance by the City of the City Documents have been obtained or effected, and are and will remain in full force and effect.

6. The City Documents have been duly authorized, executed and delivered by the City, and constitute the legal, valid and binding obligations of the City enforceable against the City in accordance with their respective terms.

7. The City has duly authorized, executed and delivered the Official Statement dated __________, 2020, relating to the 2020 Bonds (the "Official Statement").

8. Except as disclosed in the Official Statement, there is no litigation pending (with the City having received service of process) or, to my knowledge, threatened in any court (i) in any way questioning the corporate existence of the City or the titles of the officers of the City to their respective offices; (ii) seeking to restrain or enjoin the delivery of the 2020 Bonds, or the collection of revenues pledged or to be pledged to pay the 2020 Payments; (iii) in any way contesting or affecting the validity of the 2020 Bonds, the Trust Agreement or the City Documents; (iv) in any way contesting or affecting the collection of said revenues or the pledge thereof, or contesting the powers of the City in connection with the issuance of the 2020 Bonds and the performance of its obligations in connection therewith or the execution and delivery of the Trust Agreement or any of the City Documents and the performance by the City of its obligations contained therein or with respect thereto; (v) which would be likely to result in any material adverse change in the business, properties, assets or the financial condition of the City or to have a material adverse effect on the ability of the City to meet its obligations under the Trust Agreement or the City Agreements or with respect to the 2020 Bonds; or (vi) asserting that the Preliminary Official Statement or the Official Statement contained any untrue statement of a material fact or omitted to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

9. The statements in the Preliminary Official Statement as of ____________, 2020 and the Official Statement (except under the captions "TAX MATTERS" and "UNDERWRITING" and except for any CUSIP numbers, financial, accounting, statistical, economic or engineering or demographic data, forecasts, numbers, charts, tables, graphs, estimates, projections, assumptions or expressions of opinion, or Appendices B through F thereto, or any information about book-entry, DTC, rating agencies, The Depository Trust Company or the Swap Counterparty included or referred to therein, which I expressly exclude from the scope of this paragraph and as to which I express no opinion or view) accurately summarize the matters set forth therein, and nothing has come to my attention in the course of my review of the Preliminary Official Statement and the Official Statement as City Attorney to the City which would lead me to believe that such statements contain any untrue statement of a material fact or omit to state any material fact necessary to make such statements, in the light of the circumstances under which they were made, not misleading

I have not verified and are not passing upon, and do not assume any responsibility for, the accuracy, completeness or fairness of the statements contained in the Official Statement, other than as specifically stated above.

The enforceability of the City Documents may be limited by bankruptcy, insolvency, moratorium and similar laws or equitable principles affecting the rights of creditors generally.

This opinion is rendered only with respect to the laws of the State of California and the United States of America, and is addressed only to the Underwriter. No other person is entitled to rely on this opinion, nor may you rely on it in connection with any transactions other than those described herein.

This letter is solely for the information of, and assistance to, you as the Underwriter and is not to be used, circulated, quoted or otherwise referred to in connection with the offering of the 2020 Bonds except that reference may be made to this letter in any list of closing documents pertaining to the sale of the 2020 Bonds.

Very truly yours,

ESCROW AGREEMENT

Relating to:

Roseville Finance Authority
Electric System Revenue Refunding Bonds
Series 2013

and

Roseville Finance Authority
Electric System Revenue Refunding Bonds
Series 2014

This ESCROW AGREEMENT (this "Agreement"), dated as of _________ 1, 2020, is among the CITY OF ROSEVILLE, a charter city and municipal corporation duly organized and existing under the laws of the State of California (the "City"), the ROSEVILLE FINANCE AUTHORITY, a joint exercise of powers authority duly organized and existing under the laws of the State of California (the "Authority") and 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, as trustee for the Prior Obligations described below (the "Prior Obligations Trustee") and as escrow bank (the "Escrow Bank") herein.

W I T N E S S E T H :

WHEREAS, the City has previously caused the issuance of Electric System Revenue Refunding Bonds, Series 2013 in the aggregate original principal amount of $48,780,000 (the "2013 Bonds") under a Trust Agreement dated as of November 1, 2013 (the "2013 Trust Agreement"), between the Authority and the Prior Obligations Trustee, secured by installment payments payable by the City under a Master Installment Purchase Contract (the "Master Contract"), dated as of November 1, 1997, as previously supplemented and as supplemented by a 2013 Supplemental Installment Purchase Contract dated November 1, 2013 (the "2013 Supplemental Contract"), between the Authority and the City, all to finance and refinance the costs of various improvements to the City's municipal electric system (the "Electric System"); and

WHEREAS, the City has also previously caused the issuance of Electric System Revenue Refunding Bonds, Series 2014 in the aggregate original principal amount of $16,485,000 (the "2014 Bonds") under a Trust Agreement dated as of August 1, 2014 (the "2014 Trust Agreement"), between the Authority and the Prior Obligations Trustee, secured by payments payable by the City under the Master Contract, as previously supplemented and as supplemented by a 2014 Supplemental Installment Purchase Contract dated August 1, 2014 (the "2014 Supplemental Contract"), between the Authority and the City, all to finance and refinance the costs of various improvements to the Electric System; and

WHEREAS, the 2013 Bonds maturing on or after February 1, 2025 are subject to optional redemption prior to their respective stated maturity dates, as a whole or in part on any date on or after August 1, 2023, at a redemption price equal to the principal amount of the 2013 Bonds called for redemption, plus accrued and unpaid interest to the redemption date, without premium; and

WHEREAS, the 2014 Bonds are subject to optional redemption prior to their respective stated maturity dates, as a whole or in part on any date on or after August 1, 2024, at a redemption price equal to the principal amount of the 2014 Bonds called for redemption, plus accrued and unpaid interest to the redemption date, without premium; and

WHEREAS, the City wishes at this time to provide for the refinancing of [[all of --revise as neeed if partial]] the outstanding 2013 Bonds and 2014 Bonds (together, the "Prior Obligations"); and

WHEREAS, to that end, the City and the Authority have entered into a 2020 Supplemental Installment Purchase Contract (the "2020 Supplemental Contract") pursuant to the Master Contract, and the Authority has issued its Roseville Finance Authority Electric System Revenue Refunding Bonds, Series 2020 in the aggregate principal amount of $____________ (the "Refunding Bonds") pursuant to a Trust Agreement, dated as of _____________ 1, 2020 (the "2020 Trust Agreement"), between the Authority and The Bank of New York Mellon Trust Company, N.A., as trustee (in such capacity, the "2020 Trustee"); and

WHEREAS, the City, the Authority and the Escrow Bank wish to enter into this Agreement for the purpose of providing the terms and conditions relating to the deposit and application of moneys to provide for the payment and prepayment and/or redemption of the Prior Obligations as set forth in this Agreement, and in accordance with the provisions of the 2013 Trust Agreement and 2014 Trust Agreement.

NOW, THEREFORE, the parties hereto do hereby agree as follows:

SECTION 1. *Appointment of Escrow Bank*. The City and the Authority hereby appoint The Bank of New York Mellon Trust Company, N.A., as escrow bank (the "Escrow Bank") for all purposes of this Agreement and in accordance with the terms and provisions of this Agreement, and the Escrow Bank hereby accepts such appointment. The Bank of New York Mellon Trust Company, N.A., currently acts as the trustee for the Prior Obligations (in such capacity, the "Prior Obligations Trustee").

SECTION 2. *Establishment of Escrow Fund; Identification of Prior Obligations.* There is hereby created an escrow fund (the "Escrow Fund") to be held by the Escrow Bank as an irrevocable escrow securing the payment of the Prior Obligations, subject to and in accordance with the provisions of this Agreement. Within the Escrow Fund the Escrow Bank shall create a 2013 Escrow Account and a 2014 Escrow Account.

SECTION 3. *Deposit into Escrow Fund; Investment of Amounts.*

(a) Concurrently with the issuance of the Refunding Bonds, the Authority and/or the City will cause to be transferred to the Escrow Bank for deposit into the Escrow Fund the total amount of $______________ from the following sources, all in immediately available funds to be held by the Escrow Bank hereunder:

To the 2013 Escrow Account:

(i) $______________ from the proceeds of the 2020 Bonds; and

(ii) $______________ from the Prior Obligations Trustee from the Parity Reserve Fund for the Parity Obligations.

(iii) [$______________ from available cash of the City.]

(iv) $______________ from [Trustee funds on hand for 2013 Bonds?].

To the 2014 Escrow Account:

(i) $______________ from the proceeds of the 2020 Bonds; and

(ii) $______________ from the Prior Obligations Trustee from the Parity Reserve Fund for the Parity Obligations.

(iii) [$______________ from available cash of the City.]

(iv) $______________ from [Trustee funds on hand for 2014 Bonds?].

(b) With respect to the aggregate $______________ deposited into the Escrow Fund, the Escrow Bank will:

For the 2013 Escrow Account:

(i) invest $______________ of the moneys deposited in the federal securities described in Exhibit B hereto (the "Federal Securities"); and

(ii) hold the remaining $______________ in cash uninvested.

For the 2014 Escrow Account:

(i) invest $______________ of the moneys deposited in the federal securities described in Exhibit B hereto (the "Federal Securities"); and

(ii) hold the remaining $______________ in cash uninvested.

The Federal Securities and cash will be deposited with and held by the Escrow Bank in the Escrow Fund solely for the uses and purposes set forth herein. The Escrow Bank will have no lien upon or right of set off against the Federal Securities and cash at any time on deposit in the Escrow Fund. The Escrow Bank may conclusively rely upon the verification report[s] by ______________, dated ______________, 2020 as to the sufficiency of the funds to make the payments required with regard to the Prior Obligations.

SECTION 4. *Instructions as to Application of Deposit; Defeasance Notice.*

(a) All amounts in the Escrow Fund will be and are hereby irrevocably pledged as special funds for the payment of the principal of, premium, if any, and interest on the respective Prior Obligations on in accordance with the respective 2013 Trust Agreement and 2014 Trust Agreement. For such purpose, the total amount deposited in the Escrow Fund pursuant to Section 3 will be applied by the Escrow Bank for the sole purpose of paying the principal of, premium, if any, and interest on the Prior Obligations to the Prior Obligations Trustee, at the times and in the amounts set forth in the schedule shown in Exhibit A attached hereto and by this reference incorporated herein. The Escrow Bank is directed to call for redemption the Series 2013 Bonds on August 1, 2023 and the Series 2014 Bonds on August 1, 2024. If at any time the Escrow Bank will receive actual knowledge that the amounts in the Escrow Fund will not be sufficient to make any payment required by this Section 4, the Escrow Bank will notify the City of such fact and the City will immediately cure such deficiency from any source of legally available funds.

(b) Following payment in full of the principal of, premium if any and interest on the Prior Obligations, all amounts remaining on deposit in the Escrow Fund will be transferred by the Escrow Bank to the 2020 Trustee for deposit in the debt service fund established pursuant to the 2020 Trust Agreement.

(c) The Escrow Bank is hereby directed to give the following notices:

(i) to the Municipal Securities Rulemaking Board (MSRB)'s Electronic Municipal Market Access (EMMA) system accessible at the emma.msrb.org website:on the date of issuance of the Refunding Bonds, notices of defeasance of the Prior Obligations in accordance, substantially in the forms attached hereto as Exhibit C; and

(ii) within the required timing specified in the 2013 Trust Agreement and 2014 Trust Agreement, notice to holders and to EMMA of the respective Prior Obligations that the redemption of the Prior Obligations will occur on the prepayment and/or redemption date specified therefor.

SECTION 5. *Application of Certain Terms of Trust Agreements.* All of the terms of the 2013 Trust Agreement and 2014 Trust Agreement relating to the making of payments of principal of and interest and redemption premium, if any, on the respective Prior Obligations are incorporated in this Agreement as if set forth in full herein. To the extent the terms of the 2013 Trust Agreement or 2014 Trust Agreement are inconsistent herewith, the terms thereof will control.

SECTION 6. *Compensation and Indemnification to Escrow Bank*. The City will pay the Escrow Bank compensation for its duties under this Agreement, including out-of-pocket costs such as publication costs, prepayment expenses, legal fees and other costs and expenses relating hereto. The Escrow Bank will have no lien on amounts on deposit in the Escrow Fund for such compensation.

The City agrees to indemnify and hold the Escrow Bank, its officers, employees, directors and agents harmless from and against any and all losses, costs, expenses, claims and liabilities whatsoever (including, without limitation, fees and expenses of attorneys) which may be imposed on, asserted against or incurred by the Escrow Bank related to or arising from the acceptance and performance by the Escrow Bank of its duties hereunder.

The obligations of the City under this Section will survive the termination, discharge of this Agreement and the resignation or removal of the Escrow Bank.

SECTION 7. *Resignation of Escrow Bank*. The Escrow Bank may at any time resign by giving written notice to the City of such resignation. The City will promptly appoint a successor Escrow Bank by the resignation date. Resignation of the Escrow Bank will be effective only upon acceptance of appointment by a successor Escrow Bank. If the City does not appoint a successor, the Escrow Bank may at the expense of the City petition any court of competent jurisdiction for the appointment of a successor Escrow Bank, which court may thereupon, after such notice, if any, as it may deem proper and prescribe and as may be required by law, appoint a successor Escrow Bank. After receiving a notice of resignation of Escrow Bank, the City may appoint a temporary Escrow Bank to replace the resigning Escrow Bank until the City appoints a successor Escrow Bank. Any such temporary Escrow Bank so appointed by the City, will immediately and without further act be superseded by the successor Escrow Bank so appointed and funds held by the resigning Escrow Bank shall be transferred to the appointed successor Escrow Bank.

SECTION 8. *Amendment*. This Agreement may be amended by the parties hereto, but only if there will have first been filed with the City, the Authority and the Escrow Bank a written opinion of Bond Counsel stating that such amendment will not materially adversely affect the interests of the owners of the Prior Obligations, and that such amendment will not cause interest with respect to the Prior Obligations to become includable in the gross income of the owners thereof for federal income tax purposes.

SECTION 9. *Successors*. Whenever in this Agreement either the City, Authority or the Escrow Bank is named or referred to, such reference will be deemed to include the successors or assigns thereof, and all the covenants and agreements in this Agreement contained by or on behalf of the City, Authority or the Escrow Bank will bind and inure to the benefit of the respective successors and assigns thereof whether so expressed or not. Any company into which the Escrow Bank may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which it will be a party or any company to which the Escrow Bank may sell or transfer all or substantially all of its corporate trust business, will be the successor hereunder to the Escrow Bank without the execution or filing of any paper or any further act.

SECTION 10. *Execution in Counterparts*. This Agreement may be executed in several counterparts, each of which will be an original and all of which will constitute but one and the same instrument.

SECTION 11. *Applicable Law.* This Agreement will be governed by and construed in accordance with the laws of the State of California.

SECTION 12. *Immunities and Liability of Escrow Bank*. The Escrow Bank undertakes to perform only such duties as are expressly set forth in this Agreement and no implied duties, covenants or obligations will be read into this Agreement against the Escrow Bank.

The Escrow Bank will not have any liability hereunder except to the extent of its gross negligence or willful misconduct. In no event will the Escrow Bank be liable for any special, indirect or consequential damages.

The Escrow Bank may consult with legal counsel of its own choice and the Escrow Bank will not be liable for any action taken or not taken by it in good faith in reliance upon the opinion or advice of such counsel.

The Escrow Bank will not be liable for the recitals or representations contained in this Agreement and will not be responsible for the validity of this Agreement, the sufficiency of the Escrow Fund or the moneys to pay the principal of or interest and premium, if any, on the Prior Obligations.

Whenever in the administration of this Agreement the Escrow Bank will deem it necessary or desirable that a matter be proved or established prior to taking or not taking any action, such matter may be deemed to be conclusively proved and established by a certificate of an authorized representative of the City and will be full protection for any action taken or not taken by the Escrow Bank in good faith reliance thereon.

The Escrow Bank may conclusively rely as to the truth and accuracy of the statements and correctness of any opinions or calculations provided to it in connection with this Agreement and will be protected in acting, or refraining from acting, upon any notice, instruction, request, certificate, document, opinion or other writing furnished to the Escrow Bank in connection with this Agreement and believed by the Escrow Bank to be signed by the proper party, and it need not investigate any fact or matter stated therein.

The Escrow Bank may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or through agents, attorneys, custodians or nominees appointed with due care, and will not be responsible for any willful misconduct or negligence on the part of any agent, attorney, custodian or nominee so appointed. None of the provisions of this Agreement will require the Escrow Bank to expend or risk its own funds or otherwise to incur any liability, financial or otherwise, in the performance of any of its duties hereunder.

The Escrow Bank shall have the right to accept and act upon instructions, including funds transfer instructions ("Instructions") given pursuant to this Agreement and delivered using Electronic Means ("Electronic Means" shall mean the following communications methods: e-mail, facsimile transmission, secure electronic transmission containing applicable authorization codes, passwords and/or authentication keys issued by the Escrow Bank, or another method or system specified by the Escrow Bank as available for use in connection with its services hereunder); provided, however, that the Authority and the City shall provide to the Escrow Bank an incumbency certificate listing officers with the authority to provide such Instructions ("Authorized Officers") and containing specimen signatures of such Authorized Officers, which incumbency certificate shall be amended by the Authority and the City whenever a person is to be added or deleted from the listing. If the Authority or the City elects to give the Escrow Bank Instructions using Electronic Means and the Escrow Bank in its discretion elects to act upon such Instructions, the Escrow Bank's understanding of such Instructions shall be deemed controlling. The Authority and the City understands and agrees that the Escrow Bank cannot determine the identity of the actual sender of such Instructions and that the Escrow Bank shall conclusively presume that directions that purport to have been sent by an Authorized Officer listed on the incumbency certificate provided to the Escrow Bank have been sent by such Authorized Officer. The Authority and the City shall be responsible for ensuring that only Authorized Officers transmit such Instructions to the Escrow Bank and that the Authority and the City and all Authorized Officers are solely responsible to safeguard the use and confidentiality of applicable user and authorization codes, passwords and/or authentication keys upon receipt by the Authority and the City. The Escrow Bank shall not be liable for any losses, costs or expenses arising directly or indirectly from the Escrow Bank's reliance upon and compliance with such Instructions notwithstanding such directions conflict or are inconsistent with a subsequent written instruction. The Authority and the City agree: (i) to assume all risks arising out of the use of Electronic Means to submit Instructions to the Escrow Bank, including without limitation the risk of the Escrow Bank acting on unauthorized Instructions, and the risk of interception and misuse by third parties; (ii) that it is fully informed of the protections and risks associated with the various methods of transmitting Instructions to the Escrow Bank and that there may be more secure methods of transmitting Instructions than the method(s) selected by the Authority and the City; (iii) that the security procedures (if any) to be followed in connection with its transmission of Instructions provide to it a commercially reasonable degree of protection in light of its particular needs and circumstances; and (iv) to notify the Escrow Bank immediately upon learning of any compromise or unauthorized use of the security procedures.

The Escrow Bank shall incur no liability for losses arising from any investments made at the direction of the City and Authority or otherwise made in accordance with this Section.

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

The City and the Authority acknowledge that to the extent regulations of the Comptroller of the Currency or other applicable regulatory entity grant the City and the Authority the right to receive brokerage confirmations of security transactions as they occur, the City and the Authority specifically waive receipt of such confirmations to the extent permitted by law. The Escrow Bank will furnish the City and the Authority periodic cash transaction statements which include detail for all investment transactions made by the Escrow Bank hereunder.

If the Escrow Bank learns that the Department of the Treasury or the Bureau of Public Debt will not, for any reason, accept a subscription of Federal Securities that is to be submitted pursuant to this Agreement, the Escrow Bank shall promptly request alternative written investment instructions from the City with respect to escrowed funds which were to be invested in securities, and shall act upon such instructions so long as the Escrow Bank receives a new verification report and opinion of bond counsel reasonably acceptable to the Escrow Bank. In such event, the Escrow Bank shall follow such instructions and, upon the maturity of any such alternative investment, the Escrow Bank shall hold funds uninvested and without liability for interest until receipt of further written instructions from the City. In the absence of investment instructions from the City, the Escrow Bank shall not be responsible for the investment of such funds or interest thereon. The Escrow Bank may conclusively rely upon the City's selection of an alternative investment as a determination of the alternative investment's legality and suitability and shall not be liable for any losses related to the alternative investments or for compliance with any yield restriction applicable thereto.

SECTION 13. *Termination of Agreement*. Upon payment in full of the principal of, interest and prepayment premium on the Prior Obligations and all fees, expense and charges of the Escrow Bank as described above, this Agreement will terminate and the Escrow Bank will be discharged from any further obligation or responsibility hereunder.

IN WITNESS WHEREOF, the City, the Authority and the Escrow Bank have each caused this Agreement to be executed by their duly authorized officers all as of the date first above written.

CITY OF ROSEVILLE

By: ___________________________________
Chief Financial Officer

Approved as to form:

____
City Attorney

(SEAL)

Attest:

____
City Clerk

ROSEVILLE FINANCE AUTHORITY

By: ___________________________________
Treasurer

Attest:

____
Secretary

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

By: ___________________________________
Authorized Officer

[Signature Page to Escrow Agreement dated as of ___________ 1, 2020]

EXHIBIT A

PAYMENT SCHEDULE OF THE PRIOR OBLIGATIONS

2013 BONDS

Payment Date	Interest Amount	Principal Redeemed	Total

2014 BONDS

Payment Date	Interest Amount	Principal Redeemed	Total

EXHIBIT B

FEDERAL SECURITIES

2013 BONDS

Type of Security	CUSIP or ID	Maturity Date	Par Amount	Rate	Total Cost

Purchase Date	Cost of Securities	Cash Deposit	Total Escrow Cost

2014 BONDS

Type of Security	CUSIP or ID	Maturity Date	Par Amount	Rate	Total Cost

Purchase Date	Cost of Securities	Cash Deposit	Total Escrow Cost

EXHIBIT C

NOTICE OF DEFEASANCE

$48,780,000
ROSEVILLE FINANCE AUTHORITY
ELECTRIC SYSTEM REVENUE REFUNDING BONDS
SERIES 2013

Final Maturity Date: ____________

NOTICE IS HEREBY GIVEN, by the Roseville Finance Authority (the "Authority") with respect to the captioned Bonds (the "Bonds"), that it has defeased the Bonds set forth below as of ___________, 2020. ***This notice is not a notice of redemption of any of the Bonds.***

The Bonds that have been defeased consist of the following:

Maturity Date (February 1)	Principal Amount	Interest Rate	CUSIP (______) *

* CUSIP data are provided by CUSIP Global Services, which is managed on behalf of the American Bankers Association by S&P Global Market Intelligence. The Authority and the Trustee shall not be responsible for the selection or use of the CUSIP numbers listed above, nor is any representation made as to the accuracy of the CUSIP numbers listed above or as printed on any Bond; the CUSIP numbers are included solely for the convenience of the owners of the Bonds.

Dated: ______________, 2020

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.
as Trustee for the Bonds and as Escrow Bank

NOTICE OF DEFEASANCE

$16,485,000
ROSEVILLE FINANCE AUTHORITY
ELECTRIC SYSTEM REVENUE REFUNDING BONDS
SERIES 2014

Final Maturity Date: ____________

NOTICE IS HEREBY GIVEN, by the Roseville Finance Authority (the "Authority") with respect to the captioned Bonds (the "Bonds"), that it has defeased the Bonds set forth below as of ___________, 2020. ***This notice is not a notice of redemption of any of the Bonds.***

The Bonds that have been defeased consist of the following:

Maturity Date (August 1)	Principal Amount	Interest Rate	CUSIP (______) *

* CUSIP data are provided by CUSIP Global Services, which is managed on behalf of the American Bankers Association by S&P Global Market Intelligence. The Authority and the Trustee shall not be responsible for the selection or use of the CUSIP numbers listed above, nor is any representation made as to the accuracy of the CUSIP numbers listed above or as printed on any Bond; the CUSIP numbers are included solely for the convenience of the owners of the Bonds.

Dated: ______________, 2020

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.
as Trustee for the Bonds and as Escrow Bank

PRELIMINARY OFFICIAL STATEMENT DATED SEPTEMBER ___, 2020

NEW ISSUE- BOOK ENTRY ONLY

RATINGS: S&P: "___"
Fitch: "___" (See "RATINGS")

In the opinion of Jones Hall, A Professional Law Corporation, San Francisco, California, Bond Counsel, under existing law, interest on the 2020 Bonds is exempt from State of California personal income taxes. Bond Counsel observes that interest on the 2020 Bonds is not excluded from gross income for federal income tax purposes. See "TAX MATTERS."

$_______________*

Roseville Finance Authority
Electric System Revenue Refunding Bonds, Taxable Series 2020

Dated: Delivery Date **Due: February 1, as shown on inside cover**

Authority for Issuance. The bonds captioned above (the "2020 Bonds") are being issued by the Roseville Finance Authority (the "Authority") under a Trust Agreement, dated as of September 1, 2020 (the "Trust Agreement") between the Authority and The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee").

Security for the 2020 Bonds. The 2020 Bonds are payable from and secured by "Revenues" which generally consist of (a) all of the 2020 Payments under a Master Installment Purchase Contract (the "Master Contract"), dated as of November 1, 1997, as amended and supplemented to date, including by a 2020 Supplemental Installment Purchase Contract dated as of September 1, 2020, all entered into between the City of Roseville (the "City") and the Authority (the "2020 Supplemental Contract" and, collectively with the Master Contract, as previously amended and supplemented, the "Installment Purchase Contract"), and (b) all interest, profits or other income derived from the investment of amounts in any fund or account established under the Trust Agreement. "2020 Payments" are defined as the installment payments of interest, principal and prepayment premiums, if any, payable by the City under the 2020 Supplemental Contract. The 2020 Bonds will also be secured by a Parity Reserve Fund pursuant to the terms of the Trust Agreement. See "SECURITY FOR THE 2020 BONDS."

The 2020 Payments are payable from and secured by a pledge of "Net Revenues" of the City's Electric System, which are defined generally as Revenues of the Electric System less the Maintenance and Operation Costs of the Electric System during each 12-month period. The pledge of Net Revenues for payment of the 2020 Payments is a parity pledge of Net Revenues securing payment of outstanding obligations incurred by the Authority which are the subject of certificates of participation executed and delivered in 2004 (outstanding in the principal amount of $5,000) and 2012 (collectively, the "Prior Certificates") and bonds issued in 2013, 2014 and 2017 (collectively, the "Prior Bonds") to finance and refinance improvements to the Electric System. See "ROSEVILLE ELECTRIC FINANCIAL INFORMATION – Outstanding Indebtedness."

"Maintenance and Operation Costs" include, among other costs, certain take-or-pay obligations of the City under contracts with joint powers agencies in which the Electric System participates. As a result, the City's payments under such contracts with joint powers agencies, including those related to debt service on the joint powers agency's debt are payable on a basis senior to the City's Payments under the Installment Purchase Contract, including the 2020 Payments securing the 2020 Bonds. See "ROSEVILLE ELECTRIC FINANCIAL INFORMATION – Outstanding Indebtedness."

Interest on the 2020 Bonds will accrue at the rates (based on a 360-day year of twelve 30-day months) set forth on the inside cover page of this Official Statement, payable semiannually on February 1 and August 1 of each year, beginning on February 1, 2021.

Use of Proceeds. The 2020 Bonds are being issued to (i) defease and optionally redeem all or a portion of the Prior Bonds issued in 2013 and all of the Prior Bonds issued in 2014, and (ii) pay certain costs incurred in connection with the issuance of the 2020 Bonds. See "REFUNDING PLAN."

Redemption. Prior to their maturity, the 2020 Bonds are subject to optional redemption as described in this Official Statement. See "THE 2020 Bonds – Redemption."

Book-Entry System. The 2020 Bonds will be issued in fully registered form in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC") under the book-entry-only system maintained by DTC. So long as Cede & Co. is the registered owner of the 2020 Bonds, principal of, premium, if any, and interest on the 2020 Bonds will be payable by the Trustee to DTC, which will in turn remit such payments to its participants for subsequent disbursement to beneficial owners of the 2020 Bonds, as more fully described herein. Purchasers of the 2020 Bonds will not receive physical certificates representing their interests in the 2020 Bonds. See "THE 2020 BONDS" and "APPENDIX F – DTC AND THE BOOK-ENTRY ONLY SYSTEM."

Purchase of the 2020 Bonds involves a certain degree of risk, and reference is made to "ROSEVILLE ELECTRIC," "DEVELOPMENTS IN THE ENERGY MARKETS," "OTHER FACTORS AFFECTING THE ELECTRIC UTILITY INDUSTRY," "RATE REGULATION" and "OTHER RISK FACTORS" herein for a discussion of such risks.

THE 2020 BONDS ARE SPECIAL, LIMITED OBLIGATIONS OF THE AUTHORITY PAYABLE SOLELY FROM AND SECURED BY THE REVENUES AND CERTAIN AMOUNTS HELD IN THE FUNDS AND ACCOUNTS ESTABLISHED UNDER THE TRUST AGREEMENT. THE ISSUANCE OF THE 2020 BONDS WILL NOT DIRECTLY, INDIRECTLY OR CONTINGENTLY OBLIGATE THE CITY OR THE AUTHORITY TO LEVY OR PLEDGE ANY FORM OF TAXATION OR TO MAKE ANY APPROPRIATION FOR THEIR PAYMENT. THE AUTHORITY HAS NO TAXING POWER. THE 2020 BONDS ARE NOT A DEBT OF THE AUTHORITY, 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.

This cover page contains certain information for quick reference only. It is not a summary of this issue of 2020 Bonds. Investors must read the entire Official Statement to obtain information essential to the making of an informed investment decision with respect to the purchase of the 2020 Bonds. Capitalized terms used on this cover page not otherwise defined have the meanings set forth herein.

MATURITY SCHEDULE

(see inside cover)

The 2020 Bonds are offered when, as and if issued and delivered to and accepted by the Underwriter, subject to the approval as to their legality by Jones Hall, A Professional Law Corporation, San Francisco, California, Bond Counsel. Certain legal matters will also be passed upon for the City and the Authority by Jones Hall as Disclosure Counsel; for the City and the Authority by the City Attorney; and for the Underwriter by Stradling Yocca Carlson & Rauth, a Professional Corporation. It is anticipated that the 2020 Bonds will be delivered in book-entry form through the facilities of DTC on or about September __, 2020.

Goldman Sachs & Co. LLC

The date of this Official Statement is _____________.

____

* Preliminary; subject to change.

MATURITY SCHEDULE*

Roseville Finance Authority
Electric System Revenue Refunding Bonds,
Taxable Series 2020

(Base CUSIP†: ______)

$_________ Serial 2020 Bonds

Maturity Date* (February 1)	Principal Amount*	Interest Rate	Yield	Price	CUSIP†

$_____________ ___% Term 2020 Bond due February 1, _____; Price: _____%; CUSIP: _____

$_____________ ___% Term 2020 Bond due February 1, _____; Price: _____%; CUSIP: _____

____

* Preliminary, subject to change.
† CUSIP® is a registered trademark of the American Bankers Association. CUSIP Global Services (CGS) is managed on behalf of the American Bankers Association by S&P Global Market Intelligence. Copyright© 2020 CUSIP Global Services. All rights reserved. CUSIP® data herein is provided by CUSIP Global Services. This data is not intended to create a database and does not serve in any way as a substitute for the CGS database. CUSIP® numbers are provided for convenience of reference only. None of the City, the Authority nor the Underwriter takes any responsibility for the accuracy of such numbers.

CITY OF ROSEVILLE

ROSEVILLE FINANCE AUTHORITY

BOARD OF DIRECTORS OF THE AUTHORITY AND MEMBERS OF THE CITY COUNCIL

John Allard, *Mayor/Chairperson of the Authority*
Krista Bernasconi, *Vice Mayor/Vice-Chairperson of the Authority*
Scott Alvord, *Councilmember/Boardmember*
Bruce Houdesheldt, *Councilmember/Boardmember*
Pauline Roccucci, *Councilmember/Boardmember*

CITY AND ELECTRIC UTILITY OFFICIALS

Dominick Casey, *City Manager*
Dennis Kauffman, *Assistant City Manager/Chief Financial Officer*
Robert R. Schmitt, *City Attorney*
Sonia Orozco, *City Clerk*

Michelle Bertolino, *Director, Roseville Electric*
Eric Campbell*, Finance Administrator, Roseville Electric*

BOND COUNSEL
Jones Hall, A Professional Law Corporation
San Francisco, California

MUNICIPAL ADVISOR
Hilltop Securities Inc.
Encino, California

TRUSTEE
The Bank of New York Mellon Trust Company, N.A.
Los Angeles, California

VERIFICATION AGENT
Causey Demgen & Moore P.C.
Denver, Colorado

DISCLOSURE COUNSEL
Jones Hall, A Professional Law Corporation
San Francisco, California

GENERAL INFORMATION ABOUT THIS OFFICIAL STATEMENT

No Offering May Be Made Except by this Official Statement. No dealer, broker, salesperson or other person has been authorized to give any information or to make any representations with respect to the 2020 Bonds other than as contained in this Official Statement, and if given or made, such other information or representation must not be relied upon as having been authorized.

No Unlawful Offers or Solicitations. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy in any state in which such offer or solicitation is not authorized or in which the person making such offer or solicitation is not qualified to do so or to any person to whom it is unlawful to make such offer or solicitation.

Effective Date. This Official Statement speaks only as of its date, and the information and expressions of opinion contained in this Official Statement are subject to change without notice. Neither the delivery of this Official Statement nor any sale of the 2020 Bonds will, under any circumstances, create any implication that there has been no change in the affairs of the City or any other parties described in this Official Statement, or in the condition of the security for the 2020 Bonds since the date of this Official Statement.

Use of this Official Statement. This Official Statement is submitted in connection with the sale of the 2020 Bonds referred to in this Official Statement and may not be reproduced or used, in whole or in part, for any other purpose. This Official Statement is not a contract with the purchasers of the 2020 Bonds. Prospective investors should not construe the contents of this Official Statement as legal, tax or investment advice.

Preparation of this Official Statement. The information contained in this Official Statement has been obtained from sources that are believed to be reliable, but this information is not guaranteed as to accuracy or completeness.

Involvement of Underwriter. The Underwriter has submitted the following statement for inclusion in this Official Statement: The Underwriter has reviewed the information in this Official Statement in accordance with, and as a 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.

Document References and Summaries. All references to and summaries of the Trust Agreement or other documents contained in this Official Statement are subject to the provisions of those documents and do not purport to be complete statements of those documents.

2020 Bonds are Exempt from Securities Laws Registration. The 2020 Bonds have not been registered under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, in reliance upon exemptions for the issuance and sale of municipal securities provided under Section 3(a)(2) of the Securities Act of 1933 and Section 3(a)(12) of the Securities Exchange Act of 1934.

Forward-Looking Statements. Certain statements included or incorporated by reference in this Official Statement constitute forward-looking statements. Such statements are generally identifiable by the terminology used such as "plan," "expect," "estimate," "project," "budget" or other similar words. The achievement of certain results or other expectations contained in such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause actual results, performance or achievements described to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. No assurance is given that actual results will meet the forecasts of the City in any way, regardless of the level of optimism communicated in the information. The City is not obligated to issue any updates or revisions to the forward-looking statements if or when its expectations, or events, conditions or circumstances on which such statements are based occur. Such forward-looking statements include, but are not limited to, certain statements contained in the information under the captions "ROSEVILLE ELECTRIC," "DEVELOPMENTS IN THE ENERGY MARKETS," "OTHER FACTORS AFFECTING THE ELECTRIC UTILITY INDUSTRY" and "OTHER RISK FACTORS – COVID-19 Pandemic."

The references to internet websites in this Official Statement are shown for reference and convenience only; unless explicitly stated to the contrary, the information contained within the websites and any links contained within those websites are not incorporated herein by reference and do not constitute part of this Official Statement.

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OFFICIAL STATEMENT

$____________*
Roseville Finance Authority
Electric System Revenue Refunding Bonds,
Taxable Series 2020

INTRODUCTION

This Official Statement, which includes the cover page and appendices hereto, provides certain information concerning the issuance of the above-captioned bonds (the "**2020 Bonds**") by the Roseville Finance Authority (the "**Authority**"). The 2020 Bonds are being issued pursuant to a Trust Agreement, dated as of September 1, 2020 (the "**Trust Agreement**"), between the Authority and The Bank of New York Mellon Trust Company, N.A., as trustee (the "**Trustee**").

Capitalized terms used but not defined herein have the meanings set forth in the Trust Agreement. See also "APPENDIX C – DEFINITIONS AND SUMMARY OF CERTAIN DOCUMENTS." This Official Statement contains brief descriptions of, among other things, the City, the Electric System, the Trust Agreement, the Installment Purchase Contract and the 2020 Bonds. These descriptions do not purport to be comprehensive or definitive. All references in this Official Statement to documents are qualified in their entirety by reference to such documents, and references to the 2020 Bonds are qualified in their entirety by reference to the form of 2020 Bond included in the Trust Agreement.

Financing Purpose

The 2020 Bonds are being issued to (i) defease and optionally redeem all or a portion of the outstanding bonds issued by the Authority in 2013 and all of the outstanding bonds issued by the Authority in 2014 (both as described herein), and (ii) pay certain costs incurred in connection with the issuance of the 2020 Bonds. See "REFUNDING PLAN" and "ESTIMATED SOURCES AND USES OF FUNDS."

Security and Sources of Payments

Revenues. The 2020 Bonds are secured by and payable from "Revenues" available under the Trust Agreement consisting of (a) all of the 2020 Payments pursuant to the Master Installment Purchase Contract (the "**Master Contract**") dated as of November 1, 1997, as amended and supplemented to date, including by a 2020 Supplemental Installment Purchase Contract dated as of September 1, 2020, all entered into between the City of Roseville (the "**City**") and the Authority (the "**2020 Supplemental Contract**" and, collectively with the Master Contract, as previously amended and supplemented, the "**Installment Purchase Contract**"),

* Preliminary, subject to change.

and (b) all interest, profits or other income derived from the investment of amounts in any fund or account established under the Trust Agreement. See "SECURITY FOR THE 2020 BONDS."

Payments. The "2020 Payments" are defined as the installment payments of interest, principal and prepayment premiums, if any, payable by the City under the 2020 Supplemental Contract. The 2020 Payments are payable from and secured by a pledge of "Net Revenues" of the City's electric utility (the "**Electric System**" or "**Roseville Electric**"), which are defined generally as Gross Revenues of the Electric System less the Maintenance and Operation Costs of the Electric System during each respective 12-month period.

Pursuant to the provisions of the Trust Agreement, the Authority will transfer in trust and assign to the Trustee, for the benefit of the Owners of the 2020 Bonds, all of its rights in the Installment Purchase Contract as supplemented by the 2020 Supplemental Contract (except for certain of the Authority's rights under the Installment Purchase Contract), including but not limited to all of the Authority's rights to receive and collect all of the 2020 Payments.

The 2020 Bonds are special, limited obligations of the Authority payable solely from and secured by the Revenues and certain amounts held in the funds and accounts established under the Trust Agreement. The issuance of the 2020 Bonds will not directly, indirectly or contingently obligate the City or the Authority to levy or pledge any form of taxation or to make any appropriation for their payment. The Authority has no taxing power. The 2020 Bonds are not a debt of the Authority, 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.

Outstanding Senior Obligations. The "Maintenance and Operation Costs" excluded from Net Revenues include, among other costs, certain take-or-pay obligations of the City under contracts with joint powers agencies in which the Electric System participates. As a result, the City's payments under such contracts with joint powers agencies, including those related to debt service on the joint powers agency's debt are payable on a basis senior to the 2020 Payments and other Parity Obligations, as defined below.

