

EXETER CITY COUNCIL ACTION MINUTES
October 8, 2019

A closed session of the City Council, City of Exeter was held on Tuesday, October 8, 2019, at 6:30 p.m., in the Exeter City Council Chambers, 137 North F Street.

COUNCIL PRESENT: Mary Waterman-Philpot, Barbara Sally, Frankie Alves, Dave Hails

COUNCIL ABSENT: Jeremy Petty

STAFF PRESENT: Adam Ennis, Julia Lew, John Hall, Shonna Oneal

A. CALL TO ORDER CLOSED SESSION

Mayor Waterman-Philpot called the closed session to order at 6:30 p.m.

B. PUBLIC COMMENTS REGARDING CLOSED SESSION MATTERS – Mayor Waterman-Philpot requested those who wish to speak on matters listed on the Closed Session Agenda to do so at this time.

No public comment were presented.

C. ADJOURN TO CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION(S):

Mayor Waterman-Philpot adjourned to closed session at 6:30 p.m.

1. 54956.9(d)(3) Conference with Legal Counsel – Significant Exposure to Litigation: One Case in which facts are not yet known to potential plaintiff.
2. 54957(a) Threat to Public Services or Facilities – Consultation with Chief of Police John Hall

A regular session of the City Council, City of Exeter was held on Tuesday, October 8, 2019, at 7:00 p.m., in the Exeter City Council Chambers, 137 North F Street.

COUNCIL PRESENT: Mary Waterman-Philpot, Barbara Sally, Frankie Alves, Dave Hails

COUNCIL ABSENT: Jeremy Petty

STAFF PRESENT: Adam Ennis, Julia Lew, John Hall, Daymon Qualls, Chris Tavarez, Shonna Oneal, Greg Collins

D. CALL TO ORDER REGULAR SESSION AND REPORT ON CLOSED SESSION ITEMS (if any)

Mayor Waterman-Philpot called the regular session to order at 7:00 p.m. City Attorney Julia Lew advised there were not reportable actions.

E. PLEDGE OF ALLEGIANCE AND INVOCATION

Council Member Hails led the Pledge of Allegiance and an invocation was given by Pastor Brandon Gil.

F. SPECIAL PRESENTATIONS (if any): None

G. PUBLIC COMMENTS:

Mayor Waterman-Philpot requested those who wish to speak on matters that are not on the agenda that are within the jurisdiction of the Exeter Council, or to address or request a matter be pulled from the consent calendar to do so at this time. She also stated comments related to Individual Business or Public Hearing items that are listed on the agenda will be heard at the time that matter is addressed on the agenda.

Mike Germaine addressed the Council to provide an update on projects and events at the Bark Park.

H. CONSENT CALENDAR:

It was moved by Council Member Alves, seconded by Mayor Pro Tem Sally and carried 4-0 (Council Member Petty absent) that the items on the Consent Calendar be approved as presented.

1. Approve minutes of September 24, 2019
2. Payment of the Bills

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EXETER CITY COUNCIL
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3. **Affirm the City Administrator's emergency execution of Purchase Orders with Infinitiwireless for \$23,051.16 and Tulare County IT for \$3,070.70 for purchase and installation, respectively, of the necessary components of critical information technology equipment that facilitates communication between the Exeter Police Department and Tulare County Sheriff's Department and appropriate an additional \$26,500 in the General Fund.**

I. INDIVIDUAL BUSINESS ITEMS

1. **Public Hearing to adopt Resolution 2019-23 approving the 2019/20 State Cops Grant Proposed Spending Plan to purchase police vehicles with any remaining funds used for frontline law enforcement services such as positions and equipment/technology upgrades.** Chief Hall provided a report for Council's review and consideration. Mayor Waterman-Philpot opened the public hearing at 7:14 p.m., receiving no comment, closed the public hearing at 7:14 p.m. Following brief discussion, it was moved by Council Member Alves, seconded by Council Member Hails and carried 4-0 (Council Member Petty absent) to adopt Resolution 2019-23 as presented.
2. **Presentation regarding information on how officers are trained to use force, and the criteria by which their actions are determined to be within the law and Department policy, or otherwise.** Chief Hall provided a PowerPoint presentation highlighting use of force. Following discussion, no action was requested, or taken.
3. **Adopt Resolution 2019-24 Upholding the Planning Commission's Approval of Conditional Use Permit 19-01, Yoga Studio in a residence that is zoned PO (professional office) and located at 430 East Maple in Exeter.** City Planner Greg Collins provided a report for Council's review and consideration. Following discussion, it was moved by Council Member Hails, seconded by Council Member Alves and carried 4-0 (Council Member Petty absent) to adopt Resolution 2019-24 as presented.
4. **Adopt Resolution 2019-25 Upholding the Planning Commission's Recommendation on an Amendment to Conditional Use Permit 18-02, BMT Properties.** – City Planner Greg Collins provided a report for Council's review and consideration. Following discussion, it was moved by Council Member Hails, seconded by Council Member Alves and carried 4-0 (Council Member Petty absent) to adopt Resolution 2019-25 as presented.
5. **Adopt Resolution 2019-26 approving a Debt Management Policy in accordance with Senate Bill 1029 and approving a Disclosure Policy.** Finance Director Chris Tavarez provided a report for Council's review and consideration. Following discussion, it was moved by Mayor Pro Tem Sally, seconded by Council Member Alves and carried 4-0 (Council Member Petty absent) to adopt Resolution 2019-26 as presented.
6. **Adopt Resolution 2019-27 authorizing the City Administrator to sign a supplement to the Measure R Program Cooperative Agreement of up to \$400,000 with Tulare County Association of Governments and a cooperative agreement with Tulare County to initiate the process for design and construction of Rocky Hill Drive and Firebaugh Avenue Improvements from SR 65 to Spruce.** Public Works Director Daymon Qualls provided a report for Council's review and consideration. Following discussion, it was moved by Mayor Pro Tem Sally, seconded by Council Member Alves and carried 4-0 (Council Member Petty absent) to adopt Resolution 2019-27 as presented.
7. **Presentation of the Water Valve Assessment, Operation, and GPS Collection Project.** Public Works Director Daymon Qualls provided a PowerPoint presentation highlighting the water valve assessment, operation and GPS Collection project. Following discussion, no action was requested, or taken.
8. **Consideration to re-appoint Rosemary Hellwig as the City of Exeter's representative on the Delta Vector Control District Board for a 2-year term beginning January 1, 2020; or appoint a new candidate to the two-year term on the board; or solicit applicants to fill the two-year term on the Board.** City Administrator Adam Ennis provided a report for Council's review and consideration. Following discussion, it was moved by Council Member Hails, seconded by Council Member Alves and carried 4-0 (Council Member Petty absent) to re-appoint Rosemary Hellwig as City of Exeter's representative on the Delta Vector Control District Board for a 2-year term beginning January 1, 2020.

J. CITY COUNCIL ITEMS OF INTEREST

Council Member Alves, Mayor Pro Tem Sally and Mayor Waterman-Philpot reported on recent events they have attended.

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K. CITY ADMINISTRATOR/DEPARTMENT COMMENTS

City Administrator Adam Ennis reported on recent events he has attended and upcoming events in the City.

L. ADJOURN REGULAR MEETING

Mayor Waterman-Philpot adjourned the regular meeting at 9:02 p.m.

Shonna Oneal City Clerk

ACS/XEROX FINANCIAL SYSTEM CITY OF EXETER
 10/11/2019 13:18:15 Payments for Publication GL335R-V08.08 PAGE

Approved on 10/11/2019 for Payments Through 10/11/2019

Vendor Name	Description	Amount
AMERIPRIDE SERVICES, INC.	10/3/19 UNIFORM SERVICES	296.71
ASCAP	19/20 MUSIC LICENSE	363.75
B.S. & E. CO INC	REDI-MIS 5 SACK, 1YD/TRA	191.64
BANC OF AMERICA LEASING	PAYMENT 22 PRINCIPAL	46,351.61
CALIFORNIA BUSINESS MACHINES	10/6/19 TO 11/5/19 TA400	93.50
CALIFORNIA INDUSTRIAL RUBBER	3/32" #2102 CI SHEET CUT	20.55
CCP INDUSTRIES INC.	KLEENEX BATHROOM TISSUE	88.92
CENTRAL CAL WATERWORKS, INC	OCT 2019 WWTP	6,233.33
CENTRAL VALLEY SWEEPING LLC	SEP STREET SWEEPING SERV	3,038.40
CITY OF EXETER	8/18-9/18/19 ASSESSMENT	2,974.02
CITY OF FRESNO POLICE DEPT	FIREARMS INSTRUCTOR-HAYE	115.00
CITY OF VISALIA	7/1-6/30/20 HAZ-MAT FEE	1,394.31
COLLEGE OF THE SEQUOIAS	PERISHABLE SKILLS-GIEFER	105.00
COLLINS & SCHOETTLER	SEP 2019 PLANNING	1,440.00
CRAIGS AUTO PARTS	HUMVEE BATTERY/CORE DEPO	1,677.10
CSJVRMA	19/20 Q2 WORKERS COMP PR	84,552.00
CULLIGAN	SEP PD WATER SERVICES	149.75
DELTA LIQUID ENERGY, ARRO AUTO	8/13/19 MILLER PROPANE	798.33
DIAZ/ RAFAEL	VISALIA RD PROJ-R DIAZ	1,200.00
ELBERTS DISTRIBUTING INC	EXT LIFE MOA/CF5 FUEL TR	182.68
ELITE CORPORATE MEDICAL SERV	MEDICAL CLINIC FEES-54	1,269.00
EMD NETWORKING SERVICES, INC.	OCTOBER 2019 VOIP	970.56
EMMETTS EXCAVATION	CMAQ BELMONT BIKE PATH	109,253.28
EXETER CHAMBER OF COMMERCE	CC 19/20 QTR 1 DONATIONS	140.00
EXETER IRRIGATION & SUPPLY	TORO 700 SERIES 1.5" VAL	116.05
EXETER MERCANTILE CO.	1/2 HYDRAULIC HOSE/FITTI	758.83
EXETER MOTORS, INC.	E04-SOCKET AND WIR	1,366.69
FASTENAL COMPANY	170Z ATH FLD STRIP WHT	552.42
FERGUSON ENTERPRISES INC	6 DI FLG RW GATE VALVE	5,350.88
FG SOLUTIONS LLC	WATER/SEWER RATE ANALYSI	11,505.92
FOODLINK FOR TULARE COUNTY	CC 19/20 QTR 1 DONATIONS	50.00
FOOTHILLS SUN-GAZETTE	9/25/19 PH COPS GRANT	93.50
FRESNO CITY COLLEGE	FIREARMS INSTRUCTOR-HAYE	123.00
FRESNO OXYGEN	14"66T MILD STEEL CUTTIN	240.07
FRONTIER CALIFORNIA INC.	6682/9-21 TO 10/21/19	83.41
GHD INC	VISALIA ROAD IMPROVE PRO	7,723.59
GIEFER/ MICHAEL	9/27 FUEL REIMB.-GIEFER	20.00
GLOBAL WATER MANAGEMENT, LLC	SEPT METER SERVICE	2,737.80
GOPHER GETTER	SEPT GOPHER SERVICES	450.00
HALL/ JOHN	POLICE RETREAT-HALL	155.00
HAYES/ CURTIS	MEAL-FIREARMS INSTRUCTO	75.00
IMS INFRASTRUCTURE MANAGEMENT	CONSULTING SERV PAVEMENT	1,512.50
JACK GRIGGS INC	SEPTEMBER 2019 GAS	7,990.11
KIMBALL-MIDWEST	WIRE/CAP SCREW/WHEEL	601.00
LEXIPOL, LLC	19/20 ONLINE MGMT SERVIC	800.00
MIDTOWN SPORTS, INC.	HORSESHOE T-SHIRTS	299.46
MOORE TWINING ASSOCIATES, INC	PESTICIDES/SEMI-VOLATILE	7,923.00
OASIS SECURITY SYSTEMS	OCT-DEC SECURITY SYSTEM	105.00

Approved on 10/11/2019 for Payments Through 10/11/2019

Vendor Name	Description	Amount
OFFICE DEPOT	PAPER ROLLS/SOAP/MOISTEN	54.44
PRINCIPAL LIFE INSURANCE CO.	OCT PREMIUM-37 MEMBERS	9,757.53
QUAD KNOFF ENGINEERING	190269 150 S E STREET	3,489.47
QUILL CORP.	PAPER/FILE FOLDERS/AIRWI	72.68
ROMAN CATHOLIC BISHOP	10/4/19 ARROYO DONATION	18.00
SAN JOAQUIN VALLEY APCD	VIOLATION SETTLEMENT	1,477.00
SINGH/ JAGTAR	VISALIA RD PROJ-J. SINGH	2,500.00
SOUTHERN CALIFORNIA EDISON	9240C/8-23 TO 9/24/19	15,018.78
SOUTHERN CALIFORNIA GAS CO.	7144/9-1 TO 10/1/19	52.27
STANDARD INSURANCE CO.	OCT 2019 LIFE INSURANCE	2,112.81
TF TIRE AND SERVICE	16 FORD 225/70R19.5 FS F	1,596.47
TRANSUNION RISK & ALTERNATIVE	SEPT PERSON SEARCH	50.00
TROPHY SHOPPE	FALL FESTIVAL TROPHIES	305.15
TULARE COUNTY	AUG MAIL-DELIQ/WTR	3,223.52
TULARE COUNTY INFO TECHNOLOGY	SQUAD ROOM RADIO REPAIR	77.22
TULARE COUNTY SHERIFF'S DEPT	JUL-SEP 2019 DISPATCH	21,768.75
UNIVAR USA, INC.	WELL #13 SOD HYPO 12.5%	304.91
UPHOLSTERY BY BRENT	REPAIR BOTTOM/BACK/REPAD	350.00
US BANK N.A.	SEP CUSTODY CHARGES	51.25
USA BLUEBOOK	BLUE-WHITE INJ VALVE/TUB	424.41
VALLEY EXPETEC	LENOVO 65W TRAVEL ADAPTE	194.97
VALLEY GREEN LANDSCAPE	SEP CITY PARK MAINTENANC	9,076.00
VAST NETWORKS	OCT 2019 UTILITY SYSTEM	1,000.00
VERIZON WIRELESS	8/29/19-9/28/19	1,435.24
VOLLMER EXCAVATION, L.P.	TRANSFER ROAD BASE ROCK	430.46

Final Totals... 388,374.00

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PAYROLL.....S BI-WEEKLY RUN-10/03/2019 13.13.23 PAGE 1
 CHECK FORM..CHEK CHECK REGISTER PR311R-V14.08 Paymate

PERIOD 1 DATING 9/16/2019- 9/29/2019 CHECK DATE 10/04/2019
 DIRECT DEPOSIT IS TURNED ON

CHECK NUMBER	CHECK AMOUNT	EMPLOYEE/BANK/VENDOR NAME	CODE	CHECK SEQ	
43323	63.69	CA STATE DISBURSEMENT UN	2	1	VENDOR CHECK
43324	36.94	PETTY/JEREMY	106	1	
43325	2,016.94	PHELPS/KEVIN M	429	1	
43326	138.14	DAVIDSON/KAYTEE	567	1	
43327	44.32	GARVER/ELIJAH MORGAN	507	1	
43328	116.36	KANE/SAMANTHA	550	1	

TOTALS FOR CHECK FORM: CHEK		COUNTS	
NEGOTIABLE CHECKS			
2,352.70	*EMPLOYEE CHECKS	5	
63.69	*VENDOR CHECKS	1	
0.00	*BANK CHECKS	0	
2,416.39	**TOTAL NEGOTIABLE CHECKS	6	
OTHER CHECKS			
0.00	*MANUAL CHECKS	0	
0.00	*CANCELLED CHECKS	0	
2,416.39	**TOTAL FOR CHECK FORM		
NON-NEGOTIABLE CHECKS			
0.00	*DIRECT DEPOSIT STUBS	0	
0.00	*VENDOR DIR DEP STUBS	0	

PAYROLL.....S BI-WEEKLY
CHECK FORM..STUB CHECK REGISTER

RUN-10/03/2019 13.13.23 PAGE 2
PR311R-V14.08 Paymate

PERIOD 1 DATING 9/16/2019- 9/29/2019 CHECK DATE 10/04/2019
DIRECT DEPOSIT IS TURNED ON

CHECK NUMBER	CHECK AMOUNT	EMPLOYEE/BANK/VENDOR NAME	CODE	CHECK SEQ
47143	234.00	CLOCEA	4	1 VENDOR STUB ONLY
47144	405.00	EXETER POLICE OFFICER AS	3	1 VENDOR STUB ONLY
47145	235.35	EXETER POLICE OFFICER AS	3A	1 VENDOR STUB ONLY
47146	4,486.62	ENNIS/ADAM	206	1 STUB ONLY
47147	2,341.43	ONEAL/SHONNA N	203	1 STUB ONLY
47148	547.75	ALDRIDGE/SHAWNA	305	1 STUB ONLY
47149	479.85	HERNANDEZ/XOCHITL	306	1 STUB ONLY
47150	1,456.64	IBARRA/MARLENE	302	1 STUB ONLY
47151	3,294.65	TAVAREZ/CHRISTOPHER	309	1 STUB ONLY
47152	2,007.01	SEE/EEKHONG	304	1 STUB ONLY
47153	114.05	CANALES/MICHAEL W	430	1 STUB ONLY
47154	1,105.72	CARRETERO/VANESSA	402	1 STUB ONLY
47155	1,949.88	CORREA/GABRIEL JR	436	1 STUB ONLY
47156	1,397.85	CULLUM/TRENT	444	1 STUB ONLY
47157	2,420.42	DURKEE/MARK	404	1 STUB ONLY
47158	1,441.76	ECHEVARRIA/TYLER J	443	1 STUB ONLY
47159	2,227.48	FERNANDEZ/CESAR	434	1 STUB ONLY
47160	2,626.04	FRICK/JOCELYNN LEANN	433	1 STUB ONLY
47161	2,836.06	GIEFER/MICHAEL DAVID	438	1 STUB ONLY
47162	1,653.62	GUZMAN/TIMOTHY CHARLES	410	1 STUB ONLY
47163	3,175.16	HALL/JOHN T	406	1 STUB ONLY
47164	2,655.45	INGLEHART/BRETT A	411	1 STUB ONLY
47165	1,915.32	KNOX/MARK	442	1 STUB ONLY
47166	1,547.72	LOPEZ/ESTEBAN	445	1 STUB ONLY
47167	1,308.24	MACLEAN/JANET L	413	1 STUB ONLY
47168	1,488.53	SALINAS/ALEXANDER	419	1 STUB ONLY
47169	1,937.18	WALKER/PAUL	425	1 STUB ONLY
47170	2,409.91	YARBER/ISABEL	422	1 STUB ONLY
47171	1,269.37	ALDRIDGE/GARY	618	1 STUB ONLY
47172	1,414.50	ARROYO/MARIE	623	1 STUB ONLY
47173	1,835.18	ESPINOLA/DANIEL M	602	1 STUB ONLY
47174	1,393.85	HUGGINS/KYLE AARON	621	1 STUB ONLY
47175	2,829.29	QUALLS/DAYMON	607	1 STUB ONLY
47176	1,433.24	RAMIREZ/JUAN	608	1 STUB ONLY
47177	488.93	WENDT/EDDIE	626	1 STUB ONLY
47178	1,258.50	CARTER/AMY JO	502	1 STUB ONLY
47179	1,140.13	WACHTER/LINDA S	517	1 STUB ONLY
47180	1,448.85	MILLAN/MARCUS	622	1 STUB ONLY
47181	852.94	MILLER/JAMES	624	1 STUB ONLY
47182	1,026.73	MIRWALD/PHILIP	625	1 STUB ONLY
47183	1,179.09	QUIROZ/PATRICK P	512	1 STUB ONLY
47184	1,708.37	HAYES/CURTIS W	437	1 STUB ONLY

PAYROLL.....S BI-WEEKLY RUN-10/16/2019 16.20.19 PAGE 1
 CHECK FORM..CHEK CHECK REGISTER PR311R-V14.08 Paymate

PERIOD 2 DATING 9/30/2019-10/13/2019 CHECK DATE 10/18/2019
 DIRECT DEPOSIT IS TURNED ON

CHECK NUMBER	CHECK AMOUNT	EMPLOYEE/BANK/VENDOR NAME	CODE	CHECK SEQ	
43329	63.69	CA STATE DISBURSEMENT UN 2		1	VENDOR CHECK
43330	1,806.06	PHELPS/KEVIN M	429	1	
43331	149.61	BILLUPS/SAMANTHA	550	1	
43332	222.15	DAVIDSON/KAYTEE	567	1	
43333	88.66	GARVER/ELIJAH MORGAN	507	1	

TOTALS FOR CHECK FORM: CHEK

NEGOTIABLE CHECKS		COUNTS
2,266.48	*EMPLOYEE CHECKS	4
63.69	*VENDOR CHECKS	1
0.00	*BANK CHECKS	0
2,330.17	**TOTAL NEGOTIABLE CHECKS	5

OTHER CHECKS

0.00	*MANUAL CHECKS	0
0.00	*CANCELLED CHECKS	0

2,330.17 **TOTAL FOR CHECK FORM

NON-NEGOTIABLE CHECKS

0.00	*DIRECT DEPOSIT STUBS	0
0.00	*VENDOR DIR DEP STUBS	0

PAYROLL.....S BI-WEEKLY
CHECK FORM..STUB CHECK REGISTER

RUN-10/16/2019 16.20.19 PAGE 2
PR311R-V14.08 Paymate

PERIOD 2 DATING 9/30/2019-10/13/2019 CHECK DATE 10/18/2019
DIRECT DEPOSIT IS TURNED ON

CHECK NUMBER	CHECK AMOUNT	EMPLOYEE/BANK/VENDOR NAME	CODE	CHECK SEQ
47185	234.00	CLOCEA	4	1 VENDOR STUB ONLY
47186	405.00	EXETER POLICE OFFICER AS	3	1 VENDOR STUB ONLY
47187	235.35	EXETER POLICE OFFICER AS	3A	1 VENDOR STUB ONLY
47188	4,486.62	ENNIS/ADAM	206	1 STUB ONLY
47189	2,341.43	ONEAL/SHONNA N	203	1 STUB ONLY
47190	570.49	ALDRIDGE/SHAWNA	305	1 STUB ONLY
47191	1,256.02	HERNANDEZ/XOCHITL	306	1 STUB ONLY
47192	1,456.64	IBARRA/MARLENE	302	1 STUB ONLY
47193	3,299.90	TAVAREZ/CHRISTOPHER	309	1 STUB ONLY
47194	1,457.68	SEE/EEKHONG	304	1 STUB ONLY
47195	70.19	CANALES/MICHAEL W	430	1 STUB ONLY
47196	1,110.97	CARRETERO/VANESSA	402	1 STUB ONLY
47197	2,374.57	CORREA/GABRIEL JR	436	1 STUB ONLY
47198	1,454.98	CULLUM/TRENT	444	1 STUB ONLY
47199	2,363.05	DURKEE/MARK	404	1 STUB ONLY
47200	1,352.57	DURKEE/MARK	404	2 STUB ONLY
47201	1,575.24	ECHEVARRIA/TYLER J	443	1 STUB ONLY
47202	3,175.75	FERNANDEZ/CESAR	434	1 STUB ONLY
47203	2,321.34	FRICK/JOCELYNN LEANN	433	1 STUB ONLY
47204	1,921.60	GIEFER/MICHAEL DAVID	438	1 STUB ONLY
47205	1,881.25	GUZMAN/TIMOTHY CHARLES	410	1 STUB ONLY
47206	3,175.16	HALL/JOHN T	406	1 STUB ONLY
47207	3,940.63	HALL/JOHN T	406	2 STUB ONLY
47208	2,971.10	INGLEHART/BRETT A	411	1 STUB ONLY
47209	2,011.41	KNOX/MARK	442	1 STUB ONLY
47210	1,705.28	LOPEZ/ESTEBAN	445	1 STUB ONLY
47211	1,308.24	MACLEAN/JANET L	413	1 STUB ONLY
47212	1,739.20	SALINAS/ALEXANDER	419	1 STUB ONLY
47213	2,130.22	WALKER/PAUL	425	1 STUB ONLY
47214	2,409.91	YARBER/ISABEL	422	1 STUB ONLY
47215	845.45	ALDRIDGE/GARY	618	1 STUB ONLY
47216	1,419.75	ARROYO/MARIE	623	1 STUB ONLY
47217	1,840.43	ESPINOLA/DANIEL M	602	1 STUB ONLY
47218	1,393.85	HUGGINS/KYLE AARON	621	1 STUB ONLY
47219	2,829.29	QUALLS/DAYMON	607	1 STUB ONLY
47220	1,776.08	RAMIREZ/JUAN	608	1 STUB ONLY
47221	471.15	WENDT/EDDIE	626	1 STUB ONLY
47222	1,333.72	CARTER/AMY JO	502	1 STUB ONLY
47223	1,140.13	WACHTER/LINDA S	517	1 STUB ONLY
47224	1,217.48	MILLAN/MARCUS	622	1 STUB ONLY
47225	1,131.07	MILLER/JAMES	624	1 STUB ONLY
47226	704.52	MIRWALD/PHILIP	625	1 STUB ONLY
47227	1,184.34	QUIROZ/PATRICK P	512	1 STUB ONLY
47228	2,197.65	HAYES/CURTIS W	437	1 STUB ONLY

CITY OF EXETER

PO BOX 237 - 137 N F STREET, EXETER 93221
Phone 592-3710 - Fax 592-3556

Treasurer's Report August 2019

Beginning Balance as of August 1, 2019		\$	537,325.48
<u>Deposits</u>			
Wire Transfer from US Savings	\$	275,000.00	
#1409	\$	12,508.94	
#1410	\$	90,753.09	
#1411	\$	202,611.57	
#1412	\$	22,243.03	
#1413	\$	6,523.57	
Direct Deposit #1414	\$	307,714.41	
TOTAL DEPOSITS		\$	917,354.61
<u>Withdrawals</u>			
City Checks Processed	\$	606,325.91	
Payroll EFT	\$	137,542.57	
Payroll Checks	\$	5,079.17	
CalPERS Retirement costs	\$	45,180.42	
P/R Taxes	\$	24,822.21	
Def Comp	\$	1,785.40	
FSA Disbursements	\$	2,613.92	
Bank Charges/Misc	\$	114.90	
Chargebacks	\$	919.90	
State DU	\$	737.52	
	\$	-	
TOTAL WITHDRAWALS		\$	825,121.92
Ending Bank Balance as of Aug 31, 2019		\$	629,558.17
Undeposited cash on hand #1415		\$	5,355.64
Bank of the Sierra ending balance		\$	634,913.81
<u>Outstanding Checks</u>			
General	\$	152,236.78	
Payroll	\$	261.34	
Outstanding CalPers Pymt	\$	-	
		\$	152,498.12
Adjusted Bank Balance as of August 31, 2019		\$	482,415.69
<u>Investments</u>			
US Savings	\$	22,101.16	
Government Agency Bond	\$	250,715.75	
CD's	\$	2,222,000.00	
Local Agency Investment Fund	\$	2,903,967.73	
Fair Market Value Adjustment gain/(loss)	\$	8,986.36	
Charles Schwab	\$	0.23	
Total City Funds 8/31/2019		\$	5,407,771.23
		\$	5,890,186.92
Ratio of Invested Funds/Available Funds			92%

City of Exeter
Treasurer's Report
Investments as of 8/31/2019

<u>Rate</u>	<u>Maturity Date</u>	<u>Description</u>	<u>Purchase Date</u>	<u>Principal Value</u>
<u>Certificates of Deposit</u>				
1.90%	10/24/2019	GE CAPITAL BANK #T5F8	Oct-14	\$ 247,000
2.10%	11/19/2019	CAPITAL ONE BANK #0QX1	Nov-14	\$ 247,000
2.20%	12/10/2019	GOLDMAN SACHS #JEHO	Dec-14	\$ 247,000
2.10%	1/14/2020	CIT BANK #DAD4	Jan-15	\$ 245,000
1.35%	6/10/2020	MB FINANCIAL BANK #CRZ1	Jun-16	\$ 248,000
1.75%	10/29/2021	COMENITY CAPITAL #ASX5	Oct-16	\$ 249,000
1.75%	11/2/2021	DISCOVER BANK #2M39	Nov-16	\$ 247,000
2.40%	11/15/2022	CAPITAL ONE #RKE0	Nov-17	\$ 247,000
3.00%	8/9/2021	ALLY BANK #GEE9	Aug-18	\$ 245,000
2.06% Average				<u>\$ 2,222,000</u>
<u>Money Market Funds</u>				
2.34% Demand		Local Agency Investment Fund	Various	\$ 2,903,968
Demand		US Savings	Various	\$ 22,101
Demand		Charles Schwab	Various	<u>\$ 0.23</u>
				<u>\$ 2,926,069</u>
<u>Government Securities</u>				
1.88%		Federal Home Loan Bank		<u>246,375</u>
				<u>\$ 246,375</u>
			Total Investments	<u>\$ 5,394,444</u>

By - E. See/C. Távarez

City of Exeter Agenda Item Transmittal

Meeting Date: October 22, 2019

Agenda Item Number: H5

Wording for Agenda: Accept the Notice of Completion for the City's Highway Safety Improvement Program (HSIP) Contract with JT2 Incorporated (dba Todd Companies), authorize change order 4 (revised), and authorize the City Engineer to sign the Notice of Completion and the City Clerk to file the notice with the Tulare County Recorder's Office.

Submitting Department: Public Works
Contact Name: Daymon Qualls
Phone Number: 559.592.3318
Email: dqualls@exetercityhall.com

For action by:

☒ City Council

Regular Session:

☒ Consent Calendar
☐ Regular Item
☐ Public Hearing

Review:

**City Administrator
(Initials Required)**



Department Recommendation:

Staff recommends that Council accepts the Notice of Completion for the City's Highway Safety Improvement Program (HSIP) Contract with JT2 and associated authorizations as presented.

Summary/Background:

At its regularly scheduled meeting on March 14, 2017 the Council awarded the construction contract to JT2 Incorporated (Todd Company) in the amount of \$312,696.24 to provide construction services for the City's Highway Safety Improvement Program (HSIP) Project.

At the end of October 2017, JT2 was proceeding with installation of signage and striping when their striping contractor, Super Seal and Stripe (SSS), noticed the condition of the pavement on San Juan Avenue. The pavement had received multiple slurry seal applications and was delaminating at the intersection where they were required to scarify the pavement markings to remove them. JT2 submitted Request For Information (RFI) 16, where they expressed concern that their scarifying equipment may gouge this delaminated surface and cause portions in excess of 1/4" to be removed. Their concern was that the delamination would leave an uneven surface for the road and result in an unacceptable installation of the thermoplastic striping. Their concern extended throughout the project site, including local roads and SR65 pavement.

Upon review of the matter, staff determined the best course of action was to reapply a slurry seal after pavement marking removal to even out the surface. Since the original design scope did not include slurry seal, staff was concerned that FHWA and Caltrans would deny the City reimbursement for this expense from the HSIP funding. Staff approached District 6 representative - Local Assistance Engineer Rodney Bowen, to determine whether Caltrans/FHWA would support the slurry seal application. With some internal deliberations, Jim Perrault, the Local Assistance Engineer advised that FHWA/Caltrans would support the application of slurry seal.

While awaiting response from Caltrans, staff was made aware that Caltrans was planning to commence construction on SR 65 to perform a scarification removal and overlay replacement of the pavement from SR 198 to SR 137, which would include pavement within the City project area. Rather than the City contractor apply pavement markings and slurry seal to the existing

pavement, only to see its subsequent removal and replacement under the Caltrans project, staff coordinated with Caltrans to remove the pavement marking scope from the City contract, reducing the amount of work for SSS. This was an involved process involving 3 separate departments from Caltrans: the Local Assistance Office, the Encroachment Permits Office and the Construction Office for District 6. This complicated the process and extended it out until June of 2018.

At that point, staff was able to address the City HSIP Project scope changes in the RFI response to JT2, which staff did on June 4, 2018. Due to the work done by Caltrans, the scope of the remaining work for the City HSIP project was reduced in volume but included adding slurry sealing. JT2 replied that their striping subcontractor (SSS) refused to complete the remaining work, and that they now requested the City to terminate their general contract. Again, in consultation with Caltrans, staff determined the City would not terminate the contract; rather the City insisted JT2 complete the remaining scope of work in their contract and the additional slurry sealing. Correspondence between the City and JT2 ensued where JT2 advised that they would need to replace their striping subcontractor, SSS. Since SSS contributed to meeting the Disadvantaged Business Entity (DBE) funding requirement of the contract, JT2 had to perform a good-faith effort (GFE) to replace SSS with another DBE subcontractor. With no response from JT2 by the fall of 2018, the City reiterated to JT2 the need to have their subcontractor, SSS, perform the work or submit a replacement subcontractor for this part of the scope of work, including a GFE documentation package for review and approval by the City and Caltrans.

At the end of the striping/slurry seal season in 2018, JT2 finally submitted a request for substitution for their DBE striping subcontractor. Winter weather prohibited the work continuing until spring 2019.

The project was set to proceed with the remaining work and complete the project by early summer of 2019 when JT2 again submitted a second request to terminate the general contract. Again, in consultation with Caltrans, staff determined it was in the City's best interest to terminate the contract with JT2 and pursue completion of remaining pavement marking and slurry seal work with a separate contract. Protracted correspondence followed in closing out the contract with JT2, including cancellation of the work described under change order 4, namely slurry seal work and traffic control, and issuing a revised change order 4, reconciling final quantities of work and removing unfinished pavement marking work from the contract. In consultation with Caltrans, unexpended HSIP funding budget and supplementary funds from Caltrans will allow for a separate contractor to complete the work.

