



**CITY COUNCIL/SUCCESSOR AGENCY/  
FINANCING/POWER/  
CALIFORNIA CHOICE ENERGY AUTHORITY  
REGULAR MEETING  
AGENDA**

**Tuesday**

**July 23, 2019**

Regular Meeting – **5:00 p.m.**

Council Chambers – Lancaster City Hall

The Assistant City Clerk/Agency/Authority Secretary hereby declares the agenda was posted  
by 5:00 p.m. on Friday, July 19, 2019

at the entrance to the Lancaster City Hall Council Chambers.

44933 Fern Avenue, Lancaster, CA 93534

***LEGISLATIVE BODY***

***City Council/Successor Agency/Financing/Power/ California Choice Energy Authority***

Mayor/Chair R. Rex Parris

Vice Mayor/Vice Chair Marvin Crist

Council Member/Agency Director/Authority Member Raj Malhi

Council Member/Agency Director/Authority Member Ken Mann

Council Member/Agency Director/Authority Member Angela Underwood-Jacobs

**CITY OF LANCASTER, CALIFORNIA  
CITY COUNCIL/SUCCESSOR AGENCY/FINANCING/POWER/  
CALIFORNIA CHOICE ENERGY AUTHORITY  
REGULAR MEETING AGENDA  
TUESDAY, JULY 23, 2019**

**AGENDA ITEMS TO BE REMOVED**

Sometimes it is necessary to remove items from the agenda. We apologize for any inconvenience this may cause you.

**PUBLIC BUSINESS FROM THE FLOOR - AGENDIZED ITEMS**

Any person who would like to address the Legislative Bodies on any agendized item is requested to complete a speaker card for the City Clerk/Agency/Authority Secretary and identify the agenda item you would like to discuss. Each person will be given an opportunity to address the Legislative Body at the time such item is discussed. Speaker cards are available at the rear of the Council Chambers and your speaker card must be filled out *prior* to the agenda item being called. We respectfully request that you fill the cards out completely and print as clearly as possible. Following this procedure will allow for a smooth and timely process for the meeting and we appreciate your cooperation. *Individual speakers are limited to three (3) minutes each.*

Consent Calendar items under the Legislative Body may be acted upon with one motion, a second and the vote. If you desire to speak on an item or items on the Consent Calendar, you may fill out one speaker card for the Consent Calendar. You will be given three minutes to address your concerns before the Legislative Body takes action on the Consent Calendar.

**CALL TO ORDER**

City Council/Successor Agency/Financing/Power/ California Choice Energy Authority

**ROLL CALL**

City Council Members /Agency Directors /Authority Members: Malhi, Mann, Underwood-Jacobs; Vice Mayor/Vice Chair Crist, Mayor/Chair Parris

**INVOCATION**

**PLEDGE OF ALLEGIANCE**

**CITY OF LANCASTER, CALIFORNIA  
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**PRESENTATION**

1. Transportation Funding Presentation  
Presenter: Trolis Niebla, City Engineer

**COUNCIL ACTIONS**

**MINUTES**

**M 1.** Approve the City Council/Successor Agency/Financing/ Power/ California Choice Energy Authority Regular Meeting Minutes of July 9, 2019.

**CONSENT CALENDAR**

**CC 1.** Waive further reading of any proposed ordinances. (This permits reading the title only in lieu of reciting the entire text.)

**CC 2.** Approve the Check and Wire Registers for June 16, 2019 through June 29, 2019 in the amount of \$12,232,056.69. Approve the Check Registers as presented.

At each regular City Council Meeting, the City Council is presented with check and ACH/wire registers listing the financial claims (invoices) against the City for purchase of materials, supplies, services, and capital projects issued the prior three to four weeks. This process provides the City Council the opportunity to review the expenditures of the City. Claims are paid via checks, Automated Clearing House (ACH) payments, or federal wires. The justifying backup information for each expenditure is available in the Finance Department.

**CC 3.** Accept and approve the June 2019 Monthly Report of Investments as submitted.

Each month, the Finance Department prepares a report listing the investments for all separate entities under the jurisdiction of the City as identified in the City's Comprehensive Annual Financial Report.

**CC 4.** Award RFP No. 705-19, Landscape Maintenance Services, to Terracare, Inc. of Littleton, Colorado, in the amount of \$863,852 for landscape maintenance services; and authorize the City Manager, or his designee, to sign all documents.

The City of Lancaster maintains more than 6,360,000 square feet of developed landscaping. Based on evaluation measures identified in the Request for Proposal (RFP), which included: pricing, experience performing services of similar size and scope, qualifications of staff, references, and local preference, Terracare was determined to be the contractor who could provide the best product for the best price. Terracare currently has several offices in southern California, and will use this opportunity to expand into the Antelope Valley.

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**CC 5.** Award RFP No. 710-19, Landscape Maintenance Services (Parks), to Terracare, Inc. of Littleton, Colorado, in the amount of \$435,192 for landscape maintenance services (parks); and authorize the City Manager, or his designee, to sign all documents.

Services covered under this agreement include, but are not limited to, mowing, edging, aerating, pruning, fertilizing, weed abatement and pest control to provide maintenance of landscaping for all City parks, the Lancaster Municipal Stadium and the Lancaster National Soccer Center. Based on evaluation measures identified in the Request for Proposal (RFP), which included: pricing, experience performing services of similar size and scope, qualifications of staff, references and local preference, Terracare was determined to be the contractor who could provide the best product for the best price. Terracare currently has several offices in southern California, and will use this opportunity to expand into the Antelope Valley.

**JOINT NEW BUSINESS**

**JNB 1.** Preliminary and Final Official Statements - Measure M & R Street Improvements Project

City Council Recommendation:

Adopt **Resolution No. 19-42**, approving a Preliminary and Final Official Statement; and authorizing the taking of certain other actions in connection therewith.

Lancaster Financing Authority Recommendation:

Adopt **Resolution No. FA 02-19**, approving a Preliminary and Final Official Statement; and authorizing the taking of certain other actions in connection therewith.

The City Council previously adopted Resolution No. 19-17 and the Board of Directors previously adopted Resolution No. FA 01-19 approving the issuance by the Authority of its Revenue Bonds, Series 2019 (Measure M & R Street Improvements Project) and related bond documents as provided in such resolutions. Subsequent to that approval, the City requested that LAMTA approve the financing such that Measure's R and M revenues could be pledged to the City's financing. That approval was granted in writing on May 21, 2019. City Council and Authority Board approval of the form of the Preliminary Official Statement is the last action that either governing board will be requested to take in anticipation of a sale of the bonds.

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**NEW BUSINESS**

- NB 1.** Application for Statewide Park Development and Community Revitalization Program Grant Funds

Recommendation:

Adopt **Resolution No. 19-43**, approving the application for Statewide Park Development and Community Revitalization Program grant funds.

The California Department of Parks and Recreation has been delegated responsibility for the administration and establishment of necessary procedures to apply for grant funds from the Statewide Park Development and Community Revitalization Grant Program. The Program procedures require the applicant to certify by resolution the approval of the application before submission of the application to the State. Adoption of this resolution will approve the submittal of an application for the Sgt. Steve Owen Memorial Park Improvements and Rawley Duntley Park Renovation projects.

- NB 2.** Amendment to the Adopted Budget and Capital Improvement Program for Fiscal Year 2018-2019

Recommendation:

Adopt **Resolution No. 19-44**, authorizing an amendment to the adopted Budget and Capital Improvement Program (CIP) for Fiscal Year 2018-2019.

In reviewing records to close fiscal year 2018-2019, a need to increase recognized revenues/transfers in and CIP expenditures/transfers out, in the amount of \$1,487,475, was realized. Staff recommends adoption of this resolution to properly reflect budget related to operating transfers and change the funding of a portion of two capital improvement project.

**COUNCIL REPORTS**

- CR 1.** Report on the Activities of the Board of Directors for the Antelope Valley Transit Authority  
Presenter: Vice Mayor Crist and Council Member Underwood-Jacobs
- CR 2.** Council Reports

**CITY OF LANCASTER, CALIFORNIA  
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**CALIFORNIA CHOICE ENERGY AUTHORITY**

No action required at this time.

**LANCASTER HOUSING AUTHORITY**

No action required at this time.

**LANCASTER POWER AUTHORITY**

No action required at this time.

**LANCASTER SUCCESSOR AGENCY**

No action required at this time.

**CITY MANAGER / EXECUTIVE DIRECTOR ANNOUNCEMENTS**

**CITY CLERK / AGENCY / AUTHORITY SECRETARY ANNOUNCEMENT**

**PUBLIC BUSINESS FROM THE FLOOR - NON-AGENDIZED ITEMS**

This portion of the agenda allows an individual the opportunity to address the Legislative Bodies on any item ***NOT ON THE AGENDA*** regarding City/Agency/Authority business and speaker cards must be submitted ***prior*** to the beginning of this portion of the Agenda. Please complete a speaker card for the City Clerk/Agency/Authority Secretary and identify the subject you would like to address. We respectfully request that you fill the cards out completely and print as clearly as possible. Following this procedure will allow for a smooth and timely process for the meeting and we appreciate your cooperation. State law prohibits the Legislative Body from taking action on items not on the agenda and your matter may be referred to the City Manager/Executive Director. ***Individual speakers are limited to three (3) minutes each.***

**COUNCIL / AGENCY / AUTHORITY COMMENTS**

**CITY OF LANCASTER, CALIFORNIA  
CITY COUNCIL/SUCCESSOR AGENCY/FINANCING/POWER/  
CALIFORNIA CHOICE ENERGY AUTHORITY  
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**CLOSED SESSION**

1. Conference with Legal Counsel - Anticipated Litigation: significant exposure to litigation pursuant to Government Code Section 54956.9(d) (2) - two potential cases.
2. Conference with Legal Counsel - Anticipated Litigation: consideration of initiation of litigation pursuant to Government Code Section 54956.9(d) (4) - two potential cases.
3. Conference with Legal Counsel - Existing Litigation - Government Code Section 54956.9(d) (1)
4. Bootleggers 2 v. City of Lancaster, LASC Case No. BS169660
5. Parker v. Lancaster, LASC MC 027827
6. Kappler v. Lancaster, LASC 18STCVO4990
7. Better Neighborhoods v. Lancaster, LASC BS175020
8. Antelope Valley Groundwater Cases  
Included Actions:  
Los Angeles County Waterworks District No. 40 v. Diamond Farming Co.  
Superior Court of California, County of Los Angeles, Case No. BC325201;  
Los Angeles County Waterworks District No. 40 v. Diamond Farming Co.  
Superior Court of California, County of Kern, Case No. S-1500-CV-254-348  
Wm. Bolthouse Farms, Inc. v. City of Lancaster, Diamond Farming Co. v. City of Lancaster,  
Diamond Farming Co. v. Palmdale Water District  
Superior Court of California County of Riverside, consolidated actions;  
Case Nos. RIC 353 840, RIC 344 436, RIC 344 668

**ADJOURNMENT**

Next Regular Meeting:

**Tuesday, August 13, 2019 - 5:00 p.m.**

**CITY OF LANCASTER, CALIFORNIA  
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**MEETING ASSISTANCE INFORMATION**

In compliance with the Americans with Disabilities Act, this meeting will be held at a location accessible to persons with disabilities; if you need special assistance to participate in this meeting, please contact the City Clerk at (661)723-6020. Services such as American Sign Language interpreters, a reader during the meeting, and/or large print copies of the agenda are available. To ensure availability, you are advised to make your request at least 72 hours prior to the meeting/event you wish to attend. Due to difficulties in securing sign language interpreters, five or more business days notice is strongly recommended. For additional information, please contact the City Clerk at (661)723-6020.

**AGENDA ADDENDUM INFORMATION**

On occasion items may be added after the agenda has been mailed to subscribers. Copies of the agenda addendum item will be available at the City Clerk Department and are posted with the agenda on the windows of the City Council Chambers. For more information, please call the City Clerk Department at (661) 723-6020.

All documents available for public review are on file with the City Clerk Department.



M 1
07/23/19
JC

**LANCASTER  
CITY COUNCIL/SUCCESSOR AGENCY/  
FINANCING/HOUSING/POWER/  
CALIFORNIA CHOICE ENERGY AUTHORITY  
MINUTES  
July 9, 2019**

**CALL TO ORDER**

Mayor/Chair Parris called the meeting of the Lancaster City Council/Successor Agency/Financing/Power/California Choice Energy Authority to order at 5:00 p.m.