Outstanding Parity Obligations. The pledge of Net Revenues for payment of the 2020 Payments is a parity pledge of Net Revenues securing payment of the 2020 Payments, payments under other Supplemental Contracts to the Master Contract and other obligations of the City payable from Net Revenues on parity therewith (collectively, the "**Parity Obligations**") incurred by the City in accordance with the Installment Purchase Contract. After issuance of the 2020 Bonds, the outstanding Parity Obligations will include the installment payments securing two series of certificates of participation executed and delivered in 2004 and 2012 (collectively, the "**Prior Certificates**"), a portion of the series of bonds issued in 2013* and a series of bonds issued in 2017 (together, the "**Prior Bonds**"), all issued to finance or refinance improvements to the Electric System. See "REFUNDING PLAN." In addition, the City has outstanding an interest rate swap (a "Parity Payment Agreement") entered into in connection with certain variable rate certificates of participation refunded by the certificates of participation executed and delivered in 2012, under which the regularly-scheduled payments (which does not include termination payments) are payable from Net Revenues on parity with the Prior Certificates and Prior Bonds.

* Preliminary, subject to change.

Future Parity Debt. The Trust Agreement does not provide for the issuance of any obligations payable from the Revenues on parity with the 2020 Bonds. However, the Master Contract permits the City to execute additional Parity Obligations and Parity Payment Agreements, the payments of which are payable from Net Revenues on a parity with the 2020 Payments (all as described below), if the conditions set forth in the Master Contract are met. See "SECURITY FOR THE 2020 BONDS – Additional Debt."

Parity Reserve Fund

A Parity Reserve Fund is required to be maintained under the Trust Agreement in an amount equal to the Reserve Fund Requirement. The Parity Reserve Fund secures the outstanding Parity Obligations, including the 2020 Bonds. The Parity Reserve Fund will be fully funded upon issuance of the 2020 Bonds. See "SECURITY FOR THE 2020 BONDS – Parity Reserve Fund."

Rate Covenants

Under the Master Contract, the City covenants that it will at all times fix, prescribe and collect rates and charges for the services, facilities and electricity of the Electric System during each Fiscal Year which are reasonably fair and nondiscriminatory and which will be at least sufficient to yield "Adjusted Annual Net Revenues" for such Fiscal Year equal to at least 110% of the Adjusted Annual Debt Service for such Fiscal Year. See "SECURITY FOR THE 2020 BONDS – Rate Covenant."

Redemption

The 2020 Bonds are subject to optional and mandatory redemption prior to maturity as more fully described herein. See "THE 2020 BONDS – Redemption."

DTC and the Book-Entry Only System

The 2020 Bonds are being executed and delivered as fully registered securities in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"), and beneficial interests in the book-entry certificates will be made available in authorized denominations to ultimate purchasers under the book-entry-only system maintained by DTC. See "APPENDIX F – DTC AND THE BOOK-ENTRY ONLY SYSTEM."

REFUNDING PLAN

The Authority has previously issued $48,780,000 original principal amount of Electric System Revenue Refunding Bonds, Series 2013, of which $25,275,000 principal amount remains outstanding (the "**2013 Bonds**") and $16,485,000 original principal amount of Electric System Revenue Refunding Bonds, Series 2014, of which $16,485,000 principal amount remains outstanding (the "**2014 Bonds**"). The net proceeds from the sale of the 2013 Bonds and 2014 Bonds were used to refinance certain outstanding obligations of the Electric System relating to certificates of participation executed and delivered in 2004 and 2005.

The net proceeds from the sale of the 2020 Bonds (together with other available moneys) will be used to prepay all or a portion of the City's obligations under a supplement to the Master Contract entered into in 2013 in connection with the 2013 Bonds and all of the City's obligations under a supplement to the Master Contract entered into in 2014 in connection with the 2014 Bonds, and to refund and redeem on the respective redemption dates therefor a portion of the 2013 Bonds and all of the 2014 Bonds as shown in the following tables.

2013 Bonds to be Redeemed(1) *

Maturity Date (Feb. 1)	Principal to be Redeemed	Redemption Date	Redemption Price
		August 1, 2023	100.0%
		August 1, 2023	100.0
		August 1, 2023	100.0
		August 1, 2023	100.0
		August 1, 2023	100.0

(1) The 2013 Bonds maturing on February 1, 20__ will not be redeemed in connection with the issuance of the 2020 Bonds, and the corresponding Installment Payments will remain outstanding on a parity basis.
* Preliminary, subject to change.

2014 Bonds to be Redeemed *

Maturity Date (Feb. 1)	Principal to be Redeemed	Redemption Date	Redemption Price
2030	$2,985,000	August 1, 2024	100.0%
2031	3,130,000	August 1, 2024	100.0
2032	3,290,000	August 1, 2024	100.0
2033	3,455,000	August 1, 2024	100.0
2034	3,625,000	August 1, 2024	100.0

* Preliminary, subject to change.

A portion of the proceeds of the 2020 Bonds, together with certain funds in the Parity Reserve Fund in excess of the Reserve Fund Requirement to be released in connection with the refunding of a portion of the 2013 Bonds and the 2014 Bonds, will be transferred to The Bank of New York Mellon Trust Company, N.A., as escrow agent (the "**2020 Escrow Agent**") for deposit into an irrevocable refunding escrow (the "**2020 Escrow Fund**"). *The amounts held and invested by the 2020 Escrow Agent in the 2020 Escrow Fund are pledged solely to the payment of the 2013 Bonds and 2014 Bonds being refunded, and do not secure the payment of debt service on the 2020 Bonds or any other Parity Obligations.*

Causey Demgen & Moore P.C., Denver, Colorado, as verification agent, will verify that the amounts in the 2020 Escrow Fund will be sufficient to pay interest coming due on the refunded 2013 Bonds and refunded 2014 Bonds on each interest payment to and including their respective redemption dates and to optionally redeem the applicable 2013 Bonds and 2014 Bonds on their applicable redemption date, at the redemption price, as described herein. See "VERIFICATION OF MATHEMATICAL COMPUTATIONS."

Upon the deposit to the 2020 Escrow Fund, the Payments relating to the refunded 2013 Bonds and refunded 2014 Bonds will be deemed to have been paid under the Installment Purchase Contract, and the obligations related to the refunded 2013 Bonds and refunded 2014 Bonds created by the trust agreements under which such bonds were issued will cease, terminate and become void, except for the obligation of the 2020 Escrow Agent to apply the moneys and securities held in the 2020 Escrow Fund to the payment of the refunded 2013 Bonds and refunded 2014 Bonds as directed in accordance with the related trust agreement.

ESTIMATED SOURCES AND USES OF FUNDS

The table below sets forth the estimated sources and uses of funds with respect to the 2020 Bonds.

Sources of Funds	
Par Amount of 2020 Bonds	$
Plus/less [Net] Premium/Discount	
Plus release of funds from Parity Reserve Fund(1)	
Total Sources	$
Uses of Funds	
2020 Escrow Fund(2)	$
Costs of Issuance(3)	
Total Uses	$

(1) Represents a release from the Parity Reserve Fund securing the 2020 Bonds and the Parity Obligations. After the release of funds, the amount on deposit in the Parity Reserve Fund will equal the current Reserve Fund Requirement for the 2020 Bonds and the outstanding Parity Obligations. See "SECURITY FOR THE 2020 Bonds - Parity Reserve Fund."

(2) See "REFUNDING PLAN" above.

(3) Includes cost of preparation of documents, fees of rating agencies, initial fees of Trustee, 2020 Escrow Agent and Verification Agent, legal fees, fees and disbursements fo consultants and professionals, Underwriter's discount and all other costs related to the issuance of the 2020 Bonds.

THE 2020 BONDS

The following is a summary of certain provisions of the 2020 Bonds. Reference is made to the 2020 Bonds for the complete text thereof and to the Trust Agreement for a more detailed description of such provisions. The discussion herein is qualified by such reference. See APPENDIX C – "DEFINITIONS AND SUMMARY OF CERTAIN DOCUMENTS."

Authority for Issuance

The 2020 Bonds are being issued under the Trust Agreement. The 2020 Supplemental Contract is being executed and delivered pursuant to a Master Installment Purchase Contract (the "**Master Contract**") dated as of November 1, 1997, as previously amended and supplemented by the supplements entered into in 1997, 1999, 2002, 2004, 2005, 2008, 2009, 2010, 2012, 2013, 2014 and 2017.

All of the payment obligations under the supplements entered into in 1997, 1999, 2002, 2005, 2008, 2009, and 2010 have been satisfied and the corresponding certificates of participation or bonds issued by the Authority have been paid. Payment obligations under the supplements entered into in 2004, 2012, 2013, 2014 and 2017 (the respective "**2004 Supplemental Contract**," "**2012 Supplemental Contract**", "**2013 Supplemental Contract**," "**2014 Supplemental Contract**" and "**2017 Supplemental Contract**") remain outstanding, however the 2020 Bonds are being issued to prepay (i) [all or a portion of] the payments under the 2013 Supplemental Contract and thereby cause the refunding of [all or a portion of] the outstanding amount of 2013 Bonds delivered in connection with the 2013 Supplemental Contract, and (ii) all of the payments under the 2014 Supplemental Contract and thereby cause the refunding of all the outstanding amount of 2014 Bonds delivered in connection with the 2014 Supplemental Contract. See "REFUNDING PLAN" and "SECURITY FOR THE 2020 BONDS – Outstanding Senior and Parity Obligations."

The Master Contract and the various supplements thereto are collectively referred to as the "**Installment Purchase Contract**." The payments due under the Installment Purchase Contract are collectively referred to as "**Payments**."

General Terms

Dated Date and Maturities. The 2020 Bonds will be dated their date of initial delivery. Subject to the redemption provisions outlined below, the 2020 Bonds will mature on the dates and in the amounts set forth on the inside cover page of this Official Statement.

Interest. Interest on each 2020 Bond will accrue at the per annum interest rates set forth on the inside cover page of this Official Statement, payable semiannually on February 1 and August 1 of each year, beginning on February 1, 2021 (each, an "**Interest Payment Date**").

Each 2020 Bond will bear interest, calculated on the basis of a 360-day year of twelve 30-day months, from the Interest Payment Date next preceding the date of authentication thereof; unless (i) it is authenticated on or before an Interest Payment Date and after the close of business on the preceding Record Date, in which event such 2020 Bonds bear interest from such Interest Payment Date; (ii) it is authenticated on or before the first Record Date, in which event such 2020 Bonds will bear interest from the date of delivery; provided, however, that if, as of the date of authentication of any 2020 Bond, interest thereon is in default, such 2020 Bond will bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment with respect to the outstanding 2020 Bonds. The Record Date with respect to an Interest Payment Date is the 15th day of the month immediately preceding such Interest Payment Date, whether or not such date is a Business Day.

Principal. The principal of the 2020 Bonds will be payable in lawful money of the United States of America upon the surrender thereof on the respective maturity date or on redemption prior thereto at the Corporate Trust Office of the Trustee.

Denominations. The 2020 Bonds will be issued in the form of fully registered bonds without coupons in the denomination of $1,000 each or any integral multiple thereof.

DTC and Book-Entry Only System. DTC will act as securities depository for the 2020 Bonds. The 2020 Bonds will be executed and delivered as fully-registered securities registered initially in the name of Cede & Co. (DTC's partnership nominee). So long as Cede & Co. is the registered owner of the 2020 Bonds, as nominee of DTC, references in this Official Statement to the "Owners" will mean Cede & Co., and will not mean the Beneficial Owners of the 2020 Bonds. See "APPENDIX F – DTC AND THE BOOK-ENTRY ONLY SYSTEM."

Method of Payment. So long as the 2020 Bonds are registered in the name of Cede & Co., principal, premium, if any, and interest on the 2020 Bonds are payable directly to DTC by the Trustee in lawful money of the United States of America. Upon receipt of payments of principal, premium or interest, DTC is to remit such principal, premium or interest to the "DTC Participants" (as defined in APPENDIX F) for subsequent disbursement to the Beneficial Owners of the 2020 Bonds. See "APPENDIX F – DTC AND THE BOOK-ENTRY ONLY SYSTEM."

Redemption*

Optional Redemption - 2031 and Later Maturities. The 2020 Bonds maturing on and after February 1, 2031 are subject to optional redemption prior to their respective stated maturity dates, upon notice as hereinafter provided, from prepayment of 2020 Payments made by the City pursuant to the Contract, as a whole or in part (from such maturity dates as are designated by the Authority to the Trustee at the direction of the City and by lot within a maturity date) on any date on or after February 1, 2030, at a redemption price equal to the principal amount of the 2020 Bonds called for redemption, plus accrued and unpaid interest to the redemption date, without premium.

Optional Redemption – Prior to February 1, 2030 (Make Whole). The 2020 Bonds are subject to optional redemption prior to their respective stated maturity dates, upon notice as hereinafter provided, from prepayment of 2020 Payments made by the City pursuant to the Contract, as a whole or in part (from such maturity dates as are designated by the Authority to the Trustee at the direction of the City and by lot within a maturity date, on any date prior to February 1, 2030, at a redemption price equal to the principal amount of the 2020 Bonds called for redemption plus the Applicable Premium, if any, together with accrued interest to the redemption date. The "Applicable Premium" of any redeemed 2020 Bond equals the excess of: (a) the present value at the date of redemption of the principal amount of such 2020 Bonds subject to redemption, plus all required interest payments due on such 2020 Bonds to the principal payment date(s) (excluding accrued but unpaid interest), calculated by an independent financial institution appointed by the Authority which calculation shall be conclusive), using a discount rate

* Preliminary, subject to change.

equal to the Treasury Rate plus _____ basis points minus (b) the principal amount of such 2020 Bond. The Applicable Premium shall not be less than $0.00. For purposes of this provision, with respect to 2020 Bonds subject to sinking fund redemption as described below, "such 2020 Bonds" and "principal payment" refers to those sinking fund installments that the Authority has determined to reduce or eliminate as a result of such optional redemption.

If the period from the date of redemption to the weighted average maturity of the principal payment date(s) is greater than one year, the "Treasury Rate" will be equal to the actual or interpolated yield to maturity of U.S. Treasury Securities with a constant maturity (as compiled and published in the most recent Federal Reserve Statistical Release H. 15) that becomes publicly available on the date of calculation of the Applicable Premium, but in no event less than seven days nor more than sixty days prior to the date of redemption, equal to the period from the date of redemption to the weighted average maturity of the principal payment date(s). If the weighted average maturity of the principal payment date(s) is less than one year, the "Treasury Rate" will be equal to the weekly average yield of actually traded United States Treasury securities adjusted to a constant maturity of one year. If the Federal Reserve Statistical Release H. 15 is no longer published, the Applicable Premium shall be calculated using any publicly available source of similar market data.

Mandatory Redemption. The 2020 Bonds with maturing on February 1, _______ and February 1, _______ ("2020 Term Bonds") are subject to mandatory redemption prior to such maturity date, in part by lot, on February 1 of each year on and after February 1, _______ and February 1, _______, respectively, upon notice as hereinafter provided, from and in the amount of the principal installment of the 2020 Payments due and payable on such dates, at a redemption price equal to the sum of the principal amount thereof plus accrued and unpaid interest thereon to the redemption date, without a redemption premium as follows.

2020 Term Bonds Maturing February 1, ______

Mandatory Redemption Date (February 1)	Sinking Fund Payment

2020 Term Bonds Maturing February 1, ______

Mandatory Redemption Date (February 1)	Sinking Fund Payment

Upon an optional redemption of any 2020 Term Bond, the Authority will provide the Trustee with a revised schedule of the foregoing payments which shall provide for the reduction of the remaining payments coming due on such 2020 Term Bond in such amounts and on such dates as designated by the Authority at the direction of the City to correspond to the 2020 Payments prepaid.

Selection of Bonds for Redemption. With respect to the 2020 Bonds, if less than all of the 2020 Bonds are to be redeemed, the Authority will designate the maturities to be redeemed. If less than all Outstanding 2020 Bonds of any particular maturity date are to be redeemed at any one time, the Trustee will select the portions of the 2020 Bonds of such maturity date to be redeemed, in authorized denominations, by lot in a manner which the Trustee deems to be fair. For purposes of such selection, all 2020 Bonds will be deemed to be comprised of separate $1,000 denominations and such separate denominations will be treated as separate Bonds that may be separately redeemed.

Notice of Redemption. The Trustee on behalf and at the expense of the City will provide notice of any redemption to the respective Owners of any 2020 Bonds designated for redemption at their respective addresses appearing on the Registration Books, to the Securities Depositories and to the Municipal Securities Rulemaking Board (by registered mail, certified mail, overnight delivery, electronic, or facsimile transmission or by other acceptable means at least 20 but not more than 60 days prior to the date fixed for redemption. Any such notice of optional redemption may be conditional upon the Trustee having funds available for for the redemption on the date designated for such redemption. Failure to receive such a redemption notice will not invalidate any of the proceedings taken in connection with such redemption.

The Authority may rescind any optional redemption by written notice to the Trustee on or prior to the date fixed for redemption and such notice of optional redemption shall be canceled and annulled if for any reason funds will not be or are not available on the date fixed for redemption for the payment in full of the Outstanding Bonds then called for redemption. The Trustee will provide notice of any such rescission in the same manner as the original notice of redemption was sent.

Unless the book-entry only system is discontinued, the City and the Trustee will only recognize DTC or its nominee as an Owner. Conveyance of notices and other communications by DTC to its participants ("**DTC Participants**") and by DTC Participants to each actual purchaser of each 2020 Bond will be governed by arrangements between them, subject to any statutory and regulatory requirements as may be in effect from time to time. See "APPENDIX F – DTC AND THE BOOK-ENTRY ONLY SYSTEM."

Purchase in lieu of Redemption. In lieu of redemption of 2020 Bonds as provided in the Trust Agreement, amounts held by the Trustee for such redemption may be applied by the Trustee to the purchase of 2020 Bonds at public or private sale as and when and at such prices (including brokerage, accrued interest and other charges) at the direction of the Authority or the City received by the Trustee at least 75 days prior to the selection of the 2020 Bonds for redemption, but such purchase price must not exceed the redemption price that would be payable if such 2020 Bonds were redeemed.

Effect of Redemption. If notice of redemption has been duly given and money for the payment of the redemption price of the 2020 Bonds called for redemption is held by the Trustee, then on the redemption date designated in such notice 2020 Bonds so called for redemption will become due and payable, and from and after the date so designated interest on such 2020 Bonds will cease to accrue, and the Owners of such 2020 Bonds will have no rights in respect thereof except to receive payment of the redemption price thereof.

Debt Service Schedule

The 2020 Bonds are payable from Revenues available under the Trust Agreement, consisting primarily of the 2020 Payments made by the City pursuant to the Installment Purchase Contract. The schedule below shows the annual debt service on the 2020 Bonds (assuming no redemption of the 2020 Bonds) and outstanding Parity Obligations (assuming no optional prepayment of the 2020 Payments or Parity Obligations) after the defeasance and optional redemption described under "REFUNDING PLAN" above.

Fiscal Year Ending June 30	2020 Bonds Principal	2020 Bonds Interest	2020 Bonds Total Debt Service(1)	Outstanding Parity Payments(2)(3)	Total Payments

(1) Equal to the total 2020 Payments due in each Fiscal Year.

(2) [[Represents the 2004 Payments, 2012 Payments, unrefunded 2013 Payments, and 2017 Payments. See "SECURITY FOR THE 2020 BONDS – Outstanding Senior and Parity Obligations" and "ROSEVILLE ELECTRIC FINANCIAL INFORMATION – Outstanding Indebtedness."]]

(3) Assumes interest at the rate of ____% per annum on the 2012 Certificates.

SECURITY FOR THE 2020 BONDS

This section provides summaries of certain provisions of the Trust Agreement, the Installment Purchase Contract and the 2020 Bonds. See APPENDIX C for a summary of additional provisions of the Trust Agreement and Installment Purchase Contract. Capitalized terms used but not defined in this section have the meanings given in APPENDIX C.

Revenues

The 2020 Bonds are payable from and secured by a lien on and security interest in the Revenues as provided in the Trust Agreement. "Revenues" consist of (a) all of the 2020 Payments, and (b) all interest, profits or other income derived from the investment of amounts in any fund or account established under the Trust Agreement. Under the Trust Agreement, all of the Revenues and all amounts (including proceeds of the sale of the 2020 Bonds) held in any fund or account established under the Trust Agreement are pledged to secure the payment of the principal of and interest and premium (if any) on the 2020 Bonds.

The 2020 Bonds are special, limited obligations of the Authority payable solely from and secured by the Revenues and certain amounts held in the funds and accounts established under the Trust Agreement. The issuance of the 2020 Bonds will not directly, indirectly or contingently obligate the City or the Authority to levy or pledge any form of taxation or to make any appropriation for their payment. The Authority has no taxing power. The 2020 Bonds are not a debt of the Authority, 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.

Assignment to Trustee

Under the Trust Agreement, the Authority transfers, assigns and sets over to the Trustee, subject to the provisions of the Trust Agreement, all of the Revenues (which consist primarily of the 2020 Payments, as more fully described below) and any and all rights and privileges it has under the Installment Purchase Contract (excepting only certain of the Authority's rights under the Installment Purchase Contract), including the right to collect and receive directly all of the 2020 Payments and the right to enforce the provisions of the Installment Purchase Contract.

Any Revenues collected or received by the Authority will be deemed to be held, and to have been collected or received, by the Authority as the agent of the Trustee, and will immediately be paid by the Authority to the Trustee.

The Trust Agreement provides that the Trustee will, subject to the provisions of the Trust Agreement, take all steps, actions and proceedings required to be taken as provided in any Opinion of Counsel delivered to it, reasonably necessary to maintain in force for the benefit of the Owners of the 2020 Bonds the Trustee's rights as assignee of the 2020 Payments under the Installment Purchase Contract and as beneficiary of any other rights to security for the 2020 Bonds which the Trustee may receive in the future.

2020 Payments

General. The 2020 Payments represent the purchase price of a portion of the facilities refinanced with the proceeds of the 2013 Bonds and 2014 Bonds, which the Authority is reselling to the City. The Installment Purchase Contract provides that the City's obligations to make the 2020 Payments is (subject to the provisions of the Installment Purchase Contract relating to defeasance) absolute and unconditional, and until such time as the 2020 Payments are paid in full (or provision for the payment thereof is made under the Installment Purchase Contract), the City will not discontinue or suspend any 2020 Payments required to be paid by it under the Installment Purchase Contract when due, whether or not the Electric System or any part thereof is operating or operable, or its use is suspended, interfered with, reduced, curtailed or terminated in whole or in part. The 2020 Payments are not subject to reduction whether by offset, abatement or otherwise and are not conditional upon the performance or nonperformance by any party to any agreement for any cause whatsoever.

Notwithstanding anything contained in the Installment Purchase Contract, however, the City is not required to advance any moneys derived from any source of income other than the Net Revenues for the payment of the 2020 Payments or for the performance of any agreements or covenants required to be performed by it contained in the Installment Purchase Contract.

Pledge of Net Revenues. Under the Installment Purchase Contract, all Net Revenues of the Electric System are irrevocably pledged to the payment of all Payments to be made by the City to the Authority, including the 2020 Payments and all other payments under the Parity Obligations in accordance with the terms of the Installment Purchase Contract. The Net Revenues of the Electric System may not be used for any other purpose while any of the Payments remain unpaid; provided, however, that out of Net Revenues there may be apportioned such sums for such purposes as are expressly permitted by the Installment Purchase Contract. The Installment Purchase Contract provides that this pledge constitutes a parity first pledge of and charge and lien upon the Net Revenues of the Electric System.

Electric System. The Installment Purchase Contract defines "Electric System" to mean the electric public utility system of the City, comprising all electric generation, transmission and distribution facilities and all general plant facilities related thereto owned by the City at the time the Master Contract was executed and all other properties, structures or works for the generation, transmission or distribution of electricity thereafter acquired by the City, including all contractual rights for electricity or the transmission thereof, together with all additions, betterments, extensions or improvements to such facilities, properties, structures or works or any part thereof thereafter acquired.

Net Revenues. The Installment Purchase Contract defines "Net Revenues" to mean, for any Fiscal Year or any designated twelve (12) month period in question, the Gross Revenues during such Fiscal Year or twelve (12) month period less the Maintenance and Operation Costs during such Fiscal Year or twelve (12) month period.

Gross Revenues. "Gross Revenues" as used herein (defined in the Installment Purchase Contract as "Revenues") means all gross income and revenue received or receivable by the City from the ownership or operation of the Electric System, determined in accordance with Generally Accepted Accounting Principles, including all rates and charges received by the City for the Electric Service and the other services and facilities of the Electric System and all proceeds of insurance covering business interruption loss relating to the Electric System and all other income and revenue howsoever derived by the City from the ownership or operation of the

Electric System or arising from the Electric System, and including all Payment Agreement Receipts, and including all income from the deposit or investment of any money in the Electric Revenue Fund.

The definition of "Gross Revenues" *excludes* proceeds of taxes, refundable deposits made to establish credit and advances, or contributions in aid of construction and line extension fees, and charges collected by any person to amortize, or otherwise relating to the payment of, the uneconomic portion of costs associated with assets and obligations ("stranded costs") of the Electric System or of any joint powers agency in which the City participates which the City has dedicated to the payment of obligations other than Contracts, the payments of which obligations will be applied or pledged to, or otherwise set aside for, the reduction or retirement of outstanding obligations of the City or any joint powers agency in which the City participates relating to such "stranded costs" of the City or of any such joint powers agency to the extent such "stranded costs" are attributable to, or the responsibility of, the City.

Maintenance and Operation Costs. The Installment Purchase Contract defines "Maintenance and Operation Costs" to mean the costs paid or incurred by the City for maintaining and operating the Electric System, determined in accordance with Generally Accepted Accounting Principles, including, but not limited to, (a) all costs of electric energy and power generated or purchased by the City for resale, costs of transmission, fuel supply and water supply in connection with the foregoing, (b) all reasonable expenses of management and repair and other expenses necessary to maintain and preserve the Electric System in good repair and working order, (c) all administrative costs of the City that are charged directly or apportioned to the operation of the Electric System, such as salaries and wages of employees, overhead, taxes (if any) and insurance premiums, and (d) all other reasonable and necessary costs of the City or charges required to be paid by it to comply with the terms of the Contracts or any resolution authorizing the execution of any Parity Obligations or of such Contracts or Parity Obligations, such as compensation, reimbursement and indemnification of the Trustee, remarketing agent or surety costs for any such Parity Obligations, letter of credit fees for any such Parity Obligations, fees and expenses of Independent Certified Public Accountants and Independent Engineers.

The definition of "Maintenance and Operation Costs" *excludes* depreciation, replacement and obsolescence charges or reserves therefore and amortization of intangibles.

It should be noted that "Maintenance and Operation Costs" *specifically include* all amounts required to be paid by the City under contracts with a joint powers agency for the purchase of capacity, energy, transmission capability or any other commodity or service in connection with the foregoing, which contract requires payments by the City to be made thereunder to be treated as Maintenance and Operation Costs. See "– Outstanding Senior and Parity Obligations" below.

The 2020 Payments are limited obligations of the City and are not secured by a legal or equitable pledge of, or charge or lien upon, any property of the City or any of its income or receipts, except the Net Revenues.

Rate Covenant

Rate Covenant. Under the Installment Purchase Contract, the City covenants that it will at all times fix, prescribe and collect rates and charges for the services, facilities and electricity of the Electric System during each Fiscal Year which are reasonably fair and nondiscriminatory and which will be at least sufficient to yield "Adjusted Annual Net Revenues" for such Fiscal Year equal to at least 110% of the Adjusted Annual Debt Service for such Fiscal Year (the "**Rate Covenant**").

The City may make adjustments from time to time in such fees and charges and may make such classification thereof as it deems necessary, but may not reduce the rates and charges then in effect unless the Adjusted Annual Net Revenues (defined herein) from such reduced rates and charges will at all times be sufficient to meet the requirements described in the preceding sentence.

Adjusted Annual Net Revenues. The Installment Purchase Contract defines "Adjusted Annual Net Revenues" to mean, for any Fiscal Year or 12-month period in question, the "Adjusted Annual Revenues" during such Fiscal Year or 12-month period less the "Maintenance and Operation Costs" during such Fiscal Year or 12-month period.

Adjusted Annual Revenues. The Installment Purchase Contract defines "Adjusted Annual Revenues" to mean, for any Fiscal Year or 12-month period in question:

• the Gross Revenues during such Fiscal Year or 12-month period,

• *plus*, for purposes of the Rate Covenant only, the amounts on deposit in the Rate Stabilization Fund (or any other unrestricted funds of the Electric System designated by the City Council by resolution and available for the purpose of paying Maintenance and Operation Costs and/or Annual Debt Service for such Fiscal Year or 12-month period), as of the first day of such Fiscal Year or 12-month period,

• *minus*, for the purposes of the Rate Covenant only, earnings from the investments in the Parity Reserve Fund that are deposited in the Electric Revenue Fund in such Fiscal Year or 12-month period.

Adjusted Annual Debt Service. The Installment Purchase Contract defines "Adjusted Annual Debt Service" to mean, for any Fiscal Year or 12-month period in question, the "Annual Debt Service" for such Fiscal Year or 12-month period *minus* the sum of

(i) for purposes of the Rate Covenant only, the earnings from the investments in the Parity Reserve Fund that have been deposited in the Electric Revenue Fund in such Fiscal Year or 12-month period, and

(ii) the amount of the Annual Debt Service paid from the proceeds of Parity Obligations or interest earned thereon (other than from the Parity Reserve Fund), all as set forth in a certificate of the City.

Annual Debt Service. The Installment Purchase Contract defines "Annual Debt Service" to mean, for any Fiscal Year or 12-month period in question, the required payments scheduled to be made with respect to all Outstanding Parity Obligations in such Fiscal Year or 12-month period; provided, that for purposes of determining compliance with the Rate

Covenant, the Reserve Fund Requirement and conditions for the execution of Parity Obligations, certain additional provisions are applicable as described in “APPENDIX C – DEFINITIONS AND SUMMARY OF CERTAIN DOCUMENTS.”

Rate Stabilization Fund

Under the Installment Purchase Contract, the City is required to establish and maintain the Rate Stabilization Fund so long as any Parity Obligations remain unpaid. Amounts in the Rate Stabilization Fund are not pledged as security for the 2020 Payments but may be included in Adjusted Annual Revenues for purposes of determining compliance with the Rate Covenant. The City is not required to maintain any balance in the Rate Stabilization Fund. See “RATE SETTING – Rate Stabilization Fund.”

The City may at any time deposit in the Rate Stabilization Fund any Net Revenues after providing for the payment of Parity Obligations and any other money available for such deposit. The City may at any time withdraw any or all of the money from the Rate Stabilization Fund for any legal purpose. All interest or other earnings upon deposits in the Rate Stabilization Fund will be accounted for as Gross Revenues. The City’s ability to set rates, fees and charges for electricity at levels which would permit the City to make deposits into the Rate Stabilization Fund could in the future be limited by new regulations and other changes to the electric industry in California.

Notwithstanding the foregoing, no Gross Revenues will be deposited in the Rate Stabilization Fund to the extent that such amount was included by the City in Adjusted Annual Revenues for purposes of determining compliance with the conditions for the execution of Parity Obligations contained in the Contracts or for the Rate Covenant and deduction of the amounts to be deposited in the Rate Stabilization Fund would have caused noncompliance with such conditions.

Parity Reserve Fund

Establishment. Under the trust agreement entered into by the Authority and the Trustee with respect to the 1997 Certificates, the Trustee established and is obligated to maintain the Parity Reserve Fund, which secures the payment of principal and interest with respect to the outstanding Parity Obligations.

Funding of 2020 Parity Reserve Account. After the release of amounts in the Parity Reserve Fund as shown in “ESTIMATED SOURCES AND USES OF FUNDS” herein, the combined amount on deposit in the Parity Reserve Fund will be sufficient to meet the Reserve Fund Requirement for the Parity Obligations to be outstanding upon the delivery of the 2020 Bonds, including the 2020 Bonds. As a result, a “2020 Parity Reserve Account” will not be established within the Parity Reserve Fund. The Parity Reserve Fund will be maintained so long as the 2020 Bonds remain outstanding.

Reserve Fund Requirement. The Installment Purchase Contract defines "Reserve Fund Requirement" to mean, as of any date of determination and excluding any Parity Obligations that are not Supplemental Contracts and the debt service thereon, the least of

(a) 10% of the initial offering price to the public of the Parity Obligations as determined under the Internal Revenue Code of 1986 (the "**Code**"), or

(b) the Maximum Annual Debt Service, or

(c) 125% of the Average Annual Debt Service.

Substitution of Surety. The Reserve Fund Requirement (or any portion thereof) may be provided by one or more policies of municipal bond insurance or surety bonds issued by a municipal bond insurer or by a letter of credit issued by a bank or other institution if the obligations insured by such insurer or issued by such bank or other institution, as the case may be, have ratings at the time of issuance of such policy or surety bond or letter of credit equal to "Aa" or higher assigned by Moody's (if Moody's is then rating any of the Parity Obligations) and "AA" or higher assigned by S&P (if S&P is then rating any of the Parity Obligations) and that maintain at all times ratings at least equal to the lowest ratings (without giving effect to municipal bond insurance or other credit enhancement) on any of the Parity Obligations provided by Moody's (if Moody's is then rating any of the Parity Obligations) and by S&P (if S&P is then rating any of the Parity Obligations).

If at any time obligations insured by any such municipal bond insurer issuing a policy of municipal bond insurance or surety bond or a bank or other institution issuing a letter of credit as permitted by this definition no longer maintains ratings as required in accordance with the requirements of the Installment Purchase Contract, the Installment Purchase Contract requires the City to provide or cause to be provided cash or a substitute municipal bond insurance policy or surety bond or a letter of credit meeting such requirements.

Currently, no portion of the Reserve Fund Requirement is provided by a policy of municipal bond insurance, surety bond or letter of credit.

Disbursement. Amounts in the Parity Reserve Fund are available for transfer to the 2020 Debt Service Fund and to any applicable debt service fund established for Parity Obligations under each trust agreement or other agreement under which any Parity Obligations secured by the Parity Reserve Fund are issued, without preference or priority among transfers made, and in the event of any insufficiency of moneys in such debt service funds, ratably and without preference, in an amount required to be deposited therein with respect to Parity Obligations secured by the Parity Reserve Fund. See "– Outstanding and Senior Parity Obligations" below.

Interest earnings on amounts on deposit in the Parity Reserve Fund, unless needed to pay debt service on any obligations issued pursuant to the Master Contract or to replenish the Parity Reserve Fund, or unless subject to rebate requirements under the Tax Code, will be withdrawn from the Parity Reserve Fund and transferred, upon Written Request of the Authority submitted to the Trustee, to the City for deposit in the Revenue Fund.

Outstanding Senior and Parity Obligations

Senior Obligations. The City participates in the projects of, and has entered into certain power sales contracts and transmission service agreements with certain regional joint powers agencies (including the Northern California Power Agency and the Transmission Agency of Northern California), under which the City is responsible for the payment of its share of the costs of certain projects in which it is participating (including debt service costs associated with debt of the joint powers agencies issued for such projects). Obligations of the City under these agreements constitute Maintenance and Operation Costs of the Electric System payable prior to the obligations under the Installment Purchase Contract, including the 2020 Payments (and the Parity Obligations described below). Under certain circumstances, payments under these financing agreements are subject to a potential "step-up," as described herein, obligating the City to pay a share of the obligations of a defaulting participant and granting the City a corresponding increased entitlement to electricity or transmission capability. See "ROSEVILLE ELECTRIC FINANCIAL INFORMATION – Outstanding Indebtedness."

Parity Obligations. The pledge of Net Revenues for payment of the 2020 Payments is a parity pledge of Net Revenues securing payment of the 2020 Payments, payments under other Supplemental Contracts to the Master Contract and other obligations of the City payable from Net Revenues on parity therewith incurred by the City in accordance with the Installment Purchase Contract. After issuance of the 2020 Bonds, the outstanding Parity Obligations include the installment payments securing two series of certificates of participation executed and delivered in 2004 and 2012, [a portion of the series of bonds issued in 2013] and a series of bonds issued in 2017, all issued to finance or refinance improvements to the Electric System. In addition, the City has outstanding an interest rate swap, constituting a Parity Payment Agreement, entered into in connection with certain variable rate certificates of participation refunded by the certificates of participation executed and delivered in 2012, the regularly-scheduled payments under which (which does not include termination payments) are payable from Net Revenues on parity with the Prior Certificates and Prior Bonds. For a list of currently outstanding Parity Obligations see "ROSEVILLE ELECTRIC FINANCIAL INFORMATION – Outstanding Indebtedness – Parity Indebtedness." See also "REFUNDING PLAN."

Conditions for Issuing Additional Obligations

The Trust Agreement does not provide for issuance of additional obligations payable or secured by the Revenues pledged to payment of the 2020 Bonds. However, under the terms of the Master Contract, the City may incur additional obligations under contracts with joint powers agencies in which it now on may in the future participate for the purchase of capacity, energy, transmission capability or any other commodity or service in connection with the foregoing, which are Maintenance and Operation Costs of the Electric System, payable from Gross Revenues of the Electric System prior to the payment of the 2020 Payments securing the 2020 Bonds.

In addition, the City may, at any time execute a Supplemental Contract or other Parity Obligation, the payments of which are payable from the Net Revenues on a parity with the other Parity Obligations, including the 2020 Payments, but subject to the conditions precedent set forth in the Master Contract, including the condition that there be on file with the Trustee either:

> (1) a Certificate of the City demonstrating that during any twelve consecutive calendar months out of the immediately preceding eighteen calendar month period, the Adjusted Annual Net Revenues were at least

equal to 110% of the Maximum Annual Debt Service for all existing Parity Obligations plus the Parity Obligation proposed to be executed; or

(2) an Engineer's Report showing that projected Adjusted Annual Net Revenues during the succeeding five complete Fiscal Years beginning with the first Fiscal Year following issuance of such Parity Obligations in which interest is not capitalized in whole or in part from the proceeds of Parity Obligations, is at least equal to 110% of the Maximum Annual Debt Service for all existing Parity Obligations plus the Parity Obligations proposed to be executed.

Notwithstanding the foregoing, the Master Contract specifies that there are no limitations on the ability of the City to execute any Parity Obligations at any time to refund any outstanding Parity Obligations. See "APPENDIX C – DEFINITIONS AND SUMMARY OF CERTAIN DOCUMENTS."

The 2010 Supplemental Contract included a provision amending the Master Contract to eliminate the requirement that the Parity Reserve Fund be increased by an amount attributable to the issuance of a Parity Obligation (or, if the Parity Obligation is other than a Supplemental Contract, the requirement that a separate reserve be established) for Parity Obligations issued after the date of the 2010 Supplemental Contract and provided no Parity Obligation issued prior to the date of the 2010 Supplemental Contract remains outstanding. If a Parity Obligation is issued without the Parity Reserve Fund as security for its repayment, the documents setting forth the security for such Parity Obligation shall reflect that the Parity Reserve Fund is not available for payment, and certain provisions of the Master Contract, including the definition of "Reserve Requirement" in the Master Contract shall be amended to exclude such Parity Obligation from the applicable calculation and security.

