



Western Riverside Council of Governments Executive Committee

AGENDA

**Monday, April 5, 2021
2:00 p.m.**

**Western Riverside Council of Governments
3390 University Avenue, Suite 200
Riverside, CA 92501**

**WRCOG's OFFICE IS CURRENTLY CLOSED TO THE PUBLIC DUE TO COVID-19
AND STAFF ARE WORKING REMOTELY**

**Members of the public are encouraged to participate in this meeting via Zoom
(see meeting information below)**

**Join Zoom Meeting
[Click Here](#)**

**Meeting ID: 863 5785 4993
Password: 542526**

**Dial by your location
+1 669 900 9128 U.S. (San Jose)
+1 253 215 8782 U.S. (Tacoma)**

SPECIAL NOTICE – COVID-19 RELATED PROCEDURES IN EFFECT

Due to the state and local State of Emergency resulting from the threat of Novel Coronavirus (COVID-19), Governor Newsom has issued Executive Order N-29-20 (issued March 17, 2020) in which Section 3 supersedes Paragraph 11 of Executive Order N-25-20 (issued on March 12, 2020). This new order states that WRCOG does not need to make a physical location available for members of the public to observe a public meeting and offer public comment. The Order allows WRCOG to hold Committee meetings via teleconferencing and allows for members of the public to observe and address the meeting telephonically or electronically.

To follow the Order issued by the Governor, the Executive Committee meeting scheduled for Monday, April 5, 2021, at 2:00 p.m. will be held via video and teleconference and any members of the public can attend electronically. Members of the public may send public comments by emailing snelson@wrcog.us, or calling (951) 405-6703 before or during the meeting, prior to the close of public comment.

Any member of the public requiring a reasonable accommodation to participate in this meeting in light of this announcement shall contact Suzy Nelson prior to 2:00 p.m. on April 2, 2021, at (951) 405-6703 or at snelson@wrcog.us.

The Executive Committee may take any action on any item listed on the agenda, regardless of the Requested Action.

1. **CALL TO ORDER (Kevin Bash, Chair)**
2. **PLEDGE OF ALLEGIANCE**
3. **ROLL CALL**
4. **PUBLIC COMMENTS**

At this time members of the public can address the Executive Committee regarding any items within the subject matter jurisdiction of the Executive Committee that are not separately listed on this agenda. Members of the public will have an opportunity to speak on agenda items at the time the item is called for discussion. No action may be taken on items not listed on the agenda unless authorized by law. Whenever possible, lengthy testimony should be presented to the Executive Committee in writing and only pertinent points presented orally.

5. **CONSENT CALENDAR**

All items listed under the Consent Calendar are considered to be routine and may be enacted by one motion. Prior to the motion to consider any action by the Executive Committee, any public comments on any of the Consent Items will be heard. There will be no separate action unless members of the Executive Committee request specific items be removed from the Consent Calendar.

Action items:

- A. **Summary Minutes from the March 1, 2021, Executive Committee Meeting are Available for Consideration** **P. 1**

Requested Action: 1. *Approve the Summary Minutes from the March 1, 2021, Executive Committee meeting.*

- B. **TUMF Program Activities Update: Approval of TUMF Reimbursement Agreement** **Cameron Brown** **P. 5**

Requested Action: 1. *Authorize the Executive Director to execute a TUMF Reimbursement Agreement with the City of Moreno Valley for the Project Advancement and Environmental Document Phase of the SR-60 / Redlands Blvd. Interchange Project in an amount not to exceed \$3,500,000.*

Information items:

- C. **Finance Department Activities Update** **Andrew Ruiz** **P. 31**

Requested Action: 1. *Receive and file.*

- D. **WRCOG Committees and Agency Activities Update** **Chris Gray** **P. 37**

Requested Action: 1. *Receive and file.*

- E. **Report out of WRCOG Representatives on Various Committees** **Chris Gray** **P. 47**

Requested Action: 1. *Receive and file.*

F. Energy Department Programs Activities Update Daniel Soltero P. 67

Requested Action: 1. Receive and file.

G. SCAG Activities Update Arnold San Miguel P. 71

Requested Action: 1. Receive and file.

6. REPORTS / DISCUSSION

A. Report from Cal Cities Erin Sasse, Cal Cities P. 79

Requested Action: 1. Receive and file.

B. Regional Housing Trust Initiative Activities Update Ivana Medina, WRCOG P. 81

Requested Action: 1. Appoint up to five members of the Executive Committee to serve on the Regional Housing Trust Steering Committee.

C. PACE Programs Activities Update: Addition of Direct Capital Provider Casey Dailey, WRCOG P. 83

Requested Action: 1. Adopt Resolution Number 02-21; A Resolution of the Executive Committee of the Western Riverside Council of Governments authorizing WRCOG to issue and directly place bonds to finance eligible improvements to be installed on commercial properties located within the boundaries of both the WRCOG Energy Efficiency and Water Conservation Program for Western Riverside County and the California HERO Program with certain capital providers, and in connection with such authorization, approving amendments to the Program Report for such programs, Assessment Contract, Master Indenture, Master Fiscal Agent Agreement and Master Bond Purchase Agreement, and authorizing the issuance of bonds pursuant to such Master Indenture or Master Fiscal Agent Agreement secured by assessments levied on commercial properties to finance the installation of eligible improvements on such commercial properties and approving other actions in connection thereto and approve amendments to the Program Reports to include Direct Capital Provider.

D. Update of the WRCOG Economic Development and Sustainability Framework Chris Gray, WRCOG P. 331

Requested Action: 1. Receive and file.

E. RCA Transition to RCTC Aaron Hake, RCTC/RCA P. 335

Requested Action: 1. Receive and file.

F. Activities Update from the Western Municipal Municipal Water District Brenda Dennstedt, WMWD P. 337

Requested Action: 1. Receive and file.

Requested Action: 1. Receive and file.

7. **REPORT FROM THE TECHNICAL ADVISORY
COMMITTEE CHAIR**

Andy Okoro

8. **REPORT FROM COMMITTEE REPRESENTATIVES**

SCAG Regional Council and Policy Committee Representatives
SCAQMD, Ben Benoit
CALCOG, Brian Tisdale
SANDAG Borders Committee, Crystal Ruiz
SAWPA OWOW Committee, Ted Hoffman

9. **REPORT FROM THE DEPUTY EXECUTIVE DIRECTOR**

Chris Gray

10. **ITEMS FOR FUTURE AGENDAS**

Members

Members are invited to suggest additional items to be brought forward for discussion at future Executive Committee meetings.

11. **GENERAL ANNOUNCEMENTS**

Members

Members are invited to announce items / activities which may be of general interest to the Executive Committee.

12. **CLOSED SESSION**

CONFERENCE WITH LEGAL COUNSEL—EXISTING LITIGATION
(Paragraph (1) of subdivision (d) of Section 54956.9)
Case No.: Renovate America, Inc., et al. Case Number: 20-13172 (LSS)

CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION
Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Section 54956.9.
Number of Cases: Unknown

13. **NEXT MEETING:** The next Executive Committee meeting is scheduled for Monday, May 3, 2021, at 2:00 p.m., on the Zoom platform.

14. **ADJOURNMENT**

Western Riverside Council of Governments

5.A

Regular Meeting

~ Minutes ~

Monday, March 1, 2021

2:01 PM

Zoom Platform

1. CALL TO ORDER

The meeting was called to order by Chair Kevin Bash at 2:01 p.m. on March 1, 2021, on the Zoom platform.

2. PLEDGE OF ALLEGIANCE

3. CALL TO ORDER

Jurisdiction	Attendee Name	Status	Arrived / Departed
City of Banning	David Happe	Present	1:55 PM
City of Beaumont	Mike Lara	Present	1:55 PM
City of Calimesa	Wendy Hewitt	Present	1:55 PM
City of Canyon Lake	Jordan Ehrenkranz	Present	1:55 PM
City of Corona	Jacque Casillas	Present	1:55 PM
City of Eastvale	Christian Dinco	Present	1:55 PM
City of Hemet	Russ Brown	Present	1:55 PM
City of Jurupa Valley	Chris Barajas	Present	1:55 PM
City of Lake Elsinore	Brian Tisdale	Present	1:55 PM
City of Menifee	Matt Liesemeyer	Present	1:55 PM
City of Moreno Valley		Absent	
City of Murrieta	Lori Stone	Present	1:55 PM
City of Norco	Kevin Bash	Present	1:55 PM
City of Perris	Rita Rogers	Present	1:55 PM
City of Riverside	Ronaldo Fierro	Present	1:55 PM
City of San Jacinto	Crystal Ruiz	Present	1:55 PM
City of Temecula	Maryann Edwards	Present	1:55 PM
City of Wildomar	Ben Benoit	Present	1:55 PM
District 1	Kevin Jeffries	Present	1:55 PM
District 2	Karen Spiegel	Present	2:15 PM
District 3	Chuck Washington	Present	1:55 PM
District 5	Jeff Hewitt	Present	1:55 PM
EMWD	Phil Paule	Present	1:55 PM
WMWD	Brenda Dennstedt	Present	1:55 PM
Riverside County Supt. of Schools (ex-officio)	Dr. Edwin Gomez	Present	1:55 PM
TAC Chair		Absent	
Executive Director	Rick Bishop	Present	1:55 PM

Note: Times above reflect when the member logged in; they may have arrived at the meeting earlier.

4. PUBLIC COMMENTS

Jeff Green spoke to the Housing Trust.

Daryl Coleman spoke to the PACE Program.

5. CLOSED SESSION

There were no reportable actions.

6. OPEN SESSION

There were no reportable actions.

7. CONSENT CALENDAR

RESULT:	APPROVED AS RECOMMENDED
MOVER:	District 1
SECONDER:	Wildomar
AYES:	Banning, Beaumont, Calimesa, Canyon Lake, Hemet, Jurupa Valley, Lake Elsinore, Menifee, Murrieta, Norco, Perris, Riverside, San Jacinto, Temecula, Wildomar, District 1, District 2, District 3, District 5, EMWD, WMWD
ABSENT:	Moreno Valley
NO VOTE:	Corona, Eastvale

A. Summary Minutes from the February 1, 2021, Executive Committee Meeting

Action: 1. *Approved the Summary Minutes from the February 1, 2021, Executive Committee meeting.*

B. Approval of MOU with SCAG for the REAP Subregional Partnership Program

Action: 1. *Authorized the Executive Director to execute an MOU, substantially as to form, with SCAG for the REAP Subregional Partnership Program.*

C. Approval of PSA for GIS Assistance for Housing Element Updates

Action: 1. *Approved the PSA between WRCOG and Houseal Lavigne Associates, substantially as to form, for GIS technical and advisory support for Housing Element updates to WRCOG member agencies in an amount not to exceed \$480,000 in total.*

D. 2nd Quarter Draft Budget Amendment for Fiscal Year 2020/2021

Action: 1. *Approved the 2nd Quarter draft Budget Amendment for Fiscal Year 2020/2021.*

E. TUMF Program Activities Update: Approval of Reimbursement Agreement Amendments

Actions: 1. *Authorized the Executive Director to execute a TUMF Reimbursement Agreement Amendment with the City of Perris for the Engineering, Right-of-Way, and Construction Phases of the Goetz Road Widening*

from Ethanac Road to Case Road Project in an amount not to exceed \$2,506,000.

2. *Authorized the Executive Director to execute a TUMF Reimbursement Agreement Amendment with the City of Temecula for the Planning, Engineering, Right-of-Way, and Construction Phases of the French Valley Parkway / I-15 Overcrossing & Interchange Project in an amount not to exceed \$11,575,000.*

F. Environmental Department Activities Update

- Action:**
1. *Directed staff to send a letter to local Assembly members requesting an extension of the implementation of SB 1383 on behalf of WRCOG's member agencies.*

G. Finance Department Activities Update

- Action:**
1. *Received and filed.*

H. WRCOG Committees and Agency Activities Update

- Action:**
1. *Received and filed.*

I. Report out of WRCOG Representatives on Various Committees

- Action:**
1. *Received and filed.*

8. REPORT FROM THE TECHNICAL ADVISORY COMMITTEE CHAIR

The Technical Advisory Committee Chair was unable to attend.

9. REPORT FROM COMMITTEE REPRESENTATIVES

Committee member Ben Benoit, South Coast AQMD representative for cities in Riverside County, reported that a future hearing will be set regarding the Indirect Source Rule and warehouses.

Committee member Crystal Ruiz, SANDAG Borders Committee representative, reported that the last meeting was with the Bi-National Summit between the Nations; discussions included border crossings and economic development.

10. REPORT FROM THE EXECUTIVE DIRECTOR

Rick Bishop had nothing to report.

11. ITEMS FOR FUTURE AGENDAS

Committee member Chris Barajas asked for a presentation on municipal broadband.

12. GENERAL ANNOUNCEMENTS / RECOGNITIONS

Committee members and guests made comments in honor of Rick Bishop and his retirement from WRCOG after 20 years.

13. NEXT MEETING

The next Executive Committee meeting is scheduled for Monday, April 5, 2021, at 2:00 p.m., on the Zoom platform.

14. ADJOURNMENT

The meeting was adjourned at 3:31 p.m. in honor of Rick Bishop.



Western Riverside Council of Governments Executive Committee

Staff Report

Subject: TUMF Program Activities Update: Approval of TUMF Reimbursement Agreement

Contact: Cameron Brown, Program Manager, cbrown@wrcog.us, (951) 405-6712

Date: April 5, 2021

The purpose of this item is to request approval of one Transportation Uniform Mitigation Fee (TUMF) Reimbursement Agreement.

Requested Action:

1. Authorize the Executive Director to execute a TUMF Reimbursement Agreement with the City of Moreno Valley for the Project Advancement and Environmental Document Phase of the SR-60 / Redlands Blvd. Interchange Project in an amount not to exceed \$3,500,000.

WRCOG's TUMF Program is a regional fee program designed to provide transportation and transit infrastructure that mitigates the impact of new growth in Western Riverside County.

TUMF Reimbursement Agreement

One Reimbursement Agreement is being presented for approval. A Reimbursement Agreement is a document between WRCOG and a member agency which allows WRCOG to provide funding to the member agency for TUMF expenses incurred for the planning, design, and/or construction of a TUMF project.

The City of Moreno Valley:

1. The SR-60 / Redlands Boulevard Interchange Project Agreement sets the amount of funding in the Project Advancement and Environmental Document Phase in an amount not to exceed \$3,500,000, consistent with the TUMF Central Zone Transportation Improvement Plan.

Prior Action:

None.

Fiscal Impact:

Transportation Department activities are included in the Agency's adopted Fiscal Year 2020/2021 Budget under the Transportation Department.

Attachment:

1. TUMF Reimbursement Agreement with the City of Moreno Valley for the SR-60 / Redlands Blvd. Interchange Project.

Page Intentionally Left Blank

Item 5.B

TUMF Program Activities Update:
Approval of Reimbursement
Agreement

Attachment 1

TUMF Reimbursement Agreement
with the City of Moreno Valley for the
SR-60 / Redlands Blvd. Interchange
Project

Page Intentionally Left Blank

**TRANSPORTATION UNIFORM MITIGATION FEE PROGRAM
AGREEMENT TO REIMBURSE TUMF FUNDS
REDLANDS BLVD / SR-60 INTERCHANGE**

THIS REIMBURSEMENT AGREEMENT (“Agreement”) is entered into as of this day of ____, 2021, by and between the Western Riverside Council of Governments (“WRCOG”), a California joint powers authority and CITY OF MORENO VALLEY, a California municipal corporation (“AGENCY”). WRCOG and AGENCY are sometimes hereinafter referred to individually as “Party” and collectively as “Parties.”

RECITALS

A. WRCOG is the Administrator of the Transportation Uniform Mitigation Fee Program of Western Riverside County (“TUMF Program”).

B. WRCOG has identified and designated certain transportation improvement projects throughout Western Riverside County as projects of regional importance (“Qualifying Projects” or “Projects”). The Qualifying Projects are more specifically described in that certain WRCOG study titled “TUMF Nexus Study”, as may be amended from time to time. Qualifying Projects can have Regional or Zonal significance as further described in the TUMF Nexus Study.

C. The TUMF Program is funded by TUMF fees paid by new development in Western Riverside County (collectively, “TUMF Program Funds”). TUMF Program Funds are held in trust by WRCOG for the purpose of funding the Qualifying Projects.

D. The AGENCY proposes to implement a Qualifying Project, and it is the purpose of this Agreement to identify the project and to set forth the terms and conditions by which WRCOG will release TUMF Program Funds.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants and subject to the conditions contained herein, the Parties hereby agree as follows:

1. Description of the Qualifying Project. This Agreement is intended to distribute TUMF Program Funds to the AGENCY for **Redlands Blvd / SR-60 Interchange** (the “Project”), a Qualifying Project. The Work, including a timetable and a detailed scope of work, is more fully described in Exhibit “A” attached hereto and incorporated herein by reference and, pursuant to Section 20 below, is subject to modification if requested by the AGENCY and approved by WRCOG. The work shall be consistent with one or more of the defined WRCOG Call for Projects phases detailed herein as follows:

PA&ED – Project Approvals & Environmental Document

2. WRCOG Funding Amount. WRCOG hereby agrees to distribute to AGENCY, on the terms and conditions set forth herein, a sum not to exceed **Three Million Five Hundred Thousand Dollars (\$3,500,000)** to be used for reimbursing the AGENCY for eligible Project

expenses as described in Section 3 herein (“Funding Amount”). The Parties acknowledge and agree that the Funding Amount may be less than the actual cost of the Project. Nevertheless, the Parties acknowledge and agree that WRCOG shall not be obligated to contribute TUMF Program Funds in excess of the maximum TUMF share identified in the TUMF Nexus Study (“Maximum TUMF Share”), as may be amended from time to time.

3. Project Costs Eligible for Advance/Reimbursement. The total Project costs (“Total Project Cost”) may include the following items, provided that such items are included in the scope of work attached hereto as Exhibit “A” (“Scope of Work”): (1) AGENCY and/or consultant costs associated with direct Project coordination and support; (2) funds expended in preparation of preliminary engineering studies; (3) funds expended for preparation of environmental review documentation for the Project; (4) all costs associated with right-of-way acquisition, including right-of-way engineering, appraisal, acquisition, legal costs for condemnation procedures if authorized by the AGENCY, and costs of reviewing appraisals and offers for property acquisition; (5) costs reasonably incurred if condemnation proceeds; (6) costs incurred in the preparation of plans, specifications, and estimates by AGENCY or consultants; (7) AGENCY costs associated with bidding, advertising and awarding of the Project contracts; (8) construction costs, including change orders to construction contract approved by the AGENCY; (9) construction management, field inspection and material testing costs; and (10) any AGENCY administrative cost to deliver the Project.

4. Ineligible Project Costs. The Total Project Cost shall not include the following items which shall be borne solely by the AGENCY without reimbursement: (1) any project expenses deemed ineligible for reimbursement under the TUMF Administrative Plan, including without limitation Table 2-3 of the WRCOG TUMF Credit/Reimbursement Manual attached thereto and (2) expenses for items of work not included within the Scope of Work in Exhibit “A”.

5. Procedures for Distribution of TUMF Program Funds to AGENCY.

(a) Initial Payment by the AGENCY. The AGENCY shall be responsible for initial payment of all the Project costs as they are incurred. Following payment of such Project costs, the AGENCY shall submit invoices to WRCOG requesting reimbursement of eligible Project costs. Each invoice shall be accompanied by detailed contractor invoices, or other demands for payment addressed to the AGENCY, and documents evidencing the AGENCY’s payment of the invoices or demands for payment. Documents evidencing the AGENCY’S payment of the invoices shall be retained for four (4) years and shall be made available for review by WRCOG. The AGENCY shall submit invoices not more often than monthly and not less often than quarterly.

(b) Review and Reimbursement by WRCOG. Upon receipt of an invoice from the AGENCY, WRCOG may request additional documentation or explanation of the Project costs for which reimbursement is sought. Undisputed amounts shall be paid by WRCOG to the AGENCY within thirty (30) days. In the event that WRCOG disputes the eligibility of the AGENCY for reimbursement of all or a portion of an invoiced amount, the Parties shall meet and confer in an attempt to resolve the dispute. If the meet and confer process is unsuccessful in resolving the dispute, the AGENCY may appeal WRCOG’s decision as to the eligibility of one

or more invoices to WRCOG's Executive Director. The WRCOG Executive Director shall provide his/her decision in writing. If the AGENCY disagrees with the Executive Director's decision, the AGENCY may appeal the decision of the Executive Director to the full WRCOG Executive Committee, provided the AGENCY submits its request for appeal to WRCOG within ten (10) days of the Executive Director's written decision. The decision of the WRCOG Executive Committee shall be final. Additional details concerning the procedure for the AGENCY's submittal of invoices to WRCOG and WRCOG's consideration and payment of submitted invoices are set forth in Exhibit "B", attached hereto and incorporated herein by reference.

(c) Funding Amount/Adjustment. If a post Project audit or review indicates that WRCOG has provided reimbursement to the AGENCY in an amount in excess of the Maximum TUMF Share of the Project, or has provided reimbursement of ineligible Project costs, the AGENCY shall reimburse WRCOG for the excess or ineligible payments within 30 days of notification by WRCOG.

6. Increases in Project Funding. The Funding Amount may, in WRCOG's sole discretion, be augmented with additional TUMF Program Funds if the TUMF Nexus Study is amended to increase the maximum eligible TUMF share for the Project. Any such increase in the Funding Amount must be approved in writing by WRCOG's Executive Director. In no case shall the amount of TUMF Program Funds allocated to the AGENCY exceed the then-current maximum eligible TUMF share for the Project. No such increased funding shall be expended to pay for any Project already completed. For purposes of this Agreement, the Project or any portion thereof shall be deemed complete upon its acceptance by WRCOG's Executive Director which shall be communicated to the AGENCY in writing.

7. No Funding for Temporary Improvements. Only segments or components of the construction that are intended to form part of or be integrated into the Project may be funded by TUMF Program Funds. No improvement which is temporary in nature, including but not limited to temporary roads, curbs, tapers or drainage facilities, shall be funded with TUMF Program Funds, except as needed for staged construction of the Project.

8. AGENCY's Funding Obligation to Complete the Project. In the event that the TUMF Program Funds allocated to the Project represent less than the total cost of the Project, the AGENCY shall provide such additional funds as may be required to complete the Project.

9. AGENCY's Obligation to Repay TUMF Program Funds to WRCOG; Exception For PA&ED Phase Work. Except as otherwise expressly excepted within this paragraph, in the event that: (i) the AGENCY, for any reason, determines not to proceed with or complete the Project; or (ii) the Project is not timely completed, subject to any extension of time granted by WRCOG pursuant to the terms of this Agreement; the AGENCY agrees that any TUMF Program Funds that were distributed to the AGENCY for the Project shall be repaid in full to WRCOG, and the Parties shall enter into good faith negotiations to establish a reasonable repayment schedule and repayment mechanism. If the Project involves work pursuant to a PA&ED phase, AGENCY shall not be obligated to repay TUMF Program Funds to WRCOG relating solely to PA&ED phase work performed for the Project.

10. AGENCY's Local Match Contribution. AGENCY local match funding is not required, as shown in Exhibit "A" and as called out in the AGENCY's Project Nomination Form submitted to WRCOG in response to its Call for Projects."

11. Term/Notice of Completion. The term of this Agreement shall be from the date first herein above written until the earlier of the following: (i) the date WRCOG formally accepts the Project as complete, pursuant to Section 6; (ii) termination of this Agreement pursuant to Section 15; or (iii) the AGENCY has fully satisfied its obligations under this Agreement. All applicable indemnification provisions of this Agreement shall remain in effect following the termination of this Agreement.

12. Representatives of the Parties. WRCOG's Executive Director, or his or her designee, shall serve as WRCOG's representative and shall have the authority to act on behalf of WRCOG for all purposes under this Agreement. The AGENCY hereby designates the Public Works Director/ City Engineer, or his or her designee, as the AGENCY's representative to WRCOG. The AGENCY's representative shall have the authority to act on behalf of the AGENCY for all purposes under this Agreement and shall coordinate all activities of the Project under the AGENCY's responsibility. The AGENCY shall work closely and cooperate fully with WRCOG's representative and any other agencies which may have jurisdiction over or an interest in the Project.

13. Expenditure of Funds by AGENCY Prior to Execution of Agreement. Nothing in this Agreement shall be construed to prevent or preclude the AGENCY from expending funds on the Project prior to the execution of the Agreement, or from being reimbursed by WRCOG for such expenditures. However, the AGENCY understands and acknowledges that any expenditure of funds on the Project prior to the execution of the Agreement is made at the AGENCY's sole risk, and that some expenditures by the AGENCY may not be eligible for reimbursement under this Agreement.

14. Review of Services. The AGENCY shall allow WRCOG's Representative to inspect or review the progress of the Project at any reasonable time in order to determine whether the terms of this Agreement are being met.

15. Termination.

(a) Notice. Either WRCOG or AGENCY may, by written notice to the other party, terminate this Agreement, in whole or in part, in response to a material breach hereof by the other Party, by giving written notice to the other party of such termination and specifying the effective date thereof. The written notice shall provide a 30-day period to cure any alleged breach. During the 30-day cure period, the Parties shall discuss, in good faith, the manner in which the breach can be cured.

(b) Effect of Termination. In the event that the AGENCY terminates this Agreement, the AGENCY shall, within 180 days, repay to WRCOG any unexpended TUMF Program Funds provided to the AGENCY under this Agreement and shall complete any portion or segment of work for the Project for which TUMF Program Funds have been provided. In the event that WRCOG terminates this Agreement, WRCOG shall, within 90 days, distribute to the

AGENCY TUMF Program Funds in an amount equal to the aggregate total of all unpaid invoices which have been received from the AGENCY regarding the Project at the time of the notice of termination; provided, however, that WRCOG shall be entitled to exercise its rights under Section 5(b), including but not limited to conducting a review of the invoices and requesting additional information. Upon such termination, the AGENCY shall, within 180 days, complete any portion or segment of work for the Project for which TUMF Program Funds have been provided. This Agreement shall terminate upon receipt by the non-terminating Party of the amounts due to it hereunder and upon completion of the segment or portion of Project work for which TUMF Program Funds have been provided.

(c) Cumulative Remedies. The rights and remedies of the Parties provided in this Section are in addition to any other rights and remedies provided by law or under this Agreement.

16. Prevailing Wages. The AGENCY and any other person or entity hired to perform services on the Project are alerted to the requirements of California Labor Code Sections 1770 et seq., which would require the payment of prevailing wages were the services or any portion thereof determined to be a public work, as defined therein. The AGENCY shall ensure compliance with these prevailing wage requirements by any person or entity hired to perform the Project. The AGENCY shall defend, indemnify, and hold harmless WRCOG, its officers, employees, consultants, and agents from any claim or liability, including without limitation attorneys, fees, arising from its failure or alleged failure to comply with California Labor Code Sections 1770 et seq.

17. Progress Reports. WRCOG may request the AGENCY to provide WRCOG with progress reports concerning the status of the Project.

18. Indemnification.

(a) AGENCY Responsibilities. In addition to the indemnification required under Section 16, the AGENCY agrees to indemnify and hold harmless WRCOG, its officers, agents, consultants, and employees from any and all claims, demands, costs or liability arising from or connected with all activities governed by this Agreement including all design and construction activities, due to negligent acts, errors or omissions or willful misconduct of the AGENCY or its subcontractors. The AGENCY will reimburse WRCOG for any expenditures, including reasonable attorneys' fees, incurred by WRCOG, in defending against claims ultimately determined to be due to negligent acts, errors or omissions or willful misconduct of the AGENCY.

(b) WRCOG Responsibilities. WRCOG agrees to indemnify and hold harmless the AGENCY, its officers, agents, consultants, and employees from any and all claims, demands, costs or liability arising from or connected with all activities governed by this Agreement including all design and construction activities, due to negligent acts, errors or omissions or willful misconduct of WRCOG or its sub-consultants. WRCOG will reimburse the AGENCY for any expenditures, including reasonable attorneys' fees, incurred by the AGENCY, in defending against claims ultimately determined to be due to negligent acts, errors or omissions or willful misconduct of WRCOG.

(c) Effect of Acceptance. The AGENCY shall be responsible for the professional quality, technical accuracy and the coordination of any services provided to complete the Project. WRCOG's review, acceptance or funding of any services performed by the AGENCY or any other person or entity under this Agreement shall not be construed to operate as a waiver of any rights WRCOG may hold under this Agreement or of any cause of action arising out of this Agreement. Further, the AGENCY shall be and remain liable to WRCOG, in accordance with applicable law, for all damages to WRCOG caused by the AGENCY's negligent performance of this Agreement or supervision of any services provided to complete the Project.

19. Insurance. The AGENCY shall require, at a minimum, all persons or entities hired to perform the Project to obtain, and require their subcontractors to obtain, insurance of the types and in the amounts described below and satisfactory to the AGENCY and WRCOG. Such insurance shall be maintained throughout the term of this Agreement, or until completion of the Project, whichever occurs last.

(a) Commercial General Liability Insurance. Occurrence version commercial general liability insurance or equivalent form with a combined single limit of not less than \$1,000,000.00 per occurrence. If such insurance contains a general aggregate limit, it shall apply separately to the Project or be no less than two times the occurrence limit. Such insurance shall:

(i) Name WRCOG and AGENCY, and their respective officials, officers, employees, agents, and consultants as insured with respect to performance of the services on the Project and shall contain no special limitations on the scope of coverage or the protection afforded to these insured; and

(ii) Be primary with respect to any insurance or self-insurance programs covering WRCOG and AGENCY, and/or their respective officials, officers, employees, agents, and consultants; and

(iii) Contain standard separation of insured provisions.

(b) Business Automobile Liability Insurance. Business automobile liability insurance or equivalent form with a combined single limit of not less than \$1,000,000.00 per occurrence. Such insurance shall include coverage for owned, hired and non-owned automobiles.

(c) Professional Liability Insurance. Errors and omissions liability insurance with a limit of not less than \$1,000,000.00 Professional liability insurance shall only be required of design or engineering professionals.

(d) Workers' Compensation Insurance. Workers' compensation insurance with statutory limits and employers' liability insurance with limits of not less than \$1,000,000.00 each accident.

20. Project Amendments. Changes to the characteristics of the Project, including the

deadline for Project completion, and any responsibilities of the AGENCY or WRCOG may be requested in writing by the AGENCY and are subject to the approval of WRCOG's Representative, which approval will not be unreasonably withheld, provided that extensions of time for completion of the Project shall be approved in the sole discretion of WRCOG's Representative. Nothing in this Agreement shall be construed to require or allow completion of the Project without full compliance with the California Environmental Quality Act (Public Resources Code Section 21000 *et seq.*; "CEQA") and the National Environmental Policy Act of 1969 (42 USC 4231 *et seq.*), if applicable, but the necessity of compliance with CEQA and/or NEPA shall not justify, excuse, or permit a delay in completion of the Project.

21. Conflict of Interest. For the term of this Agreement, no member, officer or employee of the AGENCY or WRCOG, during the term of his or her service with the AGENCY or WRCOG, as the case may be, shall have any direct interest in this Agreement, or obtain any present or anticipated material benefit arising therefrom.

22. Limited Scope of Duties. WRCOG's and the AGENCY's duties and obligations under this Agreement are limited to those described herein. WRCOG has no obligation with respect to the safety of any Project performed at a job site. In addition, WRCOG shall not be liable for any action of AGENCY or its contractors relating to the condemnation of property undertaken by AGENCY or construction related to the Project.

23. Books and Records. Each party shall maintain complete, accurate, and clearly identifiable records with respect to costs incurred for the Project under this Agreement. They shall make available for examination by the other party, its authorized agents, officers or employees any and all ledgers and books of account, invoices, vouchers, canceled checks, and other records or documents evidencing or related to the expenditures and disbursements charged to the other party pursuant to this Agreement. Further, each party shall furnish to the other party, its agents or employees such other evidence or information as they may require with respect to any such expense or disbursement charged by them. All such information shall be retained by the Parties for at least four (4) years following termination of this Agreement, and they shall have access to such information during the four-year period for the purposes of examination or audit.

24. Equal Opportunity Employment. The Parties represent that they are equal opportunity employers and they shall not discriminate against any employee or applicant of reemployment because of race, religion, color, national origin, ancestry, sex or age. Such non-discrimination shall include, but not be limited to, all activities related to initial employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination.

25. Governing Law. This Agreement shall be governed by and construed with the laws of the State of California.

26. Attorneys' Fees. If either party commences an action against the other party arising out of or in connection with this Agreement, the prevailing party in such litigation shall be entitled to have and recover from the losing party reasonable attorneys' fees and costs of suit.

27. Time of Essence. Time is of the essence for each and every provision of this Agreement.

28. Headings. Article and Section Headings, paragraph captions or marginal headings contained in this Agreement are for convenience only and shall have no effect in the construction or interpretation of any provision herein.

29. Public Acknowledgement. The AGENCY agrees that all public notices, news releases, information signs and other forms of communication shall indicate that the Project is being cooperatively funded by the AGENCY and WRCOG TUMF Program Funds.

30. No Joint Venture. This Agreement is for funding purposes only and nothing herein shall be construed to make WRCOG a party to the construction of the Project or to make it a partner or joint venture with the AGENCY for such purpose.

31. Compliance With the Law. The AGENCY shall comply with all applicable laws, rules and regulations governing the implementation of the Qualifying Project, including, where applicable, the rules and regulations pertaining to the participation of businesses owned or controlled by minorities and women promulgated by the Federal Highway Administration and the Federal Department of Transportation.

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

If to AGENCY: City of Moreno Valley
Public Works Department
ATTN: Public Works Director
PO Box 88005
Moreno Valley, CA 92552-0805
Telephone: (951) 413-3100
Facsimile: (951) 413-3170

If to WRCOG: Western Riverside Council of Governments
3390 University Avenue; Suite 200
Riverside, California 92501
Attention: Christopher Gray, Deputy Executive Director
Telephone: (951) 405-6710
Facsimile: (951) 223-9720

Any notice so given shall be considered served on the other party three (3) days after deposit in the U.S. mail, first class postage prepaid, return receipt requested, and addressed to the party at its applicable address. Actual notice shall be deemed adequate notice on the date actual notice occurred regardless of the method of service.

33. Integration; Amendment. This Agreement contains the entire agreement between the PARTIES. Any agreement or representation respecting matters addressed herein that are not

expressly set forth in this Agreement is null and void. This Agreement may be amended only by mutual written agreement of the PARTIES.

34. Severability. If any term, provision, condition or covenant of this Agreement is held invalid or unenforceable, the remainder of this Agreement shall not be affected thereby.

35. Conflicting Provisions. In the event that provisions of any attached appendices or exhibits conflict in any way with the provisions set forth in this Agreement, the language, terms and conditions contained in this Agreement shall control the actions and obligations of the Parties and the interpretation of the Parties' understanding concerning the Agreement.

36. Independent Contractors. Any person or entities retained by the AGENCY or any contractor shall be retained on an independent contractor basis and shall not be employees of WRCOG. Any personnel performing services on the Project shall at all times be under the exclusive direction and control of the AGENCY or contractor, whichever is applicable. The AGENCY or contractor shall pay all wages, salaries and other amounts due such personnel in connection with their performance of services on the Project and as required by law. The AGENCY or consultant shall be responsible for all reports and obligations respecting such personnel, including, but not limited to: social security taxes, income tax withholding, unemployment insurance and workers' compensation insurance.

37. Effective Date. This Agreement shall not be effective until executed by both Parties. The failure of one party to execute this Agreement within forty-five (45) days of the other party executing this Agreement shall render any execution of this Agreement ineffective.

38. No Third-Party Beneficiaries. There are no intended third-party beneficiaries of any right or obligation assumed by the Parties.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their duly authorized representatives to be effective on the day and year first above-written.

**WESTERN RIVERSIDE COUNCIL
OF GOVERNMENTS**

CITY OF MORENO VALLEY

By: _____ Date: _____
Rick Bishop
Executive Director

By: _____ Date: _____
Mike Lee
City Manager

Approved to Form:

Approved to Form:

By: _____ Date: _____
Steven C. DeBaun
General Counsel

By: _____ Date: _____
Steve Quintanilla
Interim City Attorney

EXHIBIT “A”

SCOPE OF WORK

SCOPE OF WORK:

The purpose of the project is to alleviate congestion; enhance freeway access and regional goods movement; provide increased interchange capacity; improve traffic operations to support the forecast travel demand for the 2045 design year; improve existing interchange geometrics including bridge height to meet Caltrans standards; and accommodate a multimodal facility that has harmony with the community and preserves the values of the area.

The proposed project includes: 1) reconstruction and realignment of SR-60/Redlands Boulevard ramps, 2) widening of Redlands Blvd, and replacement of the overcrossing structure, 3) realignment of Spruce Street, 4) provision for California Highway Patrol (CHP) enforcement areas as required, 5) addition of ramp metering as required, 6) provision for truck operations, 7) coordination of utility relocations, 8) provision for landscaping and irrigation, and/or hardscape, to the extent required, and 9) related improvements as required by the City and Caltrans.

The project scope of work is to complete the Project Approval and Final Environmental Document (PA&ED) phase.

EXHIBIT “A-1”

ESTIMATE OF COST

Phase	TUMF	LOCAL	TOTAL
PA&ED	\$3,500,000	0	\$3,500,000
PS&E	0	0	0
RIGHT OF WAY	0	0	0
CONSTRUCTION	0	0	0
TOTAL	\$3,500,000	0	\$3,500,000

EXHIBIT “A-2”

PROJECT SCHEDULE

TIMETABLE:

Phase	Estimated Completion Date	Estimated Cost	Comments
PA&ED	Dec. 30, 2023	\$3,500,000	
PS&E			N/A - Future phase
RIGHT OF WAY			N/A - Future phase
CONSTRUCTION			N/A - Future phase
TOTAL			

Elements of Compensation

EXHIBIT “B” PROCEDURES FOR SUBMITTAL, CONSIDERATION AND PAYMENT OF INVOICES

1. For professional services, WRCOG recommends that the AGENCY incorporate this Exhibit “B” into its contracts with any subcontractors to establish a standard method for preparation of invoices by contractors to the AGENCY and ultimately to WRCOG for reimbursement of AGENCY contractor costs.

Each month the AGENCY shall submit an invoice for eligible Project costs incurred during the preceding month. The original invoice shall be submitted to WRCOG’s Executive Director with a copy to WRCOG’s Project Coordinator. Each invoice shall be accompanied by a cover letter in a format substantially similar to that of Exhibit “B-2”.

3. For jurisdictions with large construction projects (with the total construction cost exceeding \$10 million) under construction at the same time, may with the approval of WRCOG submit invoices to WRCOG for payment at the same time they are received by the jurisdiction. WRCOG must receive the invoice by the 5th day of the month in order to process the invoice within 30 days. WRCOG will retain 10% of the invoice until all costs have been verified as eligible and will release the balance at regular intervals not more than quarterly and not less than semi-annually. If there is a discrepancy or ineligible costs that exceed 10% of the previous invoice WRCOG will deduct that amount from the next payment.

Each invoice shall include documentation from each contractor used by the AGENCY for the Project, listing labor costs, subcontractor costs, and other expenses. Each invoice shall also include a monthly progress report and spreadsheets showing the hours or amounts expended by each contractor or subcontractor for the month and for the entire Project to date. Samples of acceptable task level documentation and progress reports are attached as Exhibits “B-4” and “B-5”. All documentation from the Agency’s contractors should be accompanied by a cover letter in a format substantially similar to that of Exhibit “B-3”.

If the AGENCY is seeking reimbursement for direct expenses incurred by AGENCY staff for eligible Project costs, the AGENCY shall provide the same level of information for its labor and any expenses as required of its contractors pursuant to Exhibit “B” and its attachments.

6. Charges for each task and milestone listed in Exhibit “A” shall be listed separately in the invoice.
7. Each invoice shall include a certification signed by the AGENCY Representative or his or her designee which reads as follows:

“I hereby certify that the hours and salary rates submitted for reimbursement in this invoice are the actual hours and rates worked and paid to the contractors or subcontractors listed.

Signed _____

Title _____

Date _____

Invoice No. _____

8. WRCOG will pay the AGENCY within 30 days after receipt by WRCOG of an invoice. If WRCOG disputes any portion of an invoice, payment for that portion will be withheld, without interest, pending resolution of the dispute, but the uncontested balance will be paid.

The final payment under this Agreement will be made only after: (I) the AGENCY has obtained a Release and Certificate of Final Payment from each contractor or subcontractor used on the Project; (ii) the AGENCY has executed a Release and Certificate of Final Payment; and (iii) the AGENCY has provided copies of each such Release to WRCOG.

EXHIBIT “B-1”
[Sample for Professional Services]

For the satisfactory performance and completion of the Services under this Agreement, Agency will pay the Contractor compensation as set forth herein. The total compensation for this service shall not exceed (____ INSERT WRITTEN DOLLAR AMOUNT ____)
(\$ ____ INSERT NUMERICAL DOLLAR AMOUNT ____) without written approval of Agency’s City Manager [or applicable position] (“Total Compensation”).

ELEMENTS OF COMPENSATION.

Compensation for the Services will be comprised of the following elements: 1.1 Direct Labor Costs; 1.2 Fixed Fee; and 1.3 Additional Direct Costs.

DIRECT LABOR COSTS.

Direct Labor costs shall be paid in an amount equal to the product of the Direct Salary Costs and the Multiplier which are defined as follows:

DIRECT SALARY COSTS

Direct Salary Costs are the base salaries and wages actually paid to the Contractor's personnel directly engaged in performance of the Services under the Agreement. (The range of hourly rates paid to the Contractor's personnel appears in Section 2 below.)

MULTIPLIER

The Multiplier to be applied to the Direct Salary Costs to determine the Direct Labor Costs is _____, and is the sum of the following components:

1.1.2.1 Direct Salary Costs _____

1.1.2.2 Payroll Additives _____

The Decimal Ratio of Payroll Additives to Direct Salary Costs. Payroll Additives include all employee benefits, allowances for vacation, sick leave, and holidays, and company portion of employee insurance and social and retirement benefits, all federal and state payroll taxes, premiums for insurance which are measured by payroll costs, and other contributions and benefits imposed by applicable laws and regulations.

1.1.2.3 Overhead Costs _____

The Decimal Ratio of Allowable Overhead Costs to the Contractor Firm's Total Direct Salary Costs. Allowable Overhead Costs include general, administrative and overhead costs of

maintaining and operating established offices, and consistent with established firm policies, and as defined in the Federal Acquisitions Regulations, Part 31.2.

Total Multiplier _____
(sum of 1.1.2.1, 1.1.2.2, and 1.1.2.3)

1.2 FIXED FEE.

1.2.1 The fixed fee is \$ _____.

1.2.2 A pro-rata share of the Fixed Fee shall be applied to the total Direct Labor Costs expended for services each month, and shall be included on each monthly invoice.

1.3 ADDITIONAL DIRECT COSTS.

Additional Direct Costs directly identifiable to the performance of the services of this Agreement shall be reimbursed at the rates below, or at actual invoiced cost.

Rates for identified Additional Direct Costs are as follows:

<u>ITEM</u>	<u>REIMBURSEMENT RATE</u>
	<i>[__ insert charges __]</i>
Per Diem	\$ /day
Car mileage	\$ /mile
Travel	\$ /trip
Computer Charges	\$ /hour
Photocopies	\$ /copy
Blueline	\$ /sheet
LD Telephone	\$ /call
Fax	\$ /sheet
Photographs	\$ /sheet

Travel by air and travel in excess of 100 miles from the Contractor's office nearest to Agency's office must have Agency's prior written approval to be reimbursed under this Agreement.

2. DIRECT SALARY RATES

Direct Salary Rates, which are the range of hourly rates to be used in determining Direct Salary Costs in Section 1.1.1 above, are given below and are subject to the following:

Direct Salary Rates shall be applicable to both straight time and overtime work, unless payment of a premium for overtime work is required by law, regulation or craft agreement, or is otherwise specified in this Agreement. In such event, the premium portion of Direct Salary Costs will not be subject to the Multiplier defined in Paragraph 1.1.2 above.

Direct Salary Rates shown herein are in effect for one year following the effective date of the Agreement. Thereafter, they may be adjusted annually to reflect the Contractor's adjustments to individual compensation. The Contractor shall notify Agency in writing prior to a change in the range of rates included herein, and prior to each subsequent change.

<u>POSITION OR CLASSIFICATION</u>	<u>RANGE OF HOURLY RATES</u>
-----------------------------------	------------------------------

[sample]

Principal	\$.00 - \$.00/hour
Project Manager	\$.00 - \$.00/hour
Sr. Engineer/Planner	\$.00 - \$.00/hour
Project Engineer/Planner	\$.00 - \$.00/hour
Assoc. Engineer/Planner	\$.00 - \$.00/hour
Technician	\$.00 - \$.00/hour
Drafter/CADD Operator	\$.00 - \$.00/hour
Word Processor	\$.00 - \$.00/hour

- 2.3 The above rates are for the Contractor only. All rates for subcontractors to the Contractor will be in accordance with the Contractor's cost proposal.

3. INVOICING.

Each month the Contractor shall submit an invoice for Services performed during the preceding month. The original invoice shall be submitted to Agency's Executive Director with two (2) copies to Agency's Project Coordinator.

Charges shall be billed in accordance with the terms and rates included herein, unless otherwise agreed in writing by Agency's Representative.

Base Work and Extra Work shall be charged separately, and the charges for each task and Milestone listed in the Scope of Services, shall be listed separately. The charges for each individual assigned by the Contractor under this Agreement shall be listed separately on an attachment to the invoice.

A charge of \$500 or more for any one item of Additional Direct Costs shall be accompanied by substantiating documentation satisfactory to Agency such as invoices, telephone logs, etc.

3.5 Each copy of each invoice shall be accompanied by a Monthly Progress Report and spreadsheets showing hours expended by task for each month and total project to date.

3.6 If applicable, each invoice shall indicate payments to DBE subcontractors or supplies by dollar amount and as a percentage of the total invoice.

3.7 Each invoice shall include a certification signed by the Contractor's Representative or an officer of the firm which reads as follows:

I hereby certify that the hours and salary rates charged in this invoice are the actual hours and rates worked and paid to the employees listed.

Signed	_____
Title	_____
Date	_____
Invoice No.	_____

4. PAYMENT

Agency shall pay the Contractor within four to six weeks after receipt by Agency of an original invoice. Should Agency contest any portion of an invoice, that portion shall be held for resolution, without interest, but the uncontested balance shall be paid.

4.2 The final payment for Services under this Agreement will be made only after the Contractor has executed a Release and Certificate of Final Payment.

EXHIBIT B-2
Sample Cover Letter to WRCOG

Date
Western Riverside Council of Governments
3390 University Avenue; Suite 450
Riverside, California 92501
Attention: Deputy Executive Director
ATTN: Accounts Payable

Re: Project Title - Invoice #__

Enclosed for your review and payment approval is the AGENCY's invoice for professional and technical services that was rendered by our contractors in connection with the 2002 Measure "A" Local Streets and Roads Funding per Agreement No. _____ effective (Month/Day/Year). The required support documentation received from each contractor is included as backup to the invoice.

Invoice period covered is from Month/Date/Year to Month/Date/Year.

Total Authorized Agreement Amount:	\$0,000,000.00
Total Invoiced to Date:	\$0,000,000.00
Total Previously Invoiced:	\$0,000,000.00
Balance Remaining:	\$0,000,000.00

Amount due this Invoice:	\$0,000,000.00
---------------------------------	-----------------------

=====

I certify that the hours and salary rates charged in this invoice are the actual hours and rates worked and paid to the contractors listed.

By: _____
Name
Title

cc:

EXHIBIT B-3
Sample Letter from Contractor to AGENCY

Month/Date/Year

Western Riverside Council of Governments
3390 University Avenue; Suite 450
Riverside, California 92501

Attention: Deputy Executive Director

Attn: Accounts Payable

Invoice # _____

For **[type of services]** rendered by **[contractor name]** in connection with **[name of project]**
This is per agreement No. XX-XX-XXX effective Month/Date/Year.

Invoice period covered is from Month/Date/Year to Month/Date/Year.

Total Base Contract Amount:	\$000,000.00
Authorized Extra Work (if Applicable)	\$000,000.00

TOTAL AUTHORIZED CONTRACT AMOUNT:	\$000,000.00
 Total Invoice to Date:	 \$000,000.00
Total Previously Billed:	\$000,000.00
Balance Remaining:	\$000,000.00
 Amount Due this Invoice:	 \$000,000.00
	=====

I certify that the hours and salary rates charged in this invoice are the actual hours and rates worked and paid to the employees listed,

By: _____
Name
Title

Page Intentionally Left Blank



Western Riverside Council of Governments Executive Committee

Staff Report

Subject: Finance Department Activities Update

Contact: Andrew Ruiz, Chief Financial Officer, aruiz@wrcog.us, (951) 405-6740

Date: April 5, 2021

The purpose of this item is to provide an update on the Agency audit for Fiscal Year 2020/2021 and financials through January 2021.

Requested Action:

1. Receive and file.

Fiscal Year 2019/2020 Agency Audit

WRCOG's annual interim audit was completed on June 19, 2020. WRCOG utilizes the services of the audit firm Rogers, Anderson, Malody, and Scott (RAMS) to conduct its financial audit. The first visit is known as the "interim" audit, which involves preliminary audit work that is conducted prior to fiscal year end. The interim audit tasks are conducted to compress the period needed to complete the final audit after fiscal year end. In December 2020, RAMS returned to finish its second round, which is known as "fieldwork." The audit was completed on February 1, 2021, and it is anticipated that the final audit will be presented to the Administration & Finance Committee in April 2021.

Financial Report Summary Through January 2021

The Agency Financial Report summary through January 2021, a monthly overview of WRCOG's financial statements in the form of combined Agency revenues and costs, is provided as Attachment 1.

Prior Actions:

- March 18, 2021: The Technical Advisory Committee received and filed.
- March 10, 2021: The Administration & Finance Committee received and filed.

Fiscal Impact:

This item is for informational purposes only; therefore, there is no fiscal impact.

Attachment:

1. Financial Report summary through January 2021.

Page Intentionally Left Blank

Item 5.C

Finance Department Activities Update

Attachment 1

Financial Report summary through January 2021

Page Intentionally Left Blank



Western Riverside Council of Governments
Annual Budget
For the Month Ending January 31, 2021

Total Agency Budget

	Approved Budget 6/30/2021	Thru Actual 1/31/2021	Remaining Budget 6/30/2021
Revenues and Transfers in			
Member Dues	311,410	294,410	17,000
General Assembly Revenue	300,000	-	300,000
Interest Revenue - Other	25,000	8,975	16,025
Operating Transfer In	2,208,432	1,288,252	920,180
Clean Cities	175,000	128,000	47,000
Solid Waste	112,970	112,970	-
Used Oil	376,396	376,396	-
HHW Grant	60,000	-	60,000
Gas Company Revenue	108,400	53,225	55,175
Regional Streetlights Revenue	201,915	-	201,915
WRCOG HERO	136,290	51,342	84,948
PACE Residential	78,000	27,257	50,743
PACE Commercial	200,000	125,617	74,383
CA HERO	1,464,730	679,009	785,721
Commercial/Svcs - Admin Portion	41,137	\$51,552	(10,416)
Retail - Admin Portion	89,632	\$44,732	44,901
Industrial - Admin Portion	236,729	\$69,101	167,628
Single Family Residential - Admin Portion	652,270	\$899,423	(247,153)
Multi Family - Admin Portion	267,415	\$161,036	106,379
Commerical/Service	987,281	\$1,237,260	(249,979)
Retail	2,151,178	\$1,073,563	1,077,615
Industrial	5,681,507	\$1,658,433	4,023,074
Single Family Residential	15,654,486	\$21,586,154	(5,931,669)
Multi-Family	6,417,964	\$3,864,870	2,553,094
LTF Revenue	676,500	676,500	-
Total Revenues and Transfers in	\$ 40,539,536	\$ 34,468,078	\$ 6,071,459
Expenses			
Salaries	2,053,769	1,260,621	793,148
Benefits	1,027,040	497,878	529,162
Overhead	1,443,294	841,922	601,373
Legal	285,600	137,565	148,035
Advertising Media	65,667	38,100	27,567
Bank Fees	33,885	5,732	28,153
Coffee and Supplies	3,000	984	2,016
Commissioner Per Diem	62,500	29,800	32,700
Communications - Cellular Phones	13,500	2,869	10,631
Communications - Computer Services	53,000	14,791	38,209
Communications - Regular Phone	16,000	5,799	10,201
Computer Hardware	10,000	4,315	5,685
Computer Software	80,500	18,600	61,900
Consulting Labor	2,268,780	908,534	1,360,246
Event Support	165,736	6,897	158,839

Membership Dues	32,750	3,767	28,983
Office Lease	390,000	242,706	147,294
OPEB Repayment	110,526	110,526	-
Parking Cost	20,000	10,712	9,288
Postage	5,350	1,509	3,841
Printing Services	5,000	1,830	3,170
Program/Office Supplies	14,700	4,735	9,965
Recording Fee	173,525	43,684	129,841
Rent/Lease Equipment	20,000	2,246	17,754
Storage	9,500	3,454	6,046
Subscriptions/Publications	4,250	100	4,150
Supplies/Materials	75,478	9,223	66,255
Training	10,000	1,000	9,000
Travel - Mileage Reimbursement	11,250	491	10,759
TUMF Project Reimbursement	30,892,416	12,866,423	18,025,993
Total Expenses	\$ 40,468,538	\$ 17,076,813	\$ 23,391,725



Western Riverside Council of Governments Executive Committee

Staff Report

Subject: WRCOG Committees and Agency Activities Update

Contact: Chris Gray, Deputy Executive Director, cgray@wrcog.us, (951) 405-6710

Date: April 5, 2021

The purpose of this item is to provide updates on noteworthy actions and discussions held in recent standing Committee meetings, and to provide general project updates.

Requested Action:

1. Receive and file.

Attached are summary recaps of actions and activities from recent WRCOG standing Committee meetings that occurred during the month of March 2021.

Prior Action:

March 1, 2021: The Executive Committee received and filed.

Fiscal Impact:

This item is for informational purposes only; therefore, there is no fiscal impact.

Attachment:

1. Summary recaps from March Committee meetings.

Page Intentionally Left Blank

Item 5.D

WRCOG Committees and Agency
Activities Update

Attachment 1

Summary recaps from March
Committee meetings

Page Intentionally Left Blank



**Western Riverside Council of Governments
Administration & Finance Committee
Meeting Recap
March 10, 2021**

Following is a summary of key items discussed at the last Administration & Finance Committee meeting.

Agenda Packet: <https://wrcog.us/DocumentCenter/View/8947/af0321->

PowerPoint Presentation: <https://wrcog.us/DocumentCenter/View/8960/af321PP>

Update of the Economic Development and Sustainability Framework

- In the effort to update WRCOG's Economic Development and Sustainability Framework, staff will be reaching out to coordinate virtual meetings to gain input on the updated document.
- Staff recognizes that the value of the updated Economic Development and Sustainability Framework is directly related to input from members. Staff will be providing opportunities for input through both small group and one-on-one meetings.
- Inclusive of the update, staff will also be developing a risk assessment approach to identify potential challenges associated with any new programs prior to implementation.
- Once all interviews are complete, staff will prepare a draft document for Committee action.

Regional Housing Trust Initiative Update

- Assembly member Kelly Seyarto introduced AB 687, authorizing the creation of a Western Riverside County Housing Finance Trust, a joint powers authority. The Bill enables the formation of a Housing Trust but does not require that a Housing Trust be formed or what entity would administer it.
- Staff was directed to submit a letter of support for AB 687 on behalf of WRCOG. Additionally, staff requested individual member agencies also submit a letter of support and asked for volunteers to publicly testify in favor of the Bill at the date of its hearing. The hearing date should be announced soon.
- The Planning Directors Committee will make appointments of its members to serve on a Steering Committee that will convene May 2021 through July 2021. The Executive Committee will make appointments in April 2021 to the Steering Committee. The purpose of the Steering Committee will be to discuss current housing and homelessness programs in the region to determine if a Housing Trust should be formed and what the goals and key functions of a Housing Trust would be.

PACE Programs Update: Direct Capital Provider

- Staff presented an expansion to the Commercial PACE Program with the addition of Direct Capital Provider. This addition would allow WRCOG to partner directly with financial institutions that have experience in commercial lending and are subject to federal regulations.
- There would not be an administration agreement with the Capital Providers. Instead, each project and Capital Provider would be evaluated as they are presented to WRCOG.
- Included in the presentation was a risk analysis that identified what potential risks are associated with the expansion, how to mitigate and manage those risks, and outlined that a reassessment of Direct Capital Provider will be provided to the Executive Committee after one year.

Energy Department Activities Update

- In December 2020, staff completed submittal of all LED rebate applications to SCE on behalf of 10 participating member agencies. In February 2021, staff confirmed receipt of all SCE rebate checks and has started the process to remit rebate funds to member agencies. Staff are also conducting outreach to offer presentations to each member agency's City Council or Board of Directors to present the project scope, savings, and the LED rebate.
- Additionally, in February 2021, WRCOG entered into an agreement with Michael Baker International to assist WRCOG with the development of a Smart Streetlights Implementation Plan & Broadband Assessment. The Smart Streetlights Implementation Plan will assess member agencies' preparedness to leverage its streetlight investments and identify ways in which a streetlight could be utilized as a smart city asset. The Broadband Assessment will review existing municipal broadband initiatives and evaluate the potential for WRCOG to encourage development of a broadband network serving residences, businesses, and government facilities.
- WRCOG also entered into an agreement with AECOM for the development of the Western Riverside County Energy Resiliency Plan. Recognizing that the Plan may identify future projects that member agencies could implement, staff are forming an advisory group consisting of member agencies who will provide feedback and help guide the development of the Plan.
- Staff are soliciting participation in the advisory group by conducting outreach to members of WRCOG's Public Works Committee that meet any of the initial three criteria: member agencies with disadvantaged communities or facilities subject to power outages and power issues, member agencies in WCE, and member agencies with publicly owned utilities.

Next Meeting

The next Administration & Finance Committee meeting is scheduled for Wednesday, April 14, 2021, at 12:00 p.m. on the Zoom platform.



**Western Riverside Council of Governments
Planning Directors Committee
Meeting Recap
March 11, 2021**

Following is a list of key items discussed at the last Planning Directors Committee meeting.

Agenda Packet: <https://wrcog.us/DocumentCenter/View/8953/pdc-0321>

PowerPoint Presentation: <https://wrcog.us/DocumentCenter/View/8962/pdc321pp>

Regional Housing Trust Initiative Update

- Assembly member Kelly Seyarto introduced AB 687, authorizing the creation of a Western Riverside County Housing Finance Trust, a joint powers authority. The Bill enables the formation of a Housing Trust but does not require that a Housing Trust be formed or what entity would administer it.
- Staff requested individual member agencies also submit a letter of support and asked for volunteers to publicly testify in favor of the bill at the date of its hearing. The hearing date should be announced soon.
- This item requested that the Planning Directors Committee make appointments to the Steering Committee. The purpose of the Steering Committee will be to discuss current housing and homelessness programs in the region to determine if a Housing Trust should be formed and what the goals and key functions of a Housing Trust would be.
- The following members volunteered to be a part of the Housing Trust Steering Committee: Kelly Lucia, City of Calimesa; Robert Flores, County of Riverside, Jarrett Ramaiya, City of Murrieta; Travis Randel, City of San Jacinto; and Matt Peters, City of Temecula.

Legislative Update

- Notably, Assembly Bill (AB) 687 authorizes the formation of a Western Riverside County Housing Trust, which is the first piece of legislation that WRCOG has helped author. Staff is interested in members testifying in favor of the bill. Staff will keep members informed.
- Bill Blankenship is available for consultation regarding current legislation primarily focused on housing and planning related items.

Mobile Food Vendor Information Sharing

- Staff from the County and the City of Wildomar presented on mobile food vendor activities each jurisdiction has recently undertaken.
- The County established a regulatory framework (Ordinance No. 580 and No. 853) for mobile food trucks operating on vacant, private properties to ensure standardized permitting, location and operations.
- The City of Wildomar adopted Ordinance 158 to establish a streamlined process for review and approval and to ease roadblocks for City approval. They are working with the City's Economic Development Department to attract more mobile food vending businesses and opportunities for food truck festivals.

RTA Activities Update – TUMF Funded Projects

- RTA staff provided an update on the Agency and its TUMF funded projects. The COVID-19 pandemic has posed challenges to RTA as ridership is down 72%. RTA is conducting Sunday service seven-days of the week with select CommuterLink weekday service.
- RTA has improved 108 bus stops in the past four fiscal years and are expected to complete improvements on 10 bus stops this fiscal year.

- RTA continues to make progress on its Mobility Hub Projects in the City of Hemet and at the Downtown Riverside Vine Street location. RTA is finalizing and executing the MOU with the City of Hemet and will soon begin Phase 2 of the Project. RTA is currently in the architectural and engineering project phase for the Vine Street Project, with the Mobility Hub scheduled to open in February 2023.
- RTA is working to meet the California Air Resources Board Innovative Clean Transit Regulations which requires all large transit agencies to submit a roll-out plan for its fleet.

HCD Housing Element Technical Assistance Program Update

- HCD staff will be available for one-on-one sessions for member agencies and its consultants to discuss any questions as agencies progress through the Housing Element updates. Member agencies are encouraged to participate in these sessions to discuss progress and any technical questions that arise on its Housing Element update.
- The one-on-one sessions will be held on the second Thursday of each month. WRCOG staff is coordinating with HCD staff on a system for member agencies to sign-up for sessions. Please be on the lookout for an email with this information.

Next Meeting

The next Planning Directors Committee meeting is scheduled for Thursday, April 8, 2021, at 9:30 a.m., on the Zoom platform.



**Western Riverside Council of Governments
Technical Advisory Committee
Meeting Recap
March 18, 2021**

Following is a summary of key items discussed at the last Technical Advisory Committee meeting.

Agenda Packet: <https://wrcog.us/DocumentCenter/View/8961/tac0321>

PowerPoint Presentation: <https://wrcog.us/DocumentCenter/View/8967/tac0321pp>

TAC Vice-Chair Appointed for the Remainder of FY 2020/2021

- Jeff Van Wagenen, County of Riverside, was selected as the Vice-Chair for the remainder of the fiscal year.

Regional Housing Trust Update

- Assembly member Kelly Seyarto introduced AB 687, authorizing the creation of a Western Riverside County Housing Finance Trust, a joint powers authority. The Bill enables the formation of a Housing Trust but does not require that a Housing Trust be formed or what entity would administer it.
- Staff requested individual member agencies submit a letter of support and asked for volunteers to publicly testify in favor of the Bill at the date of its hearing, Wednesday, March 24th, at 1:30 p.m.
- A Steering Committee will be convened to discuss current housing and homelessness programs in the region and determine if a Housing Trust should be formed and what the goals and key functions of a Housing Trust would be.
- The following Committee members volunteered to serve on the Regional Housing Trust Steering Committee:
 - Jason Simpson, City of Lake Elsinore
 - Kim Summers, City of Murrieta
 - Armando Villa, City of Menifee
 - Al Zelinka, City of Riverside
 - Danielle Coats, EMWD

RCA's Transition to RCTC

- In January 2021, Riverside County Transportation Commission (RCTC) became the managing agency of the Riverside County Regional Conservation Agency (RCA). Among other benefits, this management change provides opportunity for contract consolidation and resource effectiveness.
- Notably, one of the immediate priorities of the RCA Board Chair, Natasha Johnson, is to enhance the RCA's communication, education, and partnership with its members to improve efficiencies and collaboration.

Energy Department Programs Update

- In December 2020, staff completed submittal of all LED Streetlight retrofit rebate applications to SCE on behalf of 10 participating member agencies. In February 2021, staff confirmed receipt of all SCE rebate checks and has begun the process to remit rebate funds to member agencies. Staff are conducting outreach to offer presentations to each member agency's City Council or Board of Directors to present the project scope, savings, and the LED rebate.

- In February 2021, WRCOG entered into an agreement with Michael Baker International to assist WRCOG with the development of a Smart Streetlights Implementation Plan & Broadband Assessment. The Plan will assess member agencies' preparedness to leverage its streetlight investments and identify ways in which a streetlight could be utilized as a smart city asset. The Broadband Assessment will review existing municipal broadband initiatives and evaluate the potential for WRCOG to encourage development of a broadband network serving residences, businesses, and government facilities.
- WRCOG also entered into an agreement with AECOM for the development of the Western Riverside County Energy Resiliency Plan. Recognizing that the Plan may identify future projects that member agencies could implement, staff are forming an advisory group consisting of member agencies who will provide feedback and help guide the development of the Plan.
- Staff originally solicited participation in the advisory group by conducting outreach to members of WRCOG's Public Works Committee that meet any of the initial three criteria: member agencies with disadvantaged communities or facilities subject to power outages and power issues, member agencies in WCE, and member agencies with publicly owned utilities. Staff are now opening the advisory group to any WRCOG member agency that is interested in participating and to guide development of the Western Riverside County Energy Resiliency Plan.

Municipal Service Review Update

- Gary Thompson, Executive Officer for the Riverside Local Agency Formation Commission (LAFCO), provided an update on the upcoming Municipal Service Reviews, which is a comprehensive study designed to better inform LAFCO, local agencies, and the community about the provision of municipal services.

Next Meeting

The next Technical Advisory Committee meeting is scheduled for Thursday, April 15, 2021, at 9:30 a.m., on the Zoom platform.



Western Riverside Council of Governments Executive Committee

Staff Report

Subject: Report out of WRCOG Representatives on Various Committees

Contact: Chris Gray, Deputy Executive Director, cgray@wrcog.us, (951) 405-6710

Date: April 5, 2021

The purpose of this item is to inform the Executive Committee of activities occurring on the various Committees in which WRCOG has an appointed representative.

Requested Action:

1. Receive and file.

This item serves as a placeholder for WRCOG representatives' use in providing materials or making comments pertaining to meetings of the Committee they have been appointed to.

CALCOG Board of Directors (Brian Tisdale)

A CALCOG Board of Directors meeting was held on March 12, 2021. Agenda highlights include:

- Draft Mobile Source Strategy: A case study in CALCOG's special brand of advocacy
- Legislative Principles: Review of amendments to the CALCOG legislative platform
- Legislative Positions: Proposed positions on legislation

SANDAG Borders Committee (Crystal Ruiz)

A SANDAG Joint Meeting of the Borders Committee and the Committee on Binational Regional Opportunities was held on March 26, 2021. Agenda highlights include:

- Planning Across the California – Baja California Border
- California – Baja California 2021 Border Master Plan
- The California – Baja California BMP Website and Story Map
- Update on the State Route 11 and future Otay Mesa East Port of Entry Project

SAWPA OWOW Steering Committee (Ted Hoffman)

A SAWPA OWOW Steering Committee was held March 25, 2021. Agenda highlights include:

- Proposition 1 Round 1 Integrated Regional Water Management (IRWM) Final Funding Award Update
- Proposition 1 Round 2 Integrated Regional Water Management (IRWM) Grant Competition Process
- Disadvantaged Communities Involvement (DCI) Program Status

Prior Action:

March 1, 2021: The Executive Committee received and filed.

Fiscal Impact:

WRCOG stipends are included in the Agency's adopted Fiscal Year 2020/2021 Budget under the General Fund.

Attachments:

1. CALCOG Board of Directors meeting agenda of March 12, 2021.
2. SANDAG Joint Meeting of the Borders Committee and the Committee on Binational Regional Opportunities agenda of March 26, 2021.
3. SAWPA OWOW Steering Committee meeting agenda of March 25, 2021.

Item 5.E

Report out of WRCOG
Representatives on Various
Committees

Attachment 1

CALCOG Board of Directors meeting
agenda of March 12, 2021

Page Intentionally Left Blank



California Association of Councils of Governments

Effective Regions Through Partnership

BOARD OF DIRECTORS

MEETING AGENDA

March 12, 2021

1:00 pm to 3:00 pm

Meeting Connection Information:

Zoom:

<https://us02web.zoom.us/j/87876509769?pwd=dGhuY3ZuZEhpKzhXdjNwdXhnWDgzZz09>

Meeting ID: 878 7650 9769

Passcode: CALCOG

Having trouble? Email Natalie at nzoma@calcog.org

BRIEFING AGENDA

TIME	ITEM	DESCRIPTION	PURPOSE	PAGE
1:00 pm	1	Welcome, Protocols, & Roll Call. Staff will mark attendance as members enter the virtual meeting space. Please have type your name in the Zoom identifier. For agency staff monitoring the meeting, please type your name and turn off your video.		
1:05 pm	2	Review of the Minutes; 2021.	Action	3
1:10 pm	3	Executive Director Report. An update of developments in the work program.	Information	7
1:20 pm	4	Board Orientation. With several new officials joining the CALCOG board in the last two months, staff drafted an orientation memo. A chance for review and feedback.	Information	9
WORK PROGRAM DEVELOPMENT				
1:30 pm	5	Draft Mobile Source Strategy. A case study in CALCOG's special brand of advocacy.	Information	16
1:40 pm	6	Legislative Principles. Review of amendments to the CALCOG legislative platform.	Action	25
2:00 pm	7	Legislative Positions. Proposed positions on legislation.	Action	39
2:30 pm	8	Final Announcements & Adjourn.		

KEY DATES FOR CALCOG BOARD MEMBERS FOR 2021

Regional Leadership Forum

- **March 22 & 23:** Regional Leadership Forum (Virtual)*
- **May (TBD): Graduation Ceremony:** California Academy for Regional Leaders.

Proposed Board Meeting Dates

- **May 14:** [Virtual Board Meeting](#) (1:00 to 3:00 pm) (Legislative; Budget Framework)
- **June 18:** (Budget Framework)
- **August 20** [Place Holder](#) (if needed for end of year policy issues)
- **September 17** [Virtual Board Meeting](#) (1:00 to 3:00 pm)
- **November (TBD)** [Virtual Board Meeting](#). (Will be scheduled not to conflict with numerous conferences and meetings in November. This is the meeting where the Board reviews conducts a performance evaluation of the executive director and set goals and priorities for the upcoming year. This meeting can be longer than 2 hours).

We have recommended Fridays from 1:00 to 3:00 pm as a time that is generally free of conflicts. Although we made the mistake for this meeting, the remaining dates do not to conflict with League of California Cities policy committees. Finally, no time is perfect for everybody

Are You Signed Up for CALCOG News?

You can sign up on our website.

We are generally pretty good at adding our board members to our newsletter distribution; but if you are not getting them, please sign up by filling out the form accessible by the link on the front page of our website. And sometimes when we do it, our emails get caught in your spam filters.

Page Intentionally Left Blank

Item 5.E

Report out of WRCOG
Representatives on Various
Committees

Attachment 2

SANDAG Joint Meeting of the
Borders Committee and the
Committee on Binational Regional
Opportunities agenda of
March 26, 2021

Page Intentionally Left Blank

SANDAG

Joint Meeting of the Borders Committee and the Committee on Binational Regional Opportunities

Friday, March 26, 2021

12:30 to 2:30 p.m.