**ROLL CALL**

PRESENT: City Council Members /Agency Directors /Authority Members: Mann, Underwood-Jacobs; Vice Mayor/Vice Chair Crist; Mayor/Chair Parris

ABSENT: Council Member/Agency Director/Authority Member Malhi

On a motion by Council Member Mann and seconded by Vice Mayor Crist, the City Council/Successor Agency/Financing/Power/California Choice Energy Authority excused Council Member/Agency Director/Authority Member Malhi, by the following vote: 4-0-0-1; AYES: Mann, Underwood-Jacobs, Crist, Parris; NOES: None; ABSTAIN: None; ABSENT: Malhi

**STAFF MEMBERS:**

City Manager/Executive Director; City Attorney/Agency/Authority Counsel; Assistant City Clerk/Agency/Authority Secretary; Assistant to the City Manager; Parks, Recreation and Arts Operations Manager; Development Services Director; Public Safety Director/Police Chief; Finance Director

**INVOCATION**

Pastor Brandon Ewing, Lancaster Baptist Church

**PLEDGE OF ALLEGIANCE**

Council Member Underwood-Jacobs

**PRESENTATION**

1. Presentation to Newton Chelette, former Antelope Valley College Athletic Director, in recognition of his induction into the California Community College (CCC) Hall of Fame  
Presenter: Mayor Parris

LANCASTER CITY COUNCIL/ SUCCESSOR AGENCY/  
FINANCING/HOUSING/POWER/CALIFORNIA CHOICE ENERGY AUTHORITY  
**MINUTES**  
July 9, 2019

**M 1. MINUTES**

On a motion by Vice Mayor Crist and seconded by Council Member Underwood-Jacobs, the City Council/Successor Agency/Financing/Power/California Choice Energy Authority approved the City Council/Successor Agency/Financing/Power/California Choice Energy Authority Regular Meeting Minutes of June 25, 2019, by the following vote: 4-0-0-1; AYES: Mann, Underwood-Jacobs, Crist, Parris; NOES: None; ABSTAIN: None; ABSENT: Malhi

**CONSENT CALENDAR**

Item No. CC 3 was removed for separate discussion.

On a motion by Vice Mayor Crist and seconded by Council Member Underwood-Jacobs, the City Council approved the Consent Calendar with the exception of Item No. CC 3, by the following vote: 4-0-0-1; AYES: Mann, Underwood-Jacobs, Crist, Parris; NOES: None; ABSTAIN: None; ABSENT: Malhi

Addressing the City Council on Item No. CC 3:  
Brian Glidden – indicated he was there to provide answers to questions if needed.

On a motion by Council Member Mann and seconded by Council Member Underwood-Jacobs, the City Council approved Item No. CC 3, by the following vote: 4-0-0-1; AYES: Mann, Underwood-Jacobs, Crist, Parris; NOES: None; ABSTAIN: None; ABSENT: Malhi

**CC 1. ORDINANCE WAIVER**

Waived further reading of any proposed ordinances. (This permits reading the title only in lieu of reciting the entire text.)

**CC 2. CHECK REGISTERS**

Approved the Check and Wire Registers for June 2, 2019 through June 15, 2019 in the amount of \$1,300,156.20. Approve the Check Registers as presented.

**CC 3. PARCEL MAP NO. 74975**

Approved the map and accepted the dedications as offered on Parcel Map No. 74975 located at the southwest corner of 20<sup>th</sup> Street West and Avenue H; made findings that this project will not violate any of the provisions of Sections 66473.5, 66474.1 and 66474.6 of the Subdivision Map Act; and instructed the City Clerk to endorse on the face of the map the certificate which embodies the approval of said map and the dedications shown thereon.

**CC 4. TRACT MAP NO. 67582**

Approved the map and accepted the dedications as offered on Tract Map No. 67582, located at the northeast corner of 52<sup>nd</sup> Street West and Avenue J-8; made findings that this project will not violate any of the provisions of Sections 66473.5, 66474.1 and 66474.6 of the Subdivision Map Act; and instructed the City Clerk to endorse on the face of the map the certificate which embodies the approval of said map and the dedications shown thereon.

LANCASTER CITY COUNCIL/ SUCCESSOR AGENCY/  
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**CC 5. RESOLUTION NO. 19-41**

Adopt **Resolution No. 19-41**, declaring its intention to vacate a portion of a public sewer easement within Parcel 1 of Tract Map 71630 located near the southwest corner of 10<sup>th</sup> Street West and Avenue J-2.

**JNB 1. LONG-TERM RENEWABLE ENERGY CONTRACT WITH MOUNTAIN VIEW III, LLC ON BEHALF OF RANCHO MIRAGE ENERGY AUTHORITY**

It was the consensus of the City Council to waive the Staff Report for this item.

On a motion by Vice Mayor Crist and seconded by Council Member Underwood-Jacobs, the City Council approved a long-term renewable energy contract with Mountain View III, LLC for Lancaster Choice Energy, by the following vote: 4-0-0-1; AYES: Mann, Underwood-Jacobs, Crist, Parris; NOES: None; ABSTAIN: None; ABSENT: Malhi

On a motion by Vice Chair Crist and seconded by Authority Member Underwood-Jacobs, the California Choice Energy Authority approved California Choice Energy Authority entering into a long-term renewable energy contract with Mountain View III, LLC on behalf of Rancho Mirage Energy Authority, by the following vote: 4-0-0-1; AYES: Mann, Underwood-Jacobs, Crist, Parris; NOES: None; ABSTAIN: None; ABSENT: Malhi

**CR 1. REPORT ON THE ACTIVITIES OF THE BOARD OF DIRECTORS FOR THE ANTELOPE VALLEY TRANSIT AUTHORITY**

No report given.

**CR 2. COUNCIL REPORTS**

None

**LANCASTER HOUSING AUTHORITY**

No action required at this time.

**LANCASTER FINANCING AUTHORITY**

No action required at this time.

**LANCASTER POWER AUTHORITY**

No action required at this time.

**LANCASTER SUCCESSOR AGENCY**

No action required at this time.

LANCASTER CITY COUNCIL/ SUCCESSOR AGENCY/  
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July 9, 2019

**CITY MANAGER / EXECUTIVE DIRECTOR ANNOUNCEMENTS**

The City Manager discussed the success of the 4<sup>th</sup> of July Event held at the Antelope Valley Fairgrounds, and thanked the City's Parks, Recreation and Arts Department, City Council, and event sponsors.

Additionally, the City Manager discussed the recent earthquakes and introduced Emergency Services Administrator, Andrew Noga, to discuss the City's outreach to the City of Ridgecrest.

Mr. Noga discussed steps taken to check critical facilities throughout the City the day of the earthquake including the City's outreach and support to the City of Ridgecrest to provide assistance with staffing, supplies, and any other items identified.

The City Manager also discussed a drive to be announced to the Community to provide supplies to the City of Ridgecrest.

Mayor Parris discussed the recent events, need for supplies, and significance of preparation.

**CITY CLERK / AGENCY / AUTHORITY SECRETARY ANNOUNCEMENT**

The Assistant City Clerk provided the public with the procedure to address the City Council/Successor Agency/Authority regarding non-agendized items.

**PUBLIC BUSINESS FROM THE FLOOR - NON-AGENDIZED ITEMS**

Addressing the City Council at this time:

Jan Norin – discussed the recent earthquakes, fireworks in her neighborhood, need for more police officers, and fines for illegal fireworks.

Fran Sereseres – thanked the Council for rodeo tickets, recent earthquakes, her past event attendance, planning commission activity, and her attendance at meetings.

David Paul – discussed the recent earthquake, streetlight cameras, cost effectiveness, fireworks in his neighborhood, teaching common sense, building roads with old tires, social media posts, financial success, technology, and thanked the Council.

Kam Kofod – discussed planting more trees throughout the City, her personal activity, and the value in planting trees.

Michael Rives – discussed earthquakes, medical facilities in rural areas, Healthcare Districts, and earthquake preparation.

LANCASTER CITY COUNCIL/ SUCCESSOR AGENCY/  
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**COUNCIL / AGENCY / AUTHORITY COMMENTS**

Councilmember Underwood-Jacobs indicated California Bank & Trust will be accepting donations for the Cities of Trona and Ridgecrest to assist with getting the donations to these Cities.

Mayor Parris discussed the recent earthquake and enforcement of building codes.

Sandy Smith indicated the Mayor would be presenting the State of the City tomorrow at the Hellenic Center and provided additional information for anyone interested in attending.

**ADJOURNMENT**

Mayor/Chair Parris adjourned the meeting at 5:32 p.m. and stated the next City Council/Successor Agency/Financing/Power/California Choice Energy Authority meeting will be held on Tuesday, July 23, 2019 at 5:00 p.m.

LANCASTER CITY COUNCIL/ SUCCESSOR AGENCY/  
FINANCING/HOUSING/POWER/CALIFORNIA CHOICE ENERGY AUTHORITY  
**MINUTES**  
July 9, 2019

PASSED, APPROVED and ADOPTED this 23<sup>rd</sup> day of July, 2019, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST:

APPROVED:

\_\_\_\_\_  
RONDA PEREZ  
ACTING CITY CLERK

\_\_\_\_\_  
R. REX PARRIS  
MAYOR/CHAIRMAN

STATE OF CALIFORNIA            }  
COUNTY OF LOS ANGELES    }ss  
CITY OF LANCASTER            }

CERTIFICATION OF MINUTES  
CITY COUNCIL/SUCCESSOR AGENCY/FINANCING/HOUSING/POWER/CALIFORNIA  
CHOICE ENERGY AUTHORITY

I, \_\_\_\_\_, \_\_\_\_\_ of the City of Lancaster, CA, do hereby certify that this is a true and correct copy of the original City Council/Successor Agency/Financing/Housing/Power/California Choice Energy Authority Minutes, for which the original is on file in my office.

WITNESS MY HAND AND THE SEAL OF THE CITY OF LANCASTER, CA on this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

(seal)

\_\_\_\_\_

**STAFF REPORT**  
**City of Lancaster**

CC 2
07/23/19
JC

Date: July 23, 2019  
To: Mayor Parris and City Council Members  
From: Pam Statsmann, Finance Director  
Subject: **Check Registers – June 16, 2019 through June 29, 2019**

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**Recommendation:**

Approve the Check Registers as presented.

**Fiscal Impact:**

\$12,232,056.69 as detailed in the Check Registers.

**Background:**

At each regular City Council Meeting, the City Council is presented with check and ACH/wire registers listing the financial claims (invoices) against the City for purchase of materials, supplies, services, and capital projects issued the prior three to four weeks. This process provides the City Council the opportunity to review the expenditures of the City. Claims are paid via checks, Automated Clearing House (ACH) payments, or federal wires. The justifying backup information for each expenditure is available in the Finance Department.

Check Nos.:	7404733-7404981	\$ 9,435,967.72
ACH/Wire Check Nos.:	101010375-101010389	<u>\$ 2,796,088.97</u>
		\$12,232,056.69
Voided Check No.:	N/A	
Voided ACH/Wire No.:	N/A	

PS:sp

**Attachments:**

Check Register  
ACH/Wire Register

# City of Lancaster Check Register



From Check No.: 7404733 - To Check No.: 7404981

From Check Date: 06/16/19 - To Check Date: 06/29/19

Printed: 7/8/2019 13:51

Check No	Supplier	Supplier Name	Invoice Description	Invoice Amt	Charge Code	GL Amount
7404733	A9444	A V COMMUNITY CONCERTS ASSN	18/19-MEMBERSHIP FEES	2,700.51	101 2107000	2,820.00
					101 3405127	(42.30)
					101 3405302	(77.19)
				<u>2,700.51</u>		<u>2,700.51</u>
7404734	C7176	BOSSERT-JOHNSON, AUBERN	RFND-RNTL DEP-MOAH-06/07/19	250.00	101 2182002	250.00
7404735	3563	CEDAR STREET THEATRE	PRCDS-DAMN YANKEES-05/24-26/19	8,994.02	101 2107000	17,666.75
					101 3405127	(6,844.00)
					101 3405302	(558.23)
					101 3405303	(1,270.50)
				<u>8,994.02</u>		<u>8,994.02</u>
7404736	06789	CORBETT, JOCELYN	JC-PR DM-SACRAMNTO-06/23-24/19	99.00	101 4230201	99.00
7404737	09355	FELBER, WELSEY	WF-MLGE-BAKERSFIELD-06/5-6/19	93.73	101 4240201	93.73
7404738	09522	GRISLER-WOOD, BRENDA	RFND-BUSINESS LICENSE FEES	177.00	101 2179004	4.00
					101 3102200	92.00
					101 3102250	81.00
				<u>177.00</u>		<u>177.00</u>
7404739	09524	GUAJARDO, MICHAEL Y	RFND-ADMIN CITATION-19-50A	100.00	101 3310400	100.00
7404740	09528	HERNANDEZ, BRIAN	MAYOR'S SCHLRSHR RCPNT-LTV	250.00	106 4430200	250.00
7404741	07635	HOGAN, JEFF	JH-MLGE-LAS VEGAS-05/19-23/19	263.80	101 4220256	(61.00)
					101 4220256	324.80
				<u>263.80</u>		<u>263.80</u>
7404742	1296	L A CO CLERK-ENVIRO FILINGS	NOE:NET ZERO ENERGY GEN PROJCT	75.00	101 4770361	75.00
7404743	1215	L A CO WATERWORKS	04/08/19-06/11/19 WATER SVC	6,728.53	101 4633654	148.48
					203 4636654	2,051.00
					363 4542770	50.22
					482 4636654	4,478.83
				<u>6,728.53</u>		<u>6,728.53</u>
7404744	09443	MACER, KARIN K.	CS-PERF-UP TIL DWN BND-6/27/19	550.00	101 4649225	550.00
7404745	09521	MAGENA, ALEJANDRINA	RFND-SUMMER CAMP FEES	276.00	101 2182001	276.00
7404746	09520	NIKI LANCASTER, LP	RLS MONUMENT SECURITY-PM 28972	2,300.00	101 2503001	2,300.00
7404747	09523	NOEL, LANGUBAN	RFND-ADMIN CITATION-18-5691	200.00	101 3310400	200.00
7404748	09531	OCULUS1 DEVELOPMENT, INC	RFND-ZONING FEE-ZC/GPA 18-01	20,435.00	101 3203100	20,435.00