Flow of Funds

2020 Debt Service Fund. All Revenues received by the Trustee will be promptly deposited by the Trustee in the 2020 Debt Service Fund; *except that* all moneys received by the Trustee and required under the Trust Agreement or under the 2020 Supplemental Contract to be used for optional redemption of 2020 Bonds will be promptly deposited in a special fund and disbursed for that purpose. All Revenues deposited with the Trustee will be held, disbursed, allocated and applied by the Trustee only as provided in the Trust Agreement.

All money in the 2020 Debt Service Fund will be set aside by the Trustee in the following respective special accounts within the 2020 Debt Service Fund (each of which is created and maintained by the Trustee under the Trust Agreement) in the following order of priority:

(i) 2020 Interest Account,

(ii) 2020 Redemption Account (with a 2020 Principal Subaccount therein), and

2020 Interest Account. On the Business Day immediately preceding each February 1 and August 1, commencing on February 1, 2021, the Trustee will set aside from the 2020 Debt Service Fund and deposit in the 2020 Interest Account that amount of money which is equal to the amount of interest on the 2020 Bonds becoming due and payable on such February 1 or August 1, as the case may be.

No deposit need be made in the 2020 Interest Account if the amount contained therein is at least equal to the aggregate amount of interest on the 2020 Bonds becoming due and payable on such Interest Payment Date.

All money in the 2020 Interest Account will be used and withdrawn by the Trustee solely for the purpose of paying the interest as it becomes due and payable (including accrued interest on any 2020 Bonds purchased or redeemed prior to their respective maturity dates).

2020 Redemption Account. On the Business Day immediately preceding each February 1, commencing on [February 1, 2022], the Trustee will set aside from the 2020 Debt Service Fund and deposit in the 2020 Principal Subaccount in the 2020 Redemption Account an amount of money equal to the principal amount of the 2020 Bonds becoming due and payable on such February 1.

No deposit need be made in the 2020 Redemption Account if the amount contained in the 2020 Principal Subaccount therein is at least equal to the aggregate amount of the principal of the 2020 Bonds becoming due and payable on such February 1.

All money in the 2020 Principal Subaccount in the 2020 Redemption Account will be used and withdrawn by the Trustee solely for the purpose of paying the principal of the 2020 Bonds as it becomes due and payable, whether at their respective maturity or sinking fund payment dates or on prior redemption.

Surplus. Any surplus remaining in the 2020 Debt Service Fund, after payment in full of (i) the principal of and interest on the Bonds or provision therefore under the Trust Agreement, and (ii) any applicable fees and expenses to the Trustee, will be withdrawn by the Trustee and remitted to the City.

Flow of Funds under Installment Purchase Contract. Under the Installment Purchase Contract, the City agrees and covenants that all Gross Revenues it receives will be deposited when and as received in an "Electric Revenue Fund," which the City is required to establish and maintain separate and apart from other moneys of the City so long as any Parity Obligations remain unpaid.

All money on deposit in the Electric Revenue Fund will be applied and used only as provided in the Installment Purchase Contract.

Payment of Maintenance and Operation Costs. The City is to pay all Maintenance and Operation Costs (including amounts reasonably required to be set aside in contingency reserves for Maintenance and Operation Costs the payment of which is not then immediately required) from the Electric Revenue Fund as they become due and payable.

Disbursement of Remaining Funds. The Installment Purchase Contract requires the City to deposit and set aside all remaining money in the Electric Revenue Fund at the following times in the following order of priority:

(1) *Parity Obligation Payment Fund Deposits*. On or before the third Business Day before each date on which interest or principal becomes due and payable under any Parity Obligation or any net payment becomes due and payable under any Parity Payment Agreement, the City will, from the money in the Electric Revenue Fund, deposit in the Parity Obligation Payment Fund (which the City agrees and covenants to

establish and maintain separate and apart from other moneys of the City so long as any Parity Obligations remain unpaid) a sum equal to the amount of interest and principal becoming due and payable under all Parity Obligations on such due date, plus the net payments due on all Parity Payment Agreements on such due date.

However, no such deposit need be made if there is money in the Parity Obligation Payment Fund available therefore at least equal to the amount of interest and principal becoming due and payable under all Parity Obligations on such date on which interest or principal becomes due and payable under any Parity Obligations plus the net payments due on all Parity Payment Agreements on the next succeeding due date.

Moneys on deposit in the "Parity Obligation Payment Fund will be transferred by the City to the Trustee to make and satisfy the payments due on the next applicable date on which interest or principal becomes due and payable under any Parity Obligation at least three Business Days prior to such next applicable due date.

(2) *Parity Reserve Fund Deposits*. On or before the third Business Day before each Payment Date, the City will, from the remaining money on deposit in the Electric Revenue Fund after deposits and transfers under paragraph (1) above, transfer to the Trustee for deposit in the Parity Reserve Fund that sum, if any, necessary to restore the Parity Reserve Fund to an amount equal to the Reserve Fund Requirement.

The City will also, from such remaining moneys in the Electric Revenue Fund, transfer or cause to be transferred to the reserve fund or account for any Parity Obligations which are not Supplemental Contracts, without preference or priority between transfers made in accordance with this sentence and the preceding sentence, and in the event of any insufficiency of such moneys ratably without any discrimination or preference, that sum or sums, if any, equal to the amount required to be deposited therein pursuant to such Parity Obligations.

After making the foregoing deposits and transfers in each Fiscal Year, the City may apply any remaining money in the Electric Revenue Fund for any lawful purpose of the City, including for the payment of any Subordinate Obligations in accordance with the instruments authorizing such Subordinate Obligations; provided, however, that no moneys in the Electric Revenue Fund may be applied to the payment of any Subordinate Obligations in any Fiscal Year unless amounts on deposit in the Electric Revenue Fund are sufficient to make the transfers required to be made in such Fiscal Year as described above.

Limited Obligations

The 2020 Bonds are special limited obligations of the Authority payable solely from and secured by the Revenues and certain amounts held in the funds and accounts established under the Trust Agreement. The Authority has no obligation or liability to the Owners of the 2020 Bonds with respect to the payment of the 2020 Payments when due, or with respect to the performance by the City of any other covenant made by it in the Installment Purchase Contract.

Except for the payment of 2020 Payments when due and the performance of the other covenants and agreements of the City contained in the Installment Purchase Contract, the City has no obligation or liability to the Owners of the 2020 Bonds with respect to the Trust Agreement or the execution, delivery or transfer of the 2020 Bonds, or the disbursement of debt service payments to the Owners by the Trustee. The obligation of the City to make the 2020

Payments is a special obligation of the City secured by a pledge of Net Revenues and payable solely from the Net Revenues and other amounts available under the Trust Agreement, 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.

Notwithstanding anything contained in the Installment Purchase Contract, the City is not required to advance any moneys derived from any source of income other than the Net Revenues and the other funds provided in the Installment Purchase Contract for the payment of amounts due under the Installment Purchase Contract or for the performance of any agreements or covenants required to be performed by it contained in the Installment Purchase Contract. See “OTHER RISK FACTORS – Limited Obligations” herein.

ROSEVILLE ELECTRIC

History and Background

The City, through Roseville Electric, has been providing electrical power to its residents, businesses, and the City's street and traffic lighting systems since 1912. In 1956, the City entered into a contract with the Federal Bureau of Reclamation for 54 megawatts ("MW"; a megawatt equals 1 million watts) of electric capacity from the Central Valley Project (the "CVP"), which consists of a system of dams, reservoirs and hydroelectric power plants within central and northern California (the contract is currently administered through the Western Area Power Administration ("WAPA")). In the early 1970s, the City's demand for electricity exceeded the WAPA resource allocation. To help meet this additional need, in 1968 the City became a charter member in the Northern California Power Agency ("NCPA"), a consortium of municipal electrical utilities. The City participates in several resources developed by NCPA, including its geothermal, steam-injected gas turbine, and hydroelectric projects. In October of 2007, the City completed construction of a 160 MW natural gas fired combined cycle power plant (the "Roseville Energy Park" or "REP"). REP was built as a reliable, economic alternative to bulk power purchases. REP has a base operating capacity of 120 MW with the ability to peak-fire up to 160 MW. On September 1, 2010, the City completed the purchase from NCPA, and assumed full title and ownership, of two of the five 24 MW simple cycle combustion turbines originally part of the NCPA Combustion Turbine Project No. 1 (for a total of 48 MW of capacity), which are connected to the Roseville electric distribution system (and now referred to as "Roseville Power Plant 2") to meet reserve and capacity requirements.

Organization and Management

City Council and Roseville Public Utilities Commission. Roseville Electric is under the governance of the Roseville City Council. A seven-member Roseville Public Utilities Commission also serves as an advisory board to the City Council on matters relating to all utilities owned and operated by the City. The City Council appoints all seven members of the Public Utilities Commission. The Electric Utility Director oversees operations of the electric utility and reports to the Assistant City Manager.

Risk Oversight Committee ("ROC"). Roseville Electric's risk management strategies and procedures are monitored by the ROC. The ROC meets on a regular basis and includes two members of the City Council, two members of the Roseville Public Utilities Commission, the City Manager, the Assistant City Manager, the Chief Financial Officer, the City Attorney, and the Electric Utility Director. The ROC oversees Roseville Electric's risk management procedures and ensures that Roseville Electric's risk profile is within the parameters set forth in the risk management policies.

Risk Management Committee ("RMC"). Roseville Electric's risk management activities are reviewed and monitored on a more regular basis by the RMC. The RMC meets quarterly and is comprised of one delegate from the Finance Department, one delegate from the City Attorney's office, the Electric Utility Director, and three Assistant Electric Utility Directors. The RMC discusses risk mitigation strategies, impacts of various strategies on Roseville Electric's strategic goals and makes recommendations to the ROC, or City Council, as appropriate.

Senior Management. Roseville Electric's senior management consists of the following executives:

Michelle Bertolino, Electric Utility Director: Michelle Bertolino has worked at Roseville Electric, in various capacities, since 2002. She was promoted to Director in 2010. In addition to her responsibilities overseeing operations of the utility, she is a Commissioner for the Balancing Authority of Northern California ("BANC"), a Commissioner with the Transmission Agency of Northern California ("TANC"), a member of the Board of Trustees of the Northwest Public Power Association ("NWPPA") and past President of the California Municipal Utilities Association ("CMUA"). Prior to joining Roseville, Ms. Bertolino was employed by the Sacramento Municipal Utility District and San Francisco Public Utilities Commission. She graduated from the University of California, Santa Barbara and attended the Graduate School of Management at the University of California, Davis. She received her Certified Public Accountant license from the State of California.

Todd White, Assistant Electric Utility Director: Resources and Generation Todd White has served as Assistant Electric Utility Director responsible for Resource Planning and Generation since 2017. He began working at Roseville Electric in 2005 as an analyst and has served as the Risk Manager, Finance and Administration Manager, and Energy Portfolio Manager. Mr. White is responsible for the Electric System's energy supply portfolio, power generation, and operations technology systems. After graduating with distinction from Stanford University with a bachelor's degree in Economics and a master's degree in Engineering Economic Systems, Mr. White began his career at a Silicon Valley consulting firm, where he specialized in analyzing environmental issues for the electric utility industry.

Paul Cummings, Assistant Electric Utility Director: Engineering & Operations. Paul Cummings has served as the Assistant Electric Utility Director, responsible for Engineering & Operations since 2017. In his current role, Mr. Cummings is responsible for the safe, reliable and cost effective delivery of electricity to Roseville Electric's customers. His areas of responsibility include overseeing the design, engineering, maintenance, construction and operation of the electric distribution system. Prior to joining the City of Roseville, Mr. Cummings was employed for 30 years by the City of Redding electric utility. During his earlier career, he served as an Assistant Director responsible for the energy supply portfolio, power generation, power system operations, operational technology, and compliance. He graduated from Simpson University.

Shawn Matchim, Assistant Electric Utility Director. Shawn Matchim rejoined the executive team of Roseville Electric in September 2019. He is responsible for Customer and Government Relations. Originally joining the City in 2013, Mr. Matchim spent the most recent two years with the Transmission Agency of Northern California, serving as the Agency's Assistant General Manager. Mr. Matchim has previously worked for over 19 years with Navigant Consulting, Inc., most recently as a Director in the firm's Energy Practice. In that capacity, he worked on a range of consulting engagements related to power markets, generation and transmission development, litigation support, and regulatory matters in the electric utility industry. While at Navigant, Mr. Matchim also worked closely with a host of Northern California municipal electric utilities. Prior to joining Navigant, Mr. Matchim also worked for the California Energy Commission. Mr. Matchim graduated from California State University, Sacramento with a Bachelor of Arts Degree in Economics.

Employees

As of June 30, 2020, 155 City authorized positions were assigned specifically to Roseville Electric. Certain functions supporting Roseville Electric's operations, including meter reading, customer billing, collections and accounting, are performed by the Finance Department of the City.

Most of the non-management City personnel working at Roseville Electric are represented by the International Brotherhood of Electrical Workers ("IBEW"). The current IBEW contract will expire on April 30, 2022. There have been no strikes or other work stoppages at the City, including at Roseville Electric.

For information regarding the City's retirement benefits and plans, see "– Retirement Benefits" below.

See also "OTHER RISK FACTORS – COVID-19 Pandemic."

Sources of Power Supply

The City has a diverse portfolio of resources that includes large hydroelectric, geothermal, natural gas-fired thermal, system power contracts, and additional contracts for renewable supply. In addition, the City purchases its incremental needs through open market purchases. The City owns and operates the Roseville Energy Park and the two units constructed as a part of NCPA's Combustion Turbine Project No. 1 (subsequently purchased by the City and renamed Roseville Power Plant 2) connected to the Roseville electric distribution system. The City has a long-term contract with WAPA for a share of the CVP and net generation and entitlements to the output of several NCPA projects. In recent years, Roseville has applied significant focus to procure renewable resources to comply with legislative mandates. See "DEVELOPMENTS IN THE ENERGY MARKETS." Table 1 provides a summary of the City's sources of power supply for Fiscal Year 2019-2020.

Table 1
Sources of Power Supply
Fiscal Year 2019-20

Source	Type	Capacity Available (MW)[(1)]	Actual Energy (GWh)[(2)]	% of Total
Generation:				
Roseville Energy Park	Natural Gas	155	177	15%
Roseville Power Plant 2	Natural Gas	48	2	
Purchased Power:				
WAPA	Hydro	68	159	14
NCPA				
Geothermal Project	Geothermal	8	52	4
Hydroelectric Project	Hydro	30	54	5
Steam Injected Gas Turbine	Natural Gas	18	4	
Market Purchases:		79		
Renewable Purchases	Various	0	345	29
Non-Renewable Purchases	Various	0	379	32
TOTAL		406	1,171	100%
Peak Demand (MW)		334		
Capacity Reserve Percent[(3)]		18%		

(1) Capacity in MW and available for system peak (June 26, 2020).
(2) One gigawatt hour (GWh) equals 1 million kilowatt hours (kWh).
(3) Capacity includes resources and contracts for long-term and seasonable purchases. Capacity reserve planning target is 15% of the forecasted peak. Actual forecasted peak (337 MW).
Note: Numbers may not total due to rounding.
Source: City of Roseville.

Roseville Energy Park. Roseville Energy Park ("REP") is a 120 MW base load combined cycle, natural gas fueled power plant with duct firing capability up to 160 MW. The REP is located in the City and is directly connected to the City's distribution system. REP is comprised of two Siemens SGT 800 combustion turbine units and a Siemens STG 900 steam turbine. The plant has been in commercial operation since October 2007 and is owned and operated by the City.

Roseville Power Plant 2. The Roseville Power Plant 2 ("RPP2") consists of two 24 MW simple cycle combustion turbines ("CT1" and "CT2") for a total of 48 MW of capacity. These units were previously part of the NCPA Combustion Turbine Project No. 1 in which the City was a participant. On September 1, 2010, the City took ownership of the two units, which are located in the City and directly connected to the City's distribution system. The RPP2 provides peaking capacity and reserves for the City.

Western Area Power Administration. Western Area Power Administration (WAPA). The City has various long-term contracts with WAPA that provide energy, interconnection, and transmission services. The City has a 4.85333% share of the net output of the CVP, which provides varying amounts of capacity and energy depending upon hydrological conditions. The City is directly connected to WAPA's transmission system and acquires reserves under contract that include regulation and frequency response service and operational reserves. The term of the power supply contract extends through December 31, 2024. WAPA began its new marketing plan process whereby the City has the opportunity to evaluate the potential additional acquisition or surrender of base resource power from the CVP. WAPA has indicated it anticipates new 30-year contracts to be executed by customers choosing to do so in fall 2020, with an effective date of January 1, 2025.

***Joint Powers Agency Resources*.** The City is a participant in a number of NCPA projects. Roseville has a 36.50% entitlement share in the NCPA Combustion Turbine Project Number Two , a 12.00% entitlement share in the NCPA Hydroelectric Project and a 7.88% entitlement share in the NCPA Geothermal Project, which are described below. For each of these generation projects in which the City participates, the City is obligated to pay on an unconditional take-or-pay basis, as Maintenance and Operation Costs of the electric system, its entitlement share of the debt service on NCPA bonds issued for the project as well as its share of the operation and maintenance expenses of the project. See also See "ROSEVILLE ELECTRIC FINANCIAL INFORMATION – Outstanding Indebtedness – Senior Obligations" below.

***NCPA Geothermal Project*.**

Description. NCPA developed a geothermal project (the "NCPA Geothermal Project") located on federal land in certain areas of Sonoma and Lake Counties, California. In addition to the geothermal leasehold, wells, gathering system and related facilities, the NCPA Geothermal Project consists of two electric generating stations (Geothermal Plant 1 and Geothermal Plant 2), each with two 55 MW (nameplate rating) turbine generating units utilizing low pressure, low temperature geothermal steam, associated electrical, mechanical and control facilities, a heat dissipation system, a steam gathering system, a transmission tap line and other related facilities. Geothermal steam for the NCPA Geothermal Project is derived from geothermal property, which includes well pads, access roads, steam wells and reinjection wells.

Ownership and Management. NCPA formed two not-for-profit corporations controlled by its members to own the generating plants of the NCPA Geothermal Project. NCPA manages the NCPA Geothermal Project for the corporations and is entitled to all the capacity and energy generated by the NCPA Geothermal Project.

Financing. NCPA financed the NCPA Geothermal Project with NCPA Geothermal Project Number 3 Revenue Bonds with a final maturity date of July 1, 2024, of which an estimated $20.1 million were outstanding as of June 30, 2020.

City's Entitlement. The City has purchased from NCPA, pursuant to power sales contracts, a 7.88% entitlement share in the NCPA Geothermal Project and is obligated to pay a like percentage of all of the debt service and operating costs of the NCPA Geothermal Project.

Operation. Subsequent to the development of the Geothermal Project, declines in steam pressure and quantity of steam have occurred. This decline is due to reduced steam availability and not from the thermal potential of the site, thus the generation capability of the plant benefits from the injection of water to create additional steam. NCPA has managed this decline through additional drilling and maintenance of wells, injection of both plant condensate and supplemental water, and conversion to lower steam turbine operating pressures. NCPA has modified all three of the steam turbines and the associated steam collection system to more efficient designs for the available steam conditions.

NCPA is implementing efficiency projects at the Geothermal Project; however, due to current operating protocols and forecasted operations, NCPA expects average annual generation and peak capacity to decrease over time.

Transmission Intertie. In order to meet certain obligations required of NCPA to secure transmission and other support services for the NCPA Geothermal Project, NCPA and its transmission project participants (including the City) undertook the "Geysers Transmission Project," which includes (a) an ownership interest in a 230 kilovolt ("kV"; 1 kilovolt equals 1,000 volts) line from Castle Rock Junction in Sonoma County to the Lakeville Substation owned by Pacific Gas & Electric Company ("PG&E"), (b) additional firm transmission rights in this line, and (c) a central dispatch facility (see "– Dispatch and Scheduling" below). The City is entitled to a 14.18% share of the Geysers Transmission Project transfer capability.

NCPA Hydroelectric Project Number One.

Description. NCPA's Hydroelectric Project Number One (the "NCPA Hydroelectric Project") consists of (a) three diversion dams, (b) the 252 MW Collierville Powerhouse, (c) the New Spicer Meadow Dam with a 5.5-MW powerhouse, and (d) associated tunnels located essentially on the North Fork of the Stanislaus River and on the Stanislaus River in Alpine, Tuolumne and Calaveras counties, California, together with required transmission facilities.

Ownership and Management. The NCPA Hydroelectric Project (with the exception of certain transmission facilities discussed below) is owned by the Calaveras County Water District ("CCWD") and is licensed to CCWD by the Federal Energy Regulatory Commission ("FERC") under its license for Project No. 2409, which has a term of 50 years and expires in 2032.

Under a power purchase contract, NCPA (i) is entitled to the electric output of the NCPA Hydroelectric Project until Fiscal Year 2031-32, (ii) managed the construction of the NCPA Hydroelectric Project and (iii) operates the generating and recreational facilities of the NCPA Hydroelectric Project. After the present FERC license for Project No. 2409 expires, NCPA has the option to continue to purchase project capacity and energy during a subsequent license renewal period. The purchase option includes all capacity and energy which is surplus to CCWD's needs for power within the boundaries of Calaveras County.

Under a separate FERC-issued license for Project No. 11197, with an expiration date coterminous with its license for Project No. 2409, NCPA holds the license to and owns two transmission lines from the NCPA Hydroelectric Project (the 230 kV Collierville-Bellota and 21 kV Spicer Meadow-Cabbage Patch transmission lines). NCPA has a separate FERC license for Project No. 11563 (Upper Utica Project), which consists of three storage reservoirs that mainly feed the New Spicer Meadow Reservoir. This license expires in 2033.

Financing. NCPA financed the NCPA Hydroelectric Project through the issuance of the NCPA Hydroelectric Project Number One Revenue Bonds with a final maturity date of July 1, 2032, of which an estimated $265.7 million were outstanding as of June 30, 2020.

City's Entitlement. The City has a 12.00% entitlement share of the generating output of the NCPA Hydroelectric Project and is obligated to pay a like percentage of all of the debt service and operating costs of the NCPA Hydroelectric Project. See "ROSEVILLE ELECTRIC FINANCIAL INFORMATION - Outstanding Indebtedness."

Operation. The operation of the NCPA Hydroelectric Project is determined by consideration of its storage capacity and available stream flows. The NCPA Hydroelectric Project's average production is estimated to be 512 GWh annually, based on the 105-year record (1913 to 2018) of stream flows on the two rivers supplying water to the project. Using the driest period on record (1976-1977), the NCPA Hydroelectric Project is estimated to produce 180 GWh annually.

NCPA Steam Injected Gas Turbine Generator Project, Unit One.

Description. In 1992, NCPA undertook its multiple capital facilities project which included one Steam Injected Gas Turbine ("STIG"), Unit One, with a design rating of 49.9 MW located in Lodi, and owned and operated by NCPA.

Financing. NCPA financed the NCPA Steam Injected Gas Turbine Generator Project through the issuance of its Capital Facilities Revenue Bonds, an estimated $20.5 million of which was outstanding as of June 30, 2020**.** The bonds have a final maturity date of August 1, in 2024.

City's Entitlement. The capacity and energy of STIG Unit One is purchased through a contractual arrangement among the City, Alameda, Lompoc and Lodi, under which the City has purchased from NCPA a 36.50% entitlement share in the output of STIG Unit One and is obligated to pay a like percentage of all of the debt service and operating costs of the project. NCPA has entered into arrangements on behalf of the NCPA Capital Facilities Project Participants to provide for a gas supply for Unit One.

Renewable Purchases. The City has historically entered into long term purchases to hedge electricity costs. With the passage of California Senate Bill X1-2, the California Renewable Energy Resources Act ("SBX1-2"), California Senate Bill 350, the Clean Energy and Pollution Reduction Act of 2015 ("SB 350"), and California Senate Bill 100, the 100 Percent Clean Energy Act of 2018 ("SB 100"), the City must comply with the State's renewable energy targets to achieve renewable energy procurement of 33% by 2020, 50% by 2025, and 60% by 2030. The City has an additional incentive to enter into long term contracts, as certain contracts at least ten years in duration have the ability to carry forward renewable energy credits to be used to meet future compliance periods. Starting in 2020, 65% of Renewable Portfolio Standard ("RPS") procurement must be derived from long-term contracts of 10 or more years. The City has satisfied all RPS targets for Compliance Period 1 (from 2011 through 2013), as well as Compliance Period 2 (from 2014 through 2016). Currently, for Compliance Period 3 (2017-2020), the City is on target to meet the 33% target by the end of 2020. Further, the City's RPS contracts are forecasted to fulfill compliance requirements under current law through 2024, including contracts with Silicon Valley Power, Powerex Corporation, Avangrid Renewables, Lost Hills Solar, Blackwell Solar, as well as grandfathered resources including geothermal and small hydroelectric projects. See also "DEVELOPMENTS IN ENERGY MARKETS – State Legislation - Renewable Portfolio Standards" for more information.

Open Market Term Purchase and Sale Agreements. The City enters into various fixed-price purchase or sale contracts on the open market periodically to meet its power supply requirements and hedge its portfolio costs consistent with its risk management policies (see "– Power Supply Risk Management"). Purchases include transactions to hedge natural gas (physical or financial) and electricity (physical or financial) over various tenors authorized in the City's Trading Authority Policy.

In addition to the above supply resources, the City expects that it will obtain additional resources from market purchases or investment in generation facilities, either independently, through NCPA or other agencies. In accordance with current State law, the City expects that future energy purchases will increasingly be made from renewable energy sources. See "- Energy Efficiency and Conservation" below.

Table 2 below shows the City's energy requirements and resources using projected estimates for the next 10 fiscal years.

Table 2
Energy Requirements and Resources
Projected Fiscal Years Ending June 30, 2020 through 2030
(GWh) (1)

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
REP	**445**	**403**	**433**	**431**	**407**	**396**	**398**	**379**	**366**	**332**	**327**
RPP2	**15**	**22**	**24**	**24**	**23**	**24**	**25**	**25**	**24**	**22**	**23**
WAPA(2)	**141**	**119**	**142**	**155**	**155**	**152**	**152**	**152**	**152**	**152**	**152**
NCPA											
Geothermal	57	58	57	55	54	53	52	51	50	49	48
Hydroelectric	38	63	67	65	66	67	66	66	67	70	70
STIG	4	7	8	8	8	8	9	9	9	8	10
Market Purchases											
Renewable Under Contract	291	371	371	371	371	75	0	0	0	0	0
Renewable Purchases	0	0	0	7	39	367	462	481	503	524	550
Market Purchases/(Sales)	126	90	45	37	15	*(18)*	*(49)*	*(55)*	*(64)*	*(49)*	*(67)*
Total	**1,117**	**1,134**	**1,145**	**1,153**	**1,139**	**1,125**	**1,115**	**1,109**	**1,107**	**1,109**	**1,114**

(1) Numbers may not foot due to rounding.
(2) This table projects contract renewal after December 31, 2024 expiration
Source: City of Roseville.

Power Supply Risk Management

Roseville Electric has an established risk management program designed to insulate customers to the extent possible, from the volatility of supply prices. The ROC provides oversight of risk management policy compliance and procedures. The ROC meets regularly to review energy trading activities and to ensure their adherence to the risk management policies.

All energy purchases are made in accordance to the City's energy risk policies. The Energy Hedge Policy is designed to reduce energy rate volatility and to maintain rates within reasonable tolerances. The Energy Hedge Policy establishes financial and volumetric hedge limits to mitigate market price exposure. Specifically, the policy requires the following fixed price energy contracts to be procured in advance on a rolling three-year horizon, as a percentage of overall energy supply forecast:

Rolling Year	Minimum Hedged Supply	Maximum Hedged Supply
1	90%	110%
2	70%	100%
3	45%	80%

The policy requires that the City purchase forward electric contracts and/or forward gas contracts to fulfill its long-term hedged supply requirement. In the event of decreases in expected sales levels, the policy may require that the City sell forward electric gas and/or electric contracts. Authorized electric and gas transactions are defined in the City's Energy Trading Authority Policy, and executed within its Energy Credit Risk Policy. For the period January 1, 2020 through December 31, 2023, the City has fixed the price of approximately 9.75 million MMBtu of natural gas and over 929 GWh of electricity. These financial contracts are divided among BP, Conoco Philips, EDF, J Aron and Company, Macquarie Energy, Portland General Electric, Shell Energy, and Shell Trading Risk Management.

Fuel Supply; Natural Gas Pre-Payment

Natural gas is the primary fuel for the REP and RPP2. See "– Sources of Power Supply." The REP at its optimal output can require delivery of up to 22,000 MMBtu of natural gas per day, with current average daily requirements of approximately 6,400 MMBtu. In early 2007, the City undertook a prepaid gas procurement arrangement through the Roseville Natural Gas Financing Authority, pursuant to which such Authority entered into a 20-year pre-paid natural gas supply contract with Merrill Lynch Commodities Inc. ("MLCI") for the supply of natural gas to the City, and issued $209,350,000 of bonds to finance the prepayment therefor (of which $108,674,000 remains outstanding as of June 30, 2020). The natural gas the City is obligated to purchase under its natural gas supply agreement with the Roseville Natural Gas Financing Authority provides approximately 40% of the City's expected gas requirements for the REP. The natural gas supply agreement provides the City with seasonally adjusted fixed monthly quantities of gas at a discounted monthly index price. Under the natural gas supply agreement with the Roseville Natural Gas Financing Authority, the City is obligated to make payments if and only if gas is actually delivered or deemed delivered to the delivery point set forth in the agreement.

Long Term Power Supply Planning

The City undergoes a thorough long-term planning process called an Integrated Resource Plan ("IRP") every five years. This plan takes into account all aspects of the electric portfolio, including, but not limited to:

- Supply resources such as generation and power purchases,
- Demand-side resources such as energy efficiency programs, distributed energy resources, and electric vehicles,
- Legislative and regulatory requirements, including renewable portfolio standards, greenhouse gas standards and building energy efficiency requirements.

The IRP considers all these to develop an appropriate mix of supply and demand-side resources to meet the City's energy portfolio needs.

The City completed IRPs in 2008, 2012 and 2018. The 2018 IRP fulfilled the regulatory requirements proscribed in Senate Bill 350. For more details on legislative and regulatory requirements in the utility industry in general or of the 2018 IRP in particular, please see "DEVELOPMENTS IN THE ENERGY MARKETS" herein.

Regional Transmission Facilities

Western Area Power Administration Network Integrated Transmission Service Agreement ("NITS"). The City's electrical system interconnects with the transmission system of WAPA. The WAPA transmission system is part of the Balancing Authority of Northern California ("BANC") balancing authority area and interconnects with the CAISO Controlled Grid. The City imports all of its requirements, not met by the REP and RPP2, over the WAPA transmission system. The City contracts for transmission service to meet its load under a NITS contract that expires on December 31, 2024. This contract provides for imports of electricity from various delivery points into the City's electric system. The City pays a proportionate share of WAPA's cost for operating and maintaining the system, which is currently approximately $3.7 million per year.

Balancing Authority of Northern California. BANC is a joint powers authority currently consisting of the Sacramento Municipal Utility District ("SMUD"), the Modesto Irrigation District, the City, the city of Redding ("Redding"), the Trinity Public Utility District, and the city of Shasta Lake. BANC became operational as a balancing authority on May 1, 2011. A balancing authority performs a balancing function in which customer usage and resources are matched on a moment-by-moment basis. In addition, a balancing authority operates the transmission system, monitoring power lines to ensure they are operated within the reliable limits of the system in addition to coordinating the operation with neighboring balancing authorities. SMUD acts as the balancing authority operator for BANC under contract. With a peak electricity demand of around 5,000 MW, BANC is the third largest balancing authority in California, serving 763,000 retail customers, and includes more than 1,700 miles of high voltage transmission lines. The City represents approximately 7% of the total BANC member load.

On April 3, 2019, SMUD, the largest BANC member, began its participation in the California Independent System Operator Corporation ("CAISO") Energy Imbalance Market ("EIM"), a real-time wholesale power trading market that operates in parts of eight western states, including Washington, Oregon, California, Nevada, Idaho, Wyoming, Utah, and Arizona. In addition to modest economic benefits, participation in the EIM is expected to increase BANC members' ability to integrate the renewable energy needed to meet California's environmental goals, provide additional sources of real-time supply to augment reliability resources, allow participants to demonstrate support for regional markets, and retain transaction access to a robust pool of resources.

The City has decided to participate in the EIM and has executed a participation agreement with BANC and has executed agreements with CAISO with the goal of entering EIM on or about April 1, 2021.

California Independent System Operator Controlled Grid. The CAISO provides a market for the City to purchase its incremental energy needs, and in which to sell the output of its entitlements in NCPA's generating units, and contract purchases. Under current CAISO operating protocols, the City pays per MWh charges for use of the transmission system for exports from the CAISO.

TANC California-Oregon Transmission Project ("COTP"). The City is a member of the Transmission Agency of Northern California ("TANC"). TANC, together with Redding, WAPA, two California water districts and PG&E (collectively, the "COTP Participants") own the California-Oregon Transmission Project ("COTP"), a 339-mile long, 1,600 MW, 500 kV transmission power project between Southern Oregon and Central California. The City has executed the TANC Agreement (defined below) for a participation percentage of TANC's entitlement of COTP transfer capability. The COTP was placed in service on March 24, 1993, at a cost of approximately $430 million, and was financed through a combination of bonds and notes issued by TANC. A major debt refinancing was completed in 2016 to extend the debt service from year 2024 to year 2039. As of June 30, 2020, approximately $169.4 million principal amount of TANC COTP bonds were outstanding (net of the portion of such bonds related to Tesla-Midway Transmission Service laid off by Roseville as described below), with a final maturity date of May 1, 2039.

City's Entitlement. Under Project Agreement No. 3 for the COTP (the "TANC Agreement"), the City is entitled to 2.313% of TANC's share of COTP transfer capability (approximately 29.35 MW). In return, the City has agreed to pay, on an unconditional take-or-pay basis, 2.295% of the construction costs of the COTP, including debt service, and 2.313% of TANC's COTP operating and maintenance expenses. These obligations constitute Maintenance and Operation Costs of the City's Electric System payable on a basis senior to payments under the Installment Purchase Contract. Roseville Electric uses its COTP entitlement to access hydroelectric and other low carbon northwest energy sources. See "ROSEVILLE ELECTRIC FINANCIAL INFORMATION – Outstanding Indebtedness – Senior Obligations."

TANC Tesla-Midway Transmission Service. The southern physical terminus of the COTP is near PG&E's Tesla Substation in the San Francisco Bay Area. The COTP is connected to WAPA's Tracy and Olinda Substations. TANC has arranged for PG&E to provide TANC and its members with 300 MW of firm bi-directional transmission capacity in its transmission system between its Tesla Substation and the Midway Substation (the "Tesla-Midway Service") under an agreement known as the South of Tesla Principles. The City's share of the Tesla-Midway Transmission Service is 5 MW. This service has not proven valuable to the City and the City has laid off its rights to this service to other TANC members through 2024.

Service Area, Customer Base and Demand

Service Area. Roseville Electric serves an area of approximately 43 square miles, which is virtually coterminous with the City's borders. As of June 30, 2020, Roseville Electric serves approximately 61,662 customers. See "APPENDIX A – GENERAL INFORMATION ABOUT THE CITY OF ROSEVILLE" for background and demographic information about the City.

Customer Base. In Fiscal Years 2015-16 through 2019-20, Roseville Electric's customer base increased by over 1.8% per year. Anticipated residential growth includes over 20,879 new residences associated with approved projects upon build-out of current and developing specific plans. Recent commercial growth includes a McKesson Medical-Surgical distribution center and health care industry expansions for Kaiser Permanente and Adventist Health.

Historical Customers Sales and Peak Demand. The average number of customers, electricity sales measured in megawatt-hours ("MWh") and in revenues, and peak demand during the past five fiscal years, is listed below.

Table 3
Customers, Sales and Peak Demand
Fiscal Years Ended June 30, 2020[(1)]

	2016	2017	2018	2019	2020
Number of Customers:[(2)]					
Residential	50,784	51,638	52,789	53,868	54,687
Commercial	6,700	6,759	6,812	6,884	6,975
Total	57,484	58,397	59,601	60,752	61,662
MWh Sales					
Residential	439,495	439,598	454,795	441,823	458,207
Commercial	750,482	737,843	728,497	705,575	666,157
Total MWh sales	1,189,977	1,177,441	1,183,292	1,147,398	1,124,364
Revenues ($ in 000s):					
Residential	$ 68,853	$ 68,543	$ 70,803	$ 69,551	$ 71,499
Commercial	95,078	93,011	91,495	89,727	84,190
Total Revenues from Sale of Energy	$163,930	$161,554	$162,298	$159,278	$155,689
Peak Demand (MW)	331	355	354	340	334

(1) Revenues listed are as billed. For realized revenues, see the table under "Historical Revenues, Expenses and Debt Service Coverage" below.
(2) Customer counts reported as fiscal year average annual values.
Note: Totals may not add due to rounding.
Source: City of Roseville

Ten Largest Customers. As of June 30, 2020, the ten largest customers of Roseville Electric's system by usage accounted for an estimated 23% of total kWh sales and 18% of total Electric System revenues. The largest customer accounted for an estimated 7% of total kWh sales and 5% of total Roseville Electric revenues. The smallest of the ten largest customers accounted for an estimated 0.6% of total kWh sales and 0.5% of total Electric System revenues.

Table 4
Ten Largest Customers
As of June 30, 2020

Rank	Business Type(1)	kWh	Percent of Total kWh	Revenue	Percent Total Revenue(2)
1	Manufacturing	79,560,000	7.08%	$7,166,224	4.60%
2	Government and Utilities	40,625,540	3.61	5,167,272	3.32
3	Medical Care	33,821360	3.01	4,025,237	2.59
4	Admin/Office/R&D	29,839,001	2.65	3,018,292	1.94
5	Medical Care	28,092,409	2.50	3,232,524	2.08
6	Retail and Property Management	13,075,721	1.16	1,737,386	1.12
7	Retail	11,618,896	1.03	1,290,871	0.83
8	Grocery	10,142,440	0.90	1,295,289	0.83
9	Information Technology and Services	8,581,002	0.76	890,423	0.57
10	Grocery	7,234,600	0.64	817,391	0.53
TOTAL			23.35%		18.40%

(1) The City no longer discloses the names of the ten largest Roseville Electric customers to follow the City's Administrative Regulation regarding confidentiality of customers.
(2) Percent of Total kWh based on total kWh for Fiscal Year 2019-20 of 1,124,363,337.
(3) Percent of Total Revenues based on total sales revenues for Fiscal Year 2019-20 of $155,688,709.
Source: City of Roseville

City Distribution System

The City owns and operates the electrical distribution system serving retail customers within the City's boundaries. The distribution system is connected to the WAPA transmission system at two connection points, the 230-kV Berry Street Receiving Station and the 230-kV Fiddyment Station. The distribution system consists of over 144 miles of overhead lines, over 786 miles of underground lines, 59 fiber circuit miles, and 18 substations. The City performs continued maintenance on its distribution system to sustain service reliability.

Dispatch and Scheduling

The City contracts with ACES Power Marketing ("ACES") to provide scheduling services. NCPA continues to dispatch the NCPA power plants to meet the schedules of energy delivery prepared and submitted by ACES on the City's behalf. NCPA provides the dispatch service from its dispatch control center located at its headquarters in the City.