Description of Change Orders:

Change Order 4 (previously approved by Council) is presented below and has been modified to include actual change order work completed and reconciliation of final quantities:

Item	Description	Amount
1.	Reference: E-mail of July 18, 2019, phone call between Greg Thompson and Gordon Tessman of July 19, 2019	
	Bid Item 8. Remove Thermoplastic Pavement Markings Contract Total: 2,379 SF times \$2.75/SF = \$6,542.25 Quantity to date: 0 SF time \$2.75/SF = \$0.00 Delta: (\$6,542.25)	(\$6,542.25)

	Bid Item 12. Remove Concrete Contract Total: 108 CY times \$257.36/CY = \$27,794.88 Quantity to date: 111.08 CY times \$257.36/CY = \$28,587.55 Delta: \$792.67	\$792.67
	Bid Item 14. Minor Hot Mix Asphalt Contract Total: 149 Tons times \$183.00/Ton = \$27,267.00 Quantity to date: 151.25 Tons time \$183.00/Ton = 27,678.75 Delta: \$411.25	\$411.75
	Bid Item 17. Paint Curb (2-Coat, Red) Contract Total: 963 LF times \$1.70/LF = \$1,637.10 Quantity to date: 963 LF times \$0.00/LF = \$0.00 Delta: (\$1,637.10)	(\$1,637.10)
	Bid Item 18. Detectable Warning Surface Contract Total: 969 SF times \$25.31/SF = \$24,525.39 Quantity to date: 542.5 SF times \$25.31/SF = \$13,730.67 Delta: (\$10,794.72)	(\$10,794.72)
	Bid Item 19. Minor Concrete Contract Total: \$138 CY times \$837.25/CY = \$115,540.50 Quantity to date: 139.26 CY times \$837.25/CY = \$116,595.44 Delta: \$1,054.94	\$1,054.94
	Bid Item 22. Thermoplastic Pavement Marking Contract Total: 4,668 SF times \$6.00/SF = \$28,008.00 Quantity to date: 0 SF times \$6.00/SF = \$0.00 Delta: (\$28,008.00)	(\$28,008.00)
2.	Reference JT2 Change Order Proposal P008 dated November 17, 2017, Safety Network Subcontract quotation, item 6 Traffic Control Plans. Provide traffic control plans for use in Caltrans Encroachment Permit application. (\$195.00/plan x 2 plans + 15% Contractor Markup = \$448.50)	\$448.50
3.	Contract between JT2 Inc and City of Exeter is hereby terminated by mutual agreement and not subject to further claims or additional costs by either party.	\$0.00

CHANGE ORDER 4 REVISED TOTAL: (\$44,274.21)

Original Bid Amount:	\$312,698.37
Change Order 1:	\$16426.00
Change Order 2:	\$8,238.00
Change Order 3:	\$10,501.00
Change Order 4 (revised):	<u>(\$44,274.21)</u>
Final Contract Total:	\$303,598.16

The engineer's opinion of probable construction costs for the project was \$421,347.30.

With termination of the contract, a Notice of Completion (Attachment 1) for the completed contract work needs to be recorded with the County Clerk Recorder's office. The final retention payment will be made after the 35-day waiting period after recording of the project notice of completion.

Fiscal Impact: This project is being funded with HSIP funds and toll credits. Toll credits are being used in lieu of the local match dollars. The total funding obligated for construction and construction engineering is \$471,616.00

Prior Council/Board Actions: March 14, 2017 - Council awarded the construction contract to JT2 Incorporated (Todd Company) in the amount of \$312,696.24.

Attachments: Notice of Completion

Recommended motion to be made by Council/Board: I move to accept the Notice of Completion for the City's Highway Safety Improvement Program (HSIP) Contract with JT2 Inc. as complete and authorize change order 4 (revised), and authorize the City Engineer to sign the Notice of Completion and the City Clerk to file the notice with the Tulare County Recorder's Office.

RECORDING REQUESTED
AND RETURN TO:

City of Exeter
P.O. Box 237
Exeter, CA 93221
FREE RECORDING: Govt. Code 6103

NOTICE OF COMPLETION

NOTICE IS HEREBY GIVEN:

1. That the City of Exeter, California, a Municipal Corporation, whose address is 137 North "F" Street, Exeter, California, is the owner of the real property, public works or structure hereinafter described.

2. That on the 19th day of July, 2019, a work of improvement on real property hereinafter described was completed pursuant to a contract to which Division 2, Part 3, Chapter 1, Article 4, of the Public Contract Code applies.

3. That the name of the contractor who performed said work of improvement pursuant to such contract with the City of Exeter is JT2 Inc, dba Todd Companies whose address is 1701 N. Clancy Ct., Visalia, CA 93290, and that Fidelity and Deposit Company of Maryland is the surety on said contract.

4. That the real property or public work or structure is described as follows:

Exeter Highway Safety Improvement Program (HSIP) Project at Various Locations, Exeter, CA 93221

5. That the Nature of the owner's interest or estate is: In Fee

6. That Resolution No. _____ authorizing acceptance of construction of said project, is attached.

Dated: October 22, 2019, _____

City of: Exeter
A Municipal Corporation

By: _____
Lisa Wallis-Dutra, City Engineer

STATE OF CALIFORNIA)

)ss

COUNTY OF TULARE)

The undersigned being duly sworn says: That she is the City Engineer of the City of Exeter, a Municipal Corporation, and gives notice for and on behalf of said Municipal Corporation, that she has read the foregoing notice and knows the contents thereof, and the same is true of her own knowledge.

By: _____
Lisa Wallis-Dutra, City Engineer

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 TULARE)

Subscribed and sworn to (or affirmed) before me on this ____ day of October, 2019, by Lisa Wallis-Dutra, proved to me on the basis of satisfactory evidence to be the person(s) who appeared before me.

(Seal)

Signature: _____
Signature of Notary Public

Attached to Notice of Completion for Exeter Municipal Project :

Exeter Highway Safety Improvement Program (HSIP) Project at Various Locations

(Insert name of project on line above)

City of Exeter Agenda Item Transmittal

Meeting Date: October 22, 2019

Agenda Item Number:

H6

Wording for Agenda: Authorize the piggyback of a contract that was competitively bid for employee uniform and linen services and authorize the City Administrator to execute a thirty-six-month (3 year) agreement with Prudential Overall Supply of Fresno, CA for \$112.30 per week (annual cost \$5,839.60 and \$17,518.80 for the full contract term) for public works employee uniform and linen services.

Submitting Department: Public Works

Contact Name: Daymon Qualls, Public Works Director

Phone Number: 592-3318

Email: dqualls@exetercityhall.com

For action by:

☒ City Council

Regular Session:

☒ Consent Calendar

☐ Regular Item

☐ Public Hearing

Review:

**City Administrator
(Initials Required)**



Department Recommendation:

Staff recommends that the City Council authorize piggyback of a competitively bid contract for employee uniform and linen services and authorize the City Administrator to execute a thirty-six-month (3 year) agreement with Prudential Overall Supply of Fresno, CA for \$112.30 per week for said services.

Summary/Background:

Per Article 21 of the Memorandum of Understanding by and between the City of Exeter and The California League of City Employees Associations (CLOCEA) the City provides uniforms for its public works employees. The City's previous uniform agreement with AmeriPride Uniform Services expired in July of 2014. The Agreement provides service level expectations and pricing for rental and laundry services for the Public Works Department's uniforms, jackets, coveralls, floor rugs and shop towels.

With the current contract for services having expired, staff began looking at cost effective options for continuing uniform and related linen services for public works employees. Initially, quotes to supply uniforms and related laundry services were solicited from three prospective firms. A summary of the cost proposals received are included as Attachment #1. Staff then contacted the City of Visalia and requested information on their recent competitive bid process which resulted in Prudential Overall Supply being awarded their uniform services contract (September 2015).

Staff determined that Prudential Overall Supply is offering the City of Exeter the same unit pricing that was bid to the City of Visalia during their competitive bid process, which was based on a much larger volume of work that aids in lowering the unit costs. For this reason, staff is recommending that City Council authorize the piggyback on the City of Visalia's competitively bid contract and authorize the City Administrator to execute an agreement with Prudential Overall Supply of Fresno, CA for employee uniform and linen services. Piggybacking off Visalia's competitive bid process will save a considerable amount of City staff time and ensure that the City receives the most competitive pricing for services.

Uniform Company Cost Proposal Summary
2019

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P
	Company	Location	Shirts	Pants	Big Towels	Shop Towel	Seat Cover	Door Mats	Jackets	Notes	total 1 each					
1	Mission Linen	Visalia	\$0.21	\$0.24	\$0.07	\$0.07	\$0.65	\$2.00	\$38.95	Jackets are purchased not rented. Cleaning cost \$2.50 each	\$3.24	Failed to respond to request for uniform samples.				
2	Prudential Overcall Supply	Fresno	\$0.24	\$0.32	\$0.30	\$0.07	\$0.69	\$1.55	\$0.93		\$3.17					
3	*second request		\$0.60	\$0.30												
4	Unifirst Corp.	Fresno	\$0.25	\$0.25	\$0.12	\$0.07	\$0.60	\$2.00	\$0.90	Provided references. Each gave raving reviews	\$3.29					
5	*second request		\$0.45	\$1.00					\$0.50							
6																
7																
8																
9																
10	Ameripride- current		\$0.68	\$0.83	\$0.26	\$0.10	\$0.74	\$3.11								



SERVICE QUOTATION

Company: City of Exeter

Contact Name: Marie Arroyo

Title: Administrative Assistant

Address: 350 W. Firebaugh

City: Exeter

State: CA

Zip: 93221

Phone Number: (559) 592-3312 Ext. 4002

Email: marroyo@exetercityhall.com

GARMENTS

ITEM	REPLACEMENT RATE	INVENTORY	# OF EMPLOYEES	WEEKLY RENTAL UNIT RATE	WEEKLY COST PER EMPLOYEE	TOTAL WEEKLY RENTAL
<u>H. - Visibility Shirt</u>	<u>\$60.85</u>	<u>11</u>	<u>7</u>	<u>\$1.56</u>	<u>\$6.23</u>	<u>\$43.58</u>
<u>Dickies Industrial Reg. Fit Jean</u>	<u>\$28.40</u>	<u>11</u>	<u>7</u>	<u>\$1.27</u>	<u>\$3.24</u>	<u>\$22.72</u>
<u>Red Kap Classic Work Jean</u>						

SUBTOTAL \$66.30

FACILITY SOLUTIONS: Dust Control / Toweling / Flatgoods / Consumable Products

ITEM	REPLACEMENT RATE	INVENTORY	WEEKLY USAGE	WEEKLY RENTAL UNIT RATE	TOTAL WEEKLY RENTAL
<u>Bath Towel #2</u>	<u>\$1.97</u>	<u>50</u>		<u>\$1.25</u>	<u>\$12.50</u>
<u>Seat / Fender Cover</u>	<u>\$16.87</u>	<u>4</u>		<u>\$1.60</u>	<u>\$2.40</u>
<u>Shop Towel Purple 18x18</u>	<u>\$1.45</u>	<u>100</u>		<u>\$1.07</u>	<u>\$7.00</u>
<u>3x4 9033</u>	<u>\$54.10</u>	<u>3</u>		<u>\$2.86</u>	<u>\$8.58</u>
<u>TTD inventory maintenance</u>	<u>\$1.45</u>	<u>1</u>		<u>\$1.75</u>	<u>\$1.45</u>
<u>TTD inventory maintenance</u>	<u>\$1.97</u>	<u>1</u>		<u>\$1.97</u>	<u>\$1.97</u>

SUBTOTAL \$32.90

Submitted By: Connor Mathias Connor Mathias
Print Name Signature

Title: CoSR

Telephone: (559) 360-2331

Email: connorm@pos-clean.com

Date: 10/10/2019

Uniforms - Towels - Facility Services
Outfitting America's Team Since 1932

TOTAL WEEKLY RENTAL \$94.20

DELIVERY CHARGE \$13.10

SALES TAX @ %

ESTIMATED WEEKLY TOTAL \$112.30

This proposal is based on acceptance within 30 days of this date.

The above prices are based on an executed Service Rental Agreement and 52 weeks a year billing. All wearing apparel prices include credit for time off due to vacation and sickness. Your acceptance of this proposal is your guarantee that, as of our starting date, you will not be contractually or otherwise obligated for any of these services agreed under our Service Rental Agreement, to any other person or concern.

City of Exeter Agenda Item Transmittal

Meeting Date: October 22, 2019

Agenda Item Number: I1

Wording for Agenda: City Council administrative hearing to consider confirmation of Nuisance Abatement Cost Recovery Amount and Special Assessment Approval for 508 Lenox Avenue, Exeter, California 93221, Assessor's Parcel Number 136-075-006-000.

Submitting Department: Public Works
Contact Name: Daymon Qualls, Director
Phone Number: (559) 592-3318
Email: dqualls@exetercityhall.com

For action by:

☒ City Council

Regular Session:

☐ Consent Calendar

☒ Regular Item

☐ Public Hearing

Review:

**City Administrator
(Initials Required)**



Department Recommendation:

City Staff recommends that the City Council hold an administrative hearing, accept and consider comment, confirm the City's cost recovery amount, and approve that amount for special assessment against the Nuisance Property pursuant to the California Government Code and the Exeter Municipal Code.

Summary/Background:

Description of Code Enforcement Actions

The Nuisance Property (508 Lenox Avenue) consists of a single-family residential structure that has been the subject of the City's code enforcement efforts since at least 2005 (14 years). The record owner of the Nuisance Property is Marty Glenn Bradsteen ("Owner") who resides on the Nuisance Property with his wife Kari Bradsteen ("Occupant").

The Nuisance Property has a long history of dangerous and substandard conditions that pose a substantial danger to the health and safety of the community and the public. In September 2005, a severe fire erupted on the Nuisance Property and quickly spread to a neighboring parcel. Due to the excessive amounts of accumulated combustible materials on the Nuisance Property, the Fire Department was unable to properly enter and extinguish the fire. Consequently, the residence on the Nuisance Property was completely destroyed along with part of the neighboring structure.

After the Nuisance Property was rebuilt, the occupants resumed creating nuisances on the property, requiring the City to issue the Owner and Occupant several Orders to Abate due to the Owner's and Occupant's continuous failure to abate the nuisance conditions. In October 2011, the City was forced to load and dump a forty-yard dumpster full of trash and debris from the Nuisance Property. Afterwards, the Owner and Occupant promised the City that they would clear the remaining trash and debris but again failed to do so.

Between October 2011 and November 7, 2012, the City received numerous neighbor complaints due to the excessive accumulation of trash, debris, and junk at the front and rear of the Nuisance Property that created a foul odor and rodent and insect infestations. Three Orders to Abate were issued, and the Owner and Occupant were contacted on numerous occasions

regarding the substandard conditions, which culminated in the City having to abate the excessive trash and storage again on November 7, 2012.

During the abatement, City inspectors inspected the interior of the Nuisance Property. The conditions on the interior of the residence were more severe than the exterior. The amount of garbage and debris encountered made inspections difficult due to the limited access to all areas of the Nuisance Property. The rear door was blocked with trash and debris, and the kitchen was full of dishes covered in decaying food. The abatement required the labor of at least fourteen people, including members of a community charity group, who filled two forty-yard roll-off containers with trash and debris from the Nuisance Property, amounting to almost 100 hours of labor.

Despite the City's additional abatement, the substandard conditions and the neighbor complaints reoccurred and continued. Thus, on May 15, 2014, the City issued a Notice and Order to Repair or Abate ("N&O") pursuant to California Health and Safety Code ("H&S") section 17980.6 giving the Owner 30 days to remediate the violations. The Owner failed to do so again. The substantially dangerous violations on the Nuisance Property were such a threat to the health and safety of the community and the public that the City filed a court action against the Owner and Occupant to appoint a receiver to remediate the substandard conditions. In response the Owner and Occupant voluntarily remediated the substandard conditions, and the action was dismissed in August 2016 after the City obtained full cost recovery. The City filed a Motion for Attorneys' Fees and Costs ("Motion") seeking recovery of all costs associated with abatement of the nuisance conditions on the Nuisance Property. The Court found the remedial measures the City had undertaken were necessary and proper to minimize the health and safety hazards on the Nuisance Property and granted the City's Motion.

More recently, an exterior inspection of the Nuisance Property on January 4, 2019, identified that the Nuisance Property had once again deteriorated and was again filled with junk, trash, and debris. There were large piles of junk all over the front yard of the Nuisance Property, including some covered by tarps, visible garbage containers, overgrown vegetation, and general dilapidation and lack of maintenance of the Nuisance Property. Despite the lengthy history of the City's code enforcement efforts, the Nuisance Property had again deteriorated to the point that the City was receiving multiple complaints from neighbors regarding the large accumulation of trash, debris, and combustible materials in the front yard of the Nuisance Property.

On January 29, 2019, the City prepared and mailed a Consent Request Letter to the Owner requesting unconditional consent to inspect the interior and exterior of the Nuisance Property. No consent was given by the Owner or Occupant. In February of 2019, the City obtained an Inspection Warrant to determine the full scope of the substantially dangerous violations on the Nuisance Property. On March 4, 2019, the City conducted a multi-agency inspection of the interior and exterior of the Nuisance Property. During that inspection, officials from Building, Fire, Code Enforcement, Planning, and other agencies identified the numerous continuing violations of law on the Nuisance Property, such as the large accumulation of trash and debris in the interior and garage of the Nuisance Property, missing smoke detectors, and blocked emergency egress routes in one of the bedrooms.

On September 9, 2019, the City recorded and mailed a Notice of Pendency of Nuisance Abatement Action ("NoP") on title to the Nuisance Property providing notice to all interested parties of the pending nuisance abatement action.

On September 16, 2019, the City conducted an exterior inspection of the Nuisance Property. The Nuisance Property had large piles of trash, junk, and debris that completely filled the garage and was spilling onto the driveway. While substandard conditions persist on the Nuisance Property, the dangerous conditions have been partially remediated. City staff

continues to closely monitor the exterior conditions of the residence to ensure compliance. Accordingly, the City now seeks to recover its nuisance abatement costs the public was forced to incur as a result of the Owner's and Occupant's failure to maintain the Nuisance Property in accordance with State and local laws, as authorized by the California Government Code and the Exeter Municipal Code.

Statutory Cost Recovery Rights & Cost Recovery Amount

The City is entitled to reimbursement of its nuisance abatement enforcement costs through a special assessment on the Nuisance Property. Government Code section 38773.5 and Exeter Municipal Code section 8.24.130 authorize the levying of a special assessment against the Nuisance Property for recovery of the City's and the public's nuisance abatement costs they were forced to incur due to the interested parties' failure to maintain and expeditiously rehabilitate the Nuisance Property. By statute, a special assessment becomes a personal obligation of the property owner and a super-priority lien on the Nuisance Property. (Gov. Code, §§ 38773.5, 53935; Rev. & Tax. Code, § 2192.1; EMC, § 8.24.130.)

The City's unpaid abatement costs in this matter total \$10,136.17

Explanation of Costs

The City's costs incurred in this matter include, but are not limited to: the assessment and verification of citizen complaints; analysis of the severity of the identified violations; assessment of nuisance abatement options; consulting with city prosecutors regarding legal process and options; conducting multiple inspections of the Nuisance Property to identify and verify the full extent of the dangerous conditions and violations of law; communication with the Owner, Occupant, and interested parties regarding the unlawful violations of law on the Nuisance Property; purchase and review of the Litigation Guaranty that identifies all the interested parties for the Nuisance Property; communication with various public agencies such as the Tulare County Fire Department, the Exeter Police Department, the Exeter Public Works Department, and the Tulare County Resource Management Agency; preparing, obtaining, executing, and returning inspection warrants; drafting, serving, and recording the NoP; strategizing the best course of action by reviewing reports and photographs prepared by various agencies; and protecting and securing the City's cost recovery rights.

After consent to inspect was sought and refused, the City prepared an inspection warrant application packet consisting of an application, a memorandum of points and authorities, a declaration by a City inspector, a proposed warrant, a warrant execution notice, and a warrant return. The inspection warrant packet was submitted to the Court for approval. The inspection was then noticed and executed. In executing the inspection warrant, the City coordinated with various local agencies, including the Public Works Department, the Tulare County Fire Department, the Exeter Police Department, the Animal Control Department, and the Tulare County Resource Management Agency, to ensure availability and attendance at the inspections. During the inspections, officials from the various agencies inspected, documented, and photographed the violations of law on the Nuisance Property. Upon completion of the inspection, the City submitted the Warrant Return to the Court. The City conducted a follow-up analysis regarding the severity of the violations, the various circumstances affecting the rehabilitation of the Nuisance Property, and the City's nuisance abatement and enforcement options.

After the inspection, the City prepared, mailed, and recorded the NoP, serving it on all interested parties identified on the Litigation Guaranty to inform them of the pending nuisance abatement action on the Nuisance Property.

For the City's cost recovery action, the City prepared, mailed, and posted the Cost Recovery Invoice ("Invoice") informing all interested parties that the City seeks recovery of its costs incurred in this nuisance abatement action against the Nuisance Property. The Invoice also listed the date, time, and place of this City Council Hearing and identified the amount the City seeks to confirm as a special assessment on the Nuisance Property.

All the costs incurred by the City in this nuisance abatement action were reasonable, and were solely necessitated by the interested parties' failure to maintain the Nuisance Property. Property owners and interested parties have a legal obligation to maintain their private property and to keep it safe such that it does not present a danger to the community. If the City is forced to invest public resources to pursue abatement of nuisances on private property, the public is entitled to recover those nuisance abatement and enforcement costs. Failure to recover those costs would double victimize the community by making the public pay for the enforcement action to alleviate the dangerous nuisance conditions to which the community was the victim, and would be tantamount to a gift of public funds for the improvement of private property benefiting the uncooperative and irresponsible property owners. Accordingly, the City hereby requests that the City Council confirm and approve the recovery of the City's nuisance abatement costs in this matter in the amount of \$10,136.17 and approve the levying of that amount as a special assessment on the Nuisance Property.

Fiscal Impact: This action will reimburse the City for all the public's costs incurred as a part of the City's nuisance abatement enforcement against the Nuisance Property. The recovery of nuisance abatement costs is critical to the City's long-term ability to protect the public from the development of dangerous conditions on private property, to protect the public's use and enjoyment of all property throughout the City, and to protect the safety, aesthetics, and property values of the City's real property. The City only pursues nuisance abatement enforcement actions as a last resort after the interested parties have been notified, given an opportunity to voluntarily cure the violations, and have proven uncooperative to the point of the public's detriment.

Prior Council Action: 2014 Receivership Action approval.

Attachments:

1. Nuisance Property Grant Deed (2003).
2. Nuisance Property Cost Recovery Invoice.

Recommended motion to be made by the Council: I move to confirm the nuisance abatement cost recovery amount of \$10,136.17 and to approve the levying of a Special Assessment for that amount related to the City's nuisance abatement action at 508 Lenox Avenue.
--

RECORDING REQUESTED BY:

Fidelity National Title
Escrow No. 122950-CKC
Title Order No. 04677633

When Recorded Mail Document

and Tax Statement To:

Marty Glenn Bradsteen

508 Lenox Ave

Exeter, CA 93221



2003-0112519

Recorded
Official Records
County Of
Tulare
GREGORY B. HARDCASTLE
Recorder

REC FEE 7.00

12:21PM 12-Nov-2003

11
Page 1 of 1

4677633

APN: 136-075-006

GRANT DEED

SPACE ABOVE THIS LINE FOR RECORDER'S USE

The undersigned grantor(s) declare(s)

Documentary transfer tax is \$

City Transfer Tax is \$ INTERSPOUSAL

[] computed on full value of property conveyed, or

[] computed on full value less value of liens or encumbrances remaining at time of sale,

[] Unincorporated Area City of Exeter

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, Marty Glenn Bradsteen, who acquired title as a single man and Kari Bradsteen, spouse of Grantee

hereby GRANT(S) to Marty Glenn Bradsteen, A Married Man as His Sole and Separate Property

the following described real property in the City of Exeter,

County of Tulare, State of California:

Lot 12 of Ostranders Addition No. 2, in the City of Exeter, County of Tulare, State of California, as per map recorded in book 20, page 33 of maps, in the office of the County Recorder of said County.

DATED: October 31, 2003

STATE OF CALIFORNIA,

COUNTY OF Tulare

ON November 3, 2003

before me,

Connie McCowan personally appeared

Marty Glenn Bradsteen & Kari

Bradsteen

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

Witness my hand and official seal.

Signature

Connie McCowan

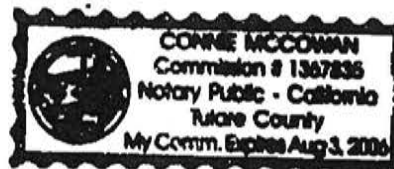
Kari Bradsteen

Kari Bradsteen

Connie McCowan

Marty Glenn Bradsteen

Marty Glenn Bradsteen



MAIL TAX STATEMENTS AS DIRECTED ABOVE



Code Enforcement

350 W. Firebaugh – PO Box 237, Exeter, CA 93221
Ph. #559-592-3318 Fax # 559-592-3516

CITY OF EXETER NUISANCE ABATEMENT COST RECOVERY INVOICE

DELIVERED VIA NUISANCE PROPERTY POSTING & CERTIFIED MAIL WITH RETURN RECEIPT
REQUESTED TO INTERESTED PARTIES

Date: September 19, 2019

Nuisance Property: 508 Lenox Avenue
Exeter, California 93221
APN 136-075-006-000

Abatement Costs: \$10,136.17

Payment Deadline: November 3, 2019 (45 days)

Payment Address: Exeter Public Works Department, 350 West Firebaugh, Exeter,
California 93221.

Council Hearing Date & Time: October 22, 2019 at 7:00 p.m.

Council Hearing Location: Exeter City Hall Council Chambers, 137 North F Street, Exeter,
California 93221.

Interested Parties:

Mr. Marty Glenn Bradsteen
508 Lenox Avenue
Exeter, California 93221

Ms. Kari Bradsteen
508 Lenox Avenue
Exeter, California 93221

Nina L. Hale
Agent for Service of Process
NEWPORT SHORES FINANCIAL, INC.
MORTGAGE PLUS, INC.
278 Tennessee Street, Suite 2
Redlands, California 92373

California Secretary of State
Surrender Agent
MORTGAGE ELECTRONIC REGISTRATION
SYSTEM, INC.
1604 Calle Las Bolas #3
San Clemente, California 92672

NEWPORT SHORES FINANCIAL, INC.
c/o Mortgage Plus, Inc.
7000 East Belleview, Suite 100
Greenwood Village, Colorado 80111

MORTGAGE PLUS, INC.
c/o Newport Shores Mortgage
26391 Crown Valley Parkway, Suite 200
Mission Viejo, California 92691



Code Enforcement

350 W. Firebaugh – PO Box 237, Exeter, CA 93221
Ph. #559-592-3318 Fax # 559-592-3516

Jack. R Barnes
Agent for Service of Process
NEWPORT SHORES FINANCIAL, INC.
28062 Tefir
Mission Viejo, California 92692

REPUBLIC STATE MORTGAGE CO.
11671 Sterling Avenue, Suite L
Riverside, California 92503

Cogency Global Inc.
Agent for Service of Process
REPUBLIC STATE MORTGAGE
2715 Bissonnet, Suite 102
Houston, Texas 77005

REPUBLIC STATE MORTGAGE CO.
c/o Mortgage Electronic Registration
Systems, Inc.
P.O. Box 2026
Flint, Michigan 48501-2026

To All Interested Parties:

NOTICE IS HEREBY GIVEN that, pursuant the Exeter Municipal Code (“EMC”) and the California Government Code, the City of Exeter (“City”) hereby seeks to recover its fines, costs, expenses, fees, and attorneys’ fees (“Abatement Costs”) incurred as part of the City’s nuisance abatement enforcement efforts against the parcel of real property located at 508 Lenox Avenue, Exeter, California 93221, APN 136-075-006-000 (“Nuisance Property”).

The City’s unpaid Abatement Costs in this matter total **\$10,136.17**. You must pay the balance owed to the City no later than the close-of-business on the 45th day after the mailing of this Invoice. Payment must be made payable to the “**City of Exeter**” and must be remitted to **City of Exeter, 350 West Firebaugh, Exeter, California 93221**.

NOTICE IS FURTHER GIVEN that if the Abatement Costs are not paid in full as required by law, they will remain a personal obligation of the liable parties, but a lien or special assessment may also be recorded and charged against the Nuisance Property. As required by State law, notice is hereby given that the Nuisance Property may be sold after three years by the County of Tulare tax collector for unpaid delinquent assessments.

NOTICE IS FURTHER GIVEN that any party with a legal interest in the Nuisance Property may appear at the City Council hearing that has been scheduled for October 22, 2019 at 7:00 p.m. at the Exeter City Hall Council Chambers located at 137 North F Street, Exeter, California 93221. At the City Council hearing, any party with a legal interest in the Nuisance Property may contest the amount of these Abatement Costs. Failure to appear at the City Council hearing to contest the amount shall constitute a failure to exhaust your administrative remedies and a waiver of your right to dispute this Invoice and the Abatement Costs.



Code Enforcement

350 W. Firebaugh – PO Box 237, Exeter, CA 93221
Ph. #559-592-3318 Fax # 559-592-3516

Questions regarding this Invoice may be directed to the City's Public Works Director, Daymon Qualls, at 559-592-3318.

Mr. Daymon Qualls
Public Works Director
CITY OF EXETER

City of Exeter Agenda Item Transmittal

Meeting Date: October 22, 2019

Agenda Item Number: 12

Wording for Agenda: City Council administrative hearing to consider confirmation of Nuisance Abatement Cost Recovery Amount and Special Assessment Approval for 408 Sierra Drive, Exeter, California 93221, Assessor's Parcel Number 134-081-004-000.

Submitting Department: Public Works
Contact Name: Daymon Qualls, Director
Phone Number: (559) 592-3318
Email: dqualls@exetercityhall.com

For action by:

☒ City Council

Regular Session:

☐ Consent Calendar

☒ Regular Item

☐ Public Hearing

Review:

**City Administrator
(Initials Required)**



Department Recommendation:

City Staff recommends that the City Council hold a hearing, accept and consider comment, confirm the City's cost recovery amount, and approve that amount for special assessment against the Nuisance Property pursuant to the California Government Code and the Exeter Municipal Code.

Summary/Background:

Description of Code Enforcement Actions

The Nuisance Property (408 Sierra Drive) consists of a single-family residential structure that has been the subject of the City's code enforcement efforts since October 2017. The record owners of the Nuisance Property are Ruben and Belen Corrales ("Owners").

On October 18, 2017, the Nuisance Property was brought to the attention of the City's Code Enforcement Department by Exeter Police Department (EPD) Officers who observed numerous fire, health, and safety hazards during an investigation at the Nuisance Property.

That same day, a City inspector conducted an exterior inspection of the Nuisance Property and observed dry, dead, and overgrown grass, weeds, and other vegetation, in excess of four feet in height. Due to the large overgrowth on the Nuisance Property, the structures and trailers on the Nuisance Property were not visible from the street. Additionally, the Nuisance Property had a large accumulation of trash, junk, and debris such as a sewing machine console, bookshelves, appliances, a stove, metal chairs, a wooden ladder, wood pallets, a table, a broken awning, and an animal carrier. The Nuisance Property also had dilapidated fencing and broken windows. It was evident that there was frequent trespassing on the Nuisance Property by nefarious elements.

The City inspector determined that the dangerous and substandard violations on the Nuisance Property posed a significant risk to the community and the public. The dilapidated and unsecured nature of the Nuisance Property contributed to the blight in the neighborhood, invited criminal activity, and was an attractive nuisance and a danger to the families and children who live in the neighborhood.

The City inspector conducted a records search for the Owners of the Nuisance Property. On October 18, 2017, the City issued and mailed a Letter of Abatement to the Owners. On October 31, 2017, after receiving no response from the Owners or occupants, the City prepared, issued, and posted on the Nuisance Property a Notice of Intent to Abate ordering the rehabilitation of the violations of law on the Nuisance Property. When the City received no response from the Owners or any other interested party, the City abated the Nuisance Property on November 14, 2017 as authorized under Exeter Municipal Code section 8.24.100.

On May 13, 2018, the City conducted a thorough inspection of the Nuisance Property and found a reoccurrence of nuisances. On June 13, 2018, the City issued the Owners a Notice of Dangerous and Substandard Building with a Survey Report informing the Owners that the Nuisance Property is dangerous pursuant to the Uniform Housing Code ("UHC") and the Uniform Code of Abatement of Dangerous Buildings ("ADB") and that immediate action is required to correct the dangerous conditions. On September of 2018, the City, upon information and belief that the Owners were deceased, ordered their Death Certificates.

On October 17, 2018, the City prepared, issued, and mailed a Legal Notice and Order To Repair or Abate ("N&O") pursuant to California Health and Safety Code ("H&S") section 17980.6 identifying 41 substantially dangerous violations of law and provided the Owners and other responsible parties with 30 days to abate the violations and bring the Nuisance Property into compliance. On November 2, 2018, the City prepared and recorded a Notice of Pendency ("NoP") on title with the N&O attached to ensure notice to all interested parties of the City's pending nuisance abatement action on the Nuisance Property.

On November 28, 2018, after the N&O Compliance Deadline passed and the violations of law had not been remedied, the City prepared and served the Owners and Interested Parties with a Three Days Advance Notice ("3 Day Notice") of the City's intent to file the Nuisance Abatement and Receivership Complaint.

The City was in the midst of preparing the Receivership Complaint when a man representing himself as Ruben Corrales, Jr., son of Owners, contacted the City to accept responsibility for the rehabilitation of the Nuisance Property. The City and Ruben Corrales, Jr. agreed to enter into a Compliance Agreement to negotiate compliance deadlines and to provide for the City's cost recovery reimbursement. After considerable negotiations between the City and Ruben Corrales, Jr., no agreement was reached. Thereafter, Ruben Corrales, Jr. finally sufficiently rehabilitated the Nuisance Property obviating the need for further enforcement action after years of the City's nuisance abatement efforts. The City now seeks to resolve this matter by recovering the nuisance abatement costs the City was forced to incur to motivate the repair and rehabilitation of the Nuisance Property, as authorized by the California Government Code and the Exeter Municipal Code.

It should be noted that since the City initiated this cost recovery procedure, evidence has come to light indicating that the individual representing himself to be Ruben Corrales, Jr. may actually be Elias Valle, and it is disputed whether Valle has a legal interest in the Nuisance Property. A relative by the name of Adriana Ramirez has stepped up to claim an interest in the Nuisance Property and to dispute Valle's interest. This is really moot relevant to the City's cost recovery rights. Whomever had a valid interest in the Nuisance Property should have stepped up and taken responsibility for the Nuisance Property years ago instead of allowing it to fall into such a state of disrepair and forcing the public to incur nuisance abatement costs. The City now only seeks to recover its nuisance abatement enforcement costs as a special assessment against the Nuisance Property, meaning that the costs will not become a personal liability of any heir, rather just a lien against the Nuisance Property itself.