# City of Lancaster Check Register



From Check No.: 7404733 - To Check No.: 7404981

From Check Date: 06/16/19 - To Check Date: 06/29/19

Printed: 7/8/2019 13:51

Check No	Supplier	Supplier Name	Invoice Description	Invoice Amt	Charge Code	GL Amount
7404749	09529	OLGUIN, HECTOR XAVIER	MAYOR'S SCHLRSHR RCPNT-LTV	250.00	106 4430200	250.00
7404750	A7221	P E R S LONG TERM CARE PROGRAM	06/19-RETIREE LONG TERM CARE	5,130.73	109 1101000	5,130.73
7404751	1705	QUARTZ HILL WATER DISTRICT	05/01/19-06/03/19 WATER SVC	7,522.78	101 4634654 203 4636654 482 4636654	3,970.69 745.97 2,806.12
				<u>7,522.78</u>		<u>7,522.78</u>
7404752	1894	SIGNS & DESIGNS	VETERNS HOMES-MNMNT SGN/INSTLL	9,231.83	101 4200301	9,231.83
7404753	03154	SO CA EDISON	05/09/19-06/10/19 ELECTRIC SVC	649.36	203 4636652 482 4636652 484 4755652	34.24 595.97 19.15
				<u>649.36</u>		<u>649.36</u>
7404754	03154	SO CA EDISON	01/03/19-06/04/19 ELECTRIC SVC	985.52	203 4636652 482 4636652	222.03 763.49
				<u>985.52</u>		<u>985.52</u>
7404755	03154	SO CA EDISON	03/05/19-06/17/19 ELECTRIC SVC	2,299.97	203 4636652 482 4636652 483 4785660 484 4755652	239.22 1,653.27 87.70 319.78
				<u>2,299.97</u>		<u>2,299.97</u>
7404756	03154	SO CA EDISON	02/07/19-06/14/19 ELECTRIC SVC	3,258.90	101 4633652 482 4636652 483 4785660	2,859.03 76.65 323.22
				<u>3,258.90</u>		<u>3,258.90</u>
7404757	03154	SO CA EDISON	02/01/19-06/14/19 ELECTRIC SVC	9,613.67	480 4755652 483 4785652 483 4785660 484 4755652 485 4755652 490 4250652	361.85 6,011.12 36.24 171.81 2,771.69 260.96
				<u>9,613.67</u>		<u>9,613.67</u>
7404758	03154	SO CA EDISON	10/30/17-5/31/18-NON-ENRGY FEE	15,302.23	490 4250301	15,302.23
7404759	03154	SO CA EDISON	03/06/19-06/12/19 ELECTRIC SVC	28,895.46	101 4631652 101 4633652 101 4634652 101 4635652 101 4636402 101 4651652 101 4800403 482 4636652 483 4785660	9,298.85 8,764.38 2,304.00 6,456.50 275.52 894.90 356.61 20.43 524.27
				<u>28,895.46</u>		<u>28,895.46</u>

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7404760	03154	SO CA EDISON	10/01/15-6/30/17-NON-ENRGY FEE	34,522.73	490 4250301	34,522.73
7404761	03154	SO CA EDISON	09/14/17-06/01/19 ELECTRIC SVC	46,549.45	483 4785660	46,549.45
7404762	C2554	SUPERIOR COURT OF CA-CO OF L A	05/19-ALLCTN OF PRKG PENALTIES	19,662.10	101 3310200 101 3310200 101 3310200 101 3310200 101 3310200 101 3310200 101 3310200	107.60 2,005.50 2,005.50 2,005.50 2,674.00 2,869.00 3,984.00 4,011.00 <u>19,662.10</u>
7404763	C7500	A B I DOCUMENT SUPPORT SRVCS	CLAIM #040-15/CLGL-1346A1	102.98	109 4430300	102.98
7404764	02071	A G SOD FARMS INC	PBP-SOD	277.46	101 4631404	277.46
7404765	06576	A V CHEVROLET	MIRROR-EQ6822 MODULE-EQ3831	302.15 287.39 <u>589.54</u>	101 4545207 203 4752207	302.15 287.39 <u>589.54</u>
7404766	C0077	A V E K	NSC-05/19-BACTERIOLOGICAL TEST	20.00	101 4635301	20.00
7404767	A5389	A V FAIR	04/19-WATCH & WAGER COMM	2,478.32	101 2189000	2,478.32
7404768	03854	A V JANITORIAL SUPPLY	CPC-JANITORIAL SUPPLIES	1,459.47	101 4631670	1,459.47
7404769	07489	ACCESSO SHOWARE	PAC-05/19-TICKET SALES	1,066.75	101 4650302	1,066.75
7404770	05445	ADELMAN BROADCASTING, INC	PAC-05/19 ADS-KENNY CETERA PAC-05/19 ADS-KENNY CETERA PAC-06/19 ADS-KENNY CETERA	232.00 240.00 8.00 <u>480.00</u>	101 4650205 101 4650205 101 4650205	232.00 240.00 8.00 <u>480.00</u>
7404771	05956	ADVANCED PRINTING & GRAPHICS	SIGNAL CABINET WRAPS	15,379.28	324 4785770	15,379.28
7404772	D3147	AMERICAN PLUMBING SERVICES, INC	PBP-RESTROOM REPAIRS LUC-BACKFLOW TEST NSC-AUTO CONTROL VALVE REPAIR OMP-DRINKING FOUNTAIN REPAIR WPL-RESTROOM REPAIRS RESTROOM REPAIRS	400.00 127.50 97.00 269.88 339.18 210.43 <u>1,443.99</u>	101 4631403 101 4633301 101 4635402 101 4634402 101 4631403 101 4650402	400.00 127.50 97.00 269.88 339.18 210.43 <u>1,443.99</u>
7404773	04760	AMERINAT	05/19-MONTHLY SERVICE FEE	536.55	306 4542301	536.55
7404774	04190	AMERIPRIDE SERVICES	UNIFORM CLEANINGS	81.71	101 4753209	81.71
7404775	01933	AMERON	POLES DAMAGE REPAIR POLES DAMAGE REPAIR(3)	10,007.32 7,505.49	483 4785460 483 4785460	10,007.32 7,505.49

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			POLE DAMAGE REPAIR	2,479.93	483 4785460	2,479.93
				19,992.74		19,992.74
7404776	02693	ANDY GUMP, INC	PBP-FENCE RNTL-05/31-06/27/19	19.71	101 4631602	19.71
7404777	C9805	ARROW TRANSIT MIX INC	READY MIX CONCRETE	577.23	203 4752410	577.23
			READY MIX CONCRETE	546.02	203 4752410	546.02
				1,123.25		1,123.25
7404778	D2995	ARTILLERY, LLC	MOAH-MAY/JUNE 19-ADVERTISING	1,250.00	101 4651251	1,250.00
7404779	04151	AXES FIRE INC	FIRE CERTS(6)	63.00	101 4640207	10.50
					203 4752207	10.50
					203 4752207	10.50
					480 4755207	10.50
					484 4755207	21.00
				63.00		63.00
7404780	D0879	B'S EMBROIDERY ETC	CPC-UNIFORM HATS(10)	164.25	101 4631209	164.25
7404781	08094	BURRELLESLUCE	05/19-MONTHLY MEDIA CHARGES	380.80	101 4305301	380.80
7404782	03475	CLARK AND HOWARD	TOWING FEES-EQ3822	125.00	203 4752207	125.00
7404783	08484	CONSOLIDATED ELECTRCL DIST INC	BYPASS BAL LAMPS(26)	1,400.72	483 4785665	1,400.72
			LED WRAPAROUND(2)	122.09	483 4785665	122.09
			LUC-LED LIGHTING UPGRADES	1,978.67	101 4633403	1,978.67
				3,501.48		3,501.48
7404784	09078	CYBERCODERS, INC	CONSULTING SERVICES	946.00	101 4315301	946.00
			CONSULTING SERVICES	1,268.50	101 4315301	1,268.50
				2,214.50		2,214.50
7404785	08018	DANIELIAN ASSOCIATES INC	04/19-PROFESSIONAL SERVICE	12,350.00	361 4541904BN	12,350.00
7404786	C7625	DAPEER,ROSENBLIT & LITVAK, LLP	05/19-SPECIALIZED LGL SVCS	853.80	101 4545303	853.80
7404787	06248	DARYL'S PLUMBING	45534 GADSDEN-RESTROOM REPAIRS	175.00	306 4542682	175.00
7404788	07131	DE LAGE LANDEN FINANCIAL SVCS	06/15/19-07/14/19 NETWRK PRNTR	168.95	101 4800254	168.95
7404789	00432	DEPT OF JUSTICE	05/19-FINGERPRINT APPS	1,052.00	101 4220301	1,052.00
7404790	D4053	DEPT OF PUBLIC HEALTH	EPL-HEALTH CERT #AR0141348	672.00	101 4631311	672.00
			WPL-HEALTH CERT #AR0141548	274.00	101 4631311	274.00
			TBP-SPLASH PAD	672.00	101 4631402	672.00
				1,618.00		1,618.00
7404791	00414	DESERT LOCK COMPANY	JRP-PM LOCKS(2)	41.06	101 4631403	41.06
			VEHICLE KEYS(2)	9.31	101 4633403	9.31
			EPL-KEYS(2)	10.95	101 4631403	10.95
			WCP-LOCK REPAIR	58.83	101 4631403	58.83

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				120.15		120.15
7404792	09191	DESIGNERS TOUCH LANDSCAPE INC	CH-PLANT INSTLLTNS(60)	1,500.00	101 4633404	1,500.00
7404793	09463	ELLIS MAKUS LLP	05/19-LEGAL SERVICES	16,113.75	101 4100303	16,113.75
7404794	06857	ENTERTAINMENTMAX, INC	COMMSNS-KENNY CETERA-05/08/19	750.00	101 4650301	750.00
7404795	D2427	ENVIRONMENTAL SOUND SOLUTIONS	06/19-MUSIC SERVICE	65.00	101 4633301	65.00
7404796	09416	FAZIO, MATTHEW S.	06/19-LTV VIDEO PRODUCTION	520.00	101 4305296	520.00
7404797	00617	FEDERAL EXPRESS CORPORATION	EXPRESS MAILINGS	59.66	101 1110000	59.66
			EXPRESS MAILINGS	104.57	101 4600212	72.41
					217 16TS029924	32.16
				<u>164.23</u>		<u>164.23</u>
7404798	07124	FIRST AMERICAN DATA TREE, LLC	05/19-PROFESSIONAL SERVICES	500.00	101 4230301	500.00
7404799	07369	FRONTIER COMMUNICATIONS CORP	05/25-06/24/19 TELEPHONE SVC	738.11	101 4633651	738.11
7404800	03430	GRAINGER	CH-BACKFLOW PREVENTION	304.58	101 4633403	304.58
			MTNC YD-TACTICAL GLOVES(2)	14.10	203 4752209	14.10
			MTNC YD-TACTICAL GLOVES(8)	56.41	203 4752209	56.41
			MTNC YD-TACTICAL GLOVES(17)	119.87	203 4752209	119.87
			MTNC YD-TACTICAL GLOVES	7.05	203 4752209	7.05
				<u>502.01</u>		<u>502.01</u>
7404801	09217	GRAY QUARTER INC	05/19-TECHINICAL CONSULTING	2,266.25	101 4315302	2,266.25
7404802	00822	H W HUNTER, INC	LAMP-EQ6816	53.61	101 4545207	53.61
7404803	00849	HAAKER EQUIPMENT CO	DECALS/DECAL KITS-EQ3988	959.95	480 4755207	959.95
			MTNC YD-POLE.BASIN NOZZLE	2,348.78	480 4755208	2,348.78
			DECAL KITS-EQ3779	931.14	480 4755207	931.14
			HOSE END/GSKT-EQ3779	130.99	480 4755207	130.99
				<u>4,370.86</u>		<u>4,370.86</u>
7404804	09030	HR GREEN PACIFIC INC	CDP18-05-PERMIT PLAN CHECKING	9,216.45	101 4762301	9,216.45
			CDP-1805-FINAL MAP	15,112.70	101 4762301	15,112.70
				<u>24,329.15</u>		<u>24,329.15</u>
7404805	D3626	INLAND EMPIRE REG CMPSTNG AUTH	NSC-COMPOST	750.00	101 4635404	750.00
7404806	A2594	INTERSTATE BATTERY SYS OF A V	BATTERY-EQ5842	95.64	101 4632207	95.64
			BATTERIES(2)-EQ4361	229.56	203 4785207	229.56
				<u>325.20</u>		<u>325.20</u>
7404807	08895	JPW COMMUNICATIONS LLC	05/19-COMMUNICATION SERVICES	2,090.00	324 4785770	2,090.00
7404808	D1903	KERN MACHINERY INC-LANCASTER	GSKT/SEAL/SCRW-EQ5835	25.26	101 4635207	25.26
			NSC-TIRE/KEY/HY-GARD	256.20	101 4635207	256.20