Energy Efficiency and Conservation

Assembly Bill 1890 ("AB 1890"), enacted in 1996, requires the establishment of public benefit programs for investor-owned and public power utilities, initially through 2001. Assembly Bill 2021, enacted in 2006 (also discussed under "DEVELOPMENTS IN THE ENERGY MARKETS – State Legislation - *Energy Procurement and Efficiency Reporting" below),* further requires power utilities to set yearly goals for the actual amount of energy efficiency savings (in kWh) to be procured. These requirements have been further codified as part of California's Public Utilities Code. California's Public Utilities Code does not set an expiration/sunset date on these requirements for public power utilities. The City funds these programs at a minimum of 2.85% of budgeted yearly revenues (approximately $4.3 million in Fiscal Year 2020-21).

The City has a full portfolio of public benefits programs, addressing the following areas of concentration required by state law: energy efficiency programs, renewable energy production, demand reduction, advanced electric technology demonstration, research and development, and low income assistance programs. Residential and commercial energy efficiency offerings focus primarily on summer period consumption reduction and include programs for both existing facilities and new construction.

Under Assembly Bill 2021, the City is required to develop ten-year plans for energy efficiency goals and report on these goals to the California Energy Commission ("CEC") with updates every four years. The CEC has the obligation to develop energy efficiency goals for the entire state, after consultation with utilities and others. Roseville City Council approved the current ten year efficiency goals in March 2017. The utility is currently participating in the 2020 statewide Public Utility energy efficiency potential study and will submit revised ten year efficiency goals to the Roseville City Council in early spring 2021.

Senate Bill 1037, enacted in 2005, established several important policies regarding energy efficiency. Among the many provisions of the law is a statewide commitment to cost-effective and feasible energy efficiency, with the expectation that all utilities consider energy efficiency before investing in any other resources to meet growing demand. The City is required to report annually to its customers and to the CEC, its investment in energy efficiency and demand reduction programs. The City continues its commitment to energy efficiency and is in compliance with these requirements.

For a more detailed discussion of recent California legislation relating to the electric energy market, see "DEVELOPMENTS IN THE ENERGY MARKETS" below.

Insurance

The City is a member of the California Joint Powers Risk Management Authority ("CJPRMA"), which covers general liability claims, property, and boiler and machinery losses. Once the City's deductible is met, CJPRMA becomes responsible for payment of all claims up to the limit. General liability claims are covered up to $40,000,000 with a self-insured retention of $1,000,000. For Fiscal Year 2020-21, the City's premium is $1,195,613. CJPRMA has purchased commercial insurance against property damage and boiler and machinery claims. Property damage including boiler and machinery is covered up to $400,000,000 with a self-insured retention of $250,000 per claim.. The annual premium cost is $676,532.

Additionally, the City maintains insurance coverage for liabilities arising from the REP. The policy has a self-insured retention of $250,000 per claim up to a $200,000,000 limit. For the policy term of October 13, 2019 through October 13, 2020, the City's premium is $668,697. The City has also purchased fiduciary insurance specifically to cover the OPEB Trust; see "- Other Post-Employment Health Benefits" above. The self-insured retention was $15,000 per claim up to a $3,000,000 limit. For the policy term of January 15, 2020 through January 15, 2021, the City's premium was $35,419.

The City is a member of the Local Agency Workers' Compensation Excess Joint Powers Authority ("LAWCX"), which covers workers' compensation claims up to $5,000,000 and provides additional coverage up to statutory limit. The City has a self-insured retention of up to $500,000 per claim. During Fiscal Year 2019-20, the City's premium was $838,381 for current year coverage.

See "APPENDIX B - AUDITED FINANCIAL STATEMENTS FOR FISCAL YEAR ENDED JUNE 30, 2019, NOTE 15" for additional information about the City's risk management practices.

Wildfire Mitigation Measures

The City does not independently own or operate any transmission lines. No Electric System facilities have been the cause of any wildfires experienced in California. The municipal boundaries of the City, the primary geographical area in which Roseville Electric's overhead electrical lines and equipment are located, is not currently within a California Public Utilities Commission ("CPUC") designated fire-threat area nor a United States Forest Service/California Department of Forestry and Fire Protection (Cal Fire) designated high hazard zone.

Senate Bill 1028 ("SB 1028") was signed into law by then-Governor Brown in September 2016. SB 1028 requires that each local publicly-owned electric utility ("POU") and each electric cooperative in the State construct, maintain, and operate its electrical lines and equipment in a manner that will minimize the risk of catastrophic wildfire posed by those electrical lines and equipment. SB 1028 requires the governing board of each POU to determine, based on historical fire data and local conditions, and in consultation with the fire departments or other entities responsible for the control of wildfires within the geographical area where the utility's overhead electrical lines and equipment are located, whether any portion of that geographical area has a significant risk of wildfire resulting from those electrical lines and equipment, and if so, to present for board approval wildfire mitigation measures the utility intends to undertake to minimize the risk of its overhead electrical lines and equipment causing a catastrophic wildfire.

In 2018, City staff determined, in consultation with the City's Fire Department, and based upon historical data, local experience and reference to the CPUC's High Fire Threat District Maps, that there were no portions of the geographical area in which the utility's overhead electrical lines and equipment are located that posed a significant risk of wildfire resulting from those electrical lines and equipment. As a precautionary measure, the City has developed and implemented a utility preparedness plan to address wildland fire sensitive areas and other possible utility emergency events. Elements of the utility preparedness plan include bolstered inspection practices for overhead electrical assets within the designated city wildland fire sensitive areas, ongoing vegetation management activities, and established protocols and procedures for operations for emergency preparedness and response.

California Senate Bill 901 ("SB 901") was signed into law by then-Governor Brown in September 2018. SB 901 amends certain provisions of SB 1028 requiring POUs and electric cooperatives to prepare wildfire mitigation measures if the utilities' overhead electrical lines and equipment are located in an area that has a significant risk of wildfire resulting from those electrical lines and equipment. Under SB 901, each POU or electric cooperative is required to prepare before January 1, 2020 and annually thereafter, a wildfire mitigation plan. SB 901 requires specified information and elements to be considered as necessary, at minimum, in the wildfire mitigation plan. The POU or electric cooperative is required to present each wildfire mitigation plan in an appropriately noticed public meeting, and to accept comments on its wildfire mitigation plan from the public, other local and state agencies, and interested parties. In addition, SB 901 requires the POU or electric cooperative to contract with a qualified independent evaluator with experience in assessing the safe operation of electrical infrastructure to review and assess the comprehensiveness of its wildfire mitigation plan. The report of the independent evaluator is to be made available to the public and to be presented at a public meeting of the POU's governing board. The City subsequently prepared a wildfire mitigation plan in accordance with the requirements of SB 901. On December 4, 2019, the report of the independent evaluator was presented and accepted by the City Council as required by SB 901.

Assembly Bill 1054 ("AB 1054") was signed into law by Governor Newsom in July 2019. AB 1054 establishes a Wildfire Fund for IOUs to facilitate payment of eligible, uninsured third-party damage claims resulting from future catastrophic wildfires. Participation in the Wildfire Fund is exclusive to IOUs. POUs, such as the City, are not eligible to participate in or receive funding for wildfire claims from the Wildfire Fund.

AB 1054 expands on the existing requirements for POUs established under SB 901 for wildfire mitigation plans. AB 1054 requires each POU, by July 1 of each year, to submit its wildfire mitigation plan to a newly created California Wildfire Safety Advisory Board (the "Wildfire Advisory Board") for review and comment. Under AB 1054, the Wildfire Advisory Board is required to provide comments and an advisory opinion to each POU regarding the content and sufficiency of its plan and to make recommendations on the mitigation of wildfire risks. AB 1054 requires each POU to comprehensively revise its wildfire mitigation plan at least once every three years. The City has submitted its wildfire mitigation plan to the Wildfire Advisory Board as required by AB 1054.

SB 1028, SB 901 and AB 1054 do not address the existing liability of utilities for wildfires. How any future legislation addresses California's inverse condemnation and "strict liability" issues for utilities in the context of wildfires in particular could be significant for the electric utility industry.

CAPITAL PLAN

Projected Capital Improvement Plan

The City's currently anticipated capital improvements for Roseville Electric encompasses both improvements to the electricity distribution system and rehabilitation projects for assets that can no longer provide the necessary service. As shown in the Capital Improvement Summary below, the City has planned Roseville Electric capital spending of approximately $92.4 million over the five Fiscal Years 2020-21 through 2024-2025, of which approximately $18.2 million is included in the Fiscal Year 2020-21 budget. Funds for the additional $74.2 million will be requested when necessary. The City currently expects to fund the capital expenditures with revenues collected from rates and developer fees. Roseville Electric expects to collect approximately $67.7 million through existing rates, while collecting the balance of $24.7 million from developers. The City's currently anticipated capital improvements for Roseville Electric encompasses both improvements to the electricity distribution system and rehabilitation projects for assets that can no longer provide the necessary service. As shown in the Capital Improvement Summary below, the City projects Roseville Electric capital spending funded by ratepayers of approximately $67.7 million spread evenly over the five Fiscal Years 2020-21 through 2024-2025.

Table 5
Roseville Electric
Capital Improvement Summary

Fiscal Year Ending	Amount	Funded By Developers	Funded By Ratepayers
2020-21	$18,200,000	$(4,950,000)	$13,250,000
2021-22	18,774,000	(4,950,000)	13,824,000
2022-23	18,087,000	(4,950,000)	13,137,000
2023-24	18,887,000	(4,950,000)	13,937,000
2024-25	18,487,000	(4,950,000)	13,537,000
Total	**$92,435,000**	**$(24,750,000)**	**$67,685,000**

RATE SETTING

Electric Rates

Rate-Setting Procedure. Under the City Charter and State law, the City has the exclusive jurisdiction to set electric rates within its service area by ordinance, which requires a majority vote of the City Council. These rates are not currently subject to review by the CPUC or any other state or federal agency. See "RATE REGULATION" below.

The City Council reviews Roseville Electric's rates periodically and makes adjustments as necessary. The City Council is also authorized by the City Charter to set charges, pay for and supply all electric power to be furnished to customers according to such schedules, tariffs, rules and regulations as are adopted by the City Council. The City Charter provides that the City Council will have the power to charge equitable rates for the electric services furnished and for building up the electric properties so as to conserve their value and increase their capacity as needed by the City. In addition, the City Charter provides for the maintenance of the electric funds for Roseville Electric into which is deposited receipts from the operations of Roseville Electric and from which are payable the costs and expenses of Roseville Electric.

Service Charges and Demand Charge. The City's monthly residential electric rates currently include a $26.00 basic service charge, the Renewable Energy Surcharge of $0.0056 per kWh, the Greenhouse Gas Surcharge of $0.0002 per kWh, plus $0.0931 per kWh consumed up to 500 kWh, and $0.1435 per kWh for consumption in excess of 500 kWh. Residential customers meeting certain criteria can apply for special residential rates such as an Electric Rate Assistance Program and Medical Support Rate Reduction. As part of the Electric Rate Assistance Program, the City has implemented a residential customer relief component in light of the COVID-19 pandemic by pausing disconnection and late fees for non-payment, delaying implementation of the hydroelectric surcharge and increased marketing of its low energy assistance program.

For small and medium business customers, the monthly basic service charge ranges from $38.00 to $65.00, the Renewable Energy Surcharge of $0.0056 per kWh, the Greenhouse Gas Surcharge of $0.0002 per kWh, plus $0.0974 to $0.1235 per kWh consumed. Medium business customers are also subject to a demand charge of $6.16 per kW per month.

For large business customers the monthly basic service charge is $521.00, the Renewable Energy Surcharge of $0.0056 per kWh, the Greenhouse Gas Surcharge of $0.0002 per kWh; and depending on the season, day and hour, time of use energy charges vary from $0.0682 to $0.1408 per kWh. Large business customers are also subject to a seasonal demand charge of $6.60 per kW per month in winter and $11.57 per kW per month in summer.

For very large business customers, the monthly basic service charge is $591.00, the Renewable Energy Surcharge of $0.0056 per kWh, the Greenhouse Gas Surcharge of $0.0002 per kWh; and depending on the season, day and hour, time of use energy charges vary from $0.0674 to $0.1397 per kWh. Very large business customers are also subject to a seasonal demand charge of $6.71 per kW per month in winter and $11.51 per kW per month in summer.

For all ratepayers, a hydroelectric adjustment formula was adopted by the City Council in March 2009, to reflect deviations of precipitation from average conditions that significantly change hydroelectric production. This surcharge may change annually, based on annual hydroelectric conditions, up to a maximum of 5% of total electric charges. As a result of below average precipitation levels from July 2019 through June 2020 measurement period, a surcharge of 1.95% will be effective October 1, 2020.

Recent History of Electric Rate Adjustments. As reflected in the following table, Roseville's retail electric rates have not been increased since the start of Fiscal Year 2014-15. Roseville Electric is currently undertaking a cost of service study and a rate increase may be presented for consideration by City Council in Fiscal Year 2020-21.

Table 6
Roseville Electric
Rate Adjustments
Fiscal Years 2014-15 through 2019-20

Date	Percent Change (Average)
January 1, 2020	0.00%
January 1, 2019	0.00
January 1, 2018	0.00
January 1, 2017	0.00
January 1, 2016	0.00
January 1, 2015	0.00
July 1, 2014	2.00

Source: City of Roseville.

Rate Comparison

The City's current retail electric rates are among the lowest in California and lower than other retail electric rates being charged in the Sacramento region. Table 7 below sets forth a comparison between average electric rates paid by City customers and by PG&E and SMUD customers.

Table 7
Electric Rate Comparison with Neighboring Utilities [(1)]
(cents/kWh)

Customer Type	Roseville Electric Rates	PG&E Rates	% Difference	SMUD Rates	% Difference
Residential	0.15	0.25	39%	0.16	4%
Commercial	0.14	0.23	40%	0.15	5%
Industrial	0.11	0.18	41%	0.12	12%

(1) Based on estimated average annual rates as of June 30, 2020.
Source: City of Roseville.

Rate Stabilization Fund

In 1996, the City Council adopted Resolution No. 96-148, which provides for, among other policies, the establishment of a rate stabilization fund (the "RSF" or "Rate Stabilization Fund"), in order to remain competitive under the then-legislated industry-wide restructuring of the electric industry. Such policies also provide for the recovery of capital costs of the City's electric generating assets. In 2009, the City Council reviewed the financial policy that defines the range of the RSF balance, reducing the minimum balance from 60% to 40% of operating expenses. This action was taken in conjunction with the implementation of a hydroelectric rate adjustment mechanism that adjusts electric rates up to 5% without further City Council action when hydroelectric conditions increase or decrease electric operating expenses. See "– Electric Rates" above.

Amounts in the Rate Stabilization Fund are not pledged as security for the Payments, but interest earnings on the Rate Stabilization Fund are considered Gross Revenues (Revenues under the Installment Purchase Contract), and funds in the Rate Stabilization Fund may be included in Adjusted Annual Revenues for purposes of determining compliance with the Rate Covenant. See "SECURITY FOR THE 2020 BONDS – Rate Covenant" for a further description of the Rate Stabilization Fund. The Rate Stabilization Fund balance is estimated to be $66.8 million as of June 30, 2020. See Table 10 for a recent history of balances in the Rate Stabilization Fund.

Electricity Rate Regulation

No Current Direct Regulation. The authority of the City to impose and collect rates and charges for electric power and energy sold and delivered is not currently subject to the regulatory jurisdiction of the CPUC, and presently neither the CPUC nor any other regulatory authority of the State of California nor FERC limits or restricts such rates and charges. See also "RATE REGULATION."

California Energy Commission. The CEC is authorized to evaluate rate policies for electric energy as related to goals of the Energy Resources Conservation and Development Act and make recommendations to the Governor, the Legislature and publicly-owned electric utilities.

ROSEVILLE ELECTRIC FINANCIAL INFORMATION

Significant Accounting Policies

Governmental accounting systems are organized and operated on a fund basis. A fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein. Funds are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.

Roseville Electric is accounted for as an enterprise fund. Enterprise funds are used to account for operations (i) that are financed and operated in a manner similar to private business enterprises (where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges) or (ii) where the governing body has decided that periodic determination of revenues earned, expenses incurred and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

The Electric Fund uses the accrual method of accounting. Revenues are recognized when they are earned and expenses are recognized when they are incurred.

Investments are stated at cost. Inventories are valued at weighted average method. Capital assets are recorded at historical cost. Donated fixed assets are valued at their estimated fair market value on the date donated.

Audited Financial Statements

The City's Financial Statements for Fiscal Year 2018-19 were audited by Eide Bailley LLP, Certified Public Accountants, Sacramento, California (the "Auditor"), in accordance with generally accepted auditing standards, and contains opinions that the financial statements present fairly the financial position of the various funds maintained by the City. The reports include certain notes to the financial statements, which are not fully described below. Such notes constitute an integral part of the audited financial statements.

Copies of these reports for prior Fiscal Years are available on the City's website, www.roseville.ca.us. *The website address is given for reference and convenience only and the current accuracy of information contained therein cannot be assured; nothing on the website is a part of this Official Statement or incorporated into this Official Statement by reference.*

The City's Audited Financial Statements for Fiscal Year 2018-19 are attached as APPENDIX B to this Official Statement.

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 review of the financial condition or operations of the Electric System. In addition, the Auditor has not reviewed this Official Statement.

Outstanding Indebtedness

Parity Obligations. The net proceeds of the 2020 Bonds (together with other available funds) will prepay some or all of the outstanding 2013 Payments and 2014 Payments and refund the related 2013 Bonds and 2014 Bonds of the Authority. The 2020 Payments are secured on parity with the 2004 Payments, the 2012 Payments, the 2013 Payments (to the extent not prepaid), the 2014 Payments (to the extent not prepaid), and the 2017 Payments, which are further described below:

Table 8
Parity Obligations
As of June 30, 2020

	Origination Date	Original Principal Amount	Outstanding Principal Amount(1)	Final Maturity Outstanding
2004 Payments	July 13, 2004	$39,940,000	$ 5,000	Feb. 1, 2034
2012 Payments	Nov. 7, 2012	90,000,000	54,000,000	Feb. 1, 2035
2013 Payments(1)	Nov. 14, 2013	48,780,000	25,275,000	Feb. 1, 2029
2014 Payments(1)	August 21, 2014	16,485,000	16,485,000	Feb. 1, 2034
2017 Payments	February 8, 2017	62,475,000	61,370,000	Feb. 1, 2037

(1) Outstanding principal amounts as of June 30, 2020, prior to the prepayment of any of the 2013 Payments and 2014 Payments as described under "REFUNDING PLAN."

2004 Certificates. $39,940,000 original principal amount of "Electric System Revenue Certificates of Participation, Series 2004," evidencing and representing proportionate interests of the owners thereof in the payments made under the 2004 Supplemental Contract (the "**2004 Payments**"). The principal amount outstanding as of June 30, 2020 is set forth in the table above. All but $5,000 of the initial principal amount of the 2004 Certificates was defeased and prepaid with proceeds of the 2014 Bonds described herein.

2012 Certificates. $90,000,000 original principal amount of "Electric System Revenue Certificates of Participation, Series 2012," evidencing and representing proportionate interests of the owners thereof in the payments made under the 2012 Supplemental Contract (the "**2012 Payments**"). The principal amount outstanding as of June 30, 2020 is set forth in the table above. In November 2019, the variable interest rate applicable to the 2012 Certificates was reset through May 1, 2023 as described below and the par amount of the 2012 Certificates was reduced to $54,000,000 via cash on-hand at the Electric System. The 2012 Certificates were purchased by U.S. Bank National Association (the **"Bank"**) in a direct purchase transaction. Such variable rate obligations bear interest at a per annum rate determined monthly based upon a spread to a percentage of the one-month London InterBank Offering Rate (**"LIBOR"**) and are subject to mandatory tender for purchase on the scheduled mandatory tender date of May 1, 2023. Under the related Continuing Covenant Agreement, the 2012 Certificates are subject to mandatory tender or acceleration, at the direction of the Bank, seven days after the occurrence of certain Events of Default as described therein (including failure to pay principal or interest on the 2012 Certificates when due or failure to pay Parity Obligations beyond any applicable grace period, and if either of Fitch or S&P downgrades its rating of any long-term unenhanced Parity Obligation of the City to below "BBB+" (or its equivalent) or "BBB+" (or its equivalent) respectively, or suspended or withdrawn its rating of the same) and thirty days after the occurrence of certain other

Events of Default described therein (except that no grace period applies to in the event the City's obligations under the swap agreement described in the following paragraph become immediately due and payable). On or before the scheduled mandatory purchase date, Roseville may request may request the Bank to purchase such variable rate obligations in another index rate period or another interest rate mode, or Roseville may seek to remarket such variable rate obligations to another bank or in the public debt markets.

In connection with prior variable rate certificates of participation refunded by the 2012 Certificates, Roseville entered into two interest rate swap agreement, one of which was terminated in 2019 and one with a notional amount of $54,000,000 as of June 30, 2020 and maturing on February 1, 2035, which remains in place. Pursuant to the interest rate swap agreement, the variable rate interest payments that Roseville is obligated to make with respect to the 2012 Certificates were converted into substantially fixed rate payments. In general, the terms of the interest rate swap agreement provides that on a same-day net payment basis, Roseville will pay a fixed interest rate determined based upon the notional amount of the interest rate swap and in return the swap counterparty will pay a variable rate of interest based on a LIBOR index on a like notional amount. The City's obligation to make any net regularly scheduled payments due to the swap counterparty under the interest rate swap agreement is payable on parity with the Payments under the Installment Purchase Contract. Under certain circumstances, the interest rate swap agreement is subject to termination and Roseville may be required to make a substantial termination payment to the counterparty thereunder. Any termination payments due from Roseville under the interest rate swap agreement upon early termination thereof are payable on a basis that is junior and subordinate to the payment of Parity Obligations. On July 27, 2017, the Financial Conduct Authority (the "FCA"), the U.K. regulatory body currently responsible for the regulation and supervision of LIBOR, announced that it will no longer persuade or compel banks to submit rates for the calculation of the LIBOR rates after 2021 (the "FCA Announcement"). It is not possible to predict the effects of the FCA Announcement or how any prospective phasing out of LIBOR as a reference rate and transition to an alternate benchmark rate will be implemented, but increased volatility in the reported LIBOR rates may occur and the level of such LIBOR-based swap and interest payments may be affected.

[[Delete if all refunded: 2013 Bonds. $48,780,000 original principal amount of "Electric System Revenue Refunding Bonds, Series 2013," secured by and payable from payments made under the 2013 Supplemental Contract (the "**2013 Payments**"). The principal amount outstanding as of June 30, 2020 is set forth in the table above. $_______ principal amount is being refunded by the 2020 Bonds.]]

2017 Bonds. $56,210,000 original principal amount of "Electric System Revenue Refunding Bonds, Series 2017A," and $6,265,000 original principal amount of "Electric System Revenue Refunding Bonds, Series 2017B," secured by and payable from payments made under the 2017 Supplemental Contract (the "**2017 Payments**"). The 2017 Bonds were issued to defease and prepay portions of the 2009 Certificates and 2010 Bonds. The principal amount of 2017 Bonds outstanding as of June 30, 2020 is set forth in the table above.

See "THE 2020 BONDS – Debt Service Schedule" for the schedule of combined 2004 Payments, 2012 Payments, [unrefunded 2013 Payments,] 2017 Payments and 2020 Payments.

Senior Obligations. The City participates in certain joint powers agencies, including NCPA and TANC, which have issued joint powers agency debt to finance the costs of certain projects on behalf of project participants, including the City. The City has certain obligations under its agreements with such joint powers agencies, including obligations for the payment of debt service costs on indebtedness issued by those joint powers agencies. See "ROSEVILLE ELECTRIC– Sources of Power Supply" and "- Regional Transmission Facilities."

The obligations of the City under its agreements with TANC and NCPA constitute Maintenance and Operation Costs of Roseville Electric payable on a senior basis to any of the Payments required to be made under the Installment Purchase Contract, including the 2020 Payments and other Parity Obligations. See "SECURITY FOR THE 2020 BONDS – Outstanding Senior and Parity Obligations" above.

The agreements with NCPA and TANC are on a "take or pay" basis, which requires payments to be made whether or not projects are operable, or whether output from such projects is suspended, interrupted or terminated. Certain of these agreements contain "step up" provisions obligating the City to pay a share of the obligations of a defaulting participant and granting the City a corresponding increased entitlement to electricity (generally, the City's "step-up" obligation is limited to 25% of the City's scheduled payments on such obligations).

The City's participation and share of debt service obligation (without giving effect to any "step up" provisions) for each of the joint powers agency projects in which it participates are shown in the following table.

Table 9
Roseville Electric Share of
Outstanding Debt of Joint Powers Agencies [1]
(Dollars in millions)
As of June 30, 2020

	Outstanding Debt[2]	Roseville Participation[3]	Roseville Share of Outstanding Debt[2]
NCPA			
Geothermal Project	$ 20.1	7.88%	$ 1.6
Hydroelectric Project	265.7	12.00[4]	27.4
Capital Facilities Project	20.5	36.50	7.5
TANC			
Bonds	169.4[5]	2.32	3.9
TOTAL	$475.7		$40.4

(1) Excludes Roseville Natural Gas Financing Authority. See "–Natural Gas Pre-payment" above.
(2) Principal only. Does not include obligation for payment of interest on such debt.
(3) Participation based on actual debt service obligation. Participation obligation is subject to increase upon default of another project participant. Such increase shall not exceed, without written consent of a non-defaulting participant, an accumulated maximum of 25% of such non-defaulting participant's original participation.
(4) The City's actual payments represent approximately 9.9% of outstanding debt service as a result of credit received by it as a non-participating member with respect to portion of debt obligation.
Note: Numbers may not total due to rounding.
(5) Excludes portion of TANC outstanding bonds relating to Tesla-Midway Transmission Service laid off by the City. See "ROSEVILLE ELECTRIC - Regional Transmission Facilities" above.
Source: City of Roseville.

A portion of the NCPA Hydroelectric Project bonds in the principal amount of approximately $83.6 million are variable rate debt, liquidity support for which is provided through a liquidity arrangement with a bank. Unreimbursed draws under such liquidity arrangement bear interest at a maximum rate substantially in excess of the current interest rates on such variable rate joint powers agency bonds. Moreover, in certain circumstances, the failure to reimburse draws on the liquidity agreement may result in the acceleration of the scheduled payment of the principal of such variable rate joint powers agency bonds. In connection with such variable rate joint powers agency bonds, NCPA has entered into an interest rate swap agreement for the purposes of substantially fixing the interest cost with respect to such bonds. There is no guarantee that the floating rate payable pursuant to such interest rate swap agreement will match the variable interest rate on the related variable rate joint powers agency bonds at all times or at any time. Under certain circumstances, the swap provider may be obligated to make payments under the interest rate swap agreement that is less than the interest due on the associated variable rate joint powers agency bonds. In such event, such insufficiency will be payable as a debt service obligation from the obligated joint powers agency members (a corresponding amount of which proportionate to its debt service obligations to such joint powers agency could be due from the City). In addition, under certain circumstances, the swap agreement is subject to early termination, in which event NCPA could be obligated to make a substantial payment to the applicable swap provider (a corresponding amount of which proportionate to its debt service obligations to such joint powers agency could be due from the City).

Historic Revenues, Expenses and Debt Service Coverage

Table 10 presents a summary of the revenues, expenses, and debt service coverage for the City's Electric Fund for Fiscal Years 2015-16 through 2018-19 on a historical basis and on a preliminary, estimated basis for Fiscal Year2019-20. This table is based on historic operating results, where applicable, of the electric system, but is presented on a cash basis consistent with the definitions of Revenues and Maintenance and Operation Costs as defined in the Installment Purchase Contract, and as such, does not (or will not with respect to Fiscal Year 2019-20) match the audited financial statements of the electric system.

Table 10 also includes a recent history of balances in the Rate Stabilization Fund, and calculates debt service coverage both with and without the Rate Stabilization Fund balance.

Table 10 as it is presented is not available in the City's audited financial statements for the Electric System; it has been designed to reflect revenues and coverage in a manner that meets GAAP standards and is reflective of the definitions of Revenues and Maintenance and Operation Costs as defined in the Installment Purchase Contract. The figures shown in the table are accounted for in the City's audited financial statements, where applicable, but the presentation in the audited financial statements may not necessarily correlate to the line item designations in Table 10. The figures for Fiscal Year 2019-20 are based on preliminary estimates and are subject to change.

Table 10
Electric Fund
Historical Calculation of Debt Service Coverage Ratio
Fiscal Years 2015-16 through 2019-20
(Dollars in Thousands)

	2015-16	2016-17	2017-18	2018-19	2019-20 *
Revenues					
Charges for Services	$164,409	$161,515	$162,501	$158,667	$154,923
Other	2,147	4,169	5,735	9,380	7,186
Total Revenues	$166,556	$165,684	$168,236	$168,047	$162,109
Operating Expenses					
Power Supply (1)	$ 84,068	$ 81,204	$ 77,090	$68,810	$72,544
Non-Power Costs (2)	27,345	36,771	37,470	37,085	37,816
Indirect Costs and Transfers (3)	6,975	8,297	3,146	3,582	3,459
Total Operating Expenses	$118,388	$126,272	$117,706	$109,477	$113,819
Net Revenue	$48,168	$39,412	$50,530	$58,570	$48,290
Debt Service	$16,185	$15,950	$16,672	$15,773	$15,109
Adjusted Net Revenue					
Net Revenue	$48,168	$39,412	$50,530	$55,570	$48,290
Interest Revenue (excluding unrealized gain/loss)	1,212	1,887	2,497	4,986	3,468
Adjusted Net Revenue	$49,380	$41,299	$53,027	$63,556	$51,758
Debt Service Coverage Ratio	3.06	2.61	3.11	4.03	3.43
Rate Stabilization Fund Balance	$58,381	$58,943	$58,811	$65,671	$66,829
Transfers from/(to) Rate Stabilization Fund	(7,000)	--	--	(5,000)	
Debt Service Coverage ratio, including Rate Stabilization Fund (4)	6.66	6.28	6.71	8.19	7.85

(1) Includes joint powers agency payment obligations.
(2) Includes distribution operations and administration expenses, including the Electric System's share of CalPERS costs.
(3) Through Fiscal Year 2016-17, includes operating payments to the City General Fund as reimbursement for the Electric System's share of certain overhead expenses such as information technology, meter reading, traffic signals, payroll, human resources, facility lease payments, utility exploration center operations, retired employees' health costs, OPEB costs, citywide rehabilitation costs, etc. As of Fiscal Year 2017-18, most of such costs were moved to Non-Power costs with retired employees' health costs, OPEB costs, and citywide rehabilitation costs remaining on this line. The increase to Non-Power costs was offset by other operational savings. Does not include 4% franchise fee payable to General Fund per City Charter.
(4) Pursuant to the Installment Purchase Contract, funds on deposit in the Rate Stabilization Fund may be included in Adjusted Annual Revenues for purposes of determining compliance with the Rate Covenant. See "SECURITY FOR THE 2020 BONDS – Rate Covenant." See also "RATE SETTNG – Rate Stabilization Fund."

Source: City of Roseville.
* Preliminary, subject to change.

Investment Policy

The cash attributable to the Electric System must be invested in accordance with the City's Investment Policy. Pursuant to the Investment Policy, the City strives to maintain a level of investment of all idle funds, less required reserves, as near 100% as possible, through daily and projected cash flow determinations. Idle cash management and investment transactions are the responsibility of the City Treasurer and permitted investments include the following:

- U.S. Treasury obligations
- U.S. Agency Securities
- Mortgage Pass-Through Securities
- Obligations of the State of California or any Local Agency within the state
- Repurchase Agreements
- Banker's Acceptances
- Commercial Paper
- Medium-Term Corporate Notes
- Collateralized Time Deposits
- Negotiable Certificates of Deposit
- California Local Agency Investment Fund
- Insured Savings Accounts
- Money Market/Mutual Funds
- Shares in a California Common Law Trust
- Supranationals
- Mortgage pass-through security
- City of Roseville Pooled Investment Fund

Criteria for selecting investments and the order of priority are:

- Safety -- Preservation of principal and interest
- Liquidity -- Ability to convert investment to cash at any moment in time
- Yield -- Potential dollar earnings on an investment

The City's cash management system is designed to accurately monitor and forecast expenditures and revenues, thus enabling the City to invest funds to the fullest extent possible. The City attempts to obtain the highest yield when selecting an investment, provided the criteria for safety and liquidity are met.

The following table shows the investments in the pooled funds of the City as of May 31, 2020.

Table 11
City of Roseville Pooled Investment Fund
As of May 31, 2020

City Pooled Investment Funds	Par Value	Book Value	Market Value
Local Bank Accounts	$10,186,476	$10,186,476	$10,186,476
Local Agency Investment Funds	75,518,155	74,518,155	74,518,155
Money Market	82,450,544	82,450,544	82,450,544
Corporate Notes	164,050,000	169,497,509	164,646,388
Federal Agency Coupon Securities	336,448,000	340,930,809	336,422,549
Federal Agency Disc. Amortizing	28,000,000	27,990,665	27,993,803
Municipal Bonds	1,370,000	1,383,749	1,375,181
Total	**$697,023,175**	**$706,957,906**	**$697,593,096**

Source: City of Roseville

As of May 31, 2020, the portion of the City's Pooled Investment Fund allocable to the Electric System was $168,848,921, or approximately 24.2% of the City's Pooled Investment Fund.

Retirement Benefits

*Much of the following information concerning the California Public Employees' Retirement System ("**CalPERS**") is excerpted from publicly available sources, which the City believes to be accurate. CalPERS should be contacted directly at CalPERS, Lincoln Plaza, 400 Q Street Room 1820, Sacramento, CA 95811, Telephone: (888) 225-7377 for other information, including information relating to its financial position and investments.*

Substantially all permanent City employees, including those employees assigned to the Electric System, are eligible to participate in pension plans offered by CalPERS, an agent-multiple employer defined benefit pension plan which acts as a common investment and administrative agent for its participating member employers. CalPERS provides retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. CalPERS acts as a common investment and administrative agent for participating public entities within the State. CalPERS is a contributory plan deriving funds from employee contributions as well as from employer contributions and earnings from investments. Copies of CalPERS annual financial reports may be obtained from its Executive Office located at 400 Q Street Room 1820, Sacramento, CA 95811. Such report is not incorporated herein and does not constitute part of this Official Statement.

The City's employees participate in the separate Safety (for its police and fire employees) and Miscellaneous (for all other employees) employee plans. Benefit provisions under both plans are established by State statute and City resolution. Benefits are based on years of credited service; one year of credited service is equal to one year of full time employment.

CalPERS is a contributory plan deriving funds from employee contributions as well as from employer contributions and earnings from investments. Employees of the Electric System participate in the CalPERS Miscellaneous Plan, and the Electric System pays a percentage of the City's Miscellaneous Plan expenses based on the number of employees. Active Miscellaneous Plan members hired prior to January 1, 2013 are required to contribute 8.00% of their annual covered salary and those hired on or after January 1, 2013 are required to contribute 6.25% of their annual covered salary for pay periods before July 1, 2020 and 7.00% of their annual covered salary for pay periods after July 1, 2020. The member contribution can be paid by the employee or by the City on the employee's behalf in accordance with applicable labor agreements. The required member contributions are currently paid by the employees. The City's employer contribution rate is determined annually by the actuary effective on the July 1 following notice of a change in rate. Funding contribution amounts are determined annually on an actuarial basis as 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 amount and the contribution rate of employees. The actuarial methods and assumptions used are those adopted by the CalPERS Board of Administration. The contribution requirements of the plan members are established by State statute and the employer contribution rates are established, and may be amended, by CalPERS.

The table below sets forth Electric System's allocated share of the City's required contributions to the Miscellaneous Plan for the past five Fiscal Years. The Electric System's estimated allocated share of the City's budgeted contributions to the Miscellaneous Plan for the Fiscal Year ending June 30, 2020 is $5,718,113.

		Total City of Roseville Miscellaneous Plan [2]		
Fiscal Year	**Electric System Allocated Share of Contributions** [1]	**City Contribution Amount**	**City Covered Payroll**	**City Contributions as a % of Covered Payroll**
2014-15	$3,375,790	$15,872,491	$70,574,246	22.49%
2015-16	3,884,489	17,564,085	74,134,013	23.69
2016-17	4,699,119	19,896,723	74,964,348	26.54
2017-18	4,463,913	18,499,075	77,213,278	23.96
2018-19	5,112,952	20,601,494	79,529,676	25.90

(1) Electric System Allocated Share of Contributions is presented in the Electric Annual Financial Statements.
(2) City of Roseville Miscellaneous Plan information is presented in the City's Comprehensive Annual Financial Statements.
Source: City of Roseville.

The City's required contributions to CalPERS fluctuate each year and include a normal cost component and a component equal to an amortized amount of the unfunded liability. Many assumptions are used to estimate the ultimate liability of pensions and the contributions that will be required to meet those obligations. The CalPERS Board of Administration has adjusted and may in the future further adjust certain assumptions used in the CalPERS actuarial valuations, which adjustments may increase Roseville's required contributions to CalPERS in future years. Accordingly, the City's cannot provide any assurances that the City's required contributions to CalPERS in future years will not significantly increase (or otherwise vary) from any past or current projected levels of contributions.

On December 21, 2016, the CalPERS Board of Administration voted to lower the pension plan's assumed rate of return for purposes of its actuarial valuations from 7.5% to 7.0% by 2020 (which reduction has been phased in over the period from Fiscal Year 2017-18 to 2019-20). CalPERS estimated that with a reduction in the rate of return to 7.0%, most employers could expect a 1% to 3% increase in the percentage of payroll contribution for the normal cost for miscellaneous plans. In addition, CalPERS has estimated that employers could expect gradual increases in their unfunded accrued liability payment, reaching an approximate increase in such payment (relative to the unfunded accrued liability payments projected in the June 30, 2015 valuation report) of 30% to 40% by Fiscal Year 2024-25 for miscellaneous plans. As a result, required contributions of employers, including the City, toward unfunded accrued liabilities, and as a percentage of payroll for normal costs, are expected to increase.

Future costs could also be increased in the event that a sustained deterioration in global stock market values as an economic consequence of the COVID-19 pandemic negatively impacts the market value of assets held to fund the City's pension plans, requiring future unanticipated increases in required plan contributions. See "RISK FACTORS – COVID-19 Pandemic."

Effective for the Fiscal Year ended June 30, 2015, the City adopted Governmental Accounting Standards Board ("GASB") Statement No. 68 ("GASB No. 68"), affecting the reporting of pension liabilities for accounting purposes. Under GASB No. 68, the City is required to report the Net Pension Liability (*i.e.*, the difference between the Total Pension Liability and the Pension Plan's Net Position or market value of assets) in its financial statements.

The table below summarizes certain information relating to the Net Pension Liability of the Miscellaneous Plan as of June 30, 2015 through June 30, 2019, as reported in the City's audited financial statements. The Electric System's allocable share of the City's net pension liability was not separately determined.

		City of Roseville Miscellaneous Plan				
Fiscal Year	**Measurement Date[1] (June 30)**	**Total Pension Liability**	**Plan Fiduciary Net Position**	**Net Pension Liability**	**Net Position as a % of Total Pension Liability**	**Net Pension Liability as a % of Covered Payroll**
2015	2014	$513,101,070	$346,951,083	$166,149,987	67.62%	245.63%
2016	2015	532,751,723	356,786,987	175,964,736	66.97	249.33
2017	2016	565,400,677	361,251,067	204,149,610	63.89	275.38
2018	2017	632,299,916	403,695,744	228,604,172	63.85	304.95
2019	2018	667,324,796	435,184,425	232,140,371	65.21	300.65

(1) Measured using prior fiscal year annual actuarial valuation rolled forward to measurement date using standard update procedures.
Source: City of Roseville.