****Teleconference Meeting****

MEETING ANNOUNCEMENT AMIDST COVID-19 PANDEMIC:

The Borders Committee meeting will be conducted virtually in accordance with Governor Newsom's State of Emergency declaration regarding the COVID-19 outbreak, Executive Order N-29-20, and the Guidance for Gatherings issued by the California Department of Public Health. Members will primarily participate in the meeting virtually, while practicing social distancing, from individual remote locations.

There are a few options for public participation:

- At the time of the meeting, listen to the meeting audio stream through [sandag.org](https://www.sandag.org)
- Submit comments via email to clerk@sandag.org
- Observe the meeting via Zoom
- To participate via Zoom webinar, click the link to join the meeting:
<https://zoom.us/j/99762943890>
- Webinar ID: 997 6294 3890
- To participate via Telephone, dial a number based on your current location:
US: 1 669 900 6833 or +1 253 215 8782 or +1 346 248 7799 or +1 301 715 8592 or +1 312 626 6799
or +1 929 205 6099

International numbers available: <https://zoom.us/u/akxoZ6JHp>

SANDAG is relying on commercial technology to broadcast the meeting via Zoom. With the recent increase of virtual meetings, platforms such as Microsoft Teams, WebEx, GoToMeeting, and Zoom are working to scale their systems to meet the new demand. If we experience technical difficulty or you are unexpectedly disconnected from the broadcast, please close and re-open your browser and click the link to re-join the meeting. SANDAG staff will take all possible measures to ensure a publicly accessible experience.

Public Comments: Persons who wish to address the members on an item to be considered at this meeting, or on non-agendized issues, may email comments to the Clerk at clerk@sandag.org (please reference: "March 26, Borders Committee Meeting" in your subject line and identify the item number(s) to which your comments pertain). Comments received by 4 p.m. on Thursday, March 25, will be provided to members prior to the meeting. If you desire to provide a live verbal comment during the meeting, please join the Zoom meeting either by computer or phone. At the time for public comments, members of the public will be advised to 'Raise Hand' if they wish to provide comments. The 'Raise Hand' feature can be found on the Zoom toolbar for those who join via computer or by entering *9 for those who join via telephone only. The Chair will call on members of the public by name for those joining via a computer and by the last three digits of your telephone number for those joining via telephone. All comments received prior to the close of the meeting will be made part of the meeting record.

SANDAG

Welcome to SANDAG. Members of the public may speak to the Borders Committee and the Committee on Binational Regional Opportunities on any item at the time the Committees are considering the item. Public speakers are limited to three minutes or less per person. The Committees may only take action on any item appearing on the agenda.

In order to keep the public informed in an efficient manner and facilitate public participation, SANDAG also provides access to all agenda and meeting materials online at sandag.org/meetings. Additionally, interested persons can sign up for email notifications at sandag.org/subscribe.

SANDAG operates its programs without regard to race, color, and national origin in compliance with Title VI of the Civil Rights Act. SANDAG has developed procedures for investigating and tracking Title VI complaints, and the procedures for filing a complaint are available to the public upon request. Questions concerning SANDAG nondiscrimination obligations or complaint procedures should be directed to the SANDAG General Counsel, John Kirk, at (619) 699-1997 or john.kirk@sandag.org. Any person who believes himself or herself or any specific class of persons to be subjected to discrimination prohibited by Title VI also may file a written complaint with the Federal Transit Administration.

In compliance with the Americans with Disabilities Act (ADA), SANDAG will accommodate persons who require assistance in order to participate in SANDAG meetings. If such assistance is required, please contact the SANDAG ADA Coordinator, the Director of Diversity and Equity, at (619) 699-1900, at least 72 hours in advance of the meeting. To request this document or related reports in an alternative format, please call (619) 699-1900 or (619) 699-1904 (TTY), or fax (619) 699-1905.

SANDAG agenda materials can be made available in alternative languages. To make a request, call (619) 699-1900 at least 72 hours in advance of the meeting.

Los materiales de la agenda de SANDAG están disponibles en otros idiomas. Para hacer una solicitud, llame al (619) 699-1900 al menos 72 horas antes de la reunión.

如有需要, 我们可以把SANDAG议程材料翻译成其他语言.

请在会议前至少 72 小时打电话 (619) 699-1900 提出请求.

Mission Statement

The 18 cities and county government are SANDAG serving as the forum for regional decision-making. SANDAG builds consensus; makes strategic plans; obtains and allocates resources; plans, engineers, and builds public transit; and provides information on a broad range of topics pertinent to the region's quality of life.

Our Commitment to Equity

We hold ourselves accountable to the communities we serve. We acknowledge we have much to learn and much to change; and we firmly uphold equity and inclusion for every person in the San Diego region. This includes historically underserved, systemically marginalized groups impacted by actions and inactions at all levels of our government and society.

We have an obligation to eliminate disparities and ensure that safe, healthy, accessible, and inclusive opportunities are available to everyone. In 2021, SANDAG will develop an equity action plan that will inform how we plan, prioritize, fund, and build projects and programs; frame how we work with our communities; define how we recruit and develop our employees; guide our efforts to conduct unbiased research and interpret data; and set expectations for companies and stakeholders that work with us.

We are committed to creating a San Diego region where every person who visits, works, and lives can thrive.

San Diego Association of Governments · 401 B Street, Suite 800, San Diego, CA 92101-4231
(619) 699-1900 | Fax (619) 699-1905 | sandag.org

Joint Meeting of the Borders Committee and the Committee on Binational Regional Opportunities

Friday, March 26, 2021

Item No.		Action
+1.	Approval of Meeting Minutes	Approve
+1A.	January 22, 2021, Borders Committee Meeting Minutes	
+1B.	February 26, 2021, Borders Committee, Committee on Binational Regional Opportunities with Municipalities and State Government of Baja California Joint Meeting Minutes	
2.	Public Comments/Communications/Member Comments Public comments under this agenda item will be limited to five public speakers. Members of the public shall have the opportunity to address the Borders Committee on any issue within the jurisdiction of SANDAG that is not on this agenda. Other public comments will be heard during the items under the heading "Reports."	
3.	Executive Director's Report <i>Hasan Ikhata, SANDAG</i> An update on key programs, projects, and agency initiatives, including San Diego Forward: The 2021 Regional Plan, will be presented.	Discussion
Reports		
4.	Planning Across the California – Baja California Border <i>COBRO Chair Paul Ganster</i> An overview of previous Border Master Plan efforts will be presented.	Information
+5.	California – Baja California 2021 Border Master Plan <i>José Márquez, Caltrans</i> An overview on highlights and key findings of the California–Baja California 2021 Border Master Plan will be presented.	Information
6.	The California – Baja California BMP Website and Story Map <i>Cheryl Mason, SANDAG Service Bureau</i> The California-Baja California Border Master Plan (BMP) Story Map is a web-based tool developed as part of the 2021 BMP, containing high-level trade and border crossing statistics, innovative ideas for managing the binational transportation system, project mapping, BMP recommendations, and links to the BMP website. An overview of the Story Map will be presented.	Information

- | | | |
|-----|--|-------------|
| 7. | Update on the State Route 11 and future Otay Mesa East Port of Entry Project
<i>María Rodríguez-Molina, SANDAG</i>
<i>Mario Orso, Caltrans</i>

An overview of the State Route 11 and the future Otay Mesa East Port of Entry project and activities will be presented. | Information |
| 8. | Continued Public Comments

If the five-speaker limit for public comments was exceeded at the beginning of this agenda, other public comments will be taken at this time. Subjects of previous agenda items may not again be addressed under public comment. | |
| 9. | Upcoming Meetings

The next Borders Committee meeting is scheduled for Friday, April 23, 2021, at 12:30 p.m. | Information |
| 10. | Adjournment | |

+ next to an item indicates an attachment

Item 5.E

Report out of WRCOG
Representatives on Various
Committees

Attachment 3

SAWPA OWOW Steering Committee
meeting agenda of March 25, 2021

Page Intentionally Left Blank

One Water One Watershed

...A United Voice for the Santa Ana River Watershed

OWOW Steering Committee Members

Bruce Whitaker, Convener | SAWPA Commissioner
Brenda Dennstedt, SAWPA Commissioner
Doug Chaffee, Orange County Supervisor
Karen Spiegel, Riverside County Supervisor
Curt Hagman, San Bernardino County Supervisor
James Hessler, Altman Plants

Garry W. Brown, Orange County Coastkeeper
Joe Kerr, Regional Water Quality Control Board
Deborah Robertson, Mayor, City of Rialto
Ted Hoffman, Councilmember, City of Norco
Orange County Municipal Representative [Vacant]

PURSUANT TO THE PROVISIONS OF EXECUTIVE ORDER N-29-20, THIS MEETING WILL BE CONDUCTED VIRTUALLY. ALL VOTES TAKEN WILL BE AN ORAL ROLL CALL.

This meeting will be accessible as follows:

Meeting Access Via Computer (Zoom)*:	Meeting Access Via Telephone*:
• https://sawpa.zoom.us/j/98547063090	• 1 (669) 900-6833
• Meeting ID: 985 4706 3090	• Meeting ID: 985 4706 3090
* Participation in the meeting via the Zoom app (a free download) is strongly encouraged; there is no way to protect your privacy if you elect to call in by phone to the meeting.	

REGULAR MEETING OF THE OWOW STEERING COMMITTEE Thursday, March 25, 2021 – 11:00 a.m.

AGENDA

1. CALL TO ORDER | PLEDGE OF ALLEGIANCE (Bruce Whitaker, Convener)

2. PUBLIC COMMENTS

Members of the public may address the Committee on items within the jurisdiction of the Committee; however, no action may be taken on an item not appearing on the agenda unless the action is otherwise authorized by Government Code §54954.2(b).

3. APPROVAL OF MEETING MINUTES: November 19, 2020



...A United Voice for the Santa Ana River Watershed

4. BUSINESS ITEMS

- A. **Proposition 1 Round 1 Integrated Regional Water Management (IRWM) Final Funding Award Update (SC#2021.1)**
Presenter: Ian Achimore
Recommendation: Receive and file.
- B. **Proposition 1 Round 2 Integrated Regional Water Management (IRWM) Grant Competition Process (SC#2021.2)**
Presenter: Ian Achimore
Recommendation: Receive and file.
- C. **Disadvantaged Communities Involvement (DCI) Program Status (SC#2021.3)**
Presenter: Rick Whetsel
Recommendation: Receive and file.

5. COMMITTEE MEMBERS' COMMENTS

6. REQUEST FOR FUTURE AGENDA ITEMS

7. ADJOURNMENT

PLEASE NOTE:

Americans with Disabilities Act: Meeting rooms are wheelchair accessible. If you require any special disability related accommodations to participate in this meeting, please contact (951) 354-4220 or kberry@sawpa.org. Notification at least 48 hours prior to the meeting will enable staff to make reasonable arrangements to ensure accessibility for this meeting. Requests should specify the nature of the disability and the type of accommodation requested.

Materials related to an item on this agenda submitted to the Commission after distribution of the agenda packet are available for public inspection during normal business hours at the SAWPA office, 11615 Sterling Avenue, Riverside, and available at www.sawpa.org, subject to staff's ability to post documents prior to the meeting.

Declaration of Posting

I, Kelly Berry, CMC, Clerk of the Board of the Santa Ana Watershed Project Authority declare that on March 16, 2021, a copy of this agenda has been uploaded to the SAWPA website at www.sawpa.org and posted at the SAWPA office, 11615 Sterling Avenue, Riverside, California.



...A United Voice for the Santa Ana River Watershed

2021 OWOW Steering Committee Regular Meetings

Fourth Thursday of Every Other Month (January, March, May, July, September, November)
(Note: All meetings begin at 11:00 a.m., unless otherwise noticed, and are held at SAWPA.)

January 1/28/21 Regular Committee Meeting [cancelled]	March 3/25/21 Regular Committee Meeting
May 5/27/21 Regular Committee Meeting	July 7/22/21 Regular Committee Meeting
September 9/23/21 Regular Committee Meeting	November 11/18/21* Regular Committee Meeting*

* Meeting date adjusted due to conflicting holiday.

Page Intentionally Left Blank



Western Riverside Council of Governments

Executive Committee

Staff Report

Subject: Energy Department Programs Activities Update

Contact: Daniel Soltero, Senior Analyst, dsoltero@wrcog.us, (951) 405-6738

Date: April 5, 2021

The purpose of this item is to provide Energy Department updates on the Regional Streetlight Program and the Western Riverside County Energy Resiliency Plan.

Requested Action:

1. Receive and file.

Background

The WRCOG Energy Department administers multiple regionally beneficial programs to support member agencies, including the Regional Streetlight Program and Western Riverside County Energy Resiliency Plan.

At the direction of the Executive Committee, WRCOG developed a Regional Streetlight Program that allowed the 11 participating member agencies (and Community Service Districts) to purchase streetlights within its boundaries which were previously owned and operated by Southern California Edison (SCE). Once the streetlights were owned by the member agency, the lamps were retrofitted to light-emitting diode (LED) technology to provide more economical operations (i.e., lower maintenance costs and reduced energy use). Local control of the streetlight system provides agencies with opportunities for future revenue generation such as digital-ready networks and telecommunications and information technology strategies.

In November 2019, the Bay Area Council, a business association in San Francisco dedicated to economic development in the San Francisco Bay Area, announced the California Resilience Challenge (CRC), a statewide effort led by businesses and a diverse range of partners that provides grants for local governments to build climate resiliency and to support a shared vision for a resilient California in the face of increasing climate threats. On February 3, 2020, the Executive Committee adopted a resolution authorizing WRCOG's submittal of a proposal to the CRC 2020 Grant Program. WRCOG's bid proposed the development of a Western Riverside County Energy Resiliency Plan to build local energy resiliency against impacts from wildfires, extreme heat, and power shutoffs of the region's power supply for critical facilities maintained and operated by member agencies. In April 2020, the Bay Area Council, through the CRC, awarded WRCOG a \$200,000 grant to develop the Plan to build resiliency against power shutoffs and/or power issues at subregional critical facilities by developing a blueprint for energy resiliency technologies, projects, and strategies for member agencies.

Regional Streetlight Program Update

Streetlight Rebates: In December 2020, staff completed submittal of all LED rebate applications to SCE on behalf of 10 participating member agencies. From 2017 to 2018, WRCOG coordinated with SCE to secure LED rebates for member agencies that acquired SCE-owned streetlights and completed an LED conversion.

Upon completion of the LED retrofit project in each member agency, WRCOG staff compiled the required information, prepared, and then submitted the rebate applications to SCE.

In February 2021, WRCOG staff confirmed receipt of all SCE rebate checks and is coordinating with the Fiscal Department to remit the rebate funds to member agencies. Additionally, staff are offering a presentation to each participating member agencies' City Council or Board of Directors to present the project outcomes such as savings and the LED rebate. WRCOG will disburse \$3.6 million in rebate funds to the 10 participating member agencies listed below.

Jurisdiction	Rebate Amount
Eastvale	\$413,918.00
Hemet	\$172,294.93
JCSD	\$199,650.00
Lake Elsinore	\$395,601.45
Menifee	\$534,421.62
Murrieta	\$475,471.40
Perris	\$525,757.24
San Jacinto	\$186,548.84
Temecula	\$640,754.89
Wildomar	\$101,191.84

Smart Streetlights Implementation Plan and Broadband Assessment: By Fall 2020, the Regional Streetlight Program entered the maintenance phase whereby all member agencies had completed its streetlight acquisitions and LED conversion projects. Taking local control of the streetlight system provides member agencies with opportunities for future revenue generation such as digital-ready networks and telecommunications, as well as opportunities to increase public services by utilizing streetlights as smart city assets. To identify and elaborate on these new opportunities, WRCOG entered into an Agreement with Michael Baker International (MBI) in February 2021 to develop a Smart Streetlights Implementation Plan (Smart Streetlights Plan) and Broadband Assessment.

The Smart Streetlights Plan will assess member agencies' preparedness to utilize streetlights as a smart city asset through a variety of use-types such as mobility, public safety, environmental and sustainability, asset management, and connectivity. In order to provide context on smart city possibilities to WRCOG and its member agencies, staff and MBI will assess five locations where a public agency successfully deployed a smart city project or program. A summary of the WRCOG member agency preparedness and a technical memorandum of the five locations where smart city projects and/or problems were deployed will inform staff as the Smart Streetlights Plan is developed.

Once WRCOG and its member agencies are aware of the possibilities with smart city projects and/or programs, MBI will identify and provide a summary of potential smart streetlight applications in the WRCOG subregion. The smart city applications will be categorized by their use-types including mobility, public safety, environmental and sustainability, economic, asset management, and connectivity. The information gathered for each smart city application will include general assessments of the potential needs for hardware, support infrastructure required, backhaul communications requirement, back-end systems and monitoring, and operational and maintenance requirements. Considerations for deployment of any technology-based system must extend beyond the individual equipment and system components. The Smart Streetlights Plan in its final form will include technical memorandums, assessment summaries, and provide an implementation framework with economic and procurement strategies.

One of the key issues related to smart cities is broadband access. Within Riverside County, there have been several previous and on-going efforts to facilitate public and private broadband development. The Broadband Assessment will evaluate the potential for WRCOG to encourage development of a broadband network serving residences, businesses, and government facilities.

Western Riverside County Energy Resiliency Plan Update

In February 2021, WRCOG entered into an agreement with AECOM to develop the Western Riverside County Energy Resiliency Plan. The purpose of the Plan is to assess subregional critical facilities and identify feasibility of implementing future microgrids and/or other energy resiliency solutions to maintain power supply during environmental events that cause power outages or power issues. To determine if microgrids or other energy resiliency solutions are viable, an in-depth technical feasibility study will be conducted at three critical facilities across the subregion from which the results will be extrapolated to be applied to similar critical facilities at all member agencies. The Plan will contain an implementation framework consisting of the technical feasibility study of the three critical facilities, as well as a financing plan that will identify available funding opportunities for member agencies to implement projects identified through the Plan.

Recognizing that the Plan may identify future resilience projects in the subregion, staff believe it is pertinent to establish an Advisory Group consisting of member agencies to help guide development. It is important to note that this Advisory Group will opine on which three critical facilities or sites across the subregion will receive an in-depth microgrid analysis as part of the Plan. Staff have considered a few criteria to identify agencies that are encouraged to participate in the Advisory Group. Such criteria include a two-part equity factor focused on disadvantaged communities and communities with facilities most at-risk for power outages or power issues, agencies that participate in Western Community Energy (WCE), and member agencies with a publicly-owned utility.

First, staff identified an equity-based criterion which will select a site based on the surrounding community's CalEnviroScreen score and the likelihood of the site to experience a power outage or power issues. A communities' CalEnviroScreen score is based on environmental, health, and socio-economic information to produce scores for every census tract in the state. Moreover, the evaluation process to determine the likelihood of an agency's critical facility or site experiencing a power outage or power issues will be developed through the Plan. This may include the number of power outages in a year at a specific site, time elapsed during an outage, and circuit reliability data. A member agency that identifies a critical facility or site that is in a disadvantaged community according to CalEnviroScreen and/or identifies a critical facility that experiences frequent power outages or has a high likelihood to experience power outages should be considered for a seat on the Advisory Group.

Second, it is important to note that Community Choice Aggregators (CCAs) are uniquely positioned to rapidly advance local energy resilience initiatives such as microgrids to keep critical facilities online, and locally sited, distributed energy resources like solar and energy storage to help prevent future wildfires and grid outages. CCAs are in fact already supporting local governments with resiliency projects and are actively advocating for policies that accelerate the development of mitigating resources, such as utilization of the Self-Generation Incentive Program to promote installation of solar and energy storage systems. Staff believe agencies participating in WCE have an advantage in being able to implement energy resilience or energy generation projects that are identified through the Plan and should be considered for a position in the Advisory Group.

Moreover, staff determined that member agencies with a publicly-owned utility should be considered for a seat on the Advisory Group. Local governments with publicly-owned utilities have an advantage in being able to implement resilience upgrades or projects at the local level due to the distribution system being under local control. Additionally, agencies with publicly-owned utilities can allocate revenues to implement projects identified by the Plan as part of the utilities' resilience efforts.

Agencies with high scoring Disadvantaged Communities¹	Member agencies in WCE	Member Agencies with publicly-owned utilities
City of Riverside	City of Eastvale	City of Banning
City of Moreno Valley	City of Hemet	City of Moreno Valley
City of Corona	City of Jurupa Valley	City of Riverside
City of Perris	City of Norco	
City of Jurupa Valley	City of Perris	
City of Hemet	City of Wildomar	
City of Lake Elsinore		

¹Jurisdictions which encompass census tracts that scored in the 75% – 100% percentiles in CalEnviroScreen 3.0 for pollution burden and population characteristics.

Prior Actions:

March 18, 2021: The Technical Advisory Committee received and filed.

March 10, 2021: The Administration & Finance Committee received and filed.

Fiscal Impact:

This item is for informational purposes only; therefore, there is no fiscal impact.

Attachment:

None.



Western Riverside Council of Governments Executive Committee

Staff Report

Subject: SCAG Activities Update

Contacts: Arnold San Miguel, Regional Affairs Officer, SCAG, sanmigue@scag.ca.gov,
(213) 236-1925

Date: April 5, 2021

The purpose of this item is to provide an update of activities undertaken by the Southern California Council of Governments (SCAG).

Requested Action:

1. Receive and file.

This item is reserved for any updates from the SCAG.

Prior Action:

None.

Fiscal Impact:

This item is for informational purposes only; therefore, there is no fiscal impact.

Attachment:

1. SCAG's Executive Director Report.

Page Intentionally Left Blank

Item 5.G

SCAG Activities Update

Attachment 1

SCAG's Executive Director Report

Page Intentionally Left Blank

6TH CYCLE RHNA UPDATE

On Feb. 16, the Regional Housing Needs Assessment (RHNA) Subcommittee/Appeals Board reviewed and recommended the 6th Cycle proposed Final RHNA Allocation Plan for further recommendation to the Community, Economic, and Human Development (CEHD) Committee. On Feb. 21, the CEHD Committee reviewed the proposed Final RHNA Allocation Plan and recommended it to the Regional Council for adoption at a public hearing scheduled for March 4. The Final RHNA Allocation Plan includes a redistribution of successfully appealed units from the RHNA appeals process and must be consistent with the regional determination provided by the California Department of Housing and Community Development (HCD) in October 2019.

The RHNA Subcommittee and CEHD Committee at their respective February meetings also reviewed and recommended a resolution to address various issues that were raised during the RHNA process. The resolution outlines a strategy for SCAG to explore these reforms, such as a continuation of supporting subregions and local jurisdictions through the Regional Early Action Planning (REAP) program, facilitations of discussion with HCD, statewide committee participation, legislative changes, and enhanced communications with county transportation commissions, policymakers, and stakeholders. The resolution will be included in the March 4 Regional Council agenda for adoption. For more information, please visit the [RHNA webpage](#).

CALL FOR COLLABORATION GRANT APPLICATION CLOSES, AWARD ANNOUNCEMENTS ANTICIPATED IN THE COMING WEEKS

In partnership with SCAG, the California Community Foundation (CCF) released the Call for Collaboration request for proposals on Jan. 19, inviting community organizations and their government partners to apply for small grants that fund the development of community-based policies and plans that support increased housing production. SCAG and the CCF issued widespread outreach and hosted a webinar to support community groups in developing their applications. As of the Feb. 23 deadline, dozens of applications had been received from organizations across the SCAG region. A review panel of foundations, academic scholars, housing professionals, and SCAG representatives has been carefully crafted to review proposals and identify grantees. The anticipated date of grantee award announcements is March 19, with grantees beginning an 18-month performance period on April 1. For more information about the [Call for Collaboration](#), please contact Alisha James at james@scag.ca.gov.

THIRD SUSTAINABLE COMMUNITIES PROGRAM CALL FOR APPLICATIONS RELEASED

On Feb. 8, SCAG released the third Sustainable Communities Program Call for Applications, which is open through April 23 and is focused on Smart Cities & Mobility Innovations. Applicants can apply for technical assistance for project types focusing on smart cities and job centers, go zones, and shared mobility and mobility as a service. Staff will hold two webinars to support application development and highlight best practices for eligible program areas on both March 8 and April 5. Staff is also holding weekly office hours for one-on-one coaching to support application development. To learn more and sign up for the upcoming webinars and office hours, please visit the [2020-2021 Sustainable Communities Program Call for Applications webpage](#).

SCAG LEADERSHIP MEETS WITH CONGRESSIONAL REPRESENTATIVES TO DISCUSS REGIONAL PRIORITIES

On Feb. 10, President Rex Richardson, First Vice-President Clint Lorimore, Second Vice-President Jan Harnik, and Immediate Past President Alan Wapner, and I conducted two virtual meetings, respectively, with Congressman Ken Calvert (R-Corona), Member of the House Appropriations Energy and Water Subcommittee, and Congressman Mike Garcia (R-Santa Clarita), Member of the House Appropriations Transportation and Housing & Urban Development Subcommittee. They were joined by Regional Council Members Juan Carrillo, Peggy Huang, David Pollock, Steve Manos, and Karen Spiegel.

The meetings provided an opportunity for leadership to advocate and discuss some of the agency's most critical federal legislative priorities. First, to support direct and flexible federal aid for all cities, regardless of population size, to help with unexpected COVID-19-

related expenses and to backfill tax revenues losses. Secondly, to support a long-term federal surface transportation reauthorization bill. The Fixing America's Surface Transportation (FAST) Act was extended for one-year to Sept. 30, which will give Congress more time to work on a new bill. Lastly, against the backdrop of the COVID-19 pandemic that has amplified the need for reliable and affordable broadband services, local governments and the private sector must have a strong federal partner as they deploy broadband infrastructure especially in underserved communities.

NEW MEMBER ORIENTATION

On Feb. 23, SCAG Regional Council President Rex Richardson, Executive Director Kome Ajise, and staff hosted a New Member Orientation for Regional Council members that have joined SCAG as a result of the November 2020 General Election outcomes. Staff provided an in-depth presentation that covered multiple topics such as the agency's governing structure, member benefits, and major ongoing projects. There was also an opportunity for members to ask questions on Connect SoCal, housing and economic recovery efforts, and other significant regional planning initiatives. Future New Member Orientations will be planned as needed to provide new members with an opportunity to learn more about SCAG, meet key staff, and discuss important programs and initiatives.

SCAG HOSTS TRIBAL GOVERNMENT LISTENING TOUR AND PRESENTS CONNECT SOCIAL TO TRIBAL ALLIANCE OF SOVEREIGN NATIONS

In January, SCAG gave a presentation on Connect SoCal to the Tribal Alliance of Sovereign Indian Nations, who subsequently identified two members for GLUE Council membership. In February, President Rex Richardson and Tribal Government Regional Councilmember Andrew Masiel, Sr., hosted the Tribal Government Listening Tour, which was attended by elected officials from the Agua Caliente Band of Cahuilla Indians, Chemehuevi Indian Tribe, Pechanga Development Corporation, Santa Rosa Band of Cahuilla Indians, Morongo Band of Mission Indians, Torres-Martinez Desert Cahuilla Indians, and the Torres-Martinez Gaming Commission. Since 2006, SCAG's Bylaws have ensured that the Native American perspective is represented at the policy decision-making level by providing voting seats to tribal government representatives on the General Assembly, Regional Council, and Policy Committees.

INCLUSION, EQUITY, DIVERSITY & AWARENESS WEBPAGE, BASELINE CONDITIONS REPORT & PUBLIC SURVEY RELEASED

At its July 2020 meeting, SCAG's Regional Council adopted [Resolution 20-623-2](#), declaring systemic racism a human rights and public health crisis. The resolution affirms SCAG's commitment to work in partnership with others to close the gap of racial injustice and meaningfully advance inclusion, diversity, equity, and awareness. The [Special Committee on Equity & Social Justice](#) was formed to advise SCAG's Regional Council on policies and practices to: 1) End racial and social disparities internal to the agency; 2) Strengthen the way it engages and convenes to protect and expand community voice and power; and 3) Work in partnership with others to close the gap of racial injustice and better serve communities of color, and in so doing, serve all the people of the region. To bring together the agency's work regarding inclusion, equity, diversity and awareness, SCAG has published a [webpage](#) that provides a working definition of Racial Equity and covers the various work items currently underway, released the [Racial Equity: Baseline Conditions Report](#), and launched a [public survey](#) to gather input on the development of the Racial Equity Early Action Plan. For updates, please visit the [Inclusion, Equity, Diversity & Awareness page on the SCAG website](#).

SCAG'S INCLUSIVE ECONOMIC RECOVERY STRATEGY UPDATE

As part of SCAG President Rex Richardson's [2020-2021 Work Plan](#), SCAG is developing an Inclusive Economic Recovery Strategy that aims to support an equitable and inclusive economic recovery for the SCAG region. SCAG will be hosting 25–30 small focus groups from late February to early April for various industries to gather feedback and insights into what an inclusive economy would look like in their respective sectors and how SCAG can provide support. SCAG has kicked off the first seven convenings, meeting with community-based organizations, labor unions, incubators and accelerators, financial sector representatives, and commercial developers. In these first set of focus groups, we received invaluable input on the needs of each sector and SCAG's potential role in addressing these needs and narrowing racial disparities in accessing opportunities to economic mobility. SCAG will take the feedback from the convenings, combined with baseline data, to recommend strategies, policies, and programs for increasing our regional competitiveness and accelerating the creation of family supporting jobs.

SAVE THE DATE: 32ND ANNUAL DEMOGRAPHIC WORKSHOP

SCAG and the University of Southern California Sol Price School of Public Policy will jointly host the 32nd Annual Demographic Workshop as a virtual two-day event on June 8 and June 15 from 1:30 p.m. – 4:45 p.m. The theme for this year's program is "The Post-Pandemic City." Over the last year, Southern Californian residents, and the nation as a whole, have experienced extraordinary changes in all aspects of their lives such as those related to family formation and childcare, healthcare, employment, commuting, and housing accommodations. A demographic check-up panel covers the latest trends in migration, fertility, and vaccination, as well as the new 2020 Census counts due for release. Additional panels will focus on myths and realities of California's mass exodus and declining mobility, and the new trends in workplace, travel, and residential locations. The program will also include a keynote address and a series of expert-led roundtable discussions to build skills about topics discussed. Online registration will be available soon. For more information, please contact John Cho at choj@scag.ca.gov.

GLUE COUNCIL RECONVENES IN 2021

On Feb. 8, SCAG reconvened the Global Land Use & Economic (GLUE) Council, bringing together existing members and new members that reflect diverse industries from across the region. Staff provided presentations including updates on Connect SoCal, RHNA, SCAG's housing program, and legislative bills related to housing and land use policy. SCAG will continuously share its legislative agenda to keep GLUE Council members informed and receive industry-specific feedback. The framework of the Inclusive Economic Recovery Strategy (IERS), part of the President's Work Plan, was also shared by staff. As part of the work plan, SCAG will host a dedicated focus group for the GLUE Council to learn more about how they see local and regional governments supporting efforts to promote an economic recovery that is centered on racial and gender equity. Members suggested many potential topics for future meetings, including adjustments to the models used for Connect SoCal on population growth, utility companies contributing to permitting process evaluation in smart cities initiatives, regionally responding to the Climate Action Plan for Transportation Infrastructure process, the complexity of the state's new vehicle miles traveled (VMT) goals, and the region's overall economic picture.

TOOLBOX TUESDAY TRAINING FOCUSES ON PRESENTING DATA AND MAPS

On Feb. 23, SCAG hosted "StoryMapping: Transforming Data into Interactive Stories," a Toolbox Tuesday webinar that included an overview of ArcGIS StoryMaps and how it can be used to create immersive web-based stories or presentations by combining data, text, interactive maps, and other multimedia content. The webinar introduced participants to various types of StoryMaps, featured professionals using the tool, showcased regional StoryMaps from local jurisdictions and students, and closed with a tutorial on developing StoryMaps. The [2021 SCAG Student Showcase](#) was also briefly discussed as it is a StoryMap competition available to qualified students in the SCAG region. Please visit the [Toolbox Tuesday Online Training Materials page](#) for a recording of the webinar and other downloads of this training, as well as to access prior trainings and materials.

SCAG NATURAL & FARM LANDS CONSERVATION WORKING GROUP MEETS

On Feb. 25, SCAG hosted the Natural & Farm Lands Conservation Working Group. Meeting since 2014, the purpose of the working group is to provide a forum for stakeholders to share best practices and develop recommendations for natural and agricultural land conservation throughout the region and has been instrumental in the formation and implementation of Connect SoCal's conservation policies and strategies. The most recent meeting featured several presentations, many of which focused on agriculture and grazing lands conservation. An update on the SoCal Greenprint was provided, after which feedback was sought from the group on agricultural-related data and how the tool will convey that information. An additional presentation was given on agricultural conservation efforts around California and engaged the group on how SCAG can implement agricultural conservation strategies based on goals in Connect SoCal. For more information about the group and to attend future meetings, please contact India Brookover at brookover@scag.ca.gov.

Page Intentionally Left Blank



Western Riverside Council of Governments Executive Committee

Staff Report

Subject: Report from Cal Cities

Contact: Erin Sasse, Regional Public Affairs Manager, Cal Cities, esasse@cacities.org, (951) 321-0771

Date: April 5, 2021

The purpose of this item is to provide an update of activities undertaken by Cal Cities.

Requested Action:

1. Receive and file.

This item is reserved for a presentation by Erin Sasse, Regional Public Affairs Manager for Cal Cities.

Prior Action:

February 1, 2021: The Executive Committee received and filed.

Fiscal Impact:

This item is for informational purposes only; therefore, there is no fiscal impact.

Attachment:

None.

Page Intentionally Left Blank



Western Riverside Council of Governments Executive Committee

Staff Report

Subject: Regional Housing Trust Initiative Activities Update

Contact: Ivana Medina, Senior Analyst, imedina@wrcog.us, (951) 405-6753

Date: April 5, 2021

The purpose of this item is to present an update on latest developments related to the establishment of the Western Riverside County Regional Housing Trust and request appointment of up to five members to serve on a Steering Committee.

Requested Action:

1. Appoint up to five members of the Executive Committee to serve on the Regional Housing Trust Steering Committee.

Background

WRCOG staff held a visioning session in June 2020, to identify potential new initiatives for the 2020/2021 Fiscal Year. One of the new initiatives identified during this internal session was a Regional Housing Trust. The Regional Housing Trust initiative was then presented to the Administration & Finance Committee in July 2020, where Committee members approved WRCOG staff to proceed with further research and development of a work plan. Staff then completed research and due diligence of information gathering, which included outreach to stakeholders in the housing industry.

WRCOG staff briefed the Technical Advisory Committee in September 2020 on research findings and subsequently met with WRCOG member agencies individually. These meetings included WRCOG staff and representatives of the member agency, which often included the City Manager / Assistant City Manager, Planning / Community Development Director, and other city staff.

Authorizing Legislation

Assembly member Kelly Seyarto introduced Assembly Bill (AB) 687 (Joint powers authorities: Riverside County Housing Finance Trust), authorizing the creation of a Western Riverside County Housing Finance Trust, a joint powers authority (JPA), for the purposes of funding housing, specifically assisting the homeless population and persons and families of extremely low, very low, and low income within the County of Riverside, as specified. AB 687 would allow any WRCOG member agency to enter into a joint powers agreement to form a Housing Trust. This Bill would also include language that the Housing Trust shall be governed by a Board of Directors consisting of elected officials representing the County of Riverside and representative cities that are party to the joint powers agreement.

It should be noted that the legislation simply enables the formation of a Housing Trust but does not require that a Housing Trust be formed. Additionally, the language does not specify which agency will administer the Housing Trust nor whether any of the agencies in Western Riverside County are required to join the trust.

Authorizing legislation for a Housing Trust is not required to establish a Housing Trust but has been done by

neighboring Housing Trusts such as the Orange County Housing Financing Trust and the San Gabriel Valley Regional Housing Trust. By doing so, this allows the Housing Trust to authorize and issue bonds, certificates of participation, and any other debt instrument repayable from funds and financing. It also can potentially lead to greater funding opportunities. WRCOG is requesting that member agencies provide letters of support for this legislation. To date, 10 letters of support have been submitted by WRCOG member agencies and other stakeholders. AB 687 received its first hearing by the Assembly Committee on Local Government on March 24, 2021, and passed by a vote of 6-0. The bill will next be heard on the floor of the Assembly. Staff will continue to follow this bill through the legislative process.

Steering Committee

A Steering Committee will be convened in May 2021 and will hold three to four meetings. The purpose of this Committee is to provide input on the JPA, its Administrative Plan, and other governance documents. The Planning Directors Committee appointed five member agencies to serve on the Housing Trust Steering Committee from the following agencies: County of Riverside and Cities of Calimesa, Murrieta, San Jacinto, and Temecula. The Technical Advisory Committee appointed additional representatives to the Steering Committee from the following agencies: Eastern Municipal Water District (EMWD) and the Cities of Lake Elsinore, Menifee, Murrieta, and Riverside. Staff is requesting the Executive Committee also appoint members in addition to the members of the PDC and TAC. Other housing advocacy and industry groups will be invited to participate as well. This Steering Committee will determine goals and key functions of the Housing Trust. For example, housing trusts provide a dedicated source of revenues for a variety of housing activities such as:

- New construction of affordable housing
- Preservation or rehabilitation of existing affordable housing
- Land acquisition for development of affordable housing
- Homeless housing services
- Pre-development activities
- Gap financing loans
- Down payment assistance for developers or eligible first-time home buyers

Housing authorities, non-profits, community land trusts, and other entities offer programs and assistance related to the above activities. One goal of the Steering Committee will be to identify the primary focus of the Housing Trust and determine which programs should be implemented by the Trust.

Prior Actions:

<u>March 18, 2021:</u>	The Technical Advisory Committee appointed five representatives to serve on the Regional Housing Trust Steering Committee.
<u>March 11, 2021:</u>	The Planning Directors Committee appointed five representatives to serve on the Regional Housing Trust Steering Committee.
<u>March 10, 2021:</u>	The Administration & Finance Committee directed staff to submit a letter of support for AB 687.

Fiscal Impact:

Funding for this effort is provided by the REAP Grant awarded by SCAG. REAP funds will be used to fund outreach activities and other due diligence efforts related to the establishment of the Housing Trust.

Attachment:

None.



Western Riverside Council of Governments Executive Committee

Staff Report

Subject: PACE Programs Activities Update: Addition of Direct Capital Provider

Contact: Casey Dailey, Director of Energy & Environmental Programs, cdailey@wrcog.us, (951) 405-6720

Date: April 5, 2021

The purpose of this item is to provide an update on Commercial Pace (C-PACE) and to request the addition of Direct Capital Provider to the Program Report.

Requested Action:

1. Adopt Resolution Number 02-21; A Resolution of the Executive Committee of the Western Riverside Council of Governments authorizing WRCOG to issue and directly place bonds to finance eligible improvements to be installed on commercial properties located within the boundaries of both the WRCOG Energy Efficiency and Water Conservation Program for Western Riverside County and the California HERO Program with certain capital providers, and in connection with such authorization, approving amendments to the Program Report for such programs, Assessment Contract, Master Indenture, Master Fiscal Agent Agreement and Master Bond Purchase Agreement, and authorizing the issuance of bonds pursuant to such Master Indenture or Master Fiscal Agent Agreement secured by assessments levied on commercial properties to finance the installation of eligible improvements on such commercial properties and approving other actions in connection thereto and approve amendments to the Program Reports to include Direct Capital Provider.

WRCOG's PACE Program provides financing to property owners to implement energy saving, renewable energy, water conservation, and seismic strengthening improvements to their homes and businesses. Financing for these improvements is paid back through a lien placed on the property tax bill. The Program was initiated in December 2011 and was expanded in 2014 to allow jurisdictions throughout the state to join WRCOG's Program and allow property owners in these jurisdictions to participate. WRCOG currently offers Greenworks, CleanFund, and Twain as C-PACE providers.

Direct Capital Providers

To expand the C-PACE Program, staff and bond counsel have identified an opportunity to partner directly with banks and other financial institutions (Capital Providers). For these projects, there would be no program administrator or program administration agreement between WRCOG and the Capital Provider.

The benefits of this expansion would be as follows:

- Working with Capital Providers subject to federal banking regulations and audited by the federal government.
- Typically, with Capital Providers, PACE financings constitute only a small portion of its portfolio and, as such, there is a diversification of Capital Provider's investments / assets.

- Capital Providers with a commercial lending platform could offer PACE as an additional lending option to projects. As such, the banks would conduct their own due diligence of projects and would have established underwriting criteria.
- With no program administrator for these projects, interest rates and fees would be lower as the financing is directly placed with the Capital Provider.
- Potentially, the Capital Provider could also serve as the fiscal agent / trustee and thereby reduce the costs of financing as well.
- Increased minimum project size leads to more sophisticated property owners.

Risk Analysis

As part of the Sustainability Framework update, staff have identified a series of potential steps that can be taken to minimize risk to the Agency. These potential steps include:

1. Analyzing potential risk
2. Mitigating the risk through program design
3. Actively managing the effort
4. Reassess

When applied to the question of whether to allow a Direct Capital Provider, the following information results:

Analyze Potential Risks:

- No indemnification
- Failed or fraudulent projects
- Increases in annual administration costs

Mitigate:

- Indemnification: Require an investor letter in which the bank describes the responsibilities and liabilities the bank is assuming.
 - While not blanket indemnification, WRCOG's experience with other indemnification agreements suggests that any agreement is only as good as the institution it comes from.
 - Partnering with stable and diverse capital providers, WRCOG may be able to mitigate future risk.
- Failed or fraudulent projects: The risk of failed or fraudulent projects is not greater than with a program administrator.
 - Any claim of failed or fraudulent projects would be addressed with the same process that already exists with program administrators.
- Increases in annual administration costs: Property owners would be subject to any increases in annual administration costs.

Manage:

- Staff and bond counsel have developed a list of requirements for Capital Providers (provided below) that will assist in ensuring only federally regulated, experienced Capital Providers would utilize the Program.
- Utilization of existing compliance processes will be used to investigate any claims of failed or fraudulent projects.

Reassess:

- Staff will return to the Executive Committee in one year and report findings from the previous year and adjust as needed.

The following are the parameters that would be added to the Program Report:

- No program administration agreement with WRCOG.

- WRCOG would be the issuer of bonds.
- Minimum of \$10M in capital available for financing C-PACE loans. Availability of capital needs to be evidenced by a capital commitment letter or letter of intent.
- Minimum transaction size of \$2M.
- C-PACE finance team to include dta as assessment administrator, BBK as bond counsel, and fiscal agent / trustee to be determined upon mutual agreement between Capital Provider and BBK.
- Minimum two years of C-PACE and 10 years of commercial banking experience.
- Federally regulated bank or financial institution.
- All projects must, at a minimum, meet the following requirements, unless expressly waived by authorized personnel of WRCOG:
 - Applicant must be the property owner of record.
 - Property Owner must be current on the payment of special taxes and not have had any major delinquencies for the past three years.
 - No bankruptcy of property owner or affiliated companies for seven years.
 - No liens except mortgage debt for which lender consent has been obtained, except liens of community facilities district and assessments district.
 - Must finance or refinance products improvements authorized under Program Report.
 - Total effective tax rate not to exceed 5%.
 - Value to Lien requirement 95% (includes PACE plus existing debt)
 - Energy savings report.

Refinance:

- Authorized to refinance existing debt or cash financed-eligible improvements.
- Improvements installed three years prior to date of application of PACE refinancing.
- Useful life of improvements is equal to or greater than the term of the PACE refinancing.
- Compliance with parameters established for commercial program in Program Report.

Prior Actions:

March 10, 2021: The Administration & Finance Committee recommended that the Executive Committee adopt Resolution Number 02-21; A Resolution of the Executive Committee of the Western Riverside Council of Governments authorizing WRCOG to issue and directly place bonds to finance eligible improvements to be installed on commercial properties located within the boundaries of both the WRCOG Energy Efficiency and Water Conservation Program for Western Riverside County and the California HERO Program with certain capital providers, and in connection with such authorization, approving amendments to the Program Report for such programs, Assessment Contract, Master Indenture, Master Fiscal Agent Agreement and Master Bond Purchase Agreement, and authorizing the issuance of bonds pursuant to such Master Indenture or Master Fiscal Agent Agreement secured by assessments levied on commercial properties to finance the installation of eligible improvements on such commercial properties and approving other actions in connection thereto and approve amendments to the Program Reports to include Direct Capital Provider.

February 16, 2021: The PACE Ad Hoc Committee recommended that the Executive Committee adopt a resolution amending the Program Report to include Direct Capital Provider.

Fiscal Impact:

There is no fiscal impact associated with this item.

Attachments:

1. Resolution Number 02-21; A Resolution of the Executive Committee of the Western Riverside Council of Governments authorizing WRCOG to issue and directly place bonds to finance eligible improvements to be installed on commercial properties located within the boundaries of both the WRCOG Energy Efficiency and Water Conservation Program for Western Riverside County and the California HERO Program with certain capital providers, and in connection with such authorization, approving amendments to the Program Report for such programs, Assessment Contract, Master Indenture, Master Fiscal Agent Agreement and Master Bond Purchase Agreement, and authorizing the issuance of bonds pursuant to such Master Indenture or Master Fiscal Agent Agreement secured by assessments levied on commercial properties to finance the installation of eligible improvements on such commercial properties and approving other actions in connection thereto.
2. Redlined WRCOG Energy and Efficiency Program Administrative Guidelines Program Report.
3. Redlined California HERO Program Report.
4. WRCOG Capital Provider Program Master Fiscal Agent Agreement.
5. WRCOG Capital Provider Program Master Indenture.
6. WRCOG Capital Provider Program Master Bond Purchase Agreement.
7. WRCOG Capital Provider Program Professional Services Agreement with David Taussig and Associates.

Item 6.C

PACE Programs Activities Update: Addition of Direct Capital Provider

Attachment 1

Resolution Number 02-21; A Resolution of the Executive Committee of the Western Riverside Council of Governments authorizing WRCOG to issue and directly place bonds to finance eligible improvements to be installed on commercial properties located within the boundaries of both the WRCOG Energy Efficiency and Water Conservation Program for Western Riverside County and the California HERO Program with certain capital providers, and in connection with such authorization, approving amendments to the Program Report for such programs, Assessment Contract, Master Indenture, Master Fiscal Agent Agreement and Master Bond Purchase Agreement, and authorizing the issuance of bonds pursuant to such Master Indenture or Master Fiscal Agent Agreement secured by assessments levied on commercial properties to finance the installation of eligible improvements on such commercial properties and approving other actions in connection thereto

Page Intentionally Left Blank

RESOLUTION NUMBER 02-21

A RESOLUTION OF THE EXECUTIVE COMMITTEE OF THE WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS

AUTHORIZING WRCOG TO ISSUE AND DIRECTLY PLACE BONDS TO FINANCE ELIGIBLE IMPROVEMENTS TO BE INSTALLED ON COMMERCIAL PROPERTIES LOCATED WITHIN THE BOUNDARIES OF BOTH THE WRCOG ENERGY EFFICIENCY AND WATER CONSERVATION PROGRAM FOR WESTERN RIVERSIDE COUNTY AND THE CALIFORNIA HERO PROGRAM WITH CERTAIN CAPITAL PROVIDERS, AND IN CONNECTION WITH SUCH AUTHORIZATION, APPROVING AMENDMENTS TO THE PROGRAM REPORT FOR SUCH PROGRAMS, ASSESSMENT CONTRACT, MASTER INDENTURE, MASTER FISCAL AGENT AGREEMENT AND MASTER BOND PURCHASE AGREEMENT, AND AUTHORIZING THE ISSUANCE OF BONDS PURSUANT TO SUCH MASTER INDENTURE OR MASTER FISCAL AGENT AGREEMENT SECURED BY ASSESSMENTS LEVIED ON COMMERCIAL PROPERTIES TO FINANCE THE INSTALLATION OF ELIGIBLE IMPROVEMENTS ON SUCH COMMERCIAL PROPERTIES AND APPROVING OTHER ACTIONS IN CONNECTION THERETO

WHEREAS, acting under the provisions of Chapter 29 of the Improvement Bond Act of 1911, being Division 7 of the California Streets and Highways Code ("Chapter 29"), the Executive Committee has established the Energy Efficiency and Water Conservation Program for Western Riverside County (the "WRCOG Program") pursuant to which WRCOG is authorized to enter into contractual assessments with the owners of residential or commercial real property located within the County of Riverside and the cities within the western portion of the County of Riverside that have elected to participate in the WRCOG Program (the "WRCOG Program Area") to finance the installation of distributed generation renewable energy sources, energy and water efficiency improvements, seismic improvements and electric vehicle charging infrastructure (the "Eligible Improvements"); and

WHEREAS, acting under Chapter 29, WRCOG has also established the California HERO Program (the "California Program" and, together with the WRCOG Program, the "Programs") pursuant to which WRCOG is authorized to enter into contractual assessments with the owners of residential and commercial real property located within cities and counties located outside of the western portion of the County of Riverside that have elected to become associate members of WRCOG (the "California Program Area" and, together with the WRCOG Program Area, the "Program Area") and to participate in the California Program to finance the installation of Authorized Improvements; and

WHEREAS, WRCOG is authorized to issue limited obligation improvement bonds pursuant to Section 5898.22 and Section 5898.28 of Chapter 29 and the Improvement Bond Act of 1915, as amended, being Division 10 of the California Streets and Highways Code (the "Bond Act"), to finance the installation of Authorized Improvements that are permanently fixed to residential or commercial real property located within the Program Area; and

WHEREAS, since the establishment of the Programs the administration and financing of the Eligible Improvements on commercial properties ("Commercial Properties") located within the Program Areas has been accomplished by program administrators;

WHEREAS,

Chapter

29 and the Bond Act authorize WRCOG to administer the Programs, issue bonds to finance the Eligible Improvements and sell such bonds directly to capital providers (each a "Capital Provider"); and

WHEREAS, the Executive Committee determined that it would be in the best interests of the Programs and the owners of Commercial Properties within the Program Areas to enable WRCOG to administer and finance Eligible Improvements by selling bonds directly to capital providers (the "Capital Provider Program") that meet certain requirements as set forth in the program reports for each Program Area (the "Program Reports") and approved by the Executive Director of WRCOG or his designee (the "Authorized Representative"); and

WHEREAS, in order to provide for and implement such authorization for the establishment of the Capital Provider Program as a part of each Program, it will be necessary to modify the Program Reports, approve a handbook (the "Commercial Handbook") and approve a form of an assessment contract for use with respect to each commercial property participating in the Capital Provider Program (the "Commercial Assessment Contract") to be incorporated into each Program Report; and

WHEREAS, there has been submitted to the Executive Committee the forms of a Master Indenture, a Supplemental Indenture, a Master Fiscal Agent Agreement and a Supplemental Fiscal Agent Agreement providing for the issuance of limited obligation improvement bonds to be designated as the "Western Riverside Council of Governments Limited Obligation Improvement Bonds (Capital Provider Program-[Name of Capital Provider]) ([Number] Commercial Property Tranche)" (the "Limited Obligation Improvement Bonds") in one or more series (each such series of such bonds referred to as a "Series") pursuant to Chapter 29 of Part 3 of Division 7 of the California Streets and Highways Code ("Chapter 29"), the Improvement Bond Act of 1915, being Division 10 of the Streets and Highways Code (the "1915 Act") and the use of the proceeds of such bonds to finance the construction and installation of Eligible Improvements on commercial parcels that are participating in the Capital Provider Program; and

WHEREAS, there has been submitted to the Executive Committee the form of a Master Bond Purchase Agreement providing for the terms and conditions for the purchase of the Limited Obligation Improvement Bonds by a Capital Provider; and

WHEREAS, there has been submitted to the Executive Committee the form of a Professional Services Agreement providing for the terms and conditions for the provision of assessment administration services by David Taussig & Associates, Inc.; and

WHEREAS, this Executive Committee, with the aid of its staff and counsel, has reviewed the documents identified in the preceding recitals and found them to be in proper order; and

WHEREAS, all conditions, things and acts required to exist, to have happened and to have been performed precedent to and in the issuance of the Limited Obligation Improvement Bonds exist, have happened and have been performed in due time, form and manner as required by the laws of the State of California, including Chapter 29 and the 1915 Act;

NOW, THEREFORE, BE IT RESOLVED, by the Executive Committee of the Western Riverside Council of Governments as follows:

Section 1. Approval of Capital Provider Program and Amended Program Reports. The Executive Committee hereby approves the establishment of the Capital Provider Program and authorizes WRCOG to directly administer the Capital Provider Program as outlined in the amended Program Reports. The Executive Committee hereby approves the amendments to the Program Reports presented at this meeting. The Authorized Representatives are hereby authorized to approve

Capital Providers in accordance with the guidelines set forth in the Program Report and take all actions and enter into all agreements necessary to implement the Capital Provider Program.

Section 2. Approval of the Commercial Assessment Contract and the Commercial Handbook. The Executive Committee hereby approves the form of the Commercial Assessment Contract and the Commercial Handbook, each as presented to the Executive Committee at this meeting together with any changes therein and additions thereto approved by an Authorized Representative and reviewed and concurred in by Bond Counsel (defined below).

Section 3. Approval of Form of the Master Bond Purchase Agreement. The Executive Committee hereby approves the form of the Master Bond Purchase Agreement presented to the Executive Committee at this meeting, together with any changes therein or additions thereto approved by an Authorized Representative and reviewed and concurred in by Bond Counsel, and the execution thereof by an Authorized Representative shall be conclusive evidence of the approval of any such changes or additions. The Executive Committee hereby authorizes and directs an Authorized Representative to execute the final forms of the Master Indenture for and in the name of WRCOG.

Section 4. Authorization of Issuance of Limited Obligation Improvement Bonds. The Executive Committee hereby authorizes the issuance of one or more Series of the Limited Obligation Improvement Bonds under and pursuant to Chapter 29, the 1915 Act and this Resolution in the maximum aggregate principal amount not to exceed \$[150,000,000] to finance the installation of Eligible Improvements to be installed or caused to be installed on commercial properties that are participating in the Capital Provider Program and are located in the Program Areas.

Section 5. Approval of Master Indenture, Supplemental Indenture, Fiscal Agent Agreement and Supplemental Fiscal Agent Agreement. With respect to the Limited Obligation Improvement Bonds to be issued on or after the effective date of this Resolution, the Executive Committee hereby approves the form of the master indenture (the "Master Indenture") and the master fiscal agent agreement (the "Master Fiscal Agent Agreement") substantially in the forms on file with the Secretary, together with any changes therein and additions thereto approved by an Authorized Representative and reviewed and concurred in by Bond Counsel, and the execution thereof by an Authorized Representative shall be conclusive evidence of the approval of any such changes or additions. The Executive Committee hereby authorizes the delivery and the performance of the Master Indenture and the Master Fiscal Agent Agreement.

The Executive Committee hereby approves the forms of the Supplemental Indenture substantially in the form contained in the Master Indenture and Supplemental Fiscal Agent Agreement substantially in the form contained in the Master Fiscal Agent Agreement, together with any changes therein or additions thereto approved by an Authorized Representative and reviewed and concurred in by Bond Counsel, required for the issuance of each Limited Obligation Improvement Bond or Series of Limited Obligation Improvement Bonds, and the execution thereof by an Authorized Representative shall be conclusive evidence of the approval of any such changes or additions. The Executive Committee hereby authorizes and directs an Authorized Representative to execute the final form of each Supplemental Indenture or Supplemental Fiscal Agent Agreement, as applicable, for and in the name of WRCOG for each Series of Limited Obligation Improvement Bonds. The Executive Committee hereby authorizes the delivery and performance of each Supplemental Indenture or Supplemental Fiscal Agent Agreement, as applicable, for each Series of Limited Obligation Improvement Bonds.

Section 6. Sale of the Limited Obligation Improvement Bonds. WRCOG hereby authorizes the negotiated sale of the Limited Obligation Improvement Bonds to a Capital Provider approved by the Authorized Representative (the "Purchaser") provided that the conditions for issuance of each such Limited Obligation Improvement Bond set forth in the Master Indenture or Master Fiscal Agent Agreement, and the Supplemental Indenture or Supplemental Fiscal Agent Agreement, as applicable, have been satisfied. Each Limited Obligation Improvement Bond shall be sold to the Purchaser pursuant to the Master Indenture or Master Fiscal Agent Agreement, as applicable, and the applicable Supplemental Indenture or Supplemental Fiscal Agent Agreement applicable to such bond or Series thereof. The Executive Committee hereby delegates to the Executive Director or another Authorized Representative the authority to establish and agree with the Purchaser to the final terms for each Limited Obligation Improvement Bond or Series thereof including, but not limited to, the principal amount thereof, the interest rate on such Limited Obligation Improvement Bond or Series thereof and the redemption provisions.

Section 7. Appointment of Professionals. The following professionals are hereby approved to serve in the following capacities:

- a. *Assessment Administrator.* David Taussig & Associates, Inc. shall serve as assessment administrator for the Capital Provider Program.
- b. *Bond Counsel.* Best Best & Krieger LLP shall serve as bond counsel for the Capital Provider Program.
- c. *Trustee/Fiscal Agent.* The Authorized Representatives are hereby authorized to appoint a trustee and/or fiscal agent to serve as trustee or fiscal agent, as applicable, pursuant to each Master Indenture and each Master Fiscal Agent Agreement, and to take any and all actions provided for therein, respectively, by the Trustee and the Fiscal Agent.

Section 8. Form of Limited Obligation Improvement Bonds. The form of Limited Obligation Improvement Bonds as set forth in the form of the Master Indenture and each Supplemental Indenture or the form of the Master Fiscal Agent Agreement and each Supplemental Fiscal Agent Agreement, as applicable, is approved. The Treasurer of WRCOG and the Secretary of the Executive Committee are authorized and directed to execute by manual or facsimile signature, in the name and on behalf of WRCOG, the Limited Obligation Improvement Bonds or Series thereof in either temporary or definitive form and to deliver or cause the delivery of each Limited Obligation Improvement Bond or Series thereof to the applicable purchaser pursuant to the Master Indenture and the applicable Supplemental Indenture or the form of the Master Fiscal Agent Agreement and each Supplemental Fiscal Agent Agreement, as applicable.

Section 9. Approval of Form of Professional Services Agreement for Assessment Administration Services. The Executive Committee hereby approves to form of Professional Services Agreement with David Taussig & Associates, Inc. in substantially the form on file with the Secretary of the Executive Committee, together with any charges therein or additions thereby approved by the Executive Director of WRCOG and execution thereof by an Authorized Representative shall be conclusive evidence of the approval of any such changes therein or additions. The Executive Committee hereby authorizes the delivery and performance of the Professional Services Agreement.

Section 10. No Obligation of WRCOG, its Regular Members or Associate Members. Pursuant to Streets and Highways Code Section 8769, this Executive Committee does hereby determine that WRCOG will not obligate itself to advance funds from the WRCOG treasury to cure any deficiency in the Redemption Fund (as such term is defined in the Master Indenture) for the Limited Obligation Improvement Bonds established pursuant to the Master Indenture or the Fiscal Agent

Agreement. The Executive Committee further declares and determines that no Regular Member or Associate Member shall be obligated to advance funds from the treasury of such Regular Member or Associate Member to cure any such deficiency in such Redemption Fund or the Assessment Collection Account.

Section 11. Conditions of Approval. The approvals, authorization and direction given by this Resolution related to the Limited Obligation Improvement Bonds are conditioned upon the satisfaction of the requirements hereof and of the Master Indenture or Master Fiscal Agent Agreement with respect to the issuance and sale of the Limited Obligation Improvement Bonds. The Authorized Officers and shall not be required to take any action with respect to the execution and delivery of a Supplemental Indenture or the issuance, sale or delivery of any Limited Obligation Improvement Bond unless and until such conditions are satisfied; provided, however, that upon satisfaction of such conditions as to any Limited Obligation Improvement Bond, this Resolution shall be fully effective and shall be carried out as to such Limited Obligation Improvement Bonds or Series thereof without the further approval or action of the Executive Committee.

Section 12. Official Actions with Regard to the Limited Obligation Improvement Bonds. Each officer of WRCOG or Authorized Representative is hereby authorized and directed, for and in the name and on behalf of WRCOG, to do any and all things and take any and all actions, including execution and delivery of any and all assignments, certificates, requisitions, agreements, notices, consents, instruments of conveyance, warrants and other documents, which they, or any of them, may deem necessary or advisable in order to consummate the issuance and sale of the Limited Obligation Improvement Bonds. All actions heretofore taken by the officers and agents of WRCOG with respect to the sale and issuance of the Limited Obligation Improvement Bonds are hereby approved, confirmed and ratified.

Section 13. Other Additional Action. All actions heretofore taken by the officers and agents of WRCOG with respect to the other matters contemplated by this Resolution and the Program Reports are hereby approved, confirmed and ratified, and the proper officers of WRCOG, including but not limited to the Executive Director, the Secretary, and the Director of Energy and Environmental Programs, and their designees, are hereby authorized, for and in the name and on behalf of WRCOG, to do any and all things and take any and all actions and execute and deliver any and all certificates, agreements, assignments, notes and other documents which they, or any of them, may deem necessary or advisable with respect to the establishment of the Capital Provider Program and in order to consummate the matters contemplated by this Resolution and the Program Report. The Executive Director or any Authorized Representative is hereby authorized and directed to approve any other documents related to the Capital Provider Program necessary in the judgment of the Executive Director or such Authorized Representative to conform such documents to the actions taken by the adoption of this Resolution.

Section 14. Effective Date. This Resolution shall take effect upon the date of its adoption.

PASSED AND ADOPTED at a Meeting of the Executive Committee of the Western Riverside Council of Governments held this 1st day of February 2021.

Kevin Bash, Chair
WRCOG Executive Committee

Rick Bishop, Secretary
WRCOG Executive Committee

Approved as to form:

Best Best & Krieger, LLP
WRCOG Executive Committee

AYES: _____

NOES: _____

ABSENT: _____

ABSTAIN: _____

Item 6.C

PACE Programs Activities Update:
Addition of Direct Capital Provider

Attachment 2

Redlined WRCOG Energy and
Efficiency Program Administrative
Guidelines Program Report

Page Intentionally Left Blank

PROGRAM REQUIREMENTS FOR PARTICIPATION IN WRCOG'S DIRECT CAPITAL PROVIDER COMMERCIAL FINANCING FOR COMMERCIAL PROPERTIES

If financing is provided for the Program by Capital Providers for commercial properties, the following eligibility requirements will apply:

A. ELIGIBLE PROPERTY OWNERS AND ELIGIBLE PROPERTIES

Capital Providers may provide financing for commercial property owners and will finance alternative energy systems, energy efficiency, water conservation, fire hardening and seismic strengthening improvements, using financing provided by such Capital Provider meeting the following minimum requirements and is authorized by the Executive Director of WRCOG:

- Minimum of \$10M in capital available for financing C-PACE loans. Availability of capital needs to be evidenced by a capital commitment letter or letter of intent
- Capital Provider agrees that the financing team must include David Taussig & Associates, Inc. as assessment administrator, Best Best & Krieger LLP as bond counsel, and fiscal agent / trustee to be determined upon mutual agreement between Capital Provider and BBK
- Minimum 2 years of C-PACE and 10 years of commercial banking experience
- Federally regulated bank or financial institution
- _____

Property owners may be individuals, associations, business entities, cooperatives, and any owner of Commercial property for which real property taxes are paid or assessments may otherwise be collected on the property tax bill. New construction of eligible properties are subject to additional underwriting and technical requirements.

All projects must, at a minimum, meet the following requirements, unless expressly waived by authorized personnel of WRCOG:

- Applicant must be the property owner of record
- Property Owner must be current on the payment of special taxes and not have had any major delinquencies for the past three years
- No bankruptcy of property owner or affiliated companies for seven years
- No liens except mortgage debt for which lender consent has been obtained, except liens of community facilities district and assessments district
- Must finance or refinance products improvements authorized under program report
- Total effective tax rate not to exceed 5%
- Value to Lien requirement 95% (includes PACE plus existing debt)
- Minimum transaction size of \$2M
- Energy savings report

Refinancing:

- Authorized to refinance existing debt or cash financed-eligible improvements
- Improvements installed three years prior to date of application of PACE refinancing
- Useful life of improvements is equal to or greater than the term of the PACE refinancing
- Compliance with parameters established for commercial program in Program Report

Page Intentionally Left Blank

Item 6.C

PACE Programs Activities Update:
Addition of Direct Capital Provider

Attachment 3

Redlined California HERO Program
Report

Page Intentionally Left Blank

PROPERTY ASSESSMENT LIEN

All property owners must sign, and return the Assessment Contract within the time period specified in the notice of approval of a property owner's application. Upon completion of the project and execution of the Assessment Contract, the Agent will place a lien for the full amount of the contractual assessment on the property that secures such assessment. If the lien is recorded before the first business day in July, the assessment installment will appear on the next tax bill. For liens recorded after the first business day of July, the assessment installment will not appear on the tax bill until the following tax year, but interest will accrue on the outstanding balance. A direct bill and/or additional tax bill or other method of payment (including capitalized interest) may be required, as determined by the Program, during the first tax year.

DELINQUENT ASSESSMENT COLLECTIONS

In general, it is expected that assessment installments will be collected on the *ad valorem* tax bills sent to property owners by the Treasurer-Tax Collector of the County in which such owner's property is located, and therefore delinquency information will generally be available from such the Treasurer-Tax Collector's office. In order to attract financing, the Agent will covenant to commence and pursue judicial foreclosure proceedings with respect to parcels that are delinquent in the payment of assessment installments. The precise terms of such a covenant will be determined at the time of bond issuance.

Direct Capital Provider

Capital Providers may provide financing for commercial property owners and will finance alternative energy systems, energy efficiency, water conservation, fire hardening and seismic strengthening improvements, using financing provided by such Capital Provider meeting the following minimum requirements and is authorized by the Executive Director of WRCOG:

- Minimum of \$10M in capital available for financing C-PACE loans. Availability of capital needs to be evidenced by a capital commitment letter or letter of intent
- Capital Provider agrees that the financing team must include David Taussig & Associates, Inc. as assessment administrator, Best Best & Krieger LLP as bond counsel, and fiscal agent / trustee to be determined upon mutual agreement between Capital Provider and BBK
- Minimum 2 years of C-PACE and 10 years of commercial banking experience
- Federally regulated bank or financial institution

Property owners may be individuals, associations, business entities, cooperatives, and any owner of Commercial property for which real property taxes are paid or assessments may otherwise be collected on the property tax bill. New construction of eligible properties are subject to additional underwriting and technical requirements.

All projects must, at a minimum, meet the following requirements, unless expressly waived by authorized personnel of WRCOG:

- o Applicant must be the property owner of record
- o Property Owner must be current on the payment of special taxes and not have had any major delinquencies for the past three years
- o No bankruptcy of property owner or affiliated companies for seven years
- o No liens except mortgage debt for which lender consent has been obtained, except liens of community facilities district and assessments district
- o Must finance or refinance products improvements authorized under program report
- o Total effective tax rate not to exceed 5%
- o Value to Lien requirement 95% (includes PACE plus existing debt)
- o Minimum transaction size of \$2M
- o Energy savings report

Refinancing:

- Authorized to refinance existing debt or cash financed-eligible improvements
- Improvements installed three years prior to date of application of PACE refinancing
- Useful life of improvements is equal to or greater than the term of the PACE refinancing
- Compliance with parameters established for commercial program in Program Report

THE FINANCIAL STRATEGIES

The Program includes the following financial strategies.

Strategy One: The Program will, at launch, utilize Renovate America to fund installations of Eligible Products for Residential and Commercial properties. Renovate America will provide a revolving credit line to finance the installation of Eligible Products for such Residential and Commercial properties. Property and other eligibility requirements will be determined pursuant to the criteria set forth in above and in the Residential Handbook. In consideration for funding the installation of such Eligible Products the Agent shall issue and deliver to Renovate America one or more municipal

Item 6.C

PACE Programs Activities Update:
Addition of Direct Capital Provider

Attachment 4

WRCOG Capital Provider Program
Master Fiscal Agent Agreement

Page Intentionally Left Blank

MASTER FISCAL AGENT AGREEMENT

between

WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS

and

as Fiscal Agent

Dated as of [__], 2021

Relating to:

**WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS
(CAPITAL PROVIDER PROGRAM-[Name of Capital Provider])
LIMITED OBLIGATION IMPROVEMENT BONDS
(First Commercial Property Tranche)**

ARTICLE I
STATUTORY AUTHORITY AND DEFINITIONS
3

Section 1.01.	Authority for this Master Fiscal Agent Agreement.....	3
Section 1.02.	Definitions	3
Section 1.03.	Interpretation	13
Section 1.04.	Fiscal Agent Agreement Constitutes Contract	13

ARTICLE II
THE BONDS
14

Section 2.01.	Bonds Authorized.....	14
Section 2.02.	Payment of Principal of and Interest on the Bonds	14
Section 2.03.	Redemption.....	15
Section 2.04.	Execution of Bonds	18
Section 2.05.	Transfer of Bonds	18
Section 2.06.	Exchange of Bonds.....	18
Section 2.07.	Bond Register	19
Section 2.08.	Temporary Bonds	19
Section 2.09.	Bonds Mutilated, Lost, Destroyed or Stolen	19

ARTICLE III
SECURITY; ISSUANCE OF BONDS
21

Section 3.01.	Security for the Bonds; Pledge of Assessments and Funds.....	21
Section 3.02.	Limited Obligation	21
Section 3.03.	No Parity Debt.....	22
Section 3.04.	Requirements for Issuance of Bonds	22
Section 3.05.	No Acceleration.....	23
Section 3.06.	Refunding of Bonds.....	23
Section 3.07.	Agreement for Benefit of Bond Owners	24

ARTICLE IV
FUNDS AND ACCOUNTS
25

Section 4.01.	Redemption Fund	25
Section 4.02.	Program Fund	28
Section 4.03.	Reserve Fund.....	30

TABLE OF CONTENTS
(continued)

	Page
Section 4.04. Establishment of Subaccounts.....	30
 ARTICLE V COVENANTS OF WRCOG 32	
Section 5.01. Collection of Assessments.....	32
Section 5.02. Foreclosure	33
Section 5.03. Punctual Payment	34
Section 5.04. Extension of Time for Payment.....	34
Section 5.05. Against Encumbrance.....	34
Section 5.06. Books and Accounts	34
Section 5.07. Protection of Security and Rights of Owners	35
Section 5.08. Compliance with Law; Completion of Improvements	35
Section 5.09. Further Assurances	35
 ARTICLE VI INVESTMENTS; LIABILITY OF WRCOG 36	
Section 6.01. Deposit and Investment of Moneys in Funds	36
Section 6.02. Limited Liability of WRCOG	37
Section 6.03. Employment of Agents by WRCOG.....	37
 ARTICLE VII THE FISCAL AGENT 38	
Section 7.01. Appointment of Fiscal Agent	38
Section 7.02. Liability of Fiscal Agent.....	39
Section 7.03. Information; Books and Accounts.....	41
Section 7.04. Notice to Fiscal Agent	41
Section 7.05. Compensation; Indemnification	42
Section 7.06. Fiscal Agent as Owner.....	42
 ARTICLE VIII MODIFICATION OR AMENDMENT OF THE FISCAL AGENT AGREEMENT 43	
Section 8.01. Conditions for Amendment	43
Section 8.02. Procedure for Amendment with Written Consent of Owners	44

TABLE OF CONTENTS
(continued)

	Page
Section 8.03. Disqualified Bonds	45
Section 8.04. Effect of Supplemental Fiscal Agent Agreement	45
Section 8.05. Endorsement or Replacement of Bonds Issued After Amendment.....	45
Section 8.06. Amendatory Endorsement of Bonds	46
Section 8.07. Execution of Supplemental Fiscal Agent Agreement	46

ARTICLE IX
EVENTS OF DEFAULT; REMEDIES
47

Section 9.01. Events of Default.....	47
Section 9.02. Remedies of Owners.....	47
Section 9.03. Application of Funds After Default.....	48

ARTICLE X
MISCELLANEOUS
50

Section 10.01. Discharge of Fiscal Agent Agreement	50
Section 10.02. Benefits of Agreement Limited to Parties	50
Section 10.03. Successor is Deemed Included in All Reference to Predecessor	51
Section 10.04. Execution of Documents and Proof of Ownership by Owners	51
Section 10.05. Waiver of Personal Liability	51
Section 10.06. Notices to and Demand on Authority and Fiscal Agent.....	52
Section 10.07. Partial Invalidity	52
Section 10.08. Unclaimed Moneys.....	52
Section 10.09. Applicable Law	52
Section 10.10. Content of Certificates.....	53
Section 10.11. Conclusive Evidence of Regularity	53
Section 10.12. Payment on Business Day	53
Section 10.13. Counterparts	53
Exhibit A – Form of Supplemental Fiscal Agent Agreement.....	A-1
Exhibit B - Form of Transfer Letter.....	B-1

MASTER FISCAL AGENT AGREEMENT

THIS MASTER FISCAL AGENT AGREEMENT (this “**Master Fiscal Agent Agreement**”) is made and entered into as of [____], 2021, between the **WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS**, a joint exercise of powers agency duly organized and existing under the Constitution and laws of the State of California (“**WRCOG**”), and [**FISCAL AGENT NAME**], a national banking association duly organized and existing under the laws of the United States of America (the “**Fiscal Agent**”).