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			CLUTCHES/BELT-EQ5848	1,105.17	101 4635207	1,105.17
			CABLES(2)-EQ5835	109.08	101 4635207	109.08
			RACK/SEATS/BSHNGS-EQ5836	1,217.42	101 4635207	1,217.42
				<u>2,713.13</u>		<u>2,713.13</u>
7404809	1214	L A CO SHERIFF'S DEPT	04/19-SPECIAL INVESTIGATIONS	1,036.27	101 4820355	937.80
					101 4820357	98.47
				<u>1,036.27</u>		<u>1,036.27</u>
7404810	C7873	LANCASTER AUTO MALL ASSOC	06/19-AUTO MALL SIGN EXPENSES	930.67	101 4240340	930.67
7404811	04351	LYN GRAFIX	2019 CAMP SHIRTS(317)	1,995.91	101 4640209	1,995.91
7404812	C1198	MC PHERSON CONSULTING	NSC-LED LIGHT INSTALLATION	345.00	101 4635402	345.00
7404813	01450	MCCAIN INC	PPB CAP AND SWITCH CUSTOM ETCH	1,834.93	483 4785461	1,834.93
			PPB SIGN/PPB FRAME ASSY	609.50	483 4785461	609.50
				<u>2,444.43</u>		<u>2,444.43</u>
7404814	D3578	MINUTEMAN PRESS	OUTLOOK PROCESSING(61300)	1,969.85	101 4305253	1,181.91
					101 4643253	787.94
			LCE-CALPINE PUSH NOTICE(1)	0.96	490 4250212	0.96
			LCE-CALPINE PUSH NOTICES(337)	254.54	490 4250212	254.54
			LCE-CALPINE PUSH NOTICES(362)	201.16	490 4250212	201.16
				<u>2,426.51</u>		<u>2,426.51</u>
7404815	01184	MONTE VISTA CAR WASH	CAR WASHES(11)	185.00	101 4200207	17.00
					101 4200207	17.00
					101 4200207	17.00
					101 4300207	16.00
					101 4545207	17.00
					101 4761207	17.00
					101 4783207	17.00
					101 4800207	17.00
					101 4800207	17.00
					101 4800207	17.00
					486 4250207	16.00
				<u>185.00</u>		<u>185.00</u>
7404816	05773	MORRISON WELL MAINTENANCE	NSC-04/19-BACTERIOLOGICAL TEST	800.00	101 4635301	800.00
7404817	D1167	MUNICIPAL CODE CORPORATION	ELECTRONIC UPDATE PAGES	741.00	101 4210360	741.00
7404818	08562	NAPA AUTO PARTS	MULTI FNCTN SWTCH-EQ5501	185.70	101 4653207	185.70
			SENSOR-EQ5501	36.08	101 4653207	36.08
			HDLGT DMMR SWTCH-EQ6819	76.17	484 4755207	76.17
				<u>297.95</u>		<u>297.95</u>
7404819	D2822	NATIONAL CINEMEDIA, LLC	PS-THEATER ADS-05/17-06/13/19	433.37	101 4800205	433.37
7404820	09302	NEWMAN-HARRISON, SUSAN	PF-SOCIAL MEDIA CAMPAIGN	1,500.00	101 4649567	1,500.00
			CA-SOCIAL MEDIA CAMPAIGN	1,200.00	101 4649562	1,200.00

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			CS-SOCIAL MEDIA CAMPAIGN	1,800.00	101 4649225	1,800.00
				4,500.00		4,500.00
7404821	09270	NEXTECH SYSTEMS INC	LED COUNTDOWN MODULES(20)	2,409.00	483 4785461	2,409.00
7404822	03762	OFFICE DEPOT	DEV SVCS-PAPER	36.20	101 4783259	36.20
			DEV SVCS-ENVELOPES	22.98	101 4783259	22.98
			DEV SVCS-ENVELOPES	(22.98)	101 4783259	(22.98)
				36.20		36.20
7404823	07540	OFFICETEAM	NT-HR STAFF-05/27-31/19	671.55	101 4220308	671.55
7404824	1443	OMEGA MAINTENANCE, INC	CHAINSAWS(2)	1,224.21	203 4752208	1,224.21
7404825	05741	P P G ARCHITECTURAL FINISHES	PBP-PAINT SUPPLIES	143.04	101 4631403	143.04
			PBP-PAINT SUPPLIES	428.51	101 4631404	428.51
			PBP-PAINT	71.71	101 4631403	71.71
			MP-PAINT SUPPLIES	139.46	101 4631403	139.46
			NSC-PAINT	83.11	101 4635404	83.11
			GRAFFITI REMOVAL SUPPLIES	533.52	203 4752502	533.52
			GRAFFITI REMOVAL SUPPLIES	43.79	203 4752502	43.79
			NSC-PAINT	1,060.62	101 4635404	1,060.62
				2,503.76		2,503.76
7404826	02169	PATTON'S METAL WORKING	HINGES(12)-EQ3842	12.35	203 4752207	12.35
			METAL-EQ3758	49.93	203 4752207	49.93
			METAL-EQ3759	46.65	203 4752207	46.65
				108.93		108.93
7404827	05998	PAVING THE WAY FOUNDATION	CMMNTY SPPRT/GOOD CTZNSHP PRGM	450.00	101 4820301	450.00
			CMMNTY SPPRT/GOOD CTZNSHP PRGM	1,776.00	101 4820301	1,776.00
				2,226.00		2,226.00
7404828	05499	PENSKE TRUCK LEASING CO LP	MOAH-VAN RENTAL-04/29-30/19	397.64	101 4653602	397.64
			MOAH-VAN RENTAL-06/03-04/19	266.32	101 4653602	266.32
				663.96		663.96
7404829	1612	PETRO LOCK	MOAH-DIESEL(37)	126.82	101 4633301	126.82
			PAC-DIESEL(29)	102.19	101 4650301	102.19
			CH-DIESEL(56)	185.29	101 4633301	185.29
				414.30		414.30
7404830	05780	PLUMBERS DEPOT, INC	CCTV REPAIR PARTS	3,685.36	480 4755405	3,685.36
			INTRINSICALLY SAFE PRO HEADSTS	7,066.04	484 4755753	7,066.04
			CCTV REPAIR-CABLE ASSY	390.87	480 4755405	390.87
				11,142.27		11,142.27
7404831	06160	PRIME TIME PARTY RENTALS	CA-CHAIRS/TABLES RENTAL	2,347.75	101 4649562	2,347.75
7404832	09257	PROFESSIONAL PAVEMENT PROD INC	HANDHELD RETROREFLECTOMETER	7,532.00	101 2175000	(715.54)
					211 4785763	8,247.54
				7,532.00		7,532.00

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7404833	06607	PUMPMAN INC	H-8 PUMP STATION PARTS	586.00	485 4755301	586.00
7404834	A9382	R H A LANDSCAPE ARCHITECTS	SKATEPARK-DESIGN/CONSLTNG SVCS	300.00	701 11BS028924	300.00
7404835	07507	RESOURCE BUILDING MATERIALS	CONCRETE MIX	593.93	203 4752410	593.93
7404836	D3947	S G A CLEANING SERVICES	EPL-EXIT SIGNS/RESTROOM REPAIR PAC-PAINTING EPL-RESTROOM/SHOWER REPAIRS	660.00 985.00 360.00 <u>2,005.00</u>	101 4631403 101 4633402 101 4631403	660.00 985.00 360.00 <u>2,005.00</u>
7404837	03962	SAFETY KLEEN	DRUM ROLL TOP HARD CVR	5,548.14	101 4755355	5,548.14
7404838	D2568	SEQUOIA PACIFIC SOLAR I, LLC	CH-05/19(105813.60 KWH) MTNC YD-05/19(59349.72 KWH) PAC-05/19(41652.16 KWH) LMS-05/19(65402 KWH)	10,581.36 5,934.97 4,165.22 6,540.20 <u>27,221.75</u>	101 4633652 101 4633652 101 4650652 101 4632652	10,581.36 5,934.97 4,165.22 6,540.20 <u>27,221.75</u>
7404839	01816	SMITH PIPE & SUPPLY INC	PBP-MARKING PAINT NSC-IRRIGATION SUPPLIES STP-HUNTER ROTOR PBP-MULCH CH-IRRIGATION SUPPLIES	16.06 339.96 376.72 42.57 259.25 <u>1,034.56</u>	101 4631404 101 4635404 101 4631404 101 4631404 101 4633404	16.06 339.96 376.72 42.57 259.25 <u>1,034.56</u>
7404840	08917	SOFTWARE & VINE INC	04/19-06/19-WEB HOSTING/MTNC	2,500.00	306 4542355	2,500.00
7404841	06393	SPRAYTEC	PUMP-EQ3771	1,255.04	203 4752207	1,255.04
7404842	05413	STATEWIDE TRAFFIC SAFETY/SIGNS	YELLOW FAST DRY STRIPING PAINT	499.79	203 4785454	499.79
7404843	D2316	STUART, CAROL	05/19-CONSULTING SVCS	5,000.00	306 4542301	5,000.00
7404844	05590	STUDIO EQUIPMENT RENTALS INC	OMP-LIFT BOOM RNTL-06/04/19 CA-GENERATOR/GATOR RNTL-6/7/19	375.00 821.25 <u>1,196.25</u>	101 4641251 101 4649562	375.00 821.25 <u>1,196.25</u>
7404845	09316	TEKWERKS INTERNET	06/19-INTERNET SERVICE	1,575.00	101 4315651	1,575.00
7404846	2009	THE TIRE STORE	TIRES(4)-EQ5501	630.30	101 4653207	630.30
7404847	C5522	THOMSON REUTERS-WEST PMT CENT	05/19-INFORMATION CHARGES 05/19-INFORMATION CHARGES 05/19-INFORMATION CHARGES LIBRARY PLAN-05/05/19-06/04/19	543.33 421.28 810.58 26.28 <u>1,801.47</u>	101 4230301 101 4820301 101 4545301 101 4230301	543.33 421.28 810.58 26.28 <u>1,801.47</u>
7404848	04239	TIM WELLS MOBILE TIRE SERVICE	SVC CALL/RPR-EQ3355 FLAT RPR-EQ3000 EQ 5616-MOUNT/DISMOUNT	72.50 15.00 7.00	203 4752207 203 4752207 101 4635207	72.50 15.00 7.00