In the June 30, 2017 actuarial valuation utilized for measuring the pension liability as of the June 30, 2018 measurement date, the Entry Age Normal Actuarial Cost Method was used. The actuarial valuation assumptions used for determining total pension liabilities included (a) a 7.5% investment rate of return (net of pension plan investment and administrative expense); (b) projected salary increases that range from 3.3% to 14.2% annually; (c) an inflation component of 2.75% per year; (d) payroll growth of 3.0%; and (e) a discount rate of 7.15%.

For additional information relating to the City's retirement plans, see "APPENDIX B – AUDITED FINANCIAL STATEMENTS FOR FISCAL YEAR ENDED JUNE 30, 2019, Note 12".

Other Post-Employment Health Benefits

The City also provides post-employment medical benefits ("OPEB benefits") to substantially all retirees, including those assigned to the Electric System, under the City of Roseville Retiree Healthcare Plan, a sole employer defined healthcare plan administered by the Trust Investment Review Committee. The City is responsible for establishing and amending the funding policy of the plan. The City manages the plan by investing assets in a Retiree Health Plan Trust (the "OPEB Trust"), established pursuant to a Trust Agreement, and managed by the OPEB's Trust Administrator, PFM Asset Management LLC. As of June 30, 2019, there were 7 participants receiving OPEB benefits under the plan.

The contribution requirements of plan members and the City are established and may be amended by the City Council. The City Council establishes rates based on an actuarially determined rate.

For Fiscal Years prior to Fiscal Year 2017-18, the City's reported annual OPEB cost (expense) was calculated based upon the annual required contribution ("ARC"), an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents the level of funding that, if paid on an ongoing basis, is projected to cover normal costs each year and amortize any unfunded actuarial liabilities over 30 years.

The table below sets forth certain information regarding the City's annual OPEB cost and the approximate portion of such amount funded by the Electric System, the percentage of annual OPEB cost contributed and the City's Net OPEB obligation for the three Fiscal Years 2014-15 through 2016-17.

	City of Roseville OPEB Plan			
Fiscal Year Ended June 30	**Amount Funded by Electric System**	**Roseville Annual OPEB Cost[(1)]**	**% of Annual OPEB Cost Contributed**	**Net OPEB Obligation**
2015	$648,594	$ 8,994,201	64%	$44,461,929
2016	723,472	11,471,000	69	49,633,184
2017	811,548	13,717,275	91	50,971,148

[(1)] Amounts include both pay-as-you-go contributions and contributions to the OPEB Trust.
Source: City of Roseville.

Effective for Fiscal Year 2017-18, the City follows the provisions of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* ("GASB No. 75") affecting the reporting of OPEB liabilities for accounting purposes. GASB No. 75 replaces the requirements of GASB Statement No. 45. GASB No. 75 establishes standards for employers with other postemployment liabilities for recognizing and measuring net OPEB liabilities, along with deferred inflows and outflows of resources, and expenses/expenditures related to the other postemployment liability. GASB No. 75 does not affect funding requirements.

The table below sets forth certain information regarding the Electric System's allocated share of the City's annual contributions to the OPEB Plan for the Fiscal Years ended June 30, 2018 and 2019, including the relation of the City's contributions to the actuarially determined contribution amount for such fiscal year. The Electric System's estimated allocated share of the City's budgeted contributions to the OPEB Plan for the Fiscal Year ending June 30, 2020 is $1,932,397.

	City of Roseville OPEB Plan			
Fiscal Year Ended June 30	Contribution Funded by Electric System	Total City Contribution	Actuarially Determined Contribution Amount	Contribution Deficiency (Excess) to Actuarially Determined Contribution
2018	$2,016,000	$14,213,477	$14,213,477	$0
2019	2,079,000	15,226,000	15,226,000	0

Source: City of Roseville.

The table below summarizes certain information relating to the Net OPEB Liability as of June 30, 2018 and June 30, 2019, as reported in the City's audited financial statements. The Electric System's allocable share of the City's net OPEB liability was not separately determined.

		City of Roseville Plan				
Fiscal Year	Measurement Date (June 30)	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability	Net Position as a % of Total OPEB Liability	Net OPEB Liability as a % of Covered Payroll
2018	2018	$226,908,000	$84,119,640	$142,788,360	37.07%	126.05%
2019	2019	238,670,000	97,959,406	140,710,594	41.04	114.86

Source: City of Roseville.

In the June 30, 2017 actuarial valuation utilized for measuring the Net OPEB Liability as of the June 30, 2019 measurement date, the Entry Age Normal Actuarial Cost Method was used with a 24-year fixed amortization period and level percentage of pay. The actuarial valuation assumptions used include (a) a 6.25% investment rate of return (net of administrative expense); (b) projected salary increases of 3% annually; (c) an inflation component of 2.75% per year; and (d) a healthcare trend 7.5% for 2019, decreasing to an ultimate rate of 4% in 2076 for non-medicare participants, and 6.5% in 2019, decreasing to an ultimate rate of 4.0% in 2076 for medicare participants.

For additional information relating to the City's OPEB benefits, see "APPENDIX B – AUDITED FINANCIAL STATEMENTS FOR FISCAL YEAR ENDED JUNE 30, 2019, Note 13".

DEVELOPMENTS IN THE ENERGY MARKETS

Background; Electric Market Deregulation

The restructuring of energy markets in the United States began in 1996 with FERC orders 888 and 889. These orders opened the electricity transmission system so that unused transmission must be made available at a cost-based rate and defined the market mechanism by which these resources would be offered and purchased. Subsequently California enacted AB 1890, the Electric Utility Restructuring Act, which transitioned two thirds of the State from a bilateral to a structured market with the creation of CAISO. This market structure redefined electricity markets in California in fundamental ways by becoming the reliability and market clearing entity for most of California.

Substantial disruptions to the CAISO electric market occurred in 2000 and 2001. The response to the disruptions was the expansion of CAISO's responsibilities to the creation of new market frameworks, implemented on April 1, 2009 as the Market Redesign and Technology Upgrade (the "MRTU"), and adoption of a legislative and regulatory requirement for additional reserve capacity called the Resource Adequacy Standard. The MRTU establishes enhanced unit commitment and balancing markets for energy purchases and sales. The Resource Adequacy Standard ensures that adequate levels of capacity to meet load and reserves are procured by all load serving entities in a timely manner for the purpose of avoiding future shortages.

The City is not within the CAISO balancing authority area; however, the CAISO provides a liquid market for energy that the City can access when needed, and the City has committed to joining the CAISO's EIM in 2021 This market continues to evolve as market needs and regulatory forces influence it to change. See "–Challenges and Industry Response" below.

State Legislation

Bills affecting the electric utility industry are continually enacted by the California Legislature. In general, these bills have provided for reduced greenhouse gas emission standards and greater investment in energy-efficient and environmentally friendly generation alternatives through more stringent renewable resource portfolio standards. The following is a brief summary of these bills. See also "ROSEVILLE ELECTRIC – Energy Efficiency and Conservation" above. Legislation enacted in recent years has also focused on addressing issues relating to wildfire risks and occurrences in California, including imposing certain requirements on electric utilities in connection with planning for and mitigation of such occurrences and risks; see "ROSEVILLE ELECTRIC - Wildfire Mitigation Measures."

Greenhouse Gas Emissions. On June 1, 2005, the Governor signed Executive Order S-3-05, which placed an emphasis on such efforts to reduce greenhouse gas emissions by establishing statewide greenhouse gas reduction targets. The targets are: (i) a reduction to 2000 emissions levels by 2010; (ii) a reduction to 1990 levels by 2020; and (iii) a reduction to 80% below 1990 levels by 2050. The Executive Order also called for the California Environmental Protection Agency to lead a multi-agency effort to examine the impacts of climate change on California and develop strategies and mitigation plans to achieve the targets. On April 25, 2006, the Governor also signed Executive Order S-06-06, which directs the State to meet a 20% biomass utilization target within the renewable generation targets of 2010 and 2020 for the contribution to greenhouse gas emission reduction.

On September 27, 2006 the Governor signed into law Assembly Bill 32 ("AB 32"), the Global Warming Solutions Act of 2006. AB 32 requires all California utilities to inventory and report greenhouse gas emissions beginning January 1, 2008 and requires the California Air Resources Board ("CARB") to adopt enforceable greenhouse gas emission limits and emission reduction measures by regulation in order to reduce greenhouse gas emissions to 1990 levels by 2020. In December 2008, the CARB adopted the AB 32 Scoping Plan, which serves as California's blueprint for reducing greenhouse gas emissions. The Scoping Plan called for essential complementary measures along with the creation of a cap-and-trade program and is revised every 5 years as CARB proceeds with its next task of designing the mechanisms for returning the State to 80% below 1990 levels by 2050 as directed in Executive Order S-3-05. On December 14, 2010, CARB initially adopted regulations approving the cap-and-trade program for California. The CARB regulations became enforceable on January 1, 2012.

On September 8, 2016 the Governor signed Senate Bill 32, the Global Warming Solutions Act of 2006, and Assembly Bill 197, State Air Resource Board: Greenhouse Gasses, which together established a statewide greenhouse gas emission reduction target to reduce greenhouse gas emissions to 40 percent below 1990 levels by 2030 to ensure California continues moving towards its target of reducing greenhouse gas emissions to 80 percent below 1990 levels by 2050.

This legislation is currently being implemented by the cap-and-trade program established through a series of regulations. Under the cap-and-trade program where CARB creates one allowance for each ton of carbon dioxide-equivalent greenhouse gases ("CO2e") up to the target level of CO2e for a given year (the cap) and parties responsible for CO2e emissions much purchase one allowance for each ton of CO2e they produced in either an auction or bilateral market (the trade). The cap declines each year. By reducing amount of available allowances through time, the state is able to meet its emission reduction targets.

The cap-and-trade program includes the distribution of carbon allowances. Each allowance is equal to one metric ton of CO2e. Initially, most of the carbon allowances are distributed for free. Additional allowances are auctioned quarterly, which began in November 2012. Utilities can acquire more carbon allowances at these auctions. They are then required to purchase allowances to meet their compliance obligations, and use any remaining proceeds from the sale of their allocated allowances for the benefit of their ratepayers. POUs that do not sell into the CAISO markets (such as Roseville Electric) have three options (which are not mutually exclusive) once their allocated allowances are distributed to them. They can (i) place allowances in their compliance accounts to meet compliance obligations for plants they operate directly, (ii) place allowances in the compliance account of a joint powers agency or public power utility that generates power on their behalf, and/or (iii) auction the allowances and use the proceeds to benefit their ratepayers.

In July 2017, then-Governor Brown signed into law Assembly Bill 398 ("AB 398"), which extends the cap-and-trade regulations from 2021 to 2030. The bill passed both chambers with a 2/3 supermajority vote, which protects the legislation from certain legal challenges. Under AB 398, CARB was directed to address the following: establish a price ceiling, offer non-tradeable allowances at two price containment points below the price ceiling, transfer current vintages unsold for more than 24 months to the allowance price containment reserve, evaluate and address allowance over-allocation concerns, set industry assistance factors for allowance allocation, and establish allowance banking rules. Under AB 398, CARB was directed to include cost containment provisions to keep allowance prices from rising too high and pushing business expansion outside of the state (referred to as "leakage"). AB 398 was passed in conjunction with

AB 617, which strengthens the monitoring of criteria air pollutants and toxic air contaminants in local communities. Amendments to the cap-and-trade regulations to reflect the requirements of AB 398 were adopted by CARB and went into effect on April 1, 2019.

Roseville Electric's allocation of allowances have historically exceeded its use for meeting its compliance requirements, resulting in a surplus of allowances that have been sold in auction to generate revenues for the utility. These auction revenues have been used for a number of activities, including to fund certain projects to reduce greenhouse gas emissions. Going forward, Roseville Electric will be entering the Energy Imbalance Market (EIM) and anticipates increased use of the Roseville Energy Park, as well as importing more electricity from out of State. As a result, Roseville Electric expects to use its future allocation of allowances for meeting its compliance requirements from these operational changes versus generating revenues from the sale of excess allowances at auction.

On September 29, 2006, the Governor signed into law Senate Bill 1368 ("SB 1368"), the Greenhouse Gas Emissions Performance Standard. SB 1368 sets a greenhouse gas emission performance standard ("EPS") for baseload electric generating resources. Any new investment in baseload generation or contract for baseload generation with a term of over five years must have greenhouse gas emissions at or below that of a baseload, combined cycle power plant. The CEC has established the EPS and associated compliance methodologies for the publicly-owned utilities. The CPUC has the similar responsibility for the IOUs. The City does not anticipate that SB 1368 will have a material impact on current City or NCPA resources. The impact on future resources is unknown at this time.

Energy Procurement and Efficiency Reporting. Senate Bill 1037 ("SB 1037"), signed by the Governor on September 29, 2005, requires that each POU, including the City, prior to procuring new energy generation resources, first acquire all available energy efficiency, demand reduction and renewable resources that are cost effective, reliable and feasible. SB 1037 also requires each municipal electric utility to report annually to its customers and to the CEC its investment in energy efficiency and demand reduction programs. Further, Assembly Bill 2021 ("AB 2021"), signed by the Governor on September 29, 2006 requires that POUs establish, report, and explain the basis of the annual energy efficiency and demand reduction targets by June 1, 2007 and every four years thereafter (as amended) for a ten year horizon. Reporting requirements per AB 2021 include: (i) the identification of sources of funding for the investment in energy efficiency and demand reduction programs, (ii) the methodologies and input assumptions used to determine cost-effectiveness, and (iii) the results of an independent evaluation to measure and verify energy efficiency savings and demand reduction program impacts. The information obtained from local publicly-owned utilities from these reporting requirements is utilized by the CEC to present the progress made by the POUs towards the statewide goal to double energy efficiency savings in electricity and natural gas final end uses by 2030, to the extent doing so is cost effective, feasible, and does not adversely impact public health and safety, as prescribed in SB 350. In addition, the CEC can provide recommendations for improvement to assist each POU in achieving cost-effective, reliable, and feasible savings in conjunction with the established targets for reduction.

In March 2016, the City submitted its mandated annual report to the CEC per SB 1037 which provided cost-effectiveness analyses of the City's energy efficiency programs for Fiscal Year 2015. Additionally, in Spring 2021, the City will update the ten year forecast of potential energy efficiency programs in the triennial cycle to the CEC in response to the requirements of AB 2021.

California New Construction Standards California has continually increased the energy efficiency of new construction and appliances since the Warren Alquist Act of 1974. These standards require the implementation of Zero Net Energy ("ZNE") residential new construction. ZNE homes are energy efficient homes combined with distributed generation, predominantly rooftop solar generation, sized so that over the year building consumption is approximately equal to building generation.

Renewable Portfolio Standards ("RPS"). SBX1-2, the California Renewable Energy Resources Act, and its successor SB 350, the Clean Energy and Pollution Reduction Act of 2015, codify the RPS target for retail electricity sellers to serve 50% of their loads with eligible renewable energy resources by 2030. Subsequent legislation, SB 100, signed into law in 2018, increased California's renewable portfolio standard to 60% by 2030 and 100% carbon free by 2045. As of June 2020, the CEC is actively engaged in the rulemaking efforts for the SB 100 update to the RPS. It is expected that these rules will be implemented later in 2020. These laws make the requirements of the RPS program applicable to POUs (rather than just prescribing that POUs meet the intent of the legislation as under previous statutes). However, the governing boards of POUs are responsible for implementing the requirements, rather than the CPUC, as is the case for the IOUs. In addition, certain enforcement authority with respect to POUs is given to the CEC and CARB, including authority to impose penalties. Each POU must adopt and implement a renewable energy resource procurement plan. See "ROSEVILLE ELECTRIC - Sources of Power Supply" above.

In compliance with regulatory requirements the City passed a Program for Enforcement of the Renewable Portfolio Standard, and an initial Renewable Portfolio Standard Procurement Plan on December 5, 2012. The procurement and enforcement plan was most recently updated in May 2018 to incorporate the City's Powerex contract, and meet SB 350 requirements. When the CEC completes its SB 100 regulations, the procurement and enforcement plans will be further updated.

The CEC, collaboratively with the Western Governors' Association and the Western Electricity Coordinating Council ("WECC"), has undertaken the development and establishment of the Western Renewable Energy Generation Information System, which issued to ensure the integrity of RECs and prevent the double counting of the certificates. The electronic tracking system became operational in June of 2007.

SB 350 also requires POUs over a certain size, including Roseville, to produce an Integrated Resource Plan (IRP), reviewed in a public forum and delivered to the CEC for comment. Roseville completed its SB 350 compliant IRP in 2018, and the IRP was subsequently accepted by the CEC in 2019. This plan addressed a number of requirements in this and other legislation, including:

- Ensured procurement of 50% renewable resources by 2030,
- Demonstrated activity reflecting electricity sector's responsibility meeting the State's economy-wide greenhouse gas reduction goals to 40% below 1990 GHG levels by 2030,
- Fulfilled obligations to serve customers at just and reasonable rates,
- Minimized impacts to ratepayers bills,
- Ensure system and local reliability,
- Strengthened the diversity, sustainability, and resilience of the bulk transmission, distribution systems and local communities,
- Enhanced distribution systems and demand-side energy management,

- Minimized localized air pollutants and other greenhouse gas emissions with early priority to disadvantaged communities,
- Addressed procurement of each of the following,
    - Energy efficiency and and demand resources that are cost effective, reliable and feasible,
    - Energy storage,
    - Transportation electrification,
    - A diversified procurement portfolio of short term electricity, long term electricity, and demand response products,
    - Resource adequacy requirements.

Solar Power. The California State Legislature enacted Senate Bill ("SB 1") in 2006 to encourage the installation of 3,000 MW of photovoltaic (PV) solar energy by the year 2017. SB 1 requires all publicly-owned utilities to adopt, finance, and implement a solar initiative program for the purpose of investing in and encouraging the increased installation of residential and commercial solar energy systems. POUs were required to commence a solar initiative program in order to establish the funding of solar energy systems receiving ratepayer funded incentives, which commenced no later than January 1, 2008. A POU was given the choice of selecting an incentive based on the installed capacity, starting at $2.80 per watt, or based on the energy produced by the solar energy system, measured in kWh. Incentives are required to decrease at a minimum average rate of 7% per year. As of June 1, 2008, the City is required to provide the following information to customers, the CEC and the legislature: (i) the number of photovoltaic solar watts installed, (ii) the number of photovoltaic systems installed, (iii) the number of applicants for incentives, (iv) the amount of awarded incentives, and (v) the contribution towards the program's goals.

Since 2006, Roseville Electric has spent over $8 million on incentives for solar systems. Presently, approximately 9.6% of all customers of Roseville Electric have installed solar electric generation in Roseville.

Smart Grid and Advanced Metering Infrastructure. In 2007 and 2008, CEC held rulemaking proceedings for the definition of load management standards for Advanced Metering Infrastructure ("AMI") and for demand response. The CEC was evaluating the use of advanced technologies for operation and maintenance of the electric grid and impacts to California electricity customers. The largest IOUs in California have deployed smart meters for gas and electric services, and several POUs have implemented such technology. Roseville Electric has undertaken a capital improvement project to install AMI.

Resource Adequacy. In September 2005, the California Legislature enacted and the Governor signed into law Assembly Bill 380 ("AB 380"), which requires the CPUC to establish resource adequacy requirements for all load-serving entities ("LSEs") within the CPUC's jurisdiction. In addition, AB 380 requires POUs, including Roseville Electric, to meet the most recent resource adequacy standard as adopted by the WECC. In October 2005, the CPUC issued a decision stating that LSEs under its jurisdiction would be required, by June 2006, to demonstrate that they have acquired capacity sufficient to serve their forecast retail customer load plus a 15% reserve margin. The WECC has yet to formally adopt a resource adequacy requirement.

Notwithstanding the lack of a formal Resource Adequacy Standard, the City has implemented steps to meet its customer's load and reserve requirements in the future. These steps include the construction of the 160 MW REP, the acquisition of 48 MW of capacity in the

Roseville Power Plant 2, and the procurement of seasonal short-term capacity as needed to protect customers from the impacts of capacity and energy shortages. Results for Fiscal Year 2019-20 indicate that the City has a capacity reserve of 18%, not including 10 MW of regulating capacity and 7% capacity reserve purchased from WAPA.

Additional Developments

Federal Cybersecurity Policy. On February 13, 2013, President Obama issued an Executive Order entitled “Improving Critical Infrastructure Security.” The Executive Order calls for improved sharing and processing of security clearances for owners and operators of critical infrastructure. As required by the Executive Order, the National Institute of Standards and Technology (“NIST”) is leading the development of a framework to reduce cyber risks to critical infrastructure.

On December 18, 2015 the President signed the Cybersecurity Information Sharing Act, which creates an industry-supported, voluntary cybersecurity information sharing program which facilitates the secure sharing of cyber-related threat information among both public and private sector entities.

Roseville Electric places a high priority on all of its security practices to protect electric infrastructure. With respect to cyber-security, these practices include, but are not limited to: performance of periodic security risk assessments and gap analyses to identify security strengths and vulnerabilities; implementation of access controls and restrictions; personnel risk assessments; software patch management; reliance on appropriate malware protection; practices for the designation of and proper safeguards for confidential or sensitive information; practices for the backup and recovery of data; and security awareness training.

Roseville Electric staff will continue to take actions to address new threats as they arise and to close new vulnerabilities as they are identified that are appropriate for the assets owned, operated, and controlled by Roseville Electric.

Challenges and Industry Responses

The nature of the legislative and regulatory changes impacting the energy markets in California are significant, if not unprecedented. The breadth of the SB 350 and SB 100 mandated IRP requirements on POUs reflects the extent and the importance of these developments. The electric utility industry will be challenged to meet these requirements in a number of ways.

The ambitious renewable goals in California have been primarily met with solar, and to a lesser degree, wind resources. These resources are classified by the term Variable Energy Resource or VERs. Solar and wind resources generally produce energy not when an operator directs them, but when the fuel source (in this case sunlight and wind) are available. In the case of solar energy, photovoltaic power plants only produce electricity between dawn and dusk, and can vary power output very quickly when a cloud passes over. This creates two challenges. First solar energy increases rapidly in the morning and decreases rapidly in the afternoon, when customer needs are increasing. Secondly, the amount of solar energy produced can vary quickly and unexpectedly as the weather changes. To address the challenge of rapidly changing power output, FERC passed order 764 in 2014. This ruling required markets to offer 15 minute trading in addition (or in place of) hourly trading. The more granular market allows the market to react better to the variable nature of solar and wind resources. The CAISO implemented a 15 minute market and in addition offered a 5 minute and 15 minute Energy Imbalance Market outside the CAISO region.

To address the rapidly decreasing solar load in the afternoon when the need for generation is increasing, the CAISO has implemented a flexible capacity market. This is a capacity market designed to meet the needs for flexibility VERs require, specifically the large afternoon increase in electricity requirements caused by the simultaneous decline of solar output and the increase in system load.

Western Energy Imbalance Market. The CAISO has developed a regional real-time market service, referred to as an "Energy Imbalance Market" ("EIM"). EIM may help to optimize management of the transmission system to help balance supply and demand across a larger footprint, across multiple balancing authorities. By developing the EIM between the balancing authorities, a broad array of resources can be shared and economically dispatched through the CAISO five-minute market. According to the CAISO, the EIM has the potential to strengthen grid reliability. The purpose is to optimize the interconnected high-voltage system as market systems automatically handle electricity bottlenecks on transmission lines during the process of managing the flow of electricity.

Following FERC approval of the implementation agreement between the CAISO and PacifiCorp in June of 2013, PacifiCorp and the CAISO officially launched the EIM in November 2014. PacifiCorp, headquartered in Portland, Oregon, is a subsidiary of Berkshire Hathaway Energy and operates as a utility that serves 1.8 million customers across six western states. Since the launch of the EIM between CAISO and PacifiCorp, six additional utilities across the western United States have signed EIM implementation agreements, officially stating their intent to participate in the EIM.

In October 2016, BANC and SMUD announced their intent to initiate negotiations with the CAISO to participate in the CAISO EIM. After completing an extensive cost/benefit analysis in conjunction with its members, including the City, BANC concluded that there are benefits for some of its members and is interested in entering into an arrangement for EIM participation that would allow phasing in those members who would like to participate in the EIM. SMUD elected to be the first member to participate through BANC in the EIM. Roseville Electric has signed agreements with BANC and CAISO, and expects to join EIM on April 1, 2021.

Other Regional Developments – Western Regional Energy Market. California Senate Bill 350, signed into law in 2015, increased California's renewable portfolio standard to 50% by 2030 and also directed the CAISO to explore how its expansion into the wider West could help the state meet that goal. After completion of multiple studies, the CAISO determined that a regional energy market would help to advance the State's ambitious clean energy goals and to reduce the cost of energy in the western states and is an efficient, effective way to meet the demand for reliable, affordable and sustainable energy. According to the CAISO, a regional energy market would coordinate electricity systems across the West, utilizing the CAISO's infrastructure to develop one western grid.

Impact of Developments on the City

The effect of these developments (including the state legislation) in the California energy markets on the City cannot be fully ascertained at this time. Volatility in energy prices in California may return due to a variety of factors that affect both the supply and demand for electric energy in the western United States. These factors include, but are not limited to, the adequacy of generation resources to meet peak demands, the availability and cost of renewable energy, the impact of variable generation renewables such as wind and solar on general electric system cost, price volatility, and reliability the impact of greenhouse gas emission legislation and regulations, fuel costs and availability, weather effects on customer demand, transmission congestion, the strength of the economy in California and surrounding states and levels of hydroelectric generation within the region (including the Pacific Northwest). This price volatility may contribute to greater volatility in the City's costs and revenues from the sale (and purchase) of electric energy and, therefore, could materially affect the financial condition of the City.

The City has a long history of successfully managing developing and dynamic energy markets. The City continues to proactively address market changes with the following activities:

- Rigorously following the electric utility's Energy Risk Management Policies under the auspices of the Risk Oversight Committee and City Council. Proactively reviewing and updating those policies as market conditions change.
- Development of City Council approved greenhouse gas allowance procurement policies and strategies designed to minimize the risk of allowance price changes.
- Development of a City Council approved Renewable Portfolio Standard Procurement Plan. Entering into contracts for renewable energy designed to maintain compliance with Renewable Portfolio Standards requirements.
- Completed the 2018 IRP, focused on ensuring that the City's portfolio of energy assets and contracts is suitable for future market conditions.
- Committing with BANC to participate in the CAISO EIM.
- Continuing to activitely engage in a variety of forums including NCPA, BANC, TANC, CMUA, and others to understand potential legislation, regulation, and market developments and advocate on behalf of the City and the public power community.

OTHER FACTORS AFFECTING THE ELECTRIC UTILITY INDUSTRY

Energy Policy Acts

Energy Policy Act of 1992. The Energy Policy Act of 1992 (the "Energy Policy Act") made fundamental changes in the federal regulation of the electric utility industry, particularly in the area of transmission access under Sections 211, 212 and 213 of the Federal Power Act. The purpose of these changes, in part, was to bring about increased competition in the electric utility industry.

As amended by the Energy Policy Act, Sections 211, 212 and 213 of the Federal Power Act provide FERC authority, upon application by any electric utility, federal power marketing agency or other person or entity generating electric energy for sale or resale, to require a transmitting utility to provide transmission services (including any enlargement of transmission capacity necessary to provide such services) to the applicant at rates, charges, terms and conditions set by FERC based on standards and provisions in the Federal Power Act. Under the Energy Policy Act, electric utilities owned by municipalities and other public agencies which own or operate electric power transmission facilities which are used for the sale of electric energy at wholesale are "transmitting utilities" subject to the requirements of Sections 211, 212 and 213. See also "RATE REGULATION" below.

Energy Policy Act of 2005. Although Roseville Electric is exempt from most federal rate regulation pursuant to Section 201(f) of the Federal Power Act, EPAct 2005 imposed specific exceptions. In particular, FERC was given authority over the behavior of market participants. Under FERC's authority it can impose penalties on any seller for using a manipulative or deceptive device, including market manipulation, in connection with the purchase or sale of energy or of transmission service. The Commodity Futures Trading Commission ("CFTC") also has jurisdiction to enforce certain types of market manipulation or deception claims under the Commodity Exchange Act.

EPAct 2005 authorized FERC to issue permits to construct or modify transmission facilities located in a national interest electric transmission corridor if FERC determines that the statutory conditions are met. EPAct 2005 also required the creation of an electric reliability organization ("ERO") to establish and enforce, under FERC supervision, mandatory Reliability Standards to increase system reliability and minimize blackouts. The Reliability Standards apply to users, owners and operators of the Bulk-Power System, as more specifically set forth in each Reliability Standard. On February 3, 2006, FERC issued Order 672, which certified NERC as the ERO. Many Reliability Standards have since been approved by FERC. The Reliability Standards include requirements related to cybersecurity of systems that could affect the reliable operation of the electric grid.

The ERO or the entities to which NERC has delegated enforcement authority through an agreement approved by FERC ("Regional Entities"), such as the WECC, may enforce the Reliability Standards, subject to FERC oversight, or FERC may independently enforce them. Potential monetary sanctions include fines in excess of $1 million per violation per day. FERC Order 693 further provided the ERO and Regional Entities with the discretion necessary to assess penalties for such violations, while also having discretion to calculate a penalty without collecting the penalty if circumstances warrant.

Future Federal Energy Legislation

Numerous bills have been under consideration in Congress addressing United States energy policies and various environmental matters, including those related to energy supplies and development (such as a federal energy efficiency standard and expedited permitting for natural gas drilling projects), cybersecurity, reducing regulatory burdens, climate change and water quality. Many of these bills, if enacted into law, could have a material impact on the City and the electric utility industry generally. Previously, proposed energy and climate change-related pieces of legislation have included, among other things, a cap-and-trade system to regulate and reduce the emission of carbon dioxide and other greenhouse gases and a federal renewable energy portfolio standard. The impact that federal greenhouse gas cap-and-trade legislation could have on the electric utility industry and business would largely depend on the specific provisions of any legislation that might ultimately become law. Some of the important factors to be addressed would include the timing and magnitude of the emissions cap, the extent to which emissions allowances are either allocated or auctioned to the highest bidder, the extent to which emissions may be offset by other actions, whether there will be a cap on the price of emissions allowances and the allocation of proceeds from the auction of allowances. Other areas of consideration for energy legislation include, but are not limited to, the development and deployment of alternative fuels, renewable energy resources, and energy conservation measures. The timeline and impact of any future climate change legislation cannot be accurately assessed at this time, but it is expected that any such federal action would have a significant impact on fossil-fueled generation facilities.

Environmental Issues

General. Electric utilities are subject to continuing environmental regulation. Federal, state and local standards and procedures that regulate the environmental impact of electric utilities are subject to change. These changes may arise from continuing legislative, regulatory and judicial action regarding such standards and procedures. Consequently, there is no assurance that any City facility or project will remain subject to the laws and regulations currently in effect, will always be in compliance with future laws and regulations or will always be able to obtain all required operating permits. An inability to comply with environmental standards could result in additional capital expenditures, reduced operating levels or the shutdown of individual units not in compliance. In addition, increased environmental laws and regulations may create certain barriers to new facility development, may require modification of existing facilities and may result in additional costs for affected resources.

Greenhouse Gas Regulations Under the Clean Air Act. The United States Environmental Protection Agency (the "EPA") regulates GHG emissions under existing law by imposing monitoring and reporting requirements, and through its permitting programs. Like other air pollutants, GHGs are regulated under the Clean Air Act through the Prevention of Significant Deterioration ("PSD") Permit Program and the Title V Permit Program. A PSD permit is required before commencement of construction of new major stationary sources or major modifications of a major stationary source and requires best available control technologies ("BACT") to control emissions at a facility. Title V permits are operating permits for major sources that consolidate all Clean Air Act requirements (arising, for example, under the Acid Rain, New Source Performance Standards, National Emission Standards for Hazardous Air Pollutants, and/or PSD programs) into a single document and the permit process provides for review of the documents by the EPA, state agencies and the public. GHGs from major natural gas-fired facilities are regulated under both permitting programs through performance standards imposing efficiency and emissions standards.

On October 23, 2015, under the Obama Administration, the EPA published the Clean Power Plan and final regulations for (1) carbon pollution standards for new, modified, and reconstructed power plans, and (2) carbon pollution emission guidelines for existing electric generating units ("EGUs"). The total national emissions reduction goal under the Clean Power Plan targeted an average of a 32% reduction from 2005 levels by 2030, with incremental interim goals for the years from 2022 through 2029. The Clean Power Plan allowed states multiple options for measuring reductions and established different reduction goals depending upon the regulatory program set forth in the state plan.

On March 28, 2017, President Trump signed the Executive Order on Energy Independence (E.O. 13783), which called for a review of the Clean Power Plan. On October 16, 2017, a Notice of Proposed Rulemaking was published in the Federal Register that proposed to repeal the Clean Power Plan, under the premise that it exceeded EPA's statutory authority under Section 111 of the Clean Air Act. On December 28, 2017, an Advance Notice of Proposed Rulemaking was published in the Federal Register proposing a new GHG emission limit rule for existing EGUs. On June 19, 2019, the EPA issued the final rule, known as the "Affordable Clean Energy" rule, which became effective on September 6, 2019.

The final Affordable Clean Energy rule: (i) replaces the Clean Power Plan with revised emissions guidelines that inform the development, submittal, and implementation of state plans to reduce GHG emissions from fossil fuel steam EGUs, primarily coal-fired plants; and (ii) implements new regulations that provide direction to both the EPA and the states on the implementation of emission guidelines. The final rule identifies heat rate improvements as the best system of emission reduction from coal-fired power plants, to be made at the individual facilities. Under the Affordable Clean Energy rule, states will have three years to submit implementation plans. The EPA will have 12 months to approve or disapprove a state's plan.

A number of environmental advocates and state attorneys general have filed lawsuits challenging the Affordable Clean Energy rule. The City is unable to predict the outcome of any ongoing legal challenges to the EPA rulemaking regulating GHG emissions from electric generating units and other stationary sources would have on the City's Electric System or, given the legal uncertainty regarding the Affordable Clean Energy rule, what the ultimate impact of any federal rulemaking will be.

Air Quality – National Ambient Air Quality Standards. The Clean Air Act requires that the EPA establish National Ambient Air Quality Standards ("NAAQS") for certain air pollutants. When a NAAQS has been established, each state must identify areas in its state that do not meet the EPA standard (known as "non-attainment areas") and develop regulatory measures in its state implementation plan to reduce or control the emissions of that air pollutant in order to meet the standard and become an "attainment area." For example, on January 7, 2010, the EPA released a draft rule proposing stricter NAAQS for ground-level ozone, the main component of smog. On September 2, 2011, President Obama directed the EPA to withdraw its proposal for stricter NAAQS for ozone. As a result of this withdrawal, the EPA resumed the process of issuing non-attainment designations for the ozone NAAQS under the standard set in 2008. On May 29, 2013, the EPA proposed a rule to implement the 2008 ozone NAAQS. As of July 2020, portions of northern California remained designated as non-attainment areas, including the Sacramento metro area within Placer County. Additional non-attainment areas for ozone may continue to be designated. The EPA revised the NAAQS for particulate matter in December 2012, the NAAQS for sulfur dioxide in June 2010, the NAAQS for carbon monoxide in August 2011 and the NAAQS for nitrogen dioxide in February 2010, and in each case made the NAAQS more stringent. The EPA signed a final rule for ozone NAAQS on October 1, 2015 and it was effective December 28, 2015 resulting in a lower limit for ozone.

The NAAQS limits imposed on the Electric System's power plants via the "permits to operate" through the Placer County Air Pollution Control District and the CEC are below the NAAQS standards. This is expected to insulate the Electric System from further action unless the limits are lowered.

Fuel Risk

Increases in fuel supply and transmission costs, or the failure of counterparties in its natural gas arrangements, pose a financial risk to the City. In addition, the City does not currently have fixed price arrangements in place to meet all of the Roseville Electric Park's fuel supply needs and is therefore exposed to price volatility for such commodities and services. To mitigate such risks, the City has developed a power supply risk management strategy focused on reliability and price risk management. See "ROSEVILLE ELECTRIC– Power Supply Risk Management."

Other Factors

The electric utility industry in general has been, or in the future may be, affected by a number of other factors which could impact the financial condition and competitiveness of many electric utilities and the level of utilization of generating and transmission facilities. Such factors include, among others, the following:

(a) effects of compliance with rapidly changing environmental, safety, licensing, regulatory and legislative requirements other than those described above;

(b) changes resulting from conservation and demand-side management programs on the timing and use of electric energy;

(c) changes resulting from a national energy policy;

(d) effects of competition from other electric utilities (including increased competition resulting from mergers, acquisitions, and "strategic alliances" of competing electric and natural gas utilities and from competitors transmitting less expensive electricity from much greater distances over an interconnected system) and new methods of, and new facilities for, producing low-cost electricity;

(e) the proposed repeal of certain federal statutes that would have the effect of increasing the competitiveness of many investor-owned utilities;

(f) increased competition from independent power producers and marketers, brokers and federal power marketing agencies;

(g) changes in the industry stemming from the 2019 bankruptcy declaration of PG&E initiated to address extraordinary financial challenges attributed to existing and potential liabilities for wildfires, the outcome of the remaining disputes regarding its reorganization plan following its emergence from bankruptcy on July 1, 2020, and the recently-enacted legislation that would authorize the creation of a non-profit public benefit corporation for the benefit of all Californians, which non-profit public benefit corporation could acquire PG&E under specified circumstances in the future;

(h) "self-generation" or "distributed generation" (such as microturbines and fuel cells) by industrial and commercial customers and others;

(i) issues relating to the ability to issue tax-exempt obligations, including severe restrictions on the ability to sell to nongovernmental entities electricity from generation projects and transmission service from transmission line projects financed with outstanding tax-exempt obligations;

(j) effects of inflation on the operating and maintenance costs of an electric utility and its facilities;

(k) changes from projected future load requirements;

(l) increases in costs and uncertain availability of capital;

(m) shifts in the availability and relative costs of different fuels (including the cost of natural gas);

(n) sudden and dramatic increases in the price of energy purchased on the open market that may occur in times of high peak demand in an area of the country experiencing such high peak demand, such as has previously occurred in California;

(o) issues relating to risk management procedures and practices with respect to, among other things, the purchase and sale of energy and transmission capacity;

(p) other legislative changes, voter initiatives, referenda and statewide propositions;

(q) other political risks impacting the City's rates or other operational or financial matters;

(r) effects of changes in the economy, including those resulting from the COVID-19 pandemic;

(s) effects of possible manipulation of electric markets;

(t) natural disasters or other physical calamities, including, but limited to, earthquake, drought floods and wildfires; and

(u) changes to the climate.

Any of these factors (as well as other factors) could have an adverse effect on the financial condition of any given electric utility, including the Electric System.

The City cannot predict what effects such factors will have on the business operations and financial condition of the Electric System, but the effects could be significant. The foregoing is a brief discussion of these factors. The City has taken certain steps to mitigate the impacts of these changes, including establishing the Rate Stabilization Fund and implementation of the renewable energy surcharge and greenhouse gas emission reduction surcharge. This Official Statement includes a brief discussion of these steps. This discussion does not purport to be comprehensive or definitive, and these matters are subject to change subsequent to the date hereof. Extensive information on the electric utility industry is, and will be, available from the legislative and regulatory bodies and other sources in the public domain.