BACKGROUND:

WHEREAS, acting under the provisions of Chapter 29 of the Improvement Bond Act of 1911, being Division 7 of the California Streets and Highways Code (“Chapter 29”), WRCOG has established the Energy Efficiency and Water Conservation Program for Western Riverside County (the “WRCOG Program”) pursuant to which WRCOG is authorized to enter into contractual assessments with the owners of residential or commercial real property located within the County of Riverside and the cities within the western portion of the County of Riverside that have elected to participate in the WRCOG Program to finance the installation of distributed generation renewable energy sources, energy and water efficiency improvements and electric vehicle charging infrastructure (the “Authorized Improvements”); and

WHEREAS, acting under Chapter 29, WRCOG has also established the California PACE Program (the “California Program” and, together with the WRCOG Program, the “Program”) pursuant to which WRCOG is authorized to enter into contractual assessments with the owners of residential and commercial real property located within cities and counties located outside of the western portion of the County of Riverside that have elected to become Associate Members of WRCOG and to participate in the California Program to finance the installation of Authorized Improvements; and

WHEREAS, WRCOG is authorized to issue limited obligation improvement bonds pursuant to Section 5898.22 and Section 5898.28 of Chapter 29 and the Improvement Bond Act of 1915, as amended, being Division 10 of the California Streets and Highways Code (the “Bond Act”), to finance the installation of Authorized Improvements that are permanently fixed to residential or commercial real property located within cities or counties participating in the Program; and

WHEREAS, on [February 1, 2021], the Executive Committee adopted Resolution Number ____, entitled “A Resolution of the Executive Committee of the Western Riverside Council of Governments authorizing WRCOG to issue and directly place bonds to finance eligible improvements to be installed on commercial properties located within the boundaries of both the WRCOG energy efficiency and Water Conservation Program for Western Riverside County and the California Hero Program with certain capital providers, and in connection with such authorization, approving amendments to the Program Report for such programs and the forms of a Commercial Handbook, Assessment Contract, Master Fiscal Agent Agreement, Master Fiscal Agent Agreement and Master Bond Purchase Agreement, and authorizing the issuance of bonds pursuant to such Master Fiscal Agent Agreement or Master Fiscal Agent Agreement secured by assessments levied on Commercial Properties to finance the installation of

eligible improvements on such Commercial Properties and approving other actions in connection thereto” (the “Resolution of Issuance”) to authorize WRCOG to directly administer the Programs and issue and sell bonds to a capital provider that is approved by the Executive Director or his designee or authorized pursuant to the provisions of the Program Reports to allow for the financing of Authorized Improvements on commercial properties within the Program Areas (the “Capital Provider Program”); and

WHEREAS, the Executive Committee did, by the adoption of the Resolution of Issuance, approve the form of this Master Fiscal Agent Agreement, authorized the Executive Director of WRCOG or designee to appoint a Fiscal Agent and such authorized representative has selected [Fiscal Agent Name] as Fiscal Agent hereunder; and

WHEREAS, pursuant to the Resolution of Issuance the Executive Committee did authorize WRCOG to issue limited obligation improvement bonds pursuant to this Master Fiscal Agent Agreement (defined herein as the “Bonds”) to finance the installation of Authorized Improvements on commercial properties the owners of which have elected to participate in the Capital Provider Program; and

WHEREAS, it is in the public interest and for the benefit of WRCOG and the owners of the Bonds that WRCOG and the Fiscal Agent enter into this Master Fiscal Agent Agreement to provide for the issuance of the Bonds, the disbursement of proceeds of such bonds, the disposition of the assessments securing the Bonds and the administration and payment of the Bonds; and

WHEREAS, WRCOG has determined that all things necessary to cause the Bonds, when authenticated by the Fiscal Agent and issued as provided in the Bond Act, the Resolution of Issuance, and this Master Fiscal Agent Agreement, to be legal, valid and binding limited obligations in accordance with their terms, and all things necessary to cause the creation, authorization, execution and delivery of this Master Fiscal Agent Agreement and the creation, authorization, execution and issuance of the Bonds, subject to the terms hereof, have in all respects been duly authorized.

NOW, THEREFORE, in consideration of the covenants and provisions herein set forth and for other valuable consideration the receipt and sufficiency of which are hereby acknowledged, the parties hereto do hereby agree as follows:

ARTICLE I

STATUTORY AUTHORITY AND DEFINITIONS

Section 1.01. Authority for this Master Fiscal Agent Agreement. This Master Fiscal Agent Agreement is entered into under Chapter 29, the Bond Act and the Resolution of Issuance.

Section 1.02. Definitions. Unless the context otherwise requires, the terms defined in this Section 1.02 will, for all purposes of this Master Fiscal Agent Agreement, of any Supplemental Fiscal Agent Agreement (as herein defined), and of any certificate, opinion or other document herein mentioned, have the meanings herein specified.

“Accredited Investor” means an “accredited investor” as such term is defined in Rule 501(a) of Regulation D promulgated under the United States Securities Act of 1933, as amended.

“Administrative Expense Account” means the account of that name established in the Program Fund and designated “Western Riverside Council of Governments Capital Provider Program Limited Obligation Improvement Bonds (First Commercial Property Tranche) Administrative Expense Account,” established and administered pursuant to Section 4.02.

“Administrative Expenses” means costs directly related to the administration of the Program, as determined by WRCOG in its sole reasonable discretion, including, but not limited to: the actual costs of preparing the annual Assessment Installment collection schedules (whether by an employee of WRCOG or a consultant or both) and the actual costs of collecting the Assessment Installments (whether by a county or otherwise); actual fees and costs of the Fiscal Agent, in each case as evidenced by written documentation provided to WRCOG; the actual costs of remitting the Assessment Installments to the Fiscal Agent; actual costs of the Fiscal Agent (including its legal counsel) in the discharge of its duties under the Fiscal Agent Agreement; the actual costs of WRCOG or its designee of complying with the disclosure provisions of Chapter 29, the Bond Act, federal securities laws and the Fiscal Agent Agreement, including those related to public inquiries regarding the Assessments and disclosures to Owners of the Bonds; the actual costs of WRCOG or its designee related to an appeal or challenge of the Assessment; any amounts required to be rebated to the federal government; and an allocable share of the salaries of WRCOG staff directly related to the foregoing and a proportionate amount of Authority general administrative overhead related thereto. Administrative Expenses shall also include amounts advanced by WRCOG for any administrative purpose relating to the Program, including costs related to prepayments of Assessments and the costs of prosecuting foreclosure of delinquent Assessment Installments and actual fees and costs of WRCOG.

“Annual Assessment Administrative Fee” means, as to each Participating Parcel, the administrative fee due and payable pursuant to an Assessment Contract that shall be collected on the property tax bill pertaining to such Participating Parcel.

“Assessment” or “Assessments” means the unpaid contractual assessment(s) levied on the Participating Parcel(s) pursuant to an Assessment Contract(s), but excludes Penalties and Interest.

“Assessment Administrator” means David Taussig & Associates, and its successors, or any financial consultant or firm of such financial consultants judged by WRCOG to have experience in the administration for and on behalf of public agencies of assessments similar to the Assessments levied by such public agencies in the State of California.

“Assessment Collection Account” means the account within the Redemption Fund designated as the “Western Riverside Council of Governments Capital Provider Program Limited Obligation Improvement Bonds (First Commercial Property Tranche) Assessment Collection Account,” established and administered by the Fiscal Agent pursuant to Section 4.01 hereof. Unless otherwise instructed by WRCOG, such account will be established in the Redemption Fund for each Series of Bonds for accounting purposes only.

“Assessment Contract” means the contract between WRCOG and the Property Owner pursuant to which the Property Owner agrees to pay the Assessment and WRCOG agrees to finance the installation of Improvements on the Participating Parcel.

“Assessment Installment” means, as to each Participating Parcel, the portion of the principal amount of the Assessment, together with the interest on the Assessment, due and payable pursuant to an Assessment Contract that shall be collected on the property tax bill pertaining to such Participating Parcel.

“Auditor” means the auditor/controller or tax collector of the applicable county in which the Participating Parcel is located, or such other official of the county who is responsible for preparing real property tax bills.

“Authorized Denominations” means the entire principal amount of the Outstanding Bonds of a Series.

“Authorized Representative” means the Executive Director of WRCOG or his or her designee or designees each of whom is authorized pursuant to a Certificate of WRCOG executed by the Executive Director.

“Bond” or **“Bonds”** means the Western Riverside Council of Governments (Capital Provider Program – [Name of Capital Provider]) Limited Obligation Improvement Bonds (First Commercial Property Tranche) in one or more Series, authorized, executed and delivered under this Master Fiscal Agent Agreement.

“Bond Counsel” means Best Best & Krieger LLP, and its successors, or any other attorney or firm of attorneys of nationally recognized standing in matters pertaining to the issuance of bonds by states and their political subdivisions, duly admitted to the practice of law before the highest court of the State of California.

“Bond Act” means the Improvement Bond Act of 1915, being Division 10 of the California Streets and Highways Code (commencing with Section 8500 et seq.), and as it may be amended from time to time, to the extent not in conflict with Chapter 29.

“Bond Register” means the books maintained by the Fiscal Agent pursuant to Section 2.07 for the registration and transfer of ownership of the Bonds.

“Bond Year” means, with respect to the Bonds, the twelve-month period beginning on September 3 in each year and ending on September 2 in the following year except that (i) the first Bond Year will begin on the date of delivery of the Bonds and end on the next September 2, and (ii) the last Bond Year may end on a prior redemption date.

“Business Day” means any day other than (i) a Saturday or a Sunday or (ii) a day on which banking institutions in California or in the state in which the Fiscal Agent has its principal office are authorized or obligated by law or executive order to be closed.

“Capitalized Interest Account” means the account of that name established in the Redemption Fund and administered under Section 4.01. Such account will be established only as directed in a Supplemental Fiscal Agent Agreement with respect to a Series of Bonds and unless otherwise instructed by WRCOG, such account will be established for accounting purposes only.

“Certificate of WRCOG” means a written certificate of WRCOG signed by an Authorized Representative of WRCOG.

“Chapter 29” shall have the meaning given such term in the recitals hereto.

“Closing Date” means, as to each Bond or Series of Bonds, the date of issuance of thereof.

“Collateral” shall have the meaning given such term in Section 3.01 hereto.

“Commercial” shall have the meaning given such term in the Program Report.

“Costs of Issuance” means all items of expense directly or indirectly payable by or reimbursable to WRCOG relating to the authorization, issuance, sale and delivery of the Bonds, including, but not limited to: printing expenses; rating agency fees; filing and recording fees; initial fees, expenses and charges of the Fiscal Agent and its counsel, including the Fiscal Agent’s first annual administrative fee; fees, charges and disbursements of Bond Counsel and other attorneys, financing advisors, accounting firms, consultants and other professionals, fees and charges for preparation, execution and safekeeping of the Bonds; and any cost, charge or fee in connection with the original issuance of a Series of Bonds.

“Costs of Issuance Account” means the account of that name established in the Program Fund and designated “Western Riverside Council of Governments (Capital Provider Program – [Name of Capital Provider]) Limited Obligation Improvement Bonds (First Commercial Property Tranche) Costs of Issuance Account,” established and administered pursuant to Section 4.04 of this Master Fiscal Agent Agreement. Unless otherwise instructed by WRCOG, such account will be established in the Program Fund for each Series of Bonds for accounting purposes only.

“County” means the County of _____.

“Covered Jurisdiction” means the jurisdictional boundaries of the Member Agencies of WRCOG participating in the Programs.

“Debt Service” means, for each Bond Year, with respect to a Series of Bonds, the sum of (i) the interest due on the Outstanding Bonds of such Series in such Bond Year, assuming that the Outstanding Bonds of such Series are retired as scheduled, and (ii) the principal amount of the Outstanding Bonds of such Series and the Sinking Fund Payments on such Bonds due in such Bond Year.

“Debt Service Schedule” means the schedule, as may be amended, established by WRCOG or its authorized agent, which sets forth the dates on which Debt Service shall be paid.

“Designated Transferee” means, as to any Series of Bonds, the party identified as the Designated Transferee, if any, in the Supplemental Fiscal Agent Agreement and/or Certificate of WRCOG with respect to a Series of Bonds providing for the issuance of such Series of Bonds.

“Electronic Means” shall mean the following communications methods: e-mail; facsimile transmission; secure electronic transmission containing applicable authorization codes, passwords and/or authentication keys issued by the Fiscal Agent; or another method or system specified by the Fiscal Agent as available for use in connection with its services hereunder.

“Event of Default” means any event described as an Event of Default in Section 9.01.

“Excess Program Account Proceeds” means the proceeds, if any, from the issuance of a Series of Bonds deposited on the Closing Date in the respective Program Account within the Program Fund for the payment or reimbursement of Improvement Costs for the installation of Improvements on a Participating Parcel that remain on deposit in such account following the payment of all such Improvement Costs.

“Executive Committee” means the Executive Committee of WRCOG.

“Extraordinary Mandatory Redemption Account” means the account within the Redemption Fund designated as the “Western Riverside Council of Governments (Capital Provider Program – [Name of Capital Provider]) Limited Obligation Improvement Bonds (First Commercial Property Tranche) Extraordinary Mandatory Redemption Account,” established by the Fiscal Agent pursuant to Section 4.01(A)(3).

“Federal Securities” means any of the following which are non-callable and which at the time of investment are legal investments under the laws of the State of California for funds held by the Fiscal Agent:

- (ii) direct general obligations of the United States of America (including obligations issued or held in book entry form on the books of the United States Department of the Treasury) and obligations, the timely payment of principal of and interest on which are, directly or indirectly, fully and unconditionally guaranteed by the United States of America, including, without limitation, such of the foregoing which are commonly referred to as stripped obligations and coupons; or

- (iii) any of the following obligations of the following agencies of the United States of America:

- (a) direct obligations of the Export-Import Bank;
- (b) certificates of beneficial ownership issued by the Farmers Home Administration;
- (c) participation certificates issued by the General Services Administration;
- (d) mortgage-backed bonds or pass-through obligations issued and guaranteed by the Government National Mortgage Association;
- (e) project notes issued by the United States Department of Housing and Urban Development; and
- (f) public housing notes and bonds guaranteed by the United States of America.

“Financed Amount” has the meaning given that term in the Assessment Contract(s).

“Improvement Costs” means the costs of installing the Improvements on Participating Parcels in accordance with the Program Report, the Program Handbook and the related Assessment Contract or Assessment Contracts.

“Improvements” means the distributed generation renewable energy, energy efficiency, water efficiency, seismic and electric vehicle charging infrastructure improvements to be installed on the Participating Parcel(s) pursuant to the Assessment Contracts.

“Fiscal Agent Agreement” means collectively this Master Fiscal Agent Agreement, as it may be amended, modified or supplemented from time to time, together with any Supplemental Fiscal Agent Agreement executed pursuant to the provisions of this Master Fiscal Agent Agreement.

“Initial Purchaser” means the party designated as the Initial Purchaser pursuant to each Supplemental Fiscal Agent Agreement and/or Certificate of WRCOG with respect to a Series of Bonds.

“Interest Payment Dates” means, as to any Series of Bonds, March 2 and September 2 of each year, commencing on the Interest Payment Date specified in the Supplemental Fiscal Agent Agreement pursuant to which such Series of Bonds have been issued.

“Joint Exercise of Powers Agreement” means that Joint Powers Agreement of WRCOG originally made and entered into April 1, 1991, as amended and to date and as it may be amended or supplemented from time in accordance with its terms.

“Master Fiscal Agent Agreement” means this Master Fiscal Agent Agreement, dated as of [____], 2021, by and between WRCOG and the Fiscal Agent, as it may be amended, modified or supplemented from time to time pursuant to the provisions of this Master Fiscal Agent Agreement.

“Non-Completion Assessment” means an Assessment collected from the owner of the Participating Parcel(s) resulting from failure to install the Improvements or otherwise comply with requirements of WRCOG.

“Outstanding” when used as of any particular time with reference to the Bonds, means, subject to the provisions of Section 8.03, all Bonds except:

(iv) Bonds canceled by the Fiscal Agent or surrendered to the Fiscal Agent for cancellation;

(v) Bonds paid or deemed to have been paid within the meaning of Article X; and

(vi) Bonds in lieu of or in substitution for which other Bonds have been authorized, executed, issued and delivered by WRCOG pursuant to the Fiscal Agent Agreement.

“Owner” or ***“Bond Owner”*** means the registered owner of any Outstanding Bond as shown on the Bond Register of the Fiscal Agent under Section 2.07.

“Participating Parcel(s)” means the parcel(s) within a Program Area that is (are) subject to the lien of an Assessment pursuant to an Assessment Contract or Assessment Contracts securing a Series of Bonds as identified on Appendix I of each Supplemental Fiscal Agent Agreement.

“Penalties and Interest” means any (i) penalties on delinquent contractual assessments levied on a Participating Parcel(s) pursuant to an Assessment Contract and (ii) interest on delinquent contractual assessments levied on a Participating Parcel(s) pursuant to an Assessment Contract in excess of the interest rate of the related Series of Bonds, in both cases pursuant to Section 5898.30 of Chapter 29.

“Penalties and Interest Account” means the account within the Redemption Fund and designated “Western Riverside Council of Governments Capital Provider Program Limited Obligation Improvement Bonds (First Commercial Property Tranche), Penalties and Interest Account,” established and administered under Section 4.01 hereof.

“Permitted Investments” means any of the following:

(a) Federal Securities.

(b) Federal Housing Administration debentures.

(c) Unsecured certificates of deposit, time deposits, demand deposits, overnight bank deposits, trust funds, trust accounts, interest-bearing deposits, interest-bearing money market accounts, other deposit products, and bankers’ acceptances (having maturities of not more than thirty (30) days) of any bank (including those of the Fiscal Agent and its affiliates) the short-term obligations of which are rated “A-1” or better by S&P.

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

(e) Commercial paper (having original maturities of not more than 270 days) rated “A-1+” by S&P and “Prime-1” by Moody’s.

(f) State Obligations, which means

(i) Direct general obligations of any state of the United States or any subdivision or agency thereof to which is pledged the full faith and credit of a state the unsecured general obligation debt of which is rated “A3” by Moody’s and “A” by S&P, or better, or any obligation fully and unconditionally guaranteed by any state, subdivision or agency whose unsecured general obligation debt is so rated.

(ii) Direct, general short-term obligations of any state agency or subdivision described in (i) above and rated “A-1+” by S&P and “Prime-1” by Moody’s.

(iii) Special Revenue Bonds (as defined in the United States Bankruptcy Code) of any state, state agency or subdivision described in (i) above and rated “AA” or better by S&P and “Aa” or better by Moody’s.

(g) Pre-refunded municipal obligations rated “AAA” by S&P and “Aaa” by Moody’s meeting the following requirements:

(i) the municipal obligations are (A) not subject to redemption prior to maturity or (B) the Fiscal Agent for the municipal obligations has been given irrevocable instructions concerning their call and redemption and the issuer of the municipal obligations has covenanted not to redeem such municipal obligations other than as set forth in such instructions;

(ii) the municipal obligations are secured by cash or United States Treasury Obligations which may be applied only to payment of the principal of, interest and premium on such municipal obligations;

(iii) the principal of and interest on the United States Treasury Obligations (plus any cash in the escrow) has been verified by the report of independent certified public accountants to be sufficient to pay in full all principal of, interest, and premium, if any, due and to become due on the municipal obligations (“Verification”);

(iv) the cash or United States Treasury Obligations serving as security for the municipal obligations are held by an escrow agent or Fiscal Agent for owners of the municipal obligations;

(v) no substitution of a United States Treasury Obligation will be permitted except with another United States Treasury Obligation and upon delivery of a new Verification; and

(vi) the cash or the United States Treasury Obligations are not available to satisfy any other claims, including those by or against the Fiscal Agent or escrow agent.

(h) Investments in a money market mutual fund rated AAAm or AAAm-G or better by S&P and having a rating in the highest investment category granted thereby from Moody's, including, without limitation, any mutual fund for which the Fiscal Agent or an affiliate of the Fiscal Agent serves as investment manager, administrator, shareholder servicing agent, or custodian or subcustodian, or otherwise, notwithstanding that: (i) the Fiscal Agent or an affiliate of the Fiscal Agent receives and retains fees from funds for services rendered; (ii) the Fiscal Agent collects fees for services rendered pursuant to the Fiscal Agent Agreement, which fees are separate from the fees received from such funds; and (iii) services performed for such funds and pursuant to the Fiscal Agent Agreement may at times duplicate those provided to such funds by the Fiscal Agent or an affiliate of the Fiscal Agent.

(i) Repurchase and reverse repurchase agreements collateralized with securities described in (a) and (b) above, including those of the Fiscal Agent or any of its affiliates.

(j) California's Local Agency Investment Fund ("LAIF").

"Prepayment Account" means the account within the Redemption Fund and designated "Western Riverside Council of Governments (Capital Provider Program – [Name of Capital Provider]) Limited Obligation Improvement Bonds (First Commercial Property Tranche) Prepayment Account," established and administered under Section 4.01 hereof. Unless otherwise instructed by WRCOG, such account will be established in the Redemption Fund for each Series of Bonds for accounting purposes only.

"Prepayments" means Non-Completion Assessments or prepayments of Assessments received by WRCOG or the Fiscal Agent, less any administrative fees or penalties collected as part of any such Non-Completion Assessment or prepayment of Assessments.

"Principal Office" means the corporate office of the Fiscal Agent in _____, California, located at such address as will be specified in a written notice by the Fiscal Agent to WRCOG under Section 10.06 hereof or such other office of the Fiscal Agent designated for payment, transfer or exchange of the Bonds.

"Program" means the Capital Provider Program established pursuant to the Resolution of Issuance.

"Program Account" means the respective account within the Program Fund and designated "Western Riverside Council of Governments (Capital Provider Program – [Name of

Capital Provider]) Limited Obligation Improvement Bonds (First Commercial Property Tranche) Program Account,” established and administered under Section 4.01 hereof. Unless otherwise instructed by WRCOG, such account will be established in the Program Fund for each Series of Bonds for accounting purposes only.

“Program Area” has the meaning given to it in the recitals hereto.

“Program Fund” means the fund designated “Western Riverside Council of Governments (Capital Provider Program – [Name of Capital Provider]) Limited Obligation Improvement Bonds Program Fund” established and administered under Section 4.02.

“Program Handbook” means the “Capital Provider Program Handbook” as approved by WRCOG, as such handbook may be amended or supplemented from time to time with the approval of WRCOG.

“Program Manager” means the official of WRCOG designated as the program manager of the Program from time to time.

“Program Report” means the Administrative Guidelines and Program Report for the Program.

“Property Owner” means the owner of the Participating Parcel(s).

“Qualified Institutional Buyer” means a “qualified institutional buyer” as such term is defined in Rule 144A promulgated under the Securities Act of 1933, as amended.

“Record Date” means the 15th day of the calendar month immediately preceding the applicable Interest Payment Date, and any date established by the Fiscal Agent as a Record Date for the payment of defaulted interest on the Bonds, if any.

“Redemption Fund” means the fund designated “Western Riverside Council of Governments (Capital Provider Program – [Name of Capital Provider]) Limited Obligation Improvement Bonds (First Commercial Property Tranche), Redemption Fund,” established and administered under Section 4.01.

“Redemption Premium,” when used in reference to a Series of Bonds, the redemption premium set forth in the Related Supplemental Fiscal Agent Agreement.

“Related,” when used in reference to a Series of Bonds, Assessments, Collateral, Improvements or Assessment Contract, means the Series of Bonds that financed or refinanced the installation of the Improvements in respect of which the property owner agreed to pay the Assessment, the Assessment that relates to the Series of Bonds that financed or refinanced the installation of the Improvements in respect of which the Assessment was made and agreed to or the Collateral that includes those Assessments; the Improvements in respect of which the property owner agreed to pay the Assessment the installation of which are financed or refinanced from a Series of Bonds or the Assessment Contract pursuant to which the Assessment was levied that relates to the Series of Bonds that financed or refinanced the installation of the Improvements. **“Related,”** when used in reference to a Supplemental Fiscal Agent Agreement

and a Series of Bonds, the Supplemental Fiscal Agent Agreement that supplements this Master Fiscal Agent Agreement to establish the terms and conditions set forth in such Supplemental Fiscal Agent Agreement related to the issuance of such Series of Bonds.

“Reserve Fund” means, as to any Series of Bonds, a debt service reserve fund established by the Fiscal Agent pursuant to the Related Supplemental Fiscal Agent Agreement.

“Resolution of Issuance” shall have the meaning given such term in the recitals hereto.

“Series” means each series of Bonds issued pursuant to this Master Fiscal Agent Agreement and the Related Supplemental Fiscal Agent Agreement. A “Series” may, as provided in such Related Supplemental Fiscal Agent Agreement, be a single Bond.

“Sinking Account Payments” means amounts to be paid by WRCOG with respect to any Term Bonds.

“Supplemental Fiscal Agent Agreement” means an agreement which is amendatory of and/or supplemental to this Master Fiscal Agent Agreement substantially in the form set forth in Exhibit A hereto executed and delivered in connection with the issuance of a Series of Bonds pursuant to this Master Fiscal Agent Agreement.

“Teeter Plan” means the alternative procedure for the distribution of property taxes and assessments adopted by a county pursuant to Revenue and Taxation Code sections 4701 through 4717.

“Term Bonds” means a Series of Bonds which are payable on or before their specified maturity dates from Sinking Account Payments established pursuant to the Related Supplemental Fiscal Agent Agreement for that purpose and calculated to retire such Series of Bonds on or before their specified maturity dates.

“Fiscal Agent” means [Fiscal Agent Name], its successors and assigns, and any other corporation or association which may at any time be substituted in its place, as provided in Section 7.01 hereof.

“WRCOG” means the Western Riverside Council of Governments, a joint exercise of powers agency duly organized and existing under the Constitution and laws of the State of California.

“WRCOG Counsel” means the general counsel of WRCOG or designated counsel to WRCOG with respect to the Bonds.

Section 1.03. Interpretation.

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

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

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

Section 1.04. Fiscal Agent Agreement Constitutes Contract. In consideration of the purchase and acceptance of any and all of the Bonds issued hereunder by those who shall hold the same from time to time, the Fiscal Agent Agreement shall be deemed to be and shall constitute a contract among WRCOG, the Fiscal Agent and the Owners of the Bonds. The pledge made in the Fiscal Agent Agreement and the provisions, covenants and agreements set forth in the Fiscal Agent Agreement to be performed by or on behalf of WRCOG shall be for the equal benefit, protection and security of the Owners of any and all of the Bonds. All of the Bonds, without regard to the time or times of their issuance or maturity, shall be of equal rank without preference, priority or distinction of any of the Bonds over any other thereof, except as expressly provided in or permitted by the Fiscal Agent Agreement.

ARTICLE II

THE BONDS

Section 2.01. Bonds Authorized.

(A) **Authorized Bonds.** WRCOG hereby authorizes the issuance of the Bonds in Authorized Denominations under and subject to the terms of the Resolution of Issuance, the Fiscal Agent Agreement, Chapter 29 and the Bond Act. Pursuant to the Resolution of Issuance, the Authorized Representatives of WRCOG are authorized and directed to deliver any and all documents and instruments necessary to cause the issuance of the Bonds in accordance with the provisions of Chapter 29, the Bond Act, the Resolution of Issuance, this Master Fiscal Agent Agreement and any applicable Supplemental Fiscal Agent Agreements.

(B) **Procedures for the Issuance of Bonds.** WRCOG may at any time issue a Series of Bonds in Authorized Denominations payable from Assessments and secured by first priority perfected liens upon such Assessments on the Participating Parcels and the other Collateral pledged hereunder for the payment of such Series of Bonds, subject to the following specific conditions, which are hereby made conditions precedent to the issuance of such Series of Bonds:

(ii) All the requirements of Section 3.04 have been met.

(iii) The issuance of such Series of Bonds has been duly authorized pursuant to the Bond Act and all applicable laws, and the issuance of such Series of Bonds has been provided for by a Supplemental Fiscal Agent Agreement, in substantially the form attached hereto as Exhibit A, duly executed by WRCOG and the Fiscal Agent.

WRCOG acknowledges and agrees that the Initial Purchaser or its Designated Transferee (if applicable) may acquire such Series of Bonds issued hereunder through, or through the account maintained with, a registered broker dealer.

(C) **Proceeds of the Bonds.** Upon the receipt of payment for each Series of Bonds on the Closing Date thereof, the Fiscal Agent will apply the proceeds of sale thereof in the amounts and to the funds and accounts as provided for in the Related Supplemental Fiscal Agent Agreement.

Section 2.02. Payment of Principal of and Interest on the Bonds.

(A) **Payment of Interest.** Interest on each Bond will be computed on the basis of a 360-day year of twelve 30-day calendar months, and will be payable on each Interest Payment Date, pursuant to Debt Service Schedule set forth on Attachment A to the Related Bond. The Bonds will bear interest from the Interest Payment Date next preceding the date of authentication thereof, unless they are authenticated on a day during the period from the sixteenth day of the month next preceding an Interest Payment Date to such Interest Payment Date, both days inclusive, in which event they will bear interest from such Interest Payment Date; or unless they are authenticated on a day on or before the fifteenth day of the month next preceding the first Interest Payment Date, in which event they will bear interest from the date of delivery of such Bonds. Notwithstanding the foregoing, if interest on any Bond is in default at the time of

authentication thereof, such Bond will bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment thereon.

The Bonds shall bear interest at the rate per annum, and mature on the date, shown thereon.

(B) Method of Payment. Interest on the Bonds (including the final interest payment upon maturity or earlier redemption) is payable in lawful money of the United States of America. As to each Series of Bonds, the Fiscal Agent shall pay interest on such Series of Bonds when due by wire transfer in immediately available funds to the person whose name appears on the Bond Register as the Owner thereof on the Record Date preceding such Interest Payment Date in accordance with such wire transfer instructions as shall be filed by such Owner with the Fiscal Agent from time to time prior to such Record Date.

The principal of any Bond and any premium on such Bond are payable in lawful money of the United States of America by the Fiscal Agent to the person whose name appears on the Bond Register as the Owner thereof on the Record Date immediately preceding the applicable Interest Payment Date upon surrender of the Bonds at the Principal Office of the Fiscal Agent. As to each Series of Bonds, payments of principal of such Series of Bonds shall, except on the final maturity thereof, be made without the requirement for presentation and surrender of such Series of Bonds at the Principal Office of the Fiscal Agent, and the Fiscal Agent shall pay such principal of such Series of Bonds when due by wire transfer in immediately available funds to the Owner in accordance with such wire transfer instructions as shall be filed by the Owner of such Series of Bonds with the Fiscal Agent from time to time prior to such Record Date. All Bonds paid by the Fiscal Agent under this Section will be canceled by the Fiscal Agent. The Fiscal Agent will destroy the canceled Bonds and, upon request of WRCOG, issue a certificate of destruction of such Bonds to WRCOG.

Notwithstanding anything contained herein to the contrary, the Initial Purchaser and any Designated Transferee shall not be required to present and surrender the Bond for any principal payment, mandatory redemption payment for the redemption of such Bond in part, or mandatory sinking fund payment other than the final principal payment at maturity.

Section 2.03. Redemption.

(A) General. The Supplemental Fiscal Agent Agreement with respect to any Bond or Series of Bonds may provide that all or a portion of such Bond is or such Series of Bonds are subject to optional or mandatory redemption prior to maturity pursuant to the terms thereof.

All Bonds will be subject to mandatory redemption from amounts received by WRCOG as Prepayments as provided in the applicable Supplemental Fiscal Agent Agreement and subject to the provisions of Part 11.1 of the Bond Act. WRCOG shall advise the Fiscal Agent of such provisions to the extent not specified herein.

Whenever less than all of the Outstanding Bonds issued as a Series of Bonds are called for redemption, the Fiscal Agent will select Bonds for redemption among maturities in such a way that the ratio of Outstanding Bonds to issued Bonds will be approximately the same in each maturity insofar as possible, and such that the remaining Assessments will be sufficient on a

timely basis to pay the aggregate Debt Service on the Bonds. Within each maturity of such a Series, the Fiscal Agent will select Bonds for retirement by lot from all Bonds not previously called for redemption; provided that the Fiscal Agent shall have not less than seventy-two (72) hours before such selection in which to make the selection.

(B) Refundings. The provisions of Part 11.1 of the Bond Act or any other statute authorizing refundings are applicable to the advance payment of Assessments and/or to the refunding and redemption of any Series of the Bonds. WRCOG will advise the Fiscal Agent of such provisions to the extent not specified herein.

(C) Partial Redemption. Whenever less than all of the Outstanding Bond or Bonds of a Series are called for redemption, the Fiscal Agent will select Bonds for redemption in accordance with written direction from WRCOG among maturities in such a way that the remaining Related Assessments will be sufficient on a timely basis to pay debt service on such Series of Bonds. Within each maturity, the Fiscal Agent will select Bonds of such Series for retirement by lot. Payment of principal of any Bond selected for redemption in part and accrued interest and premium, if any, on such Bond shall be payable without surrender of such Bond at the Principal Office of the Fiscal Agent.

The payment of the principal of, premium, if any, and accrued interest on a Bond upon redemption in part shall be payable without the surrender of such Bond to the Fiscal Agent.

If the Bonds have been redeemed pursuant to an optional redemption or a mandatory prepayment redemption, the total amount of all future Sinking Fund Payments relating to such maturity will be reduced by the aggregate principal amount of Term Bonds of such maturity so redeemed, to be allocated among such Sinking Fund Payments on a pro rata basis in Authorized Denominations as set forth in a revised sinking fund schedule provided to the Fiscal Agent by WRCOG.

(D) Notice to Fiscal Agent. WRCOG will give the Fiscal Agent written notice of the aggregate amount of Bonds to be redeemed not less than sixty (60) days prior to the applicable redemption date.

(E) Redemption Procedure by Fiscal Agent.

(ii) Mailing of Notice. If any Bonds are designated for redemption pursuant to the related Supplemental Fiscal Agent Agreement, the Fiscal Agent will cause notice of any redemption to be mailed by first class mail to the respective Owners of any Bonds designated for redemption, at their addresses appearing on the Bond Register in the Principal Office of the Fiscal Agent, at least thirty (30) days but no more than sixty (60) days before the date designated for redemption.

Any failure of any person or entity to receive any such redemption notice if mailed in compliance with the previous paragraph, or any defect in any notice of redemption, will not affect the validity of the proceedings for the redemption of such Bonds.

(iii) Contents of Notice. Such notice will state the following:

- (1) the redemption date;
- (2) the redemption price;
- (3) the date of issue of the Series of the Bonds;

(4) if less than all of the then Outstanding Bonds of a Series are to be called for redemption, the Bond numbers of the Bonds to be redeemed (by designating the Bond number of each Bond to be redeemed or by stating that all Bonds between two designated Bond numbers, both inclusive, are to be redeemed) or that all of the Bonds of one or more maturities have been called for redemption;

(5) as to any Bond called in part, the principal amount thereof to be redeemed;

(6) that such Bonds must be then surrendered at the Principal Office of the Fiscal Agent for redemption at the redemption price; provided that the Initial Purchaser and any Designated Transferee shall not be required to present and surrender the Bond for any principal payment, mandatory redemption payment, or mandatory sinking fund other than the final principal payment at maturity; and

(7) that further interest on the Bonds (or portion thereof) called for redemption will not accrue from and after the redemption date.

(iv) Rescission of Redemption. WRCOG may provide conditional notice of optional redemption and it may rescind any notice of optional redemption by written notice to the Fiscal Agent on or prior to the date fixed for redemption. Any notice of redemption will be cancelled and annulled if for any reason adequate funds are not on deposit in the Redemption Fund on the redemption date, and such cancellation will not constitute an Event of Default hereunder. The Fiscal Agent will mail notice of rescission of redemption in the same manner notice of redemption was originally provided.

(v) Identification of Bonds Redeemed. Upon the payment of the redemption price of Bonds being redeemed, each check or other transfer of funds issued for such purpose will, to the extent practicable, bear the Bond number identifying, by issue and maturity, the Bonds being redeemed with the proceeds of such check or other transfer.

(F) Effect of Redemption. From and after the date fixed for redemption, if funds available for the payment of the principal of, and interest and any premium on, the Bonds, Series of Bonds, or portion of Bonds so called for redemption have been deposited in the Redemption Fund on the date fixed for redemption, then such Bonds, Series of Bonds, or portion of Bonds so called for redemption will become due and payable at the redemption price specified in the redemption notice, and such Bonds, Series of Bonds or portion of Bonds will be defeased and will cease to be entitled to any benefit or security under the Fiscal Agent Agreement other than the right to receive payment of the redemption price, and no interest will accrue thereon on or after the redemption date specified in such notice.

All Bonds redeemed by the Fiscal Agent pursuant to this Section 2.03 and the related Supplemental Fiscal Agent Agreement will be canceled by the Fiscal Agent. The Fiscal Agent will destroy the canceled Bonds and, upon request of WRCOG, issue a certificate of destruction of such Bonds to WRCOG.

Section 2.04. Execution of Bonds. The Bonds will be executed on behalf of WRCOG by the manual or facsimile signature of the Treasurer and attested by the manual or facsimile signature of the Secretary. If any officer whose signature appears on any Bond ceases to be such officer before delivery of the Bonds to the Owner, such signature will nevertheless be as effective as if the officer had remained in office until the delivery of the Bonds to the Owner. Any Bond may be signed and attested on behalf of WRCOG by such persons who, as of the actual date of the execution of such Bond will be the proper officers of WRCOG although at the nominal date of such Bond any such person will not have been such officer of WRCOG.

Only such Bonds as bear thereon a certificate of authentication in substantially the form set forth in the applicable Supplemental Fiscal Agent Agreement, manually executed and dated by the Fiscal Agent, will be valid or obligatory for any purpose or entitled to the benefits of the Fiscal Agent Agreement, and such certificate of authentication of the Fiscal Agent will be conclusive evidence that the Bonds registered hereunder have been duly authenticated, registered and delivered hereunder and are entitled to the benefits of the Fiscal Agent Agreement.

Section 2.05. Transfer of Bonds.

(A) General. Any Bond may, in accordance with its terms and subject to paragraph (B) of this Section, be transferred, upon the Bond Register under Section 2.07 hereof by the person in whose name it is registered, in person or by such person's duly authorized attorney, upon surrender of such Bond for cancellation, accompanied by delivery of a duly written instrument of transfer in a form approved by the Fiscal Agent. The cost for any services rendered or any expenses incurred by the Fiscal Agent in connection with any such transfer will be paid by WRCOG. The Fiscal Agent will collect from the Owner requesting such transfer any tax or other governmental charge required to be paid with respect to such transfer.

Whenever any Bond is or Bonds are surrendered for transfer, WRCOG will execute and the Fiscal Agent will authenticate and deliver a new Bond or Bonds of the same Series, for like aggregate principal amounts, maturities, and interest rates in the denominations herein authorized. Neither WRCOG nor the Fiscal Agent will be required to make such transfer of Bonds on or after a Record Date and before the next ensuing Interest Payment Date.

(B) Transfer Restriction Applicable to Bonds. With respect to any Bond registered in the name of an entity, unless the Fiscal Agent shall have been otherwise directed in a Certificate of WRCOG accompanied by an opinion of Bond Counsel to the effect that such transfer is consistent with federal securities law, the Bond may only be transferred in an Authorized Denomination to (a) WRCOG (or the Fiscal Agent at the direction of WRCOG) or (b) an Accredited Investor or a Qualified Institutional Buyer who delivers to the Fiscal Agent and WRCOG an executed letter substantially in the form of Exhibit B attached to this Master Fiscal Agent Agreement.

Section 2.06. Exchange of Bonds. Bonds may be exchanged at the Principal Office of the Fiscal Agent for a like aggregate principal amount of Bonds of the same Series and of the same maturity. The cost for any services rendered or any expenses incurred by the Fiscal Agent in connection with any such exchange will be paid by WRCOG. The Fiscal Agent will collect from the Owner requesting such exchange any tax or other governmental charge required to be paid with respect to such exchange.

Neither WRCOG nor the Fiscal Agent will be required to make such exchange of Bonds after a Record Date and before the next ensuing Interest Payment Date.

Section 2.07. Bond Register. The Fiscal Agent will keep, or cause to be kept, at its Principal Office the Bond Register for the registration and transfer of the Bonds. The Bond Register will show the Series number, date, maturity amount, rate of interest and last registered Owner of each Bond and will at all times be open to inspection by WRCOG during regular business hours on any Business Day, upon reasonable notice; and, upon presentation for such purpose, the Fiscal Agent will, under such reasonable regulations as it may prescribe, register or transfer or cause to be registered or transferred, on said books, the ownership of the Bonds as hereinbefore provided.

Section 2.08. Temporary Bonds. The Bonds may be initially issued in temporary form exchangeable for definitive Bonds when ready for delivery. The temporary Bonds may be printed, lithographed or typewritten, will be of such authorized denominations as may be determined by WRCOG, and may contain such reference to any of the provisions of the Fiscal Agent Agreement as may be appropriate. Every temporary Bond will be executed by WRCOG and authenticated by the Fiscal Agent upon the same conditions and in substantially the same manner as the definitive Bonds. If WRCOG issues temporary Bonds it will execute and furnish definitive Bonds without delay, but in no event more than fifteen (15) days from the date temporary Bonds are issued, and thereupon the temporary Bonds will be surrendered, for cancellation, in exchange for the definitive Bonds at the Principal Office of the Fiscal Agent or at such other location as the Fiscal Agent will designate, and the Fiscal Agent will authenticate and deliver in exchange for such temporary Bonds an equal aggregate principal amount of definitive Bonds of authorized denominations. Until so exchanged, the temporary Bonds will be entitled to the same benefits under the Fiscal Agent Agreement as definitive Bonds authenticated and delivered hereunder.

Section 2.09. Bonds Mutilated, Lost, Destroyed or Stolen. If any Bond becomes mutilated, WRCOG, at the expense of the Owner of that Bond, will execute, and the Fiscal Agent will authenticate and deliver, a new Bond of like tenor and principal amount in exchange and substitution for the Bond so mutilated, but only upon surrender to the Fiscal Agent of the Bond so mutilated. Every mutilated Bond so surrendered to the Fiscal Agent will be canceled by it and destroyed by the Fiscal Agent who will, upon request of WRCOG, deliver a certificate of destruction thereof to WRCOG.

If any Bond is lost, destroyed or stolen, evidence of such loss, destruction or theft may be submitted to the Fiscal Agent and, if such evidence be satisfactory to the Fiscal Agent and indemnity satisfactory to the Fiscal Agent will be given, WRCOG, at the expense of the Owner, will execute, and the Fiscal Agent will authenticate and deliver, a new Bond of like tenor and

principal amount in lieu of and in substitution for the Bond so lost, destroyed or stolen. WRCOG may require payment of a sum not exceeding the actual cost of preparing each new Bond delivered under this Section 2.09 and of the expenses that may be incurred by WRCOG and the Fiscal Agent for the preparation, execution, authentication and delivery. Any Bond delivered under the provisions of this Section in lieu of any Bond alleged to be lost, destroyed or stolen will constitute an original additional contractual obligation on the part of WRCOG whether or not the Bond so alleged to be lost, destroyed or stolen is at any time enforceable by anyone, and will be equally and proportionately entitled to the benefits of the Fiscal Agent Agreement with all other Bonds issued under the Fiscal Agent Agreement.

ARTICLE III

SECURITY; ISSUANCE OF BONDS

Section 3.01. Security for the Bonds; Pledge of Assessments and Funds. Each Series of Bonds will be secured by a first pledge (which pledge will be effected in the manner and to the extent herein provided) of all of (i) the Related Assessment or Assessments together with all revenues, moneys, accounts receivable, contractual rights to payment, recoveries and other rights to payment of whatever kind with respect to such Related Assessment or Assessments or Related Assessment Contract or Assessment Contracts (except amounts required hereunder to be deposited into the Administrative Expense Account of the Program Fund) that are or may be owed to, or collected or received by, WRCOG or any other entity acting on WRCOG's behalf, including, without limitation, the Related Assessment Installments, Related Prepayments, the foreclosure on a Participating Parcel on which an Assessment has been levied, or any other payment or recovery with respect to an Assessment from any other source but excluding Annual Assessment Administrative Fees, and (ii) the Redemption Fund and all monies, securities or contractual or other rights to payment that are or may be owed or credited to, or deposited in, the Redemption Fund, or owed to, or collected, recovered, received or held by, any other person that is required to credit to or deposit such monies or securities in the Redemption Fund by Chapter 29, the Bond Act or the terms of this Master Fiscal Agent Agreement attributable to proceeds of such Series of Bonds, such Related Assessment or Assessments and such Related Assessment Contract or Assessment Contracts, in each case, derived from the Related Assessment Installments, Related Prepayments, penalties and interest with respect to any delinquent Related Assessment Installment, the foreclosure on a Participating Parcel on which a Related Assessment has been levied, or payments pursuant to a Teeter Plan with respect to Related Assessments, if applicable (the foregoing items in (i) and (ii) above collectively referred to as the "Collateral").

So long as any of the Bonds are Outstanding, the Collateral shall not be used for any other purpose except as provided in this Master Fiscal Agent Agreement. The security interest with respect to a Series of Bonds shall constitute a lien on the Related Collateral of such Series of Bonds and shall attach and be effective, binding and enforceable against WRCOG and all others asserting rights therein from and after delivery by the Fiscal Agent of such Series of Bonds, irrespective of whether those parties have notice thereof and without any physical delivery thereof or further act.

Section 3.02. Limited Obligation. All obligations of WRCOG under the Fiscal Agent Agreement and each Series of Bonds are not general obligations of WRCOG, but are limited obligations, payable solely from the Related Assessments and the funds pledged therefor hereunder. The faith and credit of WRCOG, any Covered Jurisdiction or the State of California, or any political subdivision thereof, is not pledged to the payment of the Bonds.

Each Series of Bonds are "Limited Obligation Improvement Bonds" under section 8769 of the Bond Act and each Series of Bonds is payable solely from and secured solely by the Related Assessments and the amounts in the Redemption Fund attributable to the Related Assessments. Notwithstanding any other provision of the Fiscal Agent Agreement, WRCOG is not obligated to advance available surplus funds from WRCOG treasury to cure any deficiency

in the Redemption Fund; provided, however, WRCOG is not prevented, in its sole discretion, from so advancing funds.

Section 3.03. No Parity Debt. WRCOG may not issue additional Bonds payable from the Assessments other than refunding bonds pursuant to Section 3.05 below.

Section 3.04. Requirements for Issuance of Bonds. Each Series of Bonds issued under a Supplemental Fiscal Agent Agreement will constitute a Bond hereunder and will be secured by a first priority perfected security interest on the Assessment or Assessments securing the payment of such Bond and the other Collateral purported to be pledged and assigned for the payment of such Bond or Bonds hereunder. WRCOG may issue a Bond or Series of Bonds only if the following specific conditions precedent have been met:

(A) Due Authorization. WRCOG shall have reviewed all proceedings heretofore taken relative to the authorization of such Bond or Series of Bonds and shall conclude, as a result of such review, and find and determine that all things, conditions, and acts required by law to exist, happen and be performed precedent to and in the issuance of such Bond or Series of Bonds do exist, have happened and have been performed in due time, form and manner as required by law, and that WRCOG shall be authorized under Chapter 29, the Bond Act and each and every requirement of law, to issue such Bond or Series of Bonds in the manner and form provided in the Fiscal Agent Agreement

(B) Compliance. WRCOG shall be in compliance with all covenants set forth in this Master Fiscal Agent Agreement, and issuance of such Bond or Series of Bonds will not cause WRCOG to exceed the bonded indebtedness limit established for the Program or the maximum Bond authorization set forth in the Resolution of Issuance or as such maximum authorization may be amended by a resolution of the Executive Committee of WRCOG. Neither WRCOG nor anyone acting on its behalf shall have taken, or will take, any action that would subject the issuance or sale of the Bonds to the registration requirements set forth in the Securities Act of 1933, as amended, or to the registration requirements of any securities or blue sky laws of any applicable jurisdiction, and the Bonds issued hereunder shall be subject to a valid exemption from all such registration requirements.

(C) Value. For each Participating Parcel, the value of such parcel (including the value of the Related Improvements financed from the proceeds of the Bond issued for such parcel) shall not be less than the minimum required value as determined at the time of the execution of the Related Assessment Contract by WRCOG pursuant to the requirements set forth in the Program Handbook.

(D) Coverage. The aggregate Assessment Installments payable under each Related Assessment Contract or Assessment Contracts specified in the Related Supplemental Fiscal Agent Agreement shall be at least 100% of the cumulative Debt Service on the Bond or Series of Bonds to be secured by the Related Assessment or Related Assessments levied pursuant to such Assessment Contract or Assessment Contracts, as applicable, through the final maturity date of such Bond or Series of Bonds and the Annual Assessment Administrative Fee or aggregate Annual Assessment Administrative Fees payable pursuant to an Assessment Contract or

Assessment Contracts, as applicable, shall be sufficient to pay the total anticipated Administrative Expenses through the final maturity date of such Bond or Series of Bonds.

In addition, the scheduled Assessment Installments payable pursuant to the applicable Assessment Contract or Assessment Contracts in every Bond Year with respect to a Bond secured by an Assessment or Assessments levied pursuant to such Assessment Contract or Assessment Contracts, as applicable, shall be at least 100% of the annual Debt Service on such Bond through its final maturity date and the scheduled Annual Assessment Administrative Fees levied pursuant to the Assessment Contract or Assessment Contracts in every Bond Year shall be sufficient to pay the anticipated Administrative Expenses for such Bond Year.

(E) Notice of Assessment. A notice of assessment shall have been duly recorded against each Participating Parcel pursuant to Chapter 29 and the Bond Act and there shall have been created a perfected first priority security interest in and to the Assessment levied against each such Participating Parcel and the other Collateral pledged for the payment of each Bond pursuant to the applicable Assessment Contract, the Bond Act, Chapter 29 and this Master Fiscal Agent Agreement.

(F) Opinion of Bond Counsel. On the Closing Date of each Bond or Series of Bonds, WRCOG will deliver an opinion or opinions of Bond Counsel addressed to WRCOG and the Fiscal Agent in form and substance mutually agreed upon by Bond Counsel and the Initial Purchaser (and accepted by the Fiscal Agent). Bond Counsel shall either address each such opinion to the Initial Purchaser and the Designated Transferee (if applicable) or shall, on the Closing Date, provide a reliance letter addressed to the Initial Purchaser and the Designated Transferee (if applicable) indicating to the Initial Purchaser and the Designated Transferee (if applicable) that Bond Counsel has delivered such opinion or opinions to WRCOG and the Fiscal Agent on such date and that the Initial Purchaser may rely upon such opinions as if they had been addressed to the Initial Purchaser and the Designated Transferee (if applicable). In such opinion Bond Counsel shall opine that the issuance of the Bond or Series of Bonds has been duly authorized pursuant to the Bond Act and all other applicable laws and the issuance of the Bond or Series of Bonds has been provided for by the Related Supplemental Fiscal Agent Agreement.

Notwithstanding the foregoing, WRCOG may issue a Series of Bonds as refunding Bonds without the need to satisfy the requirements of paragraphs (C) or (D) above.

Section 3.05. No Acceleration. The principal of the Bonds will not be subject to acceleration hereunder. Nothing in this Section 3.04 will in any way prohibit the prepayment or redemption of Bonds under Section 2.03 hereof, or the defeasance of the Bonds and discharge of the Fiscal Agent Agreement under Article X hereof.

Section 3.06. Refunding of Bonds. The Bonds may be refunded by WRCOG pursuant to Divisions 11 or 11.5 of the California Streets and Highways Code or any other statute authorizing refunding upon the conditions as set forth in appropriate proceedings therefor or under any other statutory authority. This Section will not apply to or in any manner limit advancement of the maturity of any of the Bonds as provided in Parts 8, 9, 11, or 11.1 of the Bond Act, nor will this Section apply to or in any manner limit the redemption and payment of any Bond pursuant to subsequent proceedings providing for the payment of amounts to eliminate

previously imposed fixed lien assessments, including the Assessments. Nothing in this Section 3.05 affects WRCOG's obligation to comply with Section 2.03 hereof in connection with a redemption of the Bonds.

Section 3.07. Agreement for Benefit of Bond Owners. The provisions, covenants and agreements herein set forth to be performed by or on behalf of WRCOG will be for the equal benefit, protection and security of the registered Owners of the Bonds.

ARTICLE IV

FUNDS AND ACCOUNTS

Section 4.01. Redemption Fund.

(A) **Establishment of Redemption Fund.** The Redemption Fund is hereby established as a separate fund to be held by the Fiscal Agent to the credit of which deposits will be made as required by Section 5.01(A), and any other amounts required to be deposited therein by the Fiscal Agent Agreement or the Bond Act. Moneys in the Redemption Fund, exclusive of those in the Penalties and Interest Account therein, will be held by the Fiscal Agent for the benefit of WRCOG and Owners of the related Series of Bonds and disbursed for the payment of the principal of (including Sinking Account Payments), and interest and any redemption premium on, the related Series of Bonds as provided below. The moneys held in the Penalties and Interest Account of the Redemption Fund will be held by the Fiscal Agent for the benefit of the Owners of the Related Series of Bonds and disbursed at the times and for the purposes set forth in Section 4.01(B).

(1) Within the Redemption Fund there is hereby established a Prepayment Account for each Series of Bonds, which will be used exclusively for the administration of any Related Prepayments pursuant to Section 8767 of the Bond Act and paragraph (C) of Section 2.03 and the provisions of the Related Supplemental Fiscal Agent Agreement to assure the timely redemption of the Related Series of Bonds. If all of the Related Assessments securing such Series of Bonds are paid in full WRCOG shall deliver a Certificate of WRCOG directing the Fiscal Agent to close such Prepayment Account.

Within the Redemption Fund there is also hereby established:

- (i) the Capitalized Interest Account, to the credit of which a deposit will be made from the proceeds of the related Series of Bonds pursuant to Section 2.01;
- (ii) the Extraordinary Mandatory Redemption Account which will be used exclusively for administration of any Excess Program Account Proceeds;
- (iii) the Penalties and Interest Account, to the credit of which any Penalties and Interest will be deposited; and
- (iv) the Assessment Collection Account to the credit of which deposits will be made as described below.

Unless otherwise instructed by WRCOG, each such account will be established in the Redemption Fund for accounting purposes only.

(2) Assessment Collection Account. Except for Prepayments which shall be deposited in the Prepayment Account, Excess Program Account Proceeds which shall be deposited into the Extraordinary Mandatory Redemption Account, Penalties and Interest which shall be deposited in the Penalties and Interest Account, or as otherwise provided in this

paragraph (b), the Fiscal Agent shall deposit into the Assessment Collection Account all proceeds and payments with respect to each Assessment, including, without limitation:

- (i) Assessment Installments;
- (ii) any amounts transferred to the Assessment Collection Account from the debt service reserve fund, if any, established pursuant to the Related Supplemental Fiscal Agent Agreement for the Related Series of Bonds;
- (iii) any proceeds from the collection of delinquent Assessment Installments as a result of a foreclosure proceeding conducted pursuant to Section 5.02 against the Participating Parcel on which the applicable Assessment has been levied or otherwise (excluding (A) amounts identified as representing attorney's fees and costs incurred by WRCOG or such other person in prosecuting such foreclosure proceeding and (B) amounts required to be transferred hereunder to replenish the debt service reserve fund, if any, established for the Related Series of Bonds);
- (iv) any amounts received pursuant to the County's Teeter Plan with respect to the Assessments securing the Related Series of Bonds; and
- (v) any amount transferred to the Assessment Collection Account from the respective Program Account pursuant to a Certificate of WRCOG delivered to the Fiscal Agent.

All amounts in the Assessment Collection Account shall be used and withdrawn by the Fiscal Agent solely for the purpose of:

- (i) paying the Debt Service on the Related Series of Bonds on an Interest Payment Date;
- (ii) the payment of remaining principal with respect to the Related Series of Bonds on the respective maturity date thereof;
- (iii) the payment of the principal of and the accrued but unpaid interest and premium, if any, on any Bond upon the redemption thereof as provided in a Supplemental Fiscal Agent Agreement (excluding mandatory redemptions occurring as a result of a Prepayment or application of Excess Program Account Proceeds); or
- (iv) reimbursing WRCOG or a third party from the proceeds of payments representing the redemption of delinquent Assessment Installments for which advances were made by WRCOG or such third party.

All amounts in the Assessment Collection Account, including any earnings on the amounts held in the Assessment Collection Account, shall be held for the benefit of the Bond Owners.

(3) Extraordinary Mandatory Redemption Account. The Fiscal Agent shall, upon receipt of a Certificate of WRCOG directing the Fiscal Agent to transfer Excess Program

Account Proceeds to the Extraordinary Mandatory Redemption Account from the related Program Account, deposit such proceeds in such account. Amounts deposited in the Extraordinary Mandatory Redemption Account shall be credited to the Bond specified in such Certificate of WRCOG and used and withdrawn by the Fiscal Agent solely for the purpose of redeeming such Bond, in whole or in part, on any Interest Payment. The principal amount of the Bond to be redeemed shall equal the amount of the Excess Program Account Proceeds plus the amount, if any, as specified in such Certificate of WRCOG that is then on deposit in the Assessment Collection Account and to be credited to the payment of principal amount of such Bond; provided, however, such principal amount shall be decreased if and to the extent that the amount on deposit in the Assessment Collection Account and/or the Capitalized Interest Account in connection with such Bond is insufficient to pay the accrued interest on such Bond to the date of redemption. The redemption price for such Bond shall be equal to the amount of the Excess Program Account Proceeds, plus the amount, if any, on deposit in the Assessment Collection Account to be credited to the payment of principal amount of such Bond, plus interest to the date of redemption to be paid from the Assessment Collection Account and/or the Capitalized Interest Account, without premium. Interest shall cease to accrue on such Bond, or the principal amount of such Bond that is subject to redemption, from and after the date of redemption. All amounts in the Extraordinary Mandatory Redemption Account, including any earnings on the amounts held therein, shall be held for the benefit of the applicable Bond Owners.

(B) Disbursements. On or before each Interest Payment Date set forth in the table set forth in each Bond pursuant to the Related Supplemental Fiscal Agent Agreement with respect to each Series of Bonds, the Fiscal Agent will withdraw from the applicable accounts in the Redemption Fund and pay to the Owners of the Bonds the principal of (including Sinking Account Payments, if any), and interest and any redemption premium then due and payable on, the Related Series of Bonds. At least five (5) Business Days prior to each Interest Payment Date, WRCOG shall cause the Assessment Administrator to provide to the Fiscal Agent written information, upon which the Fiscal Agent may conclusively rely, as to amounts in the applicable accounts in the Redemption Fund that are for the credit of each Bond for purposes of making such payments pursuant to the Fiscal Agent Agreement. Funds on deposit in the Redemption Fund (and any account established thereunder) and credited to a Bond shall not be used to pay the principal of, or interest or any premium on, any other Bond.

If there are insufficient funds in the Redemption Fund to pay to the Owners of the Related Series of Bonds the principal of (including Sinking Account Payments), and interest and any redemption premium then due and payable on, the Related Series of Bonds, the Fiscal Agent will apply the available funds first to the payment of interest on the Related Series of Bonds, then to the payment of principal due on the Related Series of Bonds (including Sinking Account Payments), and then to payment of interest to the date of redemption and principal and any redemption premium due on the Related Series of Bonds by reason of Related Series of Bonds called for optional redemption or mandatory prepayment redemption.

On each September 2, in accordance with the direction of WRCOG, the Fiscal Agent will use any amounts remaining in the Redemption Fund after payment of interest on the Related Series of Bonds through such September 2 and the payment of principal due on the Related Series of Bonds through such September 2, but excluding any amounts remaining in the Prepayment Account, the Penalties and Interest Account, the Capitalized Interest Account or the

Extra Mandatory Redemption Account, to reduce the installments of the Related Assessments that are levied in the current or succeeding Bond Year upon the Participating Parcel(s) to pay the principal of and interest on the Related Series of Bonds.

On or before each Interest Payment Date, the Fiscal Agent will, at the direction of WRCOG, withdraw from the Penalties and Interest Account and pay to the Owners of the Related Series of Bonds any amounts on deposit therein as additional interest on the Related Series of Bonds.

The Fiscal Agent will disburse the amounts in the Assessment Collection Account that are attributable to the payment of the Non-Completion Assessment pursuant to Section 5.01(A) to pay the redemption price for as many Bonds as possible on the first possible redemption date pursuant to Section 2.03, including accrued interest to the redemption date and the applicable redemption premium (if any) specified in Section 2.03.

(C) Investment. Moneys in the Redemption Fund (and the accounts therein) will be invested and deposited in accordance with Section 6.01. Interest earnings and profits resulting from such investment and deposit will be retained in the Redemption Fund and the accounts therein, as applicable.

(D) Transfers from Reserve Fund. Amounts transferred to the Redemption Fund from a debt service reserve fund, if any, established pursuant to the Related Supplemental Fiscal Agent Agreement for a Series of Bonds will be used in accordance with Part 16 of the Bond Act as directed in an appropriate Certificate of WRCOG.

Section 4.02. Program Fund.

(A) Establishment of Program Fund and the Accounts Therein. The Program Fund is hereby established as a separate fund to be held by the Fiscal Agent and within such fund the following accounts are established: (i) the Program Account, (ii) the Cost of Issuance Account and (iii) the Administrative Expense Account.

(B) Deposits to the Accounts within the Program Fund. The Fiscal Agent shall, pursuant to the Supplemental Fiscal Agent Agreement for the Related Series of Bonds, establish the foregoing accounts with respect to such Related Series of the Bonds, to the credit of which deposits will be made (i) from the proceeds of the Related Series of Bonds as specified in such Supplemental Fiscal Agent Agreement, (ii) as required by Section 5.01(A) and (iii) as otherwise required by the Fiscal Agent Agreement or the Bond Act.

(C) Disbursements. Moneys in the accounts of the Program Fund will be held by the Fiscal Agent and will be disbursed as provided in this paragraph (B).

(ii) Disbursements from Program Accounts. Amounts in each Program Account will be disbursed from time to time to pay for the costs of installing the Related Improvements in accordance with the Related Assessment Contract, as set forth in written instructions of WRCOG delivered to the Fiscal Agent containing the amounts to be paid to the designated payees. Such written instructions will be sufficient evidence to

the Fiscal Agent of the facts stated therein and the Fiscal Agent will have no duty to confirm the accuracy of such facts.

The Fiscal Agent will maintain funds on deposit in the Program Account established for a Series of Bonds until receipt by the Fiscal Agent of a Certificate of WRCOG: (a) notifying the Fiscal Agent that all Improvement Costs to be paid from such account pursuant to a Related Assessment Contracts have been paid and directing the Fiscal Agent to transfer the Excess Program Fund Proceeds remaining on deposit in such Program Account as follows: (i) transfer such Excess Program Fund Proceeds in the amount of \$500 or more as specified in such Certificate of WRCOG to the Extraordinary Mandatory Redemption Account of the Redemption Fund to be applied to the redemption pursuant to paragraph (D) of Section 2.03 of the Related Series of Bonds, in whole or in part, specified in such Certificate of WRCOG; or (ii) directing the Fiscal Agent to transfer any moneys remaining on deposit in such account, including any investment earnings thereon, to the Assessment Collection Account of the Redemption Fund for the credit of such Series of Bond(s).

Funds on deposit in a Program Account and credited to a Bond shall be used solely to pay or reimburse the Improvement Costs associated with the Participating Parcel that has been levied by an Assessment that secures such Bond, and shall not be used to pay the Improvement Costs associated with any other Participating Parcel underlying any other Bond of the same Series or otherwise.

(iii) Disbursements from the Cost of Issuance Accounts. Moneys in each Costs of Issuance Account will be held by the Fiscal Agent and will be disbursed as provided in this paragraph (ii) for the payment or reimbursement of Costs of Issuance for the Related Series of Bonds.

Amounts in the Costs of Issuance Account for a Related Series of Bonds will be disbursed from time to time to pay Costs of Issuance for such Related Series of Bonds, as set forth in a Certificate of WRCOG containing respective amounts to be paid to the designated payees and delivered to the Fiscal Agent concurrently with the delivery of the Related Series of Bonds, or in any future requisition submitted by WRCOG to the Fiscal Agent. Each such certificate will be sufficient evidence to the Fiscal Agent of the facts stated therein and the Fiscal Agent will have no duty to confirm the accuracy of such facts. The Fiscal Agent will pay all Costs of Issuance after receipt of the Certificate of WRCOG, or an invoice from any such payee which requests payment in an amount which is less than or equal to the amount set forth with respect to such payee pursuant to the Certificate of WRCOG requesting payment of Costs of Issuance. The Fiscal Agent will maintain the Costs of Issuance Account for a period of one hundred twenty (120) days from the final date of delivery of the Related Series of Bonds and then will transfer any moneys remaining therein, including any investment earnings thereon, to the Administrative Expense Account for such Related Series of Bonds.

(iv) Disbursements from the Administrative Expense Accounts. Amounts in each Administrative Expense Account shall be used by WRCOG to pay Administrative Expenses for the Related Series of Bonds. Amounts in the Administrative Expense

Account for a Related Series of Bonds will be disbursed from time to time to pay Administrative Expenses for such Related Series of Bonds, as set forth in a Certificate of WRCOG containing respective amounts to be paid to the designated payees and delivered to the Fiscal Agent. Each such certificate will be sufficient evidence to the Fiscal Agent of the facts stated therein and the Fiscal Agent will have no duty to confirm the accuracy of such facts. The Fiscal Agent will pay all Administrative Expenses after receipt of the Certificate of WRCOG, or an invoice from any such payee which requests payment in an amount which is less than or equal to the amount set forth with respect to such payee pursuant to the Certificate of WRCOG requesting payment of Administrative Expenses.

(D) Closure of the Program Fund and the Accounts Therein.

(ii) Closure of the Program Fund. The Fiscal Agent will maintain the Program Fund until all amounts in the Program Fund and the accounts therein are expended or until WRCOG directs the Fiscal Agent to close the fund and all accounts therein, and then the Fiscal Agent will transfer any moneys remaining therein, including any investment earnings thereon, to the Redemption Fund to pay the redemption price for as many Bonds as possible on the first possible redemption date pursuant to Section 2.03(A), including accrued interest to the redemption date and the applicable redemption premium, or to make payments on the Bonds as they come due, as directed by WRCOG.

(iii) Closure of the Cost of Issuance Accounts. The Fiscal Agent will maintain the funds on deposit the Cost of Issuance Account for each Series of Bonds until all such funds are expended or until as directed by a Certificate of WRCOG directing the Fiscal Agent to close such account and to transfer any money remaining on deposit in such account to the Administrative Expense Account for such Series of Bonds.

(iv) Closure of the Administrative Expense Accounts. The Fiscal Agent shall maintain the Administrative Expense Account for each Series of Bonds until (a) the payment of all Bonds included in such Series and the surrender of such Bonds to the Fiscal Agent for cancellation and payment of all outstanding Administrative Expenses due and payable hereunder and (b) the receipt by the Fiscal Agent of a Certificate of WRCOG declaring that all obligations of WRCOG with respect to such Series of Bonds have been satisfied. Upon satisfaction of such conditions the Fiscal Agent shall deliver all amounts then remaining in such account to WRCOG and any outstanding Administrative Expenses shall be payable solely from WRCOG. All such amounts delivered to WRCOG and not required to pay Administrative Expenses for such Series of Bonds may be used for any lawful purpose of WRCOG.

(E) Investment. Moneys in the Program Fund and the accounts therein will be invested and deposited in accordance with Section 6.01. Earnings and profits resulting from said investment will be retained by the Fiscal Agent in the applicable account of the Program Fund to be used for the purposes of such account.

Section 4.03. Reserve Fund. As to any Series of Bonds, the Fiscal Agent may be directed pursuant to the Related Supplemental Fiscal Agent Agreement to establish and maintain a debt service reserve fund separate and distinct from the other funds and accounts for such

Series of Bonds established under the Fiscal Agent Agreement. The failure to maintain an amount in a debt service reserve fund which may be established for a Series of Bonds shall not be a default or an Event of Default hereunder.

Section 4.04. Establishment of Subaccounts. The Fiscal Agent may establish subaccounts within any of the funds or accounts established under this Master Fiscal Agent Agreement or any Supplemental Fiscal Agent Agreement at the written request of WRCOG or if the Fiscal Agent determines in its sole discretion that such subaccounts are beneficial for the administration of the Bonds or for record-keeping purposes.