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			TIRE-EQ6808	61.51	101 4800207	61.51
			MNT/DSMNT-EQ4330	84.00	101 4762207	84.00
				<u>240.01</u>		<u>240.01</u>
7404849	06959	TONY A BURKHOLDER MASONRY	OMP-RESTROOM CONCRETE WORK	9,000.00	213 11BS023924	9,000.00
7404850	D1594	TOUCHPOINT ENERGIZED COMM	06/19-E NEWSLETTER SVC	180.00	101 4305302	180.00
7404851	02977	TURBO DATA SYSTEMS INC	05/19-PARKNG CITATN PROCESSING	6,295.49	101 4800301	6,295.49
7404852	07025	U-HAUL	MOAH-TRUCK RNTL-06/07/19	295.94	101 4653602	295.94
7404853	07923	ULTRASYSTEMS ENVIRONMENTAL INC	CP17014/CP17015-CONSULTING SVC	1,850.00	210 15ST053924	925.00
					210 15ST054924	925.00
				<u>1,850.00</u>		<u>1,850.00</u>
7404854	08783	UNIFIRST CORPORATION	UNIFORM CLEANINGS	114.93	480 4755209	114.93
7404855	31009	UNIVERSAL ELECTRONIC ALARMS	NSC-06/19-SECURITY ALARM	37.00	101 4635301	37.00
			NSC-06/19-FIRE ALARM	56.00	101 4635301	56.00
			TBP-06/19-SECURITY ALARM	27.00	101 4631402	27.00
			STP-06/19-SECURITY ALARM	27.00	101 4631402	27.00
			NSC-06/19-SECURITY ALARM	27.00	101 4635301	27.00
				<u>174.00</u>		<u>174.00</u>
7404856	09349	UNPARALLELED CUSTOMS LLC	SHEET METAL/PLATE SQUARES	1,757.00	203 4752207	1,757.00
7404857	08377	USA SOFTBALL OF SC	2019 WINTER ASA REG(140)	2,520.00	101 4641270	2,520.00
7404858	2228	VALLEY CONSTRUCTION SUPPLY INC	MTNC YD-FORM LUMBER	309.18	203 4752410	309.18
7404859	D3370	VERIZON WIRELESS	05/19-WIRELESS SERVICE	1,862.54	101 4315651	1,862.54
7404860	04496	VULCAN MATERIAL WESTERN DIV	COLD MIX	105.60	203 4752410	105.60
			ASPHALT	1,361.18	484 4752410	1,361.18
			ASPHALT	1,578.22	203 4752410	1,578.22
				<u>3,045.00</u>		<u>3,045.00</u>
7404861	05806	WEST COAST SAFETY SUPPLY CO	MTNC YD-ZONE DEFENSE POWDER	1,899.73	480 4755470	1,899.73
7404862	06344	AERO VIEW LLC	05/19-LEAPS SERVICES	89,991.00	101 4820301	89,991.00
7404863	A7061	C A RASMUSSEN, INC	CP17009-5TH ST E IMPROVEMENTS	372,294.93	150 2100003	(10,466.15)
					150 2100003	(4,238.96)
					150 2100003	(4,180.39)
					150 2100003	(708.97)
					203 15ST055924	223,502.32
					210 15ST055924	84,779.20
					399 15ST055924	83,607.88
				<u>372,294.93</u>		<u>372,294.93</u>
7404864	A8656	KIMLEY-HORN & ASSOCIATES INC	CDP1310-P/PM SVC-02/28/19-AV K	4,462.50	210 15BR004924	4,462.50



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			CDP1310-P/PM SVC-04/30/19-AV K	6,132.50	210 15BR004924	6,132.50
			CDP1310-P/PM SVC-02/28/19-AV M	3,355.00	210 15BR005924	3,355.00
			CDP1310-P/PM SVC-04/30/19-AV M	6,115.00	210 15BR005924	6,115.00
			CDP1310-P/PM SVC-02/28/19-AV G	4,557.67	210 15BR006924	4,557.67
			CDP1310-P/PM SVC-04/30/19-AV G	3,060.00	210 15BR006924	3,060.00
			SR138-AVE J-PA/ED-03/31/19	3,320.00	210 15BR007924	3,320.00
			SR138-AVE J-PA/ED-04/30/19	3,945.00	210 15BR007924	3,945.00
			CDP1310-P/PM SVC-02/28/19-AV L	1,360.00	210 15BR008924	1,360.00
			CDP1310-P/PM SVC-04/30/19-AV L	3,900.00	210 15BR008924	3,900.00
			CP14010-AVE J PA/ED-02/28/19	132,543.44	210 15BR007924	132,543.44
			CP14010-AVE J PA/ED-04/30/19	4,965.00	210 15BR007924	4,965.00
			CP14010-AVE J PA/ED-04/30/19	104,125.23	210 15BR007924	104,125.23
				<u>281,841.34</u>		<u>281,841.34</u>
7404865	06313	R C BECKER & SON, INC	CP17007-LANC BLVD/15TH E RNDBT	448,827.43	150 2100003	(23,622.50)
					210 16ST006924	472,449.93
				<u>448,827.43</u>		<u>448,827.43</u>
7404866	D1507	A B C-ALCOHOL BEVERAGE CONTROL MANAGERS ABC PERMIT-BULLFROGS		163.00	101 4600301	163.00
7404867	06066	A T & T	DOJ-05/19-TELEPHONE SERVICE	138.16	101 4315651	138.16
7404868	06066	A T & T	DOJ-05/19-TELEPHONE SERVICE	214.94	101 4315651	214.94
7404869	C4026	AMARANT, JEREMY	11/18-02/19-PDW-MNWLK PRSNTATN	500.00	106 4823251	500.00
7404870	09533	BARAJAS, JESUS PEDRO	MAYOR'S SCHLRSHR RCPNT-LTV	250.00	106 4430200	250.00
7404871	C2060	CA WATER SERVICE COMPANY	05/09/19-06/14/19 WATER SVC	1,841.21	482 4636654	1,841.21
7404872	09539	DEPLAZES, STEPHAN	RFND-SUMMER CAMP FEES	150.00	101 2182001	150.00
7404873	09480	GARDEN STATE FIREWORKS, INC.	BAL-JULY 4 2019-FIREWORKS	12,500.00	101 4649560	12,500.00
7404874	09538	HPA BORROWER 2018-1 MS LLC	RFND-RENTAL HOUSING FEES	170.77	101 2179004	4.00
					101 3102400	59.77
					101 3102401	107.00
				<u>170.77</u>		<u>170.77</u>
7404875	D2287	LANCASTER CODE ENFRMNT ASSN	UNION DUES-PP 13-2019	360.00	101 2171000	360.00
7404876	D3151	LNCSTR MUSEUM/PUBLIC ART FNDTN	LMPAF SALES/DONATNS-JAN-APR 18	4,437.24	101 1101500	(423.40)
					101 2102500	4,721.10
					101 2175001	273.09
					101 4643235	(74.76)
					101 4643235	(58.79)
				<u>4,437.24</u>		<u>4,437.24</u>
7404877	09526	MAXEY, LISA	TRVL REIMB-ADP IMPLMNTN-06/19	203.44	101 4220301	203.44
7404878	09536	OXFORD SUITES & INNS	RFND-04/19 TBID OVERPAYMENT	14.74	101 3103100	14.74

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7404879	A7221	P E R S LONG TERM CARE PROGRAM	LONG TERM CARE PREM-PP 13-2019	1,137.24	101 2170200	1,137.24
7404880	D3498	PATANANAN, JUSTIN	JP-PR DM-SAN DIEGO-07/08-12/19	288.00	101 4315256	288.00
7404881	09537	ROCK HILL IND PIPING & FAB	RFND-BUSINESS LICENSE FEES	733.00	101 2179004 101 3102200 101 3102250 101 3102300	16.00 368.00 165.00 184.00
				<u>733.00</u>		<u>733.00</u>
7404882	08740	SFG RETIREMENT PLAN CONSULTING	07/18-08/18 ADVISORY FEE	7,000.00	101 4320301 101 4320301	3,500.00 3,500.00
				<u>7,000.00</u>		<u>7,000.00</u>
7404883	03154	SO CA EDISON	09/21/18-06/17/19 ELECTRIC SVC	8,359.82	101 4633652 101 4650652 209 16ST007924 363 4542770 482 4636652 483 4785660	3,344.86 4,550.46 36.24 10.86 12.01 405.39
				<u>8,359.82</u>		<u>8,359.82</u>
7404884	1907	SO CA GAS COMPANY	05/17/19-06/19/19 GAS SVC	917.81	101 4632655 101 4634655 306 4542684	880.99 65.67 (28.85)
				<u>917.81</u>		<u>917.81</u>
7404885	A1393	TEAMSTERS LOCAL 911	06/19 UNION DUES	3,187.00	101 2157000	3,187.00
7404886	C2555	TIME WARNER CABLE	06/19-TV SERVICE-VICE MAYOR	34.23	101 4315651	34.23
7404887	C2555	TIME WARNER CABLE	05/28-06/28/19-BUSINESS TV-ACS	82.50	101 4315651	82.50
7404888	C2555	TIME WARNER CABLE	05/19-TV SERVICE-CITY MNGR+3	90.26	101 4315651	90.26
7404889	C2555	TIME WARNER CABLE	06/19-BUSINESS-MAYORS OFFICE	194.64	101 4315651	194.64
7404890	C2555	TIME WARNER CABLE	06/19-INTERNET/TV SERVICE	195.48	101 4315651	195.48
7404891	C2555	TIME WARNER CABLE	06/19-ROADRUNNER SERVICE	259.23	101 4315651	259.23
7404892	D3370	VERIZON WIRELESS	05/19-IPAD SERVICE	4,219.11	101 4315651	4,219.11
7404893	03854	A V JANITORIAL SUPPLY	LMS-JANITORIAL SUPPLIES LMS-JANITORIAL SUPPLIES	179.03 635.65	101 4632406 101 4632406	179.03 635.65
				<u>814.68</u>		<u>814.68</u>
7404894	08894	ADHERENCE COMPLIANCE INC	MEDICAL CANNABIS SUPPORT SVCS	3,150.00	101 4230301	3,150.00
7404895	D0990	ADMIT ONE PRODUCTS	FOD-TICKETS(3200)	676.28	101 4649563	676.28

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7404896	05552	ADVANCED SPORTS PHOTOGRAPHY	WNTR BSKTBLL 2019-PICS/PLAQUES	707.42	101 4641251	707.42
7404897	06352	AGILITY RECOVERY SOLUTIONS	06/19-READYSUITE	665.00	101 4315302	665.00
7404898	A8728	ALL THINGS ENGRAVABLE	PLAQUES(19) RINGS(76)	208.05 27.64 <u>235.69</u>	101 4641251 101 4641251	208.05 27.64 <u>235.69</u>
7404899	04662	ALTEC INDUSTRIES INC	LABOR-EQ4373	4,311.74	101 4785207	4,311.74
7404900	05265	ALTMAN PLANTS	PF-POPPIES(750)	1,927.50	101 4649567	1,927.50
7404901	C4026	AMARANT, JEREMY	03/19-06/19-PDW-MNWLK PRSNTATN	500.00	106 4823251	500.00
7404902	D3147	AMERICAN PLUMBING SERVICES, INC	PBP-RESTROOM REPAIRS LMS-BACKFLOW REPAIR LMS-BACKFLOW REPAIRS	975.00 292.29 995.11 <u>2,262.40</u>	101 4631403 101 4632402 101 4632402	975.00 292.29 995.11 <u>2,262.40</u>
7404903	04190	AMERIPRIDE SERVICES	UNIFORM CLEANINGS UNIFORM CLEANINGS UNIFORM CLEANINGS UNIFORM CLEANINGS	80.16 72.35 126.92 80.16 <u>359.59</u>	101 4753209 101 4753209 101 4753209 101 4753209	80.16 72.35 126.92 80.16 <u>359.59</u>
7404904	02693	ANDY GUMP, INC	OMP-FENCE RNTL-06/10-07/07/19	44.68	101 4634602	44.68
7404905	07639	ARCTIC AIR AND REFRIGERATION	LMS-COOLER REPAIRS	935.60	101 4632402	935.60
7404906	D0879	B'S EMBROIDERY ETC	PW-UNIFORM HATS(12) OMP-UNIFORM SHIRTS/HATS	183.12 223.38 <u>406.50</u>	483 4785209 101 4631209	183.12 223.38 <u>406.50</u>
7404907	03485	BAKERSFIELD TRUCK CENTER	RESISTOR-EQ3828 LABOR-EQ3769	47.02 238.87 <u>285.89</u>	484 4752207 203 4752207	47.02 238.87 <u>285.89</u>
7404908	01863	BAVCO	BACKFLOW REPAIR KITS(4) BACKFLOW REPAIR KITS CH-BACKFLOW REPAIR KITS	323.06 824.48 1,345.77 <u>2,493.31</u>	203 4636404 203 4636404 101 4633404	323.06 824.48 1,345.77 <u>2,493.31</u>
7404909	C9428	BEACON ATHLETICS LLC	LMS-GAME BASES	349.00 <u>349.00</u>	101 2175000 101 4632404	(28.88) <u>377.88</u> 349.00
7404910	A9249	CA DEPT OF CORRCTNS/REHAB	05/19-CUSTODY SUPRVSN AGREEMNT	5,133.00 <u>5,133.00</u>	224 4752308 484 4752308	4,002.00 1,131.00 <u>5,133.00</u>
7404911	03552	COASTLINE EQUIPMENT CO	CUTTING ED-EQ3772	1,442.89	484 4752207	1,442.89