RATE REGULATION

The City sets rates, fees and charges for electric service. The authority of the City to impose and collect rates and charges for electric power and energy sold and delivered is not subject to the general regulatory jurisdiction of the CPUC, and currently neither the CPUC nor any other regulatory authority of the State of California nor FERC approves such rates and charges. Although the retail rates of the City are not subject to approval by any federal agency, the City is subject to certain ratemaking provisions of the federal Public Utility Regulatory Policies Act of 1978 ("PURPA") with respect to the purchase of the output of "qualified facilities" ("QFs") and the Energy Policy Act of 2005 ("EPACT 2005"). EPACT 2005 repealed the mandatory purchase obligation for utilities (including the City) when FERC determines that the

QF has access to a competitive sales market and open access transmission. The City is operating in compliance with PURPA. It is possible that future legislative and/or regulatory changes could subject the rates and/or service area of the City to the jurisdiction of the CPUC or to other limitations or requirements.

FERC potentially could assert jurisdiction over rates of licensees of hydroelectric projects (such as NCPA) and customers of such licensees (such as the City) under Part I of the Federal Power Act, although it as a practical matter has not exercised or sought to exercise such jurisdiction to modify rates that would legitimately be charged. There is a question as to whether FERC has jurisdiction at all to modify rates for municipalities, which are authorized to set their own rates. NCPA is a licensee of hydroelectric projects under Part I, but no jurisdictional authority to regulate their rates has been asserted by FERC.

Under EPACT 1992, FERC has the authority, under certain circumstances and pursuant to certain procedures, to order any utility (municipal or otherwise) to provide transmission access to others at FERC-approved rates. Neither the City nor any joint powers agencies with which the City has contracted which developed the transmission assets are providing any such transmission service to others. No assurance can be given that such service will not be requested in the future.

The CEC is authorized to evaluate rate policies for electric energy as related to the goals of the Energy Resources Conservation and Development Act and to make recommendations to the Governor, the Legislature and publicly-owned electric utilities.

OTHER RISK FACTORS

The following information should be considered by prospective investors in evaluating the 2020 Bonds. However, the following does not purport to be an exclusive listing of risks and other considerations that may be relevant to investing in the 2020 Bonds, and the order in which the following information is presented is not intended to reflect the relative importance of any such risks and considerations.

Limited Obligations

The 2020 Bonds are limited obligations of the Authority secured by and payable from the Revenues and other amounts available under the Trust Agreement. The Revenues consist generally of 2020 Payments to be made by the City under the Installment Purchase Contract. The 2020 Payments are limited obligations of the City and are not secured by a legal or equitable pledge or charge or lien upon any property of the City or any of its income or receipts, except the Net Revenues. The obligation of the City to make the 2020 Payments does not constitute an obligation of the City to levy or pledge any form of taxation or for which the City has levied or pledged any form of taxation.

The City is obligated under the Installment Purchase Contract to pay the 2020 Payments solely from Net Revenues. No representation or assurance can be made that revenues will be realized by the City in amounts sufficient to make payments required by the Installment Purchase Contract. Future economic and other conditions, including economic trends and events, technological developments and demographic changes, increases in insurance claims, as well as increased costs and changes in government regulations, including Internal Revenue Service (the "**IRS**") policy regarding tax exemption, may adversely affect the future financial condition of the Electric System and, consequently, the City's ability to make the 2020 Payments securing payment of the principal of and premium, if any, and interest on 2020 Bonds. There is no assurance that the City can succeed in operating the Electric System such that Net Revenues in the future amounts projected in this Official Statement will be realized.

Limitations on Remedies and Limited Recourse on Default

The ability of the City to comply with its covenants under the Installment Purchase Contract and to generate Net Revenues sufficient to pay principal of and interest on the 2020 Bonds may be adversely affected by actions and events outside of the control of the City and may be adversely affected by actions taken (or not taken) by voters, property owners, taxpayers or persons obligated to pay assessments, fees and charges. Failure by the City to pay the 2020 Payments constitutes an event of default under the Installment Purchase Contract, and the Trustee is permitted to pursue remedies at law or in equity to enforce the City's obligation to make such payments. Although the Trustee has the right to accelerate the total unpaid principal amount of the unpaid Payments under Installment Purchase Contracts, including the 2020 Payments, there is no assurance that the City would have sufficient funds to pay the accelerated Payments.

Furthermore, the remedies available to the owners of the 2020 Bonds upon the occurrence of an event of default under the Installment Purchase Contract are in many respects dependent upon judicial actions which are often subject to discretion and delay and could prove both expensive and time consuming to obtain. In addition, the rights and remedies of bondholders under the Trust Agreement and the Installment Purchase Contract may be subject to bankruptcy, insolvency, reorganization, arrangement, fraudulent conveyance, moratorium and other laws relating to or affecting creditors' rights, to the application of equitable principles, to the exercise of judicial discretion in appropriate cases and to limitations on legal remedies against cities in the State of California. The opinion to be delivered by Bond Counsel concurrently with the issuance of the 2020 Bonds will be subject to such limitations and the various other legal opinions to be delivered concurrently with the issuance of the 2020 Bonds will be similarly qualified. See "APPENDIX D – PROPOSED FORM OF BOND COUNSEL OPINION." In the event the City fails to comply with its covenants under the Installment Purchase Contract or fails to pay the 2020 Payments, there can be no assurance of the availability of remedies adequate to protect the interest of the holders of the 2020 Bonds.

Secondary Market

There can be no guarantee that there will be a secondary market for the 2020 Bonds or, if a secondary market exists, that the 2020 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.

Initiatives

In recent years several initiative measures have been proposed or adopted which affect the ability of local governments to increase taxes and rates. There is no assurance that the electorate or the State Legislature will not at some future time approve additional limitations that could affect the ability of the City to implement rate increases, which could reduce Net Revenues and adversely affect the security for the 2020 Bonds.

Seismic Considerations

The service area of the Electric System, like much of California, is subject to seismic activity that could result in interference with its operation of the Electric System. In addition, other active and potentially active seismic faults cross the regional transmission facilities through which the City obtains power. No assurance can be given that a future seismic event will not materially adversely affect the operation of the Electric System.

Wildfire Risks

A number of wildfires occurred in California in 2017, 2018 and 2019. Under the doctrine of inverse condemnation (a legal concept that entitles property owners to just compensation if their property is damaged by a public use), California courts have imposed liability on utilities in legal actions brought by property holders for damages caused by the utility's infrastructure. Thus, if the facilities of a utility, such as its electric distribution and transmission lines, are determined to be the substantial cause of a fire, and the doctrine of inverse condemnation applies, the utility could be liable for damages without having been found negligent.

The City does not independently own or operate any transmission lines, and its owned or co-owned transmission or distribution facilities have not been the cause of any wildfires experienced in California. The municipal boundaries of the City, the primary geographical area in which Roseville Electric's overhead electrical lines and equipment are located, is not currently within a CPUC designated fire-threat area nor a United States Forest Service/California

Department of Forestry and Fire Protection (Cal Fire) designated high hazard zone. See also "ROSEVILLE ELECTRIC - Wildfire Mitigation Measures."

Possible Future Federal Deregulation and Tax Legislation

Many bills have been introduced in the United States House of Representatives and the United States Senate from time-to-time to deregulate the electric utility industry on the federal or state level. Many of the bills would provide for open competition in the furnishing of electricity to all retail customers (i.e., retail wheeling). In addition, various bills have been introduced from time-to-time which would impact the issuance of tax-exempt bonds for transmission and generation facilities like those owned and/or operated by the Electric System.

No prediction can be made by the City as to whether any of these bills or any similar federal bills proposed in the future will become law or, if they become law, what their final form or effect would be. Such effect could be material to the Electric System.

COVID-19 Pandemic

The outbreak of COVID-19 (a respiratory disease caused by a novel strain of coronavirus) which began in the winter of 2020 and which continues as of the date of this Official Statement, has been declared as a pandemic by the World Health Organization. The pandemic is having significant negative impacts throughout the world, including in the United States and the State of California. The United States, the State, the County of Placer, and the City have each declared a "state of emergency" or equivalent. In response to the COVID-19 outbreak, governmental actions have included the implementation of "stay-at-home" (or "safer-at-home") orders by the State and local governments requiring citizens to remain at home except for certain essential purposes, and except as needed to maintain continuity of operation of certain critical sectors. This has caused the disruption of daily life in all jurisdictions, including the closure of, among others, bars, dine-in restaurants, retail stores, schools, gyms, movie theatres, certain government buildings and religious institutions, and general prohibitions on gatherings. Although recently some of these restrictions on movement have been eased, restrictions have been re-imposed in various jurisdictions (including Placer County) as local conditions warrant and such restrictions may be expanded as the pandemic continues.

The Roseville Electric System is in a federally designated critical infrastructure sector with exemptions under the California Governor's State-wide stay-at-home order and the local orders, as needed to maintain continuity of operations. The City has implemented a variety of measures with respect to essential workers, remote employees and back-up operations designed to maintain its business functions and to protect the public health and the health of its employees. Roseville Electric's ability to provide electric service and to conduct billing and collection functions has not been impaired.

The City is monitoring the COVID-19 pandemic but is not yet able to fully predict the effect it will have on Roseville Electric's financial performance or operations. The COVID-19 pandemic and the governmental actions to respond to it have resulted in a significant contraction of the national, state and local economies. Employment data released since the imposition of the restrictions have shown a dramatic increase in unemployment rates. In addition, stock markets in the U.S. and globally experienced sharp declines in market value following the onset of the outbreak that were attributed to COVID-19 concerns and, although rebounds in the market have since occurred, increased volatility in the financial markets continues. It is widely expected that global, national and local economies will continue to be negatively affected by the COVID-19 pandemic, at least for some period of time.

Based on data available through June 30, 2020, Roseville Electric's retail electricity deliveries declined by approximately 2% for the fiscal year, reflecting a decrease in commercial sector electric use as a result of the mandated closure of businesses, with a partially off-setting increase in residential electric use. Primarily as a result of these factors, revenues from the sale of energy are estimated to have declined during March through June 2020 by approximately $2.7 million compared to what had been forecast (weather adjusted) prior to the pandemic, with related reduced fuel and power purchase costs of approximately $1.1 million attributable to the decreased load. Going forward, reduced economic activity as a result of COVID-19 and its associated impacts, such as business closures, increased unemployment, housing foreclosures and/or other economic consequences, may further reduce demands for electricity in the region. Although a decline in load would result in certain reduced commodity expenses, such reductions would not be expected to be sufficient to fully offset the associated decline in revenues.

The City expects that as a result of the economic impacts to the service area, an increased number of Roseville Electric retail customers may face financial challenges in paying their utility bills. In response to the COVID-19 pandemic, the City has been implementing a number of temporary measures to assist Roseville Electric customers through any financial hardship that may occur as a result of the COVID-19 pandemic, including promoting existing payment plans and working on additional extended payment options, as well as the deferral of disconnections of electric services for non-payment. See also "RATE SETTING – Electric Rates." The economic impacts of the COVID-19 pandemic and the customer assistance measures may result in increased delinquencies and more non-payment of utility bills than normal. As of June 30, 2020, Roseville Electric has experienced a relatively small increase in the number and amounts of accounts in arrears 61 days past due or more. Roseville Electric's robust liquidity positions it well to weather any near term financial challenges customers may face as a result of the COVID-19 pandemic, as evidenced by an estimated $159 million in cash or approximately 480 days cash on hand as of such date.

In addition to the potential impacts on revenues, future costs could also be increased in the event that a sustained deterioration in global stock market values negatively impacts the market value of assets held to fund the City's pension and other post-employment benefit plans, requiring future unanticipated increases in required plan contributions. See "ROSEVILLE ELECTRIC FINANCIAL INFORMATION – Retirement Benefits" and " – Other Post-Employment Health Benefits."

The COVID-19 pandemic and related consequences have also disrupted supply chains and some construction activities. Continued disruptions in supply chains or delayed construction schedules could adversely impact the timing of capital projects, including capital projects designed to further renewable energy and carbon reduction goals and requirements.

The City cannot predict (i) the duration or ultimate extent of the COVID-19 pandemic; (ii) to what extent the COVID-19 pandemic may affect the operations and revenues of Roseville Electric in the future; (iii) to what extent the COVID-19 pandemic may ultimately disrupt the local, State, national or global economy, manufacturing or supply chain, or whether any such disruption will adversely impact Electric System-related construction, the cost, sources of funds, schedule or implementation of Roseville Electric's capital improvement program, or other Electric System operations; (iv) to what extent the City may provide additional customer assistance measures or deferrals, forbearances, adjustments or other changes to its customers or its billing and collection procedures; or (v) whether any of the foregoing may have a material adverse effect on the finances and operations of Roseville Electric. Prospective investors should consider that the restrictions and limitations instituted related to COVID-19 may increase (even after they are decreased), and the upheaval to the national and global economies may continue and/or be exacerbated, at least over the near term, and the recovery may be prolonged, and therefore, COVID-19 may adversely impact Roseville Electric revenues.

CONSTITUTIONAL LIMITATIONS ON TAXES AND APPROPRIATIONS

California Constitution Articles XIIIA and XIIIB

Article XIIIA of the California Constitution limits the taxing powers of California public agencies. Article XIIIA provides that the maximum ad valorem tax on real property cannot exceed one percent of the "full cash value" of the property, and effectively prohibits the levying of any other ad valorem property tax except for taxes above that level required to pay debt service on voter-approved general obligation bonds. "Full cash value" is defined as "the County Assessor's valuation of real property as shown on the 1975-76 tax bill under 'full cash value' or, thereafter, the appraisal value of real property when purchased, newly constructed, or a change in ownership has occurred after the 1975 assessment." The "full cash value" is subject to annual adjustment to reflect inflation at a rate not to exceed two percent or a reduction in the consumer price index or comparable local data, or declining property value caused by damage, destruction or other factors.

The foregoing limitation does not apply to ad valorem taxes or special assessments to pay the interest and redemption charges on any indebtedness approved by the voters before July 1, 1978 or any bonded indebtedness for the acquisition or improvement of real property approved by two-thirds of the votes cast by the voters voting on the proposition.

Under Article XIIIB of the California Constitution, state and local government entities have an annual "appropriations limit" which limits their ability to spend certain moneys called "appropriations subject to limitation", which consist of tax revenues, certain state subventions and certain other moneys, including user charges to the extent they exceed the costs reasonably borne by the entity in providing the service for which it is levying the charge. The City is of the opinion that the electric service and use charges imposed by the City do not exceed the costs the City reasonably bears in providing the electric service. In general terms, the "appropriations limit" is to be based on certain 1978/79 expenditures, and is to be adjusted annually to reflect changes in the consumer price index, population, and services provided by these entities. Among other provisions of Article XIIIB, if an entity's revenues in any year exceed the amount permitted to be spent, the excess would have to be returned by revising tax rates or fee schedules over the subsequent two years.

Propositions 218 and 26

Proposition 218. Proposition 218, a State ballot initiative known as the "Right to Vote on Taxes Act," was approved by the voters of the State of California on November 5, 1996. Proposition 218 added Articles XIIIC and XIIID to the State Constitution. Article XIIIC imposes a majority voter approval requirement on local governments (including the City) with respect to taxes for general purposes, and a two-thirds voter approval requirement with respect to taxes for special purposes. Article XIIID creates additional requirements for the imposition by most local governments of general taxes, special taxes, assessments and "property-related" fees and charges. Article XIIID explicitly exempts fees for the provision of electric service from the provisions of such article.

Article XIIIC expressly extends the people's initiative power to reduce or repeal previously-authorized local taxes, assessments, and fees and charges imposed prior to its effective date (November 1996). The terms "fees and charges" are not defined in Article XIIIC, although the California Supreme Court held in Bighorn-Desert View Water Agency v. Verjil, 39 Cal. 4th 205 (2006), that the initiative power described in Article XIIIC may apply to a broader category of fees and charges than the property-related fee and charges governed by Article XIIID. Moreover, in the case of Bock v. City Council of Lompoc, 109 Cal. App. 3d 43 (1980), the Court of Appeal determined that an electric rate ordinance was not subject to the same constitutional restrictions that are applied to the use of the initiative process for tax measures so as to render it an improper subject of the initiative process. Thus, electric service charges (which are expressly exempted from the provisions of Article XIIID) may be subject to the initiative provisions of Article XIIIC, thereby subjecting such fees and charges to reduction by the electorate. The City believes that even if the electric rates of the Electric System are subject to the initiative power, under Article XIIIC or otherwise, Article XIIIC does not grant to the electorate of the City the power to repeal or reduce its electric rates and charges in a manner that would impair the payment of the contractual obligations of the City or Authority (including those related to the 2020 Bonds).

Proposition 26. Proposition 26 was approved by the electorate at the November 2, 2010 election and amended California Constitution Articles XIIIA and XIIIC. The proposition imposes a two-thirds voter approval requirement for the imposition of fees and charges by the State. It also imposes a majority voter approval requirement on local governments with respect to fees and charges for general purposes, and a two-thirds voter approval requirement with respect to fees and charges for special purposes. Proposition 26, according to its supporters, is intended to prevent the circumvention of tax limitations imposed by the voters pursuant to Proposition 13, approved in 1978, and other measures through the use of non-tax fees and charges. Proposition 26 expressly excludes from its scope a charge imposed for a specific government service or product provided directly to the payor that is not provided to those not charged, and which does not exceed the reasonable cost to the State or local government of providing the service or product to the payor. Proposition 26 may, however, be interpreted to limit fees and charges for electric utility services charged by governmental entities such as the City to preclude future transfers of electric utility generated funds to a local government's general fund and/or require stricter standards for the allocation of costs among customer classes.

Proposition 26 is subject to interpretation by California courts, including the extent to which it is applicable to pre-existing electric rates and general fund transfers. A number of lawsuits have been filed against public agencies in California under Proposition 26, including particularly with respect to electric utility fund transfers. The City is unable to predict at this time how Proposition 26 will ultimately be interpreted or the impact of Proposition 216 on the Electric System.

Future Initiatives

Article XIIIA, Article XIIIB, Articles XIIIC and XIIID and Proposition 26, were each adopted pursuant to measures qualified for the ballot pursuant to California's constitutional initiative process. From time to time other initiative measures could be adopted by California voters. The adoption of any such initiatives might place limitations on the ability of the City to increase revenues or to increase appropriations.

TAX MATTERS

The interest on the 2020 Bonds is not intended by the Authority to be excluded from gross income for federal income tax purposes. However, in the opinion of Jones Hall, A Professional Law Corporation ("**Bond Counsel**"), San Francisco, California, under existing law, interest on the 2020 Bonds is exempt from California personal income taxes.

The proposed form of opinion of Bond Counsel with respect to the 2020 Bonds to be delivered on the date of issuance of the 2020 Bonds is set forth in APPENDIX D.

Owners of the 2020 Bonds should also be aware that the ownership or disposition of, or the accrual or receipt of interest on, the 2020 Bonds may have federal or state tax consequences other than as described above. Other than as expressly described above, Bond Counsel expresses no opinion regarding other federal or state tax consequences arising with respect to the 2020 Bonds, the ownership, sale or disposition of the 2020 Bonds, or the amount, accrual or receipt of interest on the 2020 Bonds.

CONTINUING DISCLOSURE

The City will covenant in a continuing disclosure certificate, the form of which is set forth in "Appendix E – FORM OF CONTINUING DISCLOSURE CERTIFICATE," for the benefit of holders and beneficial owners of the 2020 Bonds, to provide certain financial information and operating data relating to the Electric System and the 2020 Bonds by not later than seven months after the end of the City's Fiscal Year, resulting in a deadline of January 31 of each year, beginning with an initial deadline of January 31, 2021 for the fiscal year ended June 30, 2020. The Continuing Disclosure Certificate also requires the City to provide notices of the occurrence of certain enumerated events.

The covenants of the City in the Continuing Disclosure Certificate will be made in order to assist the Underwriter in complying with Rule 15c2-12(b)(5) promulgated under the Securities Exchange Act of 1934, as amended (the "**Rule**").

The City believes it currently is in material compliance with all of its continuing disclosure undertakings for the last five years. Notwithstanding the foregoing, in the last five years:

(1) The Annual Reports for Fiscal Year 2014-15 for certain of the City's then-outstanding obligations were not timely filed or were not filed with all required information, including up to 510 days late.

(2) In the last five years, the City has not in a timely manner filed all significant event notices, including notices of changes in the ratings of certain then-outstanding

obligations resulting from changes in ratings to the bond insurers who insured such obligations or the underlying ratings for such obligations, including up to 1,983 days late.

The City believes it has made corrective filings to address the known instances during the last five years of past delayed or failure to file annual reports, omissions of required information and/or rating changes to be filed under its prior continuing disclosure undertakings, except with respect to certain bonds or obligations that are no longer outstanding.

VERIFICATION OF MATHEMATICAL COMPUTATIONS

Causey Demgen & Moore P.C., a firm of independent public accountants (the "**Verification Agent**") will deliver to the City, on or before the closing date of the 2020 Bonds, its attestation report indicating that it has verified, in accordance with standards established by the American Institute of Certified Public Accountants, the information and assertions provided by the Municipal Advisor and/or Underwriter on behalf of the Authority. Included in the scope of its verification will be a verification of the mathematical accuracy of the mathematical computations of the adequacy of the amounts deposited into the 2020 Escrow Fund, together with investment earnings thereon, to pay on the applicable payment dates the principal and accrued interest with respect to the 2013 Bonds and 2014 Bonds being defeased and paid or optionally redeemed with the proceeds of the 2020 Bonds.

The verification performed by the Verification Agent will be solely based upon data, information and documents provided to the Verification Agent by the Municipal Advisor and/or Underwriter on behalf of the Authority. The Verification Agent's report of its verification will state that the Verification Agent has no obligation to update the report because of events occurring, or data or information coming to its attention, subsequent to the date of the report.

RATINGS

S&P Global Ratings ("**S&P**") has assigned the rating of "___" and Fitch Ratings ("**Fitch**") has assigned the rating of "____" to the 2020 Bonds. Each rating reflects only the views of the rating agency, and an explanation of the significance of this rating, and any outlook assigned to or associated with this rating, should be obtained from the rating agency. There is no assurance that this rating will continue for any given period of time, or that this rating will not be revised downward or withdrawn entirely by the rating agency if, in its judgment, circumstances so warrant. Any downward revision or withdrawal of the rating from S&P or the rating from Fitch may have an adverse effect on the market price of the 2020 Bonds.

UNDERWRITING

The 2020 Bonds were sold to Goldman Sachs & Co. LLC, as underwriter (the "**Underwriter**"). The 2020 Bonds are being purchased by the Underwriter at a purchase price of $_____, which represents the aggregate principal amount of the 2020 Bonds, plus/less [net] original issue premium/discount of $_____________, less an Underwriter's discount of $______________.

The Underwriter intends to offer and sell the 2020 Bonds to the public at the offering prices set forth on the inside cover page of this Official Statement. After the initial public offering, the public offering price may be varied from time to time by the Underwriter.

The Underwriter and its affiliates are a full-service financial institution engaged in various activities, which may include sales and trading, commercial and investment banking, investment management, investment research, principal investment, hedging, market making, brokerage and other financial and non-financial activities and services. The Underwriter and its affiliates have provided, and may in the future provide, a variety of these services to the Authority or the City, and to persons and entities with relationships with the Authority or the City, for which they received or will receive customary fees and expenses.

In the ordinary course of their various business activities, the Underwriter and its affiliates, officers, directors and employees may purchase, sell or hold a broad array of investments and actively trade securities, derivatives, loans, commodities, currencies, credit default swaps and other financial instruments for their own account and for the accounts of their customers, and such investment and trading activities may involve or relate to assets, securities and/or instruments of the issuer (directly, as collateral securing other obligations or otherwise) and/or persons and entities with relationships with the Authority or the City. The Underwriter and its affiliates may also communicate independent investment recommendations, market color or trading ideas and/or publish or express independent research views in respect of such assets, securities or instruments and may at any time hold, or recommend to clients that they should acquire, long and/or short positions in such assets, securities and instruments.

The Underwriter or an affiliate thereof holds certain of the bonds that are being refunded in connection with the offering contemplated herein and, as a result, will receive a portion of the proceeds of the 2020 Bonds.

MUNICIPAL ADVISOR

The City has retained Hilltop Securities Inc., of Encino, California, as municipal advisor (the "**Municipal Advisor**") in connection with the issuance of the 2020 Bonds. The Municipal Advisor is not obligated to undertake, and has not undertaken to make, an independent verification or assume responsibility for the accuracy, completeness, or fairness of the information contained in this Official Statement. The Municipal Advisor is an independent financial advisory firm. The payment of the fees of the Municipal Advisor is contingent upon the issuance of the 2020 Bonds.

OTHER INFORMATION

Certain Legal Matters

The validity of the 2020 Bonds, the Trust Agreement, the Installment Purchase Contract and certain other legal matters are subject to the approving opinion of Jones Hall, A Professional Law Corporation, San Francisco, California, Bond Counsel. Certain matters will also be passed upon for the City and the Authority by Jones Hall, as Disclosure Counsel. Certain legal matters will be passed upon for the Authority and the City by the City Attorney, and for the Underwriter by its counsel, Stradling Yocca Carlson & Rauth, a Professional Corporation.

Professional Fees

Payment of the compensation of Bond Counsel, Disclosure Counsel, the Underwriter, Underwriter's counsel and the Trustee are contingent upon issuance of the 2020 Bonds.

Absence of Litigation

There is no action, suit or proceeding known to be pending or threatened, restraining or enjoining the execution, delivery or sale of the 2020 Bonds or the execution of the Trust Agreement, or in any way contesting or affecting the validity of the foregoing or any proceedings of the City or the Authority taken with respect to any of the foregoing.

EXECUTION

The Authority and the City have duly authorized the execution and delivery of this Official Statement.

ROSEVILLE FINANCE AUTHORITY

By: ___________________________________
Treasurer

CITY OF ROSEVILLE

By: ___________________________________
Assistant City Manager/
Chief Financial Officer

APPENDIX A

THE CITY OF ROSEVILLE AND PLACER COUNTY

Certain financial and economic data for the City, County and State are presented in this appendix for information purposes only. The Bonds are not a debt or obligation of the City, County or State, but are a limited obligation of the Authority secured solely by the Revenues and other amounts pledged under the Trust Agreement, all as described in more detail in this Official Statement.

The financial information and economic data contained in this Appendix A are in relation to dates and periods prior to the economic impact of the COVID-19 pandemic and measures instituted to slow it. Accordingly, they are not necessarily indicative of the current financial and economic condition of the City, County or State or their future prospects.

General

The City is located in Placer County, which is located in the Sacramento Valley near the foothills of the Sierra Nevada mountain range, about 16 miles northeast of Sacramento and 110 miles east of San Francisco. The City presently occupies 43 square miles in the southwestern part of the County and is the largest city in the County as well as the residential and business center of the County. It is bordered by Sacramento County to the south, the City of Rocklin to the north and un-incorporated Placer County to the east and west. The estimated population of the City as of January 1, 2020 was approximately 145,163.

The City has warm summers typical of central California, with an average July temperature of 77 degrees. Winter temperatures are moderate; the average January temperature is 46 degrees. The temperature drops below freezing an average of eight days per year. Rainfall averages 20 inches annually and falls mostly during the winter.

The City is predominately comprised of residential housing, small and large businesses, as well as numerous retail centers, the latter of which play a vital role in the economy of the City and contribute significantly to City and County sales tax receipts. The City has the thirteenth highest retail sales of all cities in the State, and the City is considered a regional shopping destination. The Westfield Galleria at Roseville is the main shopping center in the City and the second largest shopping mall in Northern California. Across from the Westfield Galleria lies the "Fountains at Roseville," a 330,000 square foot retail center, containing additional stores and several recreation centers. Plans call for future construction of hotel, additional retail, and office buildings in connection with the Fountains at Roseville project. In addition to the Westfield Galleria and Fountains at Roseville, the City has many shopping plazas surrounding the Westfield Galleria and the Douglas Boulevard financial corridor. The City is also home to one of the largest auto malls in the United States and a popular water park, Roseville Golfland-SunSplash.

Municipal Government

The City was incorporated on April 10, 1909 and is a charter city. The City operates under the council-manager form of government, with a five-member City Council elected at large for staggered four-year terms. At each election, the council member receiving the most votes is appointed mayor pro-tempore for two years and becomes mayor for the final two years.

City services include, among others, police and fire protection, library services, street maintenance, and parks and recreation. The City also owns two golf courses and provides its own electricity, water, sewer and refuse services to its citizens.

Population

The following table sets forth population estimates for the City, County and State for the past five years.

POPULATION ESTIMATES
City, County and State
Calendar Years 2016 through 2020, as of January 1

Year	City of Roseville	Placer County	State of California
2016	132,676	376,508	39,131,307
2017	135,398	383,598	39,398,702
2018	137,983	389,387	39,586,646
2019	141,299	395,978	39,695,376
2020	145,163	403,711	39,782,870

Source: California State Department of Finance.

Effective Buying Income

Effective buying income ("**EBI**") is designated as personal income less personal tax and non-tax payments. Personal income is the aggregate of wages and salaries, other labor income (such as employer contributions to private pension funds), proprietor's income, rental income (which includes imputed rental income of owner-occupants of non-farm dwellings), dividends paid by corporations, personal interest income from all sources, and transfer payments (such as pensions and welfare assistance). Deducted from this total are personal taxes (federal, state and local), non-tax payments (such as fines, fees, penalties), and personal contributions for social insurance. Effective buying income is a bulk measure of market potential. It indicates the general ability to buy and is essential in comparing, selecting and grouping markets on that basis. The following table demonstrates the growth in annual estimated EBI for the City, the County, the State and the United States.

EFFECTIVE BUYING INCOME (EBI)
City, County, State and United States
As of January 1, 2016 through 2020

Year	Area	Total Effective Buying Income (000's Omitted)	Median Household Effective Buying Income
2016	City of Roseville	$3,959,073	$64,615
	Placer County	11,729,490	64,480
	California	981,231,666	53,589
	United States	7,757,960,399	46,738
2017	City of Roseville	$4,126,395	$66,668
	Placer County	12,122,101	65,269
	California	1,036,142,723	55,681
	United States	8,132,748,136	48,043
2018	City of Roseville	$4,470,762	$70,438
	Placer County	12,967,927	69,226
	California	1,113,648,181	59,646
	United States	8,640,770,229	50,735
2019	City of Roseville	$4,981,208	$75,784
	Placer County	14,736,480	74,797
	California	1,183,264,399	62,637
	United States	9,017,967,563	52,841
2020	City of Roseville	$4,834,974	$72,395
	Placer County	14,333,583	72,431
	California	1,243,564,816	65,870
	United States	9,487,165,436	55,303

Source: The Nielsen Company (US), Inc for years 2015 through 2018; Claritas, LLC for 2019.

Employment and Industry

The unemployment rate in the Sacramento--Roseville--Arden-Arcade MSA was 12.8 percent in June 2020, down from a revised 13.7 percent in May 2020, and above the year-ago estimate of 3.7 percent. This compares with an unadjusted unemployment rate of 15.1 percent for California and 11.2 percent for the nation during the same period. The unemployment rate was 12.9 percent in El Dorado County, 11.2 percent in Placer County, 13.6 percent in Sacramento County, and 10.6 percent in Yolo County.

The following table summarizes the civilian labor force, employment and unemployment, as well as employment by industry, in the Sacramento--Arden-Arcade--Roseville MSA for the years 2015 through 2019.

CIVILIAN LABOR FORCE, EMPLOYMENT AND UNEMPLOYMENT
Sacramento Arden Arcade Roseville Metropolitan Statistical Area
(El Dorado, Placer, Sacramento, and Yolo Counties)
Civilian Labor Force, Employment and Unemployment
Annual Averages

	2015	2016	2017	2018	2019
Civilian Labor Force (1)	1,052,800	1,068,300	1,075,300	1,089,600	1,101,000
Employment	991,200	1,012,000	1,026,400	1,048,200	1,061,400
Unemployment	61,700	56,400	48,900	41,400	39,600
Unemployment Rate	5.9%	5.3%	4.5%	3.8%	3.6%
Wage and Salary Employment (2)					
Agriculture	9,400	9,700	9,800	9,100	8,800
Mining and Logging	400	400	400	500	500
Construction	50,300	55,000	58,700	64,500	68,400
Manufacturing	36,400	36,200	35,700	36,000	36,500
Wholesale Trade	24,400	25,500	26,500	28,400	28,700
Retail Trade	98,000	100,500	101,400	102,000	100,600
Transportation, Warehousing and Utilities	24,600	26,000	26,700	29,600	32,300
Information	14,200	13,800	12,600	12,400	11,900
Finance and Insurance	37,100	37,300	37,200	36,600	35,200
Real Estate and Rental and Leasing	13,800	14,500	15,200	16,800	17,400
Professional and Business Services	120,100	127,800	130,000	133,500	134,900
Educational and Health Services	140,900	146,500	153,600	159,800	166,400
Leisure and Hospitality	95,400	99,800	103,300	106,200	109,200
Other Services	30,900	31,700	33,000	34,200	35,100
Federal Government	13,700	14,000	14,200	14,100	14,200
State Government	115,300	116,600	118,400	120,400	122,500
Local Government	102,900	104,000	102,600	103,500	104,800
Total, All Industries (3)	1,052,800	1,068,300	1,075,300	1,089,600	1,101,000

(1) Labor force data is by place of residence; includes self-employed individuals, unpaid family workers, household domestic workers, and workers on strike.
(2) Industry employment is by place of work; excludes self-employed individuals, unpaid family workers, household domestic workers, and workers on strike.
(3) Totals may not add due to rounding.
Source: State of California Employment Development Department.

Major Employers

The following table lists the major employers within the County, in alphabetical order.

MAJOR EMPLOYERS
Placer County
(In Alphabetical Order)
July 2020

Employer Name	Location	Industry
Adventist Health	Roseville	Health Services
Alpine Meadows Ski Resort	Alpine Meadows	Resorts
Backyard Bar & BBQ	Truckee	Restaurants
Costco Wholesale	Roseville	Wholesale Clubs
Golfland Sunsplash	Roseville	Water Parks
Hewlett-Packard	Roseville	Computers-Electronic-Manufacturers
Kaiser Permanente Roseville MD	Roseville	Hospitals
Northstar California	Truckee	Resorts
Placer County Fire Dept	Auburn	Government Offices-County
Placer County Food Stamps	Auburn	County Government-Social/Human Resources
Placer County Sheriff	Auburn	Government Offices-County
Placer County Sheriff Dept	Tahoe City	Government Offices-County
PRIDE Industries	Roseville	Employment Agencies & Opportunities
Q I P-Roseville	Roseville	Real Estate Management
Resort At Squaw Creek	Alpine Meadows	Hotels & Motels
Ritz-Carlton Club Lake Tahoe	Truckee	Hotels & Motels
Roseville Toyota & Scion	Roseville	Automobile Dealers-Used Cars
Sheriff's Training	Auburn	Government Offices-County
Sierra Community College Dist	Rocklin	Junior-Community College-Tech Institutes
Stagg Howard A Pro Corp	Roseville	Attorneys
Sutter Auburn Faith Hospital	Auburn	Hospitals
Sutter Roseville Medical Ctr	Roseville	Hospitals
Tami Saner & Assoc	Roseville	Real Estate
Thunder Valley Casino	Lincoln	Casinos
Union Pacific Railroad Co	Roseville	Railroads

Source: State of California Employment Development Department, extracted from the America's Labor Market Information System (ALMIS) Employer Database, 2020 1st Edition.

Principal Employers

The following table shows the principal employers in the City, as shown in the City's Comprehensive Annual Financial Report for fiscal year ending June 30, 2019.

PRINCIPAL EMPLOYERS
City of Roseville
As of June 30, 2019

Employer	Number of Employees
The Permanente Medical Group & Foundation Group	5,794
Sutter Roseville Medical Group	2,202
City of Roseville	1,896
Hewlett Packard	1,154
Roseville City School District	1,154
PRIDE Industries	1,062
Roseville Joint Union High School	1,005
Adventist Health	920
Union Pacific Railroad Company	569
Wal-Mart	488
Total – Top Ten	16,244
Total City-Wide Employment	88,597

Source: City of Roseville Comprehensive Annual Financial Report for Fiscal Year 2018-19.

Construction Permits

The following table shows valuations of residential and non-residential building permits issued for calendar years 2015 through 2019.

BUILDING PERMIT VALUATION
City of Roseville
(Valuation in Thousands of Dollars)

	2015	**2016**	**2017**	**2018**	**2019**
Permit Valuation					
New Single-family	$262,769.4	$242,272.7	$322,386.5	$220,8.113.8	$265,615.3
New Multi-family	0.0	5,900.3	51,882.2	0.0	6,855.8
Res. Alterations/Additions	9,039.9	7,518.4	7,283.3	8,598.7	16,133.8
Total Residential	$271,809.3	$255,691.4	$381,552.0	$229,412.5	288,604.9
New Commercial	$36,704.0	$27,783.7	$81,544.8	$21,072.5	$24,136.7
New Industrial	0.0	0.0	0.0	0.0	0.0
New Other	9,340.5	18,126.2	8,356.1	11,541.4	9,358.1
Com. Alterations/Additions	42,754.7	32,621.0	51,836.3	38,098.5	46,155.6
Total Nonresidential	$88,799.2	$78,530.9	$141,737.2	$70,712.4	$79,650.40
New Dwelling Units					
Single-Family	927	862	1,201	806	1,001
Multiple Family	0	58	486	0	65
Total New Dwelling Units	927	920	1,687	806	1,066

Source: Construction Industry Research Board, Building Permit Summary.

The County's 2019-20 assessment roll totaled $80.0 billion as compared to the prior year's assessment roll of $75.3 billion, which reflected a 6.24% increase this year. These numbers over the last two years contrast with the real estate decline years of 2008 and after, where the County assessment roll experienced declines.

The following table shows residential and non-residential building permits issued within the County for calendar years 2015 through 2019.

BUILDING PERMIT VALUATION
County of Placer
(Valuation in Thousands of Dollars)

	2015	**2016**	**2017**	**2018**	**2019**
Permit Valuation					
New Single-family	$683,806.3	$776,410.8	$771,800.5	$696,737.4	$693,647.7
New Multi-family	21,702.2	42,395.7	92,565.5	23,384.7	7,896.7
Res. Alterations/Additions	82,577.5	79,543.6	89,429.2	99,341.6	86,964.2
Total Residential	$788,086.0	$898,350.1	$953,795.2	$819,463.7	$788,508.6
New Commercial	$72,506.2	$84,953.2	$138,544.8	$90,424.4	$73,609.7
New Industrial	1,339.6	535.1	0.0	7,956.4	268.7
New Other	72,602.9	90,958.7	57,356.4	68,208.3	110,951.1
Com. Alterations/Additions	80,457.5	64,524.2	94,058.6	84,271.0	78,159.7
Total Nonresidential	$226,906.2	$240,971.2	$289,959.8	$250,860.1	$262,989.2
New Dwelling Units					
Single-Family	1,994	2,102	2,500	1,963	2,080
Multiple Family	240	322	782	19	71
Total New Dwelling Units	2,424	2,342	3,282	1,982	2,151

Source: Construction Industry Research Board, Building Permit Summary.

Commercial Activity

A summary of historic taxable sales within the City and the County during the past five years in which data is available is shown in the following tables.

The total taxable sales during calendar year 2019 in the City were reported to be $4,889,701,830, a 2.57% increase from the total taxable sales of $ 4,767,160,237 reported during calendar year 2018. Annual figures for 2020 are not yet available.