ARTICLE V

COVENANTS OF WRCOG

Section 5.01. Collection of Assessments. WRCOG will comply with all requirements of Chapter 29, the Bond Act and the Fiscal Agent Agreement to assure the timely collection of the Assessments, including, without limitation, the enforcement of delinquent Assessments. To that end, the following will apply:

(A) The Assessments, together with the interest thereon, will be payable in the installments specified in the Assessment Contracts. Each Assessment Installment will be payable in the same manner and at the same time and in the same installments as the general taxes on real property are payable, and become delinquent at the same times and bear the same proportionate Penalties and Interest after delinquency as do the general taxes on real property. All sums received from the collection of the Assessments (except for amounts received by WRCOG as a result of the payment of a Non-Completion Assessment, which shall be deposited as set forth in the following paragraph, and amounts allocable to Administrative Expenses, which shall be deposited in the Administrative Expense Account) will be transferred from the County to the Fiscal Agent for deposit into the Assessment Collection Account. All sums received from the collection of any Penalties and Interest will be transferred to the Fiscal Agent for deposit into the Penalties and Interest Account of the Redemption Fund.

WRCOG will notify the Fiscal Agent when it receives the payment of a Non-Completion Assessment and (x) transfer the amount of the Non-Completion Assessment payment intended to be used to redeem the Related Series of Bonds to the Fiscal Agent with a direction to deposit such amount in the applicable Assessment Collection Account and (x) transfer the amount of the Non-Completion Assessment payment intended to be used to pay Administrative Expenses to the Fiscal Agent with a direction to deposit such amount in the Administrative Expense Account.

(B) WRCOG will, before the final date on which the Auditor will accept the transmission of the Assessment Installments for the Participating Parcels for inclusion on the next tax roll, prepare or cause to be prepared, and will transmit to the Auditor, such data as the Auditor requires to include the installments of the Assessments on the next secured tax roll. WRCOG is hereby authorized to employ consultants to assist in computing the installments of the Assessments hereunder.

(C) In the event that a County files a petition under Chapter 9 or is otherwise unable or unwilling to include the Assessment Installments and the Annual Assessment Administrative Fees on the tax roll and to collect such amounts on the property tax bill for any Fiscal Year, WRCOG covenants to:

(ii) take such action as shall be necessary to enforce the statutory and contractual obligations of such County to include the Assessment Installments and the Annual Assessment Administrative Fees on the tax roll each Fiscal Year and to collect such amounts on the property tax bills of the Participating Parcels for any Fiscal Year, and

(iii) exercise its best efforts to collect such Assessment Installments and Annual Assessment Administrative Fees by directly billing the owners of the Participating Parcels for their respective Assessment Installments and Annual Assessment Administrative Fees.

WRCOG makes no representation or warranty regarding its ability to collect such Assessment Installments and Annual Assessment Administrative Fees by such direct billing pursuant to paragraph (C)(ii) above or its ability or legal authority to enforce the payment of Assessment Installments and Annual Assessment Administrative Fees directly billed by WRCOG to the owners of Participating Parcels through a judicial foreclosure action in the event of the delinquency in the payment of any such Assessment Installments and Annual Assessment Administrative Fees.

If WRCOG is unable to enforce the statutory and contractual obligations of the County to include the Assessment Installments and the Annual Assessment Administrative Fees on the tax roll each Fiscal Year or to collect, or cause any other person acting on its or the County's behalf to collect, the Assessment Installments, the Annual Assessment Administrative Fees or any other amounts with respect to the Assessments, which is absolute and unconditional, to pay the interest and redemption premium (if any) on and principal of the related Series of Bonds to the respective Owners of the related Series of Bonds when due and all Administrative Expenses (including indemnity), as herein provided, out of the Related Assessments pledged for such payment, or affect or impair the right of action, which is also absolute and unconditional, then the Fiscal Agent may, on behalf of such Owners, institute suit to enforce such payment by virtue of the contract embodied in the respective Series of Bonds and in the Fiscal Agent Agreement. Nothing in this Section 5.01 shall limit in any way the rights of the Owners to declare an Event of Default pursuant to Section 9.01 hereof or to pursue all rights and remedies available to such Owners under this Master Fiscal Agent Agreement and applicable law.

Section 5.02. Foreclosure. WRCOG hereby covenants with and for the benefit of the Owners of the Bonds that it will order, and cause to be commenced, and thereafter diligently prosecute an action in the superior court to foreclose the lien of any Assessment or installment thereof which has been billed, but has not been paid, pursuant to and as provided in sections 8830 and 8835, inclusive, of the Bond Act and the conditions specified in this Section 5.02.

No later than October 1 each year, WRCOG will determine whether any single Participating Parcel is delinquent in the payment of two or more semiannual installments (or as long as there is a single Owner, of any semi-annual installments of Assessment payments, including any payment of principal, interest, redemption premium (if any) and Penalties and Interest, and, if so, will notify WRCOG Counsel, and the Owner of the related Series of Bonds as long as there is a single Owner, of any such delinquencies. WRCOG Counsel will commence, or cause to be commenced, the foreclosure proceedings against each such delinquent Participating Parcel, including collection actions preparatory to the filing of any complaint, but will file the complaint by the immediately succeeding December 1. WRCOG Counsel is hereby authorized to employ counsel to conduct any such foreclosure proceedings. The fees and expenses of any such counsel (including a charge for staff time) in conducting foreclosure proceedings shall be an Administrative Expense hereunder. In the event funds on deposit in the Administrative Fund are insufficient to pay for such fees and expenses, WRCOG shall advance funds for such fees and

expenses. WRCOG shall be entitled to reimbursement of such advances upon receipt by WRCOG of foreclosure proceeds.

However, notwithstanding the foregoing, WRCOG may elect, in its sole discretion, to defer foreclosure proceedings on any Participating Parcel if WRCOG has received funds equal to the delinquent Related Assessments from any other source, and those funds are available to contribute toward (i) Administrative Expenses and (ii) the payment of the principal of (including Sinking Account Payments) interest, redemption premium (if any) and Penalties and Interest on the Related Series of Bonds when due (including without limitation funds from the sale of the receivables associated with delinquent Related Assessments).

Further notwithstanding the foregoing, as to each Series of Bonds, as long as there is a single Owner of such Bond or Bonds, WRCOG will not initiate foreclosure proceedings unless directed in writing to do so within the time period contemplated by the Section 8834 of the Bond Act by the Owner of such Bond or Bonds, which written direction must be delivered to WRCOG along with an amount reasonably determined by WRCOG to be sufficient to pay its costs of prosecuting the foreclosure. Nothing in this paragraph is intended to limit any obligation imposed on WRCOG by the Revenue & Taxation Code with respect to tax defaulted properties. If the Owner of the Bond or Bonds pays the costs of prosecuting the foreclosure, it shall be entitled to recover such costs in the foreclosure proceedings to the extent permitted by law.

Penalties and Interest are payable to the Owner of the Bonds as set forth in Section 4.01(B).

Section 5.03. Punctual Payment. WRCOG will punctually pay or cause to be paid the principal of (including Sinking Account Payments), and interest and any redemption premium on, the Bonds when and as due in strict conformity with the terms of the Fiscal Agent Agreement, and it will faithfully observe and perform all of the conditions, covenants and requirements of the Fiscal Agent Agreement and of the Bonds.

Section 5.04. Extension of Time for Payment. In order to prevent any accumulation of claims for interest after maturity, WRCOG will not, directly or indirectly, extend or consent to the extension of the time for the payment of any interest on any of the Bonds and will not, directly or indirectly, be a party to the approval of any such arrangement by purchasing or funding any claims for interest on any of the Bonds, or in any other manner.

Section 5.05. Against Encumbrance. WRCOG will not encumber, pledge or place any charge or lien upon any of the Assessments or other amounts pledged to the Bonds superior to or on a parity with the pledge and lien herein created for the benefit of the Bonds, except as permitted by the Resolution of Issuance, the Fiscal Agent Agreement, Chapter 29 and the Bond Act and with the written consent of the Owners.

Section 5.06. Books and Accounts. WRCOG will keep, or cause to be kept, proper books of record and accounts, separate from all other records and accounts of WRCOG, in which complete and correct entries will be made of all transactions relating to the Assessments and the application of amounts disbursed from the funds and accounts held by WRCOG hereunder,

which records will be subject to inspection by the Fiscal Agent upon reasonable prior notice on any Business Day.

Section 5.07. Protection of Security and Rights of Owners. WRCOG will preserve and protect the security of the Bonds and the rights of the Owners thereto, and will warrant and defend their rights to such security against all claims and demands of all persons. From and after the delivery of any of the Bonds by WRCOG, the Bonds will be incontestable by WRCOG. WRCOG will take all commercially reasonable measures to enforce the provisions of the Assessment Contract.

Section 5.08. Compliance with Law; Completion of Improvements. WRCOG will comply with all applicable provisions of Chapter 29 and the Bond Act in providing financing for the Improvements, but WRCOG will have no obligation to advance any funds to complete Related Improvements in excess of the proceeds of the Bonds available therefor.

Section 5.09. Further Assurances. WRCOG will adopt, make, execute and deliver any and all such further resolutions, instruments and assurances as may be reasonably necessary or proper to carry out the intention or to facilitate the performance of the Fiscal Agent Agreement, and for the better assuring and confirming unto the Owners of the rights and benefits provided in the Fiscal Agent Agreement.

ARTICLE VI

INVESTMENTS; LIABILITY OF WRCOG

Section 6.01. Deposit and Investment of Moneys in Funds. The following will apply to the investment of funds held by the Fiscal Agent:

(ii) Moneys in any fund or account created or established by the Fiscal Agent Agreement and held by the Fiscal Agent will be invested by the Fiscal Agent in Permitted Investments, as directed pursuant to a Certificate of WRCOG filed with the Fiscal Agent at least two (2) Business Days in advance of the making of such investments. Ratings of Permitted Investments shall be determined at the time of purchase of such Permitted Investments and without regard to ratings subcategories. In the absence of any such Certificate of WRCOG, the Fiscal Agent shall hold funds uninvested.

Obligations purchased as an investment of moneys in any fund will be deemed to be part of such fund or account, subject, however, to the requirements of the Fiscal Agent Agreement for transfer of interest earnings and profits resulting from investment of amounts in funds and accounts.

(iii) The Fiscal Agent may act as principal or agent in the acquisition or disposition of any investment. The Fiscal Agent may make any and all such investments through its own investment department or that of its affiliates or subsidiaries, and may charge its ordinary and customary fees for such trades, including investment maintenance fees. The Fiscal Agent will incur no liability for losses arising from any investments made pursuant to this Section. The Fiscal Agent will be entitled to rely upon any investment directions from WRCOG as conclusive a certification to the Fiscal Agent that the investments described therein are so authorized under the laws of the State of California.

The Fiscal Agent will not invest any cash held by it hereunder in the absence of timely and specific written direction from WRCOG. In no event will the Fiscal Agent be liable for the selection of investments.

(iv) Investments in any and all funds and accounts may at the discretion of the Fiscal Agent be commingled in a separate fund or funds for purposes of making, holding and disposing of investments, notwithstanding provisions herein for transfer to or holding in or to the credit of particular funds or accounts of amounts received or held by the Fiscal Agent hereunder, provided that the Fiscal Agent will at all times account for such investments strictly in accordance with the funds and accounts to which they are credited and otherwise as provided in the Fiscal Agent Agreement.

(v) The Fiscal Agent will sell, or present for redemption, any investment security whenever it is necessary to provide moneys to meet any required payment, transfer, withdrawal or disbursement from the fund or account to which such investment security is credited. The Fiscal Agent will not be liable or responsible for any loss

resulting from the acquisition or disposition of such investment security in accordance herewith.

(v) Although WRCOG recognizes that it may obtain a broker confirmation or written statement containing comparable information at no additional cost, WRCOG hereby agrees that confirmations of Permitted Investments are not required to be issued by the Fiscal Agent for each month in which a monthly statement is rendered. No statement need be rendered for any fund or account if no activity occurred in such fund or account during such month.

Section 6.02. Limited Liability of WRCOG. WRCOG will not be obligated to make any payments required hereunder or under any Bond, or be deemed to incur any liability hereunder or by reason hereof or arising out of any of the transactions contemplated hereby, payable from any funds or assets other than as specifically provided herein.

Section 6.03. Employment of Agents by WRCOG. In order to perform its duties and obligations hereunder, WRCOG may employ such persons or entities as it deems necessary or advisable. WRCOG will not be liable for any of the acts or omissions of such persons or entities employed by it with reasonable care and in good faith hereunder, and will be entitled to rely, and will be fully protected in doing so, upon the opinions, calculations, determinations and directions of such persons or entities. Nothing in this Section 6.03 shall be interpreted to prevent the Owner of the Bonds from seeking remedies for an Event of Default as set forth in Section 9.02.

ARTICLE VII

THE FISCAL AGENT

Section 7.01. Appointment of Fiscal Agent. [Fiscal Agent Name], is hereby appointed Fiscal Agent and paying agent for the Bonds. The Fiscal Agent undertakes to perform such duties, and only such duties, as are specifically set forth in the Fiscal Agent Agreement, and no implied covenants or obligations will be read into the Fiscal Agent Agreement against the Fiscal Agent. With respect to the appointment of the Fiscal Agent, the following will apply:

(A) Any bank or company into which the Fiscal Agent may be merged or converted or with which it may be consolidated, or any bank or company resulting from any merger, conversion or consolidation to which it is a party, or any bank or company to which the Fiscal Agent may sell or transfer all or substantially all of its corporate trust business (if such bank or company is eligible under the following paragraph of this Section 7.01) will be the successor to such Fiscal Agent without the execution or filing of any paper or any further act, anything herein to the contrary notwithstanding. The Fiscal Agent will give WRCOG written notice of any such succession hereunder.

(B) WRCOG may, upon not less than sixty (60) days' prior written notice, remove the Fiscal Agent initially appointed and any successor thereto, and may appoint a successor thereto, but any Fiscal Agent will be a national banking association or trust company having a combined capital (exclusive of borrowed capital) and surplus of at least \$75,000,000 and subject to supervision or examination by federal or state authority. If such national banking association or trust company publishes a report of condition at least annually, pursuant to law or to the requirements of any supervising or examining authority above referred to, then for the purposes of this Section 7.01, combined capital and surplus of such national banking association or trust company will be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published.

(C) The Fiscal Agent may at any time resign by giving written notice to WRCOG and by giving to the Owners notice by mail of such resignation. Upon receiving notice of such resignation, WRCOG will promptly appoint a successor Fiscal Agent, satisfying the requirements of Section 7.01(B) above, by an instrument in writing. Any resignation or removal of the Fiscal Agent will become effective upon acceptance of appointment by the successor Fiscal Agent.

(D) If, by reason of the judgment of any court, the Fiscal Agent is rendered unable to perform its duties hereunder, WRCOG will promptly appoint a successor Fiscal Agent by an instrument in writing.

(E) If no appointment of a successor Fiscal Agent is made pursuant to the foregoing provisions of this Section within forty-five (45) days after the Fiscal Agent has given to WRCOG written notice or after a vacancy in the office of the Fiscal Agent has occurred by reason of its inability to act, the Fiscal Agent or any Bond Owner may apply, at the expense of WRCOG, to any court of competent jurisdiction to appoint a successor Fiscal Agent. That court

may thereupon, after such notice, if any, as such court may deem proper, appoint a successor Fiscal Agent.

Section 7.02. Liability of Fiscal Agent. With respect to the liability of the Fiscal Agent, the following will apply:

(A) The recitals of facts, covenants and agreements herein and in the Bonds contained will be taken as statements, covenants and agreements of WRCOG, and the Fiscal Agent assumes no responsibility for the correctness of the same, makes no representations as to the validity or sufficiency of the Fiscal Agent Agreement or of the Bonds, or will incur any responsibility in respect thereof, other than in connection with the duties or obligations herein or in the Bonds assigned to or imposed upon it. The Fiscal Agent will not be liable in connection with the performance of its duties hereunder, except for its own negligence or willful misconduct. The Fiscal Agent assumes no responsibility or liability for any information, statement or recital in any official statement or other disclosure material prepared or distributed with respect to the issuance of the Bonds.

(B) The Fiscal Agent may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Fiscal Agent and conforming to the requirements of the Fiscal Agent Agreement; but in the case of any such certificates or opinions by which any provision hereof are specifically required to be furnished to the Fiscal Agent, the Fiscal Agent will be under a duty to examine the same to determine whether or not they conform to the requirements of the Fiscal Agent Agreement on their face.

Except as provided above in this paragraph, Fiscal Agent will be fully protected and will incur no liability in acting or proceeding, or in not acting or not proceeding, in good faith, reasonably and in accordance with the terms of the Fiscal Agent Agreement, upon any resolution, order, notice, request, consent or waiver, certificate, statement, affidavit, or other paper or document which it in good faith reasonably believes to be genuine and to have been adopted or signed by the proper person or to have been prepared and furnished pursuant to any provision of the Fiscal Agent Agreement, and the Fiscal Agent will not be under any duty to make any investigation or inquiry as to any statements contained or matters referred to in any such instrument.

(C) The Fiscal Agent will not be liable for any error of judgment made in good faith by a responsible officer unless it is proved that the Fiscal Agent was negligent in ascertaining the pertinent facts.

(D) No provision of the Fiscal Agent Agreement will require the Fiscal Agent to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers.

(E) The Fiscal Agent will be under no obligation to exercise any of the rights or powers vested in it by the Fiscal Agent Agreement at the request or direction of WRCOG or any of the Owners pursuant to the Fiscal Agent Agreement unless such Owners have offered to the Fiscal Agent security or indemnity satisfactory to it against the costs, expenses and liabilities

which might be incurred by it in compliance with such request or direction. The permissive right of the Fiscal Agent to do things enumerated in this Master Fiscal Agent Agreement shall not be construed as a duty.

(F) The Fiscal Agent may become the owner of the Bonds with the same rights it would have if it were not the Fiscal Agent.

(G) The Fiscal Agent will not be considered in breach of or in default in its obligations hereunder or progress in respect thereto in the event of enforced delay (“unavoidable delay”) in the performance of such obligations due to unforeseeable causes beyond its control and without its fault or negligence, including, but not limited to, Acts of God or of the public enemy or terrorists, acts of a government, acts of the other party, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, earthquakes, explosion, mob violence, riot, inability to procure or general sabotage or rationing of labor, equipment, facilities, sources of energy, material or supplies in the open market, litigation or arbitration involving a party or others relating to zoning or other governmental action or inaction pertaining to the project, malicious mischief, condemnation, and unusually severe weather or delays of suppliers or subcontractors due to such causes or any similar event or occurrences beyond the control of the Fiscal Agent.

(H) The Fiscal Agent shall have the right to accept and act upon instructions, including funds transfer instructions (“Instructions”) given pursuant to this Master Fiscal Agent Agreement and delivered using Electronic Means; provided, however, that WRCOG shall provide to the Fiscal Agent an incumbency certificate listing officers with the authority to provide such Instructions and containing specimen signatures of such Authorized Representatives, which incumbency certificate shall be amended by WRCOG whenever a person is to be added or deleted from the listing. If WRCOG elects to give the Fiscal Agent Instructions using Electronic Means and the Fiscal Agent in its discretion elects to act upon such Instructions, the Fiscal Agent’s understanding of such Instructions shall be deemed controlling. WRCOG understands and agrees that the Fiscal Agent cannot determine the identity of the actual sender of such Instructions and that the Fiscal Agent shall conclusively presume that directions that purport to have been sent by an Authorized Representative listed on the incumbency certificate provided to the Fiscal Agent have been sent by such Authorized Representative. WRCOG shall be responsible for ensuring that only Authorized Representatives transmit such Instructions to the Fiscal Agent and that WRCOG and all Authorized Representatives are solely responsible to safeguard the use and confidentiality of applicable user and authorization codes, passwords and/or authentication keys upon receipt by the Corporation. The Fiscal Agent shall not be liable for any losses, costs or expenses arising directly or indirectly from the Fiscal Agent’s reliance upon and compliance with such Instructions notwithstanding such directions conflict or are inconsistent with a subsequent written instruction. WRCOG agrees: (i) to assume all risks arising out of the use of Electronic Means to submit Instructions to the Fiscal Agent, including without limitation the risk of the Fiscal Agent acting on unauthorized Instructions, and the risk of interception and misuse by third parties; (ii) that it is fully informed of the protections and risks associated with the various methods of transmitting Instructions to the Fiscal Agent and that there may be more secure methods of transmitting Instructions than the method(s) selected by WRCOG; (iii) that the security procedures (if any) to be followed in connection with its transmission of Instructions provide to it a commercially reasonable degree of protection in light

of its particular needs and circumstances; and (iv) to notify the Fiscal Agent immediately upon learning of any compromise or unauthorized use of the security procedures.

(I) The Fiscal Agent will have no responsibility or liability with respect to any information, statements or recital in any offering memorandum or other disclosure material prepared or distributed with respect to the issuance of the Bonds.

(J) The Fiscal Agent may execute any of the powers hereof and perform the duties required of it hereunder by or through attorneys, agents, affiliates, or receivers, and will be entitled to advice of counsel concerning all matters of its duty hereunder, and the Fiscal Agent will not be answerable for the default or misconduct of any such attorney, agent, or receiver selected by it with reasonable care.

(K) The Fiscal Agent shall not be accountable for the use or application by WRCOG of any of the Bonds or the proceeds thereof or for the use or application of any money paid over by the Fiscal Agent in accordance with the provisions of this Master Fiscal Agent Agreement or any Supplemental Fiscal Agent Agreement or for the use and application of money received by any paying agent.

Section 7.03. Information; Books and Accounts. The Fiscal Agent will provide to WRCOG such information relating to the Bonds and the funds and accounts maintained by the Fiscal Agent hereunder as WRCOG may reasonably request, including, but not limited to, quarterly statements reporting funds held and transactions by the Fiscal Agent.

The Fiscal Agent will keep, or cause to be kept, proper books of record and accounts, separate from all other records and accounts of the Fiscal Agent, in which complete and correct entries will be made of all transactions made by it relating to the expenditure of amounts disbursed from the Redemption Fund and the accounts therein. Such books of record and accounts will, upon reasonable notice, at all times during business hours on any Business Day be subject to the inspection of WRCOG and the Owners of not less than 10% of the principal amount of the Bonds then Outstanding, or their representatives duly authorized in writing.

Section 7.04. Notice to Fiscal Agent. The Fiscal Agent may conclusively rely, without undertaking any investigation or inquiry, and will be protected in acting or refraining from acting upon any notice, resolution, request, consent, order, certificate, report, facsimile transmission, electronic mail, warrant, bond or other paper or document reasonably believed by it to be genuine and to have been signed or presented by the proper party or proper parties.

The Fiscal Agent may consult with counsel, who may be counsel to WRCOG, with regard to legal questions, and the opinion of such counsel will be full and complete authorization and protection in respect of any action taken or suffered by it hereunder in good faith and in accordance therewith.

The Fiscal Agent will not be bound to recognize any person as the Owner of a Bond unless and until such person is the registered Owner of such Bond and such Bond is submitted for inspection, if required, and such Owner's title thereto satisfactorily established, if disputed.

Whenever in the administration of its duties under the Fiscal Agent Agreement the Fiscal Agent deems it necessary or desirable that a matter be proved or established prior to taking or suffering any action hereunder, such matter (unless other evidence in respect thereof be herein specifically prescribed) may, in the absence of willful misconduct on the part of the Fiscal Agent, be deemed to be conclusively proved and established by a certificate of an Authorized Representative of WRCOG, and such certificate will be full warrant to the Fiscal Agent for any action taken or suffered under the provisions of the Fiscal Agent Agreement or any Supplemental Fiscal Agent Agreement upon the faith thereof, but in its discretion the Fiscal Agent may, in lieu thereof, accept other evidence of such matter or may require such additional evidence as to it may seem reasonable.

Section 7.05. Compensation; Indemnification. WRCOG will pay to the Fiscal Agent from time to time reasonable compensation for all services rendered as Fiscal Agent under the Fiscal Agent Agreement, and also all reasonable expenses, charges, counsel fees and other disbursements, including those of the Fiscal Agent's in house or other attorneys and agents, incurred in and about the performance of their powers and duties under the Fiscal Agent Agreement.

WRCOG further agrees, to the extent permitted by applicable law, to indemnify and save the Fiscal Agent, its officers, employees, directors and agents harmless against any losses, expenses, costs, claims, judgments, damages, suits or liabilities which it may incur in the exercise and performance of its powers and duties hereunder (including, without limitation, legal fees and expenses) which are not due to its negligence or willful misconduct. As security for the performance of the obligations of WRCOG under this section pertaining to exercise and performance of the powers and duties of the Fiscal Agent hereunder related to any Bond or Series of Bonds, the Fiscal Agent shall have a lien prior to such Bond or Series of Bonds upon all property and funds held or collected by the Fiscal Agent as such pertaining to such Bond or Series of Bonds, except funds held for the payment of principal of or interest or premiums on such Bond or Series of Bonds.

The obligation of WRCOG under this Section will survive resignation or removal of the Fiscal Agent under the Fiscal Agent Agreement and payment of the Bonds and discharge of the Fiscal Agent Agreement.

Section 7.06. Fiscal Agent as Owner. In the event the Fiscal Agent wishes to purchase the Bonds, the Fiscal Agent may become the owner of any of the Bonds in its own or any other capacity with the same rights it would have if it were not Fiscal Agent.

ARTICLE VIII

MODIFICATION OR AMENDMENT OF THE FISCAL AGENT AGREEMENT

Section 8.01. Conditions for Amendment.

(A) Amendment with Consent of Bond Owners. The Fiscal Agent Agreement and the rights and obligations of WRCOG and of the Owners of the Bonds may be modified or amended at any time by a Supplemental Fiscal Agent Agreement with the written consent of the Owners of at least 60% in aggregate principal amount of the Bonds then Outstanding, or, alternatively, if such amendment or modification affects only one or more Series of Bonds, with the written consent of the Owners of at least a majority in aggregate principal amount of such Series (which may include Series to be issued contemporaneously with the amendment or modification), in each case exclusive of Bonds disqualified as provided in Section 8.03.

No such modification or amendment may:

(ii) extend the maturity of any Bond or reduce the interest rate thereon, or otherwise alter or impair the obligation of WRCOG to pay the principal of, and the interest, any redemption premium or Penalties and Interest on, any Bond, without the express consent of the Owner of such Bond; or

(iii) permit the creation by WRCOG of any pledge or lien upon the Assessments pledged to any Series of Bonds superior to or on a parity with the pledges and liens created for the benefit of such Series of Bonds, without the express written consent of the Owners of all Outstanding Bonds of such Series; or

(iv) reduce the percentage of Bonds required for the amendment hereo; or

(v) amend this Section 8.01.

Any such amendment may not modify any of the rights or obligations of the Fiscal Agent without its written consent.

(B) Amendment without Consent of Bond Owners. The Fiscal Agent Agreement and the rights and obligations of WRCOG and of the Owners may also be modified or amended at any time by a Supplemental Fiscal Agent Agreement, without the consent of any Owners, only to the extent permitted by law and only for any one or more of the following purposes:

(ii) Additions. To add to the covenants and agreements of WRCOG contained in the Fiscal Agent Agreement, other covenants and agreements thereafter to be observed, or to limit or surrender any right or power herein reserved to or conferred upon WRCOG, so long as such addition, limitation or surrender does not adversely affect any outstanding Bonds in any material respect, as evidenced by an opinion of Bond Counsel delivered to the Fiscal Agent.

(iii) Not Materially Adversely Affecting Bonds. To make modifications not adversely affecting any outstanding Bonds in any material respect, as evidenced by an opinion of Bond Counsel delivered to the Fiscal Agent.

(iv) Corrections. To make such provisions for the purpose of curing any ambiguity, or of curing, correcting or supplementing any defective provision contained in the Fiscal Agent Agreement, or in regard to questions arising under the Fiscal Agent Agreement, as WRCOG may deem necessary or desirable and not inconsistent with the Fiscal Agent Agreement, and which will not materially adversely affect the rights of the Owners of the Bonds as evidenced by an opinion of Bond Counsel delivered to the Fiscal Agent.

(v) Issuance of Bonds. To issue Bonds in accordance with the Fiscal Agent Agreement.

(vi) Credit Enhancements. To provide for the delivery of credit enhancements for one or more Bonds or Series of Bonds.

Section 8.02. Procedure for Amendment with Written Consent of Owners. WRCOG and the Fiscal Agent may at any time adopt a Supplemental Fiscal Agent Agreement amending the provisions of the Bonds or of the Fiscal Agent Agreement, to the extent that such amendment is permitted by Section 8.01, to take effect when and as provided in this Section. With respect to such Supplemental Fiscal Agent Agreement under this Section, the following will apply:

(A) A copy of such Supplemental Fiscal Agent Agreement, together with a request to respective Owners for their consent thereto, will be mailed by first class mail, by the Fiscal Agent to each Owner of respective Bonds Outstanding, but failure to mail copies of such Supplemental Fiscal Agent Agreement and request will not affect the validity of the Supplemental Fiscal Agent Agreement when assented to as provided in this Section.

(B) Such Supplemental Fiscal Agent Agreement will not become effective unless there has been filed with the Fiscal Agent the written consents of the Owners of at least 60% in aggregate principal amount of the Bonds then Outstanding or, if such amendment or modification affects only one or more Series of Bonds, with the written consent of the Owners of at least a majority in aggregate principal amount of such Series as applicable (exclusive of Bonds disqualified as provided in Section 8.03) and a notice has been mailed as described in subsection (A) above. Each such consent will be effective only if accompanied by proof of ownership of the Bonds for which such consent is given, which proof will be such as is permitted by Section 10.04.

Any such consent will be binding upon the Owner of the Bonds giving such consent and on any subsequent Owner (whether or not such subsequent Owner has notice thereof) unless such consent is revoked in writing by the Owner giving such consent or a subsequent Owner by filing such revocation with the Fiscal Agent prior to the date when the notice hereinafter in this Section provided for has been mailed.

(C) After the Owners of the required percentage of Bonds have filed their consents to the Supplemental Fiscal Agent Agreement, the Fiscal Agent will mail a notice to the Owners in the manner described in subsection (A) above for the mailing of the Supplemental Fiscal Agent Agreement, stating in substance that the Supplemental Fiscal Agent Agreement has been consented to by the Owners of the required percentage of Bonds and will be effective as provided in this Section; provided, however, that failure to mail copies of this notice will not affect the validity of the Supplemental Fiscal Agent Agreement or consents thereto.

Proof of the mailing of such notice will be filed with the Fiscal Agent. A record, consisting of the papers required by this Section 8.02 to be filed with the Fiscal Agent, will be proof of the matters therein stated until the contrary is proved.

The Supplemental Fiscal Agent Agreement will become effective upon the filing with the Fiscal Agent of (a) the proof of the required notice, and (b) an approving opinion of Bond Counsel to the effect that the Supplemental Fiscal Agent Agreement complies with this Section 8.02. The Supplemental Fiscal Agent Agreement will be deemed conclusively binding (except as otherwise specifically provided in this Article) upon WRCOG and the Owners of all Bonds at the expiration of sixty (60) days after such filing, except in the event of a final decree of a court of competent jurisdiction setting aside such consent in a legal action or equitable proceeding for such purpose commenced within such 60-day period.

Section 8.03. Disqualified Bonds. Bonds owned or held for the account of WRCOG, excepting any pension or retirement fund, will not be deemed Outstanding for the purpose of any consent or other action or any calculation of Outstanding Bonds provided for in this Article VIII, and will not be entitled to consent to, or take any other action provided for in this Article VIII; except that in determining whether the Fiscal Agent will be protected in relying upon any such approval or consent of an Owner, only Bonds which a responsible officer of the Fiscal Agent having direct responsibility for the administration of the Fiscal Agent Agreement actually knows to be owned by or held for the account of WRCOG (excepting any pension or retirement fund) will be disregarded unless all Bonds are so owned, in which case such Bonds will be considered Outstanding for the purpose of such determination.

Upon request of the Fiscal Agent, WRCOG will specify in a certificate to the Fiscal Agent those Bonds disqualified pursuant to this Section and the Fiscal Agent may conclusively rely on such certificate.

Section 8.04. Effect of Supplemental Fiscal Agent Agreement. From and after the time any Supplemental Fiscal Agent Agreement becomes effective pursuant to this Article VIII, the Fiscal Agent Agreement will be deemed to be modified and amended in accordance therewith, the respective rights, duties and obligations under the Fiscal Agent Agreement of WRCOG and all Owners of Bonds Outstanding will thereafter be determined, exercised and enforced hereunder subject in all respects to such modifications and amendments, and all the terms and conditions of any such Supplemental Fiscal Agent Agreement will be deemed to be part of the terms and conditions of the Fiscal Agent Agreement for any and all purposes.

Section 8.05. Endorsement or Replacement of Bonds Issued After Amendment. WRCOG may determine that Bonds issued and delivered after the effective date of any action

taken as provided in this Article VIII will bear a notation, by endorsement or otherwise, in form approved by WRCOG, as to such action. In that case, upon request of the Owner of any Bond Outstanding at such effective date and presentation of his or her Bond for that purpose at the Principal Office of the Fiscal Agent or at such other office as WRCOG may select and designate for that purpose, a suitable notation will be made on such Bond.

WRCOG may determine that new Bonds, so modified as in the opinion of WRCOG is necessary to conform to such Owners' action, will be prepared, executed and delivered. In that case, upon request of the Owner of any Bonds then Outstanding, such new Bonds will be exchanged at the Principal Office of the Fiscal Agent without cost to any Owner, for Bonds then Outstanding, upon surrender of such Bonds.

Section 8.06. Amendatory Endorsement of Bonds. The provisions of this Article VIII will not prevent any Owner from accepting any amendment as to the particular Bonds held by him, provided that due notation thereof is made on such Bonds.

Section 8.07. Execution of Supplemental Fiscal Agent Agreement. Prior to executing any Supplemental Fiscal Agent Agreement hereunder, the Fiscal Agent will be entitled to receive an opinion of Bond Counsel stating that the execution of such Supplemental Fiscal Agent Agreement is authorized and permitted by the Fiscal Agent Agreement and that all conditions precedent to the execution of such Supplemental Fiscal Agent Agreement have been met.

ARTICLE IX

EVENTS OF DEFAULT; REMEDIES

Section 9.01. Events of Default. Any one or more of the following events will constitute an “Event of Default”:

(A) Default in the due and punctual payment of the principal of or redemption premium, if any, on any Bond when and as the same will become due and payable, whether at maturity as therein expressed or from mandatory redemption;

(B) Default in the due and punctual payment of the interest on any Bond when and as the same will become due and payable; or

(C) Default by WRCOG in the observance of any of the other agreements, conditions or covenants on its part in the Fiscal Agent Agreement or in the Bonds contained, and the continuation of such default for a period of thirty (30) days after WRCOG has been given notice in writing of such default by the Fiscal Agent or any Owner; *provided, however*, if in the reasonable opinion of WRCOG the failure stated in the notice can be corrected, but not within such thirty (30) day period, such failure shall not constitute an Event of Default if corrective action is instituted by WRCOG within such thirty (30) day period and WRCOG shall thereafter diligently and in good faith cure such failure within a reasonable period of time, such period of time not to exceed one hundred eighty (180) days after such default notice is delivered to WRCOG .

Section 9.02. Remedies of Owners. Following the occurrence of an Event of Default, any Owner will have the right (and the right to instruct the Fiscal Agent, subject to the Fiscal Agent’s rights under Section 7.02(E) hereof) for the equal benefit and protection of all Owners similarly situated:

(A) By mandamus or other suit or proceeding at law or in equity to enforce its, his or her rights against WRCOG and any of the members, officers and employees of WRCOG, and to compel WRCOG or any such members, officers or employees to perform and carry out their duties under Chapter 29 or the Bond Act and their agreements with the Owners as provided in the Fiscal Agent Agreement; or

(B) By suit in equity to enjoin any actions or things that are unlawful or violate the rights of the Owners.

(C) To exercise every power and remedy available to it under Chapter 29 or the Bond Act.

Nothing in this article or in any other provisions of the Fiscal Agent Agreement or in the Bonds will affect or impair the obligation of WRCOG, which is absolute and unconditional, to pay the interest, redemption premium (if any), and Penalties and Interest on and principal of the Bonds to the respective owners of the Bonds when due, as herein provided, out of the Related Assessments pledged for such payment, or affect or impair the right of action, which is also

absolute and unconditional, of such Owners to institute suit to enforce such payment by virtue of the contract embodied in the Bonds and in the Fiscal Agent Agreement.

A waiver by any Owner of any default or breach of duty or contract will not affect any subsequent default or breach of duty or contract, or impair any rights or remedies on any such subsequent default or breach. No delay or omission by any Owner to exercise any right or power accruing upon any default will impair any such right or power and it will not be construed to be a waiver of any such default or an acquiescence therein, and every power and remedy conferred upon the Owners by Chapter 29 or the Bond Act or by this article may be enforced and exercised from time to time and as often as will be deemed expedient by the Owners.

If any suit, action or proceeding to enforce any right or exercise any remedy is abandoned or determined adversely to the Owners, WRCOG and the Owners will be restored to their former positions, rights and remedies as if such suit, action or proceeding had not been brought or taken. No remedy herein conferred upon or reserved to the Owners is intended to be exclusive of any other remedy. Every such remedy will be cumulative and will be in addition to every other remedy given hereunder or now or hereafter existing, at law or in equity or by statute or otherwise, and may be exercised without exhausting and without regard to any other remedy conferred by Chapter 29, the Bond Act or any other law. In any suit, action or proceeding to enforce the provisions of this Master Fiscal Agent Agreement, the prevailing party shall be entitled to receive reasonable attorney's fees. In no event will the Fiscal Agent have any responsibility to cure or cause WRCOG or any other person or entity to cure an Event of Default hereunder.

Section 9.03. Application of Funds After Default. If an Event of Default shall occur and be continuing with respect to a Series of Bonds, all monies held or thereafter received by the Fiscal Agent with respect to such Series of Bonds, and any other funds then held or thereafter received by the Fiscal Agent with respect to such Series of Bonds under any of the provisions of this Master Fiscal Agent Agreement shall be applied in the following order:

(A) To the payment of any expenses necessary in the opinion of the Fiscal Agent to protect the interests of the Owners of such Series of Bonds and payment of reasonable fees and expenses of the Fiscal Agent (including reasonable fees and disbursements of its accountants and counsel) incurred with respect to such Series of Bonds in and about the performance of its powers and duties under the Fiscal Agent Agreement;

(B) To the payment of Administrative Expenses of such Series of Bonds;

(C) To the payment of the principal of and interest then due on such Series of Bonds, in accordance with the provisions of this Master Fiscal Agent Agreement, in the following order of priority:

(ii) First: To the payment to the persons entitled thereto of all installments of interest then due on such Series of Bonds, as applicable, in the order of the maturity of such installments, and, if the amount available shall not be sufficient to pay in full any installment or installments maturing on the same date, then to the payment thereof

ratably, according to the amounts due thereon, to the persons entitled thereto, without any discrimination or preference; and

(iii) Second: To the payment to the persons entitled thereto of all installments of unpaid principal of such Series of Bonds, as applicable, which shall have become due, whether at maturity or redemption, and, if the amount available shall not be sufficient to pay in full all of such Series of Bonds together with such interest, then to the payment thereof ratably, according to the amounts of principal due on such date to the persons entitled thereto, without any discrimination or preference; and

(iv) Third: If there shall exist any remainder after the foregoing payments, such remainder shall be paid to WRCOG as directed in a Certificate of WRCOG.

ARTICLE X

MISCELLANEOUS

Section 10.01. Discharge of Fiscal Agent Agreement. Subject to the provisions of Section 2.03 hereof regarding redemption, if WRCOG pays and discharges the entire indebtedness on all or a portion of any Bonds or Series of Bonds Outstanding in any one or more of the following ways:

(A) by paying or causing to be paid the principal of (including any Sinking Account Payments) and interest and any redemption premium on, all Bonds or Series of Bonds Outstanding, as and when the same become due and payable;

(B) by irrevocably depositing with the Fiscal Agent, at or before maturity, money which, together with the amounts then on deposit in the funds and accounts provided for in Section 4.01, is fully sufficient to pay such Bonds or Series of Bonds Outstanding, including all principal (including Sinking Account Payments), interest and any applicable redemption premiums with respect to such Bond or Series of Bonds being discharged or defeased; or

(C) by irrevocably depositing with the Fiscal Agent, cash and Federal Securities in such amount as WRCOG may determine, as confirmed by an independent certified public accountant, will, together with the interest to accrue thereon and moneys then on deposit in the fund and accounts provided for in Section 4.01, be fully sufficient to pay and discharge the indebtedness on such Bonds or Series of Bonds, including all principal, Sinking Account Payments, interest and any applicable redemption premiums with respect to the Bond or Series of Bonds being discharged or defeased, at or before their respective maturity dates;

and if such Bonds or Series of Bonds are to be redeemed prior to the maturity thereof notice of such redemption has been given as required by the Fiscal Agent Agreement (or provision satisfactory to the Fiscal Agent has been made for the giving of such notice), then, at the election of WRCOG, and notwithstanding that any Bonds or Series of Bonds have not been surrendered for payment, the pledge of the Assessments and other funds provided for in the Fiscal Agent Agreement and all other obligations of WRCOG under the Fiscal Agent Agreement with respect to all Bonds or Series of Bonds Outstanding will cease and terminate, except only: (i) the obligation of WRCOG to pay or cause to be paid to the Owners of the Bonds not so surrendered and paid all sums due thereon and (ii) the obligation of WRCOG to pay or cause to be paid all amounts owing to the Fiscal Agent pursuant to Section 7.05 hereof.

If all Bonds or Series of Bonds outstanding are discharged pursuant to this Section, thereafter the Related Assessments will not be payable to the Fiscal Agent. Notice of election to discharge the Fiscal Agent Agreement with respect to such Bond or Series of Bonds will be filed with the Fiscal Agent.

Any funds thereafter held by the Fiscal Agent upon payment of all fees and expenses of the Fiscal Agent, which are not required for said purpose, will be paid over to WRCOG to be used by WRCOG as provided in Chapter 29 and the Bond Act.

Section 10.02. Benefits of Agreement Limited to Parties. Nothing in the Fiscal Agent Agreement, expressed or implied, is intended to give to any person other than WRCOG, the Fiscal Agent and the Owners, any right, remedy or claim under or by reason of the Fiscal Agent Agreement. Any covenants, stipulations, promises or agreements in the Fiscal Agent Agreement contained by and on behalf of WRCOG will be for the sole and exclusive benefit of the Owners and the Fiscal Agent.

Section 10.03. Successor is Deemed Included in All Reference to Predecessor. Whenever in the Fiscal Agent Agreement or any Supplemental Fiscal Agent Agreement either WRCOG or the Fiscal Agent is named or referred to, such reference will be deemed to include the successors or assigns thereof, and all the covenants and agreements in the Fiscal Agent Agreement contained by or on behalf of WRCOG or the Fiscal Agent will bind and inure to the benefit of the respective successors and assigns thereof whether so expressed or not.

Section 10.04. Execution of Documents and Proof of Ownership by Owners. Any request, declaration or other instrument which the Fiscal Agent Agreement may require or permit to be executed by Owners may be in one or more instruments of similar tenor, and will be executed by Owners in person or by their attorneys appointed in writing.

Except as otherwise herein expressly provided, the fact and date of the execution by any Owner or his attorney of such request, declaration or other instrument, or of such writing appointing such attorney, may be proved by the certificate of any notary public or other officer authorized to take acknowledgments of deeds to be recorded in the state in which he purports to act, that the person signing such request, declaration or other instrument or writing acknowledged to him the execution thereof, or by an affidavit of a witness of such execution, duly sworn to before such notary public or other officer.

The ownership of registered Bonds and the amount, maturity, number and date of holding the same will be proved by the registry books.

Any consent, request, declaration or other instrument or writing of the then registered Owner of any Bond will bind all future Owners of such Bond in respect of anything done or suffered to be done by WRCOG or the Fiscal Agent in good faith and in accordance therewith.

Section 10.05. Waiver of Personal Liability. No member, officer, agent or employee of WRCOG will be individually or personally liable for the payment of the principal of, or interest or any redemption premium on, the Bonds; but nothing herein contained will relieve any such member, officer, agent or employee from the performance of any official duty provided by law.

Section 10.06. Notices to and Demand on Authority and Fiscal Agent. All notices or communications herein required or permitted to be given to WRCOG or the Fiscal Agent shall be in writing and shall be deemed to have been sufficiently given or served for all purposes by being delivered or sent by telecopy or upon actual receipt by being deposited, postage prepaid, in a post office letter box, addressed as follows:

If to WRCOG: Western Riverside Council of Governments
3390 University Avenue, Suite 200
Riverside, CA 92501
Attention: Executive Director

If to the Fiscal Agent: [Fiscal Agent Name]
[Address]

Section 10.07. Partial Invalidity. If any one or more of the provisions contained in the Fiscal Agent Agreement or in the Bonds shall for any reason be held to be invalid, illegal or unenforceable in any respect, then such provision or provisions shall be deemed severable from the remaining provisions contained in the Fiscal Agent Agreement and such invalidity, illegality or unenforceability shall not affect any other provision of the Fiscal Agent Agreement, and the Fiscal Agent Agreement shall be construed as if such invalid or illegal or unenforceable provision had never been contained herein. WRCOG hereby declares that it would have entered into the Fiscal Agent Agreement and each and every other Section, paragraph, sentence, clause or phrase hereof and authorized the issuance of the Bonds pursuant thereto irrespective of the fact that any one or more Sections, paragraphs, sentences, clauses or phrases of the Fiscal Agent Agreement may be held illegal, invalid or unenforceable.

Section 10.08. Unclaimed Moneys. Notwithstanding any provisions of the Fiscal Agent Agreement, any moneys held by the Fiscal Agent for the payment of the principal of, or interest on, any Bonds and remaining unclaimed for two (2) years after the principal of all of the Bonds has become due and payable (whether at maturity or upon call for redemption as provided in the Fiscal Agent Agreement), if such moneys were so held at such date, or two (2) years after the date of deposit of such moneys if deposited after said date when all of the Bonds became due and payable, shall be repaid to WRCOG (without liability for interest) upon receipt of an indemnification agreement acceptable to WRCOG and the Fiscal Agent indemnifying the Fiscal Agent with respect to claims of Owners of Bonds which have not yet been paid, and all liability of the Fiscal Agent with respect to such moneys shall thereupon cease; provided, however, that before the repayment of such moneys to WRCOG as aforesaid, the Fiscal Agent may (at the cost of WRCOG) first mail, by first class mail postage prepaid, to the Owners of Bonds which have not yet been paid, at the respective addresses shown on the Registration Books, a notice, in such form as may be deemed appropriate by the Fiscal Agent with respect to the Bonds so payable and not presented and with respect to the provisions relating to the repayment to WRCOG of the moneys held for the payment thereof.

Section 10.09. Applicable Law. The Fiscal Agent Agreement will be governed by and enforced in accordance with the laws of the State of California applicable to contracts made and performed in the State of California.

Section 10.10. Content of Certificates. Every certificate with respect to compliance with a condition or covenant provided for in this Master Fiscal Agent Agreement shall include (a) a statement that the person or persons making or giving such certificate have read such covenant or condition and the definitions herein relating thereto; (b) a brief statement as to the nature and scope of the examination or investigation upon which the statements or opinions contained in such certificate are based; (c) a statement that, in the opinion of the signers, they have made or caused to be made such examination or investigation as is necessary to enable them to express an informed opinion as to whether or not such covenant or condition has been complied with; and (d) a statement as to whether, in the opinion of the signers, such condition or covenant has been complied with.

Any such certificate made or given by an officer of WRCOG may be based, insofar as it relates to legal matters, upon a certificate or opinion of or representations by counsel, unless such officer knows that the certificate or opinion or representations with respect to the matters upon which his certificate may be based, aforesaid, are erroneous, or in the exercise of reasonable care should have known that the same were erroneous. Any such certificate or opinion or representation made or given by counsel may be based, insofar as it relates to factual matters, on information with respect to which is in the possession of WRCOG, or upon the certificate or opinion of or representations by an officer or officers of WRCOG, unless such counsel knows that the certificate or opinion or representations with respect to the matters upon which his certificate, opinion or representation may be based, as aforesaid, are erroneous, or in the exercise of reasonable care should have known that the same were erroneous.

Section 10.11. Conclusive Evidence of Regularity. The issuance of each Series of Bonds pursuant to the Fiscal Agent Agreement will constitute conclusive evidence of the regularity of all proceedings under Chapter 29 and the Bond Act relative to their issuance and the levy of the Related Assessments.

Section 10.12. Payment on Business Day. In any case where the date of the maturity of interest or of principal, including Sinking Account Payments, (and redemption premium, if any) of the Bonds or the date fixed for redemption of any Bonds or the date any action is to be taken pursuant to the Fiscal Agent Agreement is other than a Business Day, the payment of interest or principal, including Sinking Account Payments, (and any redemption premium) or the action need not be made on such date but may be made on the next succeeding day which is a Business Day with the same force and effect as if made on the date required and no additional interest will accrue from such Interest Payment Date until such Business Day.

Section 10.13. Counterparts. This Master Fiscal Agent Agreement may be executed in any number of counterparts and each of such counterparts shall for all purposes be deemed to be an original; and all such counterparts, or as many of them as WRCOG and the Fiscal Agent shall preserve undestroyed, shall together constitute but one and the same instrument.

IN WITNESS WHEREOF, WRCOG and the Fiscal Agent have caused this Master Fiscal Agent Agreement to be executed, all as of the date first written above.

**WESTERN RIVERSIDE COUNCIL OF
GOVERNMENTS**

By Treasurer

By: _____
Authorized Signatory

[FISCAL AGENT NAME], as Fiscal Agent

By: _____
Authorized Representative

MASTER FISCAL AGENT AGREEMENT
EXHIBIT A
FORM OF SUPPLEMENTAL FISCAL AGENT AGREEMENT

SUPPLEMENTAL FISCAL AGENT AGREEMENT NO. []

between the

WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS

and

[FISCAL AGENT NAME]

as Fiscal Agent

Dated as of [], 20__

Relating to

WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS
(CAPITAL PROVIDER PROGRAM)
LIMITED OBLIGATION IMPROVEMENT BONDS
SERIES ____
(First Commercial Property Tranche)

(Supplemental to the MASTER FISCAL AGENT AGREEMENT, dated as of [____], 2021)

TABLE OF CONTENTS

Page

ARTICLE I DEFINITIONS; AUTHORIZATION AND PURPOSE OF SERIES ____ BONDS; EQUAL SECURITY; COVENANTS

Section 1.01. Definitions.....	2
Section 1.02. Interpretation.....	2
Section 1.03. Authorization	2
Section 1.04. Representations of WRCOG.....	2

ARTICLE II ISSUANCE OF SERIES ____ BONDS

Section 2.01. Terms of Series ____ Bonds	4
Section 2.02. Redemption of Series ____ Bonds.....	4
Section 2.03. Form of Series ____ Bonds.....	4
Section 2.04. Validity of Bonds.....	4
Section 2.05. Registration of Series ____ Bonds.....	5

ARTICLE III USE OF PROCEEDS

Section 3.01. Issuance of Series ____ Bonds	5
Section 3.02. Application of Proceeds of Sale of Series ____ Bonds	5

ARTICLE IV ADDITIONAL PROVISIONS

Section 4.01. Applicable Law	5
Section 4.02. Conflict with Bond Law.....	5
Section 4.03. Conclusive Evidence of Regularity	5
Section 4.04. Confirmation of Master Fiscal Agent Agreement; Conflict With Master Fiscal Agent Agreement	5
Section 4.05. Counterparts	5

APPENDIX 1	BOND SPECIFICS	APPENDIX 1
EXHIBIT A	LIST OF PARTICIPATING PARCELS.....	A
EXHIBIT B	FORM OF SERIES ____ BONDS.....	B

SUPPLEMENTAL FISCAL AGENT AGREEMENT NO. []

THIS SUPPLEMENTAL FISCAL AGENT AGREEMENT NO. [], dated as of [], 20__ (this “**Supplemental Fiscal Agent Agreement**”), is made by and between the WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS, a joint exercise of powers agency duly organized and existing under and by virtue of the laws of the State of California (the “**WRCOG**”), and [FISCAL AGENT NAME], a national banking association organized and existing under the laws of the United States of America (the “**Fiscal Agent**”);

BACKGROUND:

WHEREAS, WRCOG and the Fiscal Agent have executed and delivered a MASTER FISCAL AGENT AGREEMENT, dated as of [], 2021 (the “**Master Fiscal Agent Agreement**”), to provide for the terms and conditions of the issuance by WRCOG of one or more Series of Bonds (as defined in the Master Fiscal Agent Agreement) from time to time;

WHEREAS, in order to provide for the authentication and delivery of the Series ____ Bonds, to establish and declare the terms and conditions upon which the Series ____ Bonds are to be issued, to secure the Series ____ Bonds by a lien and charge upon (i) the Assessment or Assessments (as defined in the Assessment Contract(s) with respect to the Participating Parcel(s) set forth on Exhibit A hereto, the “Assessment” herein) together with all revenues, moneys, accounts receivable, contractual rights to payment, recoveries and other rights to payment of whatever kind with respect to such Assessment or Assessments or the Assessment Contract(s) with respect to the Participating Parcel(s) set forth on Exhibit A hereto (except amounts required hereunder to be deposited into the Administrative Expense Account of the Program Fund) that are or may be owed to, or collected or received by, WRCOG or any other entity acting on WRCOG’s behalf, including, without limitation, the Assessment Installments, a Prepayment of the Assessment, the foreclosure on a Participating Parcel(s) set forth on Exhibit A hereto on which an Assessment has been levied, or any other payment or recovery with respect to an Assessment from any other source but excluding Annual Assessment Administrative Fees, and (ii) the Redemption Fund and all monies, securities or contractual or other rights to payment that are or may be owed or credited to, or deposited in, the Redemption Fund, or owed to, or collected, recovered, received or held by, any other person that is required to credit to or deposit such monies or securities in the Redemption Fund by Chapter 29, the Bond Act or the terms of the Fiscal Agent Agreement attributable to proceeds of the Series ____ Bonds, such Assessment or Assessments and such Assessment Contract(s) with respect to the Participating Parcel(s) set forth on Exhibit A hereto, in each case, derived from the Assessment Installments, a Prepayment of the Assessment, penalties and interest with respect to any delinquent Assessment Installment, the foreclosure on a Participating Parcel(s) set forth on Exhibit A hereto on which an Assessment has been levied, or payments pursuant to a Teeter Plan with respect to Assessments, if applicable, (the foregoing items in (i) and (ii) above collectively referred to as the “Series ____ Bond Collateral”), the Executive Committee has authorized the execution and delivery of this Supplemental Fiscal Agent Agreement;

WHEREAS, all acts and proceedings required by law and the Master Fiscal Agent Agreement necessary to make the Series ____ Bonds, when executed by WRCOG and authenticated and delivered by the Fiscal Agent, the duly issued, valid, binding and legal special

obligations of WRCOG, and to constitute this Supplemental Fiscal Agent Agreement a valid and binding agreement for the uses and purposes herein set forth, in accordance with its terms, have been done and taken; and the execution and delivery of this Supplemental Fiscal Agent Agreement have been in all respects duly authorized; and

NOW, THEREFORE, in consideration of the premises and the mutual covenants contained herein, the parties hereto hereby agree as follows:

ARTICLE I
DEFINITIONS; AUTHORIZATION AND PURPOSE OF SERIES ___ BONDS; EQUAL SECURITY; COVENANTS

Section 1.01. Definitions. Unless the context clearly otherwise requires or unless otherwise defined in this Supplemental Fiscal Agent Agreement, the capitalized terms in this Supplemental Fiscal Agent Agreement will have the respective meanings that such terms have in the Master Fiscal Agent Agreement.

“Closing Date” means the date of initial issuance and delivery of the Series ___ Bonds hereunder.

“Interest Payment Dates” means March 2 and September 2 of each year, commencing as of the date indicated in Appendix 1.

Optional: Only applies if a Reserve Fund is established for the Series of Bonds.

[**“Series ___ Bond Reserve Requirement”** means, initially, \$_____.]

[**“Series ___ Bond Reserve Fund”** means the fund by that name established and administered pursuant to this Supplemental Fiscal Agent Agreement.]

“Series ___ Bonds” means the Western Riverside Council of Governments (Capital Provider Program – [Name of Capital Provider]) Limited Obligation Improvement Bonds, Series 20__ (First Commercial Property Tranche) issued pursuant to this Supplemental Fiscal Agent Agreement.

Section 1.02. Interpretation. Section 1.03 of the Master Fiscal Agent Agreement shall govern interpretation of this Supplemental Fiscal Agent Agreement.

Section 1.03. Authorization. Each of the parties represents and warrants that it has full legal authority and is duly empowered to enter into this Supplemental Fiscal Agent Agreement and has taken all actions necessary to authorize the execution of this Supplemental Fiscal Agent Agreement by the officers and persons signing it.

Section 1.04. Representations of WRCOG. WRCOG hereby warrants and represents on the date hereof as follows:

(A) WRCOG is a joint powers authority duly organized, duly constituted and validly existing under the laws of the State of California, and has the full legal right, authority and power

to enter into and carry out the terms and conditions of this Supplemental Fiscal Agent Agreement.

(B) No approval of, or consent from, any governmental authority (other than WRCOG's governing body) is required for the execution, delivery or performance by WRCOG of this Supplemental Fiscal Agent Agreement.

(C) The Fiscal Agent Agreement, when executed and delivered by WRCOG, shall be duly and validly authorized, executed and delivered by WRCOG.

(D) The execution, delivery and performance by WRCOG of this Supplemental Fiscal Agent Agreement and the performance by WRCOG of its obligations under the Fiscal Agent Agreement and the transactions contemplated hereby and thereby:

(i) do not contravene any provisions of law applicable to WRCOG, and

(ii) do not conflict with, and will not result (with or without the giving of notice or passage of time or both) in the breach of or constitute a default or require any consent under any credit agreement, Fiscal Agent Agreement, mortgage, purchase agreement, deed of trust, security agreement, lease, guarantee or other instrument to which WRCOG is a party, by which WRCOG may be bound or to which WRCOG or its property may be subject.

(E) The Fiscal Agent Agreement constitutes the legal, valid and binding obligation of WRCOG, enforceable against WRCOG in accordance with its terms, except as limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally, and by applicable laws and judicial decisions which may affect the remedies provided in the Fiscal Agent Agreement.

(F) WRCOG has complied with Section 3.04 of the Master Fiscal Agent Agreement in connection with the issuance of the Series ____ Bonds, and the aggregate initial principal amount of Bonds issued under the Master Fiscal Agent Agreement, after giving effect to the Series ____ Bonds, will be as indicated in Section 2.01(a) of Appendix 1.

(G) Each of the Assessment Contract(s) with respect to the Participating Parcel(s) set forth on Exhibit A hereto was executed and delivered by WRCOG in compliance with the requirements of the Act, the Program Report, all relevant and applicable laws and regulations of the federal government and the State of California and all relevant and applicable resolutions of WRCOG.

(H) Based on the information provided to WRCOG by, and representations of, the Property Owners (as defined in the Assessment Contract(s) with respect to the Participating Parcel(s) set forth on Exhibit A hereto), the transactions represented by the Assessment Contract(s) with respect to the Participating Parcel(s) set forth on Exhibit A hereto, such Participating Parcels and such Property Owners satisfy all eligibility criteria under and underwriting requirements of the Act, the Program Report and all other relevant and applicable laws and regulations of the federal government and the State of California, and all relevant and applicable resolutions of WRCOG necessary to participate in the Program.

(I) The Series ___ Bonds are limited obligation improvement bonds governed by the provisions of the Fiscal Agent Agreement, the Act and the Bond Law and have been issued in accordance with and in satisfaction of all applicable terms and underwriting criteria for such bonds set forth in the Fiscal Agent Agreement, the Act, the Bond Law and all other relevant and applicable laws and regulations of the federal government and the State of California, the Program Report and all relevant and applicable resolutions of WRCOG.

(J) Without limiting Section 5.01(C) of the Master Fiscal Agent Agreement, WRCOG, either directly or through its other agents, has taken and shall continue to take all commercially reasonable steps necessary to ensure that all amounts owed under any and all Assessment Contract(s) with respect to the Participating Parcel(s) set forth on Exhibit A hereto are accurately and timely entered on the tax roll of the applicable County.

ARTICLE II ISSUANCE OF SERIES ___ BONDS

Section 2.01. Terms of Series ___ Bonds.

(A) The Series ___ Bonds authorized to be issued by WRCOG under and subject to the Bond Law and the terms of the Master Fiscal Agent Agreement, as supplemented and amended, and this Supplemental Fiscal Agent Agreement will be designated the Western Riverside Council of Governments Capital Provider Program Limited Obligation Improvement Bonds, Series 20__ - (First Commercial Property Tranche)", and will be issued in the original principal amount as indicated in Appendix 1.

The Series ___ Bonds shall be issued as fully registered Bonds without coupons.

(B) The Series ___ Bonds will be dated the Closing Date and will be payable on the Payment Dates and in the principal amounts, and will bear interest at the rate per annum (with accrued and unpaid interest payable on each Payment Date in accordance with Sections 2.02(B) and (C) of the Master Fiscal Agent Agreement), set forth in the schedule indicated in Appendix 1.

Section 2.02. Redemption of Series ___ Bonds.

(A) The Series ___ Bonds are subject to mandatory redemption from Prepayments and from Sinking Account Payments, optional redemption from amounts on deposit in the Redemption Fund and redemption from Excess Program Account Proceeds on deposit in the Extraordinary Mandatory Redemption Account, in each case as set forth in Appendix 1 hereto, but are not otherwise subject to optional redemption prior to maturity.

(B) Except as otherwise set forth in this Section 2.02 and in Appendix 1 hereto, Section 2.03 of the Master Fiscal Agent Agreement will govern redemption of the Series ___ Bonds.

Section 2.03. Form of Series ___ Bonds. The Series ___ Bonds, the Fiscal Agent's certificate of authentication, and the assignment to appear thereon, will be substantially in the form set forth in Exhibit B attached hereto and by this reference incorporated herein, with

necessary or appropriate variations, omissions and insertions, as permitted or required by this Supplemental Fiscal Agent Agreement, the Resolution of Issuance and the Bond Law.

Section 2.04. Validity of Bonds. The validity of the authorization and issuance of the Series ____ Bonds will not be dependent upon the installation or operation of the Improvements (as defined in the Assessment Contract(s) with respect to the Participating Parcel(s) set forth on Exhibit A hereto) or upon the performance by any person of such person's obligation with respect to the Improvements.

Section 2.05. Registration of Series ____ Bonds. The Series ____ Bonds shall be registered in the name of the Initial Purchaser indicated in Appendix 1.

ARTICLE III USE OF PROCEEDS

Section 3.01. Issuance of Series ____ Bonds. Upon the execution and delivery of this Supplemental Fiscal Agent Agreement and satisfaction of the requirements for issuance of a Series of Bonds under Section 3.04 of the Master Fiscal Agent Agreement, WRCOG will execute and deliver the Series ____ Bonds in the aggregate principal amount as indicated in Appendix 1 to the Fiscal Agent for authentication and delivery to the Initial Purchaser thereof as indicated in Appendix 1.

Section 3.02. Application of Proceeds of Sale of Series ____ Bonds. Upon the receipt of payment for the Series ____ Bonds on the Closing Date, the Fiscal Agent will apply the proceeds of sale thereof (being an amount equal to the principal amount of the Series ____ Bonds) as indicated in Appendix 1.

ARTICLE IV ADDITIONAL PROVISIONS

Section 4.01. Applicable Law. This Supplemental Fiscal Agent Agreement will be governed by and enforced in accordance with the laws of the State of California applicable to contracts made and performed in the State of California.

Section 4.02. Conflict with Bond Law. In the event of a conflict between any provision of this Supplemental Fiscal Agent Agreement with any provision of the Bond Law as in effect on the Closing Date, the provision of the Bond Law will prevail over the conflicting provision of this Supplemental Fiscal Agent Agreement.

Section 4.03. Conclusive Evidence of Regularity. Series ____ Bonds issued pursuant to this Supplemental Fiscal Agent Agreement will constitute conclusive evidence of the regularity of all proceedings under the Bond Law relative to their issuance and the levy of the Assessment (as defined in the Assessment Contract(s) with respect to the Participating Parcel(s) set forth on Exhibit A hereto).

Section 4.04. Confirmation of Master Fiscal Agent Agreement; Conflict With Master Fiscal Agent Agreement. All representations, covenants, warranties and other provisions of the Master Fiscal Agent Agreement, as previously amended and supplemented,

unless specifically amended, modified or supplemented by this Supplemental Fiscal Agent Agreement, are hereby confirmed as applicable to this Supplemental Fiscal Agent Agreement. In the event of any conflict between the provisions of this Supplemental Fiscal Agent Agreement and the Master Fiscal Agent Agreement, the provisions of this Supplemental Fiscal Agent Agreement will govern.

Section 4.05. Counterparts. This Supplemental Fiscal Agent Agreement may be executed in counterparts, each of which will be deemed an original.

IN WITNESS WHEREOF, WRCOG and the Fiscal Agent have caused this Supplemental Fiscal Agent Agreement to be executed, all as of the date first written above.

WESTERN RIVERSIDE COUNCIL OF
GOVERNMENTS

By: _____
Authorized Representative

[FISCAL AGENT NAME], as Fiscal Agent

By: _____
Authorized Signatory

**APPENDIX 1
BOND SPECIFICS**

Article I

Section 1.01. Definitions

Interest Payment Dates: Interest on the Series ___ Bonds is due and payable on March 2 and September 2 of each year, commencing on [DATE].

Principal of the Series ___ Bonds is due on September 2 in the years identified below.

Article II

Section 2.01. Terms of Series ___ Bonds.

- (a) Original principal amount of the Series ___ Bonds is \$_____ and the aggregate principal amount of all Bonds issued under the Master Fiscal Agent Agreement, after giving effect to the Series ___ Bonds, is \$_____.
- (b) [Interest Rate of the Series ___ Bonds is: _____%.] [The Series ___ Bonds shall be payable at the rates, and will be payable on each Interest Payment Date, pursuant to Debt Service Schedule set forth on Attachment A to the Series ___ Bond and as set forth in the following schedule:

Payment Date	Interest	Principal	Total
	*		

* Represents amounts payable from Capitalized Interest Account, as provided in Section 4.01(B) of the Master Fiscal Agent Agreement.

Section 2.02. Redemption of Series ____ Bonds.

(a) Mandatory Prepayment Redemption. The Series ____ Bonds will be redeemed, as a whole or in part, and paid in advance of maturity, from amounts received by WRCOG as a Prepayment of the Assessment, on any Interest Payment Date, at a price equal to:

(i) 100% of the principal amount of the Series ____ Bonds to be prepaid;

(ii) accrued but unpaid interest to the date of redemption, unless sooner surrendered, in which event said interest will be paid to the date of payment, all in the manner and as provided in the Bond Act; and

(iii) a redemption premium equal to ____%.

Upon redemption of the Series ____ Bonds as set forth in this subsection, WRCOG shall cause the Financed Amount (as defined in the Assessment Contract) to be reduced in an amount equal to the principal amount of the Series ____ Bonds redeemed.

(b) Optional Redemption. The Series ____ Bonds are subject to optional redemption, as a whole or in part, on any Interest Payment Date from funds derived by WRCOG from any source other than Related Prepayments, at a price equal to:

(i) 100% of the principal amount of the Series ____ Bonds to be prepaid;

(ii) accrued but unpaid interest to the date of redemption, unless sooner surrendered, in which event said interest will be paid to the date of payment, all in the manner and as provided in the Bond Act; and

(iii) a redemption premium equal to ____%.

(c) Extraordinary Mandatory Redemption from Excess Program Account Proceeds. The Series ____ Bonds will be redeemed, as whole or in part, and paid in advance of maturity, from amounts received by WRCOG as Excess Program Account Proceeds relating to this Bond and the Related Assessment Contract, on any Interest Payment Date, at a price equal to:

(i) 100% of the principal amount of the Series ____ Bonds to be prepaid;

(ii) accrued but unpaid interest to the date of redemption, unless sooner surrendered, in which event said interest will be paid to the date of payment, all in the manner and as provided in the Bond Act; and

(iii) a redemption premium equal to ____%.

(d) Mandatory Sinking Account Redemption. All the Series ____ Bonds constitute Term Bonds, which will be subject to mandatory redemption in part by lot, from Sinking

Account Payments made by WRCOG from the Redemption Fund, at a redemption price equal to the principal amount thereof to be redeemed, without premium, in the aggregate respective principal amounts, as shown in Attachment A.

However, if the Series ____ Bonds have been redeemed pursuant to an optional redemption or a mandatory prepayment redemption, the total amount of all future Sinking Account Payments relating to such maturity will be reduced by the aggregate principal amount of Term Bonds of such maturity so redeemed, to be allocated among such Sinking Account Payments on a pro rata basis in Authorized Denominations as determined by the Fiscal Agent, notice of which determination will be given by the Fiscal Agent to WRCOG.

Section 2.05. Registration of Series ____ Bonds.

The name of the Initial Purchaser is _____.

Article III

Section 3.01. Application of Proceeds of Sale of Series ____ Bonds.

(a) \$_____ to the Capitalized Interest Account for the Series ____ Bonds within the Redemption Fund representing capitalized interest on the Series ____ Bonds.

(b) \$_____ to the Costs of Issuance Account for the Series ____ Bonds within the Program Fund established pursuant to the Master Fiscal Agent Agreement.

(c) \$_____ to the Program Account for the Series ____ Bonds within the Program Fund established pursuant to the Master Fiscal Agent Agreement.

(d) \$_____ to the Administrative Expense Account of the Program Fund established pursuant to the Master Fiscal Agent Agreement.

[Unless otherwise instructed by WRCOG, each such account will be established for accounting purposes only.]

Optional: Utilized only if Reserve Fund established for the Series ____ Bonds.

[(e) \$_____ to the Series Bond Reserve Fund established pursuant to this Supplemental Fiscal Agent Agreement.]

Optional: Utilized only if Reserve Fund established for the Series ____ Bonds.

[Article IV]

Section 4.01. Series ____ Bond Reserve Fund

(A) General. The Fiscal Agent shall establish and maintain the Series ____ Bond Reserve Fund separate and distinct from the other funds and accounts established hereunder. Except as provided below, all moneys in the Series Bond Reserve Fund shall be used and withdrawn by the Fiscal Agent solely for the purpose of paying the interest on or the principal of

APPENDIX 1

the Series ___ Bonds in the event that insufficient moneys are available in the Assessment Collection Account for the Series ___ Bonds within the Redemption Fund for such purpose or for the redemption or payment of Series ___ Bonds under subparagraph (E) below.