Statutory Cost Recovery Rights & Cost Recovery Amount

The City is entitled to reimbursement of its nuisance abatement enforcement costs through a special assessment on the Nuisance Property. Government Code section 38773.5 and Exeter Municipal Code section 8.24.130 authorize the levying of a special assessment against the Nuisance Property for recovery of the City's and the public's nuisance abatement costs they were forced to incur due to the interested parties' failure to maintain and expeditiously rehabilitate the Nuisance Property. By statute, a special assessment becomes a super-priority lien on the Nuisance Property. (Gov. Code, §§ 38773.5, 53935; Rev. & Tax. Code, § 2192.1; EMC, § 8.24.130.)

The City's unpaid abatement costs in this matter total \$28,143.35.

Explanation of Costs

The City's costs incurred in this matter include, but are not limited to: analysis of the severity of the violations; assessment of nuisance abatement options; consulting with city prosecutors regarding legal process and options; preliminary assessment research of nuisance abatement options; nuisance abatement feasibility analysis; conducting multiple inspections of the Nuisance Property to identify and verify the full extent of the dangerous conditions and violations of law; preparation, issuance, and mailing of a Letter of Abatement, a Notice of Intent to Abate, a N&O, a NoP, a Notice of Dangerous and Substandard Building, and other correspondence; regular communication with interested parties; drafting and negotiation of a comprehensive Compliance Agreement; communication with local agencies such as the Tulare County Fire Department, the EPD, the Exeter Public Works Department, and the Tulare Resource Management Agency; strategizing the best course of action by reviewing reports and photographs prepared by other agencies; and protecting and securing the City's cost recovery rights.

The City conducted preliminary assessment research and a feasibility analysis to determine what the best nuisance abatement option were for the Nuisance Property, including whether the Nuisance Property was a viable candidate for a potential receivership action. To make that determination, the City purchased and analyzed a Litigation Guaranty that identified all the recorded interested parties for the Nuisance Property. The City also considered land and market values for the Nuisance Property as well as the extent and severity of the violations on the Nuisance Property. The City also consulted with a potential court receiver and conducted an analysis of the potential costs to force rehabilitate the Nuisance Property.

The City conducted multiple inspections to confirm the unlawful violations of law on the Nuisance Property. After each inspection, the City issued notices and letters ordering immediate action to be taken to cure all violations. When no response to the Abatement Notice was received by the City, the City was forced to abate the nuisances and incur abatement costs for waste disposal, equipment rental, and labor costs. The abatement costs include the services of over ten employees, rental of equipment such as a tractor, chain saw, dump truck, backhoe, and other miscellaneous equipment, and required the services of a pick-up and removal waste company and two thirty-yard roll off disposal containers on site and at the Corporation Yard.

The City also conducted a complete and thorough multi-agency inspection of the Nuisance Property to inspect, document, and photograph all the unlawful violations of law. The City coordinated with various local agencies, including the Public Works Department, the Tulare County Fire Department, the EPD, and the Tulare County Resource Management Agency, to ensure availability and attendance at the inspection. During the inspections, officials from the various agencies inspected, documented, and photographed the violations of law on the Nuisance Property. After the inspection, the City conducted a follow-up analysis regarding the

severity of the violations, the various circumstances affecting the rehabilitation of the Nuisance Property, and the City's nuisance abatement and enforcement options.

Thereafter, the City prepared, issued, posted, and mailed, via certified mail, to all interested parties, the N&O ordering the immediate remediation of all violations on the Nuisance Property. The City also prepared, mailed, notarized, and recorded a NoP on title attaching the N&O. The City also ordered certified copies of death records for both record Owners. In July 2019, the City ordered, received, and analyzed an updated Litigation Guaranty to identify all of the updated interested parties for the Nuisance Property.

After the N&O Compliance Deadline passed, and the violations on the Nuisance Property were still not remedied, the City prepared, posted, and personally served the 3 Day Notice on the relevant parties as a prerequisite to initiating a receivership action. The City also started preparing the Nuisance and Receivership Complaint for the Nuisance Property. Thereafter the City engaged in considerable communication and negotiation with Ruben Corrales, Jr. regarding a Compliance Agreement and its terms. The City prepared and sent a Compliance Agreement to Mr. Ruben Corrales, Jr, which he never executed, leading to this cost recovery process. Thereafter, the City conducted multiple inspections of the Nuisance Property to confirm rehabilitation and remediation of the violations.

For the City's cost recovery action, the City prepared, mailed, and posted the Cost Recovery Invoice ("Invoice") informing all interested parties that the City seeks recovery of its costs incurred in the nuisance abatement action against the Nuisance Property. The Invoice listed the date, time, and place of this City Council Hearing and identified the amount the City seeks to confirm as a special assessment on the Nuisance Property.

All the costs incurred by the City in this nuisance abatement action were reasonable, and were solely necessitated by the interested parties' failure to take responsibility for, to maintain, and to expeditiously rehabilitate the Nuisance Property. Interested parties in real property have a legal obligation to maintain their private property and to keep it safe such that it does not present a danger to the community. If the City is forced to invest public resources to pursue abatement of nuisances on private property, the public is entitled to recover those nuisance abatement and enforcement costs. Failure to recover those costs would double victimize the community by making the public pay for the enforcement action to alleviate the dangerous nuisance conditions to which the community was the victim, and would be tantamount to a gift of public funds for the improvement of private property benefiting irresponsible owners. Accordingly, the City hereby requests that the City Council confirm and approve the recovery of the City's nuisance abatement costs in this matter in the amount of \$28,143.35 and approve the levying of that amount as a special assessment on the Nuisance Property.

Fiscal Impact: This action will reimburse the City for all the public's costs incurred as a part of the City's nuisance abatement enforcement against the Nuisance Property. The recovery of nuisance abatement costs is critical to the City's long-term ability to protect the public from the development of dangerous conditions on private property, to protect the public's use and enjoyment of their property in the City, and to protect the safety, aesthetics, and property values of real property throughout the City. The City only pursues nuisance abatement enforcement actions as a last resort after the interested parties have been notified, given an opportunity to voluntarily cure the violations, and have proven uncooperative to the point of the public's detriment.

Prior Council Action: None

Attachments:

1. Nuisance Property Grant Deed (2001).
2. Nuisance Property Cost Recovery Invoice.

Recommended motion to be made by the Council: I move to confirm the nuisance abatement cost recovery amount of \$28,143.35 and to approve the levying of a Special Assessment for that amount related to the City's nuisance abatement action at 408 Sierra Drive.

RECORDING REQUESTED BY
TULARE COUNTY ESCROW
AND WHEN RECORDED MAIL TO:
RUBEN CORRALES
BELEN CORRALES
408 SIERRA DRIVE
EXETER, CA 93221

EXETER
SUR

2001-0011635

Recorded	REC FEE	18.00
Official Records	TAX	13.75
County Of	SURVEY	10.00
Tulare		
GREGORY B. HARCROFT		
Recorder		

08:00AM 14-Feb-2001 fs Page 1 of 2

Space Above This Line for Recorder's Use Only

A.P.N.: 134-081-004

Order No.: 206828

Escrow No.: 33377

GRANT DEED

THE UNDERSIGNED GRANTOR(S) DECLARE(S) THAT DOCUMENTARY TRANSFER TAX IS: COUNTY \$13.75
☒ computed on full value of property conveyed, or
☐ computed on full value less value of liens or encumbrances remaining at time of sale,
unincorporated area; ☒ City of EXETER, and

FOR A VALUABLE CONSIDERATION, Receipt of which is hereby acknowledged,
BILLY E. WALDRUM and BIRDIE B. WALDRUM, Husband and Wife as Joint Tenants

hereby GRANT(S) to **RUBEN CORRALES and BELEN CORRALES, Husband and Wife as Joint Tenants**

the following described property in the City of **EXETER**, County of **Tulare** State of California;

THE NORTH 82.25 FEET OF THE SOUTH 164.25 FEET OF THE FOLLOWING DESCRIBED PROPERTY:

THAT PORTION OF THE SOUTHWEST QUARTER OF SECTION 2, TOWNSHIP 19 SOUTH, RANGE 26 EAST, MOUNT DIABLO BASE AND MERIDIAN, ACCORDING TO THE OFFICIAL PLAT OF THE SURVEY OF SAID LAND ON FILE IN THE BUREAU OF LAND MANAGEMENT AT THE DATE OF THE ISSUANCE OF THE PATENT THEREOF, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE WEST LINE OF SAID SOUTHWEST QUARTER 658.05 FEET SOUTH OF THE NORTHWEST CORNER OF SAID SOUTHWEST QUARTER; THENCE EAST PARALLEL TO THE NORTH LINE OF SAID SOUTHWEST QUARTER, 190 FEET TO THE TRUE POINT OF BEGINNING; SAID POINT BEING ON THE NORTH LINE OF SEQUOIA DRIVE, AS SHOWN ON THE MAP OF SIERRA VIEW ADDITION, AS RECORDED IN BOOK 18, PAGE 42 OF MAPS IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY; THENCE NORTH PARALLEL TO THE WEST LINE OF SAID SOUTHWEST QUARTER, 328.5 FEET; THENCE EAST PARALLEL TO THE NORTH LINE OF SAID SOUTHWEST QUARTER, 141 FEET; THENCE SOUTH PARALLEL TO THE WEST LINE OF SAID SOUTHWEST QUARTER, 328.5 FEET TO THE NORTH LINE OF SAID SEQUOIA DRIVE; THENCE WEST ALONG THE NORTH LINE OF SAID SEQUOIA DRIVE, 141 FEET TO THE POINT OF BEGINNING.

GRANT DEED CONTINUED ON NEXT PAGE

Mail Tax Statements to: SAME AS ABOVE or Address Noted Below

134-008-01-04

CONTINUATION OF GRANT DEED

Billy E. Waldrum
BILLY E. WALDRUM

Birdie B. Waldrum
BIRDIE B. WALDRUM

Document Date: February 7, 2001

STATE OF CALIFORNIA
COUNTY OF TULARE

SS

On FEBRUARY 9, 2001 before me, ANNA KALOUSTIAN
personally appeared BILLY E. WALDRUM and BIRDIE B. WALDRUM

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

WITNESS my hand and official seal.

Signature Anna Kaloustian

This area for official notarial seal.





Code Enforcement

350 W. Firebaugh – PO Box 237, Exeter, CA 93221
Ph. #559-592-3318 Fax # 559-592-3516

CITY OF EXETER NUISANCE ABATEMENT COST RECOVERY INVOICE

DELIVERED VIA NUISANCE PROPERTY POSTING & CERTIFIED MAIL WITH RETURN RECEIPT
REQUESTED TO INTERESTED PARTIES

Date: September 19, 2019

Nuisance Property: 408 Sierra Drive
Exeter, California 93221
APN 134-081-004-000

Abatement Costs: \$28,823.75

Payment Deadline: November 3, 2019 (45 days)

Payment Address: Exeter Public Works Department, 350 West Firebaugh, Exeter,
California 93221.

Council Hearing Date & Time: October 22, 2019 at 7:00 p.m.

Council Hearing Location: Exeter City Hall Council Chambers, 137 North F Street, Exeter,
California 93221.

Interested Parties:

Mr. Ruben Corrales
c/o Victor Perez, Esq.
PEREZ LAW FIRM
1304 West Center Avenue
Visalia, California 93291

Ms. Belen Corrales
c/o Victor Perez, Esq.
PEREZ LAW FIRM
1304 West Center Avenue
Visalia, California 93291

Mr. Ruben Corrales, Jr.
408 Sierra Drive
Exeter, California 93221

Mr. Elias Valle
408 Sierra Drive
Exeter, California 93221

Ms. Lorena Valle
408 Sierra Drive
Exeter, California 93221

Ms. Adriana Ramirez Hernandez
38394 Road 144
Visalia, California 93292



Code Enforcement

350 W. Firebaugh – PO Box 237, Exeter, CA 93221
Ph. #559-592-3318 Fax # 559-592-3516

TULARE COUNTY HEALTH AND HUMAN
SERVICES

Attn: Lien Clerk

5957 South Mooney Boulevard
Visalia, California 93277

TULARE COUNTY DEPARTMENT OF HEALTH
SERVICES

Attn: Supervising Account Clerk

1062 South K Street
Tulare, California 93274

All Legal Interest Holders
408 Sierra Drive
Exeter, California 93221

To All Interested Parties:

NOTICE IS HEREBY GIVEN that, pursuant the Exeter Municipal Code (“EMC”) and the California Government Code, the City of Exeter (“City”) hereby seeks to recover its fines, costs, expenses, fees, and attorneys’ fees (“Abatement Costs”) incurred as part of the City’s nuisance abatement enforcement efforts against the parcel of real property located at 408 Sierra Drive, Exeter, California 93221, APN 134-081-004-000 (“Nuisance Property”).

The City’s unpaid Abatement Costs in this matter total **\$28,823.75**. You must pay the balance owed to the City no later than the close-of-business on the 45th day after the mailing of this Invoice. Payment must be made payable to the “**City of Exeter**” and must be remitted to **City of Exeter, 350 West Firebaugh, Exeter, California 93221**.

NOTICE IS FURTHER GIVEN that if the Abatement Costs are not paid in full as required by law, they will remain a personal obligation of the liable parties, but a lien or special assessment may also be recorded and charged against the Nuisance Property. As required by State law, notice is hereby given that the Nuisance Property may be sold after three years by the County of Tulare tax collector for unpaid delinquent assessments.

NOTICE IS FURTHER GIVEN that any party with a legal interest in the Nuisance Property may appear at the City Council hearing that has been scheduled for October 22, 2019 at 7:00 p.m. at the Exeter City Hall Council Chambers located at 137 North F Street, Exeter, California 93221. At the City Council hearing, any party with a legal interest in the Nuisance Property may contest the amount of these Abatement Costs. Failure to appear at the City Council hearing to contest the amount shall constitute a failure to exhaust your administrative remedies and shall operate as a waiver of your right to dispute this Invoice and the Abatement Costs.



Code Enforcement

350 W. Firebaugh – PO Box 237, Exeter, CA 93221
Ph. #559-592-3318 Fax # 559-592-3516

Questions regarding this Invoice may be directed to the City's Public Works Director, Daymon Qualls, at 559-592-3318.

Mr. Daymon Qualls
Public Works Director
CITY OF EXETER

City of Exeter Agenda Item Transmittal

Meeting Date: October 22, 2019

Agenda Item Number: 13

Wording for Agenda: City Council administrative hearing to consider confirmation of Nuisance Abatement Cost Recovery Amount and Special Assessment Approval for 259 North C Street, Exeter, CA 93221, Assessor's Parcel Number 138-064-004-000.

Submitting Department: Public Works
Contact Name: Daymon Qualls, Director
Phone Number: (559) 592-3318
Email: dqualls@exetercityhall.com

For action by:
☒ City Council

Regular Session:
☐ Consent Calendar
☒ Regular Item
☐ Public Hearing

Review:

**City Administrator
(Initials Required)**



Department Recommendation:

City Staff recommends that the City Council hold a hearing, accept comment, confirm the City's cost recovery amount, and approve that amount for special assessment against the Nuisance Property pursuant to the California Government Code and the Exeter Municipal Code.

Summary/Background:

Description of Code Enforcement Actions

The Nuisance Property (259 North C Street) is a single-family residential structure that has been the subject of the City's code enforcement efforts since April 11, 2019. The record owner of the Nuisance Property is Harlene R. Irvin, as Trustee of the Harlene R. Irvin Family Trust ("Owner").

The Nuisance Property was brought to the attention of Code Enforcement by Exeter Police Department (EPD) Officers who had responded to the property for unrelated matters and observed numerous fire, health, and safety hazards at the Nuisance Property, such as the accumulation of junk, trash, and debris, hoarding conditions, blocked emergency egress routes, and trespass by nefarious elements.

Based on the EPD report, the City conducted an exterior inspection of the Nuisance Property on April 12, 2019 and observed numerous violations of law. The Owner was issued a Notice of Violation and a subsequent inspection was scheduled for April 17, 2019. The tenant later contacted the City and requested a new inspection date of May 1, 2019, which the City obliged. On May 1, the tenant again requested another delay of the inspection, so the City proceeded with only an exterior inspection of the Nuisance Property at that time. At that time, the Nuisance Property had no operational water, electricity, or any other utility service and was, therefore, legally uninhabitable.

As the City's efforts to work with the Owner to inspect and rehabilitate the Nuisance Property continued to fail, the City sought an Inspection Warrant to determine the full scope of the substantially dangerous violations on the Nuisance Property that posed significant risk to the community and the public.

In May 2019, the City obtained an Inspection Warrant to enter, inspect, document, and photograph the violations of law on the Nuisance Property. On May 20, 2019, pursuant and subsequent to the Inspection Warrant, the City conducted a multi-agency inspection of the interior and exterior of the Nuisance Property. Also, on May 20, 2019, the property owner acknowledged receipt of previous notices and gave permission to inspect the property. During that inspection, officials from Building, Fire, Code Enforcement, Planning, and other State and local agencies identified the numerous continuing violations of law on the Nuisance Property, such as blocked means of emergency egress, accumulation of junk, trash, and debris causing a fire and health and safety hazard, overgrown trees and other vegetation, unpermitted electrical wiring, use of extension cords in place of permanent electrical, multiple inoperable vehicles, makeshift dwellings in the backyard, lack of proper utilities, lack of water service, improper use of car batteries to supply power to the residence, improper storage of combustible materials, dilapidated fencing, piles of lumber, tires, and other debris throughout the entire Nuisance Property, a burn barrel used for cooking, lack of proper kitchen facility, and other serious violations of law that pose a substantial danger to the health and safety of occupants, neighbors, and the public in general.

The City identified numerous serious and dangerous violations of State and local laws, including violations of the California Health and Safety Code ("H&S"), the California Building Standards Code ("CBSC"), the California Building Code ("CBC"), the California Residential Code ("CRC"), the California Fire Code ("CFC"), the California Electrical Code ("CEC"), the California Plumbing Code ("CPC"), the California Mechanical Code ("CMC"), the Uniform Housing Code ("UHC"), the Uniform Code for the Abatement of Dangerous Buildings ("ADB"), and the Exeter Municipal Code. Due to the extensive violations of law, the City determined that the Nuisance Property was unsafe for human habitation. On May 20, 2019, the Building Official from the Tulare County Resource Management Agency red-tagged the Nuisance Property, which prohibited any further entry or occupation. Tulare County Resource Management Agency also mailed a Notice to the Owner advising that the property had been red-tagged.

On May 23, 2019, Tulare Health and Human Services issued a Notice of Violation for the accumulation of waste at the Nuisance Property, informing the Owner that the accumulation of solid waste on the Nuisance Property must be removed. Due to the red-tag, the only persons allowed on the Nuisance Property were those involved in the remediation of the violations of law. In July 2019, Thomas Faretta, who was assigned by the Owner to manage the clean-up of the Nuisance Property, observed unknown and unpermitted trespassers occupying the Nuisance Property despite the red-tag and determination that the Nuisance Property was unfit for habitation. Faretta contacted the City to inform them of the illegal occupancy. Accordingly, on August 16, 2019, the City obtained a second Inspection Warrant to conduct another follow-up inspection of the Nuisance Property.

On August 20, 2019, the City executed the second Inspection Warrant and determined that, although the Nuisance Property still harbored numerous violations such as trash, junk, and debris, a significant amount had been remedied, and progress was being made toward remediation of the remaining violations as well. Thus, officials from the Tulare Resource Management Agency and Tulare County Fire lifted the red-tag notice on the Nuisance Property. Likewise, the City deescalated its nuisance abatement action and now seeks to resolve this matter by recovering the nuisance abatement costs the City was forced to incur to motivate the clean-up, as authorized by the California Government Code and the Exeter Municipal Code. City staff will continue to monitor the exterior of the property to ensure compliance.

Statutory Cost Recovery Rights & Cost Recovery Amount

The City is entitled to reimbursement of its nuisance abatement enforcement costs through a special assessment on the Nuisance Property. Government Code section 38773.5 and Exeter Municipal Code section 8.24.130 authorize the levying of a special assessment against the Nuisance Property for recovery of the City's and the public's nuisance abatement costs they were forced to incur due to the interested parties' failure to maintain and expeditiously rehabilitate the Nuisance Property. By statute, a special assessment becomes a personal obligation of the property owner and a super-priority lien on the Nuisance Property. (Gov. Code, §§ 38773.5, 53935; Rev. & Tax. Code, § 2192.1; EMC, § 8.24.130.)

The City's unpaid abatement costs in this matter total \$13,932.92.

Explanation of Costs

The City's costs incurred in this matter include, but are not limited to: the assessment and verification of citizen complaints; analysis of the severity of the violations; assessment of nuisance abatement options; consulting with city prosecutors regarding legal process and options; preliminary assessment research; nuisance abatement options feasibility analysis; preparing multiple inspection warrant packets; obtaining multiple inspection warrants from the court; preparation, mailing, and posting of inspection notices; conducting multiple inspections of the Nuisance Property to identify and verify the full extent of the dangerous conditions and violations of law; issuance of notices of violation; recordation of nuisance abatement notices pursuant to the Government Code; numerous phone communications with the Owner and tenant to gain compliance; communication with different State and local agencies such as the Tulare County Fire Department, the Exeter Police Department, the Exeter Public Works Department, and various utility companies; strategizing the best course of action by reviewing body camera video, reports, photographs, and inspections prepared by local agencies; ongoing communications with the interested parties; and protecting and securing the City's cost recovery rights.

Due to the severity of the conditions existing on the Nuisance Property, the City conducted preliminary assessment research and a feasibility analysis to determine what the best nuisance abatement option was for the Nuisance Property, including whether the Nuisance Property was a viable candidate for a potential receivership action. To make that determination, the City purchased and analyzed a Litigation Guaranty that identifies all the interested parties for the Nuisance Property. The City also considered the land and market values for the Nuisance Property, as well as the extent and severity of the violations on the Nuisance Property. The City also consulted with a potential court receiver and conducted an analysis of the potential costs to force rehabilitate the Nuisance Property.

After consent to inspect the Nuisance Property was sought and refused, the City prepared two inspection warrant application packets consisting of applications, memoranda of points and authorities, declarations by City inspectors, proposed warrants, warrant execution notices, and warrant returns. The inspection warrant packets were submitted to the Court for approval. Inspections then had to be noticed and executed. In executing the inspection warrants, the City coordinated with various State and local agencies, including the Public Works Department, the Tulare County Fire Department, the Exeter Police Department, the Animal Control Department, and the Tulare County Resource Management Agency in order to ensure availability and attendance at the inspections. During the inspections, officials from the various agencies inspected, documented, and photographed the violations of law on the Nuisance Property. Upon completion of the inspection, the City submitted the Warrant Return to the Court. The City also did follow-up analysis regarding the severity of the violations, the various circumstances

affecting the rehabilitation of the Nuisance Property, and the City's nuisance abatement and enforcement options.

During both formal warrant inspections, officials from Building, Fire, Police, Planning, and other agencies were present to inspect, document, and photograph the violations. Upon completion of the first warrant inspection, the Nuisance Property was red-tagged by the Tulare Resource Management Agency Building Official, and the City issued and mailed to the Owner a Notice of Violation. Upon information that the Nuisance Property was again being occupied by illegal trespassers, the City then obtained a second inspection warrant and conducted another formal warrant inspection. Upon completion of the second inspection, the City lifted the red-tag restriction from the Nuisance Property and proceeded with this action to recover the public's nuisance abatement costs incurred.

For this City's cost recovery action, the City prepared, mailed, and posted the Cost Recovery Invoice ("Invoice") informing all interested parties that the City seeks recovery of its costs incurred in the nuisance abatement action against the Nuisance Property. The Invoice listed the date, time, and place of this City Council Hearing and identified the amount the City seeks to confirm as a special assessment on the Nuisance Property.

All the costs incurred by the City in this nuisance abatement action were reasonable, and were solely necessitated by the interested parties' failure to maintain and expeditiously rehabilitate the Nuisance Property. Property owners and interested parties have a legal obligation to maintain their private property and to keep it safe such that it does not present a danger to the community. If the City is forced to invest public resources to pursue abatement of nuisances on private property, the public is entitled to recover those nuisance abatement and enforcement costs. Failure to recover those costs would double victimize the community by making the public pay for the enforcement action to alleviate the dangerous nuisance conditions to which the community was the victim, and would be tantamount to a gift of public funds for the improvement of private property benefiting those uncooperative property owners. Accordingly, the City hereby requests that the City Council confirm and approve the recovery of the City's nuisance abatement costs in this matter in the amount of \$13,932.92, and approve the levying of that amount as a special assessment on the Nuisance Property.

Fiscal Impact: This action will reimburse the City for all the public's costs incurred as a part of the City's nuisance abatement enforcement against the Nuisance Property. The recovery of nuisance abatement costs is critical to the City's long-term ability to protect the public from the development of dangerous conditions on private property, to protect the public's use and enjoyment of their property in the City, and to protect the safety, aesthetics, and property values of real property throughout the City. The City only pursues nuisance abatement enforcement actions as a last resort after the interested parties have been notified, given an opportunity to voluntarily cure the violations, and have proven uncooperative to the point of the public's detriment.

Prior Council Action: None

Attachments:

1. Nuisance Property Grant Deed (2010).
2. Nuisance Property Cost Recovery Invoice.

Recommended motion to be made by the Council: I move to confirm the nuisance abatement cost recovery amount of \$13,932.92 and to approve the levying of a Special Assessment for that amount related to the City's nuisance abatement action at 259 North C Street.



2010-0061193

RECORDING REQUESTED BY
AND WHEN RECORDED RETURN TO:

HARLENE R. IRVIN
1701 DINUBA AVE. SPC#94
SELMA, CA. 93662

Recorded	REC FEE	23.00
Official Records		
County of		
Tulare		
GREGORY B. HARDCASTLE		
Clerk Recorder		
11:59AM 04-Oct-2010	NB	Page 1 of 3

MAIL TAX STATEMENTS TO:

HARLENE R. IRVIN
1701 DINUBA AVE. SPC#94
SELMA, CA. 93662

"THIS DEED IS BEING RECORDED TO ENTER INTO THE HARLENE R. IRVIN TRUST OF 2010, UNDER DECLARATION OF TRUST DATED OCTOBER 4, 2010, PROPERTY KNOWN AS 259 NORTH "C" STREET, EXETER. APN#138-064-004-000.

RECORDING REQUESTED BY
AND WHEN RECORDED RETURN TO:

HARLENE R. IRVIN
1701 DINUBA AVE. SPC#94
SELMA, CA. 93662

MAIL TAX STATEMENTS TO:

HARLENE R. IRVIN
1701 DINUBA AVE. SPC#94
SELMA, CA. 93662

Documentary Transfer Tax -0- (none)

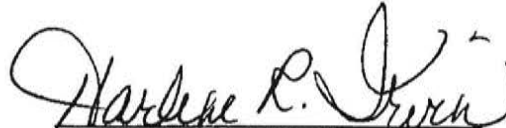
GRANT DEED

For VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, HARLENE R. IRVIN ("Grantor" a single woman), as individual sole owner of the property listed below, hereby grants to HARLENE R. IRVIN, as Trustee of the HARLENE R. IRVIN FAMILY TRUST OF 2010, under Declaration of Trust dated October 4, 2010 ("grantee"):

That certain real property located in the county of Tulare, State of California, More particularly described as LOTS 31 AND 32 IN BLOCK 9 OF THE CITY OF EXETER, AS PER MAP RCODED IN BOOK 2, PAGE 52 OF MAPS IN THE OFFICE OF THE COUNTY RECORDER OF TULARE COUNTY, ALSO KNOWN AS 259 NORTH "C" STREET, EXETER. Together with all right, title and interest of grantor in and to all buildings And improvements now located or hereafter constructed on the land, and

Grantor hereby further grants to Grantee all of Grantors' right, title and interest in and to all easements, privileges and rights appurtenant to the real property and pertaining or held and enjoyed in connection therewith and all of Grantors' right, title and interest in and to any land lying in the bed of any street, alley, road or avenue to the centerline thereof in front of, or adjoining the land.

IN WITNESS WHEREOF, grantor has executed this Grant Deed as of October 4, 2010.


HARLENE R. IRVIN

STATE OF CALIFORNIA)
) ss.
COUNTY OF TULARE)

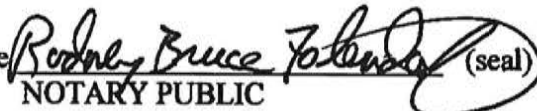
RODNEY BRUCE FOLENDORF

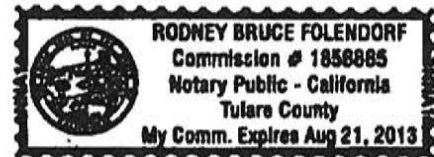
NOTARY PUBLIC

On October 4, 2010, before me, _____, a Notary Public, personally appeared Harlene R. Irvin, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument, the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal.

Signature  (seal)
NOTARY PUBLIC
RODNEY BRUCE FOLENDORF
NOTARY PUBLIC





Code Enforcement

350 W. Firebaugh – PO Box 237, Exeter, CA 93221
Ph. #559-592-3318 Fax # 559-592-3516

CITY OF EXETER NUISANCE ABATEMENT COST RECOVERY INVOICE

DELIVERED VIA NUISANCE PROPERTY POSTING & CERTIFIED MAIL WITH RETURN RECEIPT
REQUESTED TO INTERESTED PARTIES

Date: September 19, 2019

Nuisance Property: 259 North C Street
Exeter, California 93221
APN 138-064-004-000

Abatement Costs: \$13,932.92

Payment Deadline: November 3, 2019 (45 days)

Payment Address: Exeter Public Works Department, 350 West Firebaugh, Exeter,
California 93221.

Council Hearing Date & Time: October 22, 2019 at 7:00 p.m.

Council Hearing Location: Exeter City Hall Council Chambers, 137 North F Street, Exeter,
California 93221.

Interested Parties:

Harlene R. Irvin
259 North C Street
Exeter, California 93221

Harlene R. Irvin
1701 Dinuba Avenue, SPC No. 94
Selma, California 93662

Harlene R. Irvin
*Trustee of the Harlene R. Irvin Family
Trust of 2010, Under Declaration of Trust
Dated October 4, 2010*
259 North C Street
Exeter, California 93221

Harlene R. Irvin
*Trustee of the Harlene R. Irvin Family
Trust of 2010, Under Declaration of Trust
Dated October 4, 2010*
1701 Dinuba Avenue, SPC No. 94
Selma, California 93662

All Legal Interest Holders
259 North C Street
Exeter, California 93221



Code Enforcement

350 W. Firebaugh – PO Box 237, Exeter, CA 93221
Ph. #559-592-3318 Fax # 559-592-3516

To All Interested Parties:

NOTICE IS HEREBY GIVEN that, pursuant the Exeter Municipal Code (“EMC”) and the California Government Code, the City of Exeter (“City”) hereby seeks to recover its fines, costs, expenses, fees, and attorneys’ fees (“Abatement Costs”) incurred as part of the City’s nuisance abatement enforcement efforts against the parcel of real property located at 259 North C Street, Exeter, California 93221, APN 138-064-004-000 (“Nuisance Property”).

The City’s unpaid Abatement Costs in this matter total **\$13,932.92**. You must pay the balance owed to the City no later than the close-of-business on the 45th day after the mailing of this Invoice. Payment must be made payable to the **“City of Exeter”** and must be remitted to **City of Exeter, 350 West Firebaugh, Exeter, California 93221**.

NOTICE IS FURTHER GIVEN that if the Abatement Costs are not paid in full as required by law, they will remain a personal obligation of the liable parties, but a lien or special assessment may also be recorded and charged against the Nuisance Property. As required by State law, notice is hereby given that the Nuisance Property may be sold after three years by the County of Tulare tax collector for unpaid delinquent assessments.

NOTICE IS FURTHER GIVEN that any party with a legal interest in the Nuisance Property may appear at the City Council hearing that has been scheduled for October 22, 2019 at 7:00 p.m. at the Exeter City Hall Council Chambers located at 137 North F Street, Exeter, California 93221. At the City Council hearing, any party with a legal interest in the Nuisance Property may contest the amount of these Abatement Costs. Failure to appear at the City Council hearing to contest the amount shall constitute a failure to exhaust your administrative remedies and a waiver of your right to dispute this Invoice and the Abatement Costs.

Questions regarding this Invoice may be directed to the City’s Public Works Director, Daymon Qualls, at 559-592-3318.

Mr. Daymon Qualls
Public Works Director
CITY OF EXETER

City of Exeter Agenda Item Transmittal

Meeting Date: October 22, 2019

Agenda Item Number: 14

Wording for Agenda: Public Hearing - Introduction of Ordinance No. 690 adding Chapter 3.02 to Title 3 of City of Exeter Code of Ordinances, authorizing the City of Exeter to issue all manner of securities and incur all matter of indebtedness, subject to the procedural and substantive requirements and limitations proscribed by the California constitution and applicable State law

Submitting Department: Finance/ City Attorney
Contact Name: Chris Tavarez, Finance Director
Julia Lew, City Attorney
Phone Number: 559-592-2755
Email: ctavarez@exetercityhall.com

For action by:

☒ City Council

Regular Session:

☐ Consent Calendar

☐ Regular Item

☒ Public Hearing

Review:

**City Administrator
(Initials Required)**



Department Recommendation:

Staff recommends that Council hold the public hearing and consider any public testimony concerning the proposed ordinance, and approve and give first reading to the ordinance as presented by the City Attorney

Summary/Background:

This Ordinance adds Chapter 3.02 to Title 3 of City of Exeter Code of Ordinances, authorizing the City of Exeter, under the authority provided pursuant to Exeter City Charter Section 4.3, to issue all manner of securities and incur all matter of indebtedness, subject to the procedural and substantive requirements and limitations proscribed by the California constitution and applicable State law.

Pursuant to prior discussion and direction from the City Council on September 24, 2019, the attached draft ordinance allows for the possibility of issuing new debt or of refinancing existing debt. In order to proceed with refinancing existing City debt (or new debt) for the Water Fund project and future projects this Ordinance is required. This action will allow the City Council to issue (and refinance) debt by resolution of the City Council, when otherwise authorized to do so pursuant to applicable law.