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			EQUALIZER KIT-EQ3766	1,141.91	203 4752207	1,141.91
				2,584.80		2,584.80
7404912	01222	COMMERCIAL LANDSCAPE SPPLY INC	MTNC YD-MCLEOD FIRE TOOL(5)	389.65	203 4752208	389.65
			MTNC YD-MONO SPOOL(18)	762.73	203 4752208	762.73
			MTNC YD-MCLEOD FIRE TOOL(4)	303.29	203 4752208	303.29
				1,455.67		1,455.67
7404913	09078	CYBERCODERS, INC	CONSULTING SERVICES	1,225.50	101 4315301	1,225.50
7404914	08018	DANIELIAN ASSOCIATES INC	01/19-PROFESSIONAL SERVICE	30,600.00	361 4541901S	30,600.00
7404915	04067	DELL MARKETING LP	IT-PROSUPPORT PLUS SVCS	2,483.95	101 4315291	2,483.95
7404916	L0600	DEMOOR, JENNIFER	LCE-NEM 2018 ANNUAL PAYOUT	85.26	101 2140000	85.26
7404917	A0925	DESERT HAVEN ENTERPRISES	44611 YUCCA-BOARD UP/CLEAN OUT	567.00	101 4300251	567.00
			43028 YEW-BOARD UP/CLEAN OUT	975.00	101 4545940	975.00
			44923 TREVOR-CLEAN OUT	275.00	306 4542684	275.00
			219 MILLING ST-CLEAN OUT	380.00	306 4542684	380.00
				2,197.00		2,197.00
7404918	00414	DESERT LOCK COMPANY	LMS-DOOR REPAIRS	72.50	101 4632402	72.50
			LMS-DOOR REPAIR	72.50	101 4632402	72.50
			LMS-DOOR REPAIR	67.50	101 4632402	67.50
			PYTHON LOCKS(6)	270.42	483 4785208	270.42
			PW-LOCKS/HYDRANTS/ARVS	398.34	485 4755410	398.34
				881.26		881.26
7404919	09191	DESIGNERS TOUCH LANDSCAPE INC	LMS-MAINLINE REPAIR	780.00	101 4632402	780.00
7404920	06150	DIRECTV	MOAH-06/19-BUSINESS INFO	73.85	101 4315651	73.85
7404921	09542	DON SAL COCINA AND CANTINA	CA-VIP CATERING-06/07/19	474.73	101 4649562	474.73
7404922	06380	EWING IRRIGATION PRODUCTS, INC	LMS-FIELD FERTILIZER	88.45	101 4632404	88.45
			LMS-CLEAT CLEANERS	237.06	101 4632404	237.06
				325.51		325.51
7404923	09416	FAZIO, MATTHEW S.	06/19-LTV VIDEO PRODUCTION	520.00	101 4305296	520.00
7404924	08838	FEHR & PEERS	LANC SAFER STREETS ACTION PLAN	7,466.25	101 4785301	746.63
					349 4785301	6,719.62
				7,466.25		7,466.25
7404925	09277	FRANCO, NAVIL HANJUSY	FIGURE MODEL	100.00	101 4651251	100.00
7404926	03430	GRAINGER	MTNC YD-GLOVES	611.31	203 4752209	611.31
7404927	819	HERC RENTALS INC	LMS-ROLLER RNTL-05/30/19	442.27	101 4632602	442.27
			LMS-SOD CUTTER RNTL-06/04/19	126.50	101 4632602	126.50
				568.77		568.77

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7404928	09341	HILLARD HEINTZE, LLC	HYBRID LAW ENF-CONSULTING SVCS	21,600.00	101 4820301	21,600.00
7404929	09030	HR GREEN PACIFIC INC	CDP18-05-PERMIT REVIEW	37,122.54	101 4762301	37,122.54
7404930	A2594	INTERSTATE BATTERY SYS OF A V	BATTERIES(5)	437.60	101 4632207	55.70
					101 4634207	108.74
					203 4752207	55.70
					203 4785207	102.68
					480 4755207	114.78
			BATTERY-EQ3313	121.83	203 4752207	121.83
				<u>559.43</u>		<u>559.43</u>
7404931	03366	JAS PACIFIC	PLAN REVIEW/INSPECTION SVCS	975.00	101 4783301	975.00
			PLAN REVIEW/INSPECTION SVCS	7,383.50	101 4783301	7,383.50
			PLAN REVIEW/INSPECTION SVCS	8,549.68	101 4783301	8,549.68
			PLAN REVIEW/INSPECTION SVCS	17,062.50	101 4783301	17,062.50
			PLAN REVIEW/INSPECTION SVCS	10,468.75	101 4783301	10,468.75
				<u>44,439.43</u>		<u>44,439.43</u>
7404932	D1903	KERN MACHINERY INC-LANCASTER	LMS-BED KNIFE(3)	277.57	101 4632207	277.57
			OMP-ULTRA OIL(12)	48.35	101 4634230	48.35
				<u>325.92</u>		<u>325.92</u>
7404933	1203	LANCASTER PLUMBING SUPPLY	CH-4-WAY KEYS(3)	15.52	101 4633208	15.52
			OMP-WATER KEYS(15)	80.43	101 4634403	80.43
				<u>95.95</u>		<u>95.95</u>
7404934	08387	LOOMIS	05/19-ARMORED CAR SERVICE	1,705.75	101 3501110	1,705.75
7404935	5191	LU'S LIGHTHOUSE, INC	LED MINIBAR-EQ3764	325.99	203 4752207	325.99
7404936	09534	MCCULLOUGH, JAZMYN MILLER	MAYOR'S SCHLRSHR RCPNT-LTV	250.00	106 4430200	250.00
7404937	02270	MELDON GLASS	LMS-PRESS BOX SASH BALANCES	580.00	101 4632403	580.00
			MOAH-WINDOW INSTLLTN	745.00	101 4653402	745.00
				<u>1,325.00</u>		<u>1,325.00</u>
7404938	06966	MICHAEL BAKER INT'L INC	CP13020-AVE G INTERCHANGE	25,924.97	210 15BR006924	25,924.97
			CP13020-AVE G INTERCHANGE	1,670.86	210 15BR006924	1,670.86
				<u>27,595.83</u>		<u>27,595.83</u>
7404939	D3578	MINUTEMAN PRESS	LCE-NOTICES POSTAGE(402)	274.35	490 4250212	274.35
			LCE-NOTICES POSTAGE(239)	159.12	490 4250212	159.12
				<u>433.47</u>		<u>433.47</u>
7404940	05773	MORRISON WELL MAINTENANCE	NSC-05/19-BACTERIOLOGICAL TEST	400.00	101 4635301	400.00
7404941	08821	MUROW CM	AVE I & SIERRA HWY IMPROVEMNTS	750.00	361 4541901S	750.00
7404942	08562	NAPA AUTO PARTS	IGNITION COIL-EQ7607	48.06	480 4755207	48.06
			IGNITION COIL-EQ7607	69.59	480 4755207	69.59

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			CONDENSER FAN-EQ5703	88.04	101 4634207	88.04
			BTTRY CCSSRS-EQ3986	34.19	480 4755207	34.19
			LAMP-EQ3781	40.09	203 4752207	40.09
			ALTERNATOR-EQ5768	170.54	480 4755207	170.54
			MSTR DSCNNCT SWTCH-EQ3987	33.79	480 4755207	33.79
				<u>484.30</u>		<u>484.30</u>
7404943	09535	NAT'L COMMUNITY DVLPMNT ASSOC	CDBG SUBRECPNT MNGMNT TRAINING	1,100.00	101 4220256	1,100.00
7404944	06513	ODYSSEY POWER	LMS-GENERATOR REPAIR	1,048.50	101 4632402	1,048.50
7404945	1443	OMEGA MAINTENANCE, INC	LMS-BLOWER REPAIRS	340.68	101 4632230	340.68
			LMS-MIXED FUEL OIL	54.75	101 4632230	54.75
				<u>395.43</u>		<u>395.43</u>
7404946	05741	P P G ARCHITECTURAL FINISHES	MLS-PAINT	24.90	101 4633404	24.90
			LMS-GREEN PAINT	70.88	101 4632404	70.88
			LMS-GREEN PAINT	70.88	101 4632404	70.88
				<u>166.66</u>		<u>166.66</u>
7404947	D1515	PACIFIC STATE APPRAISAL	1550 W NEWGROVE-APPRAISAL	400.00	363 4542770	400.00
7404948	05602	PETROLEUM EQUIPMENT CONST SRV	05/19-DESIGNATED OPERATOR INSP	150.00	101 4753402	150.00
7404949	08967	PIONEER ATHLETICS	LMS-RED LOGO PAINT	143.37	101 4632404	143.37
7404950	03249	PRAXAIR DISTRIBUTION, INC	ARGON/TUNGSTEN BLEND/ALUM	491.33	101 4753405	491.33
7404951	07287	PRINTING BOSS	BATTING RANGE SIGNS(2)	197.10	101 4641251	197.10
7404952	04361	PROTECTION ONE	LMS-06/19-ALARM MONITORING	52.02	101 4632301	52.02
			LMS-06/19 ELEVATOR MAINTENANCE	37.58	101 4632301	37.58
				<u>89.60</u>		<u>89.60</u>
7404953	09541	PUBLIC AGENCY RISK MGMT ASSOC	07/19-06/20-PUBLIC ENTITY MEMBR	150.00	101 4230206	150.00
7404954	A9382	R H A LANDSCAPE ARCHITECTS	LANC PARKS IMPROVEMENT PLAN	113.00	104 4631402	113.00
7404955	07158	RUPPERT, KIM S	06/19-HEARING SERVICES	165.00	101 4545301	165.00
7404956	D3947	S G A CLEANING SERVICES	LBP-WALL REPAIR MATERIALS	985.00	101 4636402	985.00
			LMS-SHOWER DRAIN/TILE REPAIRS	265.00	101 4632402	265.00
			LMS-FIELD IRRGTN/FOUNTAIN RPRS	545.00	101 4632402	545.00
			RDP-RESTROOM REPAIRS	695.00	101 4634402	695.00
			LBP-DRY WALL REPAIRS	990.00	101 4636402	990.00
				<u>3,480.00</u>		<u>3,480.00</u>
7404957	09467	SHRED-IT USA LLC	DOCUMENT DESTRUCTION	105.00	101 4200259	17.50
					101 4220301	17.50
					101 4400259	17.50
					101 4600259	17.50
					101 4700259	17.50

# City of Lancaster Check Register



From Check No.: 7404733 - To Check No.: 7404981

From Check Date: 06/16/19 - To Check Date: 06/29/19

Printed: 7/8/2019 13:51

Check No	Supplier	Supplier Name	Invoice Description	Invoice Amt	Charge Code	GL Amount
				105.00	101 4800301	17.50
						105.00
7404958	1894	SIGNS & DESIGNS	VINYL LETTERING	192.72	101 4651251	192.72
7404959	05952	SINCLAIR PRINTING COMPANY	SUMMER 2019 OUTLOOK(63310)	31,163.70	101 4305253	18,698.22
					101 4643253	12,465.48
				31,163.70		31,163.70
7404960	01816	SMITH PIPE & SUPPLY INC	OMP-DRAINAGE FITTINGS	138.67	101 4634404	138.67
7404961	09160	ST. FRANCIS ELECTRIC, LLC	02/19-LIGHT POLE PICK-UP	2,378.00	483 4785460	2,378.00
7404962	09029	SUSTAINABLE TURF SCIENCE INC	LMS-FIELD FERTILIZER	807.56	101 4632404	807.56
			LMS-FIELD FERTILIZER	988.24	101 4632404	988.24
			LMS-FIELD FERTILIZER	832.20	101 4632404	832.20
			LMS-HUMAWET	246.38	101 4632404	246.38
				2,874.38		2,874.38
7404963	A6479	TAFT ELECTRIC COMPANY	REPLACE WIRE POLE TO POLE	2,726.94	483 4785460	2,726.94
			REPLACE PEDESESTRN PUSH BUTTON	2,423.62	483 4785460	2,423.62
			DAMAGE RPRS-CAMERA/WIRE INSTLL	4,551.79	483 4785460	4,551.79
				9,702.35		9,702.35
7404964	2007	TARGET SPECIALTY PRODUCTS	LMS-SPRAY DYE	119.16	101 4632404	119.16
7404965	04239	TIM WELLS MOBILE TIRE SERVICE	FLAT REPAIR-EQ7508	15.00	101 4761207	15.00
7404966	D3099	TPX COMMUNICATIONS	06/19-TELEPHONE SERVICE	10,963.70	101 4315651	10,713.70
					490 4250651	250.00
				10,963.70		10,963.70
7404967	C8453	U S POSTAL SERVICE	PERMIT #48/USPS MARKETING MAIL	235.00	101 4650301	235.00
7404968	2228	VALLEY CONSTRUCTION SUPPLY INC	DRILL IMPACT KIT/EPOXY/BLADES	798.35	485 4755208	798.35
			AIR HOSE/REBAR	362.97	485 4755410	362.97
			REBAR/EPOXY/CAUTION TAPE	420.92	485 4755410	420.92
			FLOOR SCRAPER/TORPEDO/WRENCH	283.47	485 4755208	283.47
				1,865.71		1,865.71
7404969	C2434	VINSA INSURANCE ASSOCIATES	FY 19/20-SRDMA POLICY RENEWAL	34,556.87	491 1200000	34,556.87
7404970	04496	VULCAN MATERIAL WESTERN DIV	COLD MIX	152.12	203 4752410	152.12
			COLD MIX	136.35	203 4752410	136.35
			AGG BASE	1,557.37	484 4752410	1,557.37
			COLD MIX	232.49	203 4752410	232.49
				2,078.33		2,078.33
7404971	D2816	WASTE MANAGEMENT OF A V	05/19-615 W H(TIRE)-TRASH SVC	1,094.05	330 4755780	1,094.05
7404972	31026	WAXIE SANITARY SUPPLY	MTNC YD-JANITORIAL SUPPLIES	572.56	203 4752406	572.56