(B) Investment; Maintenance of Funds in the Series ___ Bond Reserve Fund. Moneys in the Series ___ Bond Reserve Fund shall be invested in Permitted Investments with a maturity of not greater than five (5) years as directed in a Certificate of WRCOG; in the absence of direction the Fiscal Agent shall hold funds uninvested. The Fiscal Agent shall retain in the Series ___ Bond Reserve Fund all earnings on amounts on deposit in the Series ___ Bond Reserve Fund until the amount on deposit in the Series ___ Bond Reserve Fund exceeds the Series ___ Bond Reserve Requirement, then the amount in excess of the Series ___ Bond Reserve Requirement shall be transferred to the Assessment Collection Account for the Series ___ Bonds within the Redemption Fund.

Notwithstanding any other provision hereof, the failure to maintain an amount in the Series ___ Bond Reserve Fund equal to the Series ___ Bond Reserve Requirement shall not be a default or an Event of Default under the Master Fiscal Agent Agreement.

(C) Redemption as a Result of Principal Prepayments. In the event of a Prepayment (other than as a result of transfers made pursuant to subparagraph (E) below) of a Series ___ Bond, WRCOG shall transfer a proportionate amount in the Series ___ Bond Reserve Fund to the Assessment Collection Account for the Series ___ Bonds within the Redemption Fund. The proportionate amount shall be determined by multiplying (i) the fraction equal to the principal amount of Outstanding Series ___ Bonds to be redeemed pursuant to Section 2.03(C) of the Master Fiscal Agent Agreement over the total principal amount of the Outstanding Series ___ Bonds by (ii) the amounts on deposit in the Series ___ Bond Reserve Fund, but in any event not in excess of the amount that will leave the balance in the Series ___ Bond Reserve Fund equal to the Series ___ Bond Reserve Requirement for the Series ___ Bonds that will remain Outstanding following the redemption pursuant to Section 2.03(C) of the Master Fiscal Agent Agreement. Upon receipt of a Written Request from WRCOG, the Fiscal Agent shall transfer the proportionate amounts from the Series ___ Bond Reserve Fund to the Assessment Collection Account for the Series ___ Bonds within the Redemption Fund in the amounts set forth in the Written Request.

(D) Use for Final Assessment Installment. WRCOG may, but is not obligated to, use a proportionate amount in the Series ___ Bond Reserve Fund to pay the final fiscal year's Assessment Installments to be levied on a Participating Parcel(s) set forth on Exhibit A hereto that is not delinquent in the payment of Assessment Installments. The proportionate amount shall be determined on the basis of (i) the principal amount of Outstanding Series ___ Bonds attributable to the Participating Parcel(s) set forth on Exhibit A hereto and the total principal amount of the Outstanding Series ___ Bonds and (ii) the amounts on deposit in the Series ___ Bond Reserve Fund, but in any event not in excess of the amount that will leave the balance in the Series ___ Bond Reserve Fund equal to the Series ___ Bond Reserve Requirement for all Outstanding Series ___ Bonds for which principal will not be paid with the Assessment Installments to be paid by the Participating Parcel(s) set forth on Exhibit A hereto in the next fiscal year. Upon receipt of a Written Request from WRCOG, the Fiscal Agent shall transfer the proportionate amounts from the Series ___ Bond Reserve Fund to the Assessment Collection

APPENDIX 1

Account for the Series ____ Bonds within the Redemption Fund in the amounts set forth in the Written Request.

(E) Additional Use of Series ____ Bond Reserve Fund; Reduction in Series ____ Bond Reserve Requirement. Pursuant to the terms of the Assessment Contracts related to the Series ____ Bond, if certain conditions are met, the Property Owner may request that the amount in the Series ____ Bond Reserve Fund be utilized to prepay Assessments and redeem Series ____ Bonds hereunder. Upon receipt of a Written Request from WRCOG, the Fiscal Agent will transfer all amounts in the Series ____ Bond Reserve Fund to the Prepayment Account for the Series ____ Bonds within the Redemption Fund to redeem Series ____ Bonds under Section 2.03(C) of the Master Fiscal Agent Agreement. After such transfer, the Series ____ Bond Reserve Requirement thereafter will be zero and the Fiscal Agent will close the Series ____ Bond Reserve Fund.]

SUPPLEMENTAL FISCAL AGENT AGREEMENT

**EXHIBIT A
LIST OF PARTICIPATING PARCELS**

SUPPLEMENTAL FISCAL AGENT AGREEMENT

EXHIBIT B

FORM OF BOND

****THE BONDS ARE SUBJECT TO TRANSFER RESTRICTIONS PURSUANT TO
SECTION 2.05 OF THE MASTER FISCAL AGENT AGREEMENT****

Number ____ -1

\$_____

WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS

(Capital Provider Program – [Name of Capital Provider])

Limited Obligation Improvement Bonds, Series 20__

(First Commercial Property Tranche)

STATED INTEREST RATE

_____%

MATURITY DATE

September 2, 20__

DATED DATE

_____, 20__

REGISTERED OWNER:

PRINCIPAL AMOUNT: ***

_____ DOLLARS***

Under and by virtue of the Improvement Bond Act of 1915, Division 10 (commencing with Section 8500) of the California Streets and Highways Code (the “Bond Act”), the Western Riverside Council of Governments (“WRCOG”), will, out of the Redemption Fund established pursuant to a Master Fiscal Agent Agreement, dated as of [____], 2021 (the “Master Fiscal Agent Agreement”), as amended or supplemented by Supplemental Fiscal Agent Agreement No. [____], dated as of _____, 20__ (the Master Fiscal Agent Agreement as supplemented, the “Fiscal Agent Agreement”) relating to Series 20__ Bonds (the “Bonds”), each by and between WRCOG and [Fiscal Agent Name], as Fiscal Agent (the “Fiscal Agent”), pay to the registered owner named above, or registered assigns, the principal amount set forth above, and interest on such principal amount, at the times and in the amounts set forth in Attachment A in lawful money of the United States of America; in addition, the Bond shall accrue additional interest as set forth in Section 4.01(B) of the Fiscal Agent Agreement. In the event of the redemption of this Bond in part prior to maturity the principal amount and the interest on such principal amount if this Bond set forth in Attachment A will be subject to amendment without amending Attachment A and the Fiscal Agent shall have no obligation to revise Attachment A hereto to reflect such amendment.

Capitalized terms not otherwise defined herein shall have the meanings given such terms in the Fiscal Agent Agreement.

This Bond bears interest from the Interest Payment Date next preceding its date of authentication and registration unless it is authenticated and registered (i) prior to an Interest Payment Date and after the close of business of the 15th day of the calendar month preceding such Interest Payment Date, in which event it will bear interest from such Interest Payment Date,

EXHIBIT B-1

or (ii) prior to the close of business on the 15th day of the calendar month preceding the first Interest Payment Date above, in which event it will bear interest from its date of delivery, until payment of such principal sum has been discharged.

Interest (excluding the final interest payment due upon maturity or earlier redemption) on and principal (excluding the final principal payment upon maturity or earlier redemption) of this Bond are payable in lawful money of the United States of America by the Fiscal Agent to the person whose name appears on the Bond Register as the Owner thereof as of the close of business on the Record Date preceding the Interest Payment Date by wire transfer of immediately available funds made on such Interest Payment Date upon the written instructions by such Owner delivered to the Fiscal Agent at least five (5) Business Days prior to the applicable Record Date.

Payment of principal of this Bond and accrued interest and premium, if any, on this Bond upon final maturity or redemption in whole shall be payable in lawful money of the United States of America by the Fiscal Agent of immediately available funds, to the person whose name appears on the Bond Register as the Owner thereof, upon surrender of this Bond at the Corporate Office of the Fiscal Agent.

Payment of principal of this Bond on any Interest Date and in the amount set forth in Attachment "A" hereto and accrued interest and premium, if any, on this Bond upon redemption in part shall be payable in lawful money of the United States of America by the Fiscal Agent to the person whose name appears on the Bond Register as the Owner thereof as of the close of business on the Record Date preceding the applicable Interest Payment Date, without surrender of this at the Corporate Office of the Fiscal Agent, by wire transfer of immediately available funds made on such Interest Payment Date upon the written instructions by such Owner delivered to the Fiscal Agent at least five (5) Business Days prior to the applicable Record Date.

This Bond will continue to bear interest after maturity at the rate above stated if this Bond is presented at maturity and payment hereof is refused upon the sole ground that there are not sufficient moneys in the Redemption Fund with which to pay same. If this Bond is not presented at maturity, interest hereon will run only until maturity.

This Bond will not be entitled to any benefit under the Bond Act or the Fiscal Agent Agreement, or become valid or obligatory for any purpose, until the certificate of authentication and registration hereon are dated and signed by the Fiscal Agent.

This Bond is issued by WRCOG under the Bond Act and the Fiscal Agent Agreement for the purpose of providing means for paying for the Improvements described in the Fiscal Agent Agreement. It is secured by certain moneys in the Redemption Fund, the unpaid portion of Related Assessments made for the payment of those Related Improvements and any Penalties and Interest (as defined in the Fiscal Agent Agreement) received by WRCOG relating to the Related Assessments. Principal, interest and redemption premium, if any, is payable exclusively out of the Redemption Fund. This Bond and any other Bonds issued under the Fiscal Agent Agreement are referred to as the "Bonds."

This Bond is transferable by the registered Owner hereof, in person or by the Owner's attorney duly authorized in writing, at the office of the Fiscal Agent, subject to the terms and conditions provided in the Resolution of Issuance and the Fiscal Agent Agreement, including the payment of certain charges, if any, upon surrender and cancellation of this Bond. Upon such transfer, a new registered Bond or Bonds, of any authorized denomination or denominations, of the same maturity, and for the same aggregate principal amount, will be issued to the transferee in exchange therefor. This Bond may only be transferred in an Authorized Denomination to (i) an Accredited Investor or Qualified Institutional Buyer who delivers to the Fiscal Agent and WRCOG an executed letter substantially in the form of Exhibit B attached to the Fiscal Agent Agreement or (ii) WRCOG (or the Fiscal Agent at the direction of WRCOG).

Bonds will be registered only in the name of an individual (including joint owners), a corporation, a partnership or limited liability company, or a trust.

Neither WRCOG nor the Fiscal Agent will be required to make such exchange or registration of transfer of Bonds during the fifteen (15) days of the calendar month immediately preceding any Interest Payment Date.

WRCOG and the Fiscal Agent may treat the registered Owner hereof as the absolute owner for all purposes, and WRCOG and the Fiscal Agent will not be affected by any notice to the contrary.

Optional Redemption. The Bonds are subject to optional redemption, as a whole or in part, on any Interest Payment Date from funds derived by WRCOG from any source other than Related Prepayments, at a price equal to:

- (ii) 100% of the principal amount of the Bonds to be prepaid;
- (iii) accrued but unpaid interest to the date of redemption, unless sooner surrendered, in which event said interest will be paid to the date of payment, all in the manner and as provided in the Bond Act; and
- (iv) a redemption premium equal to ____%.

Mandatory Sinking Account Redemption. All the Bonds constitute Term Bonds, which will be subject to mandatory redemption in part by lot, from Sinking Account Payments made by WRCOG from the Redemption Fund, at a redemption price equal to the principal amount thereof to be redeemed, without premium, in the aggregate respective principal amounts, as shown in Attachment A.

However, if the Bonds have been redeemed pursuant to an optional redemption or a mandatory prepayment redemption, the total amount of all future Sinking Account Payments relating to such maturity will be reduced by the aggregate principal amount of Term Bonds of such maturity so redeemed, to be allocated among such Sinking Account Payments on a pro rata basis in Authorized Denominations as determined by WRCOG, notice of which determination will be given by WRCOG to the Fiscal Agent.

Mandatory Prepayment Redemption. The Bonds will be redeemed, as a whole or in part, and paid in advance of maturity, from amounts received by WRCOG as Related Prepayments, on any Interest Payment Date, at a price equal to:

- (i) 100% of the principal amount of the Bonds to be prepaid;
- (ii) accrued but unpaid interest to the date of redemption, unless sooner surrendered, in which event said interest will be paid to the date of payment, all in the manner and as provided in the Bond Act; and
- (iii) a redemption premium equal to ____%.

Upon redemption of the Bonds as set forth in this subsection, WRCOG shall cause the Financed Amount to be reduced in an amount equal to the principal amount of the Bonds redeemed.

Extraordinary Mandatory Redemption from Excess Program Account Proceeds. The Bonds will be redeemed, as whole or in part, and paid in advance of maturity, from amounts received by WRCOG as Excess Program Account Proceeds relating to this Bond and the Related Assessment Contract, on any Interest Payment Date, at a price equal to:

- (i) 100% of the principal amount of the Bonds to be prepaid;
- (ii) accrued but unpaid interest to the date of redemption, unless sooner surrendered, in which event said interest will be paid to the date of payment, all in the manner and as provided in the Bond Act; and
- (iii) a redemption premium equal to ____%.

This Bond is a Limited Obligation Improvement Bond because, under the Fiscal Agent Agreement, WRCOG is not obligated to advance funds from WRCOG treasury to cover any deficiency that may occur in the related accounts of the Redemption Fund for the Bonds.

IN WITNESS WHEREOF, WRCOG has caused this Series ____ Bond to be executed in its name and on its behalf by the facsimile signatures of its Treasurer and Secretary all as of the Original Issue Date identified above.

WESTERN RIVERSIDE COUNCIL OF
GOVERNMENTS

By: _____
Treasurer

Attest:

Secretary

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This is one of the Series 20__ Bonds described in the within mentioned Fiscal Agent Agreement.

Dated: _____, 20__

[Fiscal Agent Name], as Fiscal Agent

By: _____
Authorized Signatory

ABBREVIATIONS

The following abbreviations, when used in the inscription on the face of this bond, will be construed as though they were written out in full according to applicable laws or regulations:

TEN COM - as tenants in common
TEN ENT - as tenants by the entireties
JT TEN - as joint tenants with right of survivorship and not as tenants in common

UNIF GIFT MIN ACT - _____ Custodian
(Cust) (Minor)

Under Uniform Gifts to Minors Act _____
(State)

Additional abbreviations may also be used though not in the above list

(FORM OF ASSIGNMENT)

For value received, the undersigned do(es) hereby sell, assign and transfer unto

(Name, Address and Tax Identification or Social Security Number of Assignee)

the within mentioned Bond and hereby irrevocably constitute(s) and appoint(s): _____
_____ attorney, to transfer the same on the registration books of the
Fiscal Agent, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

NOTICE: The signature(s) on this assignment must correspond with the name(s) as written on the face of the registered Bond in every particular without alteration or enlargement or any change whatsoever.
--

ATTACHMENT A

DEBT SERVICE SCHEDULE

[illegible]

MASTER FISCAL AGENT AGREEMENT

EXHIBIT “B”

FORM OF TRANSFER LETTER

[NOTE: WILL NEED TO MATCH FINAL PURCHASER LETTER]

Western Riverside Council of Governments
3390 University Avenue, Suite 450
Riverside, CA 92501

[Fiscal Agent Name]
[Address]

Re: Western Riverside Council of Governments
Capital Provider Program
Limited Obligation Improvement Bonds Series 20__
(First Commercial Property Tranche)

Ladies and Gentlemen:

The Western Riverside Council of Governments (the “Issuer”) has issued the above-referenced bonds (the “Bonds”). Capitalized terms used in this letter but not defined have the meaning given them in the Fiscal Agent Agreement, dated as of __, 20__ (the “Fiscal Agent Agreement”) relating to the Bonds.

In connection with our purchase on the date hereof of the Bonds, the undersigned (the “Bond Purchaser”) hereby represents, warrants and agrees as follows:

(a) The Bond Purchaser is an “accredited investor” as such term is defined in Rule 501(a) of Regulation D, or a “Qualified Institutional Buyer” as defined in Rule 144A, promulgated under the Securities Act of 1933, as amended.

(b) The Bond Purchaser has sufficient knowledge and experience in financial and business matters, including the purchase and ownership of municipal bonds similar to the Bonds, to be capable of evaluating the merits and risks of an investment in the Bonds, and the Bond Purchaser is able to bear the economic risks of such an investment.

(c) The Bond Purchaser is purchasing the Bonds for not more than one account for investment purposes and not with a view to distributing the Purchased Bonds, to the extent not permitted under the applicable securities laws.

(d) The Bond Purchaser recognizes that an investment in the Bonds involves significant risks, that there is no established market for the Bonds and that none is likely to develop and, accordingly, that the Bond Purchaser must bear the economic risk of an investment in the Bonds for an indefinite period of time.

(e) The Bond Purchaser: (i) has conducted its own independent inquiry, examination and analysis with respect to the Bonds; (ii) has had an opportunity to ask questions of and receive answers from the Issuer about the Bonds (including the security therefor) and the matters, transactions and documents relating to the foregoing; (iii) has been provided by the Issuer with all documents and information regarding the Bonds (including the security therefor) and the matters, transactions and documents relating to the foregoing that it has requested; and (iv) the Bond Purchaser has been provided with information sufficient to allow the Bond Purchaser to make an informed decision to purchase the Bonds.

(f) The Bond Purchaser (i) is not relying upon the Issuer, or any of its affiliates, officers, employees or agents, for advice as to the merits and risks of investment in the Bonds, and (ii) has sought such accounting, legal and tax advice as it has considered necessary to make an informed investment decision.

(g) The Bond Purchaser understands and acknowledges (i) that the offering of the Bonds is not subject to the requirements of Rule 15c2-12 promulgated under the Securities Exchange Act of 1934, and (ii) that the Issuer has not prepared or caused to be prepared, and is not delivering, a deemed final official statement with respect to the Bonds and has not undertaken to provide to or for the benefit of holders of the Bonds financial or operating data or any other information with respect to the Bonds on an ongoing basis.

(h) The Bond Purchaser is able to bear the economic risk of the investment represented by its purchase of the Bonds.

(i) In the event that the Bond Purchaser wishes to sell the Bonds in the future, the Bond Purchaser agrees and acknowledges that the Bonds cannot be sold without complying with transfer restrictions set forth in the Fiscal Agent Agreement, including, but not limited to, providing for execution and delivery by the proposed transferee of a letter in substantially the form of this letter, and the Bond Purchaser hereby agrees to assume the responsibility for disclosure of all material information that may be necessary to comply with all federal and related state securities laws.

(j) The Bond Purchaser acknowledges that Best Best & Krieger LLP ("Bond Counsel") is acting as bond counsel to the Issuer, that Bond Counsel has no attorney-client relationship with the Bond Purchaser, and that the Bond Purchaser has sought legal advice from its own counsel to the extent it concluded legal advice was necessary.

(k) Notwithstanding the foregoing, the Bond Purchaser and any successor of the Bond Purchaser may elect at its own expense to securitize its interest in the Bonds, sell the Bonds to an entity in connection with such securitization and sell the asset-backed securities to the investment community without the delivery of an investor letter in substantially the form of this letter, provided that (i) any such sale of the Bonds is to an Accredited Investor or a Qualified Institutional Buyer and (ii) the purchaser of the Bonds delivers a letter to the Issuer to the effect that it is an Accredited Investor or a Qualified Institutional Buyer and that acknowledges the transfer restrictions set forth in the Fiscal Agent Agreement; no further action or acknowledgement by the Issuer will be required to authorize such securitization or sale of the Bonds by the Bond Purchaser or a successor to the Bond Purchaser.

(1) Bond Purchaser agrees to defend, indemnify and hold harmless the Issuer from and against any and all claims, liabilities, obligations, losses, damages and penalties of any kind (including reasonable fees of outside counsel, litigation and court costs, amounts paid in settlement and amounts paid to discharge judgments) that may be imposed on, incurred by or asserted against the Issuer in any way relating to or arising out of a transfer by the Bond Purchaser of the Bonds to which this letter relates in violation of the restrictions contained in Section 2.05(B) of the Fiscal Agent Agreement.

Very truly yours,

[Insert] _____

By: _____

Name:

Title:

Item 6.C

PACE Programs Activities Update:
Addition of Direct Capital Provider

Attachment 5

WRCOG Capital Provider Program
Master Indenture

Page Intentionally Left Blank

MASTER INDENTURE

between

WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS

and

as Trustee

Dated as of [__], 2021

Relating to:

**WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS
(CAPITAL PROVIDER PROGRAM-[Name of Capital Provider])
LIMITED OBLIGATION IMPROVEMENT BONDS
(First Commercial Property Tranche)**

ARTICLE I
STATUTORY AUTHORITY AND DEFINITIONS
3

Section 1.01.	Authority for this Master Indenture.....	3
Section 1.02.	Definitions	3
Section 1.03.	Interpretation	13
Section 1.04.	Indenture Constitutes Contract.....	13

ARTICLE II
THE BONDS
14

Section 2.01.	Bonds Authorized.....	14
Section 2.02.	Payment of Principal of and Interest on the Bonds	14
Section 2.03.	Redemption.....	15
Section 2.04.	Execution of Bonds	18
Section 2.05.	Transfer of Bonds	18
Section 2.06.	Exchange of Bonds.....	18
Section 2.07.	Bond Register	19
Section 2.08.	Temporary Bonds	19
Section 2.09.	Bonds Mutilated, Lost, Destroyed or Stolen	19

ARTICLE III
SECURITY; ISSUANCE OF BONDS
21

Section 3.01.	Security for the Bonds; Pledge of Assessments and Funds.....	21
Section 3.02.	Limited Obligation	21
Section 3.03.	No Parity Debt.....	22
Section 3.04.	Requirements for Issuance of Bonds	22
Section 3.05.	No Acceleration.....	23
Section 3.06.	Refunding of Bonds.....	23
Section 3.07.	Agreement for Benefit of Bond Owners	24

ARTICLE IV
FUNDS AND ACCOUNTS
25

Section 4.01.	Redemption Fund	25
Section 4.02.	Program Fund	28
Section 4.03.	Reserve Fund.....	30

TABLE OF CONTENTS
(continued)

	Page
Section 4.04. Establishment of Subaccounts.....	30
 ARTICLE V COVENANTS OF WRCOG 32	
Section 5.01. Collection of Assessments.....	32
Section 5.02. Foreclosure	33
Section 5.03. Punctual Payment	34
Section 5.04. Extension of Time for Payment.....	34
Section 5.05. Against Encumbrance.....	34
Section 5.06. Books and Accounts	34
Section 5.07. Protection of Security and Rights of Owners	35
Section 5.08. Compliance with Law; Completion of Improvements	35
Section 5.09. Further Assurances	35
 ARTICLE VI INVESTMENTS; LIABILITY OF WRCOG 36	
Section 6.01. Deposit and Investment of Moneys in Funds	36
Section 6.02. Limited Liability of WRCOG	37
Section 6.03. Employment of Agents by WRCOG.....	37
 ARTICLE VII THE TRUSTEE 38	
Section 7.01. Appointment of Trustee.....	38
Section 7.02. Liability of Trustee	39
Section 7.03. Information; Books and Accounts.....	41
Section 7.04. Notice to Trustee	41
Section 7.05. Compensation; Indemnification	42
Section 7.06. Trustee as Owner	42
 ARTICLE VIII MODIFICATION OR AMENDMENT OF THE INDENTURE 43	
Section 8.01. Conditions for Amendment	43
Section 8.02. Procedure for Amendment with Written Consent of Owners	44

TABLE OF CONTENTS
(continued)

	Page
Section 8.03. Disqualified Bonds	45
Section 8.04. Effect of Supplemental Indenture.....	45
Section 8.05. Endorsement or Replacement of Bonds Issued After Amendment.....	45
Section 8.06. Amendatory Endorsement of Bonds	46
Section 8.07. Execution of Supplemental Indenture	46

ARTICLE IX
EVENTS OF DEFAULT; REMEDIES
47

Section 9.01. Events of Default.....	47
Section 9.02. Remedies of Owners.....	47
Section 9.03. Application of Funds After Default.....	48

ARTICLE X
MISCELLANEOUS
50

Section 10.01. Discharge of Indenture	50
Section 10.02. Benefits of Agreement Limited to Parties	50
Section 10.03. Successor is Deemed Included in All Reference to Predecessor	51
Section 10.04. Execution of Documents and Proof of Ownership by Owners	51
Section 10.05. Waiver of Personal Liability	51
Section 10.06. Notices to and Demand on Authority and Trustee	52
Section 10.07. Partial Invalidity	52
Section 10.08. Unclaimed Moneys.....	52
Section 10.09. Applicable Law	52
Section 10.10. Content of Certificates.....	53
Section 10.11. Conclusive Evidence of Regularity	53
Section 10.12. Payment on Business Day	53
Section 10.13. Counterparts	53
Exhibit A – Form of Supplemental Indenture.....	A-1
Exhibit B - Form of Transfer Letter.....	B-1

MASTER INDENTURE

THIS MASTER INDENTURE (this “**Master Indenture**”) is made and entered into as of [____], 2021, between the **WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS**, a joint exercise of powers agency duly organized and existing under the Constitution and laws of the State of California (“**WRCOG**”), and [TRUSTEE NAME], a national banking association duly organized and existing under the laws of the United States of America (the “**Trustee**”).

BACKGROUND:

WHEREAS, acting under the provisions of Chapter 29 of the Improvement Bond Act of 1911, being Division 7 of the California Streets and Highways Code (“Chapter 29”), WRCOG has established the Energy Efficiency and Water Conservation Program for Western Riverside County (the “WRCOG Program”) pursuant to which WRCOG is authorized to enter into contractual assessments with the owners of residential or commercial real property located within the County of Riverside and the cities within the western portion of the County of Riverside that have elected to participate in the WRCOG Program to finance the installation of distributed generation renewable energy sources, energy and water efficiency improvements and electric vehicle charging infrastructure (the “Authorized Improvements”); and

WHEREAS, acting under Chapter 29, WRCOG has also established the California PACE Program (the “California Program” and, together with the WRCOG Program, the “Program”) pursuant to which WRCOG is authorized to enter into contractual assessments with the owners of residential and commercial real property located within cities and counties located outside of the western portion of the County of Riverside that have elected to become Associate Members of WRCOG and to participate in the California Program to finance the installation of Authorized Improvements; and

WHEREAS, WRCOG is authorized to issue limited obligation improvement bonds pursuant to Section 5898.22 and Section 5898.28 of Chapter 29 and the Improvement Bond Act of 1915, as amended, being Division 10 of the California Streets and Highways Code (the “Bond Act”), to finance the installation of Authorized Improvements that are permanently fixed to residential or commercial real property located within cities or counties participating in the Program; and

WHEREAS, on [February 1, 2021], the Executive Committee adopted Resolution Number ____, entitled “A Resolution of the Executive Committee of the Western Riverside Council of Governments authorizing WRCOG to issue and directly place bonds to finance eligible improvements to be installed on commercial properties located within the boundaries of both the WRCOG energy efficiency and Water Conservation Program for Western Riverside County and the California Hero Program with certain capital providers, and in connection with such authorization, approving amendments to the Program Report for such programs and the forms of a Commercial Handbook, Assessment Contract, Master Indenture, Master Fiscal Agent Agreement and Master Bond Purchase Agreement, and authorizing the issuance of bonds pursuant to such Master Indenture or Master Fiscal Agent Agreement secured by assessments levied on Commercial Properties to finance the installation of eligible improvements on such Commercial Properties and approving other actions in connection thereto” (the “Resolution of

Issuance”) to authorize WRCOG to directly administer the Programs and issue and sell bonds to a capital provider that is approved by the Executive Director or his designee or authorized pursuant to the provisions of the Program Reports to allow for the financing of Authorized Improvements on commercial properties within the Program Areas (the “Capital Provider Program”); and

WHEREAS, the Executive Committee did, by the adoption of the Resolution of Issuance, approve the form of this Master Indenture, authorized the Executive Director of WRCOG or designee to appoint a trustee and such authorized representative has selected [Trustee Name] as trustee hereunder; and

WHEREAS, pursuant to the Resolution of Issuance the Executive Committee did authorize WRCOG to issue limited obligation improvement bonds pursuant to this Master Indenture (defined herein as the “Bonds”) to finance the installation of Authorized Improvements on commercial properties the owners of which have elected to participate in the Capital Provider Program; and

WHEREAS, it is in the public interest and for the benefit of WRCOG and the owners of the Bonds that WRCOG and the Trustee enter into this Master Indenture to provide for the issuance of the Bonds, the disbursement of proceeds of such bonds, the disposition of the assessments securing the Bonds and the administration and payment of the Bonds; and

WHEREAS, WRCOG has determined that all things necessary to cause the Bonds, when authenticated by the Trustee and issued as provided in the Bond Act, the Resolution of Issuance, and this Master Indenture, to be legal, valid and binding limited obligations in accordance with their terms, and all things necessary to cause the creation, authorization, execution and delivery of this Master Indenture and the creation, authorization, execution and issuance of the Bonds, subject to the terms hereof, have in all respects been duly authorized.

NOW, THEREFORE, in consideration of the covenants and provisions herein set forth and for other valuable consideration the receipt and sufficiency of which are hereby acknowledged, the parties hereto do hereby agree as follows:

ARTICLE I

STATUTORY AUTHORITY AND DEFINITIONS

Section 1.01. Authority for this Master Indenture. This Master Indenture is entered into under Chapter 29, the Bond Act and the Resolution of Issuance.

Section 1.02. Definitions. Unless the context otherwise requires, the terms defined in this Section 1.02 will, for all purposes of this Master Indenture, of any Supplemental Indenture (as herein defined), and of any certificate, opinion or other document herein mentioned, have the meanings herein specified.

“Accredited Investor” means an “accredited investor” as such term is defined in Rule 501(a) of Regulation D promulgated under the United States Securities Act of 1933, as amended.

“Administrative Expense Account” means the account of that name established in the Program Fund and designated “Western Riverside Council of Governments Capital Provider Program Limited Obligation Improvement Bonds (First Commercial Property Tranche) Administrative Expense Account,” established and administered pursuant to Section 4.02.

“Administrative Expenses” means costs directly related to the administration of the Program, as determined by WRCOG in its sole reasonable discretion, including, but not limited to: the actual costs of preparing the annual Assessment Installment collection schedules (whether by an employee of WRCOG or a consultant or both) and the actual costs of collecting the Assessment Installments (whether by a county or otherwise); actual fees and costs of the Trustee, in each case as evidenced by written documentation provided to WRCOG; the actual costs of remitting the Assessment Installments to the Trustee; actual costs of the Trustee (including its legal counsel) in the discharge of its duties under the Indenture; the actual costs of WRCOG or its designee of complying with the disclosure provisions of Chapter 29, the Bond Act, federal securities laws and the Indenture, including those related to public inquiries regarding the Assessments and disclosures to Owners of the Bonds; the actual costs of WRCOG or its designee related to an appeal or challenge of the Assessment; any amounts required to be rebated to the federal government; and an allocable share of the salaries of WRCOG staff directly related to the foregoing and a proportionate amount of Authority general administrative overhead related thereto. Administrative Expenses shall also include amounts advanced by WRCOG for any administrative purpose relating to the Program, including costs related to prepayments of Assessments and the costs of prosecuting foreclosure of delinquent Assessment Installments and actual fees and costs of WRCOG.

“Annual Assessment Administrative Fee” means, as to each Participating Parcel, the administrative fee due and payable pursuant to an Assessment Contract that shall be collected on the property tax bill pertaining to such Participating Parcel.

“Assessment” or “Assessments” means the unpaid contractual assessment(s) levied on the Participating Parcel(s) pursuant to an Assessment Contract(s), but excludes Penalties and Interest.

“Assessment Administrator” means David Taussig & Associates, and its successors, or any financial consultant or firm of such financial consultants judged by WRCOG to have experience in the administration for and on behalf of public agencies of assessments similar to the Assessments levied by such public agencies in the State of California.

“Assessment Collection Account” means the account within the Redemption Fund designated as the “Western Riverside Council of Governments Capital Provider Program Limited Obligation Improvement Bonds (First Commercial Property Tranche) Assessment Collection Account,” established and administered by the Trustee pursuant to Section 4.01 hereof. Unless otherwise instructed by WRCOG, such account will be established in the Redemption Fund for each Series of Bonds for accounting purposes only.

“Assessment Contract” means the contract between WRCOG and the Property Owner pursuant to which the Property Owner agrees to pay the Assessment and WRCOG agrees to finance the installation of Improvements on the Participating Parcel.

“Assessment Installment” means, as to each Participating Parcel, the portion of the principal amount of the Assessment, together with the interest on the Assessment, due and payable pursuant to an Assessment Contract that shall be collected on the property tax bill pertaining to such Participating Parcel.

“Auditor” means the auditor/controller or tax collector of the applicable county in which the Participating Parcel is located, or such other official of the county who is responsible for preparing real property tax bills.

“Authorized Denominations” means the entire principal amount of the Outstanding Bonds of a Series.

“Authorized Representative” means the Executive Director of WRCOG or his or her designee or designees each of whom is authorized pursuant to a Certificate of WRCOG executed by the Executive Director.

“Bond” or **“Bonds”** means the Western Riverside Council of Governments (Capital Provider Program – [Name of Capital Provider]) Limited Obligation Improvement Bonds (First Commercial Property Tranche) in one or more Series, authorized, executed and delivered under this Master Indenture.

“Bond Counsel” means Best Best & Krieger LLP, and its successors, or any other attorney or firm of attorneys of nationally recognized standing in matters pertaining to the issuance of bonds by states and their political subdivisions, duly admitted to the practice of law before the highest court of the State of California.

“Bond Act” means the Improvement Bond Act of 1915, being Division 10 of the California Streets and Highways Code (commencing with Section 8500 et seq.), and as it may be amended from time to time, to the extent not in conflict with Chapter 29.

“Bond Register” means the books maintained by the Trustee pursuant to Section 2.07 for the registration and transfer of ownership of the Bonds.

“Bond Year” means, with respect to the Bonds, the twelve-month period beginning on September 3 in each year and ending on September 2 in the following year except that (i) the first Bond Year will begin on the date of delivery of the Bonds and end on the next September 2, and (ii) the last Bond Year may end on a prior redemption date.

“Business Day” means any day other than (i) a Saturday or a Sunday or (ii) a day on which banking institutions in California or in the state in which the Trustee has its principal corporate trust office are authorized or obligated by law or executive order to be closed.

“Capitalized Interest Account” means the account of that name established in the Redemption Fund and administered under Section 4.01. Such account will be established only as directed in a Supplemental Indenture with respect to a Series of Bonds and unless otherwise instructed by WRCOG, such account will be established for accounting purposes only.

“Certificate of WRCOG” means a written certificate of WRCOG signed by an Authorized Representative of WRCOG.

“Chapter 29” shall have the meaning given such term in the recitals hereto.

“Closing Date” means, as to each Bond or Series of Bonds, the date of issuance of thereof.

“Collateral” shall have the meaning given such term in Section 3.01 hereto.

“Commercial” shall have the meaning given such term in the Program Report.

“Costs of Issuance” means all items of expense directly or indirectly payable by or reimbursable to WRCOG relating to the authorization, issuance, sale and delivery of the Bonds, including, but not limited to: printing expenses; rating agency fees; filing and recording fees; initial fees, expenses and charges of the Trustee and its counsel, including the Trustee’s first annual administrative fee; fees, charges and disbursements of Bond Counsel and other attorneys, financing advisors, accounting firms, consultants and other professionals, fees and charges for preparation, execution and safekeeping of the Bonds; and any cost, charge or fee in connection with the original issuance of a Series of Bonds.

“Costs of Issuance Account” means the account of that name established in the Program Fund and designated “Western Riverside Council of Governments (Capital Provider Program – [Name of Capital Provider]) Limited Obligation Improvement Bonds (First Commercial Property Tranche) Costs of Issuance Account,” established and administered pursuant to Section 4.04 of this Master Indenture. Unless otherwise instructed by WRCOG, such account will be established in the Program Fund for each Series of Bonds for accounting purposes only.

“County” means the County of _____.

“Covered Jurisdiction” means the jurisdictional boundaries of the Member Agencies of WRCOG participating in the Programs.

“Debt Service” means, for each Bond Year, with respect to a Series of Bonds, the sum of (i) the interest due on the Outstanding Bonds of such Series in such Bond Year, assuming that the Outstanding Bonds of such Series are retired as scheduled, and (ii) the principal amount of the Outstanding Bonds of such Series and the Sinking Fund Payments on such Bonds due in such Bond Year.

“Debt Service Schedule” means the schedule, as may be amended, established by WRCOG or its authorized agent, which sets forth the dates on which Debt Service shall be paid.

“Designated Transferee” means, as to any Series of Bonds, the party identified as the Designated Transferee, if any, in the Supplemental Indenture and/or Certificate of WRCOG with respect to a Series of Bonds providing for the issuance of such Series of Bonds.

“Electronic Means” shall mean the following communications methods: e-mail; facsimile transmission; secure electronic transmission containing applicable authorization codes, passwords and/or authentication keys issued by the Trustee; or another method or system specified by the Trustee as available for use in connection with its services hereunder.

“Event of Default” means any event described as an Event of Default in Section 9.01.

“Excess Program Account Proceeds” means the proceeds, if any, from the issuance of a Series of Bonds deposited on the Closing Date in the respective Program Account within the Program Fund for the payment or reimbursement of Improvement Costs for the installation of Improvements on a Participating Parcel that remain on deposit in such account following the payment of all such Improvement Costs.

“Executive Committee” means the Executive Committee of WRCOG.

“Extraordinary Mandatory Redemption Account” means the account within the Redemption Fund designated as the “Western Riverside Council of Governments (Capital Provider Program – [Name of Capital Provider]) Limited Obligation Improvement Bonds (First Commercial Property Tranche) Extraordinary Mandatory Redemption Account,” established by the Trustee pursuant to Section 4.01(A)(3).

“Federal Securities” means any of the following which are non-callable and which at the time of investment are legal investments under the laws of the State of California for funds held by the Trustee:

- (ii) direct general obligations of the United States of America (including obligations issued or held in book entry form on the books of the United States Department of the Treasury) and obligations, the timely payment of principal of and interest on which are, directly or indirectly, fully and unconditionally guaranteed by the United States of America, including, without limitation, such of the foregoing which are commonly referred to as stripped obligations and coupons; or

- (iii) any of the following obligations of the following agencies of the United States of America:

- (a) direct obligations of the Export-Import Bank;
- (b) certificates of beneficial ownership issued by the Farmers Home Administration;
- (c) participation certificates issued by the General Services Administration;
- (d) mortgage-backed bonds or pass-through obligations issued and guaranteed by the Government National Mortgage Association;
- (e) project notes issued by the United States Department of Housing and Urban Development; and
- (f) public housing notes and bonds guaranteed by the United States of America.

“Financed Amount” has the meaning given that term in the Assessment Contract(s).

“Improvement Costs” means the costs of installing the Improvements on Participating Parcels in accordance with the Program Report, the Program Handbook and the related Assessment Contract or Assessment Contracts.

“Improvements” means the distributed generation renewable energy, energy efficiency, water efficiency, seismic and electric vehicle charging infrastructure improvements to be installed on the Participating Parcel(s) pursuant to the Assessment Contracts.

“Indenture” means collectively this Master Indenture, as it may be amended, modified or supplemented from time to time, together with any Supplemental Indenture executed pursuant to the provisions of this Master Indenture.

“Initial Purchaser” means the party designated as the Initial Purchaser pursuant to each Supplemental Indenture and/or Certificate of WRCOG with respect to a Series of Bonds.

“Interest Payment Dates” means, as to any Series of Bonds, March 2 and September 2 of each year, commencing on the Interest Payment Date specified in the Supplemental Indenture pursuant to which such Series of Bonds have been issued.

“Joint Exercise of Powers Agreement” means that Joint Powers Agreement of WRCOG originally made and entered into April 1, 1991, as amended and to date and as it may be amended or supplemented from time in accordance with its terms.

“Master Indenture” means this Master Indenture, dated as of [____], 2021, by and between WRCOG and the Trustee, as it may be amended, modified or supplemented from time to time pursuant to the provisions of this Master Indenture.

“Non-Completion Assessment” means an Assessment collected from the owner of the Participating Parcel(s) resulting from failure to install the Improvements or otherwise comply with requirements of WRCOG.

“Outstanding” when used as of any particular time with reference to the Bonds, means, subject to the provisions of Section 8.03, all Bonds except:

(iv) Bonds canceled by the Trustee or surrendered to the Trustee for cancellation;

(v) Bonds paid or deemed to have been paid within the meaning of Article X; and

(vi) Bonds in lieu of or in substitution for which other Bonds have been authorized, executed, issued and delivered by WRCOG pursuant to the Indenture.

“Owner” or ***“Bond Owner”*** means the registered owner of any Outstanding Bond as shown on the Bond Register of the Trustee under Section 2.07.

“Participating Parcel(s)” means the parcel(s) within a Program Area that is (are) subject to the lien of an Assessment pursuant to an Assessment Contract or Assessment Contracts securing a Series of Bonds as identified on Appendix I of each Supplemental Indenture.

“Penalties and Interest” means any (i) penalties on delinquent contractual assessments levied on a Participating Parcel(s) pursuant to an Assessment Contract and (ii) interest on delinquent contractual assessments levied on a Participating Parcel(s) pursuant to an Assessment Contract in excess of the interest rate of the related Series of Bonds, in both cases pursuant to Section 5898.30 of Chapter 29.

“Penalties and Interest Account” means the account within the Redemption Fund and designated “Western Riverside Council of Governments Capital Provider Program Limited Obligation Improvement Bonds (First Commercial Property Tranche), Penalties and Interest Account,” established and administered under Section 4.01 hereof.

“Permitted Investments” means any of the following:

(a) Federal Securities.

(b) Federal Housing Administration debentures.

(c) Unsecured certificates of deposit, time deposits, demand deposits, overnight bank deposits, trust funds, trust accounts, interest-bearing deposits, interest-bearing money market accounts, other deposit products, and bankers’ acceptances (having maturities of not more than thirty (30) days) of any bank (including those of the Trustee and its affiliates) the short-term obligations of which are rated “A-1” or better by S&P.

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

(e) Commercial paper (having original maturities of not more than 270 days) rated “A-1+” by S&P and “Prime-1” by Moody’s.

(f) State Obligations, which means

(i) Direct general obligations of any state of the United States or any subdivision or agency thereof to which is pledged the full faith and credit of a state the unsecured general obligation debt of which is rated “A3” by Moody’s and “A” by S&P, or better, or any obligation fully and unconditionally guaranteed by any state, subdivision or agency whose unsecured general obligation debt is so rated.

(ii) Direct, general short-term obligations of any state agency or subdivision described in (i) above and rated “A-1+” by S&P and “Prime-1” by Moody’s.

(iii) Special Revenue Bonds (as defined in the United States Bankruptcy Code) of any state, state agency or subdivision described in (i) above and rated “AA” or better by S&P and “Aa” or better by Moody’s.

(g) Pre-refunded municipal obligations rated “AAA” by S&P and “Aaa” by Moody’s meeting the following requirements:

(i) the municipal obligations are (A) not subject to redemption prior to maturity or (B) the trustee for the municipal obligations has been given irrevocable instructions concerning their call and redemption and the issuer of the municipal obligations has covenanted not to redeem such municipal obligations other than as set forth in such instructions;

(ii) the municipal obligations are secured by cash or United States Treasury Obligations which may be applied only to payment of the principal of, interest and premium on such municipal obligations;

(iii) the principal of and interest on the United States Treasury Obligations (plus any cash in the escrow) has been verified by the report of independent certified public accountants to be sufficient to pay in full all principal of, interest, and premium, if any, due and to become due on the municipal obligations (“Verification”);

(iv) the cash or United States Treasury Obligations serving as security for the municipal obligations are held by an escrow agent or trustee in trust for owners of the municipal obligations;

(v) no substitution of a United States Treasury Obligation will be permitted except with another United States Treasury Obligation and upon delivery of a new Verification; and

(vi) the cash or the United States Treasury Obligations are not available to satisfy any other claims, including those by or against the trustee or escrow agent.

(h) Investments in a money market mutual fund rated AAAM or AAAM-G or better by S&P and having a rating in the highest investment category granted thereby from Moody's, including, without limitation, any mutual fund for which the Trustee or an affiliate of the Trustee serves as investment manager, administrator, shareholder servicing agent, or custodian or subcustodian, or otherwise, notwithstanding that: (i) the Trustee or an affiliate of the Trustee receives and retains fees from funds for services rendered; (ii) the Trustee collects fees for services rendered pursuant to the Indenture, which fees are separate from the fees received from such funds; and (iii) services performed for such funds and pursuant to the Indenture may at times duplicate those provided to such funds by the Trustee or an affiliate of the Trustee.

(i) Repurchase and reverse repurchase agreements collateralized with securities described in (a) and (b) above, including those of the Trustee or any of its affiliates.

(j) California's Local Agency Investment Fund ("LAIF").

"Prepayment Account" means the account within the Redemption Fund and designated "Western Riverside Council of Governments (Capital Provider Program – [Name of Capital Provider]) Limited Obligation Improvement Bonds (First Commercial Property Tranche) Prepayment Account," established and administered under Section 4.01 hereof. Unless otherwise instructed by WRCOG, such account will be established in the Redemption Fund for each Series of Bonds for accounting purposes only.

"Prepayments" means Non-Completion Assessments or prepayments of Assessments received by WRCOG or the Trustee, less any administrative fees or penalties collected as part of any such Non-Completion Assessment or prepayment of Assessments.

"Principal Office" means the corporate trust office of the Trustee in _____, California, located at such address as will be specified in a written notice by the Trustee to WRCOG under Section 10.06 hereof or such other office of the Trustee designated for payment, transfer or exchange of the Bonds.

"Program" means the Capital Provider Program established pursuant to the Resolution of Issuance.

"Program Account" means the respective account within the Program Fund and designated "Western Riverside Council of Governments (Capital Provider Program – [Name of Capital Provider]) Limited Obligation Improvement Bonds (First Commercial Property Tranche)

Program Account,” established and administered under Section 4.01 hereof. Unless otherwise instructed by WRCOG, such account will be established in the Program Fund for each Series of Bonds for accounting purposes only.

“Program Area” has the meaning given to it in the recitals hereto.

“Program Fund” means the fund designated “Western Riverside Council of Governments (Capital Provider Program – [Name of Capital Provider]) Limited Obligation Improvement Bonds Program Fund” established and administered under Section 4.02.

“Program Handbook” means the “Capital Provider Program Handbook” as approved by WRCOG, as such handbook may be amended or supplemented from time to time with the approval of WRCOG.

“Program Manager” means the official of WRCOG designated as the program manager of the Program from time to time.

“Program Report” means the Administrative Guidelines and Program Report for the Program.

“Property Owner” means the owner of the Participating Parcel(s).

“Qualified Institutional Buyer” means a “qualified institutional buyer” as such term is defined in Rule 144A promulgated under the Securities Act of 1933, as amended.

“Record Date” means the 15th day of the calendar month immediately preceding the applicable Interest Payment Date, and any date established by the Trustee as a Record Date for the payment of defaulted interest on the Bonds, if any.

“Redemption Fund” means the fund designated “Western Riverside Council of Governments (Capital Provider Program – [Name of Capital Provider]) Limited Obligation Improvement Bonds (First Commercial Property Tranche), Redemption Fund,” established and administered under Section 4.01.

“Redemption Premium,” when used in reference to a Series of Bonds, the redemption premium set forth in the Related Supplemental Indenture.

“Related,” when used in reference to a Series of Bonds, Assessments, Collateral, Improvements or Assessment Contract, means the Series of Bonds that financed or refinanced the installation of the Improvements in respect of which the property owner agreed to pay the Assessment, the Assessment that relates to the Series of Bonds that financed or refinanced the installation of the Improvements in respect of which the Assessment was made and agreed to or the Collateral that includes those Assessments; the Improvements in respect of which the property owner agreed to pay the Assessment the installation of which are financed or refinanced from a Series of Bonds or the Assessment Contract pursuant to which the Assessment was levied that relates to the Series of Bonds that financed or refinanced the installation of the Improvements. **“Related,”** when used in reference to a Supplemental Indenture and a Series of Bonds, the Supplemental Indenture that supplements this Master Indenture to establish the terms

and conditions set forth in such Supplemental Indenture related to the issuance of such Series of Bonds.

“Reserve Fund” means, as to any Series of Bonds, a debt service reserve fund established by the Trustee pursuant to the Related Supplemental Indenture.

“Resolution of Issuance” shall have the meaning given such term in the recitals hereto.

“Series” means each series of Bonds issued pursuant to this Master Indenture and the Related Supplemental Indenture. A “Series” may, as provided in such Related Supplemental Indenture, be a single Bond.

“Sinking Account Payments” means amounts to be paid by WRCOG with respect to any Term Bonds.

“Supplemental Indenture” means an agreement which is amendatory of and/or supplemental to this Master Indenture substantially in the form set forth in Exhibit A hereto executed and delivered in connection with the issuance of a Series of Bonds pursuant to this Master Indenture.

“Teeter Plan” means the alternative procedure for the distribution of property taxes and assessments adopted by a county pursuant to Revenue and Taxation Code sections 4701 through 4717.

“Term Bonds” means a Series of Bonds which are payable on or before their specified maturity dates from Sinking Account Payments established pursuant to the Related Supplemental Indenture for that purpose and calculated to retire such Series of Bonds on or before their specified maturity dates.

“Trustee” means [Trustee Name], its successors and assigns, and any other corporation or association which may at any time be substituted in its place, as provided in Section 7.01 hereof.

“WRCOG” means the Western Riverside Council of Governments, a joint exercise of powers agency duly organized and existing under the Constitution and laws of the State of California.

“WRCOG Counsel” means the general counsel of WRCOG or designated counsel to WRCOG with respect to the Bonds.

Section 1.03. Interpretation.

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

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

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

Section 1.04. Indenture Constitutes Contract. In consideration of the purchase and acceptance of any and all of the Bonds issued hereunder by those who shall hold the same from time to time, the Indenture shall be deemed to be and shall constitute a contract among WRCOG, the Trustee and the Owners of the Bonds. The pledge made in the Indenture and the provisions, covenants and agreements set forth in the Indenture to be performed by or on behalf of WRCOG shall be for the equal benefit, protection and security of the Owners of any and all of the Bonds. All of the Bonds, without regard to the time or times of their issuance or maturity, shall be of equal rank without preference, priority or distinction of any of the Bonds over any other thereof, except as expressly provided in or permitted by the Indenture.

ARTICLE II

THE BONDS

Section 2.01. Bonds Authorized.

(A) **Authorized Bonds.** WRCOG hereby authorizes the issuance of the Bonds in Authorized Denominations under and subject to the terms of the Resolution of Issuance, the Indenture, Chapter 29 and the Bond Act. Pursuant to the Resolution of Issuance, the Authorized Representatives of WRCOG are authorized and directed to deliver any and all documents and instruments necessary to cause the issuance of the Bonds in accordance with the provisions of Chapter 29, the Bond Act, the Resolution of Issuance, this Master Indenture and any applicable Supplemental Indentures.

(B) **Procedures for the Issuance of Bonds.** WRCOG may at any time issue a Series of Bonds in Authorized Denominations payable from Assessments and secured by first priority perfected liens upon such Assessments on the Participating Parcels and the other Collateral pledged hereunder for the payment of such Series of Bonds, subject to the following specific conditions, which are hereby made conditions precedent to the issuance of such Series of Bonds:

(ii) All the requirements of Section 3.04 have been met.

(iii) The issuance of such Series of Bonds has been duly authorized pursuant to the Bond Act and all applicable laws, and the issuance of such Series of Bonds has been provided for by a Supplemental Indenture, in substantially the form attached hereto as Exhibit A, duly executed by WRCOG and the Trustee.

WRCOG acknowledges and agrees that the Initial Purchaser or its Designated Transferee (if applicable) may acquire such Series of Bonds issued hereunder through, or through the account maintained with, a registered broker dealer.

(C) **Proceeds of the Bonds.** Upon the receipt of payment for each Series of Bonds on the Closing Date thereof, the Trustee will apply the proceeds of sale thereof in the amounts and to the funds and accounts as provided for in the Related Supplemental Indenture.

Section 2.02. Payment of Principal of and Interest on the Bonds.

(A) **Payment of Interest.** Interest on each Bond will be computed on the basis of a 360-day year of twelve 30-day calendar months, and will be payable on each Interest Payment Date, pursuant to Debt Service Schedule set forth on Attachment A to the Related Bond. The Bonds will bear interest from the Interest Payment Date next preceding the date of authentication thereof, unless they are authenticated on a day during the period from the sixteenth day of the month next preceding an Interest Payment Date to such Interest Payment Date, both days inclusive, in which event they will bear interest from such Interest Payment Date; or unless they are authenticated on a day on or before the fifteenth day of the month next preceding the first Interest Payment Date, in which event they will bear interest from the date of delivery of such Bonds. Notwithstanding the foregoing, if interest on any Bond is in default at the time of

authentication thereof, such Bond will bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment thereon.

The Bonds shall bear interest at the rate per annum, and mature on the date, shown thereon.

(B) Method of Payment. Interest on the Bonds (including the final interest payment upon maturity or earlier redemption) is payable in lawful money of the United States of America. As to each Series of Bonds, the Trustee shall pay interest on such Series of Bonds when due by wire transfer in immediately available funds to the person whose name appears on the Bond Register as the Owner thereof on the Record Date preceding such Interest Payment Date in accordance with such wire transfer instructions as shall be filed by such Owner with the Trustee from time to time prior to such Record Date.

The principal of any Bond and any premium on such Bond are payable in lawful money of the United States of America by the Trustee to the person whose name appears on the Bond Register as the Owner thereof on the Record Date immediately preceding the applicable Interest Payment Date upon surrender of the Bonds at the Principal Office of the Trustee. As to each Series of Bonds, payments of principal of such Series of Bonds shall, except on the final maturity thereof, be made without the requirement for presentation and surrender of such Series of Bonds at the Principal Office of the Trustee, and the Trustee shall pay such principal of such Series of Bonds when due by wire transfer in immediately available funds to the Owner in accordance with such wire transfer instructions as shall be filed by the Owner of such Series of Bonds with the Trustee from time to time prior to such Record Date. All Bonds paid by the Trustee under this Section will be canceled by the Trustee. The Trustee will destroy the canceled Bonds and, upon request of WRCOG, issue a certificate of destruction of such Bonds to WRCOG.

Notwithstanding anything contained herein to the contrary, the Initial Purchaser and any Designated Transferee shall not be required to present and surrender the Bond for any principal payment, mandatory redemption payment for the redemption of such Bond in part, or mandatory sinking fund payment other than the final principal payment at maturity.

Section 2.03. Redemption.

(A) General. The Supplemental Indenture with respect to any Bond or Series of Bonds may provide that all or a portion of such Bond is or such Series of Bonds are subject to optional or mandatory redemption prior to maturity pursuant to the terms thereof.

All Bonds will be subject to mandatory redemption from amounts received by WRCOG as Prepayments as provided in the applicable Supplemental Indenture and subject to the provisions of Part 11.1 of the Bond Act. WRCOG shall advise the Trustee of such provisions to the extent not specified herein.

Whenever less than all of the Outstanding Bonds issued as a Series of Bonds are called for redemption, the Trustee will select Bonds for redemption among maturities in such a way that the ratio of Outstanding Bonds to issued Bonds will be approximately the same in each maturity insofar as possible, and such that the remaining Assessments will be sufficient on a timely basis to pay the aggregate Debt Service on the Bonds. Within each maturity of such a Series, the

Trustee will select Bonds for retirement by lot from all Bonds not previously called for redemption; provided that the Trustee shall have not less than seventy-two (72) hours before such selection in which to make the selection.

(B) Refundings. The provisions of Part 11.1 of the Bond Act or any other statute authorizing refundings are applicable to the advance payment of Assessments and/or to the refunding and redemption of any Series of the Bonds. WRCOG will advise the Trustee of such provisions to the extent not specified herein.

(C) Partial Redemption. Whenever less than all of the Outstanding Bond or Bonds of a Series are called for redemption, the Trustee will select Bonds for redemption in accordance with written direction from WRCOG among maturities in such a way that the remaining Related Assessments will be sufficient on a timely basis to pay debt service on such Series of Bonds. Within each maturity, the Trustee will select Bonds of such Series for retirement by lot. Payment of principal of any Bond selected for redemption in part and accrued interest and premium, if any, on such Bond shall be payable without surrender of such Bond at the Principal Office of the Trustee.

The payment of the principal of, premium, if any, and accrued interest on a Bond upon redemption in part shall be payable without the surrender of such Bond to the Trustee.

If the Bonds have been redeemed pursuant to an optional redemption or a mandatory prepayment redemption, the total amount of all future Sinking Fund Payments relating to such maturity will be reduced by the aggregate principal amount of Term Bonds of such maturity so redeemed, to be allocated among such Sinking Fund Payments on a pro rata basis in Authorized Denominations as set forth in a revised sinking fund schedule provided to the Trustee by WRCOG.

(D) Notice to Trustee. WRCOG will give the Trustee written notice of the aggregate amount of Bonds to be redeemed not less than sixty (60) days prior to the applicable redemption date.

(E) Redemption Procedure by Trustee.

(ii) Mailing of Notice. If any Bonds are designated for redemption pursuant to the related Supplemental Indenture, the Trustee will cause notice of any redemption to be mailed by first class mail to the respective Owners of any Bonds designated for redemption, at their addresses appearing on the Bond Register in the Principal Office of the Trustee, at least thirty (30) days but no more than sixty (60) days before the date designated for redemption.

Any failure of any person or entity to receive any such redemption notice if mailed in compliance with the previous paragraph, or any defect in any notice of redemption, will not affect the validity of the proceedings for the redemption of such Bonds.

(iii) Contents of Notice. Such notice will state the following:

(1) the redemption date;

(2) the redemption price;

(3) the date of issue of the Series of the Bonds;

(4) if less than all of the then Outstanding Bonds of a Series are to be called for redemption, the Bond numbers of the Bonds to be redeemed (by designating the Bond number of each Bond to be redeemed or by stating that all Bonds between two designated Bond numbers, both inclusive, are to be redeemed) or that all of the Bonds of one or more maturities have been called for redemption;

(5) as to any Bond called in part, the principal amount thereof to be redeemed;

(6) that such Bonds must be then surrendered at the Principal Office of the Trustee for redemption at the redemption price; provided that the Initial Purchaser and any Designated Transferee shall not be required to present and surrender the Bond for any principal payment, mandatory redemption payment, or mandatory sinking fund other than the final principal payment at maturity; and

(7) that further interest on the Bonds (or portion thereof) called for redemption will not accrue from and after the redemption date.

(iv) Rescission of Redemption. WRCOG may provide conditional notice of optional redemption and it may rescind any notice of optional redemption by written notice to the Trustee on or prior to the date fixed for redemption. Any notice of redemption will be cancelled and annulled if for any reason adequate funds are not on deposit in the Redemption Fund on the redemption date, and such cancellation will not constitute an Event of Default hereunder. The Trustee will mail notice of rescission of redemption in the same manner notice of redemption was originally provided.

(v) Identification of Bonds Redeemed. Upon the payment of the redemption price of Bonds being redeemed, each check or other transfer of funds issued for such purpose will, to the extent practicable, bear the Bond number identifying, by issue and maturity, the Bonds being redeemed with the proceeds of such check or other transfer.

(F) Effect of Redemption. From and after the date fixed for redemption, if funds available for the payment of the principal of, and interest and any premium on, the Bonds, Series of Bonds, or portion of Bonds so called for redemption have been deposited in the Redemption Fund on the date fixed for redemption, then such Bonds, Series of Bonds, or portion of Bonds so called for redemption will become due and payable at the redemption price specified in the redemption notice, and such Bonds, Series of Bonds or portion of Bonds will be defeased and will cease to be entitled to any benefit or security under the Indenture other than the right to receive payment of the redemption price, and no interest will accrue thereon on or after the redemption date specified in such notice.

All Bonds redeemed by the Trustee pursuant to this Section 2.03 and the related Supplemental Indenture will be canceled by the Trustee. The Trustee will destroy the canceled

Bonds and, upon request of WRCOG, issue a certificate of destruction of such Bonds to WRCOG.

Section 2.04. Execution of Bonds. The Bonds will be executed on behalf of WRCOG by the manual or facsimile signature of the Treasurer and attested by the manual or facsimile signature of the Secretary. If any officer whose signature appears on any Bond ceases to be such officer before delivery of the Bonds to the Owner, such signature will nevertheless be as effective as if the officer had remained in office until the delivery of the Bonds to the Owner. Any Bond may be signed and attested on behalf of WRCOG by such persons who, as of the actual date of the execution of such Bond will be the proper officers of WRCOG although at the nominal date of such Bond any such person will not have been such officer of WRCOG.

Only such Bonds as bear thereon a certificate of authentication in substantially the form set forth in the applicable Supplemental Indenture, manually executed and dated by the Trustee, will be valid or obligatory for any purpose or entitled to the benefits of the Indenture, and such certificate of authentication of the Trustee will be conclusive evidence that the Bonds registered hereunder have been duly authenticated, registered and delivered hereunder and are entitled to the benefits of the Indenture.

Section 2.05. Transfer of Bonds.

(A) General. Any Bond may, in accordance with its terms and subject to paragraph (B) of this Section, be transferred, upon the Bond Register under Section 2.07 hereof by the person in whose name it is registered, in person or by such person's duly authorized attorney, upon surrender of such Bond for cancellation, accompanied by delivery of a duly written instrument of transfer in a form approved by the Trustee. The cost for any services rendered or any expenses incurred by the Trustee in connection with any such transfer will be paid by WRCOG. The Trustee will collect from the Owner requesting such transfer any tax or other governmental charge required to be paid with respect to such transfer.

Whenever any Bond is or Bonds are surrendered for transfer, WRCOG will execute and the Trustee will authenticate and deliver a new Bond or Bonds of the same Series, for like aggregate principal amounts, maturities, and interest rates in the denominations herein authorized. Neither WRCOG nor the Trustee will be required to make such transfer of Bonds on or after a Record Date and before the next ensuing Interest Payment Date.

(B) Transfer Restriction Applicable to Bonds. With respect to any Bond registered in the name of an entity, unless the Trustee shall have been otherwise directed in a Certificate of WRCOG accompanied by an opinion of Bond Counsel to the effect that such transfer is consistent with federal securities law, the Bond may only be transferred in an Authorized Denomination to (a) WRCOG (or the Trustee at the direction of WRCOG) or (b) an Accredited Investor or a Qualified Institutional Buyer who delivers to the Trustee and WRCOG an executed letter substantially in the form of Exhibit B attached to this Master Indenture.

Section 2.06. Exchange of Bonds. Bonds may be exchanged at the Principal Office of the Trustee for a like aggregate principal amount of Bonds of the same Series and of the same maturity. The cost for any services rendered or any expenses incurred by the Trustee in

connection with any such exchange will be paid by WRCOG. The Trustee will collect from the Owner requesting such exchange any tax or other governmental charge required to be paid with respect to such exchange.

Neither WRCOG nor the Trustee will be required to make such exchange of Bonds after a Record Date and before the next ensuing Interest Payment Date.

Section 2.07. Bond Register. The Trustee will keep, or cause to be kept, at its Principal Office the Bond Register for the registration and transfer of the Bonds. The Bond Register will show the Series number, date, maturity amount, rate of interest and last registered Owner of each Bond and will at all times be open to inspection by WRCOG during regular business hours on any Business Day, upon reasonable notice; and, upon presentation for such purpose, the Trustee will, under such reasonable regulations as it may prescribe, register or transfer or cause to be registered or transferred, on said books, the ownership of the Bonds as hereinbefore provided.

Section 2.08. Temporary Bonds. The Bonds may be initially issued in temporary form exchangeable for definitive Bonds when ready for delivery. The temporary Bonds may be printed, lithographed or typewritten, will be of such authorized denominations as may be determined by WRCOG, and may contain such reference to any of the provisions of the Indenture as may be appropriate. Every temporary Bond will be executed by WRCOG and authenticated by the Trustee upon the same conditions and in substantially the same manner as the definitive Bonds. If WRCOG issues temporary Bonds it will execute and furnish definitive Bonds without delay, but in no event more than fifteen (15) days from the date temporary Bonds are issued, and thereupon the temporary Bonds will be surrendered, for cancellation, in exchange for the definitive Bonds at the Principal Office of the Trustee or at such other location as the Trustee will designate, and the Trustee will authenticate and deliver in exchange for such temporary Bonds an equal aggregate principal amount of definitive Bonds of authorized denominations. Until so exchanged, the temporary Bonds will be entitled to the same benefits under the Indenture as definitive Bonds authenticated and delivered hereunder.

Section 2.09. Bonds Mutilated, Lost, Destroyed or Stolen. If any Bond becomes mutilated, WRCOG, at the expense of the Owner of that Bond, will execute, and the Trustee will authenticate and deliver, a new Bond of like tenor and principal amount in exchange and substitution for the Bond so mutilated, but only upon surrender to the Trustee of the Bond so mutilated. Every mutilated Bond so surrendered to the Trustee will be canceled by it and destroyed by the Trustee who will, upon request of WRCOG, deliver a certificate of destruction thereof to WRCOG.

If any Bond is lost, destroyed or stolen, evidence of such loss, destruction or theft may be submitted to the Trustee and, if such evidence be satisfactory to the Trustee and indemnity satisfactory to the Trustee will be given, WRCOG, at the expense of the Owner, will execute, and the Trustee will authenticate and deliver, a new Bond of like tenor and principal amount in lieu of and in substitution for the Bond so lost, destroyed or stolen. WRCOG may require payment of a sum not exceeding the actual cost of preparing each new Bond delivered under this Section 2.09 and of the expenses that may be incurred by WRCOG and the Trustee for the preparation, execution, authentication and delivery. Any Bond delivered under the provisions of this Section in lieu of any Bond alleged to be lost, destroyed or stolen will constitute an original

additional contractual obligation on the part of WRCOG whether or not the Bond so alleged to be lost, destroyed or stolen is at any time enforceable by anyone, and will be equally and proportionately entitled to the benefits of the Indenture with all other Bonds issued under the Indenture.

ARTICLE III

SECURITY; ISSUANCE OF BONDS

Section 3.01. Security for the Bonds; Pledge of Assessments and Funds. Each Series of Bonds will be secured by a first pledge (which pledge will be effected in the manner and to the extent herein provided) of all of (i) the Related Assessment or Assessments together with all revenues, moneys, accounts receivable, contractual rights to payment, recoveries and other rights to payment of whatever kind with respect to such Related Assessment or Assessments or Related Assessment Contract or Assessment Contracts (except amounts required hereunder to be deposited into the Administrative Expense Account of the Program Fund) that are or may be owed to, or collected or received by, WRCOG or any other entity acting on WRCOG's behalf, including, without limitation, the Related Assessment Installments, Related Prepayments, the foreclosure on a Participating Parcel on which an Assessment has been levied, or any other payment or recovery with respect to an Assessment from any other source but excluding Annual Assessment Administrative Fees, and (ii) the Redemption Fund and all monies, securities or contractual or other rights to payment that are or may be owed or credited to, or deposited in, the Redemption Fund, or owed to, or collected, recovered, received or held by, any other person that is required to credit to or deposit such monies or securities in the Redemption Fund by Chapter 29, the Bond Act or the terms of this Master Indenture attributable to proceeds of such Series of Bonds, such Related Assessment or Assessments and such Related Assessment Contract or Assessment Contracts, in each case, derived from the Related Assessment Installments, Related Prepayments, penalties and interest with respect to any delinquent Related Assessment Installment, the foreclosure on a Participating Parcel on which a Related Assessment has been levied, or payments pursuant to a Teeter Plan with respect to Related Assessments, if applicable (the foregoing items in (i) and (ii) above collectively referred to as the "Collateral").

So long as any of the Bonds are Outstanding, the Collateral shall not be used for any other purpose except as provided in this Master Indenture. The security interest with respect to a Series of Bonds shall constitute a lien on the Related Collateral of such Series of Bonds and shall attach and be effective, binding and enforceable against WRCOG and all others asserting rights therein from and after delivery by the Trustee of such Series of Bonds, irrespective of whether those parties have notice thereof and without any physical delivery thereof or further act.

Section 3.02. Limited Obligation. All obligations of WRCOG under the Indenture and each Series of Bonds are not general obligations of WRCOG, but are limited obligations, payable solely from the Related Assessments and the funds pledged therefor hereunder. The faith and credit of WRCOG, any Covered Jurisdiction or the State of California, or any political subdivision thereof, is not pledged to the payment of the Bonds.

Each Series of Bonds are "Limited Obligation Improvement Bonds" under section 8769 of the Bond Act and each Series of Bonds is payable solely from and secured solely by the Related Assessments and the amounts in the Redemption Fund attributable to the Related Assessments. Notwithstanding any other provision of the Indenture, WRCOG is not obligated to advance available surplus funds from WRCOG treasury to cure any deficiency in the Redemption Fund; provided, however, WRCOG is not prevented, in its sole discretion, from so advancing funds.

Section 3.03. No Parity Debt. WRCOG may not issue additional Bonds payable from the Assessments other than refunding bonds pursuant to Section 3.05 below.

Section 3.04. Requirements for Issuance of Bonds. Each Series of Bonds issued under a Supplemental Indenture will constitute a Bond hereunder and will be secured by a first priority perfected security interest on the Assessment or Assessments securing the payment of such Bond and the other Collateral purported to be pledged and assigned for the payment of such Bond or Bonds hereunder. WRCOG may issue a Bond or Series of Bonds only if the following specific conditions precedent have been met:

(A) Due Authorization. WRCOG shall have reviewed all proceedings heretofore taken relative to the authorization of such Bond or Series of Bonds and shall conclude, as a result of such review, and find and determine that all things, conditions, and acts required by law to exist, happen and be performed precedent to and in the issuance of such Bond or Series of Bonds do exist, have happened and have been performed in due time, form and manner as required by law, and that WRCOG shall be authorized under Chapter 29, the Bond Act and each and every requirement of law, to issue such Bond or Series of Bonds in the manner and form provided in the Indenture

(B) Compliance. WRCOG shall be in compliance with all covenants set forth in this Master Indenture, and issuance of such Bond or Series of Bonds will not cause WRCOG to exceed the bonded indebtedness limit established for the Program or the maximum Bond authorization set forth in the Resolution of Issuance or as such maximum authorization may be amended by a resolution of the Executive Committee of WRCOG. Neither WRCOG nor anyone acting on its behalf shall have taken, or will take, any action that would subject the issuance or sale of the Bonds to the registration requirements set forth in the Securities Act of 1933, as amended, or to the registration requirements of any securities or blue sky laws of any applicable jurisdiction, and the Bonds issued hereunder shall be subject to a valid exemption from all such registration requirements.

(C) Value. For each Participating Parcel, the value of such parcel (including the value of the Related Improvements financed from the proceeds of the Bond issued for such parcel) shall not be less than the minimum required value as determined at the time of the execution of the Related Assessment Contract by WRCOG pursuant to the requirements set forth in the Program Handbook.

(D) Coverage. The aggregate Assessment Installments payable under each Related Assessment Contract or Assessment Contracts specified in the Related Supplemental Indenture shall be at least 100% of the cumulative Debt Service on the Bond or Series of Bonds to be secured by the Related Assessment or Related Assessments levied pursuant to such Assessment Contract or Assessment Contracts, as applicable, through the final maturity date of such Bond or Series of Bonds and the Annual Assessment Administrative Fee or aggregate Annual Assessment Administrative Fees payable pursuant to an Assessment Contract or Assessment Contracts, as applicable, shall be sufficient to pay the total anticipated Administrative Expenses through the final maturity date of such Bond or Series of Bonds.