This action allows for issuance or refinance of debt as authorized by City Council for projects in the future.

Fiscal Impact: There is no immediate impact, debt issuance will be able to be issued by resolution of the City Council for future projects which will enable the City to implement projects and realize savings from refinancing of debt (if possible). This Ordinance will allow that City Council may authorize debt issuance to be done by resolution of the City Council for projects in accordance with state and federal law and the City's Debt Policy.

Prior Council/Board Actions: September 24, 2019 – City Council authorized analysis of refinancing existing City Water Fund debt.

Attachments:

Ordinance No. 690

Recommended motion to be made by Council/Board: I move to approve and give first reading to Ordinance No. 690, an Ordinance of the City Council of the City of Exeter Adding Chapter 3.02 to Title 3 of the City of Exeter Code of Ordinances, Authorizing the City of Exeter to Issue all Manner of Securities and Incur all Matter of Indebtedness, Subject to the Procedural and Substantive Requirements and Limitations Proscribed by the California Constitution and Applicable State Law as presented, reading by title only and waiving further reading.

ORDINANCE NO. 690

AN ORDINANCE OF THE COUNCIL OF THE CITY OF EXETER ADDING CHAPTER 3.02, SECTION 3.02.010 TO TITLE 3 OF THE CITY EXETER CODE OF ORDINANCES (MUNICIPAL CODE) AUTHORIZING THE CITY OF EXETER TO ISSUE ALL MANNER OF SECURITIES AND INCUR ALL MATTER OF INDEBTEDNESS, SUBJECT TO THE PROCEDURAL AND SUBSTANTIVE REQUIREMENTS AND LIMITATIONS PRESCRIBED BY THE CALIFORNIA CONSTITUTION

WHEREAS, the Charter of the City of Exeter, Section 4.3, provides that the City Council of the City of Exeter may, by ordinance, provide for the issuance of all manner of securities and incur all manner of indebtedness, subject to the limitation that the general obligation debt of the City shall at no time exceed the amount allowed by the California Constitution and applicable State law;

WHEREAS, pursuant to City Charter Section 4.3, the City Council is proposing to adopt and codify this Ordinance adding Chapter 3.02, Section 3.02.010 to the City Code of Ordinances; and

WHEREAS, this ordinance is intended to authorize the City Council of the City of Exeter to issue all manner of securities and incur all manner of indebtedness as allowed by law, provided that it does so following the procedures permitted by the California Constitution, and to permit the City Council to do so by adopting a Resolution of authorization when so permitted by applicable law;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF EXETER DOES ORDAIN, AS FOLLOWS:

SECTION 1: The City Council hereby adds Chapter 3.02, Section 3.02.010 to Title 3, to read as follows:

Chapter 3.02 Debt Financing

§ 3.02.010 City Council Debt Financing Authorization in Accordance with the California Constitution

A. Following the procedures set forth or otherwise permitted by the California Constitution, the City Council may authorize the issuance of all manner of securities and incur all manner of indebtedness, subject to the procedural and substantive requirements and limitations prescribed by those laws.

B. Notwithstanding Section A, above, and subject to any other procedural requirements or limitations provided for by applicable law, any authorization to issue bonds or other securities shall require a Resolution of authorization by the City Council.

SECTION 2: If any section, subsection, sentence, clause, or phrase of this ordinance is, for any reason, held to be invalid or unconstitutional, such decision shall not affect the validity or constitutionality of the remaining portions of this ordinance. The City Council hereby declares that

it would have passed this ordinance, and each section, subsection, sentence, clause or phrase hereof, irrespective of the fact that any one (1) or more sections, subsections, sentences, clauses or phrases be declared invalid or unconstitutional.

SECTION 3: This Ordinance shall be in full force and effect thirty (30) days after its final adoption by the City Council. The City Clerk shall cause this ordinance, or a summary thereof, to be published in accordance with applicable law.

The foregoing ordinance was passed and adopted by the City Council of the City of Exeter on a motion of Council Member _____ and seconded by Council Member _____ at a regular meeting held on _____, 2019 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Mayor

ATTEST:

City Clerk

City of Exeter Agenda Item Transmittal

Meeting Date: October 22, 2019

Agenda Item Number: 15

Wording for Agenda: Adopt Resolution 2019-28 authorizing the City Administrator to execute a professional service agreement for approximately \$35,000 with Brandis Tallman LLC (San Francisco, CA), for Underwriting services to be paid contingent upon completion of a refinancing of existing City Water Fund debt.

Submitting Department: Finance
Contact Name: Chris Tavaréz, Finance Director
Phone Number: 592-2755
Email: ctavarez@exetercityhall.com

For action by:

☒ City Council

Regular Session:

☐ Consent Calendar
☒ Regular Item
☐ Public Hearing

Review:

**City Administrator
(Initials Required)**



Department Recommendation:

Staff recommends that Council adopt Resolution 2019-28 authorizing the City Administrator to execute a professional service agreement for approximately \$35,000 with Brandis Tallman LLC (San Francisco, CA), for Underwriting Services to be paid contingent upon completion of a refinancing of existing City Water Fund Debt.

Summary:

Per City Council direction, City staff and the City's financing team are continuing to evaluate the refinancing opportunity for existing Water Enterprise debt to provide interest cost savings to the Water Fund. As part of this process, staff is requesting that Council authorize appointment of a qualified underwriting team to begin the process of evaluating structuring and sale options that might be available to achieve the savings. This resolution approves the addition of a key member to the City's financing team as that team continues to evaluate and strategize on this refinancing opportunity.

The City's current finance team members are NHA Advisors, LLC ("NHA"), as Municipal Advisor, and Stradling Yocca Carlson & Rauth ("Stradling"), as Bond and Disclosure Counsel. If the City Council approves this Resolution, Brandis Tallman LLC (the "Underwriter") will work with the finance team to perform further analysis of the refinancing, assist in structuring the refinancing to maximize benefit to the City, assist with the credit review process, and, with City Council approval, sell the bonds to investors. It is worth noting that authorization to add the underwriter to the financing team is not approval of the financing. This finance team will return to Council to present savings analysis, legal documents, and other information at a subsequent meeting for final authorization to proceed with the refinancing.

The Underwriting fees would be paid out of bond proceeds from the Water Fund (not from General Fund) and will be factored into the savings analysis presented to City Council. These costs would only be paid upon a successful closing of the Bonds.

Background:

The City began the process of evaluating potential underwriting firms through a formal solicitation process by issuing a request for proposals ("RFP") to several qualified firms.

The purpose of the RFP was to receive detailed responses on three key evaluation categories: (1) the firm's recent experience underwriting utility bonds (local area and USDA refinancing transactions, as well as exceptional service examples were requested), including USDA refunding experience, (2) structuring strategy for the 2020 Refunding Bonds (including any unique strategies offered) and (3) fees.

The City's financing team received responses from three qualified underwriting firms and reviewed the proposals to assess the strengths, weaknesses, and unique elements of the proposals. Both experience and structuring strategies received significantly more weight than fees received in the evaluation, and fees were a minor consideration in this decision. Because underwriting fees are typically small relative to the overall costs and potential savings, it is appropriate to prioritize selection of an underwriting firm using experience and strategy to identify a firm that was able to deliver the best underwriting services on the refinancing. An underwriting firm that is able to achieve even slightly lower interest rates on a transaction could provide more savings to the City than the cost of a slightly higher fee.

Of the proposals received, Brandis Tallman's proposal (see attachment) demonstrated the most experience in the last few years with USDA refunding transactions for small to mid-sized cities. Brandis Tallman has done a significant amount of work in the Central Valley and is currently engaged in financing transactions for the cities of Ceres, Porterville, and Dinuba. In addition, Brandis Tallman's proposal identified several instances where the firm served a client in ways "above and beyond" the typical scope of services for an underwriting firm. Brandis Tallman's proposal had an adequate discussion of structuring opportunities, given the City's desire to maintain the outstanding debt structure on the refunding bonds. Finally, Brandis Tallman's fee proposal was the lowest of the proposals received.

Brandis Tallman's proposal represented that the firm is able to work with the City's financing team to perform the necessary work to execute this project.

Fiscal Impact: This action does not have an immediate financial impact. However, if a refinance project realizes savings there will be an annual savings to the City's Water Fund over the remaining life of the loans. Fees paid to the Underwriter are estimated up to \$35,000 (costs will vary based on market conditions), will be contingent upon refinancing and paid with bond proceeds. There is no impact to the General Fund.

Prior Council/Board Actions: Resolution 2019-21 authorized the City Administrator to execute two separate professional service agreements for up to three years for a financing team including 1) Municipal Advisors with NHA Advisors (San Rafael) of up to \$52,500 for Bond Refinancing and 2) Bond/Disclosure Counsel with Stradling Attorneys at Law (Newport Beach) of up to \$32,000 for Bond Refinancing services to be paid contingent on Bond Refinancing completion of existing City Water Fund debt.

Attachments:

Resolution 2019-28

Brandis Tallman LLC Proposal to Provide Underwriting Services

Recommended motion to be made by Council/Board: I move to adopt Resolution 2019-28 as presented.

RESOLUTION 2019-28

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EXETER APPROVING AN UNDERWRITER FOR THE PROPOSED ISSUANCE OF BONDS TO REFINANCE CERTAIN WATER IMPROVEMENTS

WHEREAS, the City of Exeter (the "City") has heretofore been duly and regularly formed; and

WHEREAS, the City is evaluating financing options and may determine to issue bonds to refinance its 2003 USDA – Water System Improvement Loan and 2004 USDA – Water Well Loan ("Prior USDA Loans"); and

WHEREAS, the City desires to approve the selected Underwriter in connection with the potential issuance of bonds to be issued on a tax-exempt basis or the most effective basis available (the "Bonds");

NOW, THEREFORE, IT IS HEREBY FOUND, DETERMINED, DECLARED AND RESOLVED AS FOLLOWS:

Section 1. Approval of Recitals. The City hereby finds and determines that the foregoing recitals are true and correct.

Section 2. Authorization to Prepare Documents. The City hereby authorizes staff, the Municipal Advisor, Bond Counsel and the Underwriter to prepare necessary documentation for review and approval by the Council for the potential refinancing of Water Fund debt. The Underwriter is being retained on a contingent basis and will be compensated upon successful issuance of refinancing bonds.

Section 3. Approval of Certain Financing Team Members. The City hereby approves the appointment of Brandis Tallman LLC (the "Underwriter") in connection with the Bonds. Staff is hereby authorized and directed to execute a service agreement with this financing team member.

Section 4. General Authority. The City Council authorizes its appointed officers and designated staff to do any and all things which they may deem necessary or advisable in order to remain in compliance with the policies described herein or to otherwise effectuate the purposes of this resolution, provided such actions are authorized by applicable laws and regulations.

Section 5. Effective Date. This Resolution shall become effective immediately upon adoption.

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Section 6. Certification. The Clerk shall certify to the adoption of this Resolution.

Passed, approved, and adopted this 22nd day of October 2019, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Mayor

Attest:

City Clerk

Brandis Tallman LLC

Underwriter Qualifications for
The City of Exeter
2019 Water Revenue Refunding



October 9, 2019

BRANDIS TALLMAN LLC
INVESTMENT BANKING FOR CALIFORNIA COMMUNITIES

22 Battery Street
Suite 500
San Francisco,
California
94111

October 9, 2019

Ph: 415-912-5630
Fax: 415-912-5636
www.brandistallman.com

To: Eric Scriven, Mike Meyer, and Christian Sprunger (NHA Advisors)

RE: Exeter 2019 Water Revenue Refunding – Underwriter Request for Qualifications

Dear Eric, Mike, and Christian:

We appreciate the opportunity to submit our Underwriter Qualifications to the City of Exeter. We had the privilege of approaching the City in November of 2018, and again in July of 2019, regarding a refunding of these USDA Loans. We discussed the economic opportunity a refinancing provides along with the timeline and process required. We analyzed the debt service coverage for the water enterprise and have kept abreast of the City's plans for rate increases, future projects, and capital needs. As the City's Underwriter, we would continue to provide service to the City throughout the life of the debt, and assist with annual continuing disclosure and CDIAAC reporting.

As the founders of Brandis Tallman LLC, we will bring our combined 59 years of experience to this financing, and actively participate at every stage. This participation is essential to provide a detailed description of the credit, and results in more aggressive pricing and thorough distribution. Since our inception, we have worked with the smaller cities of the Central Valley, and we know how to articulate the pros and cons of Central Valley credits to investors. We specialize in developing brand and name recognition for rural agricultural communities, like Exeter, that infrequently access the capital marketplace. We are able to generate demand for lesser-known agencies, or first-time issuers, that need their unique story told.

Brandis Tallman LLC is a boutique agency with a strong state-wide reputation. We provide extensive distribution capabilities for our underwritings to a wide investor client base including individual retail, professional retail, institutions that professionally manage high net worth retail accounts (SMAs), and large institutional buyers. We have also developed a following among national investors.

At Brandis Tallman LLC we realize that every financing is significant to its community. That's why we commit the full force of our firm toward every transaction. We are a boots-on-the-ground team member, providing value through our active participation in the due diligence process and our responsiveness throughout the transaction. We thank you for your consideration of our services for this financing and look forward to the opportunity to work with you and the City of Exeter.

Very truly yours,

Nicki Tallman

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BRANDIS TALLMAN LLC

Underwriter Qualifications

for the City of Exeter



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Underwriter Qualifications for the City of Exeter 2019 Water Revenue Refunding

1. EXPERIENCE

A TOP UNDERWRITER OF CALIFORNIA UTILITY FINANCINGS

Founded in 2002, Brandis Tallman LLC ("Brandis Tallman") is a full-service investment banking firm dedicated solely to California. We have closed over \$142 million in utility revenue bond financings since October 1, 2016, and have over \$44 million currently in process. For these transactions we worked with 23 individual issuers from 18 counties throughout the state of California, including 7 counties in the Central Valley: Fresno, Kern, Madera, Merced, San Joaquin, Stanislaus, and Tulare. Our projects include utility revenue bonds for Selma-Kingsburg-Fowler Sanitation District and the Central Valley cities of Ceres, Dinuba, Chowchilla, Porterville, and Reedley and the refinancing of USDA utility loans for the Sweetwater Springs Water District and the cities of Corning, Dos Palos, Healdsburg, Newman, and St. Helena.

See Appendix A for the full list of our Utility Revenue Bond Financings since October 1, 2016.

USDA FINANCING EXPERIENCE

Exceptional Achievements for a USDA Refinancing Transaction: Sweetwater Springs Water District

- Demonstrates our experience working with the USDA to create a uniquely structured refinancing, and our negotiations afterwards which resulted in a rate reset for remaining USDA bond maturities.
- Shows our dexterity at navigating between public offering and direct placement methods of sale.

Brandis Tallman was hired by Sweetwater Springs Water District ("SSWD") for the refinance of two series of prior USDA bonds with final maturities of 2031 and 2042. Located in the rural/agricultural County of Sonoma, SSWD was to be a first-time issuer in the public market. Brandis Tallman presented the credit to Standard & Poor's ("S&P"), achieving a AA- rating. We then solicited the bond insurers and obtained a surety bond for the reserve requirement.

Days after the POS was distributed, the bond market experienced a steep run-up of interest rates and the savings produced by a publicly offered refunding decreased significantly. We suspended the transaction for three months until it was apparent that the public market was worsening and we would need to refocus on a direct placement method of sale. We canvassed our pool of lenders and secured a 20-year term from an investor. Unlike today, a 20-year term was the maximum that a direct placement lender would approve.

Due to the term limitation, we spent significant time and effort working with the USDA to create a unique structure that would refund only the first 20 years of bond maturities, and leave the later maturities



outstanding with the USDA. We were able to successfully close the refunding of all USDA bonds maturing within 20 years, and achieve solid savings for SSWD. After the closing we continued to work with SSWD and the USDA over the next 6-8 months to renegotiate the rate on those remaining, unrefunded maturities. Ultimately, the USDA reduced the interest rate on the remaining maturities and re-amortized the bonds, providing additional savings to SSWD. This was a true win-win-win transaction.

CASE STUDIES

City of Corning Water & Sewer Revenue Refunding Bonds, Series 2017

Par Amounts: \$3,460,000 & \$5,160,000

→ Presents our creativity and determination, and willingness to assist our clients before, during, and after the transaction has taken place.

At the time we began working with the City of Corning (“Corning”) to refund their existing Water and Sewer debt, including USDA Loans, Revenue Certificates of Participation, and an Installment Sale Agreement (the “Prior Obligations”), it became apparent that Corning was not meeting their debt service coverage on the water enterprise. California’s drought and the government’s subsequent conservation measures in previous years had significantly decreased water enterprise revenues. The lack of revenues and rate increases led Corning to be out of compliance with their coverage covenants. The sewer enterprise, however, was strong but had very complicated intertwined structures with the water enterprise through the Prior Obligations. It was determined that separating the two enterprises and refunding separately would cause more headache for staff moving forward and was not the best plan of action.

Staff was interested in pursuing a refunding for the Prior Obligations to generate savings to both enterprise funds and help alleviate the debt burden. However, due to the market conditions, the State’s drought conditions, and Corning’s low debt service coverage, the transaction was suspended until conditions changed.

Our firm continued to work with Corning’s staff and its municipal advisor to monitor Corning’s financial position and the market for the opportune time to resume the refunding transaction. During this time, our firm discussed the importance of conducting a rate study and starting the Proposition 218 process to raise water rates as a method to combat the decline in revenues. However, Corning was seeing management and staff turnover and escalating pressure from the public, creating political tensions that staff did not want to compound by increasing water rates.

The financing team had to get creative because Corning was not interested in utilizing the most common tool to boost their debt service coverage, raising water rates. Our firm along with Corning’s municipal advisor presented the idea of establishing a rate stabilization fund, paired with an upfront savings structure to help immediately strengthen Corning’s water enterprise and meet its debt service coverage covenant. The rate stabilization fund would act as a separate reserve fund, funded by unrestricted cash on hand, and act as a below-the-line boost to the coverage ratio. After more than a year of monitoring



the market and working with Corning to formulate a plan of attack, the refunding was back on track. Corning was very receptive and appreciative for the alternative solution of establishing a rate stabilization fund which saved them from having to raise water rates at that time. Corning still required immediate relief; to increase short-term cash flow, we structured the refunding debt service with deferred principal in the first two fiscal years.

Once the structure was determined, the financing team began to pursue a credit rating and bond insurance for the sewer enterprise. We did not pursue a credit rating for the water enterprise because without a rate increase it would not be strong enough to get an investment grade rating.

Our firm did not give up on finding alternative ways to lower the refunding debt service on the water refunding. Since we were applying for bond insurance on the sewer refunding, we began a conversation with the bond insurer on insuring a non-rated water bond as a package deal with the sewer bonds. We were successful with this unique approach in obtaining bond insurance and a surety for the non-rated water refunding bonds. The bond insurance lowered the yields, and the surety policy saved Corning from funding a cash funded reserve fund. Almost two years after conversations began, because of our team's perseverance and creativity, Corning successfully refunded their water and sewer bonds.

City of Reedley 2017 Water Refunding Revenue Bonds & 2016 Wastewater Revenue Refunding Bonds
Par Amounts: \$12,615,000 & \$3,160,000

→ Exemplifies our dedication to smaller, lesser-known cities in the Central Valley and our commitment to assist with their financing needs, whether they be big or small.

In our over 12-year history with the City of Reedley ("Reedley") we have served as both underwriter and placement agent for their financing needs. In 2016-2017, Reedley, along with many other cities in the state of California, saw significant declines in water revenues due to the drought and conservation measures. These events led Reedley to be out of compliance with their 2007 Water Revenue Bond coverage covenant. Knowing the implications of not meeting debt service, Reedley was eager to put forth efforts to bring the coverage covenant back in compliance and to strengthen the water fund.

In early February of 2016, Brandis Tallman and Reedley staff began looking into an advance refunding of Reedley's 2007 Wastewater Revenue Bonds and the 2007 Water Revenue Bonds (the "Prior Bonds"). Although they were not callable for over a year, the then historically low interest rate environment created a major savings opportunity that Reedley could not pass up.

The wastewater refunding, having strong debt service coverage and other strong credit features, was able to proceed on schedule. However, the water refunding needed to be postponed until Reedley was able to address the coverage issues. We worked with Reedley to dig into their financials and draft an accurate historical and projected debt service coverage calculation so that we could better understand the overall water enterprise credit picture. Based on the calculation, Reedley staff determined it was prudent to raise water rates immediately. In July 2016, Reedley's Council adopted a Resolution to increase water rates, effective the following month.



We worked with Reedley staff to update debt service coverage projections based on the approved rate increases. However, due to continued drought conservation measures in place, the rate increases were insufficient to reach the 1.20x coverage. It was obvious that customers had become used to conserving water because, even when the conservation measures were lifted, the water usage in Reedley was still down. Our team discussed the idea of temporarily establishing a small rate stabilization fund to meet the debt service coverage covenant for the next few years. Reedley had cash on hand that they were willing and able to move into the rate stabilization fund. The combination of Reedley's ability to implement water rate increases and to allocate cash towards a rate stabilization fund allowed them to obtain an underlying rating of A- from S&P, and an aggressive bond insurance and surety bid from Assured Guaranty.

Providing the best savings included a strong and successful pricing for Reedley, a small Central Valley city that infrequently accessed the market. Because of our long-standing presence in the Central Valley, our investors are well educated on these types of financings. Our strategy is to make the transaction as universally appealing as possible. We have expertise in creating crossover demand among the different investor groups. Our retail base has been educated to purchase a variety of credits from our municipal clients, who are small- to medium-sized issuers like Reedley. Thus, our investors have learned more about bonds and different credits by buying paper from us than investors who generically buy bonds from the larger firms, typically underwriting debt for the largest cities and public agencies in the state. This approach proved to be effective when we priced Reedley's bonds. In 2016, Reedley successfully refunded their wastewater bonds, and in early 2017 successfully refunded their water bonds.

EXPERIENCE IN THE CENTRAL VALLEY

We are currently engaged in utility revenue bond financings for the City of Ceres (2019 Water and Wastewater Revenue Refunding Bonds, and Water Interim Financing), the City of Porterville (2019 Sewer Revenue Bonds) and the City of Dinuba (2019 Wastewater Refunding Bonds). Cumulatively we have issued over 113 financings in the Central Valley, with 8 of those in Tulare County. Our long-standing relationships with Chowchilla, Merced, and Reedley began as far back as 2003, 2004 and 2006 respectively. In keeping with our specialization of serving small- to medium-sized California public agencies, the communities we have supported are similar to Exeter in that they are predominately smaller agricultural communities that infrequently access the capital marketplace.

OUR ISSUERS IN THE CENTRAL VALLEY*

City of Chowchilla	City of Porterville	Keyes USD
City of Dinuba	City of Reedley	Madera Valley Water Company
City of Dos Palos	City of Stockton	North Central FPD
City of Fowler	Clovis Veterans Memorial District	Richgrove CSD
City of Kingsburg	Farmersville USD	Selma-Kingsburg-Fowler County
City of Madera	Golden Valley USD	Sanitation District
City of Merced	Gustine USD	Sonora UHSD
City of Newman	Housing Auth., County of Merced	Stone Corral School District

*A partial list from the Counties of Fresno, Kern, Kings, Madera, Merced, San Joaquin, Stanislaus, and Tulare.



2. STRUCTURING STRATEGY

STRUCTURING IDEAS/ALTERNATIVES/ASSUMPTION OF SPREADS

Our firm has worked with many agencies to refund loans with USDA. USDA is a great financing tool for agencies as it offers long terms, flexible prepayment provisions, and competitive interest rates. However, as the loan is paid off, and the remaining term declines, it can be economically beneficial for an agency to refund and take advantage of lower interest rates. The City of Exeter ("Exeter") has the opportunity to capitalize on an extremely favorable market and capture significant savings for the water fund. August of 2019 saw historically low interest rates, down over 150bps from the previous year.

As we understand it, Exeter's goal is to structure the 2019 Water Revenue Refunding Bonds ("Refunding Bonds") to achieve the lowest fiscal year debt service and maximize savings to the water enterprise. The USDA loans are currently amortizing with level debt service through their final maturities. Our strategy would be to continue with that same structure of level debt service because it is budget-friendly for current and future staff, does not extend the term, and produces significant annual savings to the water enterprise.

OUR FIRM PROPOSES TWO OPTIONS FOR STRUCTURING THE REFUNDING

Option 1: Exeter could pay annual principal in October and semi-annual interest beginning April 1, 2020. This option would produce \$92,506 in savings this fiscal year as the interest on the Refunding Bonds is significantly lower than the prior interest due. This option would also generate \$37,500 in average fiscal year savings after FYE 2020 and \$1,021,854 in total savings.

Option 2: Exeter could pay annual principal in October and semi-annual interest in April and October, but pay a one-time principal payment with the first interest payment on April 1, 2020. This option helps to kick-start the amortization, reducing overall interest cost for Exeter. If Exeter chooses this route, savings in this fiscal year would be approximately \$22,670. This option would then generate \$41,550 in average fiscal year savings after FYE 2020 and \$1,049,091 in total savings. For full cash flow models, please see Appendix B.

Brandis Tallman specializes in underwritings of this size and scope and has an established, well-educated pool of retail investors who typically buy these types of bonds secured by utility revenues of small Central Valley cities. We would structure the Refunding Bonds with serial maturities out to 2040 and a term bond in 2045, with couponing to meet the demands of retail, professional retail, and institutional investors. To minimize the escrow cost, we would recommend closing the Refunding Bonds and paying off the USDA Loans on the same day. The 2004 USDA Loan document allows for a prepayment on any date without premium. The 2003 USDA Loan document, however, states that Exeter has the right to prepay, without premium, on any interest payment date, meaning the 2003 USDA Loan cannot be prepaid until April 1, 2020. As a way to stay with the schedule set forth in the Underwriter RFP and minimize the cost of escrow, our firm would work with USDA to try to change the interest only prepayment date call provision to any date. If USDA does not acquiesce, we would recommend closing the refunding after January 1, 2020, in order to issue the Refunding Bonds as 100% tax-exempt.



Direct Placement: We have a handful of lenders who will go beyond 20 years. However, we do not believe the 24- and 25-year interest rates will compare favorably to the public market rates. The public offering method of sale will better maximize savings for Exeter. However, as demonstrated in our work with SSWD, we have the expertise and dexterity to switch the method of sale as needed due to market conditions.

MAXIMIZING CREDIT RATING

After review of the debt service coverage calculation provided by NHA Advisors, we are confident that the Refunding Bonds will be rated in the A category. For purposes of our numerical analysis, we have assumed an underlying rating of A+. We believe the rating agency will recognize the historical and projected strength of the water enterprise as well as the strong, stable management of the water enterprise. Exeter has proposed an annual rate increase of 14.5% for the next five years to accommodate the need for a new water valve replacement. Management is staying proactive and taking the necessary actions to stay in compliance with their coverage covenants and generate enough revenue to cover the future costs of the improvements. We will demonstrate the enterprise fund's strength by structuring the Refunding Bonds proportionally to the existing USDA Loans. This structure proves that Exeter does not need to get fancy to provide immediate relief to the water enterprise.

Along with obtaining a credit rating, we would obtain bids for the use of bond insurance as a credit enhancement since Exeter does not have an established market presence and the service territory is agricultural in nature. Bond insurance tends to widen the audience of investors by attracting professional investors who require a higher rating threshold for their portfolio. We would also seek to purchase a surety policy to satisfy the reserve requirement. We would request bids from both Assured Guaranty and Build America Mutual to confirm the lowest cost possible for both insurance and the surety policy and run the cost benefit analysis of the bids.

See Appendix B for Assumption of Spreads and Cash Flow Models to the October 4th MMD.

See Appendix C for Madera Public Financing Authority Lease Revenue Bonds, Series 2019 Pricing Books.

3. COST

PROPOSED COMPENSATION

Total Underwriter's Discount is proposed at \$6.50 per bond.

Based on a \$4,200,000 par amount, this equals \$27,300.

The Underwriter's discount is broken down as follows:		Dollars	Dollars per \$1,000 Bond
A.	Underwriter's Takedown (per \$1,000 Bond par):	\$13,230	\$3.150
B.	Underwriting Expenses:		
	Underwriter's Counsel – Albert Reyes, Kutak Rock LLP	6,500	\$1.548
	CUSIP, MSRB, CDIA, DTC, IPREO, Misc.	\$7,570	\$1.802
		\$14,070	\$3.350
C.	Total Underwriting Discount:	\$27,300	\$6.500

Placement Agent Fee: Our placement agent fee will not exceed \$17,500.



Appendix A
BRANDIS TALLMAN LLC
 Utility Revenue Financings – October 1, 2016 to Date

Date	Issue/Description	Par Amount	Role/Type of Sale
3/12/2020	City of Ceres <i>2019 Water and Wastewater Revenue Refunding Bonds</i>	\$10,013,000	Direct Placement
12/31/2019	City of Ceres <i>Water Interim Financing</i>	\$17,000,000	Direct Placement
11/30/2019	Diablo Water District <i>2019 Certificates of Participation</i>	\$3,000,000	Sole Manager/ Negotiated
11/30/2019	Rosamond Community Services District <i>2019 Wastewater Revenue Bonds</i>	\$12,500,000	Direct Placement
11/5/2019	City of Dinuba <i>2019 Wastewater Refunding Bonds</i>	\$2,355,000	Direct Placement
7/15/2019	Stockton East Water District <i>Taxable Refunding Revenue Bonds, Series 2019</i>	\$38,527,000	Direct Placement
4/15/2019	City of Dos Palos <i>Wastewater Joint Powers Agency USDA Revenue Bonds</i>	\$1,385,050	Direct Placement
3/14/2019	City of St Helena <i>Water Revenue Refunding Installment Sale Agreement, Series 2019</i>	\$5,821,000	Direct Placement
11/21/2018	Twain Harte Community Services District <i>2018 Rate Reset of 2011 Installment Sale Agreement</i>	\$924,146	Direct Placement
9/7/2018	Yosemite Alpine Community Services District <i>Taxable Installment Sale Agreement</i>	\$355,280	Direct Placement
7/10/2018	Borrego Water District <i>2018 Capital Projects Financing</i>	\$5,586,000	Direct Placement
7/10/2018	Borrego Water District <i>2018 Refunding Installment Purchase Agreement Series A</i>	\$2,294,000	Direct Placement
7/10/2018	Borrego Water District <i>2018 Refunding Installment Purchase Agreement, Series B</i>	\$863,535	Direct Placement
6/14/2018	Del Paso Manor Water District <i>2018 Installment Purchase Contract</i>	\$4,827,000	Direct Placement
12/21/2017	Paradise Irrigation District <i>2017 Loan Agreement (Refunding 2009 Water Revenue COPs)</i>	\$3,361,900	Direct Placement
12/11/2017	Madera Valley Water Company <i>2017 Taxable Financing</i>	\$4,260,000	Direct Placement

Appendix A
BRANDIS TALLMAN LLC
 Utility Revenue Financings – October 1, 2016 to Date

Date	Issue/Description	Par Amount	Role/Type of Sale
8/29/2017	Crescenta Valley Water District <i>2017 Installment Sale Agreement</i>	\$7,668,000	Direct Placement
6/29/2017	Chowchilla Public Financing Authority <i>Water Revenue Bonds, Series 2017C</i>	\$5,545,000	Senior Manager/ Negotiated
6/29/2017	Chowchilla Public Financing Authority <i>Taxable Water Revenue Bonds, Series 2017A (NCREB Direct Subsidy)</i>	\$2,515,000	Senior Manager/ Negotiated
6/29/2017	Chowchilla Public Financing Authority <i>Taxable Water Revenue Bonds, Series 2017B</i>	\$100,000	Senior Manager/ Negotiated
6/6/2017	Chowchilla Public Financing Authority <i>Taxable Wastewater Revenue Bonds, Series 2017A (NCREB Direct Subsidy)</i>	\$2,910,000	Senior Manager/ Negotiated
6/6/2017	Chowchilla Public Financing Authority <i>Wastewater Revenue Bonds, Series 2017C</i>	\$235,000	Senior Manager/ Negotiated
6/6/2017	Chowchilla Public Financing Authority <i>Taxable Wastewater Revenue Bonds, Series 2017B</i>	\$165,000	Senior Manager/ Negotiated
4/19/2017	Discovery Bay Public Financing Authority <i>Enterprise Revenue Bonds, Series 2017 (Water and Wastewater Projects)</i>	\$8,825,000	Sole Manager/ Negotiated
4/12/2017	City of Reedley <i>2017 Water Refunding Revenue Bonds</i>	\$12,615,000	Sole Manager/ Negotiated
4/4/2017	Sonoma County Water Agency <i>2017 Installment Sale Agreement</i>	\$3,690,355	Direct Placement
3/16/2017	City of Corning <i>Sewer Revenue Refunding Bonds, Series 2017</i>	\$5,160,000	Sole Manager/ Negotiated
3/16/2017	City of Corning <i>Water Revenue Refunding Bonds, Series 2017</i>	\$3,460,000	Sole Manager/ Negotiated
3/9/2017	Selma-Kingsburg-Fowler County Sanitation District <i>2017 Installment Sale Agreement (Taxable NCREB Direct Subsidy)</i>	\$9,775,000	Direct Placement
12/21/2016	Scotts Valley Water District <i>2016 Installment Purchase Agreement</i>	\$6,049,548	Direct Placement
11/17/2016	Sweetwater Springs Water District <i>2016 Refunding Installment Sale</i>	\$1,850,758	Direct Placement
10/4/2016	Truckee Donner Public Utility District <i>2016 Installment Sale Agreement</i>	\$3,266,000	Direct Placement

Appendix B

BRANDIS TALLMAN LLC Assumption of Spreads and Cash Flow Models

The scale below assumes an underlying credit rating of A+ and spreads to the October 4, 2019 MMD. Our spreads are based off of the Culver City Wastewater Revenue Bonds (AA U/L), priced on October 1, 2019. We added five basis points across all maturities for the City of Exeter's assumed underlying rating of A+, and made some adjustments to the coupons in 2020-2024 for the difference in issue size.