# City of Lancaster Check Register



From Check No.: 7404733 - To Check No.: 7404981

From Check Date: 06/16/19 - To Check Date: 06/29/19

Printed: 7/8/2019 13:51

Check No	Supplier	Supplier Name	Invoice Description	Invoice Amt	Charge Code	GL Amount
7404973	05806	WEST COAST SAFETY SUPPLY CO	MTNC YD-ODOR CONTROL GRANULES	951.00	480 4755410	951.00
7404974	1215	L A CO WATERWORKS	04/15/19-06/18/19 WATER SVC	58,534.20	101 4631654 101 4633654 101 4634654 203 4636654 482 4636654	10,084.90 1,413.44 21,370.68 6,803.57 18,861.61
				<u>58,534.20</u>		<u>58,534.20</u>
7404975	08049	LA CO AUDITOR CONTROLLER	REMT OTHR FNDS CLLCTD-SUCC AGY	324,725.16	991 4240998 991 4240998	104,852.95 219,872.21
				<u>324,725.16</u>		<u>324,725.16</u>
7404976	08049	LA CO AUDITOR CONTROLLER	CRPTF LAND SALES REVENUE	3,496,666.68	991 4240998	3,496,666.68
7404977	09308	WHEN LIFE HANDS YOU LEMONS, LP	KENSNGTN CAMPUS CNSTRCTN PRJCT	625,008.00	306 4542301	625,008.00
7404978	06211	HARDY & HARPER, INC.	CP18-006 2018 SIDEWALK REPAIRS	290,906.87	150 2100003 150 2100003 206 12ST037924 207 12ST037924	(13,030.97) (2,279.92) 260,619.35 45,598.41
				<u>290,906.87</u>		<u>290,906.87</u>
7404979	1214	L A CO SHERIFF'S DEPT	05/19 LAW ENFORCEMENT SVCS	2,150,957.59	101 4820354 101 4820357	1,950,376.98 200,580.61
				<u>2,150,957.59</u>		<u>2,150,957.59</u>
7404980	06313	R C BECKER & SON, INC	CP17012-INTERSECTION IMPRVMENTS	378,921.51	150 2100003 150 2100003 150 2100003 150 2100003 150 2100003 209 16ST007924 217 16ST007924 220 16ST007924 399 16ST007924	(7,251.40) (6,415.84) (3,532.03) (2,370.50) (373.48) 215,668.45 128,316.78 47,409.91 7,469.62
				<u>378,921.51</u>		<u>378,921.51</u>
7404981	08177	TEKWERKS	BLVD-SECURITY CAMERAS	64,534.86	101 4200402	64,534.86
Chk Count	<u>249</u>		Check Report Total	<u>9,435,967.72</u>		



# City of Lancaster Check Register



From Check No.: 101010375 - To Check No.: 101010398

From Check Date: 06/16/19 - To Check Date: 06/29/19

Printed: 7/10/2019 8:20

Check No	Supplier	Supplier Name	Invoice Description	Invoice Amt	Charge Code	GL Amount
101010375	05987	THE VISITORS BUREAU-LANCASTER	04/19 TBID FEES	45,631.14	101 2501000	45,631.14
101010376	C9589	U S BANK CORP PAYMENT SYSTEMS	06/10/19-CALCARD STATEMENT	100,047.09	101 2601000	100,047.09
101010377	07101	CALPINE ENERGY SOLUTIONS LLC	05/19-RESOURCE ADEQUACY PRCRD	24,750.00	490 4250653	24,750.00
101010378	07732	3 PHASES RENEWABLES INC	LCE-05/19-RESOURCE CAPACITY	67,500.00	490 4250653	67,500.00
101010379	08327	EDF TRADING NORTH AMERICA, LLC	05/19-RESOURCE ADEQUACY PRCRD	20,900.00	490 4250653	20,900.00
101010380	08688	HIGH DESERT POWER PROJECT, LLC	06/19-ENERGY PROCUREMENT	214,200.00	490 4250653	214,200.00
101010381	09015	POWEREX CORP	06/19-CARBON FREE ENERGY	2,077.20	490 4250653	2,077.20
101010382	09255	TGP ENERGY MANAGEMENT LLC	05/19-ENERGY PROCUREMENT	12,617.50	490 4250653	12,617.50
101010383	09449	MORGAN STANLEY CAPITAL GRP INC	05/19-RESOURCE ADEQUACY PRCRD	63,000.00	490 4250653	63,000.00
101010384	D2446	THE BLVD ASSOCIATION	DLPBID FEES-04/20-05/31/19	21,566.05	401 2501100	21,566.05
101010385	07172	ENERGY AMERICA, LLC	04/19-LCE ENERGY CHARGS-SPOWER	1,795,575.90	490 4250301	23,235.56
					490 4250653	1,772,340.34
				1,795,575.90		1,795,575.90
101010386	07936	WESTERN ANTELOPE DRY RANCH LLC	05/19-LCE ENERGY CHARGS-SPOWER	153,363.61	490 4250653	153,363.61
101010387	09331	CA CHOICE ENERGY AUTHORITY	REIMB-CALCHOICE-04/19	137,067.84	490 4250301	137,067.84
101010388	09331	CA CHOICE ENERGY AUTHORITY	REIMB-CALCHOICE-MAY 2019	137,438.87	490 4250301	137,438.87
101010389	00370	CITY OF LANCASTER/PETTY CASH	PETTY CASH EXPENSE	353.77	101 4410202	20.00
					101 4700202	20.00
					101 4700202	35.00
					101 4755200	40.00
					101 4761200	20.00
					101 4761200	20.00
					101 4761200	20.00
					101 4761200	20.00
					101 4761201	10.00
					101 4783200	20.00
					101 4783200	20.00
					101 4783200	20.00
					101 4783201	14.00
					101 4800202	74.77
				353.77		353.77
101010390	VOID					

# City of Lancaster Check Register



From Check No.: 101010375 - To Check No.: 101010398

From Check Date: 06/16/19 - To Check Date: 06/29/19

Printed: 7/10/2019 8:20

Check No	Supplier	Supplier Name	Invoice Description	Invoice Amt	Charge Code	GL Amount
101010391	A5841	CITY OF LANCASTER	RESOURCE ADEQUACY-SAN JACINTO	4,500.00	491 4250001E	4,500.00
101010392	06681	PACIFIC ENERGY ADVISORS, INC	05/19-CCEA GEN TRAVEL EXPENSES	2,699.46	491 4250201	2,699.46
			05/19-PH2 BALDWIN PK IMP SVCS	6,000.00	491 4250007I	6,000.00
			05/19-PH2 HANFORD IMP SVCS	6,000.00	491 4250008I	6,000.00
			05/19-PH2 COMMERCE IMP SVCS	6,000.00	491 4250010I	6,000.00
			05/19-PH2 PALMDALE IMP SVCS	6,000.00	491 4250005I	6,000.00
			05/19-PH2 POMONA IMP SVCS	6,000.00	491 4250009I	6,000.00
			05/19-AVCE PROFESSIONAL SVCS	16,326.78	491 4250013P	16,326.78
			05/19-LCE PROFESSIONAL SVCS	16,326.79	491 4250003P	16,326.79
			05/19-PRIME PROFESSIONAL SVCS	16,000.00	491 4250002P	16,000.00
			05/19-RMEA PROFESSIONAL SVCS	16,360.51	491 4250004P	16,360.51
			05/19-SJP PROFESSIONAL SVCS	16,360.51	491 4250001P	16,360.51
				<u>114,074.05</u>		<u>114,074.05</u>
101010393	08087	THE BAYSHORE CONSULTING GROUP	05/19-CCEA ADMIN/MGMT SUPPORT	42,340.51	491 4250301	42,340.51
			05/19-AVCE CCA OPS SUPPORT	2,567.83	491 4250013P	2,567.83
			05/19-BALDWIN PK IMP SVCS	6,000.00	491 4250007I	6,000.00
			05/19-COMMERCE IMP SVCS	6,000.00	491 4250010I	6,000.00
			05/19-POMONA IMP SVCS	6,000.00	491 4250009I	6,000.00
			05/19-HANFORD IMP SVCS	6,000.00	491 4250008I	6,000.00
			05/19-PALMDALE IMP SVCS	6,000.00	491 4250005I	6,000.00
			05/19-CCEA-RMEA SUPPORT	2,593.82	491 4250004P	2,593.82
			05/19-CCEA-SJP SUPPORT	2,593.82	491 4250001P	2,593.82
			05/19-CCEA-PRIME SUPPORT	2,500.00	491 4250002P	2,500.00
				<u>82,595.98</u>		<u>82,595.98</u>
101010394	06873	MAHER ACCOUNTANCY	LCE-05/19-ACCOUNTING MGMT SVC	2,500.00	491 4250003P	2,500.00
			PRIME-05/19-ACCOUNTING MGMT SVC	2,500.00	491 4250002P	2,500.00
			SJP-05/19-ACCOUNTING MGMT SVC	2,500.00	491 4250001P	2,500.00
			RMEA-05/19-ACCOUNTING MGMT SVC	2,500.00	491 4250004P	2,500.00
			AVCE-05/19-ACCOUNTING MGMT SVC	2,500.00	491 4250013P	2,500.00
				<u>12,500.00</u>		<u>12,500.00</u>
101010395	07101	CALPINE ENERGY SOLUTIONS LLC	05/19- DATA MANAGEMENT SVCS	167,827.50	491 4250001D	19,270.00
					491 4250002D	21,973.75
					491 4250004D	21,155.00
					491 4250013D	34,867.50
					491 4250013D	70,561.25
				<u>167,827.50</u>		<u>167,827.50</u>
101010396	08319	TRIEPEI SMITH & ASSOCIATES INC	05/19-MARKETING SUPPORT	4,972.75	491 4250205	4,972.75
101010397	09329	HALL ENERGY LAW PC	05/19-CCEA LEGAL SERVICES	18,504.50	491 4250303	18,504.50
101010398	08087	THE BAYSHORE CONSULTING GROUP	05/19-CCEA-CCA OPERATION SPPT	2,567.83	491 4250003P	2,567.83
Chk Count	<u>24</u>			Check Report Total	<u>3,203,631.58</u>	

**STAFF REPORT**  
**City of Lancaster**

CC 3
07/23/19
JC

Date: July 23, 2019  
To: Mayor Parris and City Council Members  
From: Pam Statsmann, Finance Director  
Subject: **Monthly Report of Investments – June 2019**

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**Recommendation:**

Accept and approve the June 2019 Monthly Report of Investments as submitted.

**Fiscal Impact:**

None

**Background:**

Each month, the Finance Department prepares a report listing the investments for all separate entities under the jurisdiction of the City as identified in the City’s Comprehensive Annual Financial Report.

Portfolio Recap

Yield:

	<u>June 2019</u>	<u>May 2019</u>
Total Portfolio	2.11%	1.31%
Local Agency Investment Fund	2.43%	2.45%
 Total Portfolio Balance:	 \$95,301,202	 \$83,232,783

The portfolio balance increased from May to June by \$12,068,419 or 18.4%. Significant revenues for June included \$14,091,852 Property Tax/RPTTF advance, \$2,013,245 Sales & Use Tax and \$1,118,944 Grants. The largest City expenditures were \$2,385,889 Payroll & Benefits related, \$2,150,958 to LA County Sheriff for May 2019 law enforcement services and \$1,093,668 on Capital Projects.

The City’s temporary idle cash, those funds that are not immediately needed to pay current bills and not governed by bond indentures or bond resolutions, is invested in accordance with the City’s adopted Investment Policy. This policy is reviewed regularly by the City Council, with the latest policy adopted February 13, 2018, by Resolution No. 18-06.