In addition, the scheduled Assessment Installments payable pursuant to the applicable Assessment Contract or Assessment Contracts in every Bond Year with respect to a Bond secured by an Assessment or Assessments levied pursuant to such Assessment Contract or Assessment Contracts, as applicable, shall be at least 100% of the annual Debt Service on such Bond through its final maturity date and the scheduled Annual Assessment Administrative Fees levied pursuant to the Assessment Contract or Assessment Contracts in every Bond Year shall be sufficient to pay the anticipated Administrative Expenses for such Bond Year.

(E) Notice of Assessment. A notice of assessment shall have been duly recorded against each Participating Parcel pursuant to Chapter 29 and the Bond Act and there shall have been created a perfected first priority security interest in and to the Assessment levied against each such Participating Parcel and the other Collateral pledged for the payment of each Bond pursuant to the applicable Assessment Contract, the Bond Act, Chapter 29 and this Master Indenture.

(F) Opinion of Bond Counsel. On the Closing Date of each Bond or Series of Bonds, WRCOG will deliver an opinion or opinions of Bond Counsel addressed to WRCOG and the Trustee in form and substance mutually agreed upon by Bond Counsel and the Initial Purchaser (and accepted by the Trustee). Bond Counsel shall either address each such opinion to the Initial Purchaser and the Designated Transferee (if applicable) or shall, on the Closing Date, provide a reliance letter addressed to the Initial Purchaser and the Designated Transferee (if applicable) indicating to the Initial Purchaser and the Designated Transferee (if applicable) that Bond Counsel has delivered such opinion or opinions to WRCOG and the Trustee on such date and that the Initial Purchaser may rely upon such opinions as if they had been addressed to the Initial Purchaser and the Designated Transferee (if applicable). In such opinion Bond Counsel shall opine that the issuance of the Bond or Series of Bonds has been duly authorized pursuant to the Bond Act and all other applicable laws and the issuance of the Bond or Series of Bonds has been provided for by the Related Supplemental Indenture.

Notwithstanding the foregoing, WRCOG may issue a Series of Bonds as refunding Bonds without the need to satisfy the requirements of paragraphs (C) or (D) above.

Section 3.05. No Acceleration. The principal of the Bonds will not be subject to acceleration hereunder. Nothing in this Section 3.04 will in any way prohibit the prepayment or redemption of Bonds under Section 2.03 hereof, or the defeasance of the Bonds and discharge of the Indenture under Article X hereof.

Section 3.06. Refunding of Bonds. The Bonds may be refunded by WRCOG pursuant to Divisions 11 or 11.5 of the California Streets and Highways Code or any other statute authorizing refunding upon the conditions as set forth in appropriate proceedings therefor or under any other statutory authority. This Section will not apply to or in any manner limit advancement of the maturity of any of the Bonds as provided in Parts 8, 9, 11, or 11.1 of the Bond Act, nor will this Section apply to or in any manner limit the redemption and payment of any Bond pursuant to subsequent proceedings providing for the payment of amounts to eliminate previously imposed fixed lien assessments, including the Assessments. Nothing in this Section 3.05 affects WRCOG's obligation to comply with Section 2.03 hereof in connection with a redemption of the Bonds.

Section 3.07. Agreement for Benefit of Bond Owners. The provisions, covenants and agreements herein set forth to be performed by or on behalf of WRCOG will be for the equal benefit, protection and security of the registered Owners of the Bonds.

ARTICLE IV

FUNDS AND ACCOUNTS

Section 4.01. Redemption Fund.

(A) **Establishment of Redemption Fund.** The Redemption Fund is hereby established as a separate fund to be held by the Trustee to the credit of which deposits will be made as required by Section 5.01(A), and any other amounts required to be deposited therein by the Indenture or the Bond Act. Moneys in the Redemption Fund, exclusive of those in the Penalties and Interest Account therein, will be held by the Trustee for the benefit of WRCOG and Owners of the related Series of Bonds and disbursed for the payment of the principal of (including Sinking Account Payments), and interest and any redemption premium on, the related Series of Bonds as provided below. The moneys held in the Penalties and Interest Account of the Redemption Fund will be held by the Trustee for the benefit of the Owners of the Related Series of Bonds and disbursed at the times and for the purposes set forth in Section 4.01(B).

(1) Within the Redemption Fund there is hereby established a Prepayment Account for each Series of Bonds, which will be used exclusively for the administration of any Related Prepayments pursuant to Section 8767 of the Bond Act and paragraph (C) of Section 2.03 and the provisions of the Related Supplemental Indenture to assure the timely redemption of the Related Series of Bonds. If all of the Related Assessments securing such Series of Bonds are paid in full WRCOG shall deliver a Certificate of WRCOG directing the Trustee to close such Prepayment Account.

Within the Redemption Fund there is also hereby established:

- (i) the Capitalized Interest Account, to the credit of which a deposit will be made from the proceeds of the related Series of Bonds pursuant to Section 2.01;
- (ii) the Extraordinary Mandatory Redemption Account which will be used exclusively for administration of any Excess Program Account Proceeds;
- (iii) the Penalties and Interest Account, to the credit of which any Penalties and Interest will be deposited; and
- (iv) the Assessment Collection Account to the credit of which deposits will be made as described below.

Unless otherwise instructed by WRCOG, each such account will be established in the Redemption Fund for accounting purposes only.

(2) Assessment Collection Account. Except for Prepayments which shall be deposited in the Prepayment Account, Excess Program Account Proceeds which shall be deposited into the Extraordinary Mandatory Redemption Account, Penalties and Interest which shall be deposited in the Penalties and Interest Account, or as otherwise provided in this paragraph (b), the Trustee shall deposit into the Assessment Collection Account all proceeds and payments with respect to each Assessment, including, without limitation:

- (i) Assessment Installments;
- (ii) any amounts transferred to the Assessment Collection Account from the debt service reserve fund, if any, established pursuant to the Related Supplemental Indenture for the Related Series of Bonds;
- (iii) any proceeds from the collection of delinquent Assessment Installments as a result of a foreclosure proceeding conducted pursuant to Section 5.02 against the Participating Parcel on which the applicable Assessment has been levied or otherwise (excluding (A) amounts identified as representing attorney's fees and costs incurred by WRCOG or such other person in prosecuting such foreclosure proceeding and (B) amounts required to be transferred hereunder to replenish the debt service reserve fund, if any, established for the Related Series of Bonds);
- (iv) any amounts received pursuant to the County's Teeter Plan with respect to the Assessments securing the Related Series of Bonds; and
- (v) any amount transferred to the Assessment Collection Account from the respective Program Account pursuant to a Certificate of WRCOG delivered to the Trustee.

All amounts in the Assessment Collection Account shall be used and withdrawn by the Trustee solely for the purpose of:

- (i) paying the Debt Service on the Related Series of Bonds on an Interest Payment Date;
- (ii) the payment of remaining principal with respect to the Related Series of Bonds on the respective maturity date thereof;
- (iii) the payment of the principal of and the accrued but unpaid interest and premium, if any, on any Bond upon the redemption thereof as provided in a Supplemental Indenture (excluding mandatory redemptions occurring as a result of a Prepayment or application of Excess Program Account Proceeds); or
- (iv) reimbursing WRCOG or a third party from the proceeds of payments representing the redemption of delinquent Assessment Installments for which advances were made by WRCOG or such third party.

All amounts in the Assessment Collection Account, including any earnings on the amounts held in the Assessment Collection Account, shall be held in trust for the benefit of the Bond Owners.

(3) Extraordinary Mandatory Redemption Account. The Trustee shall, upon receipt of a Certificate of WRCOG directing the Trustee to transfer Excess Program Account Proceeds to the Extraordinary Mandatory Redemption Account from the related Program Account, deposit such proceeds in such account. Amounts deposited in the Extraordinary Mandatory Redemption Account shall be credited to the Bond specified in such Certificate of WRCOG and used and

withdrawn by the Trustee solely for the purpose of redeeming such Bond, in whole or in part, on any Interest Payment. The principal amount of the Bond to be redeemed shall equal the amount of the Excess Program Account Proceeds plus the amount, if any, as specified in such Certificate of WRCOG that is then on deposit in the Assessment Collection Account and to be credited to the payment of principal amount of such Bond; provided, however, such principal amount shall be decreased if and to the extent that the amount on deposit in the Assessment Collection Account and/or the Capitalized Interest Account in connection with such Bond is insufficient to pay the accrued interest on such Bond to the date of redemption. The redemption price for such Bond shall be equal to the amount of the Excess Program Account Proceeds, plus the amount, if any, on deposit in the Assessment Collection Account to be credited to the payment of principal amount of such Bond, plus interest to the date of redemption to be paid from the Assessment Collection Account and/or the Capitalized Interest Account, without premium. Interest shall cease to accrue on such Bond, or the principal amount of such Bond that is subject to redemption, from and after the date of redemption. All amounts in the Extraordinary Mandatory Redemption Account, including any earnings on the amounts held therein, shall be held in trust for the benefit of the applicable Bond Owners.

(B) Disbursements. On or before each Interest Payment Date set forth in the table set forth in each Bond pursuant to the Related Supplemental Indenture with respect to each Series of Bonds, the Trustee will withdraw from the applicable accounts in the Redemption Fund and pay to the Owners of the Bonds the principal of (including Sinking Account Payments, if any), and interest and any redemption premium then due and payable on, the Related Series of Bonds. At least five (5) Business Days prior to each Interest Payment Date, WRCOG shall cause the Assessment Administrator to provide to the Trustee written information, upon which the Trustee may conclusively rely, as to amounts in the applicable accounts in the Redemption Fund that are for the credit of each Bond for purposes of making such payments pursuant to the Indenture. Funds on deposit in the Redemption Fund (and any account established thereunder) and credited to a Bond shall not be used to pay the principal of, or interest or any premium on, any other Bond.

If there are insufficient funds in the Redemption Fund to pay to the Owners of the Related Series of Bonds the principal of (including Sinking Account Payments), and interest and any redemption premium then due and payable on, the Related Series of Bonds, the Trustee will apply the available funds first to the payment of interest on the Related Series of Bonds, then to the payment of principal due on the Related Series of Bonds (including Sinking Account Payments), and then to payment of interest to the date of redemption and principal and any redemption premium due on the Related Series of Bonds by reason of Related Series of Bonds called for optional redemption or mandatory prepayment redemption.

On each September 2, in accordance with the direction of WRCOG, the Trustee will use any amounts remaining in the Redemption Fund after payment of interest on the Related Series of Bonds through such September 2 and the payment of principal due on the Related Series of Bonds through such September 2, but excluding any amounts remaining in the Prepayment Account, the Penalties and Interest Account, the Capitalized Interest Account or the Extra Mandatory Redemption Account, to reduce the installments of the Related Assessments that are levied in the current or succeeding Bond Year upon the Participating Parcel(s) to pay the principal of and interest on the Related Series of Bonds.

On or before each Interest Payment Date, the Trustee will, at the direction of WRCOG, withdraw from the Penalties and Interest Account and pay to the Owners of the Related Series of Bonds any amounts on deposit therein as additional interest on the Related Series of Bonds.

The Trustee will disburse the amounts in the Assessment Collection Account that are attributable to the payment of the Non-Completion Assessment pursuant to Section 5.01(A) to pay the redemption price for as many Bonds as possible on the first possible redemption date pursuant to Section 2.03, including accrued interest to the redemption date and the applicable redemption premium (if any) specified in Section 2.03.

(C) Investment. Moneys in the Redemption Fund (and the accounts therein) will be invested and deposited in accordance with Section 6.01. Interest earnings and profits resulting from such investment and deposit will be retained in the Redemption Fund and the accounts therein, as applicable.

(D) Transfers from Reserve Fund. Amounts transferred to the Redemption Fund from a debt service reserve fund, if any, established pursuant to the Related Supplemental Indenture for a Series of Bonds will be used in accordance with Part 16 of the Bond Act as directed in an appropriate Certificate of WRCOG.

Section 4.02. Program Fund.

(A) Establishment of Program Fund and the Accounts Therein. The Program Fund is hereby established as a separate fund to be held by the Trustee and within such fund the following accounts are established: (i) the Program Account, (ii) the Cost of Issuance Account and (iii) the Administrative Expense Account.

(B) Deposits to the Accounts within the Program Fund. The Trustee shall, pursuant to the Supplemental Indenture for the Related Series of Bonds, establish the foregoing accounts with respect to such Related Series of the Bonds, to the credit of which deposits will be made (i) from the proceeds of the Related Series of Bonds as specified in such Supplemental Indenture, (ii) as required by Section 5.01(A) and (iii) as otherwise required by the Indenture or the Bond Act.

(C) Disbursements. Moneys in the accounts of the Program Fund will be held by the Trustee and will be disbursed as provided in this paragraph (B).

(ii) Disbursements from Program Accounts. Amounts in each Program Account will be disbursed from time to time to pay for the costs of installing the Related Improvements in accordance with the Related Assessment Contract, as set forth in written instructions of WRCOG delivered to the Trustee containing the amounts to be paid to the designated payees. Such written instructions will be sufficient evidence to the Trustee of the facts stated therein and the Trustee will have no duty to confirm the accuracy of such facts.

The Trustee will maintain funds on deposit in the Program Account established for a Series of Bonds until receipt by the Trustee of a Certificate of WRCOG: (a) notifying the Trustee that all Improvement Costs to be paid from such account pursuant

to a Related Assessment Contracts have been paid and directing the Trustee to transfer the Excess Program Fund Proceeds remaining on deposit in such Program Account as follows: (i) transfer such Excess Program Fund Proceeds in the amount of \$500 or more as specified in such Certificate of WRCOG to the Extraordinary Mandatory Redemption Account of the Redemption Fund to be applied to the redemption pursuant to paragraph (D) of Section 2.03 of the Related Series of Bonds, in whole or in part, specified in such Certificate of WRCOG; or (ii) directing the Trustee to transfer any moneys remaining on deposit in such account, including any investment earnings thereon, to the Assessment Collection Account of the Redemption Fund for the credit of such Series of Bond(s).

Funds on deposit in a Program Account and credited to a Bond shall be used solely to pay or reimburse the Improvement Costs associated with the Participating Parcel that has been levied by an Assessment that secures such Bond, and shall not be used to pay the Improvement Costs associated with any other Participating Parcel underlying any other Bond of the same Series or otherwise.

(iii) Disbursements from the Cost of Issuance Accounts. Moneys in each Costs of Issuance Account will be held in trust by the Trustee and will be disbursed as provided in this paragraph (ii) for the payment or reimbursement of Costs of Issuance for the Related Series of Bonds.

Amounts in the Costs of Issuance Account for a Related Series of Bonds will be disbursed from time to time to pay Costs of Issuance for such Related Series of Bonds, as set forth in a Certificate of WRCOG containing respective amounts to be paid to the designated payees and delivered to the Trustee concurrently with the delivery of the Related Series of Bonds, or in any future requisition submitted by WRCOG to the Trustee. Each such certificate will be sufficient evidence to the Trustee of the facts stated therein and the Trustee will have no duty to confirm the accuracy of such facts. The Trustee will pay all Costs of Issuance after receipt of the Certificate of WRCOG, or an invoice from any such payee which requests payment in an amount which is less than or equal to the amount set forth with respect to such payee pursuant to the Certificate of WRCOG requesting payment of Costs of Issuance. The Trustee will maintain the Costs of Issuance Account for a period of one hundred twenty (120) days from the final date of delivery of the Related Series of Bonds and then will transfer any moneys remaining therein, including any investment earnings thereon, to the Administrative Expense Account for such Related Series of Bonds.

(iv) Disbursements from the Administrative Expense Accounts. Amounts in each Administrative Expense Account shall be used by WRCOG to pay Administrative Expenses for the Related Series of Bonds. Amounts in the Administrative Expense Account for a Related Series of Bonds will be disbursed from time to time to pay Administrative Expenses for such Related Series of Bonds, as set forth in a Certificate of WRCOG containing respective amounts to be paid to the designated payees and delivered to the Trustee. Each such certificate will be sufficient evidence to the Trustee of the facts stated therein and the Trustee will have no duty to confirm the accuracy of such facts. The Trustee will pay all Administrative Expenses after receipt of the Certificate of WRCOG, or an invoice from any such payee which requests payment in an amount

which is less than or equal to the amount set forth with respect to such payee pursuant to the Certificate of WRCOG requesting payment of Administrative Expenses.

(D) Closure of the Program Fund and the Accounts Therein.

(ii) Closure of the Program Fund. The Trustee will maintain the Program Fund until all amounts in the Program Fund and the accounts therein are expended or until WRCOG directs the Trustee to close the fund and all accounts therein, and then the Trustee will transfer any moneys remaining therein, including any investment earnings thereon, to the Redemption Fund to pay the redemption price for as many Bonds as possible on the first possible redemption date pursuant to Section 2.03(A), including accrued interest to the redemption date and the applicable redemption premium, or to make payments on the Bonds as they come due, as directed by WRCOG.

(iii) Closure of the Cost of Issuance Accounts. The Trustee will maintain the funds on deposit the Cost of Issuance Account for each Series of Bonds until all such funds are expended or until as directed by a Certificate of WRCOG directing the Trustee to close such account and to transfer any money remaining on deposit in such account to the Administrative Expense Account for such Series of Bonds.

(iv) Closure of the Administrative Expense Accounts. The Trustee shall maintain the Administrative Expense Account for each Series of Bonds until (a) the payment of all Bonds included in such Series and the surrender of such Bonds to the Trustee for cancellation and payment of all outstanding Administrative Expenses due and payable hereunder and (b) the receipt by the Trustee of a Certificate of WRCOG declaring that all obligations of WRCOG with respect to such Series of Bonds have been satisfied. Upon satisfaction of such conditions the Trustee shall deliver all amounts then remaining in such account to WRCOG and any outstanding Administrative Expenses shall be payable solely from WRCOG. All such amounts delivered to WRCOG and not required to pay Administrative Expenses for such Series of Bonds may be used for any lawful purpose of WRCOG.

(E) Investment. Moneys in the Program Fund and the accounts therein will be invested and deposited in accordance with Section 6.01. Earnings and profits resulting from said investment will be retained by the Trustee in the applicable account of the Program Fund to be used for the purposes of such account.

Section 4.03. Reserve Fund. As to any Series of Bonds, the Trustee may be directed pursuant to the Related Supplemental Indenture to establish and maintain a debt service reserve fund in trust separate and distinct from the other funds and accounts for such Series of Bonds established under the Indenture. The failure to maintain an amount in a debt service reserve fund which may be established for a Series of Bonds shall not be a default or an Event of Default hereunder.

Section 4.04. Establishment of Subaccounts. The Trustee may establish subaccounts within any of the funds or accounts established under this Master Indenture or any Supplemental Indenture at the written request of WRCOG or if the Trustee determines in its sole discretion that

such subaccounts are beneficial for the administration of the Bonds or for record-keeping purposes.

ARTICLE V

COVENANTS OF WRCOG

Section 5.01. Collection of Assessments. WRCOG will comply with all requirements of Chapter 29, the Bond Act and the Indenture to assure the timely collection of the Assessments, including, without limitation, the enforcement of delinquent Assessments. To that end, the following will apply:

(A) The Assessments, together with the interest thereon, will be payable in the installments specified in the Assessment Contracts. Each Assessment Installment will be payable in the same manner and at the same time and in the same installments as the general taxes on real property are payable, and become delinquent at the same times and bear the same proportionate Penalties and Interest after delinquency as do the general taxes on real property. All sums received from the collection of the Assessments (except for amounts received by WRCOG as a result of the payment of a Non-Completion Assessment, which shall be deposited as set forth in the following paragraph, and amounts allocable to Administrative Expenses, which shall be deposited in the Administrative Expense Account) will be transferred from the County to the Trustee for deposit into the Assessment Collection Account. All sums received from the collection of any Penalties and Interest will be transferred to the Trustee for deposit into the Penalties and Interest Account of the Redemption Fund.

WRCOG will notify the Trustee when it receives the payment of a Non-Completion Assessment and (x) transfer the amount of the Non-Completion Assessment payment intended to be used to redeem the Related Series of Bonds to the Trustee with a direction to deposit such amount in the applicable Assessment Collection Account and (x) transfer the amount of the Non-Completion Assessment payment intended to be used to pay Administrative Expenses to the Trustee with a direction to deposit such amount in the Administrative Expense Account.

(B) WRCOG will, before the final date on which the Auditor will accept the transmission of the Assessment Installments for the Participating Parcels for inclusion on the next tax roll, prepare or cause to be prepared, and will transmit to the Auditor, such data as the Auditor requires to include the installments of the Assessments on the next secured tax roll. WRCOG is hereby authorized to employ consultants to assist in computing the installments of the Assessments hereunder.

(C) In the event that a County files a petition under Chapter 9 or is otherwise unable or unwilling to include the Assessment Installments and the Annual Assessment Administrative Fees on the tax roll and to collect such amounts on the property tax bill for any Fiscal Year, WRCOG covenants to:

(ii) take such action as shall be necessary to enforce the statutory and contractual obligations of such County to include the Assessment Installments and the Annual Assessment Administrative Fees on the tax roll each Fiscal Year and to collect such amounts on the property tax bills of the Participating Parcels for any Fiscal Year, and

(iii) exercise its best efforts to collect such Assessment Installments and Annual Assessment Administrative Fees by directly billing the owners of the Participating Parcels for their respective Assessment Installments and Annual Assessment Administrative Fees.

WRCOG makes no representation or warranty regarding its ability to collect such Assessment Installments and Annual Assessment Administrative Fees by such direct billing pursuant to paragraph (C)(ii) above or its ability or legal authority to enforce the payment of Assessment Installments and Annual Assessment Administrative Fees directly billed by WRCOG to the owners of Participating Parcels through a judicial foreclosure action in the event of the delinquency in the payment of any such Assessment Installments and Annual Assessment Administrative Fees.

If WRCOG is unable to enforce the statutory and contractual obligations of the County to include the Assessment Installments and the Annual Assessment Administrative Fees on the tax roll each Fiscal Year or to collect, or cause any other person acting on its or the County's behalf to collect, the Assessment Installments, the Annual Assessment Administrative Fees or any other amounts with respect to the Assessments, which is absolute and unconditional, to pay the interest and redemption premium (if any) on and principal of the related Series of Bonds to the respective Owners of the related Series of Bonds when due and all Administrative Expenses (including indemnity), as herein provided, out of the Related Assessments pledged for such payment, or affect or impair the right of action, which is also absolute and unconditional, then the Trustee may, on behalf of such Owners, institute suit to enforce such payment by virtue of the contract embodied in the respective Series of Bonds and in the Indenture. Nothing in this Section 5.01 shall limit in any way the rights of the Owners to declare an Event of Default pursuant to Section 9.01 hereof or to pursue all rights and remedies available to such Owners under this Master Indenture and applicable law.

Section 5.02. Foreclosure. WRCOG hereby covenants with and for the benefit of the Owners of the Bonds that it will order, and cause to be commenced, and thereafter diligently prosecute an action in the superior court to foreclose the lien of any Assessment or installment thereof which has been billed, but has not been paid, pursuant to and as provided in sections 8830 and 8835, inclusive, of the Bond Act and the conditions specified in this Section 5.02.

No later than October 1 each year, WRCOG will determine whether any single Participating Parcel is delinquent in the payment of two or more semiannual installments (or as long as there is a single Owner, of any semi-annual installments of Assessment payments, including any payment of principal, interest, redemption premium (if any) and Penalties and Interest, and, if so, will notify WRCOG Counsel, and the Owner of the related Series of Bonds as long as there is a single Owner, of any such delinquencies. WRCOG Counsel will commence, or cause to be commenced, the foreclosure proceedings against each such delinquent Participating Parcel, including collection actions preparatory to the filing of any complaint, but will file the complaint by the immediately succeeding December 1. WRCOG Counsel is hereby authorized to employ counsel to conduct any such foreclosure proceedings. The fees and expenses of any such counsel (including a charge for staff time) in conducting foreclosure proceedings shall be an Administrative Expense hereunder. In the event funds on deposit in the Administrative Fund are insufficient to pay for such fees and expenses, WRCOG shall advance funds for such fees and

expenses. WRCOG shall be entitled to reimbursement of such advances upon receipt by WRCOG of foreclosure proceeds.

However, notwithstanding the foregoing, WRCOG may elect, in its sole discretion, to defer foreclosure proceedings on any Participating Parcel if WRCOG has received funds equal to the delinquent Related Assessments from any other source, and those funds are available to contribute toward (i) Administrative Expenses and (ii) the payment of the principal of (including Sinking Account Payments) interest, redemption premium (if any) and Penalties and Interest on the Related Series of Bonds when due (including without limitation funds from the sale of the receivables associated with delinquent Related Assessments).

Further notwithstanding the foregoing, as to each Series of Bonds, as long as there is a single Owner of such Bond or Bonds, WRCOG will not initiate foreclosure proceedings unless directed in writing to do so within the time period contemplated by the Section 8834 of the Bond Act by the Owner of such Bond or Bonds, which written direction must be delivered to WRCOG along with an amount reasonably determined by WRCOG to be sufficient to pay its costs of prosecuting the foreclosure. Nothing in this paragraph is intended to limit any obligation imposed on WRCOG by the Revenue & Taxation Code with respect to tax defaulted properties. If the Owner of the Bond or Bonds pays the costs of prosecuting the foreclosure, it shall be entitled to recover such costs in the foreclosure proceedings to the extent permitted by law.

Penalties and Interest are payable to the Owner of the Bonds as set forth in Section 4.01(B).

Section 5.03. Punctual Payment. WRCOG will punctually pay or cause to be paid the principal of (including Sinking Account Payments), and interest and any redemption premium on, the Bonds when and as due in strict conformity with the terms of the Indenture, and it will faithfully observe and perform all of the conditions, covenants and requirements of the Indenture and of the Bonds.

Section 5.04. Extension of Time for Payment. In order to prevent any accumulation of claims for interest after maturity, WRCOG will not, directly or indirectly, extend or consent to the extension of the time for the payment of any interest on any of the Bonds and will not, directly or indirectly, be a party to the approval of any such arrangement by purchasing or funding any claims for interest on any of the Bonds, or in any other manner.

Section 5.05. Against Encumbrance. WRCOG will not encumber, pledge or place any charge or lien upon any of the Assessments or other amounts pledged to the Bonds superior to or on a parity with the pledge and lien herein created for the benefit of the Bonds, except as permitted by the Resolution of Issuance, the Indenture, Chapter 29 and the Bond Act and with the written consent of the Owners.

Section 5.06. Books and Accounts. WRCOG will keep, or cause to be kept, proper books of record and accounts, separate from all other records and accounts of WRCOG, in which complete and correct entries will be made of all transactions relating to the Assessments and the application of amounts disbursed from the funds and accounts held by WRCOG hereunder,

which records will be subject to inspection by the Trustee upon reasonable prior notice on any Business Day.

Section 5.07. Protection of Security and Rights of Owners. WRCOG will preserve and protect the security of the Bonds and the rights of the Owners thereto, and will warrant and defend their rights to such security against all claims and demands of all persons. From and after the delivery of any of the Bonds by WRCOG, the Bonds will be incontestable by WRCOG. WRCOG will take all commercially reasonable measures to enforce the provisions of the Assessment Contract.

Section 5.08. Compliance with Law; Completion of Improvements. WRCOG will comply with all applicable provisions of Chapter 29 and the Bond Act in providing financing for the Improvements, but WRCOG will have no obligation to advance any funds to complete Related Improvements in excess of the proceeds of the Bonds available therefor.

Section 5.09. Further Assurances. WRCOG will adopt, make, execute and deliver any and all such further resolutions, instruments and assurances as may be reasonably necessary or proper to carry out the intention or to facilitate the performance of the Indenture, and for the better assuring and confirming unto the Owners of the rights and benefits provided in the Indenture.

ARTICLE VI

INVESTMENTS; LIABILITY OF WRCOG

Section 6.01. Deposit and Investment of Moneys in Funds. The following will apply to the investment of funds held by the Trustee:

(ii) Moneys in any fund or account created or established by the Indenture and held by the Trustee will be invested by the Trustee in Permitted Investments, as directed pursuant to a Certificate of WRCOG filed with the Trustee at least two (2) Business Days in advance of the making of such investments. Ratings of Permitted Investments shall be determined at the time of purchase of such Permitted Investments and without regard to ratings subcategories. In the absence of any such Certificate of WRCOG, the Trustee shall hold funds uninvested.

Obligations purchased as an investment of moneys in any fund will be deemed to be part of such fund or account, subject, however, to the requirements of the Indenture for transfer of interest earnings and profits resulting from investment of amounts in funds and accounts.

(iii) The Trustee may act as principal or agent in the acquisition or disposition of any investment. The Trustee may make any and all such investments through its own investment department or that of its affiliates or subsidiaries, and may charge its ordinary and customary fees for such trades, including investment maintenance fees. The Trustee will incur no liability for losses arising from any investments made pursuant to this Section. The Trustee will be entitled to rely upon any investment directions from WRCOG as conclusive a certification to the Trustee that the investments described therein are so authorized under the laws of the State of California.

The Trustee will not invest any cash held by it hereunder in the absence of timely and specific written direction from WRCOG. In no event will the Trustee be liable for the selection of investments.

(iv) Investments in any and all funds and accounts may at the discretion of the Trustee be commingled in a separate fund or funds for purposes of making, holding and disposing of investments, notwithstanding provisions herein for transfer to or holding in or to the credit of particular funds or accounts of amounts received or held by the Trustee hereunder, provided that the Trustee will at all times account for such investments strictly in accordance with the funds and accounts to which they are credited and otherwise as provided in the Indenture.

(v) The Trustee will sell, or present for redemption, any investment security whenever it is necessary to provide moneys to meet any required payment, transfer, withdrawal or disbursement from the fund or account to which such investment security is credited. The Trustee will not be liable or responsible for any loss resulting from the acquisition or disposition of such investment security in accordance herewith.

(v) Although WRCOG recognizes that it may obtain a broker confirmation or written statement containing comparable information at no additional cost, WRCOG hereby agrees that confirmations of Permitted Investments are not required to be issued by the Trustee for each month in which a monthly statement is rendered. No statement need be rendered for any fund or account if no activity occurred in such fund or account during such month.

Section 6.02. Limited Liability of WRCOG. WRCOG will not be obligated to make any payments required hereunder or under any Bond, or be deemed to incur any liability hereunder or by reason hereof or arising out of any of the transactions contemplated hereby, payable from any funds or assets other than as specifically provided herein.

Section 6.03. Employment of Agents by WRCOG. In order to perform its duties and obligations hereunder, WRCOG may employ such persons or entities as it deems necessary or advisable. WRCOG will not be liable for any of the acts or omissions of such persons or entities employed by it with reasonable care and in good faith hereunder, and will be entitled to rely, and will be fully protected in doing so, upon the opinions, calculations, determinations and directions of such persons or entities. Nothing in this Section 6.03 shall be interpreted to prevent the Owner of the Bonds from seeking remedies for an Event of Default as set forth in Section 9.02.

ARTICLE VII

THE TRUSTEE

Section 7.01. Appointment of Trustee. [Trustee Name], is hereby appointed trustee and paying agent for the Bonds. The Trustee undertakes to perform such duties, and only such duties, as are specifically set forth in the Indenture, and no implied covenants or obligations will be read into the Indenture against the Trustee. With respect to the appointment of the Trustee, the following will apply:

(A) Any bank or company into which the Trustee may be merged or converted or with which it may be consolidated, or any bank or company resulting from any merger, conversion or consolidation to which it is a party, or any bank or company to which the Trustee may sell or transfer all or substantially all of its corporate trust business (if such bank or company is eligible under the following paragraph of this Section 7.01) will be the successor to such Trustee without the execution or filing of any paper or any further act, anything herein to the contrary notwithstanding. The Trustee will give WRCOG written notice of any such succession hereunder.

(B) WRCOG may, upon not less than sixty (60) days' prior written notice, remove the Trustee initially appointed and any successor thereto, and may appoint a successor thereto, but any Trustee will be a national banking association or trust company having a combined capital (exclusive of borrowed capital) and surplus of at least \$75,000,000 and subject to supervision or examination by federal or state authority. If such national banking association or trust company publishes a report of condition at least annually, pursuant to law or to the requirements of any supervising or examining authority above referred to, then for the purposes of this Section 7.01, combined capital and surplus of such national banking association or trust company will be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published.

(C) The Trustee may at any time resign by giving written notice to WRCOG and by giving to the Owners notice by mail of such resignation. Upon receiving notice of such resignation, WRCOG will promptly appoint a successor Trustee, satisfying the requirements of Section 7.01(B) above, by an instrument in writing. Any resignation or removal of the Trustee will become effective upon acceptance of appointment by the successor Trustee.

(D) If, by reason of the judgment of any court, the Trustee is rendered unable to perform its duties hereunder, WRCOG will promptly appoint a successor Trustee by an instrument in writing.

(E) If no appointment of a successor Trustee is made pursuant to the foregoing provisions of this Section within forty-five (45) days after the Trustee has given to WRCOG written notice or after a vacancy in the office of the Trustee has occurred by reason of its inability to act, the Trustee or any Bond Owner may apply, at the expense of WRCOG, to any court of competent jurisdiction to appoint a successor Trustee. That court may thereupon, after such notice, if any, as such court may deem proper, appoint a successor Trustee.

Section 7.02. Liability of Trustee. With respect to the liability of the Trustee, the following will apply:

(A) The recitals of facts, covenants and agreements herein and in the Bonds contained will be taken as statements, covenants and agreements of WRCOG, and the Trustee assumes no responsibility for the correctness of the same, makes no representations as to the validity or sufficiency of the Indenture or of the Bonds, or will incur any responsibility in respect thereof, other than in connection with the duties or obligations herein or in the Bonds assigned to or imposed upon it. The Trustee will not be liable in connection with the performance of its duties hereunder, except for its own negligence or willful misconduct. The Trustee assumes no responsibility or liability for any information, statement or recital in any official statement or other disclosure material prepared or distributed with respect to the issuance of the Bonds.

(B) The Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Trustee and conforming to the requirements of the Indenture; but in the case of any such certificates or opinions by which any provision hereof are specifically required to be furnished to the Trustee, the Trustee will be under a duty to examine the same to determine whether or not they conform to the requirements of the Indenture on their face.

Except as provided above in this paragraph, Trustee will be fully protected and will incur no liability in acting or proceeding, or in not acting or not proceeding, in good faith, reasonably and in accordance with the terms of the Indenture, upon any resolution, order, notice, request, consent or waiver, certificate, statement, affidavit, or other paper or document which it in good faith reasonably believes to be genuine and to have been adopted or signed by the proper person or to have been prepared and furnished pursuant to any provision of the Indenture, and the Trustee will not be under any duty to make any investigation or inquiry as to any statements contained or matters referred to in any such instrument.

(C) The Trustee will not be liable for any error of judgment made in good faith by a responsible officer unless it is proved that the Trustee was negligent in ascertaining the pertinent facts.

(D) No provision of the Indenture will require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers.

(E) The Trustee will be under no obligation to exercise any of the rights or powers vested in it by the Indenture at the request or direction of WRCOG or any of the Owners pursuant to the Indenture unless such Owners have offered to the Trustee security or indemnity satisfactory to it against the costs, expenses and liabilities which might be incurred by it in compliance with such request or direction. The permissive right of the Trustee to do things enumerated in this Master Indenture shall not be construed as a duty.

(F) The Trustee may become the owner of the Bonds with the same rights it would have if it were not the Trustee.

(G) The Trustee will not be considered in breach of or in default in its obligations hereunder or progress in respect thereto in the event of enforced delay (“unavoidable delay”) in the performance of such obligations due to unforeseeable causes beyond its control and without its fault or negligence, including, but not limited to, Acts of God or of the public enemy or terrorists, acts of a government, acts of the other party, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, earthquakes, explosion, mob violence, riot, inability to procure or general sabotage or rationing of labor, equipment, facilities, sources of energy, material or supplies in the open market, litigation or arbitration involving a party or others relating to zoning or other governmental action or inaction pertaining to the project, malicious mischief, condemnation, and unusually severe weather or delays of suppliers or subcontractors due to such causes or any similar event or occurrences beyond the control of the Trustee.

(H) The Trustee shall have the right to accept and act upon instructions, including funds transfer instructions (“Instructions”) given pursuant to this Master Indenture and delivered using Electronic Means; provided, however, that WRCOG shall provide to the Trustee an incumbency certificate listing officers with the authority to provide such Instructions and containing specimen signatures of such Authorized Representatives, which incumbency certificate shall be amended by WRCOG whenever a person is to be added or deleted from the listing. If WRCOG elects to give the Trustee Instructions using Electronic Means and the Trustee in its discretion elects to act upon such Instructions, the Trustee’s understanding of such Instructions shall be deemed controlling. WRCOG understands and agrees that the Trustee cannot determine the identity of the actual sender of such Instructions and that the Trustee shall conclusively presume that directions that purport to have been sent by an Authorized Representative listed on the incumbency certificate provided to the Trustee have been sent by such Authorized Representative. WRCOG shall be responsible for ensuring that only Authorized Representatives transmit such Instructions to the Trustee and that WRCOG and all Authorized Representatives are solely responsible to safeguard the use and confidentiality of applicable user and authorization codes, passwords and/or authentication keys upon receipt by the Corporation. The Trustee shall not be liable for any losses, costs or expenses arising directly or indirectly from the Trustee’s reliance upon and compliance with such Instructions notwithstanding such directions conflict or are inconsistent with a subsequent written instruction. WRCOG agrees: (i) to assume all risks arising out of the use of Electronic Means to submit Instructions to the Trustee, including without limitation the risk of the Trustee acting on unauthorized Instructions, and the risk of interception and misuse by third parties; (ii) that it is fully informed of the protections and risks associated with the various methods of transmitting Instructions to the Trustee and that there may be more secure methods of transmitting Instructions than the method(s) selected by WRCOG; (iii) that the security procedures (if any) to be followed in connection with its transmission of Instructions provide to it a commercially reasonable degree of protection in light of its particular needs and circumstances; and (iv) to notify the Trustee immediately upon learning of any compromise or unauthorized use of the security procedures.

(I) The Trustee will have no responsibility or liability with respect to any information, statements or recital in any offering memorandum or other disclosure material prepared or distributed with respect to the issuance of the Bonds.

(J) The Trustee may execute any of the trusts or powers hereof and perform the duties required of it hereunder by or through attorneys, agents, affiliates, or receivers, and will be entitled to advice of counsel concerning all matters of trust and its duty hereunder, and the Trustee will not be answerable for the default or misconduct of any such attorney, agent, or receiver selected by it with reasonable care.

(K) The Trustee shall not be accountable for the use or application by WRCOG of any of the Bonds or the proceeds thereof or for the use or application of any money paid over by the Trustee in accordance with the provisions of this Master Indenture or any Supplemental Indenture or for the use and application of money received by any paying agent.

Section 7.03. Information; Books and Accounts. The Trustee will provide to WRCOG such information relating to the Bonds and the funds and accounts maintained by the Trustee hereunder as WRCOG may reasonably request, including, but not limited to, quarterly statements reporting funds held and transactions by the Trustee.

The Trustee will keep, or cause to be kept, proper books of record and accounts, separate from all other records and accounts of the Trustee, in which complete and correct entries will be made of all transactions made by it relating to the expenditure of amounts disbursed from the Redemption Fund and the accounts therein. Such books of record and accounts will, upon reasonable notice, at all times during business hours on any Business Day be subject to the inspection of WRCOG and the Owners of not less than 10% of the principal amount of the Bonds then Outstanding, or their representatives duly authorized in writing.

Section 7.04. Notice to Trustee. The Trustee may conclusively rely, without undertaking any investigation or inquiry, and will be protected in acting or refraining from acting upon any notice, resolution, request, consent, order, certificate, report, facsimile transmission, electronic mail, warrant, bond or other paper or document reasonably believed by it to be genuine and to have been signed or presented by the proper party or proper parties.

The Trustee may consult with counsel, who may be counsel to WRCOG, with regard to legal questions, and the opinion of such counsel will be full and complete authorization and protection in respect of any action taken or suffered by it hereunder in good faith and in accordance therewith.

The Trustee will not be bound to recognize any person as the Owner of a Bond unless and until such person is the registered Owner of such Bond and such Bond is submitted for inspection, if required, and such Owner's title thereto satisfactorily established, if disputed.

Whenever in the administration of its duties under the Indenture the Trustee deems it necessary or desirable that a matter be proved or established prior to taking or suffering any action hereunder, such matter (unless other evidence in respect thereof be herein specifically prescribed) may, in the absence of willful misconduct on the part of the Trustee, be deemed to be conclusively proved and established by a certificate of an Authorized Representative of WRCOG, and such certificate will be full warrant to the Trustee for any action taken or suffered under the provisions of the Indenture or any Supplemental Indenture upon the faith thereof, but

in its discretion the Trustee may, in lieu thereof, accept other evidence of such matter or may require such additional evidence as to it may seem reasonable.

Section 7.05. Compensation; Indemnification. WRCOG will pay to the Trustee from time to time reasonable compensation for all services rendered as Trustee under the Indenture, and also all reasonable expenses, charges, counsel fees and other disbursements, including those of the Trustee's in house or other attorneys and agents, incurred in and about the performance of their powers and duties under the Indenture.

WRCOG further agrees, to the extent permitted by applicable law, to indemnify and save the Trustee, its officers, employees, directors and agents harmless against any losses, expenses, costs, claims, judgments, damages, suits or liabilities which it may incur in the exercise and performance of its powers and duties hereunder (including, without limitation, legal fees and expenses) which are not due to its negligence or willful misconduct. As security for the performance of the obligations of WRCOG under this section pertaining to exercise and performance of the powers and duties of the Trustee hereunder related to any Bond or Series of Bonds, the Trustee shall have a lien prior to such Bond or Series of Bonds upon all property and funds held or collected by the Trustee as such pertaining to such Bond or Series of Bonds, except funds held in trust for the payment of principal of or interest or premiums on such Bond or Series of Bonds.

The obligation of WRCOG under this Section will survive resignation or removal of the Trustee under the Indenture and payment of the Bonds and discharge of the Indenture.

Section 7.06. Trustee as Owner. In the event the Trustee wishes to purchase the Bonds, the Trustee may become the owner of any of the Bonds in its own or any other capacity with the same rights it would have if it were not Trustee.

ARTICLE VIII

MODIFICATION OR AMENDMENT OF THE INDENTURE

Section 8.01. Conditions for Amendment.

(A) Amendment with Consent of Bond Owners. The Indenture and the rights and obligations of WRCOG and of the Owners of the Bonds may be modified or amended at any time by a Supplemental Indenture with the written consent of the Owners of at least 60% in aggregate principal amount of the Bonds then Outstanding, or, alternatively, if such amendment or modification affects only one or more Series of Bonds, with the written consent of the Owners of at least a majority in aggregate principal amount of such Series (which may include Series to be issued contemporaneously with the amendment or modification), in each case exclusive of Bonds disqualified as provided in Section 8.03.

No such modification or amendment may:

(ii) extend the maturity of any Bond or reduce the interest rate thereon, or otherwise alter or impair the obligation of WRCOG to pay the principal of, and the interest, any redemption premium or Penalties and Interest on, any Bond, without the express consent of the Owner of such Bond; or

(iii) permit the creation by WRCOG of any pledge or lien upon the Assessments pledged to any Series of Bonds superior to or on a parity with the pledges and liens created for the benefit of such Series of Bonds, without the express written consent of the Owners of all Outstanding Bonds of such Series; or

(iv) reduce the percentage of Bonds required for the amendment hereof; or

(v) amend this Section 8.01.

Any such amendment may not modify any of the rights or obligations of the Trustee without its written consent.

(B) Amendment without Consent of Bond Owners. The Indenture and the rights and obligations of WRCOG and of the Owners may also be modified or amended at any time by a Supplemental Indenture, without the consent of any Owners, only to the extent permitted by law and only for any one or more of the following purposes:

(ii) Additions. To add to the covenants and agreements of WRCOG contained in the Indenture, other covenants and agreements thereafter to be observed, or to limit or surrender any right or power herein reserved to or conferred upon WRCOG, so long as such addition, limitation or surrender does not adversely affect any outstanding Bonds in any material respect, as evidenced by an opinion of Bond Counsel delivered to the Trustee.

(iii) Not Materially Adversely Affecting Bonds. To make modifications not adversely affecting any outstanding Bonds in any material respect, as evidenced by an opinion of Bond Counsel delivered to the Trustee.

(iv) Corrections. To make such provisions for the purpose of curing any ambiguity, or of curing, correcting or supplementing any defective provision contained in the Indenture, or in regard to questions arising under the Indenture, as WRCOG may deem necessary or desirable and not inconsistent with the Indenture, and which will not materially adversely affect the rights of the Owners of the Bonds as evidenced by an opinion of Bond Counsel delivered to the Trustee.

(v) Issuance of Bonds. To issue Bonds in accordance with the Indenture.

(vi) Credit Enhancements. To provide for the delivery of credit enhancements for one or more Bonds or Series of Bonds.

Section 8.02. Procedure for Amendment with Written Consent of Owners.

WRCOG and the Trustee may at any time adopt a Supplemental Indenture amending the provisions of the Bonds or of the Indenture, to the extent that such amendment is permitted by Section 8.01, to take effect when and as provided in this Section. With respect to such Supplemental Indenture under this Section, the following will apply:

(A) A copy of such Supplemental Indenture, together with a request to respective Owners for their consent thereto, will be mailed by first class mail, by the Trustee to each Owner of respective Bonds Outstanding, but failure to mail copies of such Supplemental Indenture and request will not affect the validity of the Supplemental Indenture when assented to as provided in this Section.

(B) Such Supplemental Indenture will not become effective unless there has been filed with the Trustee the written consents of the Owners of at least 60% in aggregate principal amount of the Bonds then Outstanding or, if such amendment or modification affects only one or more Series of Bonds, with the written consent of the Owners of at least a majority in aggregate principal amount of such Series as applicable (exclusive of Bonds disqualified as provided in Section 8.03) and a notice has been mailed as described in subsection (A) above. Each such consent will be effective only if accompanied by proof of ownership of the Bonds for which such consent is given, which proof will be such as is permitted by Section 10.04.

Any such consent will be binding upon the Owner of the Bonds giving such consent and on any subsequent Owner (whether or not such subsequent Owner has notice thereof) unless such consent is revoked in writing by the Owner giving such consent or a subsequent Owner by filing such revocation with the Trustee prior to the date when the notice hereinafter in this Section provided for has been mailed.

(C) After the Owners of the required percentage of Bonds have filed their consents to the Supplemental Indenture, the Trustee will mail a notice to the Owners in the manner described in subsection (A) above for the mailing of the Supplemental Indenture, stating in substance that the Supplemental Indenture has been consented to by the Owners of the required percentage of Bonds and will be effective as provided in this Section; provided, however, that failure to mail

copies of this notice will not affect the validity of the Supplemental Indenture or consents thereto.

Proof of the mailing of such notice will be filed with the Trustee. A record, consisting of the papers required by this Section 8.02 to be filed with the Trustee, will be proof of the matters therein stated until the contrary is proved.

The Supplemental Indenture will become effective upon the filing with the Trustee of (a) the proof of the required notice, and (b) an approving opinion of Bond Counsel to the effect that the Supplemental Indenture complies with this Section 8.02. The Supplemental Indenture will be deemed conclusively binding (except as otherwise specifically provided in this Article) upon WRCOG and the Owners of all Bonds at the expiration of sixty (60) days after such filing, except in the event of a final decree of a court of competent jurisdiction setting aside such consent in a legal action or equitable proceeding for such purpose commenced within such 60-day period.

Section 8.03. Disqualified Bonds. Bonds owned or held for the account of WRCOG, excepting any pension or retirement fund, will not be deemed Outstanding for the purpose of any consent or other action or any calculation of Outstanding Bonds provided for in this Article VIII, and will not be entitled to consent to, or take any other action provided for in this Article VIII; except that in determining whether the Trustee will be protected in relying upon any such approval or consent of an Owner, only Bonds which a responsible officer of the Trustee having direct responsibility for the administration of the Indenture actually knows to be owned by or held for the account of WRCOG (excepting any pension or retirement fund) will be disregarded unless all Bonds are so owned, in which case such Bonds will be considered Outstanding for the purpose of such determination.

Upon request of the Trustee, WRCOG will specify in a certificate to the Trustee those Bonds disqualified pursuant to this Section and the Trustee may conclusively rely on such certificate.

Section 8.04. Effect of Supplemental Indenture. From and after the time any Supplemental Indenture becomes effective pursuant to this Article VIII, the Indenture will be deemed to be modified and amended in accordance therewith, the respective rights, duties and obligations under the Indenture of WRCOG and all Owners of Bonds Outstanding will thereafter be determined, exercised and enforced hereunder subject in all respects to such modifications and amendments, and all the terms and conditions of any such Supplemental Indenture will be deemed to be part of the terms and conditions of the Indenture for any and all purposes.

Section 8.05. Endorsement or Replacement of Bonds Issued After Amendment. WRCOG may determine that Bonds issued and delivered after the effective date of any action taken as provided in this Article VIII will bear a notation, by endorsement or otherwise, in form approved by WRCOG, as to such action. In that case, upon request of the Owner of any Bond Outstanding at such effective date and presentation of his or her Bond for that purpose at the Principal Office of the Trustee or at such other office as WRCOG may select and designate for that purpose, a suitable notation will be made on such Bond.

WRCOG may determine that new Bonds, so modified as in the opinion of WRCOG is necessary to conform to such Owners' action, will be prepared, executed and delivered. In that case, upon request of the Owner of any Bonds then Outstanding, such new Bonds will be exchanged at the Principal Office of the Trustee without cost to any Owner, for Bonds then Outstanding, upon surrender of such Bonds.

Section 8.06. Amendatory Endorsement of Bonds. The provisions of this Article VIII will not prevent any Owner from accepting any amendment as to the particular Bonds held by him, provided that due notation thereof is made on such Bonds.

Section 8.07. Execution of Supplemental Indenture. Prior to executing any Supplemental Indenture hereunder, the Trustee will be entitled to receive an opinion of Bond Counsel stating that the execution of such Supplemental Indenture is authorized and permitted by the Indenture and that all conditions precedent to the execution of such Supplemental Indenture have been met.

ARTICLE IX

EVENTS OF DEFAULT; REMEDIES

Section 9.01. Events of Default. Any one or more of the following events will constitute an “Event of Default”:

(A) Default in the due and punctual payment of the principal of or redemption premium, if any, on any Bond when and as the same will become due and payable, whether at maturity as therein expressed or from mandatory redemption;

(B) Default in the due and punctual payment of the interest on any Bond when and as the same will become due and payable; or

(C) Default by WRCOG in the observance of any of the other agreements, conditions or covenants on its part in the Indenture or in the Bonds contained, and the continuation of such default for a period of thirty (30) days after WRCOG has been given notice in writing of such default by the Trustee or any Owner; *provided, however*, if in the reasonable opinion of WRCOG the failure stated in the notice can be corrected, but not within such thirty (30) day period, such failure shall not constitute an Event of Default if corrective action is instituted by WRCOG within such thirty (30) day period and WRCOG shall thereafter diligently and in good faith cure such failure within a reasonable period of time, such period of time not to exceed one hundred eighty (180) days after such default notice is delivered to WRCOG .

Section 9.02. Remedies of Owners. Following the occurrence of an Event of Default, any Owner will have the right (and the right to instruct the Trustee, subject to the Trustee’s rights under Section 7.02(E) hereof) for the equal benefit and protection of all Owners similarly situated:

(A) By mandamus or other suit or proceeding at law or in equity to enforce its, his or her rights against WRCOG and any of the members, officers and employees of WRCOG, and to compel WRCOG or any such members, officers or employees to perform and carry out their duties under Chapter 29 or the Bond Act and their agreements with the Owners as provided in the Indenture; or

(B) By suit in equity to enjoin any actions or things that are unlawful or violate the rights of the Owners.

(C) To exercise every power and remedy available to it under Chapter 29 or the Bond Act.

Nothing in this article or in any other provisions of the Indenture or in the Bonds will affect or impair the obligation of WRCOG, which is absolute and unconditional, to pay the interest, redemption premium (if any), and Penalties and Interest on and principal of the Bonds to the respective owners of the Bonds when due, as herein provided, out of the Related Assessments pledged for such payment, or affect or impair the right of action, which is also absolute and unconditional, of such Owners to institute suit to enforce such payment by virtue of the contract embodied in the Bonds and in the Indenture.

A waiver by any Owner of any default or breach of duty or contract will not affect any subsequent default or breach of duty or contract, or impair any rights or remedies on any such subsequent default or breach. No delay or omission by any Owner to exercise any right or power accruing upon any default will impair any such right or power and it will not be construed to be a waiver of any such default or an acquiescence therein, and every power and remedy conferred upon the Owners by Chapter 29 or the Bond Act or by this article may be enforced and exercised from time to time and as often as will be deemed expedient by the Owners.

If any suit, action or proceeding to enforce any right or exercise any remedy is abandoned or determined adversely to the Owners, WRCOG and the Owners will be restored to their former positions, rights and remedies as if such suit, action or proceeding had not been brought or taken. No remedy herein conferred upon or reserved to the Owners is intended to be exclusive of any other remedy. Every such remedy will be cumulative and will be in addition to every other remedy given hereunder or now or hereafter existing, at law or in equity or by statute or otherwise, and may be exercised without exhausting and without regard to any other remedy conferred by Chapter 29, the Bond Act or any other law. In any suit, action or proceeding to enforce the provisions of this Master Indenture, the prevailing party shall be entitled to receive reasonable attorney's fees. In no event will the Trustee have any responsibility to cure or cause WRCOG or any other person or entity to cure an Event of Default hereunder.

Section 9.03. Application of Funds After Default. If an Event of Default shall occur and be continuing with respect to a Series of Bonds, all monies held or thereafter received by the Trustee with respect to such Series of Bonds, and any other funds then held or thereafter received by the Trustee with respect to such Series of Bonds under any of the provisions of this Master Indenture shall be applied in the following order:

(A) To the payment of any expenses necessary in the opinion of the Trustee to protect the interests of the Owners of such Series of Bonds and payment of reasonable fees and expenses of the Trustee (including reasonable fees and disbursements of its accountants and counsel) incurred with respect to such Series of Bonds in and about the performance of its powers and duties under the Indenture;

(B) To the payment of Administrative Expenses of such Series of Bonds;

(C) To the payment of the principal of and interest then due on such Series of Bonds, in accordance with the provisions of this Master Indenture, in the following order of priority:

(ii) First: To the payment to the persons entitled thereto of all installments of interest then due on such Series of Bonds, as applicable, in the order of the maturity of such installments, and, if the amount available shall not be sufficient to pay in full any installment or installments maturing on the same date, then to the payment thereof ratably, according to the amounts due thereon, to the persons entitled thereto, without any discrimination or preference; and

(iii) Second: To the payment to the persons entitled thereto of all installments of unpaid principal of such Series of Bonds, as applicable, which shall have become due, whether at maturity or redemption, and, if the amount available shall not be sufficient to

pay in full all of such Series of Bonds together with such interest, then to the payment thereof ratably, according to the amounts of principal due on such date to the persons entitled thereto, without any discrimination or preference; and

(iv) Third: If there shall exist any remainder after the foregoing payments, such remainder shall be paid to WRCOG as directed in a Certificate of WRCOG.

ARTICLE X

MISCELLANEOUS

Section 10.01. Discharge of Indenture. Subject to the provisions of Section 2.03 hereof regarding redemption, if WRCOG pays and discharges the entire indebtedness on all or a portion of any Bonds or Series of Bonds Outstanding in any one or more of the following ways:

(A) by paying or causing to be paid the principal of (including any Sinking Account Payments) and interest and any redemption premium on, all Bonds or Series of Bonds Outstanding, as and when the same become due and payable;

(B) by irrevocably depositing with the Trustee, in trust, at or before maturity, money which, together with the amounts then on deposit in the funds and accounts provided for in Section 4.01, is fully sufficient to pay such Bonds or Series of Bonds Outstanding, including all principal (including Sinking Account Payments), interest and any applicable redemption premiums with respect to such Bond or Series of Bonds being discharged or defeased; or

(C) by irrevocably depositing with the Trustee, in trust, cash and Federal Securities in such amount as WRCOG may determine, as confirmed by an independent certified public accountant, will, together with the interest to accrue thereon and moneys then on deposit in the fund and accounts provided for in Section 4.01, be fully sufficient to pay and discharge the indebtedness on such Bonds or Series of Bonds, including all principal, Sinking Account Payments, interest and any applicable redemption premiums with respect to the Bond or Series of Bonds being discharged or defeased, at or before their respective maturity dates;

and if such Bonds or Series of Bonds are to be redeemed prior to the maturity thereof notice of such redemption has been given as required by the Indenture (or provision satisfactory to the Trustee has been made for the giving of such notice), then, at the election of WRCOG, and notwithstanding that any Bonds or Series of Bonds have not been surrendered for payment, the pledge of the Assessments and other funds provided for in the Indenture and all other obligations of WRCOG under the Indenture with respect to all Bonds or Series of Bonds Outstanding will cease and terminate, except only: (i) the obligation of WRCOG to pay or cause to be paid to the Owners of the Bonds not so surrendered and paid all sums due thereon and (ii) the obligation of WRCOG to pay or cause to be paid all amounts owing to the Trustee pursuant to Section 7.05 hereof.

If all Bonds or Series of Bonds outstanding are discharged pursuant to this Section, thereafter the Related Assessments will not be payable to the Trustee. Notice of election to discharge the Indenture with respect to such Bond or Series of Bonds will be filed with the Trustee.

Any funds thereafter held by the Trustee upon payment of all fees and expenses of the Trustee, which are not required for said purpose, will be paid over to WRCOG to be used by WRCOG as provided in Chapter 29 and the Bond Act.

Section 10.02. Benefits of Agreement Limited to Parties. Nothing in the Indenture, expressed or implied, is intended to give to any person other than WRCOG, the Trustee and the

Owners, any right, remedy or claim under or by reason of the Indenture. Any covenants, stipulations, promises or agreements in the Indenture contained by and on behalf of WRCOG will be for the sole and exclusive benefit of the Owners and the Trustee.

Section 10.03. Successor is Deemed Included in All Reference to Predecessor. Whenever in the Indenture or any Supplemental Indenture either WRCOG or the Trustee is named or referred to, such reference will be deemed to include the successors or assigns thereof, and all the covenants and agreements in the Indenture contained by or on behalf of WRCOG or the Trustee will bind and inure to the benefit of the respective successors and assigns thereof whether so expressed or not.

Section 10.04. Execution of Documents and Proof of Ownership by Owners. Any request, declaration or other instrument which the Indenture may require or permit to be executed by Owners may be in one or more instruments of similar tenor, and will be executed by Owners in person or by their attorneys appointed in writing.

Except as otherwise herein expressly provided, the fact and date of the execution by any Owner or his attorney of such request, declaration or other instrument, or of such writing appointing such attorney, may be proved by the certificate of any notary public or other officer authorized to take acknowledgments of deeds to be recorded in the state in which he purports to act, that the person signing such request, declaration or other instrument or writing acknowledged to him the execution thereof, or by an affidavit of a witness of such execution, duly sworn to before such notary public or other officer.

The ownership of registered Bonds and the amount, maturity, number and date of holding the same will be proved by the registry books.

Any consent, request, declaration or other instrument or writing of the then registered Owner of any Bond will bind all future Owners of such Bond in respect of anything done or suffered to be done by WRCOG or the Trustee in good faith and in accordance therewith.

Section 10.05. Waiver of Personal Liability. No member, officer, agent or employee of WRCOG will be individually or personally liable for the payment of the principal of, or interest or any redemption premium on, the Bonds; but nothing herein contained will relieve any such member, officer, agent or employee from the performance of any official duty provided by law.

Section 10.06. Notices to and Demand on Authority and Trustee. All notices or communications herein required or permitted to be given to WRCOG or the Trustee shall be in writing and shall be deemed to have been sufficiently given or served for all purposes by being delivered or sent by telecopy or upon actual receipt by being deposited, postage prepaid, in a post office letter box, addressed as follows:

If to WRCOG:

Western Riverside Council of Governments
3390 University Avenue, Suite 200
Riverside, CA 92501
Attention: Executive Director

If to the Trustee:

[Trustee Name]
[Address]

Section 10.07. Partial Invalidity. If any one or more of the provisions contained in the Indenture or in the Bonds shall for any reason be held to be invalid, illegal or unenforceable in any respect, then such provision or provisions shall be deemed severable from the remaining provisions contained in the Indenture and such invalidity, illegality or unenforceability shall not affect any other provision of the Indenture, and the Indenture shall be construed as if such invalid or illegal or unenforceable provision had never been contained herein. WRCOG hereby declares that it would have entered into the Indenture and each and every other Section, paragraph, sentence, clause or phrase hereof and authorized the issuance of the Bonds pursuant thereto irrespective of the fact that any one or more Sections, paragraphs, sentences, clauses or phrases of the Indenture may be held illegal, invalid or unenforceable.

Section 10.08. Unclaimed Moneys. Notwithstanding any provisions of the Indenture, any moneys held by the Trustee in trust for the payment of the principal of, or interest on, any Bonds and remaining unclaimed for two (2) years after the principal of all of the Bonds has become due and payable (whether at maturity or upon call for redemption as provided in the Indenture), if such moneys were so held at such date, or two (2) years after the date of deposit of such moneys if deposited after said date when all of the Bonds became due and payable, shall be repaid to WRCOG (without liability for interest) free from the trusts created by the Indenture upon receipt of an indemnification agreement acceptable to WRCOG and the Trustee indemnifying the Trustee with respect to claims of Owners of Bonds which have not yet been paid, and all liability of the Trustee with respect to such moneys shall thereupon cease; provided, however, that before the repayment of such moneys to WRCOG as aforesaid, the Trustee may (at the cost of WRCOG) first mail, by first class mail postage prepaid, to the Owners of Bonds which have not yet been paid, at the respective addresses shown on the Registration Books, a notice, in such form as may be deemed appropriate by the Trustee with respect to the Bonds so payable and not presented and with respect to the provisions relating to the repayment to WRCOG of the moneys held for the payment thereof.

Section 10.09. Applicable Law. The Indenture will be governed by and enforced in accordance with the laws of the State of California applicable to contracts made and performed in the State of California.

Section 10.10. Content of Certificates. Every certificate with respect to compliance with a condition or covenant provided for in this Master Indenture shall include (a) a statement that the person or persons making or giving such certificate have read such covenant or condition and the definitions herein relating thereto; (b) a brief statement as to the nature and scope of the examination or investigation upon which the statements or opinions contained in such certificate are based; (c) a statement that, in the opinion of the signers, they have made or caused to be made such examination or investigation as is necessary to enable them to express an informed opinion as to whether or not such covenant or condition has been complied with; and (d) a statement as to whether, in the opinion of the signers, such condition or covenant has been complied with.

Any such certificate made or given by an officer of WRCOG may be based, insofar as it relates to legal matters, upon a certificate or opinion of or representations by counsel, unless such officer knows that the certificate or opinion or representations with respect to the matters upon which his certificate may be based, aforesaid, are erroneous, or in the exercise of reasonable care should have known that the same were erroneous. Any such certificate or opinion or representation made or given by counsel may be based, insofar as it relates to factual matters, on information with respect to which is in the possession of WRCOG, or upon the certificate or opinion of or representations by an officer or officers of WRCOG, unless such counsel knows that the certificate or opinion or representations with respect to the matters upon which his certificate, opinion or representation may be based, as aforesaid, are erroneous, or in the exercise of reasonable care should have known that the same were erroneous.

Section 10.11. Conclusive Evidence of Regularity. The issuance of each Series of Bonds pursuant to the Indenture will constitute conclusive evidence of the regularity of all proceedings under Chapter 29 and the Bond Act relative to their issuance and the levy of the Related Assessments.

Section 10.12. Payment on Business Day. In any case where the date of the maturity of interest or of principal, including Sinking Account Payments, (and redemption premium, if any) of the Bonds or the date fixed for redemption of any Bonds or the date any action is to be taken pursuant to the Indenture is other than a Business Day, the payment of interest or principal, including Sinking Account Payments, (and any redemption premium) or the action need not be made on such date but may be made on the next succeeding day which is a Business Day with the same force and effect as if made on the date required and no additional interest will accrue from such Interest Payment Date until such Business Day.

Section 10.13. Counterparts. This Master Indenture may be executed in any number of counterparts and each of such counterparts shall for all purposes be deemed to be an original; and all such counterparts, or as many of them as WRCOG and the Trustee shall preserve undestroyed, shall together constitute but one and the same instrument.

IN WITNESS WHEREOF, WRCOG and the Trustee have caused this Master Indenture to be executed, all as of the date first written above.

**WESTERN RIVERSIDE COUNCIL OF
GOVERNMENTS**

By Treasurer

By: _____
Authorized Signatory

[TRUSTEE NAME], as Trustee

By: _____
Authorized Representative

MASTER INDENTURE
EXHIBIT A
FORM OF SUPPLEMENTAL INDENTURE

SUPPLEMENTAL INDENTURE NO. []

between the

WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS

and

[TRUSTEE NAME]

as trustee

Dated as of [], 20__

Relating to

WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS
(CAPITAL PROVIDER PROGRAM)
LIMITED OBLIGATION IMPROVEMENT BONDS
SERIES ____
(First Commercial Property Tranche)

(Supplemental to the MASTER INDENTURE, dated as of [____], 2021)

TABLE OF CONTENTS

Page

ARTICLE I DEFINITIONS; AUTHORIZATION AND PURPOSE OF SERIES ____ BONDS; EQUAL SECURITY; COVENANTS

Section 1.01. Definitions.....	2
Section 1.02. Interpretation.....	2
Section 1.03. Authorization	2
Section 1.04. Representations of WRCOG.....	2

ARTICLE II ISSUANCE OF SERIES ____ BONDS

Section 2.01. Terms of Series ____ Bonds	4
Section 2.02. Redemption of Series ____ Bonds.....	4
Section 2.03. Form of Series ____ Bonds.....	4
Section 2.04. Validity of Bonds.....	4
Section 2.05. Registration of Series ____ Bonds.....	5

ARTICLE III USE OF PROCEEDS

Section 3.01. Issuance of Series ____ Bonds	5
Section 3.02. Application of Proceeds of Sale of Series ____ Bonds	5

ARTICLE IV ADDITIONAL PROVISIONS

Section 4.01. Applicable Law	5
Section 4.02. Conflict with Bond Law.....	5
Section 4.03. Conclusive Evidence of Regularity	5
Section 4.04. Confirmation of Master Indenture; Conflict With Master Indenture.....	5
Section 4.05. Counterparts	5

APPENDIX 1	BOND SPECIFICS	APPENDIX 1
EXHIBIT A	LIST OF PARTICIPATING PARCELS.....	A
EXHIBIT B	FORM OF SERIES ____ BONDS.....	B

SUPPLEMENTAL INDENTURE NO. []

THIS SUPPLEMENTAL INDENTURE NO. [], dated as of [], 20__ (this “**Supplemental Indenture**”), is made by and between the WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS, a joint exercise of powers agency duly organized and existing under and by virtue of the laws of the State of California (the “**WRCOG**”), and [TRUSTEE NAME], a national banking association organized and existing under the laws of the United States of America (the “**Trustee**”);

BACKGROUND:

WHEREAS, WRCOG and the Trustee have executed and delivered a MASTER INDENTURE, dated as of [], 2021 (the “**Master Indenture**”), to provide for the terms and conditions of the issuance by WRCOG of one or more Series of Bonds (as defined in the Master Indenture) from time to time;

WHEREAS, in order to provide for the authentication and delivery of the Series ____ Bonds, to establish and declare the terms and conditions upon which the Series ____ Bonds are to be issued, to secure the Series ____ Bonds by a lien and charge upon (i) the Assessment or Assessments (as defined in the Assessment Contract(s) with respect to the Participating Parcel(s) set forth on Exhibit A hereto, the “Assessment” herein) together with all revenues, moneys, accounts receivable, contractual rights to payment, recoveries and other rights to payment of whatever kind with respect to such Assessment or Assessments or the Assessment Contract(s) with respect to the Participating Parcel(s) set forth on Exhibit A hereto (except amounts required hereunder to be deposited into the Administrative Expense Account of the Program Fund) that are or may be owed to, or collected or received by, WRCOG or any other entity acting on WRCOG’s behalf, including, without limitation, the Assessment Installments, a Prepayment of the Assessment, the foreclosure on a Participating Parcel(s) set forth on Exhibit A hereto on which an Assessment has been levied, or any other payment or recovery with respect to an Assessment from any other source but excluding Annual Assessment Administrative Fees, and (ii) the Redemption Fund and all monies, securities or contractual or other rights to payment that are or may be owed or credited to, or deposited in, the Redemption Fund, or owed to, or collected, recovered, received or held by, any other person that is required to credit to or deposit such monies or securities in the Redemption Fund by Chapter 29, the Bond Act or the terms of the Indenture attributable to proceeds of the Series ____ Bonds, such Assessment or Assessments and such Assessment Contract(s) with respect to the Participating Parcel(s) set forth on Exhibit A hereto, in each case, derived from the Assessment Installments, a Prepayment of the Assessment, penalties and interest with respect to any delinquent Assessment Installment, the foreclosure on a Participating Parcel(s) set forth on Exhibit A hereto on which an Assessment has been levied, or payments pursuant to a Teeter Plan with respect to Assessments, if applicable, (the foregoing items in (i) and (ii) above collectively referred to as the “Series ____ Bond Collateral”), the Executive Committee has authorized the execution and delivery of this Supplemental Indenture;

WHEREAS, all acts and proceedings required by law and the Master Indenture necessary to make the Series ____ Bonds, when executed by WRCOG and authenticated and delivered by the Trustee, the duly issued, valid, binding and legal special obligations of WRCOG, and to constitute this Supplemental Indenture a valid and binding agreement for the

uses and purposes herein set forth, in accordance with its terms, have been done and taken; and the execution and delivery of this Supplemental Indenture have been in all respects duly authorized; and

NOW, THEREFORE, in consideration of the premises and the mutual covenants contained herein, the parties hereto hereby agree as follows:

ARTICLE I
DEFINITIONS; AUTHORIZATION AND PURPOSE OF SERIES ___ BONDS; EQUAL SECURITY; COVENANTS

Section 1.01. Definitions. Unless the context clearly otherwise requires or unless otherwise defined in this Supplemental Indenture, the capitalized terms in this Supplemental Indenture will have the respective meanings that such terms have in the Master Indenture.

“Closing Date” means the date of initial issuance and delivery of the Series ___ Bonds hereunder.

“Interest Payment Dates” means March 2 and September 2 of each year, commencing as of the date indicated in Appendix 1.

Optional: Only applies if a Reserve Fund is established for the Series of Bonds.

[**“Series ___ Bond Reserve Requirement”** means, initially, \$ _____.]

[**“Series ___ Bond Reserve Fund”** means the fund by that name established and administered pursuant to this Supplemental Indenture.]