Maturity	Coupon	Yield	Spread	10/4/2019	
				MMD	
4/1/2020	3.000	1.08	-7	1.15	
10/1/2020	3.000	1.08	-7	1.15	
10/1/2021	3.000	1.04	-7	1.11	
10/1/2022	4.000	1.05	-6	1.11	
10/1/2023	4.000	1.07	-4	1.11	
10/1/2024	4.000	1.07	-4	1.11	
10/1/2025	5.000	1.10	-4	1.14	
10/1/2026	5.000	1.13	-5	1.18	
10/1/2027	5.000	1.17	-5	1.22	
10/1/2028	5.000	1.26	-1	1.27	
10/1/2029	5.000	1.36	4	1.32	
10/1/2030	5.000	1.51	C 14	1.37	
10/1/2031	5.000	1.57	C 16	1.41	
10/1/2032	5.000	1.66	C 21	1.45	
10/1/2033	5.000	1.75	C 26	1.49	
10/1/2034	4.000	1.94	C 41	1.53	
10/1/2035	4.000	2.00	C 43	1.57	
10/1/2036	4.000	2.07	C 46	1.61	
10/1/2037	4.000	2.14	C 49	1.65	
10/1/2038	4.000	2.18	C 49	1.69	
10/1/2039	4.000	2.22	C 49	1.73	
10/1/2040	4.000	2.25	C 49	1.76	
10/1/2045	4.000	2.43	C 56	1.87	

C – Callable 10/1/2029 at par



BRANDIS TALLMAN LLC

A summary of our preliminary refunding results is below. Full cash flow models for each option are attached herewith.

	Option 1	Option 2
First Principal Payment	October 1, 2020	April 1, 2020
Fiscal Year End 2020 Savings	\$92,506	\$22,668
Average Fiscal Year Savings	\$37,504	\$41,550
Total Cash Flow Savings	\$1,021,854	\$1,049,091
Net Present Value Savings	\$799,665	\$804,737
Net Present Value Savings %	17.11%	17.22%

If the City is looking for immediate savings, we recommend structuring the refunding with an interest only payment in April (Option 1). If the City's goal is to maximize average fiscal years savings and overall savings, we recommend structuring the refunding with a one-time principal payment in April 2020 to amortize the principal faster and save on overall interest (Option 2).



Sources and Uses of Funds
City of Exeter
2019 Water Revenue Refunding (Option 1)
Public Offering Assumes A+ (u/l), Insured
Refunding of 2003 and 2004 USDA Loans

Sources:

Bond Proceeds:

Par Amount	4,140,000.00
Premium	781,952.75
	4,921,952.75

Uses:

Refunding Escrow Deposits:

Cash Deposit	4,701,488.54
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Delivery Date Expenses:

Cost of Issuance	145,000.00
Underwriter's Discount	26,910.00
Bond Insurance	33,713.72
Surety	10,920.00
	216,543.72

Other Uses of Funds:

Additional Proceeds	3,920.49
	4,921,952.75

Cost of Issuance
City of Exeter
2019 Water Revenue Refunding (Option 1)
Public Offering Assumes A+ (u/l), Insured
Refunding of 2003 and 2004 USDA Loans

Cost of Issuance	Amount
Other Cost of Issuance	145,000.00
	145,000.00

Escrow Requirements
City of Exeter
2019 Water Revenue Refunding (Option 1)
Public Offering Assumes A+ (u/l), Insured
Refunding of 2003 and 2004 USDA Loans

USDA Water System Improvement Loan

Period Ending	Interest	Principal Redeemed	Total
11/21/2019	14,461.81	2,380,000.00	2,394,461.81
	14,461.81	2,380,000.00	2,394,461.81

USDA Water Well Loan

Period Ending	Interest	Principal Redeemed	Total
11/21/2019	13,933.72	2,293,093.00	2,307,026.72
	13,933.72	2,293,093.00	2,307,026.72

Summary of Bonds Refunded
City of Exeter
2019 Water Revenue Refunding (Option 1)
Public Offering Assumes A+ (u/l), Insured
Refunding of 2003 and 2004 USDA Loans

	Bond	Maturity		Par Amount	Call Date	Call Price
		Date	Interest Rate			
USDA Water System Improvement Loan:						
	BOND	4/1/2044	4.375%	2,380,000.00	11/21/2019	100.000
USDA Water Well Loan:						
	BOND	10/1/2045	4.375%	2,293,093.00	11/21/2019	100.000
				4,673,093.00		

Prior Bond Debt Service
City of Exeter
2019 Water Revenue Refunding (Option 1)
Public Offering Assumes A+ (u/l), Insured
Refunding of 2003 and 2004 USDA Loans
USDA Water System Improvement Loan

Period Ending	Principal	Coupon	Interest	Debt Service
4/1/2020	54,000	4.375%	52,062.50	106,062.50
4/1/2021	57,000	4.375%	101,762.50	158,762.50
4/1/2022	59,000	4.375%	99,268.75	158,268.75
4/1/2023	62,000	4.375%	96,687.50	158,687.50
4/1/2024	64,000	4.375%	93,975.00	157,975.00
4/1/2025	67,000	4.375%	91,175.00	158,175.00
4/1/2026	70,000	4.375%	88,243.75	158,243.75
4/1/2027	73,000	4.375%	85,181.25	158,181.25
4/1/2028	77,000	4.375%	81,987.50	158,987.50
4/1/2029	80,000	4.375%	78,618.75	158,618.75
4/1/2030	83,000	4.375%	75,118.75	158,118.75
4/1/2031	87,000	4.375%	71,487.50	158,487.50
4/1/2032	91,000	4.375%	67,681.25	158,681.25
4/1/2033	95,000	4.375%	63,700.00	158,700.00
4/1/2034	99,000	4.375%	59,543.75	158,543.75
4/1/2035	103,000	4.375%	55,212.50	158,212.50
4/1/2036	108,000	4.375%	50,706.25	158,706.25
4/1/2037	113,000	4.375%	45,981.25	158,981.25
4/1/2038	117,000	4.375%	41,037.50	158,037.50
4/1/2039	123,000	4.375%	35,918.75	158,918.75
4/1/2040	128,000	4.375%	30,537.50	158,537.50
4/1/2041	134,000	4.375%	24,937.50	158,937.50
4/1/2042	139,000	4.375%	19,075.00	158,075.00
4/1/2043	145,000	4.375%	12,993.75	157,993.75
4/1/2044	152,000	4.375%	6,650.00	158,650.00
	2,380,000		1,529,543.75	3,909,543.75

Prior Bond Debt Service
City of Exeter
2019 Water Revenue Refunding (Option 1)
Public Offering Assumes A+ (u/l), Insured
Refunding of 2003 and 2004 USDA Loans
USDA Water Well Loan

Period Ending	Principal	Coupon	Interest	Debt Service
4/1/2020			50,161.41	50,161.41
4/1/2021	50,479	4.375%	99,218.59	149,697.59
4/1/2022	52,687	4.375%	96,961.83	149,648.83
4/1/2023	54,992	4.375%	94,606.36	149,598.36
4/1/2024	57,398	4.375%	92,147.83	149,545.83
4/1/2025	59,909	4.375%	89,581.73	149,490.73
4/1/2026	62,530	4.375%	86,903.38	149,433.38
4/1/2027	65,266	4.375%	84,107.84	149,373.84
4/1/2028	68,121	4.375%	81,190.00	149,311.00
4/1/2029	71,101	4.375%	78,144.52	149,245.52
4/1/2030	74,212	4.375%	74,965.80	149,177.80
4/1/2031	77,459	4.375%	71,648.00	149,107.00
4/1/2032	80,848	4.375%	68,185.03	149,033.03
4/1/2033	84,385	4.375%	64,570.56	148,955.56
4/1/2034	88,077	4.375%	60,797.95	148,874.95
4/1/2035	91,930	4.375%	56,860.30	148,790.30
4/1/2036	95,952	4.375%	52,750.38	148,702.38
4/1/2037	100,150	4.375%	48,460.65	148,610.65
4/1/2038	104,531	4.375%	43,983.25	148,514.25
4/1/2039	109,105	4.375%	39,309.97	148,414.97
4/1/2040	113,878	4.375%	34,432.21	148,310.21
4/1/2041	118,860	4.375%	29,341.07	148,201.07
4/1/2042	124,060	4.375%	24,027.19	148,087.19
4/1/2043	129,488	4.375%	18,480.83	147,968.83
4/1/2044	135,153	4.375%	12,691.81	147,844.81
4/1/2045	141,066	4.375%	6,649.52	147,715.52
4/1/2046	81,456	4.375%	1,781.85	83,237.85
	2,293,093		1,561,959.88	3,855,052.88

Bond Summary Statistics
City of Exeter
2019 Water Revenue Refunding (Option 1)
Public Offering Assumes A+ (u/l), Insured
Refunding of 2003 and 2004 USDA Loans

Dated Date	11/21/2019
Delivery Date	11/21/2019
First Coupon	4/1/2020
Last Maturity	10/1/2045
Arbitrage Yield	2.052430%
True Interest Cost (TIC)	2.762875%
Net Interest Cost (NIC)	2.986182%
All-In TIC	3.036852%
Average Coupon	4.206453%
Average Life (years)	14.946
Weighted Average Maturity (years)	14.860
Par Amount	4,140,000.00
Bond Proceeds	4,921,952.75
Total Interest	2,602,743.06
Net Interest	1,847,700.31
Total Debt Service	6,742,743.06
Maximum Annual Debt Service	273,000.00
Average Annual Debt Service	260,729.05
Underwriter's Fees (per \$1000)	
Average Takedown	
Other Fee	6.500000
Total Underwriter's Discount	6.500000
Bid Price	118.237748

Bond Component	Par Value	Price	Average Coupon	Average Life
Bond Component	3,210,000.00	120.394	4.318%	12.503
Bond Component #2	930,000.00	113.690	4.000%	23.377
	4,140,000.00			14.946

	TIC	All-In TIC	Arbitrage Yield
Par Value	4,140,000.00	4,140,000.00	4,140,000.00
+ Accrued Interest			
+ Premium (Discount)	781,952.75	781,952.75	781,952.75
- Underwriter's Discount	(26,910.00)	(26,910.00)	
- Cost of Issuance Expense		(145,000.00)	
- Other Amounts	(44,633.72)	(44,633.72)	(44,633.72)
Target Value	4,850,409.03	4,705,409.03	4,877,319.03
Target Date	11/21/2019	11/21/2019	11/21/2019
Yield	2.762875%	3.036852%	2.052430%

Bond Pricing
City of Exeter
2019 Water Revenue Refunding (Option 1)
Public Offering Assumes A+ (u/l), Insured
Refunding of 2003 and 2004 USDA Loans

Bond Component	Maturity Date	Amount	Rate	Yield	Price	Yield to Maturity	Call Date	Call Price	Call Date for Arb Yield	Call Price for Arb Yield	Premium (- Discount)	Principal Cost
Bond Component #1:												
	10/1/2020	95,000	3.000%	1.080%	101.640						1,558.00	96,558.00
	10/1/2021	100,000	3.000%	1.040%	103.602						3,602.00	103,602.00
	10/1/2022	100,000	4.000%	1.050%	108.292						8,292.00	108,292.00
	10/1/2023	105,000	4.000%	1.070%	111.052						11,604.60	116,604.60
	10/1/2024	110,000	4.000%	1.070%	113.841						15,225.10	125,225.10
	10/1/2025	115,000	5.000%	1.100%	122.076						25,387.40	140,387.40
	10/1/2026	120,000	5.000%	1.130%	125.478						30,573.60	150,573.60
	10/1/2027	130,000	5.000%	1.170%	128.683						37,287.90	167,287.90
	10/1/2028	135,000	5.000%	1.260%	131.262						42,203.70	177,203.70
	10/1/2029	140,000	5.000%	1.360%	133.483						46,876.20	186,876.20
	10/1/2030	150,000	5.000%	1.510%	131.862 C	1.763%	10/1/2029	100.000	10/1/2029	100.000	47,793.00	197,793.00
	10/1/2031	155,000	5.000%	1.570%	131.220 C	2.026%	10/1/2029	100.000	10/1/2029	100.000	48,391.00	203,391.00
	10/1/2032	165,000	5.000%	1.660%	130.264 C	2.273%	10/1/2029	100.000	10/1/2029	100.000	49,935.60	214,935.60
	10/1/2033	170,000	5.000%	1.750%	129.316 C	2.486%	10/1/2029	100.000	10/1/2029	100.000	49,837.20	219,837.20
	10/1/2034	180,000	4.000%	1.940%	118.406 C	2.508%	10/1/2029	100.000	10/1/2029	100.000	33,130.80	213,130.80
	10/1/2035	185,000	4.000%	2.000%	117.816 C	2.620%	10/1/2029	100.000	10/1/2029	100.000	32,959.60	217,959.60
	10/1/2036	195,000	4.000%	2.070%	117.133 C	2.726%	10/1/2029	100.000	10/1/2029	100.000	33,409.35	228,409.35
	10/1/2037	200,000	4.000%	2.140%	116.454 C	2.821%	10/1/2029	100.000	10/1/2029	100.000	32,908.00	232,908.00
	10/1/2038	210,000	4.000%	2.180%	116.068 C	2.889%	10/1/2029	100.000	10/1/2029	100.000	33,742.80	243,742.80
	10/1/2039	220,000	4.000%	2.220%	115.684 C	2.951%	10/1/2029	100.000	10/1/2029	100.000	34,504.80	254,504.80
	10/1/2040	230,000	4.000%	2.250%	115.397 C	3.001%	10/1/2029	100.000	10/1/2029	100.000	35,413.10	265,413.10
		3,210,000									654,635.75	3,864,635.75
Bond Component #2:												
	10/1/2041	235,000	4.000%	2.430%	113.690 C	3.216%	10/1/2029	100.000	10/1/2029	100.000	32,171.50	267,171.50
	10/1/2042	245,000	4.000%	2.430%	113.690 C	3.216%	10/1/2029	100.000	10/1/2029	100.000	33,540.50	278,540.50
	10/1/2043	255,000	4.000%	2.430%	113.690 C	3.216%	10/1/2029	100.000	10/1/2029	100.000	34,909.50	289,909.50
	10/1/2044	125,000	4.000%	2.430%	113.690 C	3.216%	10/1/2029	100.000	10/1/2029	100.000	17,112.50	142,112.50
	10/1/2045	70,000	4.000%	2.430%	113.690 C	3.216%	10/1/2029	100.000	10/1/2029	100.000	9,583.00	79,583.00
		930,000									127,317.00	1,057,317.00
		4,140,000									781,952.75	4,921,952.75

Dated Date 11/21/2019
Delivery Date 11/21/2019
First Coupon 4/1/2020

Par Amount 4,140,000.00
Premium 781,952.75

Production 4,921,952.75 118.887748%
Underwriter's Discount (26,910.00) (0.650000)

Purchase Price 4,895,042.75 118.237748%
Accrued Interest

Net Proceeds 4,895,042.75

Bond Debt Service
City of Exeter
2019 Water Revenue Refunding (Option 1)
Public Offering Assumes A+ (u/l), Insured
Refunding of 2003 and 2004 USDA Loans
Dated Date 11/21/2019

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
4/1/2020			63,718.06	63,718.06	63,718.06
10/1/2020	95,000	3.000%	88,225.00	183,225.00	
4/1/2021			86,800.00	86,800.00	270,025.00
10/1/2021	100,000	3.000%	86,800.00	186,800.00	
4/1/2022			85,300.00	85,300.00	272,100.00
10/1/2022	100,000	4.000%	85,300.00	185,300.00	
4/1/2023			83,300.00	83,300.00	268,600.00
10/1/2023	105,000	4.000%	83,300.00	188,300.00	
4/1/2024			81,200.00	81,200.00	269,500.00
10/1/2024	110,000	4.000%	81,200.00	191,200.00	
4/1/2025			79,000.00	79,000.00	270,200.00
10/1/2025	115,000	5.000%	79,000.00	194,000.00	
4/1/2026			76,125.00	76,125.00	270,125.00
10/1/2026	120,000	5.000%	76,125.00	196,125.00	
4/1/2027			73,125.00	73,125.00	269,250.00
10/1/2027	130,000	5.000%	73,125.00	203,125.00	
4/1/2028			69,875.00	69,875.00	273,000.00
10/1/2028	135,000	5.000%	69,875.00	204,875.00	
4/1/2029			66,500.00	66,500.00	271,375.00
10/1/2029	140,000	5.000%	66,500.00	206,500.00	
4/1/2030			63,000.00	63,000.00	269,500.00
10/1/2030	150,000	5.000%	63,000.00	213,000.00	
4/1/2031			59,250.00	59,250.00	272,250.00
10/1/2031	155,000	5.000%	59,250.00	214,250.00	
4/1/2032			55,375.00	55,375.00	269,625.00
10/1/2032	165,000	5.000%	55,375.00	220,375.00	
4/1/2033			51,250.00	51,250.00	271,625.00
10/1/2033	170,000	5.000%	51,250.00	221,250.00	
4/1/2034			47,000.00	47,000.00	268,250.00
10/1/2034	180,000	4.000%	47,000.00	227,000.00	
4/1/2035			43,400.00	43,400.00	270,400.00
10/1/2035	185,000	4.000%	43,400.00	228,400.00	
4/1/2036			39,700.00	39,700.00	268,100.00
10/1/2036	195,000	4.000%	39,700.00	234,700.00	
4/1/2037			35,800.00	35,800.00	270,500.00
10/1/2037	200,000	4.000%	35,800.00	235,800.00	
4/1/2038			31,800.00	31,800.00	267,600.00
10/1/2038	210,000	4.000%	31,800.00	241,800.00	
4/1/2039			27,600.00	27,600.00	269,400.00
10/1/2039	220,000	4.000%	27,600.00	247,600.00	
4/1/2040			23,200.00	23,200.00	270,800.00
10/1/2040	230,000	4.000%	23,200.00	253,200.00	
4/1/2041			18,600.00	18,600.00	271,800.00
10/1/2041	235,000	4.000%	18,600.00	253,600.00	

Bond Debt Service
City of Exeter
2019 Water Revenue Refunding (Option 1)
Public Offering Assumes A+ (u/l), Insured
Refunding of 2003 and 2004 USDA Loans

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
4/1/2042			13,900.00	13,900.00	267,500.00
10/1/2042	245,000	4.000%	13,900.00	258,900.00	
4/1/2043			9,000.00	9,000.00	267,900.00
10/1/2043	255,000	4.000%	9,000.00	264,000.00	
4/1/2044			3,900.00	3,900.00	267,900.00
10/1/2044	125,000	4.000%	3,900.00	128,900.00	
4/1/2045			1,400.00	1,400.00	130,300.00
10/1/2045	70,000	4.000%	1,400.00	71,400.00	
4/1/2046					71,400.00
	4,140,000		2,602,743.06	6,742,743.06	6,742,743.06

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Bond Debt Service
City of Exeter
2019 Water Revenue Refunding (Option 1)
Public Offering Assumes A+ (u/l), Insured
Refunding of 2003 and 2004 USDA Loans

Period Ending	Principal	Coupon	Interest	Debt Service
4/1/2020			63,718.06	63,718.06
4/1/2021	95,000	3.000%	175,025.00	270,025.00
4/1/2022	100,000	3.000%	172,100.00	272,100.00
4/1/2023	100,000	4.000%	168,600.00	268,600.00
4/1/2024	105,000	4.000%	164,500.00	269,500.00
4/1/2025	110,000	4.000%	160,200.00	270,200.00
4/1/2026	115,000	5.000%	155,125.00	270,125.00
4/1/2027	120,000	5.000%	149,250.00	269,250.00
4/1/2028	130,000	5.000%	143,000.00	273,000.00
4/1/2029	135,000	5.000%	136,375.00	271,375.00
4/1/2030	140,000	5.000%	129,500.00	269,500.00
4/1/2031	150,000	5.000%	122,250.00	272,250.00
4/1/2032	155,000	5.000%	114,625.00	269,625.00
4/1/2033	165,000	5.000%	106,625.00	271,625.00
4/1/2034	170,000	5.000%	98,250.00	268,250.00
4/1/2035	180,000	4.000%	90,400.00	270,400.00
4/1/2036	185,000	4.000%	83,100.00	268,100.00
4/1/2037	195,000	4.000%	75,500.00	270,500.00
4/1/2038	200,000	4.000%	67,600.00	267,600.00
4/1/2039	210,000	4.000%	59,400.00	269,400.00
4/1/2040	220,000	4.000%	50,800.00	270,800.00
4/1/2041	230,000	4.000%	41,800.00	271,800.00
4/1/2042	235,000	4.000%	32,500.00	267,500.00
4/1/2043	245,000	4.000%	22,900.00	267,900.00
4/1/2044	255,000	4.000%	12,900.00	267,900.00
4/1/2045	125,000	4.000%	5,300.00	130,300.00
4/1/2046	70,000	4.000%	1,400.00	71,400.00
	4,140,000		2,602,743.06	6,742,743.06

Savings
City of Exeter
2019 Water Revenue Refunding (Option 1)
Public Offering Assumes A+ (u/l), Insured
Refunding of 2003 and 2004 USDA Loans

Date	Prior Debt Service	Refunding Debt Service	Savings	Annual Savings	Present Value to
					11/21/2019 @ 2.0524296%
4/1/2020	156,223.91	63,718.06	92,505.85	92,505.85	91,826.24
10/1/2020	151,521.66	183,225.00	(31,703.34)		(31,150.75)
4/1/2021	156,938.43	86,800.00	70,138.43	38,435.09	68,215.88
10/1/2021	151,378.56	186,800.00	(35,421.44)		(34,100.57)
4/1/2022	156,539.03	85,300.00	71,239.03	35,817.58	67,885.85
10/1/2022	151,240.40	185,300.00	(34,059.60)		(32,126.74)
4/1/2023	157,045.45	83,300.00	73,745.45	39,685.86	68,853.87
10/1/2023	151,087.20	188,300.00	(37,212.80)		(34,391.52)
4/1/2024	156,433.62	81,200.00	75,233.62	38,020.83	68,823.53
10/1/2024	150,942.62	191,200.00	(40,257.38)		(36,453.26)
4/1/2025	156,723.11	79,000.00	77,723.11	37,465.73	69,663.77
10/1/2025	150,787.49	194,000.00	(43,212.51)		(38,338.25)
4/1/2026	156,889.64	76,125.00	80,764.64	37,552.13	70,926.73
10/1/2026	150,624.39	196,125.00	(45,500.61)		(39,552.30)
4/1/2027	156,930.70	73,125.00	83,805.70	38,305.09	72,109.76
10/1/2027	150,454.83	203,125.00	(52,670.18)		(44,859.16)
4/1/2028	157,843.68	69,875.00	87,968.68	35,298.50	74,161.82
10/1/2028	150,260.30	204,875.00	(54,614.70)		(45,575.11)
4/1/2029	157,603.97	66,500.00	91,103.97	36,489.27	75,252.59
10/1/2029	150,065.97	206,500.00	(56,434.03)		(46,141.44)
4/1/2030	157,230.58	63,000.00	94,230.58	37,796.55	76,261.94
10/1/2030	149,873.96	213,000.00	(63,126.04)		(50,569.71)
4/1/2031	157,720.54	59,250.00	98,470.54	35,344.50	78,082.58
10/1/2031	149,665.42	214,250.00	(64,584.58)		(50,692.37)
4/1/2032	158,048.87	55,375.00	102,673.87	38,089.28	79,770.00
10/1/2032	149,443.24	220,375.00	(70,931.76)		(54,548.94)
4/1/2033	158,212.32	51,250.00	106,962.32	36,030.56	81,422.10
10/1/2033	149,211.19	221,250.00	(72,038.81)		(54,280.51)
4/1/2034	158,207.51	47,000.00	111,207.51	39,168.70	82,942.56
10/1/2034	148,971.88	227,000.00	(78,028.12)		(57,605.03)
4/1/2035	158,030.92	43,400.00	114,630.92	36,602.80	83,767.77
10/1/2035	148,729.79	228,400.00	(79,670.21)		(57,628.46)
4/1/2036	158,678.84	39,700.00	118,978.84	39,308.63	85,187.67
10/1/2036	148,466.34	234,700.00	(86,233.66)		(61,115.27)
4/1/2037	159,125.56	35,800.00	123,325.56	37,091.90	86,515.10
10/1/2037	148,184.68	235,800.00	(87,615.32)		(60,839.38)
4/1/2038	158,367.07	31,800.00	126,567.07	38,951.75	86,994.42
10/1/2038	147,912.69	241,800.00	(93,887.31)		(63,876.85)
4/1/2039	159,421.02	27,600.00	131,821.02	37,933.72	88,774.29
10/1/2039	147,608.40	247,600.00	(99,991.60)		(66,654.88)
4/1/2040	159,239.32	23,200.00	136,039.32	36,047.71	89,763.30
10/1/2040	147,299.32	253,200.00	(105,900.68)		(69,167.02)
4/1/2041	159,839.25	18,600.00	141,239.25	35,338.57	91,310.69
10/1/2041	146,968.00	253,600.00	(106,632.00)		(68,236.96)
4/1/2042	159,194.19	13,900.00	145,294.19	38,662.19	92,033.57
10/1/2042	146,641.57	258,900.00	(112,258.43)		(70,385.46)
4/1/2043	159,321.02	9,000.00	150,321.02	38,062.58	93,293.11
10/1/2043	146,302.14	264,000.00	(117,697.86)		(72,304.34)

Savings
City of Exeter
2019 Water Revenue Refunding (Option 1)
Public Offering Assumes A+ (u/l), Insured
Refunding of 2003 and 2004 USDA Loans

Date	Prior Debt Service	Refunding Debt Service	Savings	Annual Savings	Present Value to 11/21/2019 @ 2.0524296%
4/1/2044	160,192.67	3,900.00	156,292.67	38,594.81	95,038.66
10/1/2044	145,933.67	128,900.00	17,033.67		10,252.64
4/1/2045	1,781.85	1,400.00	381.85	17,415.52	227.50
10/1/2045	83,237.85	71,400.00	11,837.85		6,981.24
4/1/2046				11,837.85	
	7,764,596.63	6,742,743.06	1,021,853.57	1,021,853.57	795,744.90

Savings Summary

PV of savings from cash flow	795,744.90
Plus: Refunding funds on hand	3,920.49

Net PV Savings	799,665.39

Summary of Refunding Results
City of Exeter
2019 Water Revenue Refunding (Option 1)
Public Offering Assumes A+ (u/l), Insured
Refunding of 2003 and 2004 USDA Loans

Dated Date	11/21/2019
Delivery Date	11/21/2019
Arbitrage yield	2.052430%
Escrow yield	
Value of Negative Arbitrage	
Bond Par Amount	4,140,000.00
True Interest Cost	2.762875%
Net Interest Cost	2.986182%
All-In TIC	3.036852%
Average Coupon	4.206453%
Average Life	14.946
Weighted Average Maturity	14.860
Par amount of refunded bonds	4,673,093.00
Average coupon of refunded bonds	4.375000%
Average life of refunded bonds	14.982
Remaining weighted average maturity of refunded bonds	14.982
PV of prior debt to 11/21/2019 @ 2.052430%	6,053,348.67
Net PV Savings	799,665.39
Percentage savings of refunded bonds	17.112122%
Percentage savings of refunding bonds	19.315589%

Sources and Uses of Funds
City of Exeter
2019 Water Revenue Refunding (Option 2)
Public Offering Assumes A+ (u/l), Insured
Refunding of 2003 and 2004 USDA Loans

Sources:

Bond Proceeds:

Par Amount	4,150,000.00
Premium	770,648.00
	4,920,648.00

Uses:

Refunding Escrow Deposits:

Cash Deposit	4,701,488.54
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Delivery Date Expenses:

Cost of Issuance	145,000.00
Underwriter's Discount	26,975.00
Bond Insurance	33,577.53
Surety	10,719.00
	216,271.53

Other Uses of Funds:

Additional Proceeds	2,887.93
	4,920,648.00

Cost of Issuance
City of Exeter
2019 Water Revenue Refunding (Option 2)
Public Offering Assumes A+ (u/l), Insured
Refunding of 2003 and 2004 USDA Loans

Cost of Issuance	Amount
Other Cost of Issuance	145,000.00
	145,000.00

Escrow Requirements
City of Exeter
2019 Water Revenue Refunding (Option 2)
Public Offering Assumes A+ (u/l), Insured
Refunding of 2003 and 2004 USDA Loans

<u>USDA Water System Improvement Loan</u>			
Period Ending	Interest	Principal	Total
		Redeemed	
11/21/2019	14,461.81	2,380,000.00	2,394,461.81
	14,461.81	2,380,000.00	2,394,461.81

<u>USDA Water Well Loan</u>			
Period Ending	Interest	Principal	Total
		Redeemed	
11/21/2019	13,933.72	2,293,093.00	2,307,026.72
	13,933.72	2,293,093.00	2,307,026.72

Summary of Bonds Refunded

City of Exeter

2019 Water Revenue Refunding (Option 2)

Public Offering Assumes A+ (u/l), Insured

Refunding of 2003 and 2004 USDA Loans

	Bond	Maturity		Interest Rate	Par Amount	Call Date	Call Price
		Date					
USDA Water System Improvement Loan:							
	BOND	4/1/2044		4.375%	2,380,000.00	11/21/2019	100.000
USDA Water Well Loan:							
	BOND	10/1/2045		4.375%	2,293,093.00	11/21/2019	100.000
					4,673,093.00		

Prior Bond Debt Service
City of Exeter
2019 Water Revenue Refunding (Option 2)
Public Offering Assumes A+ (u/l), Insured
Refunding of 2003 and 2004 USDA Loans
USDA Water System Improvement Loan

Period Ending	Principal	Coupon	Interest	Debt Service
4/1/2020	54,000	4.375%	52,062.50	106,062.50
4/1/2021	57,000	4.375%	101,762.50	158,762.50
4/1/2022	59,000	4.375%	99,268.75	158,268.75
4/1/2023	62,000	4.375%	96,687.50	158,687.50
4/1/2024	64,000	4.375%	93,975.00	157,975.00
4/1/2025	67,000	4.375%	91,175.00	158,175.00
4/1/2026	70,000	4.375%	88,243.75	158,243.75
4/1/2027	73,000	4.375%	85,181.25	158,181.25
4/1/2028	77,000	4.375%	81,987.50	158,987.50
4/1/2029	80,000	4.375%	78,618.75	158,618.75
4/1/2030	83,000	4.375%	75,118.75	158,118.75
4/1/2031	87,000	4.375%	71,487.50	158,487.50
4/1/2032	91,000	4.375%	67,681.25	158,681.25
4/1/2033	95,000	4.375%	63,700.00	158,700.00
4/1/2034	99,000	4.375%	59,543.75	158,543.75
4/1/2035	103,000	4.375%	55,212.50	158,212.50
4/1/2036	108,000	4.375%	50,706.25	158,706.25
4/1/2037	113,000	4.375%	45,981.25	158,981.25
4/1/2038	117,000	4.375%	41,037.50	158,037.50
4/1/2039	123,000	4.375%	35,918.75	158,918.75
4/1/2040	128,000	4.375%	30,537.50	158,537.50
4/1/2041	134,000	4.375%	24,937.50	158,937.50
4/1/2042	139,000	4.375%	19,075.00	158,075.00
4/1/2043	145,000	4.375%	12,993.75	157,993.75
4/1/2044	152,000	4.375%	6,650.00	158,650.00
	2,380,000		1,529,543.75	3,909,543.75

Prior Bond Debt Service
City of Exeter
2019 Water Revenue Refunding (Option 2)
Public Offering Assumes A+ (u/l), Insured
Refunding of 2003 and 2004 USDA Loans
USDA Water Well Loan (USDAWELL)

Period Ending	Principal	Coupon	Interest	Debt Service
4/1/2020			50,161.41	50,161.41
4/1/2021	50,479	4.375%	99,218.59	149,697.59
4/1/2022	52,687	4.375%	96,961.83	149,648.83
4/1/2023	54,992	4.375%	94,606.36	149,598.36
4/1/2024	57,398	4.375%	92,147.83	149,545.83
4/1/2025	59,909	4.375%	89,581.73	149,490.73
4/1/2026	62,530	4.375%	86,903.38	149,433.38
4/1/2027	65,266	4.375%	84,107.84	149,373.84
4/1/2028	68,121	4.375%	81,190.00	149,311.00
4/1/2029	71,101	4.375%	78,144.52	149,245.52
4/1/2030	74,212	4.375%	74,965.80	149,177.80
4/1/2031	77,459	4.375%	71,648.00	149,107.00
4/1/2032	80,848	4.375%	68,185.03	149,033.03
4/1/2033	84,385	4.375%	64,570.56	148,955.56
4/1/2034	88,077	4.375%	60,797.95	148,874.95
4/1/2035	91,930	4.375%	56,860.30	148,790.30
4/1/2036	95,952	4.375%	52,750.38	148,702.38
4/1/2037	100,150	4.375%	48,460.65	148,610.65
4/1/2038	104,531	4.375%	43,983.25	148,514.25
4/1/2039	109,105	4.375%	39,309.97	148,414.97
4/1/2040	113,878	4.375%	34,432.21	148,310.21
4/1/2041	118,860	4.375%	29,341.07	148,201.07
4/1/2042	124,060	4.375%	24,027.19	148,087.19
4/1/2043	129,488	4.375%	18,480.83	147,968.83
4/1/2044	135,153	4.375%	12,691.81	147,844.81
4/1/2045	141,066	4.375%	6,649.52	147,715.52
4/1/2046	81,456	4.375%	1,781.85	83,237.85
	2,293,093		1,561,959.88	3,855,052.88

Bond Summary Statistics
City of Exeter
2019 Water Revenue Refunding (Option 2)
Public Offering Assumes A+ (u/l), Insured
Refunding of 2003 and 2004 USDA Loans

Dated Date	11/21/2019
Delivery Date	11/21/2019
First Coupon	4/1/2020
Last Maturity	10/1/2045

Arbitrage Yield	2.052959%
True Interest Cost (TIC)	2.764084%
Net Interest Cost (NIC)	2.986679%
All-In TIC	3.042138%
Average Coupon	4.205843%

Average Life (years)	14.698
Weighted Average Maturity (years)	14.652

Par Amount	4,150,000.00
Bond Proceeds	4,920,648.00
Total Interest	2,565,505.56
Net Interest	1,821,832.56
Total Debt Service	6,715,505.56
Maximum Annual Debt Service	267,975.00
Average Annual Debt Service	259,675.83