TAXABLE TRANSACTIONS
City of Roseville
Calendar Years 2015 through 2019
(Dollars in Thousands)

	Retail Stores		Total All Outlets	
	Number of Permits	**Taxable Transactions**	**Number of Permits**	**Taxable Transactions**
2015(1)	3,828	3,684,238	5,334	4,446,457
2016	3,761	3,749,782	5,293	4,425,939
2017	3,715	3,915,184	5,257	4,642,069
2018	3,705	4,048,870	5,393	$4,767,160
2019	3,748	4,021,058	5,578	4,889,701,830

(1) Permit figures for calendar year 2015 are not comparable to that of prior years due to outlet counts in these reports including the number of outlets that were active during the reporting period. Retailers that operate part-time are now tabulated with store retailers.

Source: State Department of Tax and Fee Administration.

The total taxable sales during calendar year 2019 in the County were reported to be $10,341,805,054, a 4.36% increase over the total taxable sales of $9,909,905,815 reported during calendar year 2018.

TAXABLE TRANSACTIONS
Placer County
Calendar Years 2015 through 2019
(Dollars in Thousands)

	Retail Stores		Total All Outlets	
	Number of Permits	**Taxable Transactions**	**Number of Permits**	**Taxable Transactions**
2015(1)	8,678	6,594,126	13,124	8,675,315
2016	8,671	6,814,515	13,227	8,920,892
2017	8,713	7,194,952	13,365	9,428,862
2018	8,717	7,724,326	13,794	9,909,906
2019	8,771	7,943,537	14,193	10,341,805

(1) Permit figures for calendar year 2015 are not comparable to that of prior years due to outlet counts in these reports including the number of outlets that were active during the reporting period. Retailers that operate part-time are now tabulated with store retailers.

Source: State Department of Tax and Fee Administration.

Transportation

The transportation network in and around the City is an integral part of its development. Centrally located in the State, the area is the hub of several major highways. Interstate 80 runs through the City, connecting San Francisco to New York. Highway 65 runs north through the City, from I-80 to Lincoln and Marysville. Interstate 5, which is west of the City, runs north to Seattle and south to Los Angeles.

Union Pacific Railroad bought Southern Pacific in 1996 and the J.R. Davis Yard, located in Roseville, is the largest rail facility on the West Coast. Union Pacific owns and operates track in 23 states, primarily west of the Mississippi River. Amtrak provides passenger service daily to San Francisco and San Jose, and the California Zephyr connects the County to the Midwest and Chicago.

Greyhound operates a station in the City, providing interstate destination services. Greyhound also operates throughout the County, with bus depots or regularly scheduled stops in most of the communities along major highways and roads.

Sacramento International Airport serves the Roseville area. Served by ten major carriers and several commuter airlines, as well as air-freight carriers, the airport handles passenger flights to over 140 cities with more than 130 scheduled departures per day and 4.3 million passengers annually. Nearby Auburn Municipal Airport serves charter and private aircraft for coastal, state and transcontinental flights. Executive air service is available as well. Auburn Municipal has an elevation of 1,520 feet and an east/west runway 3,100 feet in length.

Several trucking companies serve the City, ranging from interstate lines to local haulers, and transporting a wide variety of goods. United Parcel Service, with a distribution center in Rocklin, offers freight transportation services as well.

APPENDIX B

CITY COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR FISCAL YEAR 2018-19

APPENDIX D

PROPOSED FORM OF BOND COUNSEL OPINION

[Closing Date]

Board of Directors of the
Roseville Finance Authority
311 Vernon Street
Roseville, California 95678

OPINION: Roseville Finance Authority Electric System Revenue Refunding Bonds, $_____________ Taxable Series 2020

Members of the Board:

We have acted as bond counsel in connection with the issuance by the Roseville Finance Authority (the "Authority") of its $_______________ Electric System Revenue Refunding Bonds, Taxable Series 2020 (the "Bonds"), pursuant to the provisions of the Marks Roos Local Bond Pooling Act of 1985 (commencing with Section 6584 of the California Government Code) and a Trust Agreement, dated as of September 1, 2020 (the "Trust Agreement"), between the Authority and The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee"). The Bonds are secured by Revenues, as such term is defined in the Trust Agreement, including certain installment payments made by the City of Roseville (the "City") under a Master Installment Purchase Contract, dated as of November 1, 1997, as supplemented, including by a 2020 Supplemental Installment Purchase Contract dated as of September 1, 2020 (the "2020 Supplemental Contract" and collectively with the Master Contract and the prior supplements, the "Installment Purchase Contract") between the Authority and the City. We have examined the law and such certified proceedings and other papers as we deem necessary to render this opinion.

As to questions of fact material to our opinion, we have relied upon representations of the Authority and the City contained in the Trust Agreement and the Installment Purchase Contract, and in the certified proceedings and certifications of public officials and others furnished to us, without undertaking to verify such facts by independent investigation.

Based upon the foregoing, we are of the opinion, under existing law, that:

1. The Authority is a joint exercise of powers authority duly organized and existing under the laws of the State of California, with power to enter into the Trust Agreement, to perform the agreements on its part contained therein and to issue the Bonds.

2. The Bonds constitute legal, valid and binding special obligations of the Authority enforceable in accordance with their terms and payable solely from the sources provided therefor in the Trust Agreement.

3. The Trust Agreement has been duly authorized, executed and delivered by the Authority, and constitutes a legal, valid and binding obligation of the Authority enforceable

against the Authority in accordance with its terms. The Trust Agreement creates a valid pledge, to secure the payment of the principal of and interest on the Bonds, of the Revenues and any other amounts (including proceeds of the sale of the Bonds) held by the Trustee in any fund or account established pursuant to the Trust Agreement, subject to the provisions of the Trust Agreement permitting the application thereof for the purposes and on the terms and conditions set forth therein.

4. The City is a charter city duly organized and existing under the laws of the State of California, with power to enter into the Installment Purchase Contract and to perform the agreements on its part contained therein. The Installment Purchase Contract has been duly authorized, executed and delivered by the City, and constitutes a legal, valid and binding obligation of the City enforceable against the City in accordance with its terms.

5. The interest on the Bonds is exempt from personal income taxation imposed by the State of California.

We express no opinion regarding any other tax consequences arising with respect to the ownership, sale or disposition of, or the amount, accrual or receipt of interest on, the Bonds.

The rights of the owners of the Bonds and the enforceability of the Bonds are limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally, and by equitable principles, whether considered at law or in equity.

This opinion is given as of the date hereof, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention, or any changes in law that may hereafter occur. Our engagement with respect to this matter has terminated as of the date hereof.

Respectfully submitted,

A Professional Law Corporation

APPENDIX E

FORM OF CONTINUING DISCLOSURE CERTIFICATE

This CONTINUING DISCLOSURE CERTIFICATE (the "Disclosure Certificate") is executed and delivered by the CITY OF ROSEVILLE (the "City") for and on behalf of itself and the ROSEVILLE FINANCE AUTHORITY (the "Authority"), in connection with the issuance by the Authority of its $__________ Electric System Revenue Refunding Bonds, Taxable Series 2020 (the "2020 Bonds"). The 2020 Bonds are being issued pursuant to a Trust Agreement, dated as of September 1, 2020 (the "Trust Agreement"), between the Authority and The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee"). The City covenants and agrees as follows:

Section 1. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the City for the benefit of the holders and beneficial owners of the 2020 Bonds and in order to assist the Participating Underwriter in complying with the Rule.

Section 2. Definitions. In addition to the definitions set forth in the Trust Agreement, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Section 2, the following capitalized terms have the following meanings:

"*Annual Report*" means any Annual Report provided by the City pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

"*Dissemination Agent*" means Fieldman, Rolapp & Associates, Inc. dba Applied Best Practices, or any successor Dissemination Agent designated in writing by the City and which has filed with the City and the Trustee a written acceptance of such designation.

"*Listed Events*" means any of the events listed in Section 5(a) of this Disclosure Certificate.

"*MSRB*" means the Municipal Securities Rulemaking Board, which has been designated by the Securities and Exchange Commission as the sole repository of disclosure information for purposes of the Rule.

"*Official Statement*" means the Official Statement relating to the 2020 Bonds.

"*Participating Underwriter*" means Goldman Sachs & Co. LLC, the original underwriter of the 2020 Bonds required to comply with the Rule in connection with offering of the 2020 Bonds.

"*Report Date*" means seven months after the end of the City's fiscal year (currently January 31 of each year based on the City's June 30 fiscal year end).

"*Rule*" means Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

Section 3. Provision of Annual Reports.

(a) The City shall, or shall cause the Dissemination Agent to, not later than each Report Date, beginning on January 31, 2021 for the fiscal year ended June 30, 2020, provide to the MSRB in an electronic format as prescribed by the MSRB, an Annual Report that is consistent with the requirements of Section 4 of this Disclosure Certificate. Not later than 15 business days before each Report Date, the City shall provide the Annual Report to the Dissemination Agent (if other than the City). The Annual Report may be submitted as a single document or as separate documents comprising a package, and may include by reference other information as provided in Section 4 of this Disclosure Certificate. The audited financial statements of the City may be submitted separately from the balance of the Annual Report, and later than the Report Date, if not available by the Report Date. If the City's fiscal year changes, it shall give notice of such change in the same manner as for a Listed Event under Section 5(c). The City shall provide a written certification with each Annual Report furnished to the Dissemination Agent to the effect that such Annual Report constitutes the Annual Report required to be furnished by the City under this Disclosure Certificate.

(b) If the City is unable to provide (or cause the Dissemination Agent to provide) an Annual Report by the Annual Report Date, the City shall, by written direction, cause the Dissemination Agent to provide to the MSRB, in an electronic format as prescribed by the MSRB, a notice, in substantially the form attached as Exhibit A.

(c) The Dissemination Agent shall:

(i) determine each year prior to the Annual Report Date the then-applicable rules and electronic format prescribed by the MSRB for the filing of annual continuing disclosure reports; and

(ii) if the Dissemination Agent is other than the City, file a report with the City certifying that the Annual Report has been provided pursuant to this Disclosure Certificate, and stating the date it was provided.

Section 4. <u>Content of Annual Reports</u>. The City's Annual Report shall contain or incorporate by reference the following:

(a) Audited Financial Statements of the City, which shall include financial statements of the City's municipal electric power utility (the "Electric System") 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 Report Date, 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 on or prior to the Report Date, the following financial information and operating data with respect to the City and the Electric System for the preceding fiscal year as of June 30 of the previous fiscal year:

(1) The principal amount of the outstanding 2020 Bonds.

(2) The balance in the Reserve Fund.

(3) The Reserve Fund Requirement for the 2020 Bonds and all outstanding Parity Obligations.

(4) The balance in the Rate Stabilization Fund.

(5) An updated table substantially in the form of Table 1 in the Official Statement entitled "Sources of Power Supply."

(6) An updated table substantially in the form of Table 3 in the Official Statement entitled "Customers, Sales and Peak Demand."

(7) An updated table substantially in the form of Table 4 in the Official Statement entitled "Ten Largest Customers."

(8) An updated table substantially in the form of Table 9 in the Official Statement entitled "City Share of Outstanding Debt of Joint Powers Agencies."

(9) An updated table substantially in the form of Table 10 in the Official Statement entitled "Historical Calculation of Debt Service Coverage Ratio."

Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the City or related public entities, which are available to the public on the MSRB's internet web site or filed with the Securities and Exchange Commission. If the 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.

(c) In addition to any of the 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.

Section 5. Reporting of Significant Events.

(a) The City shall give, or cause to be given, notice of the occurrence of any of the following Listed Events with respect to the 2020 Bonds:

(1) Principal and interest payment delinquencies.

(2) Non-payment related defaults, if material.

(3) Unscheduled draws on debt service reserves reflecting financial difficulties.

(4) Unscheduled draws on credit enhancements reflecting financial difficulties.

(5) Substitution of credit or liquidity providers, or their failure to perform.

(6) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security.

(7) Modifications to rights of security holders, if material.

(8) Bond calls, if material, and tender offers.

(9) Defeasances.

(10) Release, substitution, or sale of property securing repayment of the securities, if material.

(11) Rating changes.

(12) Bankruptcy, insolvency, receivership or similar event of the City or other obligated person.

(13) The consummation of a merger, consolidation, or acquisition involving the City or an obligated person, or the sale of all or substantially all of the assets of the City or an obligated person (other than in the ordinary course of business), the entry into a definitive agreement to undertake such an action, or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material.

(14) Appointment of a successor or additional trustee or the change of name of a trustee, if material.

(15) Incurrence of a financial obligation of the City, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the City, any of which affect security holders, if material (for the definition of "financial obligation," see clause (e)).

(16) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the City, any of which reflect financial difficulties (for the definition of "financial obligation," see clause (e)).

(b) Whenever the City obtains knowledge of the occurrence of a Listed Event, the City shall, or shall cause the Dissemination Agent (if not the City) to, file a notice of such occurrence with the MSRB, in an electronic format as prescribed by the MSRB, in a timely manner not in excess of 10 business days after the occurrence of the Listed Event. Notwithstanding the foregoing, notice of Listed Events described in subsections (a)(8) and (9) above need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to holders of affected Bonds under the Trust Agreement.

(c) The City acknowledges that the events described in subparagraphs (a)(2), (a)(7), (a)(8) (if the event is a bond call), (a)(10), (a)(13), (a)(14) and (a)(15) of this Section 5 contain the qualifier "if material" and that subparagraph (a)(6) also contains the qualifier "material" with respect to certain notices, determinations or other events affecting the tax status of the Bonds. The City shall cause a notice to be filed as set forth in paragraph (b) above with respect to any such event only to the extent that it determines the event's occurrence is material for purposes of U.S. federal securities law. Whenever the City obtains knowledge of the occurrence of any of these Listed Events, the City will as soon as possible determine if such event would be material under applicable federal securities law. If such event is determined to be material, the City will cause a notice to be filed as set forth in paragraph (b) above.

(d) For purposes of this Disclosure Certificate, any event described in paragraph (a)(12) above is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the City in a proceeding under the United States Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the City, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the City.

(e) For purposes of paragraph (a)(15) and (a)(16), "financial obligation" means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term financial obligation shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

Section 6. Identifying Information for Filings with the MSRB. All documents provided to the MSRB under the Disclosure Certificate shall be accompanied by identifying information as prescribed by the MSRB.

Section 7. Termination of Reporting Obligation. The City's obligations under this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all of the 2020 Bonds. If such termination occurs prior to the final maturity of the 2020 Bonds, the City shall give notice of such termination in the same manner as for a Listed Event under Section 5(c).

Section 8. Dissemination Agent. The City may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any Dissemination Agent, with or without appointing a successor Dissemination Agent. Any Dissemination Agent may resign by providing 30 days' written notice to the City.

Section 9. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the City may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, provided that the following conditions are satisfied:

(a) if the amendment or waiver relates to the provisions of Sections 3(a), 4 or 5(a), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of an obligated person with respect to the 2020 Bonds, or type of business conducted;

(b) the undertakings herein, as proposed to be amended or waived, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the primary offering of the 2020 Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) the proposed amendment or waiver either (i) is approved by holders of the 2020 Bonds in the manner provided in the Trust Agreement for amendments to the Trust Agreement with the consent of holders, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the holders or beneficial owners of the 2020 Bonds.

If the annual financial information or operating data to be provided in the Annual Report is amended pursuant to the provisions hereof, the first Annual Report filed pursuant hereto containing the amended operating data or financial information shall explain, in narrative form, the reasons for the amendment and the impact of the change in the type of operating data or financial information being provided.

If an amendment is made to this Disclosure Certificate modifying the accounting principles to be followed in preparing financial statements, the Annual Report for the year in which the change is made shall present a comparison between the financial statements or information prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles. The comparison shall include a qualitative discussion of the differences in the accounting principles and the impact of the change in the accounting principles on the presentation of the financial information, in order to provide information to investors to enable them to evaluate the ability of the City to meet its obligations. To the extent reasonably feasible, the comparison shall be quantitative.

A notice of any amendment made pursuant to this Section 9 shall be filed in the same manner as for a Listed Event under Section 5(c).

Section 10. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the City from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the City chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the City shall have no obligation under this Disclosure Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

Section 11. Default. If the City fails to comply with any provision of this Disclosure Certificate, any holder or beneficial owner of the 2020 Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the City to comply with its obligations under this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an Event of Default under the Trust Agreement, and the sole remedy under this Disclosure Certificate in the event of any failure of the City to comply with this Disclosure Certificate shall be an action to compel performance.

Section 12. Duties, Immunities and Liabilities of Dissemination Agent.

(a) The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Certificate, and the City agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which they may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The Dissemination Agent shall have no duty or obligation to review any information provided to it by the City hereunder, and shall not be deemed to be acting in any fiduciary capacity for the City, the Bondholders or any other party. The obligations of the City under this Section shall survive resignation or removal of the Dissemination Agent and payment of the 2020 Bonds.

(b) The Dissemination Agent shall be paid compensation by the City for its services provided hereunder in accordance with its schedule of fees as amended from time to time, and shall be reimbursed for all expenses, legal fees and advances made or incurred by the Dissemination Agent in the performance of its duties hereunder.

Section 13. Notices. Any notice or communications to be among any of the parties to this Disclosure Certificate may be given as follows:

To the City:	City of Roseville 311 Vernon Street Roseville, California 95678 Attention: Chief Financial Officer Fax: (916) 774-5514
To the Dissemination Agent:	________________ ________________ ________________ Attention: ________________ Fax: ________________

Any person may, by written notice to the other persons listed above, designate a different address or telephone number(s) to which subsequent notices or communications should be sent.

Section 14. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the City, the Dissemination Agent, and holders and beneficial owners from time to time of the 2020 Bonds, and shall create no rights in any other person or entity.

Section 15. Counterparts. This Disclosure Certificate may be executed in several counterparts, each of which shall be regarded as an original, and all of which shall constitute one and the same instrument.

Date: ___________, 2020

CITY OF ROSEVILLE

By ___________________________________
Assistant City Manager/
Chief Financial Officer

ACCEPTED AND AGREED:

Fieldman, Rolapp & Associates, Inc.
dba Applied Best Practices,
as Dissemination Agent

By ________________________________
Authorized Representative

EXHIBIT A

NOTICE OF FAILURE TO FILE ANNUAL REPORT

Name of Obligor: City of Roseville

Name of Issue: $____________ Roseville Finance Authority Electric System Revenue Refunding Bonds, Taxable Series 2020

Date of Issuance: _____________, 2020

NOTICE IS HEREBY GIVEN that the City, on behalf of itself and of the Roseville Finance Authority, has not provided an Annual Report with respect to the above-named Bonds as required by the Continuing Disclosure Certificate dated as of ___________, 2020. The City anticipates that the Annual Report will be filed by ________________.

Dated:_____________

DISSEMINATION AGENT

By: ____________________________________

Title: __________________________________

APPENDIX F

DTC AND THE BOOK-ENTRY ONLY SYSTEM

The following description of the Depository Trust Company ("DTC"), the procedures and record keeping with respect to beneficial ownership interests in the 2020 Bonds, payment of principal, interest and other payments on the 2020 Bonds to DTC Participants or Beneficial Owners, confirmation and transfer of beneficial ownership interest in the 2020 Bonds and other related transactions by and between DTC, the DTC Participants and the Beneficial Owners is based solely on information provided by DTC. Accordingly, no representations can be made concerning these matters and neither the DTC Participants nor the Beneficial Owners should rely on the foregoing information with respect to such matters, but should instead confirm the same with DTC or the DTC Participants, as the case may be.

Neither the issuer of the 2020 Bonds (the "Issuer") nor the trustee, fiscal agent or paying agent appointed with respect to the 2020 Bonds (the "Agent") take any responsibility for the information contained in this Appendix.

No assurances can be given that DTC, DTC Participants or Indirect Participants will distribute to the Beneficial Owners (a) payments of interest, principal or premium, if any, with respect to the 2020 Bonds, (b) certificates representing ownership interest in or other confirmation or ownership interest in the 2020 Bonds, or (c) redemption or other notices sent to DTC or Cede & Co., its nominee, as the registered owner of the 2020 Bonds, or that they will so do on a timely basis, or that DTC, DTC Participants or DTC Indirect Participants will act in the manner described in this Appendix. The current "Rules" applicable to DTC are on file with the Securities and Exchange Commission and the current "Procedures" of DTC to be followed in dealing with DTC Participants are on file with DTC.

1. The Depository Trust Company ("DTC"), New York, NY, will act as securities depository for the 2020 Bonds (the "Securities"). The Securities will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Security certificate will be issued for each maturity of the Securities in the aggregate principal amount of such maturity, and will be deposited with DTC. If, however, the aggregate principal amount of any issue exceeds $500 million, one certificate will be issued with respect to each $500 million of principal amount, and an additional certificate will be issued with respect to any remaining principal amount of such issue.

2. DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is

a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC is rated "AA+" by Standard & Poor's. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

3. Purchases of Securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the Securities on DTC's records. The ownership interest of each actual purchaser of each Security ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Securities are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Securities, except in the event that use of the book-entry system for the Securities is discontinued.

4. To facilitate subsequent transfers, all Securities deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Securities with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Securities; DTC's records reflect only the identity of the Direct Participants to whose accounts such Securities are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

5. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Securities may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Securities, such as redemptions, tenders, defaults, and proposed amendments to the Security documents. For example, Beneficial Owners of Securities may wish to ascertain that the nominee holding the Securities for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

6. Redemption notices will be sent to DTC. If less than all of the Securities within a maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

7. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Securities unless authorized by a Direct Participant in accordance with DTC's

MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Authority as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).

8. Principal, redemption price and interest payments on the Securities will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Authority or the Paying Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Agent, or the Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal, redemption price and interest payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Issuer or the Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

9. If applicable, a Beneficial Owner will give notice to elect to have its Securities purchased or tendered, through its Participant, to tender/remarketing agent, and will effect delivery of such Securities by causing the Direct Participant to transfer the Participant's interest in the Securities, on DTC's records, to tender/remarketing agent. The requirement for physical delivery of Securities in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Securities are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered Securities to tender/remarketing agent's DTC account.

10. DTC may discontinue providing its services as depository with respect to the Securities at any time by giving reasonable notice to the Issuer or the Agent. Under such circumstances, in the event that a successor depository is not obtained, Security certificates are required to be printed and delivered.

11. The Issuer may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Security certificates will be printed and delivered to DTC.

COUNCIL COMMUNICATION

CC #: 0964
File #: 0323-04

Title:	Roseville Municipal Code Title 7 Regarding Animals
Contact:	Brian Lewis 916-746-1051 blewis@roseville.ca.us

Meeting Date: 9/2/2020
Item #: 9.1.

RECOMMENDATION TO COUNCIL

Staff recommends that City Council introduce for first reading an ordinance repealing and replacing Title 7 of the Roseville Municipal Code regarding animals.

BACKGROUND

The Police Department and City Attorney's Office undertook a review of Title 7 of the Roseville Municipal Code regarding animal laws within the City to update the code to conform to changes in State law and to bring the code up to current applicable standards and needs. Many sections of this specific code have not been updated since the 1970's. Title 7 of the Roseville Municipal Code includes sections related to general provisions and definitions related to animal laws, defines the duties of an animal control officer, defines and regulates animal licensing, defines and permits what kind of animals are allowed within the City, and defines policies and procedures related to vicious animals.

The amended ordinance is attached showing all updates and changes. Following is a summary of the major changes:

- Terms and definitions used in the ordinance are updated to ensure continuity across the Roseville Municipal Code and to match State law.

- Licensing requirements were updated to include adding cats to require a license. Many jurisdictions require the licensing of cats due to the costs associated with Animal Control providing the needed services for these animals. Roseville has not previously required cat registration while cat animal control calls are a significant cost to the City. Adding cat licensing will allow for a simplified process for returning found cats to their owners as well as offsetting costs to the City.

- Reporting requirements for veterinarians were added requiring monthly reporting of vaccination records to cross report with city license records. This is already a State law, but is being added as a municipal code with the intent of gaining higher licensing compliance.

- The definition of “vicious” or “potentially vicious” animals has been restricted to just referring to dogs versus all animals. Past history has shown this definition has only ever been applied to dogs therefore the definition is being updated to reflect limiting the definition.

- Two sections were updated regarding general animal welfare for leaving animals in hot cars or for general animal neglect. These actions are already State law, however they require the District Attorney to file charges against the violator. By adding these to the Roseville Municipal Code, the City can directly issue administrative remedies without the need for relying on the District Attorney’s Office to file criminal charges.

- Sections regarding fee recovery were clarified to include that fees must be paid under certain circumstances prior to the return of an animal to a person. The code was updated to clarity any fee, and the legal basis for the fee recovery process.

FISCAL IMPACT

The anticipated fiscal impact is related to increased compliance with animal licensing processes. Animal Licensing is currently a function of the Animal Control Unit of the Police Department. Animal Licensing currently runs at about eight percent of animals in the City being properly licensed. The updated licensing requirements are intended to bring the compliance rate higher, to an estimated twenty percent, which will bring in an estimated $326,160 to the General Fund. This additional revenue will help offset the Police Department's Animal Control expenditure budget for emergency animal services and the contract with the Placer County Society for the Prevention of Cruelty to Animals (SPCA).

ENVIRONMENTAL REVIEW

The California Environmental Quality Act (CEQA) does not apply to activities that will not result in a direct or reasonably foreseeable indirect physical changes in the environment (CEQA Guidelines 15061(B)(3)). A regulatory ordinance change does not include the potential for a significant environmental effect, and therefore is not subject to CEQA.

Respectfully Submitted,

Troy Bergstrom, Police Captain

James Maccoun, Police Chief

Dominick Casey, City Manager

ATTACHMENTS:

Description

Title 7 Animal Control Ordinance

ORDINANCE NO. ____

ORDINANCE OF THE COUNCIL OF THE CITY OF ROSEVILLE REPEALING AND REPLACING TITLE 7 OF THE ROSEVILLE MUNICIPAL CODE REGARDING ANIMALS

THE CITY OF ROSEVILLE ORDAINS:

SECTION 1. Title 7 of the Roseville Municipal Code is hereby repealed and replaced to read as follows:

Chapter 7.04 GENERAL PROVISIONS

7.04.010 Title.

This title shall be known as the “animal control law” and may be cited as such.

7.04.020 Definitions generally.

Unless the text otherwise requires, the following terms and words shall have the meanings designated in the following sections of this chapter.

7.04.030 Animal defined.

“Animal” means any dog, cat, livestock, wild animal or fowl subject to regulation pursuant to this title. For purposes of this chapter, “animal” and/or “dog” shall not mean any trained police dog, while on duty.

7.04.040 Animal control center defined.

"Animal control center" means facilities available to the city and designated by the police chief for the impoundment and care of animals.

7.04.050 Animal control officer defined.

"Animal control officer" means that person and his duly authorized assistants and deputies who are authorized and directed to enforce the provisions of this title and carry out the intent hereof.

7.04.060 At large defined.

A. "At large" means the following:

1. Off the premises of the owner or the person having care, custody, control or possession of the dog unless such dog is restrained by a leash or adequate enclosure. The leash shall not exceed six feet in length and shall be of sufficient strength to restrain the dog and must be held continuously by a responsible person capable of controlling the dog.

2. On the premises of the owner or the person having care, custody, control or possession of the dog unless such dog is restrained by means adequate and sufficient to prevent the dog from leaving the premises or under the control and in the immediate presence of the owner or person having care, custody, control or possession of the dog.

B. A dog shall not be considered "at large" if it is:

1. A guide dog, signal dog, or service dog as defined in Section 54.1 of the California Civil Code, as may be amended, while performing the duties it is trained to perform;

2. Assisting or in training to assist a peace officer who is engaged in law enforcement duties;

3. Enrolled and actively participating in a commercial dog training or obedience class, exhibition or competition;

4. Within the confines of a city-designated dog park and licensed pursuant to this chapter;

5. Securely confined in a vehicle.

7.04.070 Domestic fowl defined.

"Domestic fowl" means any common farm fowl including, but not limited to, turkeys, geese, ducks, chickens and pigeons.

7.04.080 Health officer defined.

"Health officer" means the health officer of the county or any duly authorized representatives.

7.04.090 Impoundment defined.

"Impound" or "impoundment" means the taking up and confinement of an animal, alive or deceased, in the animal control center by the animal control officer or by the county at the request of the animal control officer.

7.04.100 Keep defined.

"Keep" means keep, harbor, maintain or permit to keep, harbor or maintain.

7.04.110 Kennel defined.

"Kennel" means any enclosure, premises, building, structure, lot or area, in or on which four or more dogs of at least four months of age are kept, harbored, or maintained for commercial or noncommercial purposes.

7.04.120 Livestock defined.

"Livestock" means any common farm animal including, but not limited to, cows, horses, sheep, goats, and pigs, but excluding fowl.

7.04.130 Owner defined.

"Owner" means a person, firm, partnership, corporation, association, trust or organization of any kind, having an interest in, harboring or having control, custody or possession of an animal.

7.04.140 Person defined.

"Person" means one or more individual human beings or any fictional entity or entities.

7.04.145 Potentially vicious defined.

"Potentially vicious animal" means any of the following:

A. Any dog which, when unprovoked, on two separate occasions reported to a Roseville animal control officer and/or Roseville police department, within the prior 36-month period, engages in any behavior that requires a defensive action by any person to prevent bodily injury when the person and the dog are not on the property of the owner or keeper of the dog.

B. Any dog which, when unprovoked, bites a person or otherwise engages in aggressive behavior, causing a less severe injury than as defined in Section 7.04.152.

C. Any dog which, when unprovoked and while not on the property of the owner or keeper of the dog, has killed, seriously bitten or inflicted injury to a domestic animal to the extent that the domestic animal required documented veterinary care.

7.04.150 Premises defined.

"Premises" means any parcel(s) of property owned, leased, occupied, or under the control of a person.

7.04.152 Severe injury defined.

"Severe injury" means any physical injury to a human being that results in a fracture, muscle tears or disfiguring lacerations or requires sutures or corrective or cosmetic surgery.

7.04.154 Unprovoked defined.

"Unprovoked" means without being intentionally incited to aggressive action.

7.04.160 Vaccination defined.

"Vaccination" means the inoculation with an antirabies vaccine approved by and administered in the manner prescribed by the State Department of Public Health.

7.04.170 Veterinarian defined.

"Veterinarian" means a person licensed by the State of California to practice veterinary medicine, including but not limited to veterinary technicians.

7.04.180 Vicious animal defined.

"Vicious animal" means any of the following:

A. Any dog which, when unprovoked, inflicts severe injury on or kills a human being.

B. Any dog that is associated with conduct which results in the dog's owner or keeper being convicted under California Penal Code Section 597.5, as it may be amended.

C. Any dog which has been declared dangerous or vicious by another jurisdiction.

D. Any dog previously determined to be, and currently listed as potentially vicious which, after its owner or keeper has been notified of this determination, continues any behavior described in Section 7.04.145 or is maintained in violation of any conditions of release.

7.04.190 Wild animal defined.

"Wild animal" means any animal other than those specified in Chapters 7.16, 7.20, 7.28 and 7.36.

Chapter 7.08 ANIMAL CONTROL OFFICER

7.08.010 Powers and duties.

It shall be the duty and responsibility of the animal control officer to enforce the provisions of this chapter and carry out the intent hereof.

7.08.020 Animal control methods.

In the performance of his duties, the animal control officer shall have the authority to use all methods of animal control normally employed by animal control agencies within this state, specifically including the use of the tranquilizer gun. (Ord. 1293 § 1, 1975; prior code § 3.21.)

7.08.030 Interference with animal control officer.

It is unlawful for any person to prevent, oppose, resist, or otherwise interfere with the animal control officer in the performance of his duties.

7.08.040 Authority.

The animal control officer shall have all the authority and power conferred by this chapter and, in addition, have any power or authority granted or given by the laws of the State of California to any animal control officer of a general law city or general law county. Nothing in this chapter shall obligate the animal control officer to exercise such authority or power.

7.08.050 Violations.

Except as otherwise provided, a violation of any provision of this title may be punishable as an infraction or administrative citation, at the discretion of the City Attorney..

Chapter 7.12 DOGS—RUNNING AT LARGE

7.12.010 Leash law.

No person shall permit or allow any dog to run at large. This section may be cited as the "leash law."

7.12.020 Exceptions.

A. Dogs are permitted to run at large on public and private golf courses for the sole purpose of controlling the geese population at said golf courses. Provided, however, that the dogs are specially trained for that purpose and provided that the dogs do not harm, catch, or kill the geese.

B. Trained police dogs are permitted to run at large while on duty.

7.12.030 Property damage.

No person shall allow any animal to cause any damage to any public property.

7.12.040 Female dogs in season.

The owner of any female which is in season shall confine such dog during such season and shall not, in any instance, allow such dog to run at large.

7.12.050 Aggressive behavior.

No person shall permit or allow any dog, when unprovoked, to engage in any behavior that requires a defensive action by any person to prevent bodily injury when the person and the dog are not on the property of the owner or keeper of the dog.

Chapter 7.14 REMOVAL OF DOG DEFECATION

7.14.010 Removal of dog defecation.

A. It is unlawful for the owner or person having the custody of any dog to fail to immediately remove and dispose of in a sanitary manner, by placing in a closed or sealed container and depositing in a trash receptacle, any feces deposited by such dog upon public property or upon private property not exclusively owned or controlled by the owner or person having the custody of such dog.

B. Any person who has the charge or control of any dog in a location other than on private property exclusively owned or controlled by such person, or on the property of the owner of the dog, shall have in his or her possession a suitable wrapper, bag or container for the purpose of complying with the requirements of this section. The failure of any person to carry such a wrapper, bag or container when in charge or control of any dog in a location other than on property exclusively owned or controlled by such person, or on the property of the owner of the dog, shall constitute a violation of this section.

C. Subsections A and B of this section shall not apply to the proper use of guide dogs, service dogs, or signal dogs as defined in Section 54.1 of the California Civil Code, as may be amended..

D. It is unlawful for the owner or person having the custody of any dog to allow its feces to accumulate or remain on the ground or other surface on his or her private property to the extent that the accumulation creates a nuisance. A nuisance, for purposes of this subsection, includes, but is not limited to, feces accumulation that interferes with the use or enjoyment of any neighboring property as a result of odors or the attraction or breeding of vermin or vectors.

Chapter 7.16 LICENSING

7.16.010 Licensing.

A dog or cat over the age of four months must be licensed according to the provisions of this chapter.

7.16.020 Application.

Within 30 days after a person acquires ownership of a dog and/or cat, he or she shall make application for the issuance of a license. Such application shall contain the following information:

A. The name, address and telephone number of the owner;

B. Breed, sex, color, age, and name of dog and/or cat;

C. Whether the dog and/or cat is spayed or neutered;

D. Vaccine expiration date and name of veterinarian who administered vaccine;

E. The name, address and telephone number of a person who may be contacted concerning the dog and/or cat in an emergency.

7.16.030 Vaccination.

A. Application for a dog and/or cat license shall be accompanied by a certificate that the dog and/or cat has received a medically current vaccination with antirabies vaccine approved by the Health Department of the State of California. Such certificate shall be signed by a licensed veterinarian or by the person administering a vaccination clinic for any city or county, or his authorized assistant or deputy.

B. For purposes of this section, the term “medically current vaccination” shall mean a vaccination which does not expire before the end of the period for which the license is issued.

C. The animal control officer may waive the requirement for vaccination if:

1. A veterinarian signs a statement to the effect that a vaccination would be dangerous to the health of the dog and/or cat;

2. The health officer concurs in such determination.

D. The statement of a veterinarian pursuant to subsection A shall be filed in lieu of a certificate of vaccination and shall be valid only during the term of the license.

E. Every veterinarian, after vaccinating a dog and/or cat for rabies, shall issue a certificate and furnish one copy of the certificate to the owner of the dog and/or cat and one copy to the animal control officer. The certificate shall be in the form prescribed by the animal control officer.

7.16.040 License and tag.

The following items shall be issued to a person who successfully completes the application in accordance with Section 7.16.020:

A. A license allowing such person to keep a dog and/or cat within the city. The license shall contain the information supplied by the applicant in the application;

B. A license tag, serially numbered. Such tag shall be affixed by the owner to a collar, which collar is to be worn at all times by the dog and/or cat. (Ord. 1293 § 1, 1975; prior code § 3.43.)

7.16.050 Fee.

A fee for the license, or the renewal thereof, shall be paid as established by resolution adopted by the city council, as amended from time to time. No license shall be issued until the required fee is paid.

7.16.060 Altered animals.

A. An "altered animal" is defined as one who has been certified by a veterinarian to be sterilized by surgical spay or neuter.

B. For certified altered dogs and/or cats, the owner shall pay one-half the standard license fee and any applicable penalty fees. Proof of sterilization must accompany the initial dog and/or cat license application or the first dog and/or cat license renewal notice following alteration.

C. The following documents are acceptable as proof of alteration: a certificate of sterilization; an invoice from the office or clinic of a veterinarian for a sterilization procedure; a dog and/or cat license from another licensing agency showing altered status; or the adoption certificate from an animal shelter or humane society showing altered status.

7.16.070 Exemption from fees.

No fee shall be levied for any dog license issued for guide dogs, service dogs, or signal dogs as defined in Section 54.1 of the California Civil Code, as may be amended, or for a dog used by any law enforcement personnel, or for any dog owned by any government entity or political subdivision.

7.16.080 Term.

The dog and/or cat licenses required by this chapter shall be issued upon the payment of the fees herein fixed for a period of 12, 24 or 36 months commencing upon the date of application and upon the showing of a valid certificate of rabies vaccination. Such dog and/or cat licenses shall expire on the anniversary date of the rabies certificate, but in no case shall a dog and/or cat license be valid past the expiration date of the rabies certificate.

No dog and/or cat license shall be issued for any dog and/or cat for which the rabies vaccination is valid for less than the 12-month period from the date of licensing. Should the rabies vaccination not be valid for 12 months from the date of first application for licensing, the owner may elect either: (1) to be issued a license at full price which would be valid for less than 12 months; or (2) to revaccinate the dog and/or cat and be issued a license at full price which would be valid for no less than 12 months.

7.16.085 Licenses from other jurisdictions.

A. When an owner brings into the city a dog and/or cat which has been licensed in another jurisdiction, the dog and/or cat shall not be subject to the licensing provisions of this chapter as long as the out-of-jurisdiction license would be current and valid at its place of issuance and the issuance of said license would have satisfied the provisions of this chapter.

B. Notwithstanding the foregoing, any owner who takes up residency in the City Roseville must either transfer the outside jurisdiction's license to a City of Roseville license or obtain a new City of Roseville license within ten (10) days of taking up residence in the City of Roseville.

C. Upon surrender of a valid license from the other jurisdiction, the owner shall be issued a City of Roseville license, at no charge, for the remaining term of the other jurisdiction's license.

7.16.090 Renewal.

At least 30 days prior to the expiration date of a license, the animal control officer shall notify each person who holds a current dog and/or cat license that said license will expire and inform such owner of the need to renew the license. However, failure of notification shall not excuse an owner for failure to renew the license. A license shall be renewed upon verification by the holder of the license that the information contained thereon is correct and upon presentation of a valid certificate showing current vaccination.

7.16.100 Failure to renew—Delinquent penalty.

A person who fails to renew a dog and/or cat license within 15 days of its expiration shall pay a penalty fee as established by resolution adopted by the city council, as amended from time to time.

7.16.110 Lost license or tag.

If during the period for which a license or dog and/or cat tag is issued, the holder of such license or tag reports to the animal control officer that the same has been lost or stolen, he or she shall be issued a duplicate upon payment of the required fee as established by resolution adopted by the city council, as amended from time to time.