“Series ___ Bonds” means the Western Riverside Council of Governments (Capital Provider Program – [Name of Capital Provider]) Limited Obligation Improvement Bonds, Series 20__ (First Commercial Property Tranche) issued pursuant to this Supplemental Indenture.

Section 1.02. Interpretation. Section 1.03 of the Master Indenture shall govern interpretation of this Supplemental Indenture.

Section 1.03. Authorization. Each of the parties represents and warrants that it has full legal authority and is duly empowered to enter into this Supplemental Indenture and has taken all actions necessary to authorize the execution of this Supplemental Indenture by the officers and persons signing it.

Section 1.04. Representations of WRCOG. WRCOG hereby warrants and represents on the date hereof as follows:

(A) WRCOG is a joint powers authority duly organized, duly constituted and validly existing under the laws of the State of California, and has the full legal right, authority and power to enter into and carry out the terms and conditions of this Supplemental Indenture.

(B) No approval of, or consent from, any governmental authority (other than WRCOG's governing body) is required for the execution, delivery or performance by WRCOG of this Supplemental Indenture.

(C) The Indenture, when executed and delivered by WRCOG, shall be duly and validly authorized, executed and delivered by WRCOG.

(D) The execution, delivery and performance by WRCOG of this Supplemental Indenture and the performance by WRCOG of its obligations under the Indenture and the transactions contemplated hereby and thereby:

(i) do not contravene any provisions of law applicable to WRCOG, and

(ii) do not conflict with, and will not result (with or without the giving of notice or passage of time or both) in the breach of or constitute a default or require any consent under any credit agreement, indenture, mortgage, purchase agreement, deed of trust, security agreement, lease, guarantee or other instrument to which WRCOG is a party, by which WRCOG may be bound or to which WRCOG or its property may be subject.

(E) The Indenture constitutes the legal, valid and binding obligation of WRCOG, enforceable against WRCOG in accordance with its terms, except as limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally, and by applicable laws and judicial decisions which may affect the remedies provided in the Indenture.

(F) WRCOG has complied with Section 3.04 of the Master Indenture in connection with the issuance of the Series ___ Bonds, and the aggregate initial principal amount of Bonds issued under the Master Indenture, after giving effect to the Series ___ Bonds, will be as indicated in Section 2.01(a) of Appendix 1.

(G) Each of the Assessment Contract(s) with respect to the Participating Parcel(s) set forth on Exhibit A hereto was executed and delivered by WRCOG in compliance with the requirements of the Act, the Program Report, all relevant and applicable laws and regulations of the federal government and the State of California and all relevant and applicable resolutions of WRCOG.

(H) Based on the information provided to WRCOG by, and representations of, the Property Owners (as defined in the Assessment Contract(s) with respect to the Participating Parcel(s) set forth on Exhibit A hereto), the transactions represented by the Assessment Contract(s) with respect to the Participating Parcel(s) set forth on Exhibit A hereto, such Participating Parcels and such Property Owners satisfy all eligibility criteria under and underwriting requirements of the Act, the Program Report and all other relevant and applicable laws and regulations of the federal government and the State of California, and all relevant and applicable resolutions of WRCOG necessary to participate in the Program.

(I) The Series ___ Bonds are limited obligation improvement bonds governed by the provisions of the Indenture, the Act and the Bond Law and have been issued in accordance with

and in satisfaction of all applicable terms and underwriting criteria for such bonds set forth in the Indenture, the Act, the Bond Law and all other relevant and applicable laws and regulations of the federal government and the State of California, the Program Report and all relevant and applicable resolutions of WRCOG.

(J) Without limiting Section 5.01(C) of the Master Indenture, WRCOG, either directly or through its other agents, has taken and shall continue to take all commercially reasonable steps necessary to ensure that all amounts owed under any and all Assessment Contract(s) with respect to the Participating Parcel(s) set forth on Exhibit A hereto are accurately and timely entered on the tax roll of the applicable County.

ARTICLE II ISSUANCE OF SERIES ____ BONDS

Section 2.01. Terms of Series ____ Bonds.

(A) The Series ____ Bonds authorized to be issued by WRCOG under and subject to the Bond Law and the terms of the Master Indenture, as supplemented and amended, and this Supplemental Indenture will be designated the Western Riverside Council of Governments Capital Provider Program Limited Obligation Improvement Bonds, Series 20__ - (First Commercial Property Tranche)", and will be issued in the original principal amount as indicated in Appendix 1.

The Series ____ Bonds shall be issued as fully registered Bonds without coupons.

(B) The Series ____ Bonds will be dated the Closing Date and will be payable on the Payment Dates and in the principal amounts, and will bear interest at the rate per annum (with accrued and unpaid interest payable on each Payment Date in accordance with Sections 2.02(B) and (C) of the Master Indenture), set forth in the schedule indicated in Appendix 1.

Section 2.02. Redemption of Series ____ Bonds.

(A) The Series ____ Bonds are subject to mandatory redemption from Prepayments and from Sinking Account Payments, optional redemption from amounts on deposit in the Redemption Fund and redemption from Excess Program Account Proceeds on deposit in the Extraordinary Mandatory Redemption Account, in each case as set forth in Appendix 1 hereto, but are not otherwise subject to optional redemption prior to maturity.

(B) Except as otherwise set forth in this Section 2.02 and in Appendix 1 hereto, Section 2.03 of the Master Indenture will govern redemption of the Series ____ Bonds.

Section 2.03. Form of Series ____ Bonds. The Series ____ Bonds, the Trustee's certificate of authentication, and the assignment to appear thereon, will be substantially in the form set forth in Exhibit B attached hereto and by this reference incorporated herein, with necessary or appropriate variations, omissions and insertions, as permitted or required by this Supplemental Indenture, the Resolution of Issuance and the Bond Law.

Section 2.04. Validity of Bonds. The validity of the authorization and issuance of the Series ____ Bonds will not be dependent upon the installation or operation of the Improvements (as defined in the Assessment Contract(s) with respect to the Participating Parcel(s) set forth on Exhibit A hereto) or upon the performance by any person of such person's obligation with respect to the Improvements.

Section 2.05. Registration of Series ____ Bonds. The Series ____ Bonds shall be registered in the name of the Initial Purchaser indicated in Appendix 1.

ARTICLE III USE OF PROCEEDS

Section 3.01. Issuance of Series ____ Bonds. Upon the execution and delivery of this Supplemental Indenture and satisfaction of the requirements for issuance of a Series of Bonds under Section 3.04 of the Master Indenture, WRCOG will execute and deliver the Series ____ Bonds in the aggregate principal amount as indicated in Appendix 1 to the Trustee for authentication and delivery to the Initial Purchaser thereof as indicated in Appendix 1.

Section 3.02. Application of Proceeds of Sale of Series ____ Bonds. Upon the receipt of payment for the Series ____ Bonds on the Closing Date, the Trustee will apply the proceeds of sale thereof (being an amount equal to the principal amount of the Series ____ Bonds) as indicated in Appendix 1.

ARTICLE IV ADDITIONAL PROVISIONS

Section 4.01. Applicable Law. This Supplemental Indenture will be governed by and enforced in accordance with the laws of the State of California applicable to contracts made and performed in the State of California.

Section 4.02. Conflict with Bond Law. In the event of a conflict between any provision of this Supplemental Indenture with any provision of the Bond Law as in effect on the Closing Date, the provision of the Bond Law will prevail over the conflicting provision of this Supplemental Indenture.

Section 4.03. Conclusive Evidence of Regularity. Series ____ Bonds issued pursuant to this Supplemental Indenture will constitute conclusive evidence of the regularity of all proceedings under the Bond Law relative to their issuance and the levy of the Assessment (as defined in the Assessment Contract(s) with respect to the Participating Parcel(s) set forth on Exhibit A hereto).

Section 4.04. Confirmation of Master Indenture; Conflict With Master Indenture. All representations, covenants, warranties and other provisions of the Master Indenture, as previously amended and supplemented, unless specifically amended, modified or supplemented by this Supplemental Indenture, are hereby confirmed as applicable to this Supplemental Indenture. In the event of any conflict between the provisions of this Supplemental Indenture and the Master Indenture, the provisions of this Supplemental Indenture will govern.

Section 4.05. Counterparts. This Supplemental Indenture may be executed in counterparts, each of which will be deemed an original.

IN WITNESS WHEREOF, WRCOG and the Trustee have caused this Supplemental Indenture to be executed, all as of the date first written above.

WESTERN RIVERSIDE COUNCIL OF
GOVERNMENTS

By: _____
Authorized Representative

[TRUSTEE NAME], as Trustee

By: _____
Authorized Signatory

APPENDIX 1 BOND SPECIFICS

Article I

Section 1.01. Definitions

Interest Payment Dates: Interest on the Series ___ Bonds is due and payable on March 2 and September 2 of each year, commencing on [DATE].

Principal of the Series ___ Bonds is due on September 2 in the years identified below.

Article II

Section 2.01. Terms of Series ___ Bonds.

- (a) Original principal amount of the Series ___ Bonds is \$_____ and the aggregate principal amount of all Bonds issued under the Master Indenture, after giving effect to the Series ___ Bonds, is \$_____.
- (b) [Interest Rate of the Series ___ Bonds is: _____%.] [The Series ___ Bonds shall be payable at the rates, and will be payable on each Interest Payment Date, pursuant to Debt Service Schedule set forth on Attachment A to the Series ___ Bond and as set forth in the following schedule:

Payment Date	Interest	Principal	Total
	*		

* Represents amounts payable from Capitalized Interest Account, as provided in Section 4.01(B) of the Master Indenture.

Section 2.02. Redemption of Series ____ Bonds.

(a) Mandatory Prepayment Redemption. The Series ____ Bonds will be redeemed, as a whole or in part, and paid in advance of maturity, from amounts received by WRCOG as a Prepayment of the Assessment, on any Interest Payment Date, at a price equal to:

(i) 100% of the principal amount of the Series ____ Bonds to be prepaid;

(ii) accrued but unpaid interest to the date of redemption, unless sooner surrendered, in which event said interest will be paid to the date of payment, all in the manner and as provided in the Bond Act; and

(iii) a redemption premium equal to ____%.

Upon redemption of the Series ____ Bonds as set forth in this subsection, WRCOG shall cause the Financed Amount (as defined in the Assessment Contract) to be reduced in an amount equal to the principal amount of the Series ____ Bonds redeemed.

(b) Optional Redemption. The Series ____ Bonds are subject to optional redemption, as a whole or in part, on any Interest Payment Date from funds derived by WRCOG from any source other than Related Prepayments, at a price equal to:

(i) 100% of the principal amount of the Series ____ Bonds to be prepaid;

(ii) accrued but unpaid interest to the date of redemption, unless sooner surrendered, in which event said interest will be paid to the date of payment, all in the manner and as provided in the Bond Act; and

(iii) a redemption premium equal to ____%.

(c) Extraordinary Mandatory Redemption from Excess Program Account Proceeds. The Series ____ Bonds will be redeemed, as whole or in part, and paid in advance of maturity, from amounts received by WRCOG as Excess Program Account Proceeds relating to this Bond and the Related Assessment Contract, on any Interest Payment Date, at a price equal to:

(i) 100% of the principal amount of the Series ____ Bonds to be prepaid;

(ii) accrued but unpaid interest to the date of redemption, unless sooner surrendered, in which event said interest will be paid to the date of payment, all in the manner and as provided in the Bond Act; and

(iii) a redemption premium equal to ____%.

(d) Mandatory Sinking Account Redemption. All the Series ____ Bonds constitute Term Bonds, which will be subject to mandatory redemption in part by lot, from Sinking

Account Payments made by WRCOG from the Redemption Fund, at a redemption price equal to the principal amount thereof to be redeemed, without premium, in the aggregate respective principal amounts, as shown in Attachment A.

However, if the Series ____ Bonds have been redeemed pursuant to an optional redemption or a mandatory prepayment redemption, the total amount of all future Sinking Account Payments relating to such maturity will be reduced by the aggregate principal amount of Term Bonds of such maturity so redeemed, to be allocated among such Sinking Account Payments on a pro rata basis in Authorized Denominations as determined by the Trustee, notice of which determination will be given by the Trustee to WRCOG.

Section 2.05. Registration of Series ____ Bonds.

The name of the Initial Purchaser is _____.

Article III

Section 3.01. Application of Proceeds of Sale of Series ____ Bonds.

(a) \$_____ to the Capitalized Interest Account for the Series ____ Bonds within the Redemption Fund representing capitalized interest on the Series ____ Bonds.

(b) \$_____ to the Costs of Issuance Account for the Series ____ Bonds within the Program Fund established pursuant to the Master Indenture.

(c) \$_____ to the Program Account for the Series ____ Bonds within the Program Fund established pursuant to the Master Indenture.

(d) \$_____ to the Administrative Expense Account of the Program Fund established pursuant to the Master Indenture.

[Unless otherwise instructed by WRCOG, each such account will be established for accounting purposes only.]

Optional: Utilized only if Reserve Fund established for the Series ____ Bonds.

[(e) \$_____ to the Series Bond Reserve Fund established pursuant to this Supplemental Indenture.]

Optional: Utilized only if Reserve Fund established for the Series ____ Bonds.

[Article IV]

Section 4.01. Series ____ Bond Reserve Fund

(A) General. The Trustee shall establish and maintain the Series ____ Bond Reserve Fund in trust separate and distinct from the other funds and accounts established hereunder. Except as provided below, all moneys in the Series Bond Reserve Fund shall be used and withdrawn by the Trustee solely for the purpose of paying the interest on or the principal of the

APPENDIX 1

Series __ Bonds in the event that insufficient moneys are available in the Assessment Collection Account for the Series __ Bonds within the Redemption Fund for such purpose or for the redemption or payment of Series __ Bonds under subparagraph (E) below.

(B) Investment; Maintenance of Funds in the Series __ Bond Reserve Fund. Moneys in the Series __ Bond Reserve Fund shall be invested in Permitted Investments with a maturity of not greater than five (5) years as directed in a Certificate of WRCOG; in the absence of direction the Trustee shall hold funds uninvested. The Trustee shall retain in the Series __ Bond Reserve Fund all earnings on amounts on deposit in the Series __ Bond Reserve Fund until the amount on deposit in the Series __ Bond Reserve Fund exceeds the Series __ Bond Reserve Requirement, then the amount in excess of the Series __ Bond Reserve Requirement shall be transferred to the Assessment Collection Account for the Series __ Bonds within the Redemption Fund.

Notwithstanding any other provision hereof, the failure to maintain an amount in the Series __ Bond Reserve Fund equal to the Series __ Bond Reserve Requirement shall not be a default or an Event of Default under the Master Indenture.

(C) Redemption as a Result of Principal Prepayments. In the event of a Prepayment (other than as a result of transfers made pursuant to subparagraph (E) below) of a Series __ Bond, WRCOG shall transfer a proportionate amount in the Series __ Bond Reserve Fund to the Assessment Collection Account for the Series __ Bonds within the Redemption Fund. The proportionate amount shall be determined by multiplying (i) the fraction equal to the principal amount of Outstanding Series __ Bonds to be redeemed pursuant to Section 2.03(C) of the Master Indenture over the total principal amount of the Outstanding Series __ Bonds by (ii) the amounts on deposit in the Series __ Bond Reserve Fund, but in any event not in excess of the amount that will leave the balance in the Series __ Bond Reserve Fund equal to the Series __ Bond Reserve Requirement for the Series __ Bonds that will remain Outstanding following the redemption pursuant to Section 2.03(C) of the Master Indenture. Upon receipt of a Written Request from WRCOG, the Trustee shall transfer the proportionate amounts from the Series __ Bond Reserve Fund to the Assessment Collection Account for the Series __ Bonds within the Redemption Fund in the amounts set forth in the Written Request.

(D) Use for Final Assessment Installment. WRCOG may, but is not obligated to, use a proportionate amount in the Series __ Bond Reserve Fund to pay the final fiscal year's Assessment Installments to be levied on a Participating Parcel(s) set forth on Exhibit A hereto that is not delinquent in the payment of Assessment Installments. The proportionate amount shall be determined on the basis of (i) the principal amount of Outstanding Series __ Bonds attributable to the Participating Parcel(s) set forth on Exhibit A hereto and the total principal amount of the Outstanding Series __ Bonds and (ii) the amounts on deposit in the Series __ Bond Reserve Fund, but in any event not in excess of the amount that will leave the balance in the Series __ Bond Reserve Fund equal to the Series __ Bond Reserve Requirement for all Outstanding Series __ Bonds for which principal will not be paid with the Assessment Installments to be paid by the Participating Parcel(s) set forth on Exhibit A hereto in the next fiscal year. Upon receipt of a Written Request from WRCOG, the Trustee shall transfer the proportionate amounts from the Series __ Bond Reserve Fund to the Assessment Collection

Account for the Series ____ Bonds within the Redemption Fund in the amounts set forth in the Written Request.

(E) Additional Use of Series ____ Bond Reserve Fund; Reduction in Series ____ Bond Reserve Requirement. Pursuant to the terms of the Assessment Contracts related to the Series ____ Bond, if certain conditions are met, the Property Owner may request that the amount in the Series ____ Bond Reserve Fund be utilized to prepay Assessments and redeem Series ____ Bonds hereunder. Upon receipt of a Written Request from WRCOG, the Trustee will transfer all amounts in the Series ____ Bond Reserve Fund to the Prepayment Account for the Series ____ Bonds within the Redemption Fund to redeem Series ____ Bonds under Section 2.03(C) of the Master Indenture. After such transfer, the Series ____ Bond Reserve Requirement thereafter will be zero and the Trustee will close the Series ____ Bond Reserve Fund.]

SUPPLEMENTAL INDENTURE
EXHIBIT A
LIST OF PARTICIPATING PARCELS

SUPPLEMENTAL INDENTURE

EXHIBIT B

FORM OF BOND

****THE BONDS ARE SUBJECT TO TRANSFER RESTRICTIONS PURSUANT TO
SECTION 2.05 OF THE MASTER INDENTURE****

Number ____ -1

\$_____

WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS
(Capital Provider Program – [Name of Capital Provider])
Limited Obligation Improvement Bonds, Series 20__
(First Commercial Property Tranche)

STATED INTEREST RATE
_____%

MATURITY DATE
September 2, 20__

DATED DATE
_____, 20__

REGISTERED OWNER:

PRINCIPAL AMOUNT: *** _____ DOLLARS***

Under and by virtue of the Improvement Bond Act of 1915, Division 10 (commencing with Section 8500) of the California Streets and Highways Code (the “Bond Act”), the Western Riverside Council of Governments (“WRCOG”), will, out of the Redemption Fund established pursuant to a Master Indenture, dated as of [____], 2021 (the “Master Indenture”), as amended or supplemented by Supplemental Indenture No. [____], dated as of _____, 20__ (the Master Indenture as supplemented, the “Indenture”) relating to Series 20__ Bonds (the “Bonds”), each by and between WRCOG and [Trustee Name], as trustee (the “Trustee”), pay to the registered owner named above, or registered assigns, the principal amount set forth above, and interest on such principal amount, at the times and in the amounts set forth in Attachment A in lawful money of the United States of America; in addition, the Bond shall accrue additional interest as set forth in Section 4.01(B) of the Indenture. In the event of the redemption of this Bond in part prior to maturity the principal amount and the interest on such principal amount if this Bond set forth in Attachment A will be subject to amendment without amending Attachment A and the Trustee shall have no obligation to revise Attachment A hereto to reflect such amendment.

Capitalized terms not otherwise defined herein shall have the meanings given such terms in the Indenture.

This Bond bears interest from the Interest Payment Date next preceding its date of authentication and registration unless it is authenticated and registered (i) prior to an Interest Payment Date and after the close of business of the 15th day of the calendar month preceding such Interest Payment Date, in which event it will bear interest from such Interest Payment Date, or (ii) prior to the close of business on the 15th day of the calendar month preceding the first

Interest Payment Date above, in which event it will bear interest from its date of delivery, until payment of such principal sum has been discharged.

Interest (excluding the final interest payment due upon maturity or earlier redemption) on and principal (excluding the final principal payment upon maturity or earlier redemption) of this Bond are payable in lawful money of the United States of America by the Trustee to the person whose name appears on the Bond Register as the Owner thereof as of the close of business on the Record Date preceding the Interest Payment Date by wire transfer of immediately available funds made on such Interest Payment Date upon the written instructions by such Owner delivered to the Trustee at least five (5) Business Days prior to the applicable Record Date.

Payment of principal of this Bond and accrued interest and premium, if any, on this Bond upon final maturity or redemption in whole shall be payable in lawful money of the United States of America by the Trustee of immediately available funds, to the person whose name appears on the Bond Register as the Owner thereof, upon surrender of this Bond at the Corporate Trust Office of the Trustee.

Payment of principal of this Bond on any Interest Date and in the amount set forth in Attachment "A" hereto and accrued interest and premium, if any, on this Bond upon redemption in part shall be payable in lawful money of the United States of America by the Trustee to the person whose name appears on the Bond Register as the Owner thereof as of the close of business on the Record Date preceding the applicable Interest Payment Date, without surrender of this at the Corporate Trust Office of the Trustee, by wire transfer of immediately available funds made on such Interest Payment Date upon the written instructions by such Owner delivered to the Trustee at least five (5) Business Days prior to the applicable Record Date.

This Bond will continue to bear interest after maturity at the rate above stated if this Bond is presented at maturity and payment hereof is refused upon the sole ground that there are not sufficient moneys in the Redemption Fund with which to pay same. If this Bond is not presented at maturity, interest hereon will run only until maturity.

This Bond will not be entitled to any benefit under the Bond Act or the Indenture, or become valid or obligatory for any purpose, until the certificate of authentication and registration hereon are dated and signed by the Trustee.

This Bond is issued by WRCOG under the Bond Act and the Indenture for the purpose of providing means for paying for the Improvements described in the Indenture. It is secured by certain moneys in the Redemption Fund, the unpaid portion of Related Assessments made for the payment of those Related Improvements and any Penalties and Interest (as defined in the Indenture) received by WRCOG relating to the Related Assessments. Principal, interest and redemption premium, if any, is payable exclusively out of the Redemption Fund. This Bond and any other Bonds issued under the Indenture are referred to as the "Bonds."

This Bond is transferable by the registered Owner hereof, in person or by the Owner's attorney duly authorized in writing, at the office of the Trustee, subject to the terms and conditions provided in the Resolution of Issuance and the Indenture, including the payment of certain charges, if any, upon surrender and cancellation of this Bond. Upon such transfer, a new

registered Bond or Bonds, of any authorized denomination or denominations, of the same maturity, and for the same aggregate principal amount, will be issued to the transferee in exchange therefor. This Bond may only be transferred in an Authorized Denomination to (i) an Accredited Investor or Qualified Institutional Buyer who delivers to the Trustee and WRCOG an executed letter substantially in the form of Exhibit B attached to the Indenture or (ii) WRCOG (or the Trustee at the direction of WRCOG).

Bonds will be registered only in the name of an individual (including joint owners), a corporation, a partnership or limited liability company, or a trust.

Neither WRCOG nor the Trustee will be required to make such exchange or registration of transfer of Bonds during the fifteen (15) days of the calendar month immediately preceding any Interest Payment Date.

WRCOG and the Trustee may treat the registered Owner hereof as the absolute owner for all purposes, and WRCOG and the Trustee will not be affected by any notice to the contrary.

Optional Redemption. The Bonds are subject to optional redemption, as a whole or in part, on any Interest Payment Date from funds derived by WRCOG from any source other than Related Prepayments, at a price equal to:

(ii) 100% of the principal amount of the Bonds to be prepaid;

(iii) accrued but unpaid interest to the date of redemption, unless sooner surrendered, in which event said interest will be paid to the date of payment, all in the manner and as provided in the Bond Act; and

(iv) a redemption premium equal to ____%.

Mandatory Sinking Account Redemption. All the Bonds constitute Term Bonds, which will be subject to mandatory redemption in part by lot, from Sinking Account Payments made by WRCOG from the Redemption Fund, at a redemption price equal to the principal amount thereof to be redeemed, without premium, in the aggregate respective principal amounts, as shown in Attachment A.

However, if the Bonds have been redeemed pursuant to an optional redemption or a mandatory prepayment redemption, the total amount of all future Sinking Account Payments relating to such maturity will be reduced by the aggregate principal amount of Term Bonds of such maturity so redeemed, to be allocated among such Sinking Account Payments on a pro rata basis in Authorized Denominations as determined by WRCOG, notice of which determination will be given by WRCOG to the Trustee.

Mandatory Prepayment Redemption. The Bonds will be redeemed, as a whole or in part, and paid in advance of maturity, from amounts received by WRCOG as Related Prepayments, on any Interest Payment Date, at a price equal to:

(i) 100% of the principal amount of the Bonds to be prepaid;

(ii) accrued but unpaid interest to the date of redemption, unless sooner surrendered, in which event said interest will be paid to the date of payment, all in the manner and as provided in the Bond Act; and

(iii) a redemption premium equal to ____%.

Upon redemption of the Bonds as set forth in this subsection, WRCOG shall cause the Financed Amount to be reduced in an amount equal to the principal amount of the Bonds redeemed.

Extraordinary Mandatory Redemption from Excess Program Account Proceeds. The Bonds will be redeemed, as whole or in part, and paid in advance of maturity, from amounts received by WRCOG as Excess Program Account Proceeds relating to this Bond and the Related Assessment Contract, on any Interest Payment Date, at a price equal to:

(i) 100% of the principal amount of the Bonds to be prepaid;

(ii) accrued but unpaid interest to the date of redemption, unless sooner surrendered, in which event said interest will be paid to the date of payment, all in the manner and as provided in the Bond Act; and

(iii) a redemption premium equal to ____%.

This Bond is a Limited Obligation Improvement Bond because, under the Indenture, WRCOG is not obligated to advance funds from WRCOG treasury to cover any deficiency that may occur in the related accounts of the Redemption Fund for the Bonds.

IN WITNESS WHEREOF, WRCOG has caused this Series ____ Bond to be executed in its name and on its behalf by the facsimile signatures of its Treasurer and Secretary all as of the Original Issue Date identified above.

WESTERN RIVERSIDE COUNCIL OF
GOVERNMENTS

By: _____
Treasurer

Attest:

Secretary

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This is one of the Series 20__ Bonds described in the within mentioned Indenture.

Dated: _____, 20__

[Trustee Name], as Trustee

By: _____
Authorized Signatory

ABBREVIATIONS

The following abbreviations, when used in the inscription on the face of this bond, will be construed as though they were written out in full according to applicable laws or regulations:

TEN COM - as tenants in common
TEN ENT - as tenants by the entireties
JT TEN - as joint tenants with right of survivorship and not as tenants in common

UNIF GIFT MIN ACT - _____ Custodian
(Cust) (Minor)

Under Uniform Gifts to Minors Act _____
(State)

Additional abbreviations may also be used though not in the above list

(FORM OF ASSIGNMENT)

For value received, the undersigned do(es) hereby sell, assign and transfer unto

(Name, Address and Tax Identification or Social Security Number of Assignee)

the within mentioned Bond and hereby irrevocably constitute(s) and appoint(s): _____
_____ attorney, to transfer the same on the registration books of the
Trustee, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

NOTICE: The signature(s) on this assignment must correspond with the name(s) as written on the face of the registered Bond in every particular without alteration or enlargement or any change whatsoever.
--

ATTACHMENT A

DEBT SERVICE SCHEDULE

[illegible]

MASTER INDENTURE

EXHIBIT “B”

FORM OF TRANSFER LETTER

[NOTE: WILL NEED TO MATCH FINAL PURCHASER LETTER]

Western Riverside Council of Governments
3390 University Avenue, Suite 450
Riverside, CA 92501

[Trustee Name]
[Address]

Re: Western Riverside Council of Governments
Capital Provider Program
Limited Obligation Improvement Bonds Series 20__
(First Commercial Property Tranche)

Ladies and Gentlemen:

The Western Riverside Council of Governments (the “Issuer”) has issued the above-referenced bonds (the “Bonds”). Capitalized terms used in this letter but not defined have the meaning given them in the Indenture, dated as of __, 20__ (the “Indenture”) relating to the Bonds.

In connection with our purchase on the date hereof of the Bonds, the undersigned (the “Bond Purchaser”) hereby represents, warrants and agrees as follows:

(a) The Bond Purchaser is an “accredited investor” as such term is defined in Rule 501(a) of Regulation D, or a “Qualified Institutional Buyer” as defined in Rule 144A, promulgated under the Securities Act of 1933, as amended.

(b) The Bond Purchaser has sufficient knowledge and experience in financial and business matters, including the purchase and ownership of municipal bonds similar to the Bonds, to be capable of evaluating the merits and risks of an investment in the Bonds, and the Bond Purchaser is able to bear the economic risks of such an investment.

(c) The Bond Purchaser is purchasing the Bonds for not more than one account for investment purposes and not with a view to distributing the Purchased Bonds, to the extent not permitted under the applicable securities laws.

(d) The Bond Purchaser recognizes that an investment in the Bonds involves significant risks, that there is no established market for the Bonds and that none is likely to develop and, accordingly, that the Bond Purchaser must bear the economic risk of an investment in the Bonds for an indefinite period of time.

(e) The Bond Purchaser: (i) has conducted its own independent inquiry, examination and analysis with respect to the Bonds; (ii) has had an opportunity to ask questions of and receive answers from the Issuer about the Bonds (including the security therefor) and the matters, transactions and documents relating to the foregoing; (iii) has been provided by the Issuer with all documents and information regarding the Bonds (including the security therefor) and the matters, transactions and documents relating to the foregoing that it has requested; and (iv) the Bond Purchaser has been provided with information sufficient to allow the Bond Purchaser to make an informed decision to purchase the Bonds.

(f) The Bond Purchaser (i) is not relying upon the Issuer, or any of its affiliates, officers, employees or agents, for advice as to the merits and risks of investment in the Bonds, and (ii) has sought such accounting, legal and tax advice as it has considered necessary to make an informed investment decision.

(g) The Bond Purchaser understands and acknowledges (i) that the offering of the Bonds is not subject to the requirements of Rule 15c2-12 promulgated under the Securities Exchange Act of 1934, and (ii) that the Issuer has not prepared or caused to be prepared, and is not delivering, a deemed final official statement with respect to the Bonds and has not undertaken to provide to or for the benefit of holders of the Bonds financial or operating data or any other information with respect to the Bonds on an ongoing basis.

(h) The Bond Purchaser is able to bear the economic risk of the investment represented by its purchase of the Bonds.

(i) In the event that the Bond Purchaser wishes to sell the Bonds in the future, the Bond Purchaser agrees and acknowledges that the Bonds cannot be sold without complying with transfer restrictions set forth in the Indenture, including, but not limited to, providing for execution and delivery by the proposed transferee of a letter in substantially the form of this letter, and the Bond Purchaser hereby agrees to assume the responsibility for disclosure of all material information that may be necessary to comply with all federal and related state securities laws.

(j) The Bond Purchaser acknowledges that Best Best & Krieger LLP ("Bond Counsel") is acting as bond counsel to the Issuer, that Bond Counsel has no attorney-client relationship with the Bond Purchaser, and that the Bond Purchaser has sought legal advice from its own counsel to the extent it concluded legal advice was necessary.

(k) Notwithstanding the foregoing, the Bond Purchaser and any successor of the Bond Purchaser may elect at its own expense to securitize its interest in the Bonds, sell the Bonds to an entity in connection with such securitization and sell the asset-backed securities to the investment community without the delivery of an investor letter in substantially the form of this letter, provided that (i) any such sale of the Bonds is to an Accredited Investor or a Qualified Institutional Buyer and (ii) the purchaser of the Bonds delivers a letter to the Issuer to the effect that it is an Accredited Investor or a Qualified Institutional Buyer and that acknowledges the transfer restrictions set forth in the Indenture; no further action or acknowledgement by the Issuer will be required to authorize such securitization or sale of the Bonds by the Bond Purchaser or a successor to the Bond Purchaser.

(1) Bond Purchaser agrees to defend, indemnify and hold harmless the Issuer from and against any and all claims, liabilities, obligations, losses, damages and penalties of any kind (including reasonable fees of outside counsel, litigation and court costs, amounts paid in settlement and amounts paid to discharge judgments) that may be imposed on, incurred by or asserted against the Issuer in any way relating to or arising out of a transfer by the Bond Purchaser of the Bonds to which this letter relates in violation of the restrictions contained in Section 2.05(B) of the Indenture.

Very truly yours,

[Insert] _____

By: _____

Name:

Title:

Item 6.C

PACE Programs Activities Update:
Addition of Direct Capital Provider

Attachment 6

WRCOG Capital Provider Program
Master Bond Purchase Agreement

Page Intentionally Left Blank

WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS
MASTER BOND PURCHASE AGREEMENT
(CAPITAL PROVIDER PROGRAM- [NAME OF CAPITAL PROVIDER])

1. PARTIES AND DATE

THIS MASTER BOND PURCHASE AGREEMENT, dated as of _____, 2021, (the “Master BPA”), is entered into by and between the WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS, a California joint exercise of powers authority (“WRCOG”) and [CAPITAL PROVIDER], a _____ (“Purchaser”) to arrange for the sale by WRCOG and the purchase by Purchaser or its designee of all of the Bonds described below, which are being issued by WRCOG.

2. RECITALS.

2.1 Acting under the provisions of Chapter 29 of the Improvement Bond Act of 1911, being Division 7 of the California Streets and Highways Code (“Chapter 29”), WRCOG has established the Energy Efficiency and Water Conservation Program for Western Riverside County (the “WRCOG Program”) pursuant to which WRCOG is authorized to enter into contractual assessments (the “Assessments”) with the owners of residential or commercial real property located within the County of Riverside and the cities within the western portion of the County of Riverside that have elected to participate in the WRCOG Program (the “Regular Members”) to finance the installation of distributed generation renewable energy sources, energy and water efficiency improvements and electric vehicle charging infrastructure (the “Authorized Improvements”).

2.2 Acting under Chapter 29, WRCOG has also established the California PACE Program (the “California Program” and, together with the WRCOG Program, the “Program”) pursuant to which WRCOG is authorized to enter into contractual assessments with the owners of residential and commercial real property located within cities and counties located outside of the western portion of the County of Riverside (the “Associate Members”) that have elected to become Associate Members of WRCOG and to participate in the California Program to finance the installation of Authorized Improvements.

2.3 WRCOG is authorized to issue limited obligation improvement bonds pursuant to Section 5898.22 and Section 5898.28 of Chapter 29 and the Improvement Bond Act of 1915, as amended, being Division 10 of the California Streets and Highways Code (the “Bond Act”), to finance the installation of Authorized Improvements that are permanently fixed to residential or commercial real property located within cities or counties participating in the Program.

2.4 On [February 1, 2021], the Executive Committee adopted Resolution Number _____ (the “Resolution of Issuance”) which authorized WRCOG to directly administer the Programs and issue and sell bonds to a capital provider that has been approved by the Executive Director, or his designee, and is authorized pursuant to the provisions of the Program Reports to allow for the financing of Authorized Improvements on commercial properties (“Commercial Properties”) within the Program Areas (the “Capital Provider Program”).

2.5 Purchaser has created the infrastructure and developed the resources to originate assessment contracts to be entered into between the owners of Commercial Properties (an “Assessment Contract”) and WRCOG to finance the installation of Eligible Improvements.

2.6 WRCOG and Purchaser now desire and intend to enter into an agreement this Master BPA to provide for and establish the terms and conditions pursuant to which (a) the Purchaser shall originate Assessment Contracts, (b) WRCOG will sell to Purchaser and Purchaser shall purchase from WRCOG the limited obligation improvement bonds issued by WRCOG to finance the installation of Eligible Improvements on Commercial Properties the owners of which elect to participate in the Capital Provider Program and (c) WRCOG shall administer the Capital Provider Program.

2.7 The Parties hereto desire and that the Administration Agreement and this Master BPA taken together represent the operating relationship between the parties pertaining to the Capital Provider Program.

2.8 Capitalized terms that are used in this Master BPA and not otherwise defined herein shall have the respective meanings ascribed to them in the applicable Master Indenture (defined below).

3. ORIGINATION AND ADMINISTRATION OF ASSESSMENT CONTRACT AND BONDS

3.1 Purchaser shall provide origination services which shall include (1) processing of all commercial applications received by Purchaser, ensuring compliance with the parameters established pursuant to the Program Reports, pulling all credit, title, valuation and other reports, reviewing eligibility of proposed property, applicants, equipment and contractors, tracking all financing disclosures, application and authorization forms, contacting applicants, contractors and other parties as needed, providing notifications of approval, denial or incomplete status; (2) providing capital for approved projects; (3) obtaining or assisting property owners to obtain consent of the first mortgage holder, if any; and (4) process all funding requests for participating in the Capital Provider Program for an Assessment Contract originated by the Purchaser, including accepting funding request forms, reviewing submitted forms and attachments, providing notification of funding request approval, denial or incomplete status. Purchaser shall provide WRCOG with a

certification dated the date of each Assessment Contract agreement which states that the Purchaser has complied with the provisions of this Section 3.1.

3.2 WRCOG shall provide administration services which include: (1) reviewing and editing all policies relating to commercial projects; (2) drafting required legal documents related to the Assessment Contract and issuance of bonds, processing and approving funding requests, obtaining signatures on Assessment Contract, recording or causing to be recorded lien documents; (3) provide for the annual administration of the Assessments which includes placement of contractual assessment installments on the tax roll of the applicable counties and collection of such Assessment installments; and (4) provide directions to trustee regarding the collection of such Assessments, payment to bond owners of such Assessment and requisition from funds and accounts held pursuant to a Master Indenture and Supplemental Indenture or Master Fiscal Agent Agreement or Supplemental Fiscal Agent Agreement.

4. PURCHASE AND SALE AND DELIVERY OF THE BONDS.

4.1 Subject to the terms and conditions set forth in this Master BPA and any supplement to this Master BPA entered into by and between the parties hereto (each, a “Supplement to Master BPA”), and in reliance upon the representations, warranties and agreements set forth herein and in any Supplement to this Master BPA, Purchaser hereby agrees to purchase, or cause its designee to purchase (as used herein the term “Purchaser” shall include any designee thereof), all (but not less than all) of the limited obligation improvement bonds (the “Bonds” or a “Series of Bonds”), from WRCOG and WRCOG hereby agrees to sell to Purchaser, when as and if issued, all (but not less than all) of the Bonds issued pursuant to this Master BPA and secured by Assessments originated by the Purchaser as described in Section 3.1 herein.

4.2 WRCOG shall issue the Bonds or each Series of Bonds pursuant to a master indenture or master fiscal agent agreement (each, a “Master Indenture”) by and between WRCOG and the trustee or the fiscal agent thereunder (the “Trustee”) and a supplemental indenture or supplemental fiscal agent agreement (each, a “Supplemental Indenture”), as applicable, the terms and conditions of each such agreement having been agreed to by WRCOG and Purchaser.

4.3 WRCOG and the Trustee shall pursuant to the applicable Master Indenture, on such schedule as Purchaser and WRCOG shall agree, enter into a Supplemental Indenture pertaining to each Bond or Series of Bonds which Supplemental Indenture shall set forth and establish the Closing Date for such Bond or Series of Bonds, the date from which such Bond or Series of Bonds shall bear interest and the dates on which the principal of and interest on such Bond or Series of Bonds shall be payable, the principal amount of each Bond, the scheduled payment of the principal of and interest on such the Bond of Series of Bonds, the rate of interest per annum payable on such Bond or Series of Bonds, the maturity date of such Bond or Series of Bonds, the redemption provisions pertaining to such Bond or Series of Bonds and the Purchase Price (defined below) for such Bond or Series of

Bonds. Each such Supplemental Indenture shall be subject to the approval of Purchaser and WRCOG.

4.4 Each Bond or Series of Bonds shall be substantially in the form described in, shall be issued and secured under the provisions of, and shall be payable and be subject to redemption as provided in, the Master Indenture and the Supplemental Indenture pertaining to such Bond or Series of Bonds.

4.5 The “Purchase Price” of a Bond or Series of Bonds shall be the sum equal to the principal amount of such Bond or Series of Bonds.

4.6 At 10:00 A.M., Pacific Daylight Time, on the Closing Date for each Bond or Series of Bonds, or at such other time as shall be agreed upon by WRCOG and Purchaser, (i) WRCOG will deliver or cause to be delivered the Bond or Series of Bonds to Purchaser, duly executed by WRCOG and authenticated by the Trustee as provided in the Master Indenture, (ii) WRCOG will deliver or cause to be delivered the closing documents (as designated in Exhibit H for delivery by or on behalf of WRCOG) (the “WRCOG Closing Documents”) to Bond Counsel at the offices of Bond Counsel or another place to be mutually agreed upon by WRCOG and Purchaser (the “Closing Location”) and Purchaser shall accept such delivery and pay the Purchase Price of the Bond or Series of Bonds in federal funds payable to the order of WRCOG or its designee and deliver Purchaser’s closing documents (as designated in Exhibit H for delivery by Purchaser or such individual or entity to which Purchaser has assigned its rights hereunder to purchase such Bond or Series of Bonds) (the “Purchaser’s Closing Documents”) to Bond Counsel at the Closing Location. This payment and these deliveries, together with the delivery of the WRCOG Closing Documents and the Purchaser Closing Documents, are herein called the “Closing.”

5. REPRESENTATIONS, WARRANTIES AND AGREEMENTS OF WRCOG. WRCOG represents, warrants and covenants to and agrees with Purchaser as of the date hereof and, as of the Closing Date of such Bond or Series of Bonds, that:

5.1 WRCOG is a joint exercise of powers authority duly organized and existing under the Constitution of the State of California (the “Constitution”) and laws of the State of California (the “State”), and has, and at each Closing Date will have, full legal right, power and authority, to adopt the resolution authorizing of the issuance of each Bond or Series of Bonds (each, a “Resolution of Issuance”):

5.1.1 to enter into this Master BPA and the Supplement to Master BPA, if any, pertaining to each Bond or Series of Bonds;

5.1.2 to enter into the applicable Master Indenture and the applicable Supplemental Indenture with respect to each Bond or Series of Bonds;

5.1.3 to issue, sell and deliver, without delay, each Bond or Series of Bonds to Purchaser as provided herein;

5.1.4 to enter into each Assessment Contract as such term is defined in the applicable Master Indenture and that is identified in the applicable Supplemental Indenture; and

5.1.5 to carry out and consummate the transactions as to each Bond or Series of Bonds on its part contemplated by this Master BPA and the Supplement to Master BPA, if any, the applicable Master Indenture, the applicable Supplemental Indenture and such Bond or Series of Bonds.

As to each Bond or Series of Bonds, this Master BPA, the applicable Supplement to Master BPA, if any, the applicable Master Indenture, the applicable Supplemental Indenture and such Bond or Series of Bonds are collectively referred to herein as the “WRCOG Documents.”

5.2 By all necessary official action of WRCOG, WRCOG has duly authorized and approved the adoption or execution and delivery by WRCOG of, and the performance by WRCOG of the obligations contained in, the WRCOG Documents and the applicable Resolution of Issuance and such authorizations and approvals are and shall, as of each Closing Date, be in full force and effect and have not been amended, modified or rescinded. When executed and delivered by the parties thereto, each Bond or Series of Bonds and the WRCOG Documents will constitute the legally valid and binding obligations of WRCOG enforceable against WRCOG in accordance with their respective terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles relating to or affecting creditors’ rights generally. WRCOG has complied, and as of each Closing Date, shall be in compliance in all respects, with the obligations on its part to be performed on or prior to each Closing Date under the WRCOG Documents.

5.3 The Executive Committee has duly established the Programs pursuant to Chapter 29. The Executive Committee has duly authorized or shall duly authorize the issuance and sale of each Bond or Series of Bonds pursuant to the applicable Resolutions of Issuance adopted by the Executive Committee, the applicable Master Indenture and the applicable Supplemental Indenture.

5.4 WRCOG is not and, as of each Closing Date, will not be in breach of or in default under any applicable constitutional provision, law or administrative rule or regulation of the State or the United States of America, or any applicable judgment or decree or any trust agreement, loan agreement, bond, note, resolution, ordinance, agreement or other instrument to which WRCOG is a party or is otherwise subject, and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute a default or event of default under any such instrument which breach, default or event could have a material adverse effect on WRCOG’s ability to perform its obligations under each Bond or Series of Bonds or the WRCOG Documents; and, as of such times, the authorization, execution and delivery of each Bond or Series of Bonds and the WRCOG Documents and compliance by WRCOG with the obligations on its part to be performed in each of such agreements or instruments does not and will not conflict with or

constitute a breach of or default under any applicable constitutional provision, law or administrative rule or regulation of the State or the United States of America, or any applicable judgment, decree, license, permit, trust agreement, loan agreement, bond, note, resolution, ordinance, agreement or other instrument to which WRCOG (or any of its officers in their respective capacities as such) is subject, or by which it or any of its properties is bound, nor will any such authorization, execution, delivery or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of its assets or properties or under the terms of any such law, regulation or instrument, except as may be provided by the WRCOG Documents.

5.5 There is, and as of each Closing Date, there shall be no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, government agency, public board or body (collectively and individually, an “Action”) pending with respect to which WRCOG has been served with process or to the best knowledge of WRCOG threatened, in which any such Action (i) in any way questions the corporate existence of WRCOG or the titles of the officers of WRCOG to their respective offices, (ii) in any way questions the establishment of the Programs or the titles of the Executive Committee of WRCOG, (iii) affects, contests or seeks to prohibit, restrain or enjoin the issuance or delivery of each Bond or Series of Bonds, or the payment or collection of any amounts pledged or to be pledged to pay the principal of and interest on each Bond or Series of Bonds, or in any way contests or affects the validity of the WRCOG Documents or the consummation of the transactions on the part of WRCOG contemplated thereby, or contests the exclusion of the interest on any Bond from state income taxation or contests the powers of WRCOG, or its authority, to levy and collect the applicable Assessments, (iv) may result in any material adverse change relating to the financial condition of WRCOG; and as of the time of acceptance hereof and as of each Closing Date, to the knowledge of WRCOG, there is no basis for any action, suit, proceeding, inquiry or investigation of the nature described in clauses (i) through (iv) of this sentence.

5.6 Each Bond or Series of Bonds, when issued, executed and delivered in accordance with the Master Indenture and the applicable Supplemental Indenture and sold to Purchaser or its assignee, will be validly issued and an outstanding limited obligation of WRCOG, entitled to the benefits of the applicable Master Indenture and the applicable Supplemental Indenture and the security of the pledge of the proceeds of the levy of the applicable Assessment or Assessments. The applicable Master Indenture and the applicable Supplemental Indenture create a valid pledge of the moneys in certain funds and accounts established pursuant to such Master Indenture, including the investments thereof subject in all cases to the provisions of such Master Indenture permitting the application thereof for the purposes and on the terms and conditions set forth therein.

5.7 Each Assessment constituting the security for a Bond has been duly and lawfully authorized and levied under Chapter 29 and the Constitution and the applicable laws of the State, and pursuant to Chapter 29 such Assessment, when levied, will constitute a valid and legally binding lien on the Participating Parcel upon which it has been levied.

5.8 All authorizations, approvals, licenses, permits, consents, elections, and orders of or filings with any governmental authority, legislative body, board, agency or commission having jurisdiction in the matters which are required by each Closing Date for the due authorization of, or which would constitute a condition precedent to or the absence of which would adversely affect the due performance by WRCOG of its obligations in connection with the WRCOG Documents have been duly obtained or made and are in full force and effect.

5.9 WRCOG will apply the proceeds of each Bond or Series of Bonds or cause such proceeds to be applied in accordance with the Master Indenture and the applicable Supplemental Indenture.

6. REPRESENTATIONS, WARRANTIES AND AGREEMENTS OF PURCHASER. Purchaser represents, warrants and covenants to and agrees with WRCOG as of the date hereof and, as of the Closing Date of such Bond or Series of Bonds that:

6.1 Purchaser a corporation, duly organized, validly existing, and in good standing under the laws of the State of Delaware, and is qualified to transact business in the State of California, and has full legal right, power and authority, to enter into this Master BPA and the Supplement to Master BPA, if any, pertaining to each Bond or Series of Bonds.

6.2 The execution and delivery of this Agreement does not conflict with, violate or constitute a default under the terms, conditions or provisions of any agreement or instrument to which Purchaser is a party, or any law, judgment or order of which Purchaser is aware that would affect Purchaser's ability to fulfill its obligations under this Master BPA.

6.3 There are no actions, suits, proceedings or claims now pending, or, to the best of Purchaser's knowledge, threatened against Purchaser, which would affect Purchaser's ability to fulfill its obligations under this Master BPA.

6.4 All authorizations, approvals, licenses, permits, consents, elections, and orders of or filings with any governmental authority, legislative body, board, agency or commission having jurisdiction in the matters which are required by each Closing Date for the due authorization of, or which would constitute a condition precedent to or the absence of which would adversely affect the due performance by Purchaser of its obligations under this Master BPA have been duly obtained or made and are in full force and effect.

7. CONDITIONS PRECEDENT TO THE OBLIGATIONS OF PURCHASER. The obligations of Purchaser to accept delivery of and pay for each Bond or Series of Bonds on the Closing Date thereof shall be subject, at the option of Purchaser, to the accuracy in all material respects of the representations and warranties on the part of WRCOG contained herein, as of the date hereof and as of the Closing Date, to the accuracy in all material respects of the statements of the officers and other officials of WRCOG made in any certificates or other documents furnished pursuant to the provisions hereof, to the performance by WRCOG of its obligations to

be performed hereunder at or prior to the Closing Date and to the following additional conditions:

7.1 At each such Closing Date, the WRCOG Documents shall be in full force and effect, and shall not have been amended, modified or supplemented, except as may have been agreed to in writing by Purchaser, and there shall have been taken in connection therewith, with the issuance of each Bond or Series of Bonds and with the transactions contemplated thereby and by this Master BPA, all such actions as, in the opinion of Bond Counsel shall be necessary and appropriate;

7.2 Between the date hereof and the Closing Date applicable to each Bond or Series of Bonds, the market price or marketability of such Bond at the prices set forth in the Supplemental Indenture applicable thereto shall not have been materially adversely affected, in the judgment of Purchaser (evidenced by a written notice to WRCOG terminating the obligation of Purchaser to accept delivery of and pay for the Bonds), which judgment shall be formed (to the maximum extent reasonably practicable under the circumstances) only after consultation with WRCOG's financial advisor, by reason of any of the following:

7.2.1 legislation introduced in or enacted (or resolution passed) by the Congress of the United States of America, or an order, decree or injunction issued by any court of competent jurisdiction, or an order, ruling, regulation (final, temporary or proposed), press release or other form of notice issued or made by or on behalf of the Securities and Exchange Commission, or any other governmental agency having jurisdiction of the subject matter, to the effect that obligations of the general character of the Bonds, or such Bond, including any or all underlying arrangements, are not exempt from registration under or other requirements of the Securities Act of 1933, as amended, or that the applicable Master Indenture is not exempt from qualification under or other requirements of the Trust Indenture Act of 1939, as amended, or that the issuance, offering or sale of obligations of the general character of the Bonds, or of the Bonds as contemplated hereby or otherwise is or would be in violation of the federal securities laws, rules or regulations as amended and then in effect; or

7.2.2 any amendment to the federal or State Constitution or action by any federal or State court, legislative body, regulatory body or other authority materially adversely affecting the validity or enforceability of the Assessments or the ability of WRCOG to finance the installation of the applicable Eligible Improvements as contemplated by WRCOG Documents.

7.3 On each Closing Date, Purchaser shall have received counterpart originals or certified copies of the following documents, in each case satisfactory in form and substance to Purchaser:

7.3.1 WRCOG Documents, together with a certificate dated as of the Closing Date of WRCOG Secretary to the effect that each such document is a true, correct and complete copy of the one duly approved by the Executive Committee; provided, however, the Master BPA and the applicable Master Indenture need not be

provided so long as such certificate specifies that such document or documents have not be amended since such document or documents were previously received by Purchaser;

7.3.2 Unqualified approving opinion for each Bond or Series of Bonds delivered on such Closing Date, dated such Closing Date and addressed to WRCOG, of Bond Counsel for WRCOG, substantially in the form attached as Exhibit A hereto and a reliance letter dated such Closing Date and addressed to Purchaser, or any assign, affiliate, subsidiary, or any other person or entity that in the form attached as Exhibit B hereto, to the effect that such approving opinion addressed to WRCOG may be relied upon by Purchaser to the same extent as if such opinion was addressed to them;

7.3.3 Supplemental opinion, dated the Closing Date and addressed to WRCOG, Purchaser and the Trustee, of Bond Counsel for WRCOG, substantially in the form attached as Exhibit C hereto;

7.3.4 A certificate, dated such Closing Date and signed by an authorized representative of WRCOG, in substantially the form attached hereto as Exhibit D;

7.3.5 A certificate of the Trustee dated such Closing Date in substantially the form attached hereto as Exhibit E;

7.3.6 An executed copy of each Assessment Contract pertaining to the Commercial Property(ies) upon which the Assessment(s) securing such Bond has been levied (each such Commercial Property, a “Participating Parcel”).

7.3.7 A conformed copy of the Notice of Assessment and Payment of Contractual Assessment Required pertaining to the Assessment(s) levied against each Participating Parcel as recorded in the office of the County Recorder of the County in which such Participating Parcel is located (the “County Recorder”); and

8. CONDITIONS PRECEDENT TO WRCOG’S OBLIGATIONS. WRCOG’s obligations hereunder as to the sale of any Bond or Series of Bonds are subject to Purchaser’s performance of their obligations hereunder, and are also subject to the following conditions:

8.1 As of the Closing Date, no litigation shall be pending or, to the knowledge of the duly authorized officer of WRCOG executing the certificate referred to in Section 6.3.4 hereof, threatened, to restrain or enjoin the issuance or sale of such Bond or Series of Bonds or in any way affecting any authority for or the validity of such Bond or such Series of Bonds or WRCOG Documents or the existence or powers of WRCOG;

8.2 As of the Closing Date, WRCOG shall receive the approving opinions of Bond Counsel referred to in Section 7.3.2 and 7.3.3 hereof, dated as of the Closing Date;

8.3 Receipt by WRCOG of a duly executed letter of Purchaser and/or the assignee of Purchaser purchasing such Bond or Series of Bonds dated as of the Closing Date and in substantially the form attached hereto as Exhibit F; and

8.4 Receipt by WRCOG of a duly executed certificate of Purchaser or the assignee of Purchaser purchasing such Bond or Series of Bonds regarding the receipt of such Bond or Series of Bonds in substantially the form attached as Exhibit G hereto.

9. EXPENSES. The payments provided in this Section 9 shall be paid as follows:

9.1 WRCOG shall pay or cause to be paid (out of the Assessments or the proceeds of each Bond or Series of Bonds all expenses incidental to the performance of WRCOG's obligations hereunder in such amounts as the Parties shall mutually agree) to the following parties:

9.1.1 WRCOG as issuer of the Bonds;

9.1.2 the Assessment Administrator ;

9.1.3 Bond Counsel;

9.1.4 Trustee; and.

9.1.5 Any such other party in such amounts that may be mutually agreed upon in writing by the Parties will be paid in accordance with such agreement.

9.2 WRCOG shall be under no obligation to pay, and Purchaser shall pay any and all expenses incurred by Purchaser, including but not limited to, the fees and disbursements of its counsel pertaining to the issuance of any Bond.

9.3 Purchaser shall be obligated to pay any applicable fees of the California Debt and Investment Advisory Commission pertaining to any Bond or Series of Bonds.

10. General Provisions.

(a) Grounds for Termination – At Will. Either WRCOG or Purchaser may, by written notice to the other party, terminate the whole or any part of this Agreement at any time and without cause by giving written notice to such party of such termination, and specifying the effective date thereof, at least ninety (90) days before the effective date of such termination.

(i) Effect of Termination. Upon notification of termination of this Agreement, Purchaser shall be required to notify WRCOG, within fifteen days of such notice, of all pending applications for Assessment Contracts originated by Purchaser (each, a "Pending Program Assessment Applications") and the Purchaser shall have the right but not the obligation to close such Pending WRCOG Assessment Applications subject to the review of the appropriate documentation by WRCOG; provided however, if WRCOG has entered into an Assessment Contract with a property owner, the Purchaser shall be obligated to finance the Eligible Improvements set forth in such Assessment Contract. WRCOG may require Purchaser to provide all finished or unfinished documents and data and other information of any kind prepared by the Purchaser in connection with application documents or pending Program

20323.00099\33573706.1

Assessment Applications and Assessment Contracts, the performance of services under this Agreement and such finished or unfinished documents. Purchaser shall be required to provide such document and other information within fifteen (15) days of the request.

(b) Delivery of Notices. All notices permitted or required under this Master BPA shall be given to the respective Parties at the following address, or at such other address as the respective parties may provide in writing for this purpose:

Purchaser: [CAPITAL PROVIDER]
[ADDRESS]

With copy to:

WRCOG: Western Riverside Council of Governments
3390 University Avenue, Suite 200
Riverside, CA 92501
Attn: Rick Bishop, Executive Director

and

Best Best & Krieger LLP
3390 University Avenue, 5th Floor
Riverside, CA 92501
Attn: Mrunal Shah

Such notice shall be deemed made when (i) personally delivered (ii) when delivered by electronic mail that attaches an executed copy of the notice, provided that within 72 hours following electronic delivery the addressee receive a physical copy of such notice, or (iii) when mailed, forty-eight (48) hours after deposit in the U.S. Mail, first class postage prepaid and addressed to the Party at its applicable address. Actual notice shall be deemed adequate notice on the date actual notice occurred, regardless of the method of service.

(c) Cooperation; Further Acts. The Parties shall fully cooperate with one another, and shall take any additional acts or sign any additional documents as may be necessary, appropriate or convenient to attain the purposes of this Master BPA.

(d) Indemnification and Hold Harmless.

(i) Purchaser shall defend, indemnify and hold WRCOG, its officials, officers, employees, volunteers and agents free and harmless from any and all claims, demands, causes of action, costs, expenses, liability, loss, damage or injury, in law or equity, to property or persons, including wrongful death, in any manner arising out of or incident to any alleged negligent or wrongful acts, omissions or willful misconduct of Purchaser, its officials, officers, employees, agents, consultants, contractors and subcontractors, arising out of or in connection

with the performance under this Agreement, including without limitation the payment of all consequential damages and attorneys' fees and other related costs and expenses. Purchaser shall defend, at Purchaser's own cost, expense and risk, any and all such aforesaid suits, actions or other legal proceedings of every kind that may be brought or instituted against WRCOG, its directors, officials, officers, employees, agents or volunteers. Purchaser shall pay and satisfy any judgment, award or decree that may be rendered against WRCOG or its directors, officials, officers, employees, agents or volunteers, in any such suit, action or other legal proceeding. Purchaser shall reimburse WRCOG and its directors, officials, officers, employees, agents and/or volunteers, for any and all legal expenses and costs incurred by each of them in connection therewith or in enforcing the indemnity herein provided. Purchaser's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by the WRCOG, its directors, officials, officers, employees, agents or volunteers. No third party shall be a direct beneficiary of this Section 8(e) (i).

(ii) WRCOG shall defend, indemnify and hold Purchaser, its officials, officers, employees, volunteers and agents free and harmless from any and all claims, demands, causes of action, costs, expenses, liability, loss, damage or injury, in law or equity, to property or persons, including wrongful death, in any manner arising out of or incident to any reckless acts or omissions or willful misconduct of WRCOG, its officials, officers, employees, agents, consultants, contractors and subcontractors, arising out of or in connection with the performance under this Agreement, including without limitation the payment of all consequential damages and attorneys' fees and other related costs and expenses. WRCOG shall defend, at WRCOG's own cost, expense and risk, any and all such aforesaid suits, actions or other legal proceedings of every kind that may be brought or instituted against Purchaser, its directors, officials, officers, employees, agents or volunteers. WRCOG shall pay and satisfy any judgment, award or decree that may be rendered against Purchaser or its directors, officials, officers, employees, agents or volunteers, in any such suit, action or other legal proceeding. WRCOG shall reimburse Purchaser and its directors, officials, officers, employees, agents and/or volunteers, for any and all legal expenses and costs incurred by each of them in connection therewith or in enforcing the indemnity herein provided. WRCOG's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by Purchaser, its directors, officials, officers, employees, agents or volunteers. No third party shall be a direct beneficiary of this Section 8(e) (ii).

(e) Entire Agreement. This Master BPA contains the entire agreement of the Parties with respect to the subject matter hereof, and supersedes all prior negotiations, understandings or agreements.

(f) Governing Law. This Master BPA shall be governed by the laws of the State of California. Venue shall be in Riverside County.

(g) Time of Essence. Time is of the essence for each and every provision of this Master BPA.

(h) Successors and Assigns. This Master BPA shall be binding on the successors and assigns of the Parties.

(i) Assignment or Transfer. Purchaser shall not assign, hypothecate, or transfer, either directly or by operation of law, this Master BPA or any interest herein without the prior written consent of WRCOG; provided, however, Purchaser may assign this Master BPA in connection with the merger or the sale of all or substantially all of its assets provided that the successor entity expressly assumes all of the obligations and confirms all of the representations and warranties of Purchaser hereunder. Any attempt to do so shall be null and void, and any assignees, hypothecates or transferees shall acquire no right or interest by reason of such attempted assignment, hypothecation or transfer. For the avoidance of doubt, the prohibitions in this Section 10 (j) shall not limit or affect Purchaser's rights described in Section 9 of this Agreement.

(j) Construction; References; Captions. Since the Parties or their agents have participated fully in the preparation of this Master BPA, the language of this Master BPA shall be construed simply, according to its fair meaning, and not strictly for or against any Party. Any term referencing time, days or period for performance shall be deemed calendar days and not workdays. All references to Purchaser include all personnel, employees, agents, and subcontractors of Purchaser, except as otherwise specified in this Master BPA. All references to WRCOG include its elected officials, officers, employees, agents, and volunteers except as otherwise specified in this Master BPA. The captions of the various articles and paragraphs are for convenience and ease of reference only, and do not define, limit, augment, or describe the scope, content, or intent of this Master BPA.

(k) Amendment; Modification. No supplement, modification, or amendment of this Master BPA shall be binding unless executed in writing and signed by both Parties.

(l) Waiver. No waiver of any default shall constitute a waiver of any other default or breach, whether of the same or other covenant or condition. No waiver, benefit, privilege, or service voluntarily given or performed by a Party shall give the other Party any contractual rights by custom, estoppel, or otherwise.

(m) No Third Party Beneficiaries. There are no intended third party beneficiaries of any right or obligation assumed by the Parties.

(n) Invalidity; Severability. If any portion of this Master BPA is declared invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions shall continue in full force and effect.

(o) Prohibited Interests. Purchaser maintains and warrants that it has not employed nor retained any company or person, other than a bona fide employee working solely for Purchaser, or independent contractors and consultants engaged by Purchaser to perform Purchaser's obligations and duties under this Master BPA to solicit or secure this Master BPA. Further, other than its outside counsel, Purchaser warrants that it has not paid nor has it agreed to pay any company or person, other than a bona fide employee working solely for Purchaser, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this Master BPA. For breach or violation of this warranty, WRCOG shall have the right to rescind this Master BPA without liability. For the term of this

Master BPA, no member, officer or employee of WRCOG, during the term of his or her service with WRCOG, shall have any direct interest in this Master BPA, or obtain any present or anticipated material benefit arising therefrom.

(p) Survival of Representations, Warranties and Agreements. The representations, warranties and agreements of the Parties set forth in or made pursuant to this Master BPA shall not be deemed to have been discharged, satisfied or otherwise rendered void by reason of the Closing and regardless of any investigations made by or on behalf of the other Party (or statements as to the results of such investigations) concerning such representations and statements of the Parties and regardless of delivery of and payment for the Bonds or performance under this Master BPA.

(q) Equal Opportunity Employment. Purchaser represents that it is an equal opportunity employer and it shall not discriminate against any subcontractor, employee or applicant for employment because of race, religion, color, national origin, handicap, ancestry, sex or age. Such non-discrimination shall include, but not be limited to, all activities related to initial employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination.

(r) Authority to Enter Master BPA. Purchaser has all requisite power and authority to conduct its business and to execute, deliver, and perform the Master BPA. Each Party warrants that the individuals who have signed this Master BPA have the legal power, right, and authority to make this Master BPA and bind each respective Party.

11. Effective. This Master BPA shall become effective and binding upon the respective parties hereto upon the execution of the acceptance hereof by WRCOG and shall be valid and enforceable as of the time of such acceptance.

12. Counterparts. This Master BPA may be executed simultaneously in several counterparts, each of which shall be an original and all of which shall constitute one and the same instrument.

IN WITNESS WHEREOF, the Parties hereto have made and executed this Master BPA as of the date first written above.

WESTERN RIVERSIDE
COUNCIL OF GOVERNMENTS

[CAPITAL PROVIDER]

By: _____
Name: Rick Bishop
Title: Executive Director

By: _____
Name: _____
Title: _____

APPROVED AS TO FORM:

By: _____
Best Best & Krieger LLP

EXHIBIT A

FORM OF BOND COUNSEL OPINION

[Closing Date]

Executive Committee
Western Riverside Council of Governments
3390 University Avenue, Suite 200
Riverside, California

Re: Western Riverside Council of Governments
Limited Obligation Improvement Bonds
(Capital Provider Program- [Name of Capital Provider])
(_____ Commercial Property Tranche)

Bond Counsel Opinion

Ladies and Gentlemen:

We have acted as bond counsel to the Western Riverside Council of Governments (“WRCOG”) in connection with the issuance by WRCOG of those Western Riverside Council of Government Limited Obligation Improvement Bonds (Capital Provider Program-[Name of Capital Provider]) (_____ Commercial Property Tranche) listed on the attached Schedule I (the “Bonds”). In such capacity we have examined the proceedings taken by WRCOG for the levy of assessments and the authorization and issuance of the Bonds with respect to the California Program (collectively, the “Program Proceedings”). Additionally, we have examined such law, certifications, and other documents as we have deemed necessary to render this opinion.

The Program Proceedings were taken pursuant to the provisions of Chapter 29 of Part 3, Division 7 of the Streets and Highways Code of the State of California (“Chapter 29”). Each Bond has been issued pursuant to Chapter 29, the Municipal Improvement Act of 1915 (Division 10 of the Streets and Highways Code of the State of California), Resolution No. __-__ adopted by the Executive Committee of WRCOG (the “Executive Committee”) on [February 1, 2021] (the “Resolution of Issuance”), the Master Indenture dated as of _____ (the “Master Indenture”), by and between WRCOG and _____, as Trustee (the “Trustee”), and the Supplemental Indenture, dated as of _____ (the “Supplemental Indenture”), by and between WRCOG and the Trustee, pertaining to the Bonds. Capitalized terms used herein and not defined herein shall have the meanings given such terms in the Master Indenture or the Supplemental Indenture, as appropriate.

As to questions of fact material to our opinion, we have relied upon representations of WRCOG, the certified proceedings and other certifications or documents furnished to the WRCOG or to us, including, without limitation, the Investor Letter dated as of _____ from _____, without undertaking to verify the same by independent investigation.

The opinions expressed herein are based on an analysis of existing laws, regulations, rulings and court decisions, including the default judgments rendered on: July 1, 2011 by the Superior Court of the County of Riverside in the validation action entitled Superior Court of the County of Riverside as *Western Riverside Council of Governments v. All Persons Interested, etc.*, Case No. RIC 1103280; and December 12, 2013 by the Superior Court of the County of Riverside in the validation action entitled Superior Court of the County of Riverside as *Western Riverside Council of Governments v. All Persons Interested, et al.*, Case No. RIC 1308636, as amended on April 22, 2014, July 1, 2014, November 14, 2014, March 24, 2015, June 10, 2015; September 15, 2015, December 2, 2015, April 13, 2016, August 22, 2016, February 10, 2017, October 13, 2017 and October 11, 2018 and cover certain matters not directly addressed by such authorities. We call attention to the fact that the opinions contained herein may be affected by actions taken (or not taken) or events occurring (or not occurring) after the date hereof. This opinion is given as of the date hereof and we assume no obligation to revise and supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may thereafter occur.

Based upon the foregoing, we are of the opinion that the Program Proceedings have been undertaken in accordance with the law and the Constitution of the State of California and that the Bonds, having been duly issued, executed and delivered in the manner provided by law, and the Master Indenture and the Supplemental Indenture having been duly authorized and executed by the proper official, constitute the legally valid and binding limited obligations of WRCOG enforceable in accordance with their terms subject to the qualifications specified below. Each Bond is secured by a first pledge of the Assessment or Assessments, as applicable, securing such Bond levied upon the Participating Parcel or Participating Parcels (except amounts deposited into the Administrative Expense Fund established pursuant to the Master Indenture) as identified and set forth in the Supplemental Indenture and all moneys deposited in the Redemption Fund (including the Capitalized Interest Account and the Prepayment Account therein) established pursuant to the Master Indenture derived from the installments of such Assessment or Assessments, as applicable, or from the prepayment of such Assessment or Assessments, as applicable, received by WRCOG.

We are further of the opinion that interest on the Bonds is exempt from personal income taxes imposed by the State of California, however, we observe that interest on the Bonds is not excludable from gross income for federal income tax under Section 103 of the Internal Revenue Code of 1986 (the "Code"). We express no opinion regarding other federal tax consequences with respect to the Bonds.

Any federal tax advice contained herein with respect to the Bonds is not intended or written to be used, and it cannot be used, for the purpose of avoiding penalties under the Code. The federal tax advice contained herein with respect to the Bonds was written to support the promoting and marketing of the Bonds. Before purchasing the Bonds, all potential purchasers should consult their independent tax advisors with respect to the tax consequences relating to the Bonds and the taxpayer's particular circumstances.

We are admitted to the practice of law only in the State of California and our opinion is limited to matters governed by the laws of the State of California and federal law. We assume no responsibility with respect to the applicability or the effect of the laws of any other

jurisdiction and express no opinion as to the enforceability of the choice of law provisions contained in the Indenture.

The rights of the owner of the Bonds and the enforceability of the Bonds, the Master Indenture and the Supplemental Indenture may be subject to bankruptcy, insolvency, moratorium and other similar laws affecting creditors' rights heretofore and hereafter enacted, and their enforcement may be subject to the exercise of judicial discretion in accordance with general principals of equity.

Respectfully submitted,

BEST BEST & KRIEGER LLP

EXHIBIT B

FORM OF RELIANCE LETTER OF BOND COUNSEL

[Closing Date]

Executive Committee
Western Riverside Council of Governments
3390 University Avenue, Suite 200
Riverside, California

[Name of Purchaser of the
Bonds/Address]

[Name of Trustee/Address]

Re: Western Riverside Council of Governments Limited Obligation Improvement
Bonds (Capital Provider Program-[Name of Capital Provider])
(_____ Commercial Property Tranche)

RELIANCE LETTER

Ladies and Gentlemen:

We are delivering to you on the date of this letter a copy of our opinion dated _____ that is attached hereto, and addressed to the Executive Committee of the Western Riverside Council of Governments with respect to the bonds listed on the attached Schedule I (the "Bonds"). This is to confirm that you may rely on that opinion as though it were addressed to you.