Underwriter's Fees (per \$1000)	
Average Takedown	
Other Fee	6.500000

Total Underwriter's Discount	6.500000
Bid Price	117.919831

Bond Component	Par Value	Price	Average Coupon	Average Life
Bond Component	3,230,000.00	119.960	4.318%	12.226
Bond Component #2	920,000.00	113.690	4.000%	23.377
	4,150,000.00			14.698

	TIC	All-In TIC	Arbitrage Yield
Par Value	4,150,000.00	4,150,000.00	4,150,000.00
+ Accrued Interest			
+ Premium (Discount)	770,648.00	770,648.00	770,648.00
- Underwriter's Discount	(26,975.00)	(26,975.00)	
- Cost of Issuance Expense		(145,000.00)	
- Other Amounts	(44,296.53)	(44,296.53)	(44,296.53)
Target Value	4,849,376.47	4,704,376.47	4,876,351.47
Target Date	11/21/2019	11/21/2019	11/21/2019
Yield	2.764084%	3.042138%	2.052959%

Bond Pricing
City of Exeter
2019 Water Revenue Refunding (Option 2)
Public Offering Assumes A+ (u/l), Insured
Refunding of 2003 and 2004 USDA Loans

Bond Component	Maturity Date	Amount	Rate	Yield	Price	Yield to Maturity	Call Date	Call Price	Call Date for Arb Yield	Call Price for Arb Yield	Premium (- Discount)	Principal Cost
Bond Component:												
	4/1/2020	70,000	3.000%	1.080%	100.689						482.30	70,482.30
	10/1/2020	95,000	3.000%	1.080%	101.640						1,558.00	96,558.00
	10/1/2021	95,000	3.000%	1.040%	103.602						3,421.90	98,421.90
	10/1/2022	100,000	4.000%	1.050%	108.292						8,292.00	108,292.00
	10/1/2023	105,000	4.000%	1.070%	111.052						11,604.60	116,604.60
	10/1/2024	110,000	4.000%	1.070%	113.841						15,225.10	125,225.10
	10/1/2025	115,000	5.000%	1.100%	122.076						25,387.40	140,387.40
	10/1/2026	120,000	5.000%	1.130%	125.478						30,573.60	150,573.60
	10/1/2027	125,000	5.000%	1.170%	128.683						35,853.75	160,853.75
	10/1/2028	130,000	5.000%	1.260%	131.262						40,640.60	170,640.60
	10/1/2029	140,000	5.000%	1.360%	133.483						46,876.20	186,876.20
	10/1/2030	145,000	5.000%	1.510%	131.862 C	1.763%	10/1/2029	100.000	10/1/2029	100.000	46,199.90	191,199.90
	10/1/2031	155,000	5.000%	1.570%	131.220 C	2.026%	10/1/2029	100.000	10/1/2029	100.000	48,391.00	203,391.00
	10/1/2032	160,000	5.000%	1.660%	130.264 C	2.273%	10/1/2029	100.000	10/1/2029	100.000	48,422.40	208,422.40
	10/1/2033	170,000	5.000%	1.750%	129.316 C	2.486%	10/1/2029	100.000	10/1/2029	100.000	49,837.20	219,837.20
	10/1/2034	175,000	4.000%	1.940%	118.406 C	2.508%	10/1/2029	100.000	10/1/2029	100.000	32,210.50	207,210.50
	10/1/2035	185,000	4.000%	2.000%	117.816 C	2.620%	10/1/2029	100.000	10/1/2029	100.000	32,959.60	217,959.60
	10/1/2036	190,000	4.000%	2.070%	117.133 C	2.726%	10/1/2029	100.000	10/1/2029	100.000	32,552.70	222,552.70
	10/1/2037	200,000	4.000%	2.140%	116.454 C	2.821%	10/1/2029	100.000	10/1/2029	100.000	32,908.00	232,908.00
	10/1/2038	205,000	4.000%	2.180%	116.068 C	2.889%	10/1/2029	100.000	10/1/2029	100.000	32,939.40	237,939.40
	10/1/2039	215,000	4.000%	2.220%	115.684 C	2.951%	10/1/2029	100.000	10/1/2029	100.000	33,720.60	248,720.60
	10/1/2040	225,000	4.000%	2.250%	115.397 C	3.001%	10/1/2029	100.000	10/1/2029	100.000	34,643.25	259,643.25
		3,230,000									644,700.00	3,874,700.00
Bond Component #2:												
	10/1/2041	235,000	4.000%	2.430%	113.690 C	3.216%	10/1/2029	100.000	10/1/2029	100.000	32,171.50	267,171.50
	10/1/2042	240,000	4.000%	2.430%	113.690 C	3.216%	10/1/2029	100.000	10/1/2029	100.000	32,856.00	272,856.00
	10/1/2043	250,000	4.000%	2.430%	113.690 C	3.216%	10/1/2029	100.000	10/1/2029	100.000	34,225.00	284,225.00
	10/1/2044	125,000	4.000%	2.430%	113.690 C	3.216%	10/1/2029	100.000	10/1/2029	100.000	17,112.50	142,112.50
	10/1/2045	70,000	4.000%	2.430%	113.690 C	3.216%	10/1/2029	100.000	10/1/2029	100.000	9,583.00	79,583.00
		920,000									125,948.00	1,045,948.00
		4,150,000									770,648.00	4,920,648.00

Dated Date	11/21/2019	
Delivery Date	11/21/2019	
First Coupon	4/1/2020	
Par Amount	4,150,000.00	
Premium	770,648.00	
Production	4,920,648.00	118.569831%
Underwriter's Discount	(26,975.00)	(0.650000%)
Purchase Price	4,893,673.00	117.919831%
Accrued Interest		
Net Proceeds	4,893,673.00	

Bond Debt Service
City of Exeter
2019 Water Revenue Refunding (Option 2)
Public Offering Assumes A+ (u/l), Insured
Refunding of 2003 and 2004 USDA Loans
Dated Date 11/21/2019

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
4/1/2020	70,000	3.000%	63,555.56	133,555.56	133,555.56
10/1/2020	95,000	3.000%	86,950.00	181,950.00	
4/1/2021			85,525.00	85,525.00	267,475.00
10/1/2021	95,000	3.000%	85,525.00	180,525.00	
4/1/2022			84,100.00	84,100.00	264,625.00
10/1/2022	100,000	4.000%	84,100.00	184,100.00	
4/1/2023			82,100.00	82,100.00	266,200.00
10/1/2023	105,000	4.000%	82,100.00	187,100.00	
4/1/2024			80,000.00	80,000.00	267,100.00
10/1/2024	110,000	4.000%	80,000.00	190,000.00	
4/1/2025			77,800.00	77,800.00	267,800.00
10/1/2025	115,000	5.000%	77,800.00	192,800.00	
4/1/2026			74,925.00	74,925.00	267,725.00
10/1/2026	120,000	5.000%	74,925.00	194,925.00	
4/1/2027			71,925.00	71,925.00	266,850.00
10/1/2027	125,000	5.000%	71,925.00	196,925.00	
4/1/2028			68,800.00	68,800.00	265,725.00
10/1/2028	130,000	5.000%	68,800.00	198,800.00	
4/1/2029			65,550.00	65,550.00	264,350.00
10/1/2029	140,000	5.000%	65,550.00	205,550.00	
4/1/2030			62,050.00	62,050.00	267,600.00
10/1/2030	145,000	5.000%	62,050.00	207,050.00	
4/1/2031			58,425.00	58,425.00	265,475.00
10/1/2031	155,000	5.000%	58,425.00	213,425.00	
4/1/2032			54,550.00	54,550.00	267,975.00
10/1/2032	160,000	5.000%	54,550.00	214,550.00	
4/1/2033			50,550.00	50,550.00	265,100.00
10/1/2033	170,000	5.000%	50,550.00	220,550.00	
4/1/2034			46,300.00	46,300.00	266,850.00
10/1/2034	175,000	4.000%	46,300.00	221,300.00	
4/1/2035			42,800.00	42,800.00	264,100.00
10/1/2035	185,000	4.000%	42,800.00	227,800.00	
4/1/2036			39,100.00	39,100.00	266,900.00
10/1/2036	190,000	4.000%	39,100.00	229,100.00	
4/1/2037			35,300.00	35,300.00	264,400.00
10/1/2037	200,000	4.000%	35,300.00	235,300.00	
4/1/2038			31,300.00	31,300.00	266,600.00
10/1/2038	205,000	4.000%	31,300.00	236,300.00	
4/1/2039			27,200.00	27,200.00	263,500.00
10/1/2039	215,000	4.000%	27,200.00	242,200.00	
4/1/2040			22,900.00	22,900.00	265,100.00
10/1/2040	225,000	4.000%	22,900.00	247,900.00	
4/1/2041			18,400.00	18,400.00	266,300.00
10/1/2041	235,000	4.000%	18,400.00	253,400.00	

Bond Debt Service
City of Exeter
2019 Water Revenue Refunding (Option 2)
Public Offering Assumes A+ (u/l), Insured
Refunding of 2003 and 2004 USDA Loans

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
4/1/2042			13,700.00	13,700.00	267,100.00
10/1/2042	240,000	4.000%	13,700.00	253,700.00	
4/1/2043			8,900.00	8,900.00	262,600.00
10/1/2043	250,000	4.000%	8,900.00	258,900.00	
4/1/2044			3,900.00	3,900.00	262,800.00
10/1/2044	125,000	4.000%	3,900.00	128,900.00	
4/1/2045			1,400.00	1,400.00	130,300.00
10/1/2045	70,000	4.000%	1,400.00	71,400.00	
4/1/2046					71,400.00
	4,150,000		2,565,505.56	6,715,505.56	6,715,505.56

Bond Debt Service
City of Exeter
2019 Water Revenue Refunding (Option 2)
Public Offering Assumes A+ (u/l), Insured
Refunding of 2003 and 2004 USDA Loans

Period Ending	Principal	Coupon	Interest	Debt Service
4/1/2020	70,000	3.000%	63,555.56	133,555.56
4/1/2021	95,000	3.000%	172,475.00	267,475.00
4/1/2022	95,000	3.000%	169,625.00	264,625.00
4/1/2023	100,000	4.000%	166,200.00	266,200.00
4/1/2024	105,000	4.000%	162,100.00	267,100.00
4/1/2025	110,000	4.000%	157,800.00	267,800.00
4/1/2026	115,000	5.000%	152,725.00	267,725.00
4/1/2027	120,000	5.000%	146,850.00	266,850.00
4/1/2028	125,000	5.000%	140,725.00	265,725.00
4/1/2029	130,000	5.000%	134,350.00	264,350.00
4/1/2030	140,000	5.000%	127,600.00	267,600.00
4/1/2031	145,000	5.000%	120,475.00	265,475.00
4/1/2032	155,000	5.000%	112,975.00	267,975.00
4/1/2033	160,000	5.000%	105,100.00	265,100.00
4/1/2034	170,000	5.000%	96,850.00	266,850.00
4/1/2035	175,000	4.000%	89,100.00	264,100.00
4/1/2036	185,000	4.000%	81,900.00	266,900.00
4/1/2037	190,000	4.000%	74,400.00	264,400.00
4/1/2038	200,000	4.000%	66,600.00	266,600.00
4/1/2039	205,000	4.000%	58,500.00	263,500.00
4/1/2040	215,000	4.000%	50,100.00	265,100.00
4/1/2041	225,000	4.000%	41,300.00	266,300.00
4/1/2042	235,000	4.000%	32,100.00	267,100.00
4/1/2043	240,000	4.000%	22,600.00	262,600.00
4/1/2044	250,000	4.000%	12,800.00	262,800.00
4/1/2045	125,000	4.000%	5,300.00	130,300.00
4/1/2046	70,000	4.000%	1,400.00	71,400.00
	4,150,000		2,565,505.56	6,715,505.56

Savings
City of Exeter
2019 Water Revenue Refunding (Option 2)
Public Offering Assumes A+ (u/l), Insured
Refunding of 2003 and 2004 USDA Loans

Date	Prior Debt Service	Refunding Debt Service	Savings	Annual Savings	Present Value to 11/21/2019 @ 2.0529592%
4/1/2020	156,223.91	133,555.56	22,668.35	22,668.35	22,501.77
10/1/2020	151,521.66	181,950.00	(30,428.34)		(29,897.84)
4/1/2021	156,938.43	85,525.00	71,413.43	40,985.09	69,455.44
10/1/2021	151,378.56	180,525.00	(29,146.44)		(28,059.29)
4/1/2022	156,539.03	84,100.00	72,439.03	43,292.58	69,028.51
10/1/2022	151,240.40	184,100.00	(32,859.60)		(30,994.38)
4/1/2023	157,045.45	82,100.00	74,945.45	42,085.86	69,973.04
10/1/2023	151,087.20	187,100.00	(36,012.80)		(33,281.82)
4/1/2024	156,433.62	80,000.00	76,433.62	40,420.83	69,919.69
10/1/2024	150,942.62	190,000.00	(39,057.38)		(35,365.75)
4/1/2025	156,723.11	77,800.00	78,923.11	39,865.73	70,737.35
10/1/2025	150,787.49	192,800.00	(42,012.51)		(37,272.46)
4/1/2026	156,889.64	74,925.00	81,964.64	39,952.13	71,978.15
10/1/2026	150,624.39	194,925.00	(44,300.61)		(38,507.79)
4/1/2027	156,930.70	71,925.00	85,005.70	40,705.09	73,139.46
10/1/2027	150,454.83	196,925.00	(46,470.18)		(39,576.99)
4/1/2028	157,843.68	68,800.00	89,043.68	42,573.50	75,064.81
10/1/2028	150,260.30	198,800.00	(48,539.70)		(40,503.74)
4/1/2029	157,603.97	65,550.00	92,053.97	43,514.27	76,033.56
10/1/2029	150,065.97	205,550.00	(55,484.03)		(45,362.36)
4/1/2030	157,230.58	62,050.00	95,180.58	39,696.55	77,026.60
10/1/2030	149,873.96	207,050.00	(57,176.04)		(45,800.61)
4/1/2031	157,720.54	58,425.00	99,295.54	42,119.50	78,732.07
10/1/2031	149,665.42	213,425.00	(63,759.58)		(50,041.72)
4/1/2032	158,048.87	54,550.00	103,498.87	39,739.28	80,405.75
10/1/2032	149,443.24	214,550.00	(65,106.76)		(50,065.94)
4/1/2033	158,212.32	50,550.00	107,662.32	42,555.56	81,949.22
10/1/2033	149,211.19	220,550.00	(71,338.81)		(53,749.16)
4/1/2034	158,207.51	46,300.00	111,907.51	40,568.70	83,458.36
10/1/2034	148,971.88	221,300.00	(72,328.12)		(53,392.78)
4/1/2035	158,030.92	42,800.00	115,230.92	42,902.80	84,199.44
10/1/2035	148,729.79	227,800.00	(79,070.21)		(57,189.71)
4/1/2036	158,678.84	39,100.00	119,578.84	40,508.63	85,609.92
10/1/2036	148,466.34	229,100.00	(80,633.66)		(57,141.40)
4/1/2037	159,125.56	35,300.00	123,825.56	43,191.90	86,857.96
10/1/2037	148,184.68	235,300.00	(87,115.32)		(60,486.52)
4/1/2038	158,367.07	31,300.00	127,067.07	39,951.75	87,329.68
10/1/2038	147,912.69	236,300.00	(88,387.31)		(60,128.94)
4/1/2039	159,421.02	27,200.00	132,221.02	43,833.72	89,034.63
10/1/2039	147,608.40	242,200.00	(94,591.60)		(63,048.65)
4/1/2040	159,239.32	22,900.00	136,339.32	41,747.71	89,951.64
10/1/2040	147,299.32	247,900.00	(100,600.68)		(65,698.24)
4/1/2041	159,839.25	18,400.00	141,439.25	40,838.57	91,429.75
10/1/2041	146,968.00	253,400.00	(106,432.00)		(68,101.17)
4/1/2042	159,194.19	13,700.00	145,494.19	39,062.19	92,149.46
10/1/2042	146,641.57	253,700.00	(107,058.43)		(67,117.04)
4/1/2043	159,321.02	8,900.00	150,421.02	43,362.58	93,343.74
10/1/2043	146,302.14	258,900.00	(112,597.86)		(69,162.65)

Savings
City of Exeter
2019 Water Revenue Refunding (Option 2)
Public Offering Assumes A+ (u/l), Insured
Refunding of 2003 and 2004 USDA Loans

Date	Prior Debt Service	Refunding Debt Service	Savings	Annual Savings	Present Value to 11/21/2019 @ 2.0529592%
4/1/2044	160,192.67	3,900.00	156,292.67	43,694.81	95,026.53
10/1/2044	145,933.67	128,900.00	17,033.67		10,251.31
4/1/2045	1,781.85	1,400.00	381.85	17,415.52	227.47
10/1/2045	83,237.85	71,400.00	11,837.85		6,980.29
4/1/2046				11,837.85	
	7,764,596.63	6,715,505.56	1,049,091.07	1,049,091.07	801,848.66

Savings Summary

PV of savings from cash flow	801,848.66
Plus: Refunding funds on hand	2,887.93

Net PV Savings	804,736.59

Summary of Refunding Results
City of Exeter
2019 Water Revenue Refunding (Option 2)
Public Offering Assumes A+ (u/l), Insured
Refunding of 2003 and 2004 USDA Loans

Dated Date	11/21/2019
Delivery Date	11/21/2019
Arbitrage yield	2.052959%
Escrow yield	
Value of Negative Arbitrage	
Bond Par Amount	4,150,000.00
True Interest Cost	2.764084%
Net Interest Cost	2.986679%
All-In TIC	3.042138%
Average Coupon	4.205843%
Average Life	14.698
Weighted Average Maturity	14.652
Par amount of refunded bonds	4,673,093.00
Average coupon of refunded bonds	4.375000%
Average life of refunded bonds	14.982
Remaining weighted average maturity of refunded bonds	14.982
PV of prior debt to 11/21/2019 @ 2.052959%	6,052,978.91
Net PV Savings	804,736.59
Percentage savings of refunded bonds	17.220641%
Percentage savings of refunding bonds	19.391243%

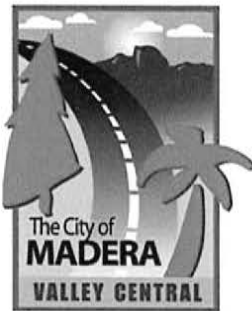
Appendix C
BRANDIS TALLMAN LLC

Madera Public Financing Authority
Lease Revenue Bonds, Series 2019

Pre-Pricing Book

&

Pricing Book



MADERA PUBLIC FINANCING AUTHORITY

Lease Revenue Bonds, Series 2019

Preliminary Pricing Information Book

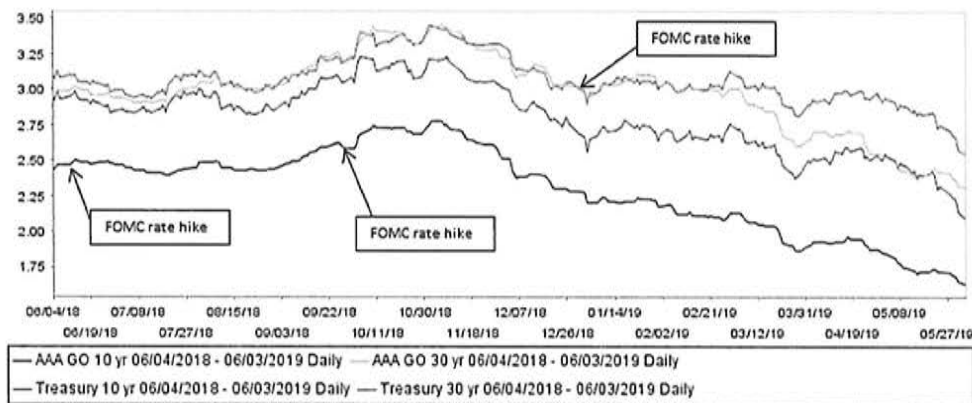
Monday, June 3, 2019

Schedule of Events

Date	Event
May 28, 2019	Distribute Preliminary Official Statement to Investors
May 29 - June 3	Marketing of Bonds to Potential Investors
June 3, 2019 2:30 pm PDT	Preliminary Pricing Conference Call Dial: 1-855-777-2962, Passcode: 2030559#
June 4, 2019 7:00-10:00am PDT	Order Period
June 4, 2019 11:30am PDT	Final Pricing Call Dial: 1-855-777-2962, Passcode: 2030559#
June 26, 2019	Close Financing

Bond Market Rates

June 3, 2018 – June 3, 2019



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10-year MMD Yields

6/3/19 close: 1.63%
52-week High: 2.77% - November 6, 2018
52-week Low: 1.63% - June 3, 2019

10-year Treasury Yields

6/3/19 close: 2.09%
52-week High: 3.23% - November 8, 2018
52-week Low: 2.09% - June 3, 2019

30-year MMD Yields

6/3/19 close: 2.31%
52-week High: 3.46% - November 6, 2018
52-week Low: 2.31% - June 3, 2019

30-year Treasury Yields

6/3/19 close: 2.55%
52-week High: 3.45% - November 2, 2018
52-week Low: 2.55% - June 3, 2019

Market Commentary

Tuesday, May 28, 2019

- Tax-exempt bonds traded thinly today, barely reacting to the **surge lower in Treasury yields**. The rally in Treasuries was due to increased concerns about the US-China trade war and global demand for the 10-year Treasury's yield, which is higher than other sovereigns' bond yields.
- The **10-year Treasury yield closed down 6 bps**, to 2.26%, **a new 52-week low**; and the 30-year dropped 4 bps, to 2.71%, a 52-week low. The 10-year MMD dropped 1 bps, to 1.71%; the 30-year fell 1 bps, to 2.41%.

Wednesday, May 29, 2019

- Overnight a Chinese newspaper reported on the possibility of the Chinese government using rare earth metals as a weapon against the US in the trade war. More than 90% of the 17 metals are produced in China; the "rare earths" are critical to US technology, and to automobiles and military equipment. **Stocks gapped lower at the open, as did Treasury yields**. Investors grew more concerned about the possibility of a US recession caused by the trade war, as well as its impact on global growth, and fed a rally into safe-haven government bonds.
- **The 10-year yield ended 2 bps lower, at 2.24%, its lowest in 20 months; and the 30-year was 4 bps lower, at 2.67%, also a 52-week low**. Munis were undeterred, as **cash inflows to muni bond funds continued for the 20th consecutive week, totaling over \$25 billion**, while the new issue supply is estimated to be only \$2.7 billion for the week. **The 10-year MMD yield made a new 52-week low of 1.69%, down 2 bps; the 30-year fell 4 bps, to 2.37%.**

Market Commentary

Thursday, May 30, 2019

- Jobless claims rose 3,000, to 215,000, but still no evidence of trouble in the labor market. GDP was revised lower, to 3.1% from 3.2%, because business investment has waned and corporate profits have declined for two quarters in a row. Home sales declined 1.5% in April, for the 16th consecutive month. The news that most impacted markets came from *Chinese officials who reiterated they do not want a trade war, but are not afraid of one; "they are ready to fight back at any cost"*.
- *Treasury yields made new 52-week lows: the 10-year down 1 bps, to 2.23%, and the 30-year down 1 bps, to 2.66%. Muni trading was cautious and light. The 10-year MMD yield fell 1 bps, to 1.68%, and the 30-year dropped 1 bps, to 2.36%, both 52-week lows.* World stock markets rose modestly for the first time this week.

Friday, May 31, 2019

- Economic reports today showed personal income rising at the fastest pace since the Great Recession—up .5% in April; consumer spending, however, rose only .3% compared to last month's rise of 1.1%; and the rate of inflation over the last year rose to 1.5%, well under the Fed's 2% target.
- What got the market's attention was *Trump's surprise decision to impose a 5% tariff on all imports from Mexico* to pressure Mexico to curb the flow of undocumented immigrants into the US. The news caught financial markets by surprise and has substantially increased risks to the economy and the likelihood that the Fed will have to respond. *Fed funds futures now show 2 rate cuts fully priced in by the market.*
- Global stock markets tumbled—the Dow lost 354 points—and *the flight to safe haven assets pushed yields much lower.* The 10-year MMD yield dropped 3 bps, to 1.65%, and the 30-year closed lower by 4 bps, to 2.32%. The 10-year Treasury yield fell 9 bps, to 2.14%, and the 30-year also dropped 9 bps, to 2.57%. All were 52-week lows.

Market Commentary

Monday, June 3, 2019

- Tariff fears intensified, rippling throughout global markets. With investors flocking to safe-haven assets, yields on European bonds have been driven substantially lower, and the benchmark 10-year Treasury yield has fallen to its lowest level in about 20 months, deepening its inversion against the 3-month Treasury. The 10-year/3-month inversion has preceded the last seven recessions.
- At the end of the day, **new 52-week lows were made: the 10-year Treasury yield down 5 bps, to 2.09%**; the 30-year down 2 bps, to 2.55%. The 10-year MMD yield down 2 bps, to 1.63%; the 30-year MMD yield down 1 bps, to 2.31%.
- In economic news, the ISM Manufacturing Index, at 52.1%, registered its slowest expansion in 2 and a half years.
- New issue municipal bond volume is estimated at almost \$7 billion for the coming week. The larger supply will come just as June bond maturities provide cash for investment.

Change in Yields from the November 2018 Highs to June 3, 2019

	Nov. 2018 Highs	June 3, 2019	Basis Point Change
10-year MMD	2.77%	1.63%	-114
30-year MMD	3.46%	2.31%	-115
10-year Treasury	3.23%	2.09%	-114
30-year Treasury	3.45%	2.55%	-90

Data Sources: The Municipal Market Monitor (TMM); Bloomberg; MarketWatch.com; Schwab.com; Morningstar.com; Bond Buyer.com; CNEC.com

CA Bond Sales Week of June 3, 2019

Issuer	Description	Par Amount	Type of Sale
Carlsbad Unified School District	Election of 2018 General Obligation Bonds	\$85,000	Negotiated
Cascade Union Elementary School District	General Obligation Bonds, Election of 2016, Series B	\$3,000	Negotiated
Chaffey Joint Union High School District	Election of 2012 General Obligation Bonds, Series D	\$89,998	Negotiated
Chico Unified School District	Election of 2016, Series B	\$55,000	Negotiated
City of Santee Community Facilities District No. 2017-1	(Weston Infrastructure) 2019 Special Tax Bonds	\$8,855	Negotiated
Hamilton Unified School District	General Obligation Bonds, 2018 Election, 2019 Series A	\$2,200	Negotiated
Los Rios Community College District	General Obligation Bonds 2008 Election, Series D	\$80,000	Negotiated
Madera Public Financing Authority	Lease Revenue Bonds, Series 2019	\$4,020	Negotiated
Redondo Beach Unified School District	General Obligation Bonds (Election of 2012), Series 2019D	\$5,000	Negotiated
Redondo Beach Unified School District	2020 Forward Refunding (2019)	\$12,390	Negotiated
South Whittier School District	General Obligation Bonds, Election of 2016, Series B	\$10,000	Negotiated

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Sale Date Issue Name	Preliminary Pricing 6/4/2019 Madera Public Financing Authority						5/23/2019 Dinuba Unified School District						5/21/2019 Rocklin Unified School District							
Issue Size U/W Type	\$4,020,000 Brandis Tallman LLC Lease Revenue Bonds						\$6,000,000 Piper Jaffray COPs						\$6,750,000 Stifel Nicolaus COPs							
Insurer Insured Rating U/L Rating	BAM AA A						AGM AA A						BAM AA A+							
Call Feature	Callable 2/1/2029 at par						Bonds due 02/01/25 - 02/01/30 callable 02/01/24 at par Bonds due 02/01/31 - 02/01/39 callable 02/01/27 at par						Callable 10/01/26 at par							
10 YR MMD	1.63						1.72						1.74							
30 YR MMD	2.31						2.42						2.44							
10 YR T-Bond	2.09						2.30						2.43							
30 YR T-Bond	2.55						2.73						2.84							
Maturity	Coupon	Yield	YTM	Spread	YTM Sprd	6/3 MMD	Coupon	Yield	YTM	Spread	Diff. to Madera	YTM Sprd	MMD	Coupon	Yield	YTM	Spread	Diff. to Madera	YTM Sprd	MMD
2019	3.000	1.370		1.0		1.36								3.000	1.430		-2.0	-3.0		1.45
2020	4.000	1.430		6.0		1.37								4.000	1.500		4.0	-2.0		1.46
2021	4.000	1.480		10.0		1.38								5.000	1.560		9.0	-1.0		1.47
2023	5.000	1.530		14.0		1.39	2.000	1.760		30.0	+16.0		1.46	5.000	1.600		12.0	-2.0		1.48
2024	5.000	1.570		17.0		1.40	2.000	1.810		34.0	+17.0		1.47	5.000	1.650		16.0	-1.0		1.49
2025	5.000	1.600		18.0		1.42	2.000	1.870	1.892	36.0	+18.0	38.2	1.51	5.000	1.680		15.0	-3.0		1.53
2026	5.000	1.640		18.0		1.46	2.000	1.910	1.936	36.0	+18.0	38.6	1.55	5.000	1.720		15.0	-3.0		1.57
2027	5.000	1.700		20.0		1.50	3.000	2.030	2.384	44.0	+24.0	79.4	1.59	5.000	1.770	2.094	16.0	-4.0	48.4	1.61
2028	5.000	1.760		20.0		1.56	3.375	2.160	2.678	51.0	+31.0	102.8	1.65	5.000	1.820	2.389	15.0	-5.0	71.9	1.67
2029	5.000	1.830		20.0		1.63	3.500	2.310	2.877	59.0	+39.0	115.7	1.72	5.000	1.900	2.650	16.0	-4.0	91.0	1.74
2030	5.000	1.900	2.132	20.0	43.2	1.70	3.750	2.400	3.095	61.0	+41.0	130.5	1.79	5.000	1.960	2.854	15.0	-5.0	104.4	1.81
2031	5.000	1.970	2.383	20.0	61.3	1.77	3.500	2.670	2.918	81.0	+61.0	105.8	1.86	5.000	2.020	3.025	14.0	-6.0	114.5	1.88
2032	4.000	2.280	2.618	45.0	78.8	1.83	3.750	2.790	3.117	86.0	+41.0	118.7	1.93	5.000	2.090	3.178	14.0	-31.0	122.8	1.95
2033	5.000	2.080	2.757	20.0	87.7	1.88	4.000	2.870	3.294	88.0	+68.0	130.4	1.99	5.000	2.160	3.311	14.0	-6.0	129.1	2.02
2034	4.000	2.470	2.901	55.0	98.1	1.92	4.000	2.920	3.360	88.0	+33.0	132.0	2.04	5.000	2.230	3.428	16.0	-39.0	135.8	2.07
2035	4.000	2.510	2.981	55.0	102.1	1.96	4.000	2.960	3.413	88.0	+33.0	133.3	2.08	5.000	2.300	3.531	19.0	-36.0	142.1	2.11
2036	4.000	2.600	3.084	60.0	108.4	2.00	4.000	3.000	3.460	88.0	+28.0	134.0	2.12	5.000	2.370	3.624	22.0	-38.0	147.4	2.15
2037	4.000	2.640	3.147	60.0	110.7	2.04	3.250	3.090	3.169	93.0	+33.0	100.9	2.16	5.000	2.440	3.708	25.0	-35.0	151.8	2.19
2038	4.000	2.680	3.203	60.0	112.3	2.08	3.000	3.110		91.0	+31.0		2.20	5.000	2.510	3.784	28.0	-32.0	155.4	2.23
2039	4.000	2.720	3.254	60.0	113.4	2.12	3.000	3.140		90.0	+30.0		2.24	5.000	2.580	3.853	31.0	-29.0	158.3	2.27
2040																				
2041																				
2042																				
2043																				
2044																				
2045														5.000	2.750	4.057	36.0		166.7	2.39
2046																				
2047																				
2048																				
2049																				
2050																				