7.16.120 Change of address—Report required.

Any person holding a current dog and/or cat license shall, within 10 days after a change of address, report the same to the animal control officer.

7.16.130 Transfer prohibited.

No license issued pursuant to this chapter shall be transferred from one dog and/or cat to another, and it is unlawful for any person to attach a dog and/or cat tag issued for one dog and/or cat to another dog and/or cat.

Chapter 7.20 KENNELS

7.20.010 Kennels—License required.

No more than three dogs over the age of four months shall be kept at or upon any premises or dwelling unit without first securing from the animal control officer a license to operate a kennel regardless of the number of persons residing in such dwelling unit.

7.20.020 License issuance.

The animal control officer shall issue a license to operate a kennel only under the following conditions:

A. When the premises on which the kennel will be located complies with the provisions of the Zoning Ordinance of the city;

B. When the premises on which the kennel will be located is of sufficient size to accommodate, in the opinion of the animal control officer, the number of dogs which the owner of such kennel anticipates will be on the premises, without causing any disturbance or annoyance to persons in the surrounding area;

C. No kennel may exist upon any property zoned for residential use.

7.20.030 Fee.

The fee for the issuance of a kennel license shall be established by resolution adopted by the city council, as amended from time to time. Such fee shall be in addition to all fees required for the licensing of each individual dog kept at the kennel. Nothing herein shall be read to permit any dog kept at any kennel to remain unlicensed.

7.20.040 Revocation.

A. A kennel license may be revoked by the animal control officer when he determines any of the following:

1. That the dogs in the kennel are causing continual annoyance and disturbance to persons in the surrounding area;

2. That the dogs within the kennel are not being given proper care;

3. That circumstances have changed since the issuance of the kennel license, and in view of such circumstances, the premises are no longer suitable for the operation of a kennel.

B. Any person whose license to operate a kennel is revoked by the animal control officer may appeal such determination to the city council within 10 days after written notice of such revocation is given by the animal control officer. The appeal must be filed with the city clerk in writing.

7.20.050 Kennel license—Additional conditions.

A. The animal control officer may, prior to issuing a kennel license, attach such reasonable conditions as he deems necessary to insure that the operation of the kennel will not be a detriment to the public health, safety and welfare.

B. The animal control officer may, in lieu of revocation of a kennel license, place such conditions on the license as may be necessary to permit the license holder to continue to have a kennel while protecting the public health, safety and welfare.

Chapter 7.25 ANIMAL NOISE

7.25.010 Animal noise.

A. No person shall own, possess, harbor, control or keep on any premises, any dog, fowl or other animal, that howls, barks, bays, cries, squawks or makes any other noise so continuously or incessantly for a period of 20 minutes or intermittently for an hour or more as to unreasonably disturb the peace or quiet of any person.

B. In determining whether any sound or noise is "unreasonable" under subsection A above, the following shall be considered:

1. The volume of the sound;
2. The proximity of the sound to residential sleeping facilities;
3. The time of the day or night the sound occurs;
4. The duration of the sound; and
5. Whether the sound is intermittent or constant.

C. Any person who shall keep or permit to remain on any premises any animal as defined in subsection A of this section is guilty of a violation of this chapter, provided that during the time that the animal is making such a noise, no person or other animal is trespassing or threatening to trespass or no person is intentionally provoking or intentionally teasing the animal.

D. After determination that a violation of this provision has occurred and prior to issuance of a citation pursuant to Chapter 2.50 of this code, an enforcement officer shall issue at least one warning to the owner or person having care, custody, control or possession of the animal creating the nuisance.

E. This chapter shall not apply to public animal control agencies or shelters, society for the prevention of cruelty to animals shelters, or humane society shelters.

Chapter 7.28 LIVESTOCK

7.28.010 Hogs prohibited—Exception.

No person shall keep any hog, pig, swine or boar within the city unless located entirely within an agricultural zone and pursuant to a valid use permit issued under the Zoning Code of the city, as amended from time to time..

7.28.020 Registration—Five or less animals.

Any person keeping or maintaining five or less livestock of a particular kind shall report the following information to the animal control officer within five days after bringing such animal(s) within the city:

A. The type of each animal;

B. A general description of each animal;

C. The location where the animal(s) will normally be pastured or kept;

D. The name, address and telephone number of the person owning the animal(s) and the person keeping or maintaining the animal(s), if different from the owner;

E. The name, address and telephone number of a person to be contacted concerning the animal(s) in case of emergency.

7.28.030 Registration—More than five animals.

Any person keeping or maintaining more than five livestock of a particular kind shall report the information to the animal control officer specified in Section 7.28.020, except that such information need not include a general description of each animal, but shall specify the approximate number to be kept in a specific location.

7.28.040 Restrictions.

No person shall keep any livestock unless:

A. It is upon premises zoned for agricultural purposes under the Zoning Ordinance;

B. Such livestock is kept within a substantial fence of firm construction which consists of at least three barbed wires, evenly spaced, the top of which shall be at least four feet from the ground, and which shall be securely fastened to posts of metal or wood, the space between which is not greater than 12 feet;

C. Any shelter provided for such livestock is at least 150 feet from any adjoining building or structure;

D. At least 6,000 square feet of area is provided for each animal.

7.28.050 Keeping horses, mules or goats.

Notwithstanding the provisions of Section 7.28.040, a person may keep horses, mules, donkeys or goats on property which is not zoned for agricultural purposes provided that:

A. Each animal is kept on a parcel created by a subdivision map or parcel map recorded on or after April 1, 1974;

B. Each animal be kept within a fenced enclosure which is at least 75 feet from any adjoining dwelling unit;

C. Sections B, C and D of Section 7.28.040, and Section 7.28.020 are complied with.

Chapter 7.32 WILD ANIMALS

7.32.010 Prohibited.

It is unlawful for any person to keep any wild animal.

7.32.020 Exceptions.

This chapter shall not apply to any of the following:

A. Persons who use wild animals for diagnostic or research purposes, when the use has been approved by the state pursuant to applicable law;

B. Persons who use wild animals for teaching purposes in recognized educational institutions;

C. Veterinarians who keep wild animals for boarding or treatment;

D. Persons operating game farms or game breeding establishments licensed by the state;

E. Persons operating nonprofit zoological gardens open to the public;

F. Persons operating commercial establishments which sell animals and maintain wild animals solely at their places of business;

G. Persons who use wild animals for circus or entertainment purposes.

Chapter 7.36 DOMESTIC FOWL—RABBITS—BEES

7.36.010 Domestic fowl—Restrictions.

Except upon premises zoned for agricultural purposes pursuant to the Zoning Ordinance, no person shall keep any goose or turkey, or more than 10, whether singly or in combination, of the following: ducks, chickens, or pigeons.

7.36.020 Domestic fowl—Enclosure.

Any domestic fowl permitted to be kept by Section 7.36.010 shall be kept in a sanitary enclosure, which enclosure shall not be located within 20 feet of any property line, when such enclosure is located entirely outdoors.

7.36.030 Rabbits—Restrictions.

Except upon premises zoned for agricultural purposes pursuant to the Zoning Ordinance, no person shall keep more than 10 rabbits.

7.36.040 Rabbits—Enclosure.

Rabbits kept pursuant to Section 7.36.030 shall be enclosed within sanitary facilities located not less than 20 feet from any property line, when such enclosure is located entirely outdoors.

7.36.050 Animals commonly considered pets—Permitted.

Animals such as guinea pigs, white rats, mice, parakeets, parrots and other animals generally considered by the public to be tame and commonly considered as pets may be kept.

7.36.060 Animals commonly considered pets—Restrictions.

Restrictions applicable to rabbits as set forth in Sections 7.36.030 and 7.36.040 of this chapter, shall apply to those animals covered by Sections 7.36.050 and 7.36.060.

7.36.070 Bees—Hive limitations.

Except upon property zoned for agricultural purposes pursuant to the Zoning Ordinance, no person shall keep more than two hives of bees.

7.36.080 Bees—Distance from building.

Bees, whether kept pursuant to Section 7.36.070 or upon agriculturally zoned premises, shall be kept at least 500 feet from any building or structure in which persons or animals normally live or are kept.

7.36.090 Exemptions.

This chapter shall not apply to those people specified in Section 7.32.020 of Chapter 7.32.

7.36.100 Special permits.

Special permits may be granted for the maintenance of animals and poultry not in strict conformity with the provisions of this chapter, if the chief of police or designee makes a finding that because of soil, drainage, prevailing winds, absence of insect life, unusually effective sanitations measures, population density in the area, innocuousness of the animal or poultry involved, or like conditions, the public health and welfare will not be endangered thereby and such animals or poultry shall be kept in a manner consistent with the conditions, if any, imposed in such special permit and within the scope thereof.

7.36.110 Annual fee.

An annual fee for a special animal permit, as established by resolution adopted by the city council, as amended from time to time, shall be paid to the police department.

Chapter 7.40 IMPOUNDMENT

7.40.010 General provisions.

The animal control officer is authorized to impound the following animals:

A. Any animal running at large;

B. Any animal kept in violation of this title;

C. Any known or suspected rabid animal;

D. Any animal which has bitten any person;

E. Any potentially vicious animal as set forth in Chapter 7.46;

F. Any vicious animal as set forth in Chapter 7.48.

7.40.020 Place.

The animal control officer shall, when possible, confine any animal impounded in the animal control center.

7.40.030 Notice to owner.

The animal control officer shall notify the owner, if known, of the impoundment of any animal pursuant to this chapter and Chapter 7.44. Notice of such impoundment may be given orally or by mail.

7.40.040 Period of impoundment.

The period of impoundment shall be that period imposed by the police chief.

7.40.050 Redemption.

The owner of any animal impounded may, at any time before the disposition thereof, redeem the same from the animal control center upon the payment of all fees and charges required by the animal control center; provided, that the owner provides proof that any license required by Chapter 7.16 of this code has been obtained.

7.40.060 Redeeming unlicensed dog.

A. In the event the owner of an unlicensed dog redeems that animal, he shall agree in writing, prior to the release of the animal by the animal control center, to obtain the proper vaccination for the animal, within 10 days of such release, and submit the same to the animal control officer.

B. The department of finance shall, upon the return of the vaccination certificate, issue the license after the application is properly completed in accordance with Section 7.16.020 of this code.

C. In the event the owner fails to return with the vaccination certificate to obtain the license, the animal control officer shall reimpound the animal. (Ord. 1325 § 6, 1976; Ord. 1293 § 1, 1975; prior code § 3.105.)

7.40.070 Disposing of unredeemed animals.

In the event that the period of impoundment has run without redemption, the animal control center may sell, destroy or otherwise dispose of such animal.

Chapter 7.44 QUARANTINE

7.44.010 Duty to report bites.

A. It is the duty of any person having knowledge that any animal has bitten a human being to report the fact to the animal control officer. The animal control officer shall immediately report such bite to the department of agriculture, division of animal control, County of Placer.

B. Nothing in this chapter shall apply to trained police dogs, while on duty.

7.44.015 Information to bite victim.

If an animal bites a person or another animal, the owner or person in control of the biting animal must provide his or her personal information to the victim or, if the victim is another animal, the victim's owner. If the victim is a minor, the owner or person in control of the biting animal must provide his or her personal information to the parent or guardian of the minor. This personal information must include the owner's name, the biting animal's name, and the owner and animal's home address.

7.44.020 Quarantine.

A. The animal control officer shall ensure that all animals falling into the following categories shall be isolated or quarantined at the animal control center or in the care of a veterinarian under the conditions prescribed by the health officer and pertinent state laws and regulations:

1. Known rabid animals;
2. Suspected rabid animals;
3. Animals that have bitten or otherwise exposed a human to rabies;
4. Animals, of a species subject to rabies, which have been bitten by a known rabid or suspected rabid animal or have been in intimate contact with a rabid or suspected rabid animal.

B. Pursuant to said laws and regulations, the animal control officer may quarantine any animal that has bitten a human or an animal by confinement in the owner's custody or in the care of a veterinarian if such animal is currently licensed under this title. The animal shall be quarantined in strict confinement under conditions determined by the animal control officer to be safe in view of the animal's physical abilities and in isolation from other animals for a period established by the animal control officer as necessary to determine whether such animal has rabies. Such confinement shall be subject to any other requirements that the animal control officer may impose to protect the public health and safety.

It is unlawful for the owner or any other person to violate the requirements of confinement established by the animal control officer as set forth in this section.

C. In order for the animal to qualify for confinement, the owner shall certify, under penalty of perjury, his or her agreement to confine the animal pursuant to this section. In order to release the animal from quarantine, the owner shall certify, under penalty of perjury, that the conditions of confinement have been met and that the animal is healthy.

7.44.030 Period of quarantine.

The period of quarantine shall be that time necessary to determine whether or not the animal in question has rabies.

7.44.040 Destruction of rabid animal.

In the event the animal control officer determines that the animal which has been quarantined has rabies, he shall cause such animal to be destroyed. The animal owner shall be responsible for paying for all fees related to destruction of the animal and the testing for rabies.

7.44.050 Return of impounded quarantined animal.

In the event a quarantined animal has been impounded and is determined not to have rabies, the animal control center may allow the owner to redeem said animal upon the payment of any fees required pursuant to Section 3.90 of the Placer County Code.

Chapter 7.46 POTENTIALLY VICIOUS DOGS

7.46.010 Impoundment.

The animal control officer may cause any potentially vicious dog to be impounded and shall notify the owner, if known, that the dog has been impounded under the provisions of this chapter.

7.46.020 Circumstances under which dog may not be declared potentially vicious.

A dog may not be declared potentially vicious if:

A. The injury or damage was sustained by a person who, at the time of the injury or damage was sustained, was:

1. Committing a willful trespass or other tort upon the private property of the owner or person having the right to control the animal;

2. Teasing, tormenting, abusing or assaulting the dog;

3. Committing or attempting to commit a crime.

B. The injury or damage was sustained by a domestic dog that, at the time the injury or damage was sustained, was teasing, tormenting, abusing or assaulting the dog, or trespassing upon the private property of the owner or keeper of the dog.

C. The dog was protecting or defending a person within the immediate vicinity of the dog from an unjustified attack or assault.

D. Nothing in this chapter shall apply to trained police dogs, while on duty.

7.46.030 Disposition of potentially vicious dog.

The animal control officer may do any of the following with regard to a potentially vicious dog:

A. Impound such dog in the animal control center for purposes of observation for a period not to exceed 30 days;

B. Release such dog to the control of its owner upon any conditions which may reasonably be required to insure the public safety;

C. Issue an administrative citation to the dog's owner pursuant to Chapter 2.50 of the Roseville Municipal Code.

7.46.040 Release of impounded dog and abandonment.

A. No impounded dog which has been declared potentially vicious shall be released to the custody of its owner unless all fees and penalties assessed have been paid. Additionally, no dog declared potentially vicious shall be released to the custody of its owner unless such person demonstrates compliance with the conditions of release imposed by the animal control officer pursuant to Section 7.46.030.

B. A rebuttable presumption shall arise that a dog has been abandoned if any owner of an impounded dog declared potentially vicious has not met the conditions of release of the dog within 10 days after notice mailed by first-class U.S. mail or delivered in person, that the dog is available for release. The police chief, after the notice and hearing provisions of Chapter 7.48, may order the abandoned dog destroyed.

7.46.050 Failure to comply with conditions of release.

It is unlawful to fail to comply with any conditions of release imposed by the animal control officer. A failure to comply with any conditions of release may result in impoundment of the dog and further disposition pursuant to Section 7.46.030 or may result in the dog being declared vicious pursuant to Chapter 7.48.

7.46.060 Classification—Notice—Appeal.

A. In the event the animal control officer classifies a dog as potentially vicious, the animal control officer shall notify the owner of such dog by first-class U.S. mail or in person and further inform such owner of his or her right to appeal as provided by this section.

B. Any owner of a potentially vicious dog failing to appeal after notice as herein provided shall be deemed to have waived any right in or claim upon such dog or to claim any damages or other relief by reasons of any action by the animal control officer pursuant to this chapter.

7.46.070 Hearing and appeal regarding classification.

A. Upon written request by the owner of the dog received by the police chief within 10 days after the mailing of the notice of potentially vicious dog classification, a hearing shall be held by the police chief or his or her designee on the question of the classification. The owner of the dog and all victims and complainants shall be given notice of the hearing by first-class U.S.

mail or in person at least five calendar days prior to the date of the hearing. The hearing shall be open to the public.

B. The owner of the dog may appear in person at the hearing or present a sworn written statement contesting the animal control officer's classification.

C. Following the hearing, the police chief or his or her designee shall make written findings of fact showing whether the dog is a threat to the public safety and whether the potentially vicious dog classification is proper. Such written findings of fact shall be the basis for the decision of the police chief or his or her designee.

D. The decision of the police chief or his or her designee shall be final.

E. If any dog previously declared to be potentially vicious has not exhibited any of the behaviors specified in Section 7.04.145 within 36 months following the date that the dog was declared potentially vicious, the dog is deemed to no longer be a potentially vicious dog; provided, however, that the same dog may again be declared potentially vicious or vicious if it again exhibits any of the specified behaviors defined in Section 7.04.145 or 7.04.180.

7.46.080 Harboring potentially vicious dog.

No person shall harbor or hide, or cause to be harbored or hidden, any potentially vicious dog, and shall surrender any such dog to the animal control officer upon demand.

7.46.090 Relocation of potentially vicious dog.

The owner or keeper of any dog declared potentially vicious or potentially dangerous in another jurisdiction shall notify the animal control officer within 10 days of bringing the dog into the City of Roseville. If a dog is declared potentially vicious or potentially dangerous in another jurisdiction, the dog shall be deemed potentially vicious pursuant to this chapter. Accordingly, the animal control officer may impose upon the owner or keeper of such dog any conditions which may reasonably be required to insure the public safety.

Chapter 7.48 VICIOUS DOGS

7.48.010 Impoundment.

The animal control officer shall cause any vicious dog to be impounded and shall notify the owner, if known, that the dog has been impounded under the provisions of this chapter.

7.48.015 Circumstances under which dog may not be declared vicious.

An dog may not be declared vicious if:

A. The injury or damage was sustained by a person who, at the time of the injury or damage was sustained, was:

1. Committing a willful trespass or other tort upon the private property of the owner or person having the right to control the dog;

2. Teasing, tormenting, abusing or assaulting the dog;

3. Committing or attempting to commit a crime.

B. The injury or damage was sustained by a domestic dog that, at the time the injury or damage was sustained, was teasing, tormenting, abusing, or assaulting the dog, or trespassing upon the private property of the owner or keeper of the dog.

C. The dog was protecting or defending a person within the immediate vicinity of the dog from an unjustified attack or assault.

D. Nothing in this chapter shall apply to trained police dogs, while on duty.

7.48.020 Disposition of vicious dog.

The animal control officer may do any of the following with regard to a vicious dog:

A. Impound such dog in the animal control center for purposes of observation for a period not to exceed 30 days;

B. Release such dog to the control of its owner upon any conditions which may reasonably be required to insure the public safety;

C. Cause such dog to be destroyed if, in his or her opinion, the release of such dog would create a threat to the public safety.

7.48.022 Release of impounded dogs and abandonment.

A. No impounded dog which has been declared vicious shall be released to the custody of its owner unless all fees and penalties assessed have been paid. Additionally, no dog declared vicious shall be released to the custody of its owner unless such person demonstrates compliance with the conditions of release imposed by the animal control officer pursuant to Section 7.48.020.

B. A rebuttable presumption shall arise that a dog has been abandoned if any owner of an impounded dog declared vicious has not met the conditions of release of the dog within 10 days after notice mailed by first-class U.S. mail or delivered in person, that the dog is available for release. The police chief or his or her designee, after the notice and hearing provisions of this chapter, may order the abandoned dog destroyed.

7.48.024 Failure to comply with conditions of release.

It is unlawful to fail to comply with any conditions of release imposed by the animal control officer. A failure to comply with any conditions of release may result in impoundment of the dog and further disposition pursuant to Section 7.48.020.

7.48.026 Classification—Notice—Appeal.

A. In the event the animal control officer classifies a dog as vicious, the animal control officer shall notify the owner of such dog by first-class U.S. mail or in person and further inform such owner of his or her right to appeal as provided by this section.

B. Any owner of a vicious dog failing to appeal after notice as herein provided shall be deemed to have waived any right in or claim upon such dog or to claim any damages or other relief by reasons of any action by the animal control officer pursuant to this chapter.

7.48.028 Hearing and appeal regarding classification.

A. Upon written request by the owner of the dog received by the police chief within 10 days after the mailing of the notice of vicious dog classification, a hearing shall be held by the police chief or his or her designee on the question of the classification. The owner of the dog and all victims and complainants shall be given notice of the hearing by first-class U.S. mail or in person at least five calendar days prior to the date of the hearing. The hearing shall be open to the public.

B. The owner of the dog may appear in person at the hearing or present a sworn written statement contesting the animal control officer's classification.

C. Following the hearing, the police chief or his or her designee shall make written findings of fact showing whether the dog is a threat to the public safety and whether the vicious dog classification is proper. Such written findings of fact shall be the basis for the decision of the police chief or his or her designee.

D. The decision of the police chief or his or her designee shall be final.

7.48.030 Destruction—Notice—Appeal.

A. In the event the animal control officer determines that a vicious dog is to be destroyed pursuant to the provisions of Section 7.48.020(C), he or she shall notify the owner of such dog by first-class U.S. mail or in person at least 10 days in advance of the intended destruction, and further inform such owner of his or her right to appeal as provided by this section. The notice of intention shall be in substantially the following form:

Notice of Intention to Destroy Dog

(Name and Address of Owner of the Animal)

The Animal Control Officer has determined that your dog, a__________, is a vicious dog constituting a threat to the public safety. For that reason the Animal Control Officer has determined that the dog shall be destroyed on__________.

As owner of the dog, you are hereby notified that you may, within ten (10) days after the mailing of this notice of intention, request a public hearing before the Police Chief.

You may appear in person at the hearing or you may present a sworn written statement.

Notice mailed _________

____

Police Chief

City of Roseville

B. The animal control officer shall not destroy the dog until the owner has exhausted his or her right to appeal pursuant to this chapter.

C. Any owner of a vicious dog failing to appeal after notice as herein provided shall be deemed to have waived any right in or claim upon such dog or to claim any damages or other relief by reasons of any action by the animal control officer pursuant to this chapter.

7.48.035 Hearing and appeal regarding destruction.

A. Upon written request by the owner of the dog received by the police chief within 10 days after the mailing of a notice of intention to destroy the dog, a hearing shall be held by the police chief or his or her designee on the question of the destruction. The owner of the dog and all victims and complainants shall be given notice of the hearing by first-class U.S. mail or in person at least five calendar days prior to the date of the hearing. The hearing shall be open to the public.

B. The owner of the dog may appear in person at the hearing or present a sworn written statement contesting the animal control officer's determination.

C. Following the hearing, the police chief or his or her designee shall make written findings of fact showing whether the dog is a threat to the public safety. Such written findings of fact shall be the basis for the decision of the police chief or his or her designee. A finding that the dog should be destroyed shall specify a date for destruction that is later than the expiration of the appeal period provided in subsection D of this section.

D. Appeal from any decision of the police chief or his or her designee may be made, in writing, to the city council within 10 calendar days from the police chief's or his or her designee's action. Within the same 10-day period, the appellant shall pay an appeal fee as established by resolution adopted by the city council, as amended from time to time, no part of which shall be refundable.

E. Any order of destruction made by the police chief or his or her designee shall be stayed pending the final decision of the city council.

7.48.040 Decision of the city council.

A. After hearing testimony from all interested parties as it may deem proper, the city council may:

1. Uphold the decision of the police chief or his or her designee and order the dog destroyed;

2. Order the return of the dog to its owner and impose such conditions upon such return as may be reasonably necessary to insure the public safety; or

3. Take such other action as it may reasonably find necessary to protect the public safety, including a continuation of the impoundment of such dog for a period not to exceed 30 days from the date of the hearing.

B. The decision of the city council shall be final.

7.48.050 Animal control officer—Further action.

After the decision of the city council has been rendered as provided in Section 7.48.040, the animal control officer shall take such action as is necessary to carry out the decision.

7.48.060 Harboring vicious dog.

No person shall harbor or hide, or cause to be harbored or hidden, any vicious dog, and shall surrender any such dog to the animal control officer upon demand.

7.48.070 Relocation of vicious dog.

The owner or keeper of any dog declared vicious or dangerous in another jurisdiction, shall notify the animal control officer within 10 days of bringing the dog into the City of Roseville. If a dog is declared vicious or dangerous in another jurisdiction, the dog shall be deemed vicious pursuant to this chapter. Accordingly, the animal control officer may impose upon the owner or keeper of such dog any conditions which may reasonably be required to insure the public safety.

Chapter 7.56 FEES

7.56.010 Dog licenses and tags.

The fees for a dog license, for a duplicate license or tag, and the amount of any applicable senior discounts to license fees, shall be as established by resolution adopted by the city council, as amended from time to time.

7.56.020 Kennel license.

The fee for a kennel license shall be as established by resolution adopted by the city council, as amended from time to time.

7.56.030 Disposal—Voluntary.

Any owner of any animal, as specified in Chapter 7.16, 7.20, 7.28, 7.32, or 7.36, who voluntarily turns the same over to the animal control officer for disposal and such animal is accepted by animal control, shall pay a fee as established by resolution adopted by the city council, as amended from time to time.

Chapter 7.60 DISPOSAL OF DEAD ANIMALS—ANIMAL CONTROL OFFICER DUTIES

7.60.010 Voluntary disposal.

Any person who brings any animal, alive or dead, to the animal control center or to the animal control officer for disposal shall waive any right to redeem such animal, and the animal control officer and the animal control center shall not be required to retain such animal for purposes of redemption, but may immediately dispose of such animal.

7.60.020 Dead animals—Generally.

A. No person shall keep the carcass of any dead animal, except while butchering or processing the same, for a period of more than 48 hours, unless the same is frozen or refrigerated.

B. No person shall bury the remains of any dead animal within the city limits.

7.60.030 Dead animals—Disposal.

The animal control officer may accept the carcass of any dead animal for disposal. The fee therefor shall be the same as set forth in Section 7.56.040.

7.60.040 Records.

The animal control officer shall keep such records as are reasonably necessary for the animal control center and the requirements of this title.

7.60.050 Rules and regulations.

The animal control officer may promulgate such rules and regulations as are reasonably necessary to carry out the intent and purposes of this title and to provide for the general health, safety and welfare of animals and the general public. Additionally, animal control may cause rules and conduct regarding city dog parks to be posted at all city dog parks. Failure to follow such posted rules would be a violation of this chapter.

Chapter 7.62 GENERAL ANIMAL WELFARE

7.62.010 Animal Welfare.

It shall be a violation of this code for any person to overdrive, overload, drive when overloaded, overwork, torture, torment, deprive of necessary sustenance, drink, or shelter, cruelly beat, mutilate, or cruelly kill any animal, or cause or procure any animal to be so overdriven, overloaded, driven when overloaded, overworked, tortured, tormented, deprived of necessary sustenance, drink, shelter, or to be cruelly beaten, mutilated, or cruelly killed. Enforcement of this section may be in addition to any criminal penalties under California Penal Code Section 597 et seq., as may be amended from time to time.

7.62.020 Animals in Motor Vehicles.

Notwithstanding section 7.62.010 of this code, a person shall not leave or confine an animal in any unattended motor vehicle under conditions that endanger the health or well-being of an animal due to heat, cold, lack of adequate ventilation, or lack of food or water, or other circumstances that could reasonably be expected to cause suffering, disability, or death to the animal. Enforcement of this section may be in addition to any criminal penalties under California Penal Code Section 597 et seq., as may be amended from time to time.

SECTION 2. This ordinance shall be effective at the expiration of thirty (30) days from the date of adoption.

SECTION 3. The City Clerk is hereby directed to cause this ordinance to be published in full at least once within fourteen (14) days after it is adopted in a newspaper of general circulation in the City, or shall within fourteen (14) days after its adoption cause this ordinance to be posted in full in at least three (3) public places in the City and enter in the Ordinance Book a certificate stating the time and place of said publication by posting.

PASSED AND ADOPTED by the Council of the City of Roseville this ___ day of _______________, 20__, by the following vote on roll call:

AYES COUNCILMEMBERS:

NOES COUNCILMEMBERS:

ABSENT COUNCILMEMBERS:

____

MAYOR

ATTEST:

____

City Clerk

COUNCIL COMMUNICATION

CC #: 0955
File #: 0102

Title:	Council Discretionary Funds Request - Gathering Inn
Contact:	Heather Blanco 916-746-1171 hblanco@roseville.ca.us Sonia Orozco 916-774-5269 sorozco@roseville.ca.us

Meeting Date: 9/2/2020
Item #: 10.1.

RECOMMENDATION TO COUNCIL

Recommend City Council consider a request for $2,500 from Council Discretionary Funds for The Gathering Inn - Gathering for Hope Program. This program raises funds to provide services to homeless guests, which has increased due to the effects of the COVID-19 shutdowns and the economic hardships many homeless residents are facing.
The balance remaining in the Council's Discretionary Funds for FY2020-21 is $36,909.00.

BACKGROUND

The Citizens' Benefit Fund was established in 1993 with the net proceeds from the sale of the Roseville Hospital. The City Council may, after receiving the recommendation of the Roseville Grants Advisory Commission, annually appropriate up to 90 percent of the annual earnings of the Citizens' Benefit Fund for the purpose of improving the quality of life for the citizens of the City of Roseville. In addition, the City Council, without the recommendation of the Roseville Grants Advisory Commission, may annually appropriate a minor amount up to $15,000 of the annual earnings for the purpose of improving the quality of life in Roseville.

FISCAL IMPACT

There is no fiscal impact to the City's General Fund. Annually the City Treasurer allocates $15,000 of the annual earnings on the Citizens' Benefit Fund per section 4.06.040 in the Municipal Code and includes it in the annual budget along with the Citizens' Benefit Fund resources available for appropriation each year. These earnings are restricted for the purpose of improving the quality of life for Roseville residents and appropriated by the City Council.

ENVIRONMENTAL REVIEW

The California Environmental Quality Act (CEQA) does not apply to activities that will not result in

a direct or reasonably foreseeable indirect physical change in the environment, or is otherwise not considered a project as defined by CEQA Statute §21065 and CEQA State Guidelines §15060(c)(3) and §15378. The award of funds meets the above criteria and is not subject to CEQA. No additional environmental review is required.

Respectfully Submitted,

Heather Blanco, Management Assistant

Sonia Orozco, City Clerk

Dominick Casey, City Manager

ATTACHMENTS:

Description

The Gathering Inn Request

Ruiz, Amy

From: Casey, Dominick
Sent: Thursday, August 6, 2020 4:40 PM
To: keith@thegatheringinn.com
Cc: Ruiz, Amy
Subject: RE: Nonevent sponsorship

Hello Keith,

Thanks for the well wishes. I appreciate it! I hope that you are well also. You can count on the City of Roseville to match our support amount from last year. The Gathering Inn is a very important resource in our community and I will gladly recommend that the Council sponsor the "nonevent" for the amount of $2500 as we did last year.

All the best,
Dom

From: keith@thegatheringinn.com [mailto:keith@thegatheringinn.com]
Sent: Thursday, August 6, 2020 3:35 PM
To: Casey, Dominick <DCasey@roseville.ca.us>
Subject: Nonevent sponsorship
Importance: High

EXTERNAL: This email originated from outside of the organization. Do not click on any links or open attachments unless you recognize the sender and know the content is safe.

Hello Dom,

I trust that you and Jennifer are doing well.

TGI has made the decision to cancel this years fundraising event, Gathering for Hope, that was scheduled for November 6, 2020.

The needs of TGI are increasing during this time and given the Governor's continued orders, it is still important that we make every effort to capture the revenue from the event that we are no longer having.

This was a difficult decision. Our annual "Gathering for Hope" event raises over $200,000 and these funds are critical to TGI's service to our homeless guests. It is also my clear conviction that TGI will be seeing an increase in homelessness due to the effects of the COVID 19 shutdowns and the economic hardship that it entails for people.

Therefore, I have embarked on TGI holding a **"nonevent"** this year which just means that we are asking our sponsors to support us at the level they did last year even though we are not having an event, therefore our **"nonevent sponsorship."** I know that sponsoring a "nonevent" is a novel concept, but these are not traditional times. The homeless that TGI serves are still with us and will only increase as I mentioned above. These funds will be even more critical to TGI's operations in the fall of 2020 and into the spring of 2021.

Therefore, I am asking all of our sponsors at last year's event to please sponsor at the same level at this year's "nonevent" so that TGI may have the funds it needs to provide for the care and support of the homeless that we serve. The City of Roseville was a 2,500 dollar sponsor last year.

I have had great conversations with some of our sponsors already regarding sponsoring our "nonevent". I am please to report that the City of Rocklin, Ceronix, Sutter, Century Commercial Services, City National Bank, Westcor, Placer Title Company, Flyers Energy, First Northern Bank, Shepherd of the Sierra's, the Brekke's, the Snyder', the Marx's, and St. John's Episcopal Church have already agreed to sponsor at last year's levels. Bayside Church even increased their sponsorship from 1,000 to 5,000 dollars! I haven't received any "no" responses to this request.

Therefore my ask to you. Would the city of Roseville please support TGI this year at the same level as last year?

TGI will be sending out a letter to our mailing list that includes thousands and thousands of individuals as well as postings on our website and social media informing our supporters and others, not only of our event cancellation, but specifically pointing out those companies and individuals that are still sponsoring our "nonevent." I would like to include Roseville on the list of the sponsors that have committed to our "nonevent" .

Thanks for all your support! Please let me know directly your decision.

Any questions, please give me a call.

Keith

Keith E. Diederich, MS
Chief Executive Officer
The Gathering Inn

Cell: 916-945-1242
Office: 916-791-9355 x101
Website: www.thegatheringinn.com

Mailing address:

201 Berkeley Ave.
Roseville, CA 95678

Mission Statement: *The Gathering Inn provides homeless women, men, and families the dignity and support they need to become active members of the community*

Vision Statement: *to end homelessness in our community*

Values: ***Accountable*** *to each other*
Respectful *to all involved*
Collaborative *with the community*
Safety *for our homeless guests*
Diversity *we engage everyone*

COUNCIL COMMUNICATION

CC #: 0956
File #: 0102

Title:	Council Discretionary Funds Request - Blue Line Arts, Inc.
Contact:	Heather Blanco 916-746-1171 hblanco@roseville.ca.us Sonia Orozco 916-774-5269 sorozco@roseville.ca.us

Meeting Date: 9/2/2020
Item #: 10.2.

RECOMMENDATION TO COUNCIL

Recommend City Council consider a request for $10,000 from Council Discretionary Funds for Blue Line Arts, Inc. for their Tour, Talk, and Create program for local schools. This program provides a fine art exposure opportunity and hands-on arts learning to students who have been identified as having limited access to such opportunities.
The balance remaining in the Council's Discretionary Funds for FY2020-21 is $36,909.00.

BACKGROUND

The Citizens' Benefit Fund was established in 1993 with the net proceeds from the sale of the Roseville Hospital. The City Council may, after receiving the recommendation of the Roseville Grants Advisory Commission, annually appropriate up to 90 percent of the annual earnings of the Citizens' Benefit Fund for the purpose of improving the quality of life for the citizens of the City of Roseville. In addition, the City Council, without the recommendation of the Roseville Grants Advisory Commission, may annually appropriate a minor amount up to $15,000 of the annual earnings for the purpose of improving the quality of life in Roseville.

FISCAL IMPACT

There is no fiscal impact to the City's General Fund. Annually the City Treasurer allocates $15,000 of the annual earnings on the Citizens' Benefit Fund per section 4.06.040 in the Municipal Code and includes it in the annual budget along with the Citizens' Benefit Fund resources available for appropriation each year. These earnings are restricted for the purpose of improving the quality of life for Roseville residents and appropriated by the City Council.

ENVIRONMENTAL REVIEW

The California Environmental Quality Act (CEQA) does not apply to activities that will not result in

a direct or reasonably foreseeable indirect physical change in the environment, or is otherwise not considered a project as defined by CEQA Statute §21065 and CEQA State Guidelines §15060(c)(3) and §15378. The award of funds meets the above criteria and is not subject to CEQA. No additional environmental review is required.

Respectfully Submitted,

Heather Blanco, Management Assistant

Sonia Orozco, City Clerk

Dominick Casey, City Manager

ATTACHMENTS:

Description

Blue Line Arts, Inc request for Council Discretionary Funds blue line arts

Attn: Mayor John Allard and City Council
c/o Sonia Orozco
311 Vernon St
Roseville, CA 95678

6/24/20

Mayor John Allard & City Council,

I am writing to you today on behalf of Blue Line Arts to respectfully ask you to consider a request for Council Discretionary funds in order to continue an important educational program through the coming 2020-2021 school year.

In 2019 we launched our initiative to bring our Tour, Talk, & Create, to local Title I and Court-appointed schools free of charge. We have since expanded the initiative to include schools identified as needing additional support by the State of California, or who have higher than average free lunch program enrollment rates. This program provides a fine art exposure opportunity and hands-on arts learning to students who have been identified as having limited access to such opportunities.

Our nonprofit is passionate about this initiative because research shows that access to arts education for K-12 students has a massive impact on overall educational achievement, dropout rates, and test scores. This effect is most pronounced when comparing youth who are economically disadvantaged and are engaged in the arts to their peers who are not involved in arts programming. Many of our local elementary schools lack any formal visual arts programming, and in under-resourced schools, access to fine arts experiences is often lacking.

Our Tour Talk & Create program is built around fulfilling State Visual and Performing Arts Standards, and also gives students hands-on creative learning led by local professional artists. We also share resources with teachers to help empower them to extend the impact of the experience back into the classroom.

Though the initial Covid-19 shutdowns cut our season short, the program was so impactful that we immediately began developing plans for virtual or modified methods of program delivery beginning in the fall of 2020.

I would like to share with you some of the data from our first year of programming to show both the impact this program is having in our community, and the need that it addresses.

Among the 20 school groups and that participated, serving 500+ students:
- 80% have no formal arts programming or designated arts teacher
- 90% have never been able to provide an arts-related field trip to their students
- 85% of teachers rate the program quality at 5/5.
- 71% of teachers felt better equipped to meet state Visual and Performing Arts standards in their classroom after their Tour Talk & Create experience.
- 85% of teachers saw increased interest in participating in extracurricular art activities among their students
- 100% of teachers said students gained a better understanding of diversity in relation to the arts and

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A Non-Profit Organization • Tax I.D. #94-1690631

artists, and 70% said students gained a better understanding of cultural dimensions in the arts.

We applied for program funding through the Benefit/ REACH Fund grant process for the current year, but were not awarded funding. We are proceeding with the program, though we anticipate an increased workload on staff in order to deliver the program safely and with a modified schedule to accommodate the change in operations our local schools are facing in the fall. We feel that youth are in need of arts programming now more than ever, and with the concern of limited space available in classrooms, we feel that this off-site educational program can help keep students actively learning and engaged through this period of uncertainty. We have already implemented and trained staff in accordance with the most recent safety procedures.

This is still a new program, and we are developing additional sources of support. Though we have received partial funding to date, our goal is to raise an additional $17,000. Any amount of support will help us make this program a reality this year, but a contribution of $10,000 will cover our most essential program costs for one school year.

I have attached additional documentation regarding our program for your reference, and would be happy speak with you regarding any questions you may have. Thank you for your time and consideration, and for your service to the City of Roseville.

Sincerely,

Brooke Abrames

Brooke Abrames
Co-Director
Blue Line Arts