Respectfully submitted,

BEST BEST & KRIEGER LLP

EXHIBIT C

FORM OF SUPPLEMENTAL OPINION OF BOND COUNSEL

[Closing Date]

Executive Committee
Western Riverside Council of Governments
3390 University Avenue, Suite 200
Riverside, California

[Name of Trustee/Address]

[Purchaser of the Bonds/Address]

Re: Western Riverside Council of Governments
Limited Obligation Improvement Bonds
(Capital Provider Program – [Name of Capital Provider])
(_____ Commercial Property Tranche)

Supplemental Opinion of Bond Counsel

Ladies and Gentlemen:

This opinion is rendered in our capacity as bond counsel for Western Riverside Council of Governments (“WRCOG”) and in conjunction with and pertaining to the proceedings conducted by WRCOG for the levy of assessments and the authorization and in connection with the issuance of the Western Riverside Council of Governments Limited Obligation Improvement Bonds (Capital Provider Program – [Name of Capital Provider]) (_____ Commercial Property Tranche) listed on the attached Schedule I (the “Bonds”), with respect to the WRCOG HERO Program and California HERO Program (the “Program”) taken pursuant to the provisions of Chapter 29 of Part 3, Division 7 of the Streets and Highways Code of the State of California (“Chapter 29”) and the sale and delivery of the Bonds by WRCOG pursuant to the provisions of Chapter 29, the Improvement Bond Act of 1915 (Division 10 of the Streets and Highways Code of the State of California) (the “Bond Act”), Resolution No. ____ adopted by the Executive Committee of WRCOG (the “Executive Committee”) on [February 1, 2021] (the “Resolution of Issuance”), the Master Indenture, dated as of _____ the (“Master Indenture”), by and between WRCOG and _____, as trustee (the “Trustee”), and the Supplemental Indenture, dated as of _____ (the “Supplemental Indenture”), by and between WRCOG and the Trustee, pertaining to such Bonds.

On February 18, 2011, WRCOG filed a judicial validation proceeding pursuant to the provisions of Section 860 *et seq.* of the California Code of Civil Procedure (the “Validation Statute”) in the Superior Court of the County of Riverside (the “Superior Court”) entitled Superior Court of the County of Riverside as *Western Riverside Council of Governments v. All Persons Interested, et al.*, Case No. RIC 1103280 (the “Validation Action I”) to validate the

WRCOG HERO Program and all proceedings relating to or leading up to the WRCOG HERO Program, the contractual assessments to be levied by WRCOG and the issuance and sale of limited obligation improvement bonds related thereto. On July 1, 2011, a default judgment was entered in the Validation Action I (the “Validation Action I Judgment”) in which the Superior Court ordered, judged and decreed, in part, that all proceedings by and for WRCOG in connection with the WRCOG HERO Program, the Assessment Contract, and all proceedings related to or leading up to the issuance of such limited obligation improvement bonds, and all matters related thereto, and the execution and delivery of such limited obligation improvement bonds were and are, legal and binding obligations in accordance with their terms and were and are in conformity with all applicable provisions of all laws and enactments at any time in force or controlling upon such proceedings, whether imposed by law, constitution, statute or ordinance, and whether federal, state or local. On July 30, 2013, WRCOG filed a judicial validation proceeding pursuant to the provisions of the Validation Statute in the Superior Court entitled Superior Court of the County of Riverside as *Western Riverside Council of Governments v. All Persons Interested, et al.*, Case No. RIC 1308636 (the “Validation Action II”) to validate the California HERO Program and all proceedings relating to or leading up to the California HERO Program, the contractual assessments to be levied by WRCOG and the issuance and sale of limited obligation improvement bonds related thereto. On December 12, 2013, a default judgment was entered in the Validation Action II (the “Initial Validation Action II Judgment”) in which the Superior Court ordered, judged and decreed, in part, that all proceedings by and for WRCOG in connection with the California HERO Program, the Assessment Contract, and all proceedings related to or leading up to the issuance of such limited obligation improvement bonds, and all matters related thereto, and the execution and delivery of such limited obligation improvement bonds were and are, legal and binding obligations in accordance with their terms and were and are in conformity with all applicable provisions of all laws and enactments at any time in force or controlling upon such proceedings, whether imposed by law, constitution, statute or ordinance, and whether federal, state or local. Subsequent to the entry of the Initial Validation Action II Judgment, WRCOG petitioned the Superior Court to amend such judgment and the first amended judgment was entered on April 22, 2014 (the “First Amended Judgment”), the second amended judgment was entered on July 1, 2014 (the “Second Amended Judgment”), the third amended judgment was entered on November 14, 2014 (the “Third Amended Judgment”), the fourth amended judgment was entered on March 24, 2015 (the “Fourth Amended Judgment”), the fifth amended judgment was entered on June 10, 2015 (the “Fifth Amended Judgment”), the sixth amended judgment was entered on September 15, 2015 (the “Sixth Amended Judgment”), the seventh amended judgment was entered on December 2, 2015 (the “Seventh Amended Judgment”), the eighth amended judgment was entered on April 13, 2016 (the “Eighth Amended Judgment”); the ninth amended judgment was entered on August 22, 2016 (the “Ninth Amended Judgment”); the tenth amended judgment was entered February 10, 2017 (the “Tenth Amended Judgment”); the eleventh amended judgment was entered on October 13, 2017 (the “Eleventh Amended Judgment”) and the twelfth amended judgment was entered on October 11, 2018 (the “Twelfth Amended Judgment”) (together with the Initial Validation Action II Judgment and the First Amended Judgment, the Second Amended Judgment, the Third Amended Judgment, the Fourth Amended Judgment, the Fifth Amended Judgment, the Sixth Amended Judgment, the Seventh Amended Judgment, the Eighth Amended Judgment, the Ninth Amended Judgment, the Tenth Amended Judgment, the Eleventh Amended Judgment and the Twelfth Amended Judgment, the “Validation Action II Judgment”). (Validation Action I and Validation Action II shall be collectively referred to as the “Validation Actions” and the

Validation Action I Judgment and the Validation Action II Judgment entered for the Validation Actions shall be collectively referred to as the “Default Judgments”).)

Capitalized terms used herein and not defined herein shall have the meanings given such terms in the Master Indenture or the Supplemental Indenture.

As to questions of fact material to our opinion, we have relied upon representations of WRCOG, the certified proceedings and other certifications or documents furnished to the WRCOG or to us, including, without limitation, the Investor Letter dated as of _____ from _____ without undertaking to verify the same by independent investigation.

The opinions expressed herein are based on an analysis of existing laws, regulations, rulings and court decisions, including the Default Judgments, and cover certain matters not directly addressed by such authorities. Such opinions may be affected by actions taken or omitted or events occurring after the date hereof. We have not undertaken to determine, or to inform any person, whether any such actions are taken or omitted or events do occur or any other matters come to our attention after the date hereof.

As used in this opinion, the phrase “current actual knowledge” means knowledge of facts or other information that is in the conscious awareness of lawyers currently in our firm who have performed legal services for WRCOG.

Based upon the foregoing and subject to the qualifications set forth herein, we are of the opinion that:

1. WRCOG is duly created and validly existing as a joint exercise of powers authority organized and existing under the Constitution and laws of the State of California.
2. WRCOG has full legal power and lawful authority to adopt the Resolution of Issuance and approve and enter into the Master Indenture and the Supplemental Indenture, and the Resolution of Issuance, the Master Indenture, the Supplemental Indenture and such Bonds were duly approved by the Executive Committee of WRCOG.
3. The execution of the Supplemental Indenture relating to the Bonds is authorized and permitted by the terms of the Master Indenture and that all conditions precedent to the execution of the Supplemental Indenture have been met.
4. [The/Each Bond] has been duly authorized, issued, executed and delivered by WRCOG and constitutes the legal, valid and binding agreement of WRCOG, enforceable in accordance with its terms, subject to bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance or transfer and other laws affecting the enforcement of creditors’ rights in general and except as such enforceability may be limited by the application of equitable principles and the exercise of judicial discretion in appropriate cases. The Master Indenture and the Supplemental Indenture have been duly authorized, executed and delivered by WRCOG, and, assuming due authorization, execution and delivery where applicable by the other parties thereto, constitute the legal, valid and binding agreements of WRCOG, enforceable in accordance with their respective terms, subject to bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance or transfer and other laws affecting the enforcement of creditors’ rights in general

and except as such enforceability may be limited by the application of equitable principles and the exercise of judicial discretion in appropriate cases.

5. The Validation Actions were duly filed and the Default Judgments duly entered in accordance with all applicable, laws, rules and regulations of the State of California.

6. Notices of the Validation Actions were duly made in accordance with the Validation Statute and the order of the Superior Court.

7. The Default Judgments are final and in full force and effect.

8. Pursuant to its terms and the Validation Statute, the Default Judgments are, notwithstanding any other provisions of law, forever binding and conclusive, as to all matters adjudicated or which could have been adjudicated, against all persons interested, and such Default Judgments shall permanently enjoin the institution by any person of any proceeding raising any issue as to which the judgments are binding and conclusive.

9. Each Assessment, as specified in the Supplemental Indenture, has been duly and validly authorized in accordance with the laws of the State of California and a lien to secure payment of such Assessment has been imposed on the applicable Participating Parcel.

10. The lien of each Assessment is coequal to and independent of the lien for general taxes, and, except as provided in Government Code Section 53936, not subject to extinguishment by the sale of the property on account of the nonpayment of any taxes, and prior and superior to all liens, claims and encumbrances except: (a) the lien for general taxes or *ad valorem* assessments in the nature of and collected as taxes levied by the State of California, the city and/or county, special district or other local agency, if any, within which the applicable Participating Parcel is located; (b) the lien of any special assessment or assessments the lien date of which is prior in time to the lien date of such Assessment; (c) easements constituting servitudes upon or burdens to the applicable Participating Parcel; (d) water rights, the record title to which is held separately from the title to the applicable Participating Parcel; and (e) restrictions of record. The lien of each Assessment has the same priority as the lien for general taxes or *ad valorem* assessments in the nature of and collected as taxes levied by the State of California, the city and/or the county, special district or other local agency, if any, within which the applicable Participating Parcel is located.

11. To our actual knowledge, no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, regulatory agency, or public board or body (except for the Validation Actions) is pending or threatened, in any way affecting the existence of WRCOG or the titles of its officers to their respective offices, or seeking to restrain or to enjoin the issuance, sale or delivery of the Bonds, the application of the proceeds thereof in accordance with the Master Indenture and the Supplemental Indenture, the collection or application of the Assessments pledged or to be pledged to pay the principal of and interest on the Bonds, or the pledge thereof, or in any way contesting or affecting the validity or enforceability of the Assessments, the Bonds, the Master Indenture, the Supplemental Indenture, any other applicable agreements, or any action of the WRCOG contemplated by any of those documents, or in any way contesting the powers of the WRCOG or its authority with respect to the Bonds, the Master Indenture, the Supplemental Indenture, any other applicable agreements,

or any action of the WRCOG contemplated by any of those documents, or which would adversely affect the exemption of interest on the Bonds from California personal income taxation; nor to our actual knowledge, is there any basis for any of the foregoing actions.

12. The Programs, the Assessment Contracts, the levy of the Assessments and the issuance of the Bonds do not violate the prohibition against “impairing the obligation of contracts” as provided in the United States Constitution, Article I, Section 10, clause 1, or the California Constitution, Article I, Section 9, do not constitute a taking of a pre-existing lender’s property and do not constitute a taking of private property without due process of law in violation of the Fifth and Fourteenth Amendments to the United States Constitution or the California Constitution, Article I, Section 19.

13. The Bonds are exempt from registration pursuant to the Securities Act of 1933, as amended, and the Master Indenture and the Supplemental Indenture are exempt from qualification under the Trust Indenture of 1939, as amended.

The opinions expressed above do not constitute a guarantee of the outcome of any particular litigation, and there can be no assurance that no action may be taken in federal or state court challenging the constitutionality of Chapter 29 and/or the Bond Act relating to the Bonds. Furthermore, given the lack of judicial precedent directly on point, and the novelty of the transactions pertaining to Chapter 29, the Programs and/or the Bonds, the outcome of any such litigation cannot be predicted with certainty. In the event of any claim and/or action which adversely impacts the rights of the holder of the Bonds, costly and time-consuming litigation could ensue, adversely affecting, at least temporarily, the price and liquidity of the Bonds.

The opinions set forth herein is intended for the information solely of the addressees hereof and is not to be relied upon by any other person or entity, or for any other purpose, or quoted as a whole or in part, or otherwise referred to, in any document, or to be filed with any governmental or other administrative agency or other person or entity for any purpose without our prior express written consent. We do not undertake to advise you of matters that may come to our attention subsequent to the date hereof that may affect the opinions expressed herein.

Respectfully submitted,

BEST BEST & KRIEGER LLP

EXHIBIT D
OMNIBUS CERTIFICATE OF WRCOG

Name and address of purchaser of Bond

Name and address of Trustee

Re: Western Riverside Council of Governments
Limited Obligation Improvement Bonds
(Capital Provider Program – [Name of Capital Provider])
(_____ Commercial Property Tranche)

The undersigned hereby certifies that he is an Authorized Representative of the Western Riverside Council of Governments (“WRCOG”) and that the undersigned is authorized to execute this Omnibus Certificate of WRCOG on behalf of WRCOG in connection with the issuance of the Western Riverside Council of Governments Limited Obligation Improvement Bonds (Capital Provider Program – [Name of Capital Provider]) (_____ Commercial Property Tranche) listed on the attached Schedule I (the “Bonds”). All capitalized terms used herein and not otherwise defined shall have the meanings given such terms in the Master Indenture, dated as of _____ 1, 2021 (the “Master Indenture”), by and between WRCOG and _____, as trustee (the “Trustee”).

1. The Western Riverside Council of Governments (“WRCOG”) is a joint exercise of powers authority duly organized and existing under the Constitution of the State of California (the “Constitution”) and laws of the State of California (the “State”), and has, and at the Closing Date will have, full legal right, power and authority, for and on behalf of the Member Agencies:

(a) to adopt the Resolution of Issuance;

(b) to enter into the Master Bond Purchase Agreement, dated as of _____ 1, 20__ (the “Bond Purchase Agreement”), by and between WRCOG and [CAPITAL PROVIDER] (“Purchaser”);

(c) to enter into the Master Indenture, dated as of _____ 1, 20__ and the Supplemental Indenture, dated as of _____, 20__, (the “Supplemental Indenture”), by and between WRCOG and the Trustee with respect to the Bonds;

(d) to issue, sell and deliver the Bonds to [[CAPITAL PROVIDER] or its assignee as provided herein];

(e) to enter into the Assessment Contract for each Participating Parcel as identified in the Supplemental Indenture; and

(f) to carry out and consummate the transactions on its part contemplated by the Bond Purchase Agreement, the Master Indenture, the Supplemental Indenture, the Bonds and the Assessment Contracts.

The Bond Purchase Agreement, the Master Indenture, the Supplemental Indenture and the Assessment Contracts are collectively referred to herein as the “WRCOG Documents.”

2. By all necessary official action of WRCOG, WRCOG has duly authorized and approved the adoption or execution and delivery by WRCOG of, and the performance by the WRCOG of the obligations on its contained in, the Bonds, the WRCOG Documents and the Resolution of Issuance and, as of the date hereof, such authorizations and approvals are in full force and effect and have not been amended, modified or rescinded. The Bonds and, when executed and delivered by the parties thereto, the WRCOG Documents will constitute the legally valid and binding obligations of WRCOG enforceable against WRCOG in accordance with their respective terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles relating to or affecting creditors’ rights generally. WRCOG has complied, and will at the Closing (as such term is defined in the Bond Purchase Agreement, be in compliance in all respects, with the obligations on its part to be performed on or prior to the Closing Date under the Bonds and the WRCOG Documents.

3. The Executive Committee has duly established the Programs pursuant to the Resolutions Confirming Program Report and Chapter 29. The Executive Committee has duly authorized the issuance and sale of the Bonds pursuant to Resolution of Issuance, adopted by the Executive Committee, the Master Indenture and the Supplemental Indenture.

4. As of the Closing Date, WRCOG is not or will not be in breach of or in default under any applicable constitutional provision, law or administrative rule or regulation of the State or the United States of America, or any applicable judgment or decree or any trust agreement, loan agreement, bond, note, resolution, ordinance, agreement or other instrument to which WRCOG is a party or is otherwise subject, and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute a default or event of default under any such instrument which breach, default or event could have an adverse effect on WRCOG’s ability to perform its obligations under the Bonds or the WRCOG Documents; and, as of such times, the authorization, execution and delivery of the Bonds and the WRCOG Documents and compliance by WRCOG with the obligations on its part to be performed in each of such agreements or instruments does not and will not conflict with or constitute a breach of or default under any applicable constitutional provision, law or administrative rule or regulation of the State or the United States of America, or any applicable judgment, decree, license, permit, trust agreement, loan agreement, bond, note, resolution, ordinance, agreement or other instrument to which WRCOG (or any of its officers in their respective capacities as such) is subject, or by which it or any of its properties is bound, nor will any such authorization, execution, delivery or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of

its assets or properties or under the terms of any such law, regulation or instrument, except as may be provided by the WRCOG Documents.

5. As of the Closing Date there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, government agency, public board or body (collectively and individually, an “Action”) pending with respect to which WRCOG has been served with process or to the best knowledge of WRCOG threatened, in which any such Action: (i) in any way questions the corporate existence of WRCOG or the titles of the officers of WRCOG to their respective offices; (ii) in any way questions the establishment of the Programs or the titles of the Executive Committee of WRCOG; (iii) affects, contests or seeks to prohibit, restrain or enjoin the issuance or delivery of the Bonds, or the payment or collection of any amounts pledged or to be pledged to pay the principal of and interest on the Bonds, or in any way contests or affects the validity of the WRCOG Documents or the consummation of the transactions on the part of WRCOG contemplated thereby, or contests the exclusion of the interest on the Bonds from state income taxation or contests the powers of WRCOG, or its authority, to levy and collect the Assessments; and (iv) may result in any material adverse change relating to the financial condition of WRCOG; and as of the time of acceptance hereof and as of the Closing Date, to the knowledge of WRCOG, there is no basis for any action, suit, proceeding, inquiry or investigation of the nature described in clauses (i) through (iv) of this sentence.

6. The Bonds, when issued, executed and delivered in accordance with the Indenture and sold to [_____, or its assignee], will be validly issued and an outstanding limited obligation of WRCOG, entitled to the benefits of the Master Indenture and the Supplemental Indenture and the security of the pledge of the proceeds of the levy of the applicable Assessments identified in the Supplemental Indenture. The Indenture creates a valid pledge of the moneys in certain funds and accounts established pursuant to such Indenture, including the investments thereof subject in all cases to the provisions of such Indenture permitting the application thereof for the purposes and on the terms and conditions set forth therein.

7. Each Assessment constituting security for the applicable Bond has been duly and lawfully authorized and levied under Chapter 29 and the Constitution and the applicable laws of the State, and pursuant to Chapter 29 such Assessment, when levied, will constitute a valid and legally binding lien on the Participating Parcel upon which it has been levied.

8. All authorizations, approvals, licenses, permits, consents, elections, and orders of or filings with any governmental authority, legislative body, board, agency or commission having jurisdiction in the matters which are required by the Closing Date for the due authorization of, or which would constitute a condition precedent to or the absence of which would adversely affect the due performance by WRCOG of its obligations in connection with the WRCOG Documents have been duly obtained or made and are in full force and effect.

9. WRCOG will apply the proceeds of each of the Bonds in accordance with the Master Indenture and the Supplemental Indenture.

EXHIBIT E

WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS
LIMITED OBLIGATION IMPROVEMENT BONDS
(Capital Provider Program – [Name of Capital Provider])
(_____ Commercial Property Tranche)

Certificate of Trustee

I, an Authorized Signer of _____ (“Trustee”), the Trustee under the Master Indenture, dated as of _____, 20__ (the “Master Indenture”), by and between Western Riverside Council of Governments (the “Issuer”) and Trustee, and the Supplemental Indenture, dated as of _____, 20__ (the “Supplemental Indenture”), by and between the Wilmington, as Trustee and Issuer related to the bonds listed in the attached Schedule I (the “Bonds”), hereby certify the following information. Capitalized terms used but not defined herein shall have the meanings set forth in the Master Indenture.

(a) Trustee is a national banking association duly organized, validly existing and in good standing under the laws of the United States and is authorized to execute the Master Indenture and Supplemental Indenture (collectively, the “Transaction Documents”), and accept the trust and perform its obligations under the Transaction Documents.

(b) The individuals listed on the attached Exhibit A are duly authorized to execute the Agreement and are the duly elected and qualified incumbents of the office set forth opposite his or her name.

(c) The Bonds, dated the date hereof and provided for by the Transaction Documents have been authenticated by Authorized Officers of _____.

(d) The Bonds have, on or before this date, been delivered by Trustee to or upon the Issuer Order.

IN WITNESS WHEREOF, _____ has caused this certificate to be executed in its name by a duly authorized officer, as of the [Closing Date].

DATED:

_____, as Trustee

By: _____
Authorized Officer

EXHIBIT F

LETTER OF PURCHASER

Western Riverside Council of Governments
3390 University Avenue, Suite 200
Riverside, California 92501
Attention: Executive Director

Name and address of Trustee

Re: Western Riverside Council of Governments
Limited Obligation Improvement Bonds
(Capital Provider Program – [Name of Capital Provider])
(_____ Commercial Property Tranche)

Ladies and Gentlemen:

The undersigned (the “Investor”) proposes to purchase the limited obligation improvement bonds as listed on the attached Schedule I (the “Bonds”) from the Western Riverside Council of Governments (“WRCOG”). Capitalized terms used in this Investor Letter and not otherwise defined herein shall have the meanings ascribed to such terms in the Master Indenture, dated as of _____, 20__ (the “Master Indenture”), by and between WRCOG and _____, as trustee (the “Trustee”)

In connection with the sale of the Bonds to the Investor, the Investor hereby makes the following representations upon which you may rely:

1. The Investor has authority to purchase the Bonds and to execute this letter and any other instruments and documents required to be executed by the Investor in connection with the purchase of the Bonds.
2. The Investor is an “accredited investor” under Regulation D of the Securities Act of 1933 and, therefore, has sufficient knowledge and experience in financial and business matters, including purchase and ownership of municipal and other tax-exempt obligations, to be able to evaluate the risks and merits of the investment represented by the Bonds.
3. The Bonds are being acquired by the Investor for investment and not for more than one account or with a view to distribution of the Bonds except as provided for in paragraph 8 below. The Investor understands that it may need to bear the risks of this investment for an indefinite time, since any sale prior to maturity may not be possible.
4. The Investor understands that the Bonds are not registered under the 1933 Act and that such registration is not legally required as of the date hereof; and further understands that the Bonds: (a) are not being registered or otherwise qualified for sale under the “Blue Sky” laws and regulations of any state; (b) will not be listed on any stock or other securities exchange; (c) will not carry a rating from any rating service; and (d) will be delivered in a form which may not be

readily marketable.

5. The Investor understands that: (a) the Bonds are not secured by any pledge of any moneys received or to be received from taxation by the State of California or any political subdivision thereof and that WRCOG has no taxing power; (b) the Bonds do not and will not represent or constitute a general obligation or a pledge of the faith and credit of WRCOG, the State of California or any political subdivision thereof; and (c) the liability of WRCOG with respect to each Bond is limited to first priority perfected security interest granted in the applicable Assessment and all other Collateral securing such Bond and all moneys deposited in the Redemption Fund (including the Capitalized Interest Account, the Assessment Collection Account and the Prepayment Account therein) are derived from the issuance of the Bonds, the installments of such Assessments or from the prepayment of such Assessment received by WRCOG as set forth in the Indenture.

6. The Investor acknowledges that it has either been supplied with or been given access to such information, to which a reasonable investor would attach significance in making investment decisions, and the Investor has had the opportunity to ask questions and receive answers from knowledgeable individuals concerning WRCOG, the Programs, the Assessment Contract, the Assessments, the Participating Parcels, the Master Indenture, the Supplemental Indenture, the Bonds and the security therefor and the Side Letter Agreement so that, as a reasonable investor, the Investor has been able to make its decision to purchase the Bonds.

7. The Investor has made its own inquiry and analysis with respect to the Bonds and the security therefor, and other material factors affecting the security and payment of the Bonds. The Investor, with assistance of counsel, has reviewed the Bonds, the Master Indenture and the Supplemental Indenture. The Investor acknowledges, consents and agrees to all terms of such documents including, without limitation, the provisions relating to the redemption of the Bonds and the sale of Assessment Security Interests in Assessments securing the Bonds as provided for in the Master Indenture.

8. The Investor acknowledges that it has the right to sell and transfer the Bonds, in accordance with the terms of the Master Indenture and the Supplemental Indenture, subject to the delivery to the Trustee of a letter from the transferee in the form attached to the Master Indenture as Exhibit C, with no material revisions except as may be approved in writing by WRCOG. Failure to deliver such letter shall cause the purported transfer to be null and void.

9. The Investor acknowledges that it has received a copy of the Side Letter Agreement and agrees and obligates itself to provide a copy of the Side Letter Agreement to any subsequent purchaser or assignee of the Bonds.

10. The Investor understands that neither the members, directors, officers, employees or agents of the WRCOG, nor any person executing the Bonds, the Master Indenture or the Supplemental Indenture, shall be subject to any personal liability or accountability by reason of or in connection with the issuance, offering, execution and delivery of the Bonds.

11. The Investor has obtained what it considers adequate information regarding WRCOG, the Programs, the Assessment Contracts, the Assessments, the Participating Parcels, the Master Indenture, the Supplemental Indenture and the Bonds to make an informed

investment decision to purchase the Bonds. Except as set forth in the Indenture, the Investor acknowledges that WRCOG and its agents, representatives and attorneys are under no duty to provide, and the Investor acknowledges that it is not entitled to receive, (i) any additional information regarding WRCOG, the Programs, the Assessment Contract, the Assessments, the Participating Parcels, the Master Indenture, the Supplemental Indenture or the Bonds, or (ii) an update to the information previously provided by such persons to the Investor; provided, however, that such acknowledgement does not extend to information provided by WRCOG, its agents, representatives and/or attorneys that would have the effect of correcting, (a) any untrue statement of a material fact made in the Bonds, the Master Indenture or the Supplemental Indenture or in any of the other information provided to the Investor by WRCOG or its agents, representatives or attorneys, or (b) any omission of a material fact necessary to make a statement made in such documents not misleading in light of the circumstances under which it was made.

[INVESTOR SIGNATURE BLOCK]

EXHIBIT G

RECEIPT FOR BONDS

WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS
LIMITED OBLIGATION IMPROVEMENT BOND
(Capital Provider Program – [Name of Capital Provider])
(_____ Commercial Property Tranche)

RECEIPT FOR BONDS

Receipt is hereby acknowledged of the Western Riverside Council of Governments Limited Obligation Improvement Bonds (Capital Provider Program – [Name of Capital Provider]) (_____ Commercial Property Tranche) listed on the attached Schedule I (the “Bonds”) by [CAPITAL PROVIDER] (“Purchaser”) [or assignee, if applicable], as the original purchaser of the Bonds.

The undersigned hereby states and certifies on behalf of Purchaser that Purchaser has received on this date from _____, as Trustee (the “Trustee”), under the Master Indenture, dated as of _____, 20__ (the “Master Indenture”), by and between the Trustee and the Western Riverside Council of Governments (“WRCOG”), as supplemented by each Supplemental Indenture, dated as of _____, 20__ (the “Supplemental Indenture” and, together with the Master Indenture, the “Indenture”), pertaining to the applicable Bond by and between the Trustee and WRCOG, such Bonds, as authenticated and delivered by the Fiscal Agent pursuant to the Indenture.

The undersigned further states and certifies that all certificates, opinions and agreements requested by Purchaser under the Master Bond Purchase Agreement, dated _____, 20__ (the “Purchase Agreement”), between [CAPITAL PROVIDER] and WRCOG, have been delivered and that all conditions precedent for Purchaser to accept delivery of such Bonds under the Purchase Agreement have been met or waived.

Dated: _____

Purchaser of the Bonds

By: _____
Authorized Signatory

EXHIBIT H

WRCOG AND PURCHASER CLOSING DOCUMENTS

WRCOG Closing Documents

- Supplemental Indenture.
- Limited Obligation Improvement Bonds
- Omnibus Closing Certificate of WRCOG.
- Officer's Certificate.
- Instructions to Trustee.
- Certificate of Trustee
- Receipt of Bond Proceeds
- Bond Counsel Opinion
- Supplemental Opinion
- Reliance Letter
- Requisition for Disbursements from the Cost of Issuance Fund
- Requisition for Disbursements from the Program Fund

Purchaser Closing Documents

- Investor Letter of Purchaser substantially as shown in Exhibit F
- Investor Letter of Assignee Purchasing Bonds substantially as shown in Exhibit F
- Receipt for Bonds substantially as shown in Exhibit G
- Certificate of Purchaser

Page Intentionally Left Blank

Item 6.C

PACE Programs Activities Update:
Addition of Direct Capital Provider

Attachment 7

WRCOG Capital Provider Program
Professional Services Agreement with
David Taussig and Associates

Page Intentionally Left Blank

**WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS
PROFESSIONAL SERVICES AGREEMENT
(CAPITAL PROVIDER PROGRAM)**

1. PARTIES AND DATE.

This Agreement is made and entered into this ____ day of _____, 2021, by and between the Western Riverside Council of Governments, a California public agency (“WRCOG”) and David Taussig and Associates, Inc., a California corporation (“Consultant”). WRCOG and Consultant are sometimes individually referred to as “Party” and collectively as “Parties.”

2. RECITALS.

2.1 Consultant.

Consultant desires to perform and assume responsibility for the provision of certain professional services required by WRCOG on the terms and conditions set forth in this Agreement. Consultant represents that it is experienced in providing services for the formation and annual administration of an assessment district and micro-bond sales to fund authorized PACE program facilities, is licensed in the State of California, and is familiar with the plans of WRCOG.

2.2 Project.

WRCOG desires to engage Consultant to render such professional services for Assessment Administration for its the Capital Provider Program (“Project”) authorized pursuant to the Energy Efficiency and Water Conservation Program for Western Riverside County and its WRCOG California PACE Program as set forth in this Agreement.

3. TERMS.

3.1 Scope of Services and Term.

3.1.1 General Scope of Services. Consultant promises and agrees to furnish to WRCOG all labor, materials, tools, equipment, services, and incidental and customary work necessary to fully and adequately supply the services necessary for the formation and annual administration of an assessment district and micro-bond sales to fund authorized PACE program facilities for the Project (“Services”). The Services are more particularly described in Exhibit “A” attached hereto and incorporated herein by reference, and which are stated in the proposal to WRCOG and approved by WRCOG’s Executive Committee. All Services shall be subject to, and performed in accordance with, this Agreement, the exhibits attached hereto and incorporated herein by reference, and all applicable local, state and federal laws, rules and regulations.

3.1.2 Term. The term of this Agreement shall be from the date first hereinabove written and shall end three (3) year later, unless earlier terminated as provided herein. Consultant shall complete the Services within the term of this Agreement, and shall meet any other

established schedules and deadlines. The term of this Agreement may be extended by written agreement between the Consultant and the Executive Director of WRCOG.

3.2 Responsibilities of Consultant.

3.2.1 Control and Payment of Subordinates; Independent Contractor. The Services shall be performed by Consultant or under its supervision. Consultant will determine the means, methods and details of performing the Services subject to the requirements of this Agreement. WRCOG retains Consultant on an independent contractor basis and not as an employee. Consultant retains the right to perform similar or different services for others during the term of this Agreement. Any additional personnel performing the Services under this Agreement on behalf of Consultant shall also not be employees of WRCOG and shall at all times be under Consultant's exclusive direction and control. Consultant shall pay all wages, salaries, and other amounts due such personnel in connection with their performance of Services under this Agreement and as required by law. Consultant shall be responsible for all reports and obligations respecting such additional personnel, including, but not limited to: social security taxes, income tax withholding, unemployment insurance, disability insurance, and workers' compensation insurance.

3.2.2 Schedule of Services. Consultant shall perform the Services expeditiously, within the term of this Agreement, to ensure timely implementation of the Project. Consultant represents that it has the professional and technical personnel required to perform the Services in conformance with such conditions. In order to facilitate Consultant's conformance with the Schedule, WRCOG shall respond to Consultant's submittals in a timely manner. Upon request of WRCOG, Consultant shall provide a more detailed schedule of anticipated performance to meet the Schedule of Services.

3.2.3 Conformance to Applicable Requirements. All work prepared by Consultant shall be subject to the approval of WRCOG.

3.2.4 Substitution of Key Personnel. Consultant has represented to WRCOG that certain key personnel will perform and coordinate the Services under this Agreement. Should one or more of such personnel become unavailable, Consultant may substitute other personnel of at least equal competence upon written approval of WRCOG. In the event that WRCOG and Consultant cannot agree as to the substitution of key personnel, WRCOG shall be entitled to terminate this Agreement for cause. As discussed below, any personnel who fail or refuse to perform the Services in a manner acceptable to WRCOG, or who are determined by the WRCOG to be uncooperative, incompetent, a threat to the adequate or timely completion of the Project or a threat to the safety of persons or property, shall be promptly removed from the Project by the Consultant at the request of the WRCOG. The key personnel for performance of this Agreement are as follows: Andrea Roess.

3.2.5 WRCOG's Representative. WRCOG hereby designates Casey Dailey, Director of Energy and Environmental Programs, or his designee, to act as its representative for the performance of this Agreement ("WRCOG's Representative"). WRCOG's Representative shall have the power to act on behalf of WRCOG for all purposes under this Contract. Consultant

shall not accept direction or orders from any person other than WRCOG's Representative or his or her designee.

3.2.6 Consultant's Representative. Consultant hereby designates Andrea Roess, or his or her designee, to act as its representative for the performance of this Agreement ("Consultant's Representative"). Consultant's Representative shall have full authority to represent and act on behalf of the Consultant for all purposes under this Agreement. The Consultant's Representative shall supervise and direct the Services, using his best skill and attention, and shall be responsible for all means, methods, techniques, sequences and procedures and for the satisfactory coordination of all portions of the Services under this Agreement.

3.2.7 Coordination of Services. Consultant agrees to work closely with WRCOG staff in the performance of Services and shall be available to WRCOG's staff, consultants and other staff at all reasonable times.

3.2.8 Standard of Care; Performance of Employees. Consultant shall perform all Services under this Agreement in a skillful and competent manner, consistent with the standards generally recognized as being employed by professionals in the same discipline in the State of California. Consultant represents and maintains that it is skilled in the professional calling necessary to perform the Services. Consultant warrants that all employees and subcontractors shall have sufficient skill and experience to perform the Services assigned to them. Finally, Consultant represents that it, its employees and subcontractors have all licenses, permits, qualifications and approvals of whatever nature that are legally required to perform the Services, and that such licenses and approvals shall be maintained throughout the term of this Agreement. As provided for in the indemnification provisions of this Agreement, Consultant shall perform, at its own cost and expense and without reimbursement from WRCOG, any services necessary to correct errors or omissions which are caused by the Consultant's failure to comply with the standard of care provided for herein. Any employee of the Consultant or its subcontractors who is determined by WRCOG to be uncooperative, incompetent, a threat to the adequate or timely completion of the Project, a threat to the safety of persons or property, or any employee who fails or refuses to perform the Services in a manner acceptable to WRCOG, shall be promptly removed from the Project by the Consultant and shall not be re-employed to perform any of the Services or to work on the Project.

3.2.9 Laws and Regulations. Consultant shall keep itself fully informed of and in compliance with all local, state and federal laws, rules and regulations in any manner affecting the performance of the Project or the Services, including all Cal/OSHA requirements, and shall give all notices required by law. Consultant shall be liable for all violations of such laws and regulations in connection with Services. If the Consultant performs any work knowing it to be contrary to such laws, rules and regulations and without giving written notice to the WRCOG, Consultant shall be solely responsible for all costs arising therefrom. Consultant shall defend, indemnify and hold WRCOG, its officials, directors, officers, employees and agents free and harmless, pursuant to the indemnification provisions of this Agreement, from any claim or liability arising out of any failure or alleged failure to comply with such laws, rules or regulations.

3.2.10 Insurance.

3.2.10.1 Time for Compliance. Consultant shall not commence the Services under this Agreement until it has provided evidence satisfactory to WRCOG that it has secured all insurance required under this section. In addition, Consultant shall not allow any subcontractor to commence work on any subcontract until it has provided evidence satisfactory to WRCOG that the subcontractor has secured all insurance required under this section.

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

(A) Minimum Scope of Insurance. Coverage shall be at least as broad as the latest version of the following: (1) *General Liability*: Insurance Services Office Commercial General Liability coverage (occurrence form CG 0001); (2) *Automobile Liability*: Insurance Services Office Business Auto Coverage form number CA 0001, code 1 (any auto); and (3) *Workers' Compensation and Employer's Liability*: Workers' Compensation insurance as required by the State of California and Employer's Liability Insurance.

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

3.2.10.3 Professional Liability. Consultant shall procure and maintain, and require its sub-consultants to procure and maintain, for a period of five (5) years following completion of the Services, errors and omissions liability insurance appropriate to their profession. Such insurance shall be in an amount not less than \$1,000,000 per claim.

3.2.10.4 Insurance Endorsements. The insurance policies shall contain the following provisions, or Consultant shall provide endorsements on forms supplied or approved by WRCOG to add the following provisions to the insurance policies:

(A) General Liability. The general liability policy shall be endorsed to state that: (1) WRCOG, its directors, officials, officers, employees, agents and volunteers shall be covered as additional insureds with respect to the Services or operations performed by or on behalf of the Consultant, including materials, parts or equipment furnished in connection with such work; and (2) the insurance coverage shall be primary insurance as respects

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

(B) Automobile Liability. The automobile liability policy shall be endorsed to state that: (1) WRCOG, its directors, officials, officers, employees, agents and volunteers shall be covered as additional insureds with respect to the ownership, operation, maintenance, use, loading or unloading of any auto owned, leased, hired or borrowed by the Consultant or for which the Consultant is responsible; and (2) the insurance coverage shall be primary insurance as respects WRCOG, its directors, officials, officers, employees, agents and volunteers, or if excess, shall stand in an unbroken chain of coverage excess of the Consultant's scheduled underlying coverage. Any insurance or self-insurance maintained by WRCOG, its directors, officials, officers, employees, agents and volunteers shall be excess of the Consultant's insurance and shall not be called upon to contribute with it in any way.

(C) Workers' Compensation and Employers Liability Coverage. The insurer shall agree to waive all rights of subrogation against WRCOG, its directors, officials, officers, employees, agents and volunteers for losses paid under the terms of the insurance policy which arise from work performed by the Consultant.

(D) All Coverages. Each insurance policy required by this Agreement shall be endorsed to state that: (A) coverage shall not be canceled except after thirty (30) days prior written notice, except ten (10) days' notice for non-payment cancellation, has been given to WRCOG; and (B) any failure to comply with reporting or other provisions of the policies, including breaches of warranties, shall not affect coverage provided to WRCOG, its directors, officials, officers, employees, agents and volunteers.

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

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

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

3.2.10.8 Verification of Coverage. Consultant shall furnish WRCOG with original certificates of insurance and endorsements effecting coverage required by this

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

3.2.11 Safety. Consultant shall execute and maintain its work so as to avoid injury or damage to any person or property. In carrying out its Services, the Consultant shall at all times be in compliance with all applicable local, state and federal laws, rules and regulations, and shall exercise all necessary precautions for the safety of employees appropriate to the nature of the work and the conditions under which the work is to be performed. Safety precautions as applicable shall include, but shall not be limited to: (A) adequate life protection and life saving equipment and procedures; (B) instructions in accident prevention for all employees and subcontractors, such as safe walkways, scaffolds, fall protection ladders, bridges, gang planks, confined space procedures, trenching and shoring, equipment and other safety devices, equipment and wearing apparel as are necessary or lawfully required to prevent accidents or injuries; and (C) adequate facilities for the proper inspection and maintenance of all safety measures.

3.2.12 Accuracy of Information Obtained by Consultant. WRCOG, public agencies, landowners, consultants, and other parties dealing with WRCOG or involved in the Project shall furnish to Consultant various data, reports, studies, computer printouts and other information and representations as to the facts involved in the Project which WRCOG understands Consultant shall be using and relying upon in preparing the reports, studies, computer printouts, and other work products required as part of the Services. Consultant shall not be obligated to establish or verify the accuracy of the information furnished by or on behalf of WRCOG, nor shall Consultant be responsible for the impact or effort on its work products of the information furnished by or on behalf of WRCOG, in the event that such information is in error and therefore introduces error into Consultant's work products.

3.3 Fees and Payments.

3.3.1 Compensation. Consultant shall receive compensation, including authorized reimbursements, for all Services rendered under this Agreement at the rates set forth in Exhibit "B" attached hereto and incorporated herein by reference. Extra Work may be authorized, as described below; and if authorized, said Extra Work will be compensated at the rates and manner set forth in this Agreement.

3.3.2 Payment of Compensation. Consultant shall submit to WRCOG a monthly itemized statement which indicates work completed and hours of Services rendered by Consultant. The statement shall describe the amount of Services and supplies provided since the initial commencement date, or since the start of the subsequent billing periods, as appropriate, through the date of the statement. WRCOG shall, within forty-five (45) days of receiving such statement, review the statement and pay all approved charges thereon.

3.3.3 Reimbursement for Expenses. Consultant shall not be reimbursed for any expenses unless authorized in writing by WRCOG.

3.3.4 Extra Work. At any time during the term of this Agreement, WRCOG may request that Consultant perform Extra Work. As used herein, “Extra Work” means any work which is determined by WRCOG to be necessary for the proper completion of the Project, but which the Parties did not reasonably anticipate would be necessary at the execution of this Agreement. Consultant shall not perform, nor be compensated for, Extra Work without written authorization from WRCOG’s Representative.

3.3.5 Prevailing Wages. Consultant is aware of the requirements of California Labor Code Sections 1720, et seq., and 1770, et seq., as well as California Code of Regulations, Title 8, Section 16000, et seq., (“Prevailing Wage Laws”), which require the payment of prevailing wage rates and the performance of other requirements on certain “public works” and “maintenance” projects. If the Services are being performed as part of an applicable “public works” or “maintenance” project, as defined by the Prevailing Wage Laws, and if the total compensation is \$1,000 or more, Consultant agrees to fully comply with such Prevailing Wage Laws. WRCOG shall provide Consultant with a copy of the prevailing rates of per diem wages in effect at the commencement of this Agreement. Consultant shall make copies of the prevailing rates of per diem wages for each craft, classification or type of worker needed to execute the Services available to interested parties upon request, and shall post copies at the Consultant’s principal place of business and at the project site. Consultant shall defend, indemnify and hold the WRCOG, its elected officials, officers, employees and agents free and harmless from any claims, liabilities, costs, penalties or interest arising out of any failure or alleged failure to comply with the Prevailing Wage Laws.

3.4 Accounting Records.

3.4.1 Maintenance and Inspection. Consultant shall maintain complete and accurate records with respect to all costs and expenses incurred under this Agreement. All such records shall be clearly identifiable. Consultant shall allow a representative of WRCOG during normal business hours to examine, audit, and make transcripts or copies of such records and any other documents created pursuant to this Agreement. Consultant shall allow inspection of all work, data, documents, proceedings, and activities related to the Agreement for a period of three (3) years from the date of final payment under this Agreement.

3.5 General Provisions.

3.5.1 Termination of Agreement.

3.5.1.1 Grounds for Termination. WRCOG may, by written notice to Consultant, terminate the whole or any part of this Agreement at any time and without cause by giving written notice to Consultant of such termination, and specifying the effective date thereof, at least seven (7) days before the effective date of such termination. Upon termination, Consultant shall be compensated only for those services which have been adequately rendered to WRCOG, and for which Consultant has not been previously compensated, and Consultant shall be entitled to no further compensation. Consultant may not terminate this Agreement except for cause.

3.5.1.2 Effect of Termination. If this Agreement is terminated as provided herein, WRCOG may require Consultant to provide all finished or unfinished Documents and Data

and other information of any kind prepared by Consultant in connection with the performance of Services under this Agreement. Consultant shall be required to provide such documents and other information within fifteen (15) days of the request.

3.5.1.3 Additional Services. In the event this Agreement is terminated in whole or in part as provided herein, WRCOG may procure, upon such terms and in such manner as it may determine appropriate, services similar to those terminated.

3.5.2 Delivery of Notices. All notices permitted or required under this Agreement shall be given to the respective Parties at the following address, or at such other address as the respective parties may provide in writing for this purpose:

Consultant: David Taussig & Associates, Inc.
5000 Birch Street, Suite 6000
Newport Beach, CA 92660
Attn: Andrea Roess
Facsimile: (949) 955-1590

WRCOG: Western Riverside Council of Governments
3390 University Avenue, Suite 200
Riverside, CA 92501
Attn: Executive Director
Facsimile: (951) 787-7991

Such notice shall be deemed made when personally delivered or when mailed, forty-eight (48) hours after deposit in the U.S. Mail, first class postage prepaid and addressed to the Party at its applicable address. Actual notice shall be deemed adequate notice on the date actual notice occurred, regardless of the method of service.

3.5.3 Ownership of Materials and Confidentiality.

3.5.3.1 Documents & Data; Licensing of Intellectual Property. This Agreement creates a non-exclusive and perpetual license for WRCOG to copy, use, modify, reuse, or sublicense any and all copyrights, designs, and other intellectual property embodied in plans, specifications, studies, drawings, estimates, and other documents or works of authorship fixed in any tangible medium of expression, including but not limited to, physical drawings or data magnetically or otherwise recorded on computer diskettes, which are prepared or caused to be prepared by Consultant under this Agreement ("Documents & Data"). Consultant shall require all subcontractors to agree in writing that WRCOG is granted a non-exclusive and perpetual license for any Documents & Data the subcontractor prepares under this Agreement. Consultant represents and warrants that Consultant has the legal right to license any and all Documents & Data. Consultant makes no such representation and warranty in regard to Documents & Data which were prepared by design professionals other than Consultant or provided to Consultant by WRCOG. WRCOG shall not be limited in any way in its use of the Documents & Data at any time, provided that any such use not within the purposes intended by this Agreement shall be at WRCOG's sole risk.

Notwithstanding the previous paragraph, all computer software (including without limitation financial models, compilations of formulas and spreadsheet models), inventions, designs, programs, improvements, processes and methods (collectively, the “Proprietary Models”) used or development by Consultant in performing its work is proprietary and shall remain property owned solely by, or licensed by a third party to the Consultant. WRCOG acknowledges that any Proprietary Model that Consultant uses to generate reports pursuant to the Services is owned by, or is duly licensed from a third party to Consultant and is not being provided to WRCOG hereunder.

3.5.3.2 Confidentiality. All ideas, memoranda, specifications, plans, procedures, drawings, descriptions, computer program data, input record data, written information, and other Documents and Data either created by or provided to Consultant in connection with the performance of this Agreement shall be held confidential by Consultant. Such materials shall not, without the prior written consent of WRCOG, be used by Consultant for any purposes other than the performance of the Services. Nor shall such materials be disclosed to any person or entity not connected with the performance of the Services or the Project. Nothing furnished to Consultant which is otherwise known to Consultant or is generally known, or has become known, to the related industry shall be deemed confidential. Consultant shall not use WRCOG’s name or insignia, photographs of the Project, or any publicity pertaining to the Services or the Project in any magazine, trade paper, newspaper, television or radio production or other similar medium without the prior written consent of WRCOG.

Notwithstanding the previous paragraph, WRCOG acknowledges and agrees that Consultant has the right to use reports and analyses that Consultant authors pursuant to this Agreement as base works or templates for reports and analyses that Consultant authors for Consultant’s other clients, provided, however, that Consultant shall not use any confidential information provided by Consultant in such future reports and analyses. In addition, WRCOG acknowledges and agrees that Consultant has spent substantial time and effort in collecting and compiling data and information (the “Data Compilations”) in connection with the Services and that such Data Compilations may be used by Consultant for its own purposes, including, without limitation, sale or distribution to third parties; provided, however, that Consultant shall not sell or distribute any of WRCOG’s confidential information that may be contained in such Data Compilations, unless such confidential information is used only on an aggregated and anonymous basis.

3.5.4 Cooperation; Further Acts. The Parties shall fully cooperate with one another, and shall take any additional acts or sign any additional documents as may be necessary, appropriate or convenient to attain the purposes of this Agreement.

3.5.5 Attorney’s Fees. If either Party commences an action against the other Party, either legal, administrative or otherwise, arising out of or in connection with this Agreement, the prevailing party in such litigation shall be entitled to have and recover from the losing party reasonable attorney’s fees and all other costs of such action.

3.5.6 Indemnification. Consultant shall defend, indemnify and hold the WRCOG, its officials, officers, employees, volunteers and agents free and harmless from any and all claims, demands, causes of action, costs, expenses, liability, loss, damage or injury, in law or

equity, to property or persons, including wrongful death, in any manner arising out of or incident to any alleged negligent or wrongful acts, omissions or willful misconduct of Consultant, its officials, officers, employees, agents, consultants and contractors and subcontractors, arising out of or in connection with the performance of the Services, the Project or this Agreement, including without limitation the payment of all consequential damages and attorney's fees and other related costs and expenses. Consultant shall defend, at Consultant's own cost, expense and risk, any and all such aforesaid suits, actions or other legal proceedings of every kind that may be brought or instituted against WRCOG, its directors, officials, officers, employees, agents or volunteers. Consultant shall pay and satisfy any judgment, award or decree that may be rendered against WRCOG or its directors, officials, officers, employees, agents or volunteers, in any such suit, action or other legal proceeding. Consultant shall reimburse WRCOG and its directors, officials, officers, employees, agents and/or volunteers, for any and all legal expenses and costs incurred by each of them in connection therewith or in enforcing the indemnity herein provided. Consultant's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by the WRCOG, its directors, officials, officers, employees, agents or volunteers. No third party shall be a direct beneficiary of this Section 3.5.6. The covenants contained in this Section 3.5.6 shall survive the termination of this Agreement.

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

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

3.5.9 Time of Essence. Time is of the essence for each and every provision of this Agreement.

3.5.10 WRCOG's Right to Employ Other Consultants. WRCOG reserves right to employ other consultants in connection with this Project.

3.5.11 Successors and Assigns. This Agreement shall be binding on the successors and assigns of the Parties.

3.5.12 Assignment or Transfer. Consultant shall not assign, hypothecate, or transfer, either directly or by operation of law, this Agreement or any interest herein without the prior written consent of WRCOG. Any attempt to do so shall be null and void, and any assignees, hypothecates or transferees shall acquire no right or interest by reason of such attempted assignment, hypothecation or transfer.

3.5.13 Construction; References; Captions. Since the Parties or their agents have participated fully in the preparation of this Agreement, the language of this Agreement shall be construed simply, according to its fair meaning, and not strictly for or against any Party. Any term referencing time, days or period for performance shall be deemed calendar days and not work days. All references to Consultant include all personnel, employees, agents, and subcontractors of Consultant, except as otherwise specified in this Agreement. All references to WRCOG include

its elected officials, officers, employees, agents, and volunteers except as otherwise specified in this Agreement. The captions of the various articles and paragraphs are for convenience and ease of reference only, and do not define, limit, augment, or describe the scope, content, or intent of this Agreement.

3.5.14 Amendment; Modification. No supplement, modification, or amendment of this Agreement shall be binding unless executed in writing and signed by both Parties.

3.5.15 Waiver. No waiver of any default shall constitute a waiver of any other default or breach, whether of the same or other covenant or condition. No waiver, benefit, privilege, or service voluntarily given or performed by a Party shall give the other Party any contractual rights by custom, estoppel, or otherwise.

3.5.16 No Third Party Beneficiaries. There are no intended third party beneficiaries of any right or obligation assumed by the Parties.

3.5.17 Invalidity; Severability. If any portion of this Agreement is declared invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions shall continue in full force and effect.

3.5.18 Prohibited Interests. Consultant maintains and warrants that it has not employed nor retained any company or person, other than a bona fide employee working solely for Consultant, to solicit or secure this Agreement. Further, Consultant warrants that it has not paid nor has it agreed to pay any company or person, other than a bona fide employee working solely for Consultant, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this Agreement. For breach or violation of this warranty, WRCOG shall have the right to rescind this Agreement without liability. For the term of this Agreement, no member, officer or employee of WRCOG, during the term of his or her service with WRCOG, shall have any direct interest in this Agreement, or obtain any present or anticipated material benefit arising therefrom.

3.5.19 Equal Opportunity Employment. Consultant represents that it is an equal opportunity employer and it shall not discriminate against any subcontractor, employee or applicant for employment because of race, religion, color, national origin, handicap, ancestry, sex or age. Such non-discrimination shall include, but not be limited to, all activities related to initial employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination. Consultant shall also comply with all relevant provisions of any WRCOG's Minority Business Enterprise program, Affirmative Action Plan or other related programs or guidelines currently in effect or hereinafter enacted.

3.5.20 Labor Certification. By its signature hereunder, Consultant certifies that it is aware of the provisions of Section 3700 of the California Labor Code which require every employer to be insured against liability for Workers' Compensation or to undertake self-insurance in accordance with the provisions of that Code, and agrees to comply with such provisions before commencing the performance of the Services.

3.5.21 Authority to Enter Agreement. Consultant has all requisite power and authority to conduct its business and to execute, deliver, and perform the Agreement. Each Party

warrants that the individuals who have signed this Agreement have the legal power, right, and authority to make this Agreement and bind each respective Party.

3.5.22 Counterparts. This Agreement may be signed in counterparts, each of which shall constitute an original.

3.6 Subcontracting.

3.6.1 Prior Approval Required. Consultant shall not subcontract any portion of the work required by this Agreement, except as expressly stated herein, without prior written approval of WRCOG. Subcontracts, if any, shall contain a provision making them subject to all provisions stipulated in this Agreement.

IN WITNESS WHEREOF, the Parties hereby have made and executed this Agreement as of the date first written above.

WESTERN RIVERSIDE COUNCIL
OF GOVERNMENTS

DAVID TAUSSIG AND ASSOCIATES,
INC.

By: _____
Casey Dailey
Director of Energy and Environmental
Programs

By: _____
Name: _____
Title: _____

APPROVED AS TO FORM:

By: _____
General Counsel
Best Best & Krieger LLP

EXHIBIT “A”

SCOPE OF WORK

Consultant’s Consulting Services in connection with the Program may include (i) database setup, (ii) enrollment of assessment installment payments, (iii) tracking and reporting of assessment installment payments, (iv) assessment payoff calculations and coordination on bond redemptions, (v) responses to property owner inquiries, and (vi) program reports. The tasks associated with the Consulting Services as described below.

A. DATABASE SETUP AND REVIEW OF ASSESSMENT DATA

Following the earlier of assignment or bond closing, Consultant will review and process the electronic data file to be provided by a capital provider and set up the assessment and bond data in Consultant’s assessment administration software. The data file is anticipated to contain the following:

- Assessment Lien Information which may include Assessor’s Parcel Number, lien amount, lien recordation date, assessment contract ID, and bond ID;
- Assessment Collection Information which may include a breakdown of the annual administrative collection charge; and
- Bond Information which may include assignment or bond closing date, bond ID, uses of proceeds (i.e., project amount, capitalized interest, reserve amount(s), issuance costs), payment schedule, coupon rate(s), redemption premium, and minimum principal redemption increments.

B. ENROLL ASSESSMENT INSTALLMENT PAYMENTS

1. Fund Number Requests

As necessary and subject to the limitations imposed by each county, Consultant will prepare requests for fund numbers and coordinate the submittal of fund number request packages to the applicable counties.

2. Prepare and Submit Enrollment Packages

Consultant will prepare and submit annual assessment installment enrollment packages in accordance with each county’s direct assessment enrollment procedures. The enrollment packages will typically include a transmittal memorandum, Proposition 218 compliance agreement or form, billing agreement, and certified resolutions and/or ordinances authorizing the levy and collection of assessment installments.

Consultant will submit enrollment packages on or about August 10, or such other date specified by the applicable county. Following submittal of the enrollment packages, Consultant will prepare and transmit to WRCOG a summary administration report in Excel format indicating the total number of parcels and amount of assessment installments enrolled, grouped by fund number and bond. Unless otherwise specified by mutual agreement, WRCOG and Consultant agree that assessment installments will be enrolled

for all assessments for which the assignment or bond closing occurs as of the June 30 preceding the fiscal year in which the assessments installments are to be enrolled.

3. Research and Resubmit Rejected Parcels

Consultant will review and research rejections, if any, and resubmit as necessary. This process involves manually validating parcel status and parcel change information.

C. ASSESSMENT INSTALLMENT COLLECTIONS

1. Assessment Installment Payment Monitoring and Reporting

Consultant will process county parcel payment status data and prepare parcel level payment status reports following each non-advance apportionment of assessments. Parcel payment data may be reported program-wide or grouped by fund number and/or by bond. In addition, county source data may be supplemented, as available and as needed, with property tax payment status data posted on the applicable county Treasurer-Tax Collector's website.

2. Assessment Installment Distribution Reconciliation

Consultant will reconcile non-advance assessment installment distributions which are made lump sum by fund number with parcel level assessment installment payment status to segregate actual distributions for each fund number by bond. The accuracy of such breakdown is subject to the availability of sufficient information to reconcile the transaction dates of distributions and payments.

3. Delinquency Notices

Consultant and WRCOG will cooperatively develop the form of the delinquency notice to be mailed to property owners that are delinquent in the payment of assessment installments. Unless otherwise specified by mutual agreement, Consultant will mail notices of delinquency following each property tax installment due date and at fiscal year-end.

4. Pre-Foreclosure Assistance

As directed by foreclosure counsel, Consultant will coordinate the removal of delinquent assessment installments from the property tax roll and record the notice evidencing the removal of such assessment installments.

D. ASSESSMENT PAYOFFS AND BOND REDEMPTIONS

Upon request, Consultant will prepare and provide to property owners payoff calculations and instructions for remitting prepayments. In the event of a partial prepayment, Consultant will prepare a revised bond schedule to be reviewed by the trustee, fiscal agent and/or WRCOG. Consultant will provide the trustee, fiscal agent and/or WRCOG a monthly report of property owners that have requested payoff quotes. Following notification by

trustee/fiscal agent of the receipt of prepayment funds, Consultant will confirm amount of prepayment and prepare and record the notice of discharge.

Consultant will also coordinate with the trustee/fiscal agent and WRCOG to establish and/or document prepayment and bond redemption procedures, including but not limited to, deadlines for property owners to remit prepayments, internal team notification of the receipt of prepayment funds and the provision of copies of notices for redemption, and batch recording of notices of discharge.

E. PUBLIC INFORMATION

Consultant will respond via telephone or email to property owner inquiries concerning assessment balance, assessment installments, etc. If applicable, Consultant will also prepare and provide the notice of assessment for resale properties pursuant to Section 53754 of the Government Code.

F. PROGRAM REPORTS

As described above, Consultant will provide an annual assessment installment enrollment report, periodic collection reports, and periodic reports of requests for assessment payoffs. In addition and as applicable, Consultant will annually prepare and file the report required pursuant to Revenue and Taxation Code Section 163 indicating the following for each parcel subject to an assessment:

- The assessment lien amount at the time the lien was created;
- In the case in which a lien has been completely satisfied, the date and amount of the payment in satisfaction of the lien, and the identity of the party that made that payment; and
- The principal balance of the assessment lien.

EXHIBIT “B”

FEE SCHEDULE

Consultant’s compensation, including expenses, for completion of the tasks under the Scope of Work is set forth in the attached table:

IV FEE SCHEDULE

DTA's compensation, including expenses, for the completion of the tasks under the Scope of Work is set forth in Table 3 below.

Table 3: Proposed Budget

Project Task	Charge
Program Setup	Time and Materials based on hourly rates in Table 4 below
A Database Setup and Review of Bond Closing Data ¹	Project Costs less than or equal to \$1,000,000 0.52% of Project Costs
	Project Costs between \$1,000,001 - \$5,000,000 \$5,200 for first \$1,000,000 of project costs Plus 0.10% of project costs thereafter, up to \$5,000,000
	Project Costs Exceeding \$5,000,001 \$9,200 for first \$5,000,000 of project costs Plus 0.025% of project costs thereafter
B Billing and Collection of Assessment Installments Through the County C Direct Billing and Collection of Assessment Installments E Public Information F Project Reports	\$500 Fixed Annual Fee Per Parcel Enrolled ² Plus [when applicable] \$1,000 initial year fixed Fee Per County for new Counties not currently in WRCOG Program³
D Assessment Payoffs and Bond Redemptions	\$300 Per Calculation

Notes:

1. One-time fee paid at bond closing. Only applicable to Commercial PACE projects.
2. For deals comprised of three or more parcels, this fee will be reduced to \$150 per parcel.
3. Initial year fee only applies to projects that fall within a county that WRCOG has not previously been before.

General Terms and Conditions

Fees for Task A shall be paid at closing. Fees and expenses for Task D shall be invoiced on or about the first two weeks of each month. Fees and expenses for Tasks B, C, E, and F shall be invoiced annually, on or about the first two weeks of September. All such invoices shall be paid within 30 days of the date of each invoice. A 1.2% per month charge may be

imposed against accounts that are not paid within 30 days of the date of each invoice.

Limitations

Any consulting services not included within the Scope of Work shall be charged on a time and materials basis at the rates shown in Table 4.

Notably, initial program set-up costs billed on a time and materials basis.

Table 4: DTA Hourly Rates

2019 Fee Schedule	
President/Managing Director	\$290/Hour
Senior Vice President	\$250/Hour
Vice President	\$225/Hour
Senior Manager	\$200/Hour
Manager	\$185/Hour
Senior Associate	\$175/Hour
Associate II	\$165/Hour
Associate I	\$150/Hour
Research Associate II	\$140/Hour
Research Associate I	\$125/Hour

Additional tasks may include but are not limited to the following:

- Consulting services after the removal of assessment installments from the property tax roll pertaining to the collection of delinquent assessment installments and/or assistance with foreclosure actions/proceedings;
- Consulting services and/or database setup/updates pertaining to bond refundings, securitizations, exchanges, and/or restructurings; and
- Consulting services for residential PACE programs.

All hourly rates are subject to cost-of-living increase every 12 months, not to exceed an increase of 5% per year.



Western Riverside Council of Governments Executive Committee

Staff Report

Subject: Update of the WRCOG Economic Development and Sustainability Framework

Contact: Chris Gray, Deputy Executive Director, cgray@wrcog.us, (951) 405-6710

Date: April 5, 2021

The purpose of this item is to present a work plan for the update of the WRCOG Economic Development and Sustainability Framework and discuss its role in serving as a Strategic Planning and Guidance document for WRCOG programs and activities.

Requested Action:

1. Receive and file.
-

Introduction

In December 2012, WRCOG completed work on the WRCOG Economic Development and Sustainability Framework. Funding for this effort was provided by the Southern California Association of Governments through its Compass Blueprint Program. The completed document can be found at <https://www.wrcog.us/DocumentCenter/View/189/Sustainability-Framework-PDF?bidId=>.

As stated in the document's Executive Summary, the Framework's objectives are to:

- Serve as a starting point for a dialogue about sustainability
- Establish goals to inform and guide regional collaboration
- Define and prioritize short-term actions for WRCOG
- Define initial indicators, benchmarks, and targets for the WRCOG subregion

The Framework is organized around six focus areas as listed below. Note that these focus areas were affirmed at subsequent WRCOG Executive Committee and Technical Advisory Committee visioning sessions in 2014 and 2017.

1. Economic Development
2. Education
3. Health
4. Transportation
5. Water and Wastewater
6. Energy and the Environment

Each of the issue areas are further detailed in terms of goals and action items. For example, for Economic Development, Goal 1 is "Vision and Branding." That is further defined as "A common understanding of and unified voice for economic development needs, services, assets, and challenges." There are six action items under this goal including "Define the appropriate organizational framework to provide subregional economic development leadership." Under the six focus areas, there are 22 separate goals and 132 total actions.

In addition to the focus areas, goals, and actions, the Framework also contains over 50 regional indicators that were intended to measure how the region is progressing in terms of the six focus areas.

Next Steps

Even though the Framework is eight years old, it is still a sound document and provides valuable insight to staff and member agencies on WRCOG's priorities. As previously mentioned, during subsequent visioning sessions held with the Executive and Technical Advisory Committees in 2014 and 2017, the priorities in the Framework were affirmed. However, it would be appropriate to update the document to address the following:

- The inclusion of Western Community Energy and the Riverside County Habitat Conservation Agency under WRCOG's umbrella
- Updating the baseline data in the document from 2012 to 2019, or the latest available data
- Updating the list of indicators based on the previous work
- Potentially revisiting the focus areas to potentially include other focus areas or consolidating the existing focus areas
- Updating the actions as appropriate to reflect recent activities and any changes in WRCOG programs

Update Process

Staff have had discussions with one of WRCOG's on-call consultants to discuss a scope and budget for an update of the Framework. The process will first involve a review and assessment of the current Framework. An initial task is to review WRCOG documents, policies, presentations, and new programs that have been produced or established since the original Framework. The Framework will then be assessed, and criteria will be established to ensure consistency with the WRCOG mission and policies, to allow WRCOG to continue to assist its member agencies, and to confirm alignment with current state and/or regional climate, carbon, and related sustainability targets, legislation, or policy.

The initial task will include outreach to the various WRCOG committees. WRCOG is proposing this outreach phase so that feedback from local elected officials and staff are heard to gain perspective on what needs to be included in the Framework update. WRCOG is proposing two feedback groups, of which small group meetings will be offered to Executive Committee representatives and staff at WRCOG member agencies. Four small group meetings will be offered to both groups. These meetings will be limited to no more than eight representatives or member agencies.

The goal of the small group meetings with the Executive Committee members is to request feedback on the focus areas and goals of each focus area to include in the Framework update. Meetings with staff at member agencies will allow WRCOG to present the refined focus areas and goals based on input from the Executive Committee and concentrate on the actions for each focus area. The small group meetings for the Executive Committee members will be scheduled throughout the month of April and staff will then report back to the Executive Committee in May on the refined focus areas. The small group meetings for member agency staff will then take place throughout May.

The feedback received will then be combined with an assessment and presented to the various WRCOG committees in a memorandum and matrix. The memorandum will include a summary of recommendations for refreshing focus areas, encapsulating new / other areas of sustainability, such as conservation or resiliency, and address equity throughout the Framework and indicators. The matrix will categorize goals, actions, and indicators so that staff can provide feedback in an organized manner. Once all findings and recommendations have been presented to the various WRCOG committees and approved ultimately by the Executive Committee, the Framework document will be updated.

As part of this update, staff will be preparing one additional deliverable, which is a Project Initiation / Risk Assessment template. The goal of this deliverable is to ensure that WRCOG follows a formal and transparent process when considering new programs for WRCOG or conducting a thorough review to determine if there are sufficient resources to initiate a new program. Currently, WRCOG does not have a formal process that looks at resource availability or risk when considering new initiatives. Updates will be provided on this

template as progress is made.

Prior Actions:

March 18, 2021: The Technical Advisory Committee received and filed.

March 10, 2021: The Administration & Finance Committee received and filed.

Fiscal Impact:

WRCOG staff time for the review of the Framework is included in the Transportation & Planning Department Budget for Fiscal Year (FY) 2020/2021. Consultant expenses for an update to the Framework would be divided between the FY 2020/2021 and the FY 2021/2022 Transportation & Planning Department Budget.

Attachment:

None.

Page Intentionally Left Blank



Western Riverside Council of Governments Executive Committee

Staff Report

Subject: RCA Transition to RCTC

Contact: Aaron Hake, Interim Regional Conservation Deputy Executive Director, RCA / RCTC,
ahake@rctc.org, (951) 787-7141

Date: April 5, 2021

The purpose of this item is to provide an update on the transition of the management of the Western Riverside County Regional Conservation Agency (RCA) to the Riverside County Transportation Commission (RCTC).

Requested Action:

1. Receive and file.

On January 1, 2021, RCTC became the managing agency of RCA. Both RCTC and RCA retain its separate legal authorities and governing boards. The RCA Board of Directors requested RCTC to manage the Agency based on RCTC's expertise and track record in land acquisition, partnerships with state and federal wildlife agencies, project delivery, fiscal management, public engagement, and legislative advocacy. This management change also provides for contract consolidation and resource efficiencies. While much progress has been made to acquire the lands needed to fulfill the Multiple Species Habitat Conservation Plan (MSHCP) since its inception in 2004, significant effort is needed to complete the MSHCP's objectives while also maintaining buy-in from critical stakeholders.

Amongst the immediate priorities of the RCA Board Chair Natasha Johnson is to enhance the RCA's communication, education, and partnership with its member agencies. WRCOG's committee structure provides an ideal venue to kick-off this effort. Therefore, RCTC / RCA staff will make a brief presentation to the Committee regarding the RCA transition to RCTC, near term priorities, and seek input from Committee members.

Topics to discuss include:

- The 2020 Nexus Study Update for the MSHCP Locally
- Development Mitigation Fee (LDMF) which will become effective July 1, 2021
- Potential process and communication improvements
- Clarifying RCA and member agency roles and responsibilities under the MSHCP

Prior Actions:

March 18, 2021: The Technical Advisory Committee received and filed.

February 11, 2021: The Planning Directors Committee received and filed.

February 11, 2021: The Public Works Directors Committee received and filed.

Fiscal Impact:

This item is for informational purposes only; therefore, there is no fiscal impact.

Attachment:

None.



Western Riverside Council of Governments Executive Committee

Staff Report

Subject: Activities Update from the Western Municipal Water District

Contacts: Brenda Dennstedt, WMWD Board President, bdennstedt@wmwd.com, (951) 571-7100

Date: April 5, 2021

The purpose of this item is to provide an update of activities undertaken by WRCOG's water district representatives.

Requested Action:

1. Receive and file.

This item is reserved for a presentation by Brenda Dennstedt, WMWD Board President, related to the challenges that exist with our local water and imported water supplies.

Prior Action:

February 1, 2021: The Executive Committee received and filed.

Fiscal Impact:

This item is for informational purposes only; therefore, there is no fiscal impact.

Attachment:

None.

Page Intentionally Left Blank



Western Riverside Council of Governments Executive Committee

Staff Report

Subject: Activities Update from the Riverside County Office of Education Superintendent of Schools

Contact: Dr. Edwin Gomez, Riverside County Superintendent of Schools, egomez@rcoe.us, (951) 826-6670

Date: April 5, 2021

The purpose of this item is to provide an update of activities undertaken by the Riverside County Office of Education.

Requested Action:

1. Receive and file.

This item is reserved for a presentation from Dr. Edwin Gomez with an update on school reopening and the upcoming State of Education event.

Prior Action:

None.

Fiscal Impact:

This item is for informational purposes only; therefore, there is no fiscal impact.

Attachment:

None.

Page Intentionally Left Blank