Sales Comparables

8

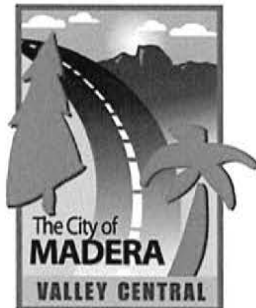
Sale Date	Preliminary Pricing 6/4/2019						5/16/2019						5/7/2019							
Issue Name	Madera Public Financing Authority						Chawanakee Unified School District						Perris Union High School District							
Issue Size	\$4,020,000						\$8,670,000						\$41,160,000							
U/W Type	Brandis Tallman LLC Lease Revenue Bonds						Stifel Nicolaus COPs						Stifel Nicolaus COPs							
Insurer	BAM						AGM						BAM							
Insured Rating	AA						AA						AA							
U/L Rating	A						A-						A							
Call Feature	Callable 2/1/2029 at par						Callable 05/01/24 at par						Callable 10/01/29 at par							
10 YR MMD	1.63						1.72						1.78							
30 YR MMD	2.31						2.38						2.45							
10 YR T-Bond	2.09						2.40						2.45							
30 YR T-Bond	2.55						2.84						2.86							
Maturity	Coupon	Yield	YTM	Spread	YTM Sprd	6/3 MMD	Coupon	Yield	YTM	Spread	Diff. to Madera	YTM Sprd	MMD	Coupon	Yield	YTM	Spread	Diff. to Madera	YTM Sprd	MMD
2019														3.000	1.450		-9.0			1.54
2020	3.000	1.370		1.0		1.36	4.000	1.540		7.0	+6.0		1.47	3.000	1.550		1.0	0.0		1.54
2021	4.000	1.430		6.0		1.37	4.000	1.590		12.0	+6.0		1.47	4.000	1.590		4.0	-2.0		1.55
2022	4.000	1.480		10.0		1.38	4.000	1.670		19.0	+9.0		1.48	4.000	1.630		7.0	-3.0		1.56
2023	5.000	1.530		14.0		1.39	1.500	1.730		24.0	+10.0		1.49	4.000	1.670		10.0	-4.0		1.57
2024	5.000	1.570		17.0		1.40	1.500	1.790		29.0	+12.0		1.50	4.000	1.720		13.0	-4.0		1.59
2025	5.000	1.600		18.0		1.42	2.000	1.840	1.866	32.0	+14.0	34.6	1.52	5.000	1.740		13.0	-5.0		1.61
2026	5.000	1.640		18.0		1.46	2.000	1.860	1.899	30.0	+12.0	33.9	1.56	5.000	1.790		16.0	-2.0		1.63
2027	5.000	1.700		20.0		1.50	2.375	1.990	2.128	39.0	+19.0	52.8	1.60	5.000	1.860		20.0	0.0		1.66
2028	5.000	1.760		20.0		1.56	2.750	2.140	2.395	49.0	+29.0	74.5	1.65	5.000	1.940		23.0	+3.0		1.71
2029	5.000	1.830		20.0		1.63	3.250	2.300	2.741	58.0	+38.0	102.1	1.72	5.000	2.040		26.0	+6.0		1.78
2030	5.000	1.900	2.132	20.0	43.2	1.70	3.625	2.420	3.024	63.0	+43.0	123.4	1.79	5.000	2.160	2.354	30.0	+10.0	49.4	1.86
2031	5.000	1.970	2.383	20.0	61.3	1.77	3.750	2.490	3.162	63.0	+43.0	130.2	1.86	5.000	2.240	2.587	31.0	+11.0	65.7	1.93
2032	4.000	2.280	2.618	45.0	78.8	1.83	4.000	2.560	3.364	63.0	+18.0	143.4	1.93	5.000	2.340	2.803	34.0	-11.0	80.3	2.00
2033	5.000	2.080	2.757	20.0	87.7	1.88	4.000	2.610	3.420	63.0	+43.0	144.0	1.98	5.000	2.380	2.944	33.0	+13.0	89.4	2.05
2034	4.000	2.470	2.901	55.0	98.1	1.92	4.000	2.660	3.469	63.0	+8.0	143.9	2.03	5.000	2.450	3.091	35.0	-20.0	99.1	2.10
2035	4.000	2.510	2.981	55.0	102.1	1.96	4.000	2.700	3.509	63.0	+8.0	143.9	2.07	5.000	2.500	3.207	36.0	-19.0	106.7	2.14
2036	4.000	2.600	3.084	60.0	108.4	2.00	4.000	2.740	3.544	63.0	+3.0	143.4	2.11	5.000	2.540	3.303	36.0	-24.0	112.3	2.18
2037	4.000	2.640	3.147	60.0	110.7	2.04	4.000	2.780	3.576	63.0	+3.0	142.6	2.15							
2038	4.000	2.680	3.203	60.0	112.3	2.08	3.000	3.070		88.0	+28.0		2.19							
2039	4.000	2.720	3.254	60.0	113.4	2.12	3.000	3.100		88.0	+28.0		2.22	3.000	3.150		86.0	+26.0		2.29
2040																				
2041																				
2042																				
2043																				
2044							3.000	3.160		83.0		2.33		4.000	3.200	3.567	81.0		117.7	2.39
2045																				
2046																				
2047																				
2048														5.000	2.880	3.913	44.0		147.3	2.44
2049																				
2050														3.125	3.360		90.0			2.46

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Sale Date Issue Name	Preliminary Pricing 6/4/2019 Madera Public Financing Authority						5/2/2019 Little Lake Fire Protection District						
Issue Size U/W Type	\$4,020,000 Brandis Tallman LLC Lease Revenue Bonds						\$7,200,000 Raymond James COPs						
Insurer Insured Rating U/L Rating	BAM AA A						BAM AA A+						
Call Feature	Callable 2/1/2029 at par						Callable 09/01/27 at par						
10 YR MMD	1.63						1.85						
30 YR MMD	2.31						2.53						
10 YR T-Bond	2.09						2.55						
30 YR T-Bond	2.55						2.94						
Maturity	Coupon	Yield	YTM	Spread	YTM Sprd	6/3 MMD	Coupon	Yield	YTM	Spread	Diff. to Madera	YTM Sprd	MMD
2019													
2020	3.000	1.370		1.0		1.36	3.000	1.560		1.0	0.0		1.55
2021	4.000	1.430		6.0		1.37	3.000	1.630		6.0	0.0		1.57
2022	4.000	1.480		10.0		1.38	3.000	1.690		10.0	0.0		1.59
2023	5.000	1.530		14.0		1.39	4.000	1.730		12.0	-2.0		1.61
2024	5.000	1.570		17.0		1.40	4.000	1.770		14.0	-3.0		1.63
2025	5.000	1.600		18.0		1.42	4.000	1.830		17.0	-1.0		1.66
2026	5.000	1.640		18.0		1.46	4.000	1.860		17.0	-1.0		1.69
2027	5.000	1.700		20.0		1.50	4.000	1.910		18.0	-2.0		1.73
2028	5.000	1.760		20.0		1.56	4.000	2.010	2.192	23.0	+3.0		1.78
2029	5.000	1.830		20.0		1.63	4.000	2.130	2.438	28.0	+8.0	58.8	1.85
2030	5.000	1.900	2.132	20.0	43.2	1.70	4.000	2.260	2.651	33.0	+13.0	72.1	1.93
2031	5.000	1.970	2.383	20.0	61.3	1.77	4.000	2.420	2.854	42.0	+22.0	85.4	2.00
2032	4.000	2.280	2.618	45.0	78.8	1.83	4.000	2.540	3.003	47.0	+2.0	93.3	2.07
2033	5.000	2.080	2.757	20.0	87.7	1.88	4.000	2.620	3.108	50.0	+30.0	98.8	2.12
2034	4.000	2.470	2.901	55.0	98.1	1.92	4.000	2.690	3.195	52.0	-3.0	102.5	2.17
2035	4.000	2.510	2.981	55.0	102.1	1.96	4.000	2.760	3.272	55.0	0.0	106.2	2.21
2036	4.000	2.600	3.064	60.0	108.4	2.00	3.000	3.050		80.0	+20.0		2.25
2037	4.000	2.640	3.147	60.0	110.7	2.04	3.000	3.080		79.0	+19.0		2.29
2038	4.000	2.680	3.203	60.0	112.3	2.08	3.000	3.120		79.0	+19.0		2.33
2039	4.000	2.720	3.254	60.0	113.4	2.12	3.000	3.150		78.0	+18.0		2.37
2040							3.000	3.180		78.0			2.40
2041													
2042							3.125	3.250		80.0			2.45
2043													
2044													
2045													
2046													
2047							3.250	3.360		85.0			2.51
2048													
2049													
2050													

Numerical Results

	Preliminary Pricing
Project Fund	\$4,020,000
Arbitrage Yield	2.276%
All-In TIC	3.075%
Avg. Fiscal Year Debt Service	\$305,653
Total Debt Service	\$6,038,497



MADERA PUBLIC FINANCING AUTHORITY

Lease Revenue Bonds, Series 2019

Pricing Information Book

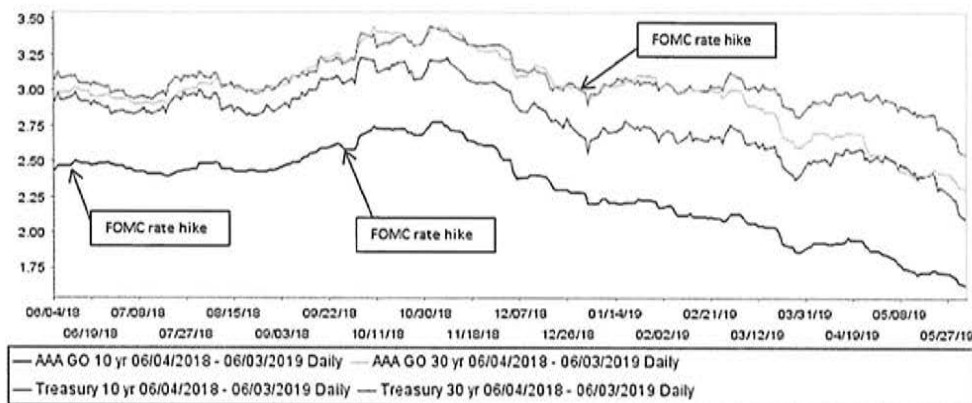
Tuesday, June 4, 2019

Schedule of Events

Date	Event
May 28, 2019	Distribute Preliminary Official Statement to Investors
May 29 - June 3	Marketing of Bonds to Potential Investors
June 3, 2019 2:30 pm PDT	Preliminary Pricing Conference Call Dial: 1-855-777-2962, Passcode: 2030559#
June 4, 2019 7:00-9:15am PDT	Order Period
June 4, 2019 11:30am PDT	Final Pricing Call Dial: 1-855-777-2962, Passcode: 2030559#
June 26, 2019	Close Financing

Bond Market Rates

June 3, 2018 – June 3, 2019



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10-year MMD Yields

6/3/19 close: 1.63%
 52-week High: 2.77% - November 6, 2018
 52-week Low: 1.63% - June 3, 2019

10-year Treasury Yields

6/4/19 10:30am: 2.14%
 52-week High: 3.23% - November 8, 2018
 52-week Low: 2.09% - June 3, 2019

30-year MMD Yields

6/3/19 close: 2.31%
 52-week High: 3.46% - November 6, 2018
 52-week Low: 2.31% - June 3, 2019

30-year Treasury Yields

6/4/19 10:30am: 2.61%
 52-week High: 3.45% - November 2, 2018
 52-week Low: 2.55% - June 3, 2019

Market Commentary

Tuesday, June 4, 2019

► **10:30 am MMD Read:**

2020-2024: steady

2025-2031: 0-1 bp cut

2032-2049: 0-2 bp cut

► **10-year Treasury Yield**

10:30am: 2.14%

► **30-year Treasury Yield**

10:30 am: 2.61%

- **Stocks surged** this morning, as Fed Chair Powell indicated the central bank was open to easing monetary policy if needed to save the economy. **Expectations for a rate cut have increased** to a 90% chance at the September meeting.
- Comments from China's Commerce Ministry about the need for talks to resolve trade frictions have been interpreted by the market as an easing in the tough rhetoric.
- **U.S. Treasury yields rose sharply** on the news, the 10-year up 5 basis points to 2.14%, and the 30-year up 5 bps, to 2.61%.

Preliminary vs. Final Pricing

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Sale Date	Final Pricing 6/4/2019						Preliminary Pricing 6/3/2019					
Issue Name	Madera Public Financing Authority						Madera Public Financing Authority					
Issue Size	\$4,005,000						\$4,020,000					
U/W	Brandis Tallman LLC						Brandis Tallman LLC					
Type	Lease Revenue Bonds						Lease Revenue Bonds					
Insurer	BAM						BAM					
Insured Rating	AA						AA					
U/L Rating	A						A					
Call Feature	Callable 2/1/2029 at par						Callable 2/1/2029 at par					
10YR MMD	1.63						1.63					
30YR MMD	2.31						2.31					
10YR T-Bond	2.14						2.09					
30YR T-Bond	2.61						2.55					

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Sale Date Issue Name	Final Pricing 6/4/2019 Madera Public Financing Authority						5/23/2019 Dinuba Unified School District						5/21/2019 Rocklin Unified School District							
	Issue Size U/W Type	\$4,005,000 Brandis Tallman LLC Lease Revenue Bonds					\$6,000,000 Piper Jaffray COPs					\$6,750,000 Stifel Nicolaus COPs								
Insurer Insured Rating U/L Rating	BAM AA A						AGM AA A						BAM AA A+							
Call Feature	Callable 2/1/2029 at par						Bonds due 02/01/25 - 02/01/30 callable 02/01/24 at par Bonds due 02/01/31 - 02/01/39 callable 02/01/27 at par						Callable 10/01/26 at par							
10 YR MMD	1.63						1.72						1.74							
30 YR MMD	2.31						2.42						2.44							
10 YR T-Bond	2.14						2.30						2.43							
30 YR T-Bond	2.61						2.73						2.84							
Maturity	Coupon	Yield	YTM	Spread	YTM Sprd	6/3 MMD	Coupon	Yield	YTM	Spread	Diff. to Madera	YTM Sprd	MMD	Coupon	Yield	YTM	Spread	Diff. to Madera	YTM Sprd	MMD
2019	3.000	1.370		1.0		1.36								3.000	1.430		-2.0	-3.0		1.45
2021	4.000	1.430		6.0		1.37								4.000	1.500		4.0	-2.0		1.46
2022	4.000	1.480		10.0		1.38								5.000	1.560		9.0	-1.0		1.47
2023	5.000	1.530		14.0		1.39	2.000	1.760		30.0	+16.0		1.46	5.000	1.600		12.0	-2.0		1.48
2024	5.000	1.570		17.0		1.40	2.000	1.810		34.0	+17.0		1.47	5.000	1.650		16.0	-1.0		1.49
2025	5.000	1.600		18.0		1.42	2.000	1.870	1.892	36.0	+18.0	38.2	1.51	5.000	1.680		15.0	-3.0		1.53
2026	5.000	1.630		17.0		1.46	2.000	1.910	1.936	36.0	+19.0	38.6	1.55	5.000	1.720		15.0	-2.0		1.57
2027	5.000	1.690		19.0		1.50	3.000	2.030	2.384	44.0	+25.0	79.4	1.59	5.000	1.770	2.094	16.0	-3.0	48.4	1.61
2028	5.000	1.760		20.0		1.56	3.375	2.160	2.678	51.0	+31.0	102.8	1.65	5.000	1.820	2.389	15.0	-5.0	71.9	1.67
2029	5.000	1.830		20.0		1.63	3.500	2.310	2.877	59.0	+39.0	115.7	1.72	5.000	1.900	2.650	16.0	-4.0	91.0	1.74
2030	5.000	1.900	2.150	20.0	45.0	1.70	3.750	2.400	3.095	61.0	+41.0	130.5	1.79	5.000	1.960	2.854	15.0	-5.0	104.4	1.81
2031	5.000	1.960	2.401	19.0	63.1	1.77	3.500	2.670	2.918	81.0	+62.0	105.8	1.86	5.000	2.020	3.025	14.0	-5.0	114.5	1.88
2032	4.000	2.270	2.626	44.0	79.6	1.83	3.750	2.790	3.117	86.0	+42.0	118.7	1.93	5.000	2.090	3.178	14.0	-30.0	122.8	1.95
2033	5.000	2.070	2.780	19.0	90.0	1.88	4.000	2.870	3.294	88.0	+69.0	130.4	1.99	5.000	2.160	3.311	14.0	-5.0	129.1	2.02
2034	4.000	2.460	2.908	54.0	98.8	1.92	4.000	2.920	3.360	88.0	+34.0	132.0	2.04	5.000	2.230	3.428	16.0	-38.0	135.8	2.07
2035	4.000	2.510	2.995	55.0	103.5	1.96	4.000	2.960	3.413	88.0	+33.0	133.3	2.08	5.000	2.300	3.531	19.0	-36.0	142.1	2.11
2036	4.000	2.580	3.084	58.0	108.4	2.00	4.000	3.000	3.460	88.0	+30.0	134.0	2.12	5.000	2.370	3.624	22.0	-36.0	147.4	2.15
2037	4.000	2.620	3.147	58.0	110.7	2.04	3.250	3.090	3.169	93.0	+35.0	100.9	2.16	5.000	2.440	3.708	25.0	-33.0	151.8	2.19
2038	4.000	2.660	3.203	58.0	112.3	2.08	3.000	3.110		91.0	+33.0		2.20	5.000	2.510	3.784	28.0	-30.0	155.4	2.23
2039	4.000	2.700	3.254	58.0	113.4	2.12	3.000	3.140		90.0	+32.0		2.24	5.000	2.580	3.853	31.0	-27.0	158.3	2.27
2040																				
2041																				
2042																				
2043																				
2044														5.000	2.750	4.057	36.0		166.7	2.39
2045																				
2046																				
2047																				
2048																				
2049																				
2050																				

Sales Comparables

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Sale Date	Final Pricing 6/4/2019 Madera Public Financing Authority										5/16/2019 Chawaukee Unified School District						5/7/2019 Perris Union High School District					
Issue Name																						
Issue Size	\$4,005,000										\$8,670,000						\$41,160,000					
U/W Type	Brandis Tallman LLC Lease Revenue Bonds										Stifel Nicolaus COPs						Stifel Nicolaus COPs					
Insurer	BAM										AGM						BAM					
Insured Rating	AA										AA						AA					
U/L Rating	A										A-						A					
Call Feature	Callable 2/1/2029 at par										Callable 05/01/24 at par						Callable 10/01/29 at par					
10 YR MMD	1.63										1.72						1.78					
30 YR MMD	2.31										2.38						2.45					
10 YR T-Bond	2.14										2.40						2.45					
30 YR T-Bond	2.61										2.84						2.86					
Maturity	Coupon	Yield	YTM	Spread	YTM Sprd	6/3 MMD	Coupon	Yield	YTM	Spread	Diff. to Madera	YTM Sprd	MMD	Coupon	Yield	YTM	Spread	Diff. to Madera	YTM Sprd	MMD		
2019														3.000	1.450		-9.0			1.54		
2020	3.000	1.370		1.0		1.36	4.000	1.540		7.0	+6.0		1.47	3.000	1.550		1.0	0.0		1.54		
2021	4.000	1.430		6.0		1.37	4.000	1.590		12.0	+6.0		1.47	4.000	1.590		4.0	-2.0		1.55		
2022	4.000	1.480		10.0		1.38	4.000	1.670		19.0	+9.0		1.48	4.000	1.630		7.0	-3.0		1.56		
2023	5.000	1.530		14.0		1.39	1.500	1.730		24.0	+10.0		1.49	4.000	1.670		10.0	-4.0		1.57		
2024	5.000	1.570		17.0		1.40	1.500	1.790		29.0	+12.0		1.50	4.000	1.720		13.0	-4.0		1.59		
2025	5.000	1.600		18.0		1.41	2.000	1.840	1.866	32.0	+14.0	34.6	1.52	5.000	1.740		13.0	-5.0		1.61		
2026	5.000	1.630		17.0		1.46	2.000	1.860	1.899	30.0	+13.0	33.9	1.56	5.000	1.790		16.0	-1.0		1.63		
2027	5.000	1.690		19.0		1.50	2.375	1.990	2.118	39.0	+20.0	52.8	1.60	5.000	1.860		20.0	+1.0		1.66		
2028	5.000	1.760		20.0		1.56	2.750	2.140	2.395	49.0	+29.0	74.5	1.65	5.000	1.940		23.0	+3.0		1.71		
2029	5.000	1.830		20.0		1.63	3.250	2.300	2.741	58.0	+38.0	102.1	1.72	5.000	2.040		26.0	+6.0		1.78		
2030	5.000	1.900	2.150	20.0	45.0	1.70	3.625	2.420	3.024	63.0	+43.0	123.4	1.79	5.000	2.160	2.354	30.0	+10.0	49.4	1.86		
2031	5.000	1.960	2.401	19.0	63.1	1.77	3.750	2.490	3.162	63.0	+44.0	130.2	1.86	5.000	2.240	2.587	31.0	+12.0	65.7	1.93		
2032	4.000	2.270	2.626	44.0	79.6	1.83	4.000	2.560	3.364	63.0	+19.0	143.4	1.93	5.000	2.340	2.803	34.0	-10.0	80.3	2.00		
2033	5.000	2.070	2.780	19.0	90.0	1.88	4.000	2.610	3.420	63.0	+44.0	144.0	1.98	5.000	2.380	2.944	33.0	+14.0	89.4	2.05		
2034	4.000	2.460	2.908	54.0	98.8	1.92	4.000	2.660	3.469	63.0	+9.0	143.9	2.03	5.000	2.450	3.091	35.0	-19.0	99.1	2.10		
2035	4.000	2.510	2.995	55.0	103.5	1.96	4.000	2.700	3.509	63.0	+8.0	143.9	2.07	5.000	2.500	3.207	36.0	-19.0	106.7	2.14		
2036	4.000	2.580	3.084	58.0	108.4	2.00	4.000	2.740	3.544	63.0	+5.0	143.4	2.11	5.000	2.540	3.303	36.0	-22.0	112.3	2.18		
2037	4.000	2.620	3.147	58.0	110.7	2.04	4.000	2.780	3.576	63.0	+5.0	142.6	2.15									
2038	4.000	2.660	3.203	58.0	112.3	2.08	3.000	3.070		88.0	+30.0		2.19									
2039	4.000	2.700	3.254	58.0	113.4	2.12	3.000	3.100		88.0	+30.0		2.22	3.000	3.150		86.0	+28.0		2.29		
2040																						
2041																						
2042																						
2043																						
2044							3.000	3.160		83.0		2.33		4.000	3.200	3.567	81.0		117.7	2.39		
2045																						
2046																						
2047																						
2048														5.000	2.880	3.913	44.0		147.3	2.44		
2049																						
2050														3.125	3.360		90.0			2.46		

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	Final Pricing 6/4/2019 Madera Public Financing Authority						5/2/2019 Little Lake Fire Protection District						
Sale Date													
Issue Size	\$4,005,000						\$7,200,000						
U/W	Brandis Tallman LLC						Raymond James						
Type	Lease Revenue Bonds						COPs						
Insurer	BAM						BAM						
Insured Rating	AA						AA						
U/L Rating	A						A+						
Call Feature	Callable 2/1/2029 at par						Callable 09/01/27 at par						
10 YR MMD	1.63						1.85						
30 YR MMD	2.31						2.53						
10 YR T-Bond	2.14						2.55						
30 YR T-Bond	2.61						2.94						
Maturity	Coupon	Yield	YTM	Spread	YTM Sprd	6/3 MMD	Coupon	Yield	YTM	Spread	Diff, to Madera	YTM Sprd	MMD
2019													
2020	3.00%	1.37%		1.0		1.36	3.00%	1.56%		1.0	0.0		1.55
2021	4.00%	1.43%		6.0		1.37	3.00%	1.63%		6.0	0.0		1.57
2022	4.00%	1.48%		10.0		1.38	3.00%	1.69%		10.0	0.0		1.59
2023	5.00%	1.53%		14.0		1.39	4.00%	1.73%		12.0	-2.0		1.61
2024	5.00%	1.57%		17.0		1.40	4.00%	1.77%		14.0	-3.0		1.63
2025	5.00%	1.60%		18.0		1.42	4.00%	1.83%		17.0	-1.0		1.66
2026	5.00%	1.63%		17.0		1.46	4.00%	1.86%		17.0	0.0		1.69
2027	5.00%	1.69%		19.0		1.50	4.00%	1.91%		18.0	-1.0		1.73
2028	5.00%	1.76%		20.0		1.56	4.00%	2.01%	2.192	23.0	+3.0	41.2	1.78
2029	5.00%	1.83%		20.0		1.63	4.00%	2.13%	2.438	28.0	+8.0	58.8	1.85
2030	5.00%	1.90%	2.150	20.0	45.0	1.70	4.00%	2.26%	2.651	33.0	+13.0	72.1	1.93
2031	5.00%	1.96%	2.401	19.0	63.1	1.77	4.00%	2.42%	2.854	42.0	+23.0	85.4	2.00
2032	4.00%	2.27%	2.626	44.0	79.6	1.83	4.00%	2.54%	3.003	47.0	+3.0	93.3	2.07
2033	5.00%	2.07%	2.780	19.0	90.0	1.88	4.00%	2.62%	3.108	50.0	+31.0	98.8	2.12
2034	4.00%	2.46%	2.908	54.0	98.8	1.92	4.00%	2.69%	3.195	52.0	-2.0	102.5	2.17
2035	4.00%	2.51%	2.995	55.0	103.5	1.96	4.00%	2.76%	3.272	55.0	0.0	106.2	2.21
2036	4.00%	2.58%	3.084	58.0	108.4	2.00	3.00%	3.05%		80.0	+22.0		2.25
2037	4.00%	2.62%	3.147	58.0	110.7	2.04	3.00%	3.08%		79.0	+21.0		2.29
2038	4.00%	2.66%	3.203	58.0	112.3	2.08	3.00%	3.12%		79.0	+21.0		2.33
2039	4.00%	2.70%	3.254	58.0	113.4	2.12	3.00%	3.15%		78.0	+20.0		2.37
2040							3.00%	3.18%		78.0			2.40
2041													
2042							3.125	3.250		80.0			2.45
2043													
2044													
2045													
2046													
2047							3.250	3.360		85.0			2.51
2048													
2049													
2050													

Numerical Results

	Preliminary Pricing	Final Pricing
Par Amount	\$4,020,000	\$4,005,000
Project Fund	\$4,500,000	\$4,500,000
Arbitrage Yield	2.276%	2.267%
All-In TIC	3.075%	3.035%
Avg. Fiscal Year Debt Service	\$305,653	\$304,503
Total Debt Service	\$6,038,497	\$6,016,228

Numerical Results

9

	Feb 13 th	April 3 rd	April 17 th	June 4 th
Par Amount	\$4,395,000	\$4,385,000	\$4,430,000	\$4,005,000
Project Fund	\$4,500,000	\$4,500,000	\$4,500,000	\$4,500,000
Arbitrage Yield	3.23%	3.22%	3.16%	2.27%
All-In TIC	3.63%	3.62%	3.56%	3.04%
Avg. Fiscal Year Debt Service	\$321,000	\$320,000	\$318,000	\$305,000
Total Debt Service	\$6,397,000	\$6,398,000	\$6,350,000	\$6,016,000

City of Exeter Agenda Item Transmittal

Meeting Date: October 22, 2019

Agenda Item Number: 16

Wording for Agenda: Receive presentation on the City of Exeter street pavement analysis and planning, discuss and provide comment or direction to staff.

Submitting Department: Administration
Contact Name: Adam Ennis
Phone Number: (559) 592-4539
Email: adam@exetercityhall.com

Department Recommendation:

Staff recommends that the Council receive this presentation, discuss and provide comment or direction to staff. No action is required with this item.

Summary/Background:

Road conditions in Exeter have become a major concern for the Council and the Community. This concern was expressed by the Council during the February and April Council meetings in 2018 and the community expressed their concern in the January 2019 community survey.

To begin addressing these concerns, improve pavement planning and provide cost effective maintenance and rehabilitation of the roads, the City began planning to have a city-wide pavement survey completed. The intent was to quantify the road conditions and provide for a Pavement Management Program (PMP) that could also be integrated into the City's GIS system. Discussions with the Tulare County Association of Governments (TCAG) resulted in additional funding being made available to the City for funding the PMP at a cost of about \$22,500.

Infrastructure Management Services, LLC (IMS) was hired on March 26, 2019 to conduct the survey and develop the PMP for all the City streets and alleys. Information developed from the survey included:

- City's largest single asset at over \$150,000,000 including improvements (\$63M) and land (\$90M)
- 50 miles of roadway and alleys (about 10%)
- Over 10,000,000 square feet of asphalt
- 230 acres of paving
- Average Pavement Condition Marginal
- Annual budget to reach pavement condition goal in 5 years = \$5.91 Million
- Annual budget to stay at current average condition with increasing backlog = \$1.95 Million
- Current annual budget = \$950,000
- Potential Strategies
 - Keep good roads good with less expensive life extending maintenance
 - Conduct medium cost rehabilitation to minimize dropping conditions of marginal to fair pavements
 - Use cost effective patching on poor pavement until funding available for rebuilding
 - Use any available funding after above activities to rebuild poor pavements
 - Take advantage of any available funding and leverage for more

For action by:

☒ City Council

Regular Session:

☐ Consent Calendar

☒ Regular Item

☐ Public Hearing

Review:

**City Administrator
(Initials Required)**



- Increase tax base for roads
- Develop plans with Capital Improvement Programs

The anticipated initial activities with the current funding would be:

- Crack sealing/Reclamite or slurry seal - \$100,000 per year
- Cape Seals – \$300,000 per year
- Overlays - \$350,000 per year
- Patching/rebuilding - \$200,000 per year

Fiscal Impact: None with this item. Future capital improvement programs will be developed based on available budget and brought to Council for approval.

Prior Council/Board Actions: None

Attachments: Powerpoint Presentation

Recommended motion to be made by Council/Board: No action is required with this item.

CITY OF EXETER STREET PAVEMENT ANALYSIS AND PLANNING

October 22, 2019

Roads are a Council and Community Concern

Fiscal
Downtown
Roads
Development
Liability
Code
Recreation
Water

February 3, 2018
Council Meeting

Fiscal
Code
Roads
Development
Water
Safety
Recreation

April 24, 2018
Council Meeting

Businesses
Roads
Safety
Development
Activities
Enforcement
Animals
Billing
Traffic
Events
Vacancies
Code
Homeless
Government
Parks
Water
Internet
School
Storm
Development

January 2019
Community Survey

Pavement Survey

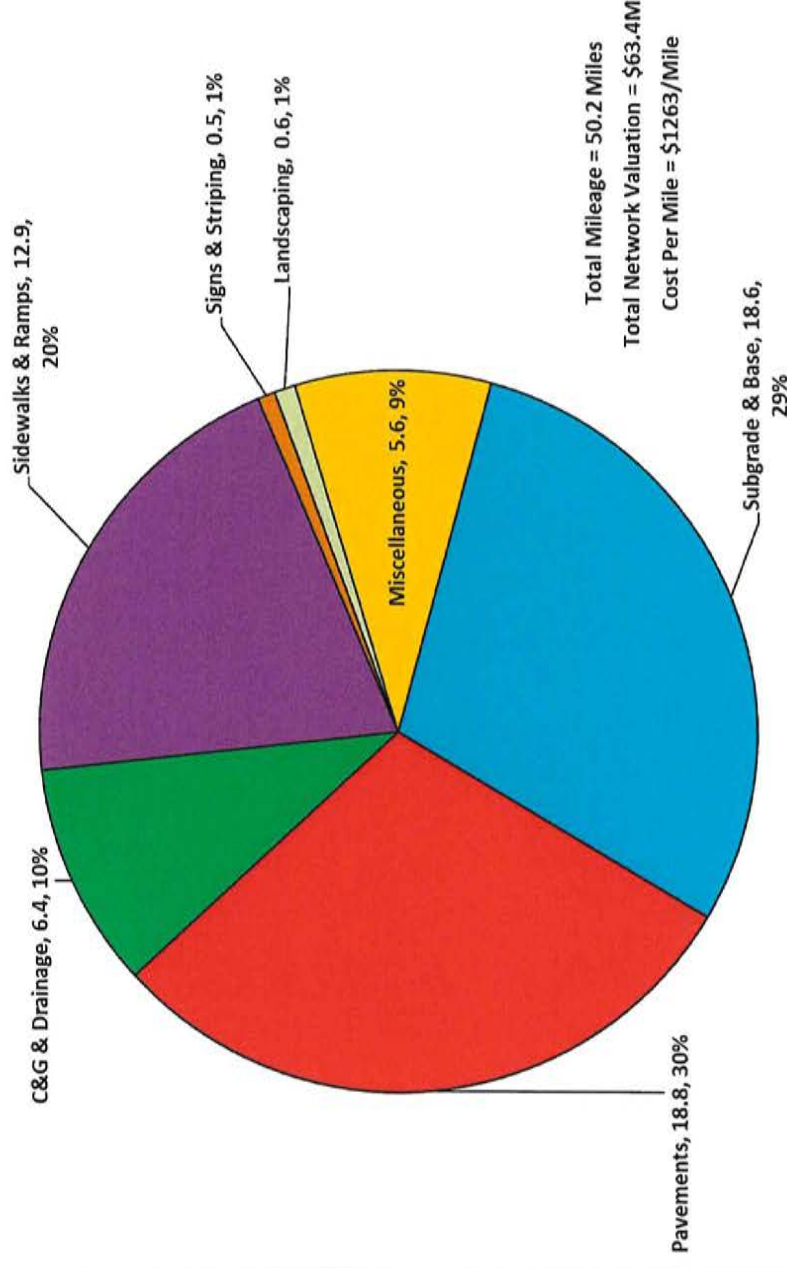
- To quantify road conditions and improve pavement planning to provide cost effective maintenance and rehabilitation the City began developing:
 - Pavement Survey
 - Pavement Management Program (PMP)
 - Integration of PMP information into GIS system
- IMS was hired on March 26, 2019 to conduct a survey and develop the PMP of all the City streets and alleys
- Funding of \$22,500 for IMS contract from Tulare County Association of Governments

Exeter Street System

- City's largest single asset at over \$150,000,000 including improvements (\$63M) and land (\$90M)
- 50 miles of roadway and alleys (about 10%)
- Over 10,000,000 square feet of asphalt
- 230 acres of paving

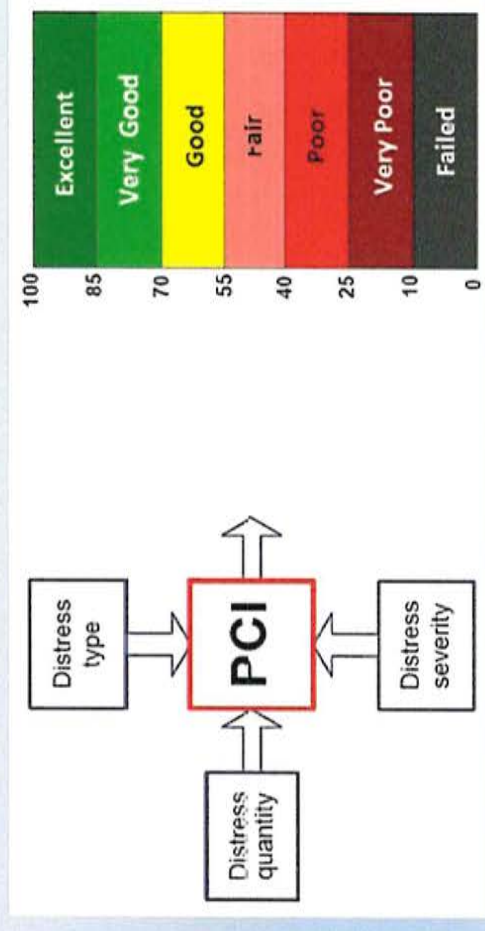
City of Exeter, CA

Network Valuation (Asset, \$M, %)

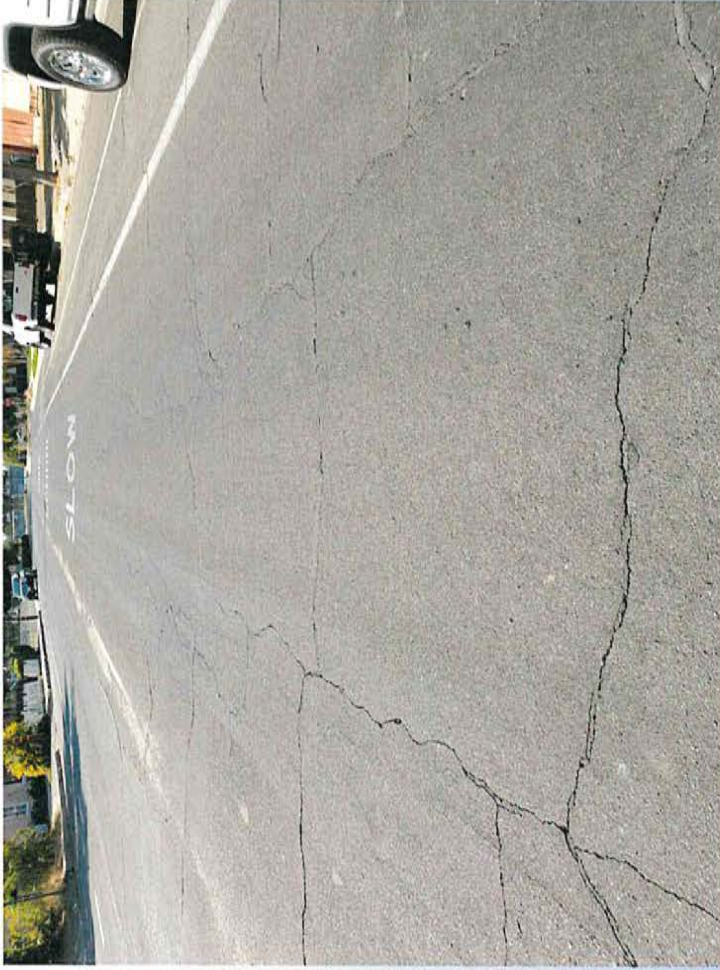


What Does A Pavement Survey Provide?

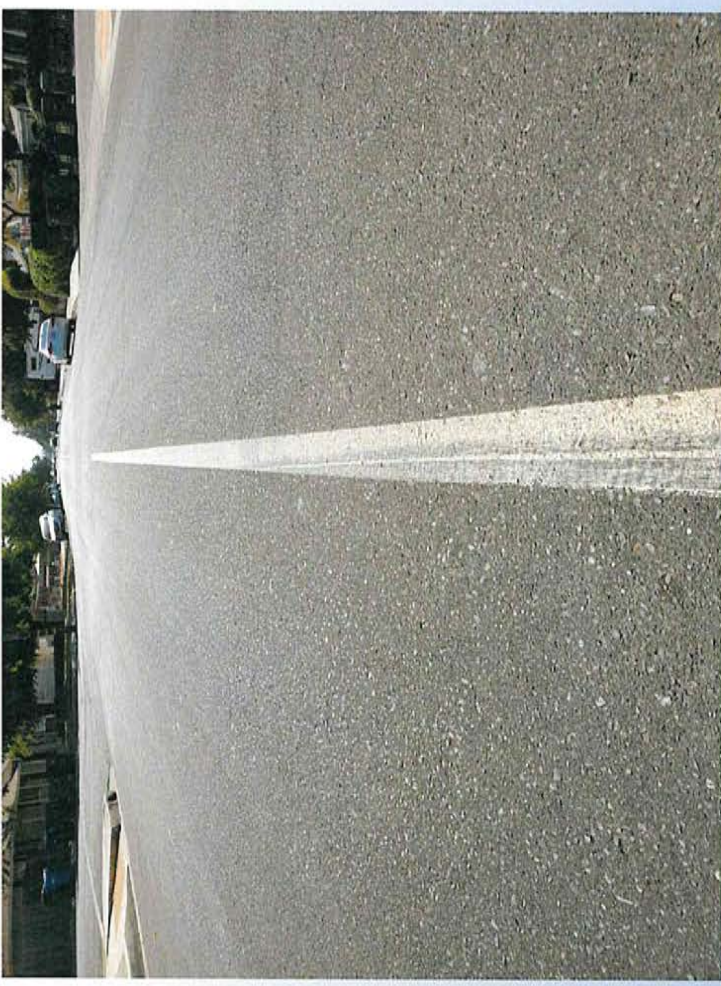
- Primary product is the Pavement Condition Index (PCI) of each road segment and overall average
- PCI ranges from 0 (worst) to 100 (best)



Pavement Condition Example



Chestnut Between Orange and
Quince



Orange Between Palm and
Visalia Road

PCI = 60-100

Good To Excellent Range

Pavement Condition Example



Davis Between Joyner and
Orange

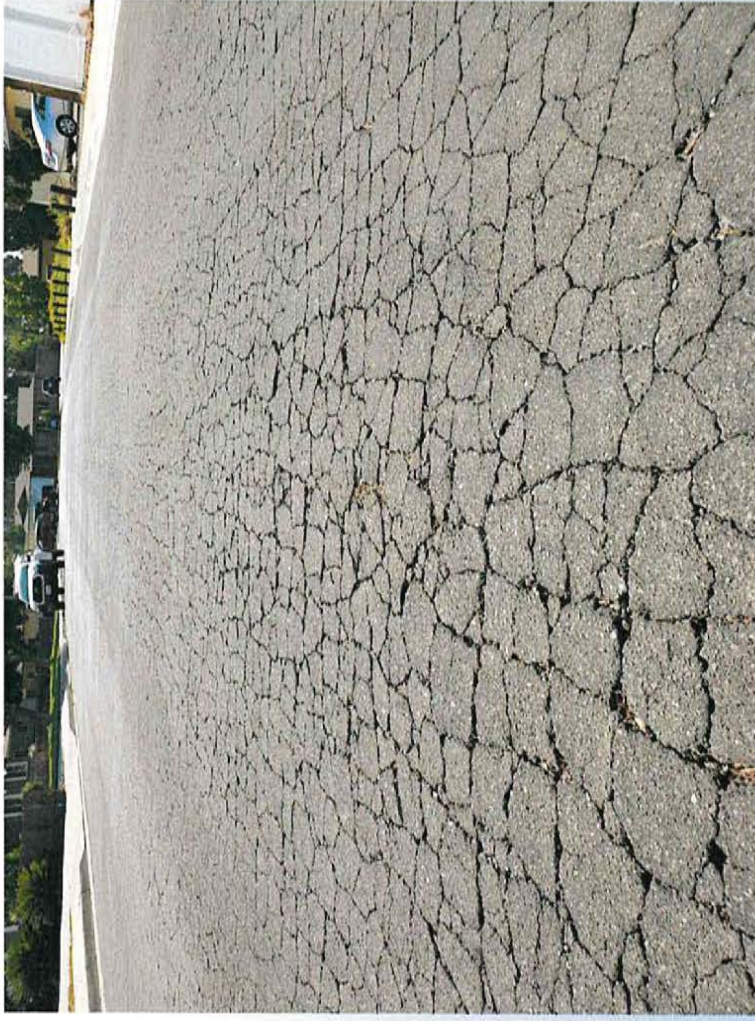


Beverly Between Willow and
Janet

PCI = 40 - 60

Marginal to Fair Condition Range

Pavement Condition Example



Ruth Between Pine and
Westwood



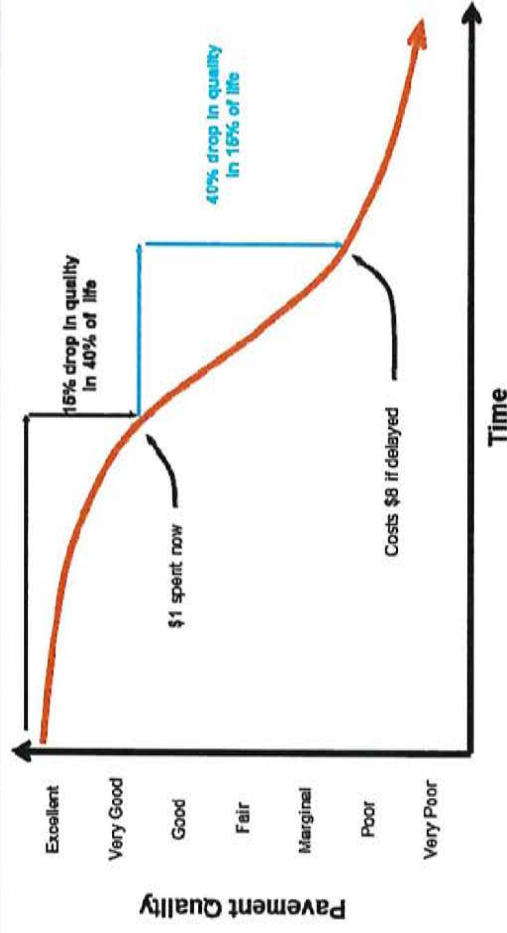
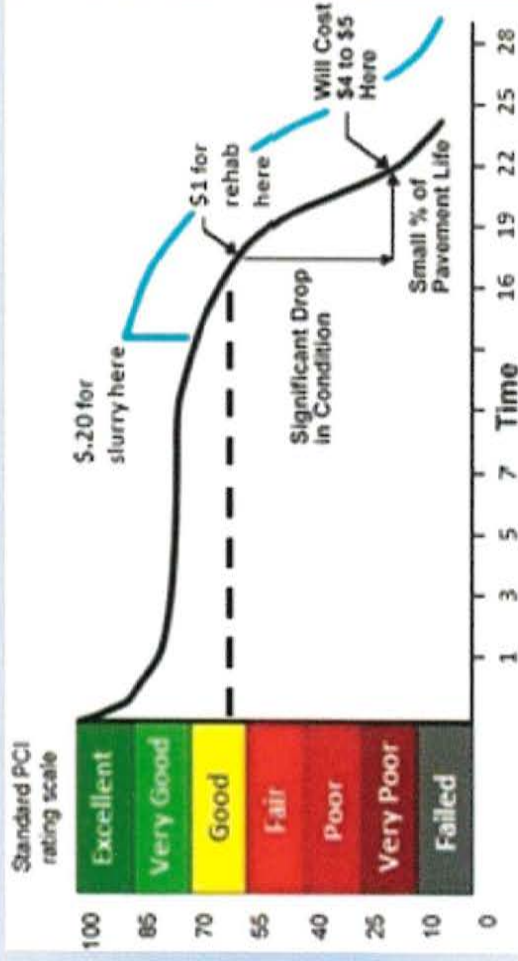
Lenox Between Whittier and
Bryant

PCI = 0-40

Very Poor to Poor Condition Range

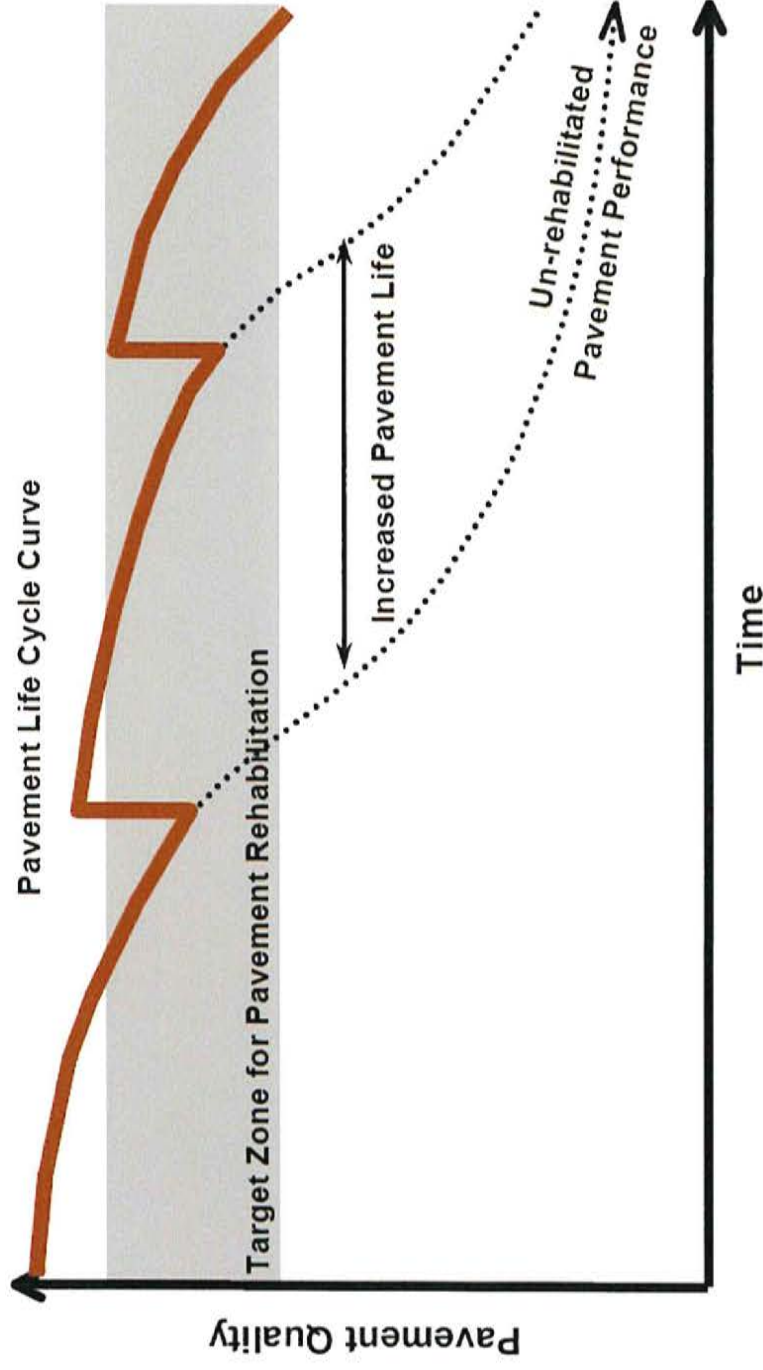
Pavement Deterioration and Corrective Costs

- Occurs through cycles of drying, cracking and moisture intrusion
- Deterioration accelerates over time
- Less expensive to maintain good pavement early in life cycle
- More expensive to rehabilitate poor pavement late in life cycle

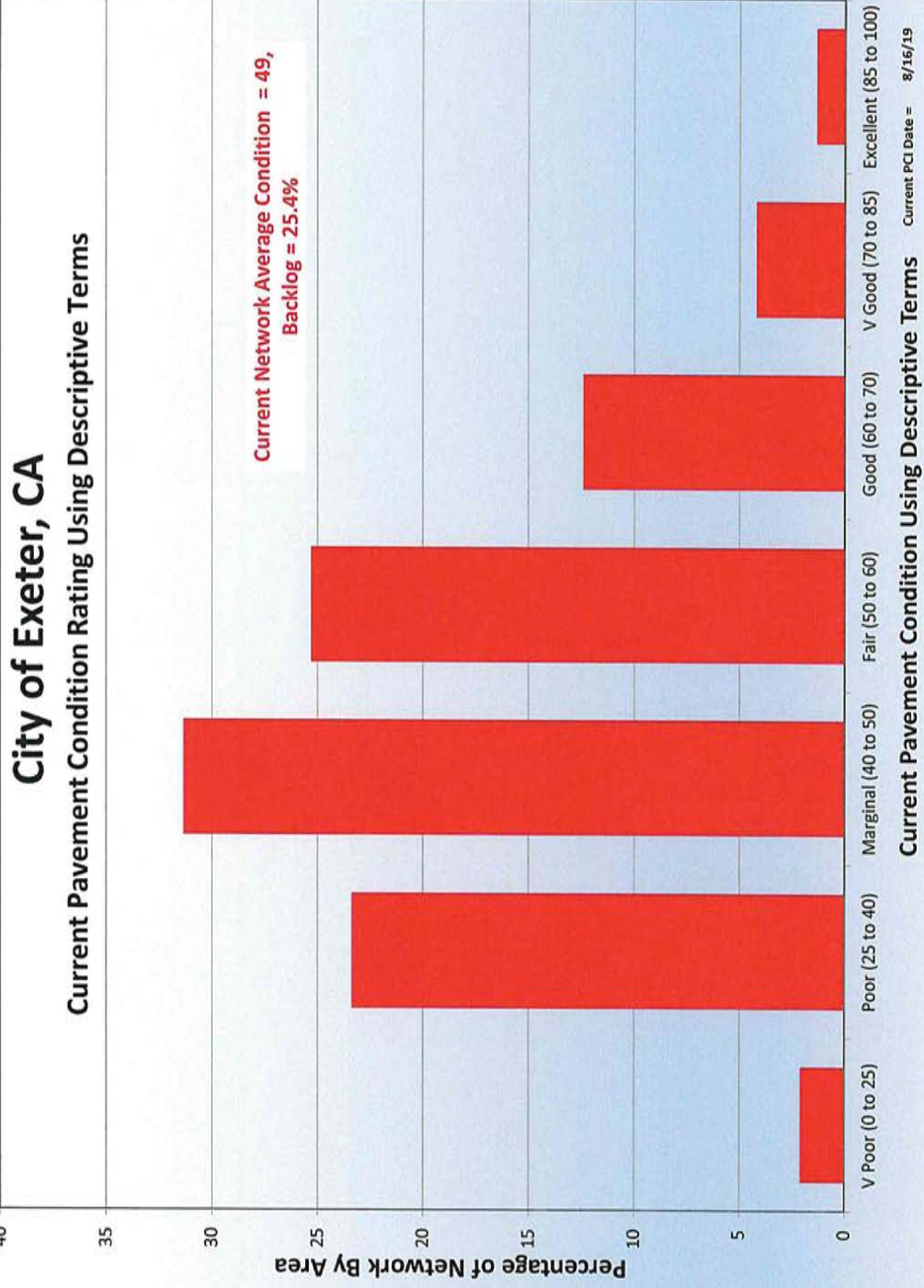


Cost Effective Pavement Maintenance

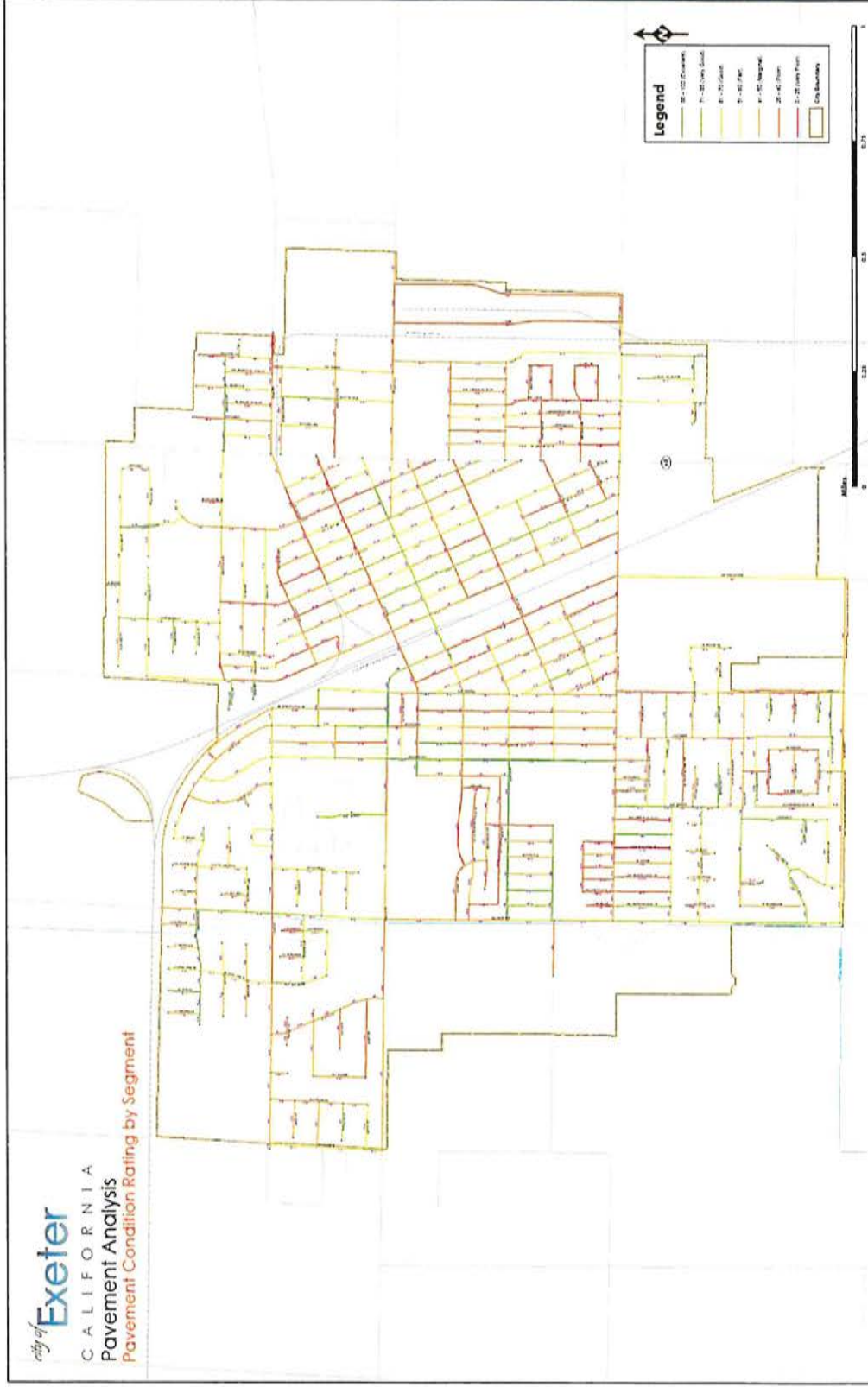
- KEEP GOOD ROADS GOOD



Exeter Street Condition



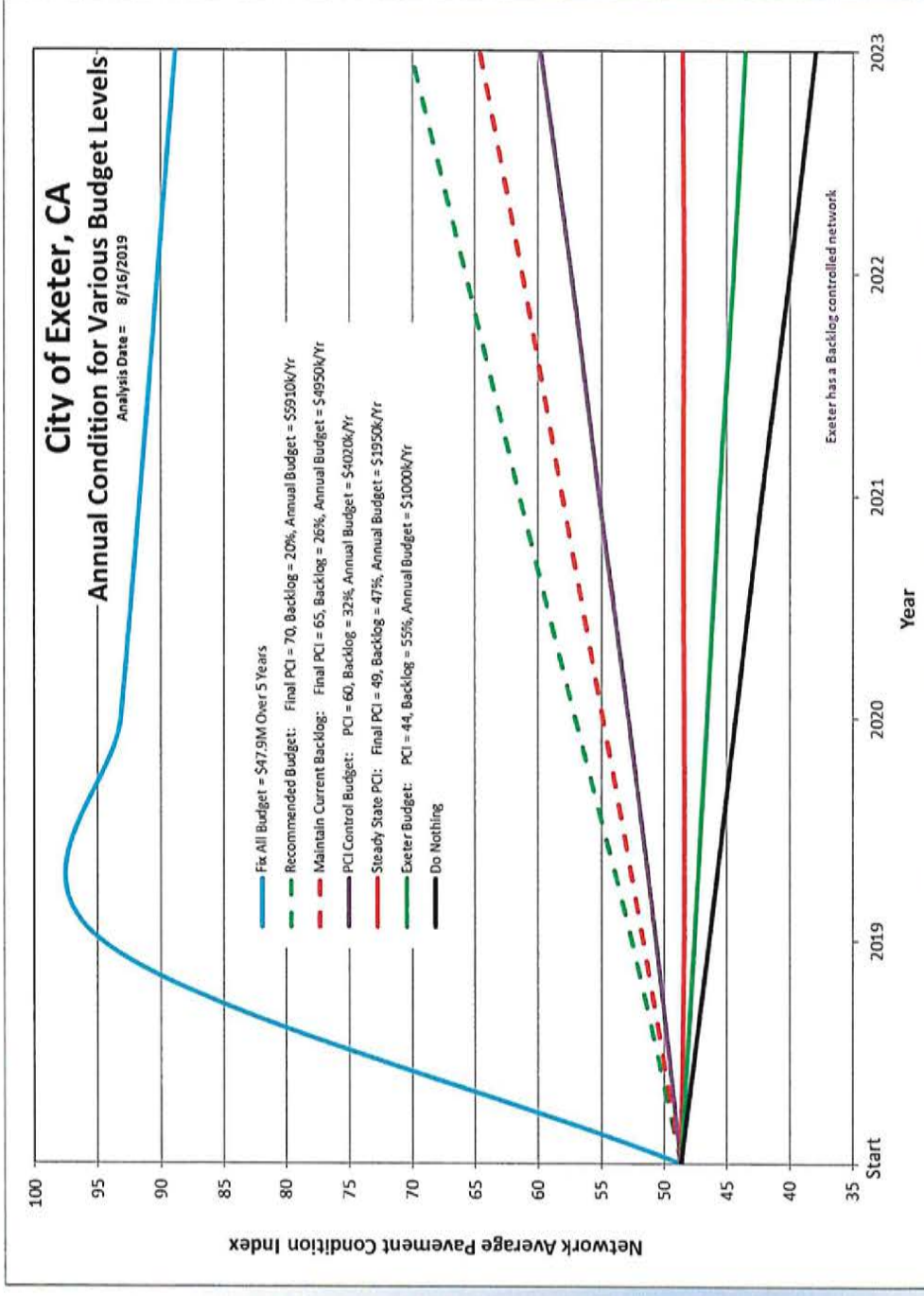
Exeter Street Condition



Exeter Road Network Metrics

	Exeter	Typical	Goal
Network Average PCI	49	60-65	70
Percent of Excellent	1.5	12-15	15 Minimum
Backlog Percentage	25.4	15-18	15 Maximum

Road Budget Vs. Future Pavement Conditions



- Pavement maintenance and rehabilitation only
- Does not include road widening or other improvements
- Does not include railroad crossing upgrades

Current City Road Budget

Annual Road Funding

- Gas Tax
- Measure R Local
- Transportation – LTF
- SB1

\$223,000/yr

\$212,200/yr

\$312,600/yr

\$202,000/yr

Total = \$949,800/yr <<<<< 1,950,000/yr

To Maintain Current Average
Condition

One-Time Road Funding

- Visalia Road – Measure R Regional \$6,000,000
- Palm Avenue – Measure R Local & Federal STP \$1,800,000
- Rocky Hill/Firebaugh – Measure R Regional \$3,000,000

Total = \$10,800,000

2 Miles of Roads

4% of Road Network

No additional annual or one-time funding in foreseeable future

Road Maintenance Strategies

- Keep good roads good and minimize decline of conditions before replacement required
 - Least expensive to perform life extending maintenance to good roads
 - Conduct medium cost rehabilitation to minimize dropping conditions of marginal to fair pavements
 - Will increase exponentially in cost as condition worsens
- Patch roads in need of replacement until replacement funding available
 - Already at most expensive condition to rehabilitate
 - Additional time doesn't add to cost – other than inflation
- Take advantage of any additional road funding, if available
 - Leverage existing funding for more when possible
 - Not typical for maintenance or pavement rehabilitation
 - Mostly adds additional infrastructure to maintain
- Increase tax base toward roads – Potential sales tax measure
 - Any additional funding will help to slow decline of condition and contribute to improvement
- Develop Plans with Capital Improvement Program
 - Budget and schedule regular maintenance
 - Budget and schedule rehabilitation projects

Biggest Unknown – Actual bid prices for work to be done

Anticipated Initial Activities with Current Funding

Good - PCI 60 and above

Crack seal and Reclamite every 5 years at about \$100,000 per year

Upper Marginal to Fair - PCI 45-60

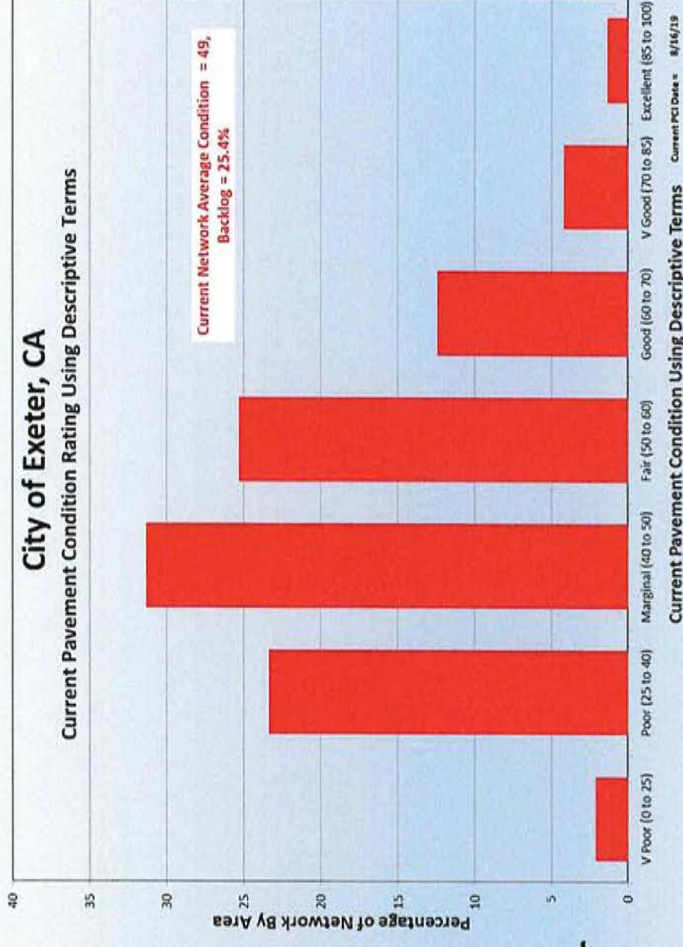
Cape Seal about \$300,000 per year

Upper Poor and Lower Marginal – PCI 33-45

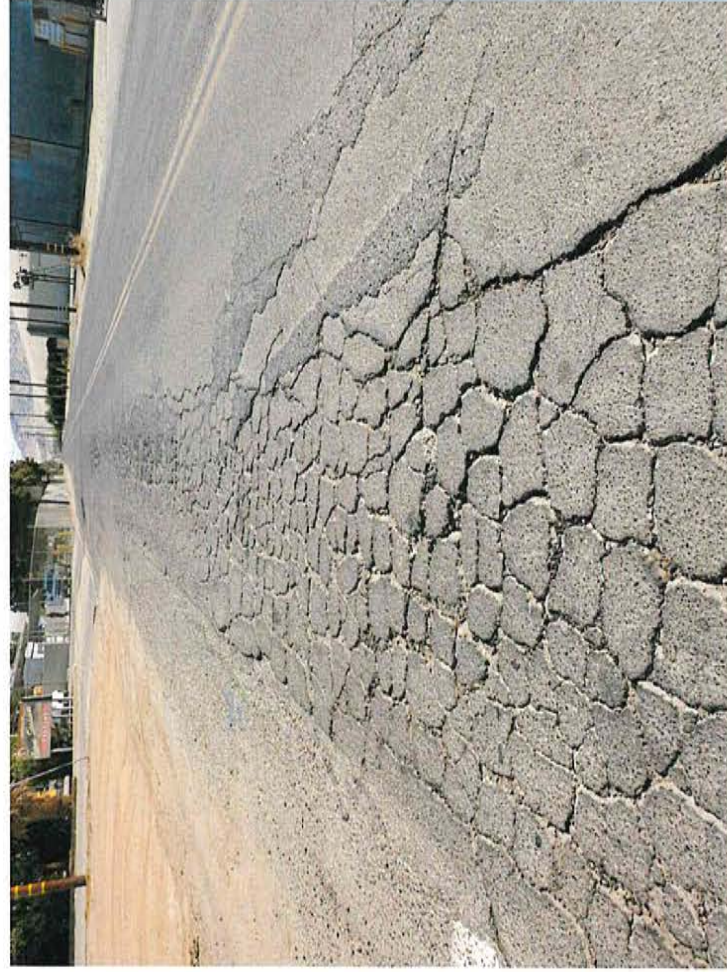
Overlay about \$350,000 per year

Lower Poor – PCI Below 33

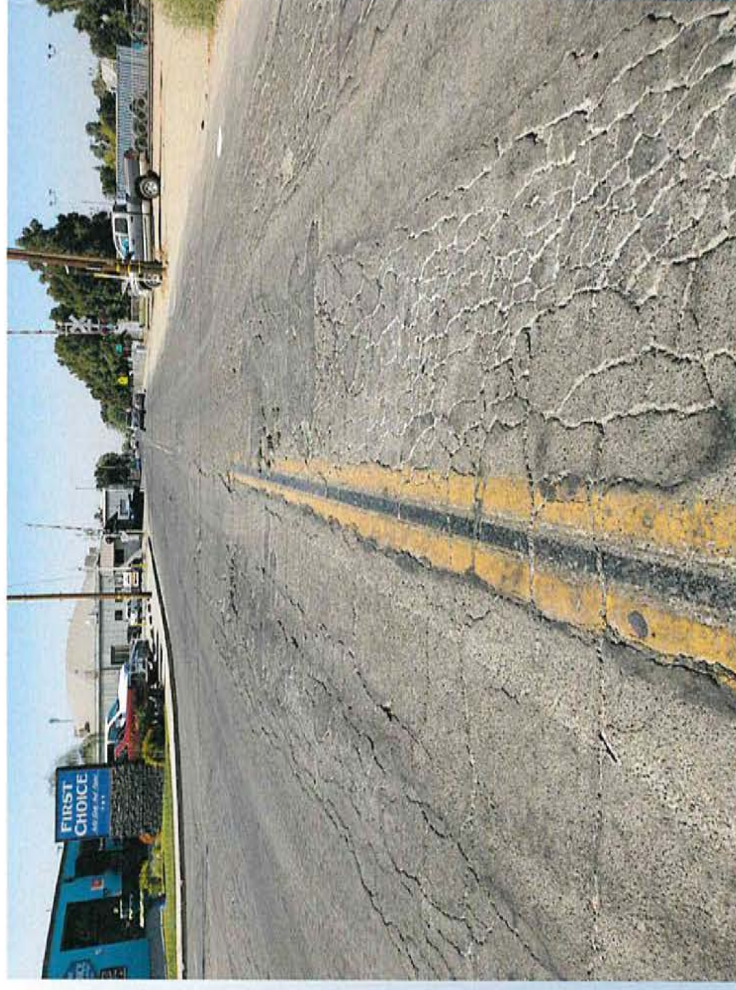
Patch/Rebuild about \$200,000 pe year



Goal: Keep this from becoming the average pavement condition



Questions?



Comments?

Direction?