The City's cash management system is designed to accurately monitor and forecast expenditures and revenues, thus enabling the City to invest funds to the fullest extent possible within the guidelines of this Investment Policy. The City attempts to achieve the highest yield obtainable through a diversified portfolio only after meeting the criteria established for safety and liquidity in that order. The principal investment objectives of the City are:

1. Preservation of capital and protection of investment principal;
2. Maintenance of sufficient liquidity to meet anticipated cash flows;
3. Attainment of a market rate of return;
4. Diversification to avoid incurring unreasonable market risks, and;
5. Compliance with the City's Municipal Code and with all applicable City resolutions, California statutes and Federal regulations.

The City's portfolio is a short-term and intermediate-term fixed income portfolio. The maximum maturity of any investment is 5 years, with consideration of anticipated cash flow requirements and known future liabilities. The City contracts with an investment advisory service (Insight Investment) to assist in the effort to maximize the returns of the City portfolio. The City's investments include publicly traded Treasury notes, Treasury Bills, Federal Agency Investments, Time Deposits, and Local Agency Investment Fund (LAIF) under the auspices of the State Treasurer for investment. Funds invested in LAIF are available within 24 hours, and other investments are available upon maturity at full face value. These investments enable the City to meet its expenditure requirements for the next six months, as required by state law.

The City's investment procedures are governed by Sections 53600 et. seq. of the California Government Code. Additional requirements have been placed on the City's authorized investments by the Investment Policy (a copy is available in the Finance Department or from the City Clerk), and all investments listed on the attached report adhere to these requirements.

PS:MA

**Attachment:**

Monthly Report of Investments

**ATTACHMENT A  
CITY OF LANCASTER  
MONTHLY REPORT OF INVESTMENTS  
30-Jun-19**

	<b>Interest Rate</b>	<b>Amount</b>	<b>Total</b>
<b><u>City of Lancaster</u></b>			
<b>Wells Fargo Bank</b>			<b>\$6,333,953</b>
City of Lancaster Account (note 1)	0.00%	\$6,233,953	
Certificate of Deposit	0.10%	\$100,000.00	
<b>Bank of America</b>			<b>\$100,000</b>
Certificate of Deposit	0.05%	\$100,000.00	
<b>U S Bank - Safekeeping (note 2)</b>			<b>\$39,771,219</b>
Commercial Paper	0.00%	\$0	
US Treasury Notes	2.47%	\$15,503,262	
Federal Government Agencies	1.48%	\$12,536,232	
Corporate Securities	2.19%	\$11,654,788	
Cash & Equivalents	0.00%	\$76,938	
<b>Chase Bank</b>			<b>\$150,934</b>
Certificate of Deposit	0.01%	\$150,934.37	
<b>Mission Bank</b>			<b>\$0</b>
Certificate of Deposit	0.20%		
<b>Local Agency Investment Fund (L.A.I.F.)</b>	2.43%	\$31,076,416	<b>\$31,076,416</b>
<b>Total City of Lancaster</b>			<b><u>\$77,432,523</u></b>
<b>Successor Agency for the Lancaster Redevelopment Agency</b>			
<b>Local Agency Investment Fund (L.A.I.F.)</b>	2.43%	\$17,868,679	<b>\$17,868,679</b>
<b>Total Lancaster Successor Agency</b>			<b><u>\$17,868,679</u></b>
<b>Total Pooled Portfolio (note 3)</b>			<b><u>\$95,301,202</u></b>
<b>Weighted Average</b>	<b>2.112%</b>		

**ATTACHMENT A  
CITY OF LANCASTER  
MONTHLY REPORT OF INVESTMENTS  
30-Jun-19**

	Interest Rate	Amount	Total
<b>River City Bank</b>			<b>\$2,131,752</b>
Lancaster Choice Energy LockBox Account	0.00%	\$1,274,977	
CCEA Cash Collateral Account	2.22%	\$503,873	
CCEA Operating Account	0.00%	\$352,902	
<b>The Bank of New York Mellon Trust Company, N.A.</b>			<b>\$1,483,822</b>
LRA & LA County Escrow Account - Government Bonds	0.00%	\$1,483,822	
<b>US Bank</b>			<b>\$21,023,383</b>
CFD 89-1 1990 Special Bonds	2.31%	\$117	
LFA CFD 89-1 1997 Special Bonds	2.31%	\$1,745	
LFA L O BONDS 1997 SERIES A & B	2.31%	\$410,142	
LFA LRB 2018 Construction and Improvements	2.31%	\$15,165,292	
LRB 2018 Lease Revenue Bonds	2.31%	\$756	
LRA Combined 2004 Fire Protection Facilities Project Bonds	2.31%	\$845,945	
LRA Combined 2004 Sheriff Facilities Prjct Refunding Bonds	2.31%	\$1,787,913	
LRA Public Capital Facilities 2010 Project Lease Revenue Bonds	2.31%	\$421,757	
LPA Solar Renewable Energy Issue of 2012A	2.31%	\$2,295,953	
SA Combined Project Areas Refunding Bonds 2015A & B	2.31%	\$44,332	
SA Combined Project Areas Refunding Bonds 2016 A-1 & A-2	2.31%	\$27,320	
SA Combined Project Areas Refunding Bonds 2016B	2.31%	\$20,713	
LFA 2016 Assessment Revenue Bonds (Streetlights Acquisition)	2.31%	\$181	
SA 2017 Tax Allocation Revenue Bonds (TARB)	2.31%	\$1,217	
<b>Total Restricted Cash/Investments Held in Trust</b>		<b>\$21,023,383</b>	
<b>Total Restricted Cash/Investments Held in Trust (note 4)</b>			<b>\$24,638,956</b>

All investments are authorized pursuant to and consistent with the investment policy of the City of Lancaster. Policy adopted 02/13/18 under resolution number 18-06.

Pam Statsmann  
Finance Director

**ATTACHMENT A  
CITY OF LANCASTER  
MONTHLY REPORT OF INVESTMENTS  
June 30, 2019**

- (1) This is the actual City bank account balance as of 6/30/2019. It only reflects checks that have been presented for payment and deposits received by the bank. The balance on deposit per the City books would reflect reductions for all checks and warrants issued and all deposits transmitted.
- (2) This is the safekeeping account utilized for investing City funds pursuant and consistent with the investment policy adopted 02/13/2018. The current portfolio consists of treasury notes, government agencies, corporates, and CDs.

(3) Pooled Portfolio:

	<u>% of Portfolio</u>	<u>Policy Limit</u>
Cash	8.15%	None
CDs	0.71%	25% of total portfolio
Commercial Paper	0.00%	25% of total portfolio
US Treasury	20.02%	None
Federal Securities	16.19%	None
Corporate Securities	15.05%	30% of total portfolio
LAIF	40.13%	None

- (4) These are restricted cash and investments are held in trust by the banks indicated. These amounts cannot be pooled for other investing.

City of Lancaster  
Cash Balances by Fund  
June 30, 2019

Fund No.	Fund Name	Ending Balance	Fund No.	Fund Name	Ending Balance
101	GENERAL FUND	\$ 5,533,685	323	STATE GRANT - STPL	\$ (587)
104	CAPITAL REPLACEMENT FUND	\$ 1,852,922	324	STATE GRANT - OTS	\$ (27,592)
106	COMMUNITY SERVICES FOUNDATION	\$ 119,255	330	STATE GRANT RECYCLING	\$ 174,639
109	CITY SPECIAL RESERVES FUND	\$ 19,363,024	331	STATE GRANT - OIL RECYCLING	\$ 43,152
150	CAPITAL PROJECTS FUND - CITY	\$ (1,559,563)	349	MISC STATE GRANTS	\$ (91,841)
203	GAS TAX	\$ 716,797	361	CDBG	\$ (293,807)
204	AQMD	\$ 8,977	363	NBRHD STABILIZATION PRGM	\$ 2,301,729
205	PROP 1B	\$ 242,635	364	HPRP-HOMELESS PREV & RAPID REH	\$ -
206	TDA ARTICLE 8 FUND	\$ (4,784,000)	391	LANCASTER HOME PROGRAM	\$ 834,281
207	PROP "A" TRANSIT FUND	\$ 3,131,352	399	FEDERAL MISCELLANEOUS GRANTS	\$ (2,577,852)
208	TDA ARTICLE 3 BIKEWAY FUND	\$ (4,343)	401	AGENCY FUND	\$ 539,525
209	PROPOSITION "C" FUND	\$ 5,066,973	402	PERFORMING ARTS CENTER	\$ -
210	MEASURE R FUND	\$ 3,977,429	404	GRANTS FUND	\$ -
211	MEASURE M FUND	\$ 3,505,108	408	X-AEROSPACE GRANTS FUND	\$ -
213	PARKS DEVELOPMENT FUND	\$ 544,314	456	STILL MEADOW LN SWR ASSMNT DST	\$ 13,692
217	SIGNALS - DEVELOPER FEES FUND	\$ 2,640,733	480	SEWER MAINT FUND	\$ 4,788,667
220	DRAINAGE - DEVELOPER FEES FUND	\$ 4,455,215	482	LANDSCAPE MAINTENANCE DISTRICT	\$ 2,378,938
224	BIOLOGICAL IMPACT FEE FUND	\$ 821,597	483	LIGHTING MAINTENANCE DISTRICT	\$ 333,966
226	USP - OPERATION	\$ 2,569	484	DRAINAGE MAINTENANCE DISTRICT	\$ 2,089,057
227	USP - PARKS	\$ 1,411,912	485	RECYCLED WATER FUND	\$ (62,331)
228	USP - ADMIN	\$ 19,183	486	LANCASTER POWER AUTHORITY	\$ 3,094,131
229	USP - CORP YARD	\$ 160,087	490	LANCASTER CHOICE ENERGY	\$ 14,013
230	MARIPOSA LILY FUND	\$ 62,733	491	CALIFORNIA CHOICE ENERGY AUTH	\$ 533,241
232	TRAFFIC IMPACT FEES FUND	\$ 2,117,644	701	LANCASTER FINANCING AUTHORITY	\$ (882,782)
233	DEVELOPER IN LIEU	\$ 88,320	810	ASSESSMENT DISTRICT FUND	\$ 154,596
248	TRAFFIC SAFETY FUND	\$ 234,853	811	AD 93-3	\$ 204,619
251	ENGINEERING FEES	\$ 8,631	812	AD 92-101	\$ 91,058
252	PROP 42 CONGESTION MANAGEMENT	\$ 456,887	830	CFD 89-1 EASTSIDE WATER FUND	\$ 631,783
261	LOS ANGELES COUNTY REIMB	\$ (69,490)	831	CFD 90-1 (BELLE TIERRA)	\$ 455,144
301	LANCASTER HOUSING AUTH. OPS.	\$ 1,738,133	832	CFD 91-1 (QUARTZ HILL)	\$ 777,371
306	LOW & MOD INCOME HOUSING	\$ 5,924,564	833	CFD 91-2 (LANC BUSINESS PARK)	\$ 438,874
321	MTA GRANT - LOCAL	\$ (1,615,257)	991	REDEV OBLIGATION RETIREMENT FD	\$ 17,357,800
				<b>Total Cash Balance</b>	<b>\$ 89,487,060</b>

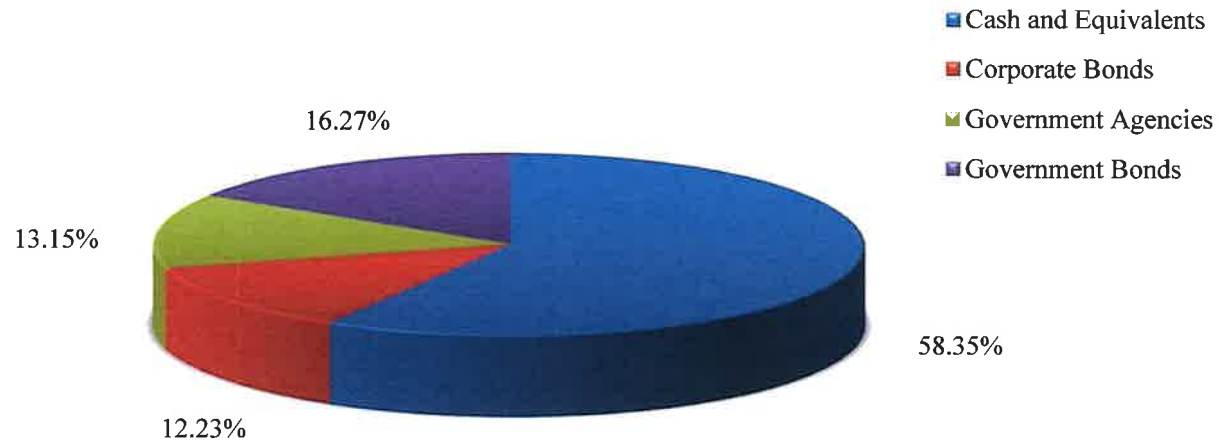
\* Variance from portfolio balance due to deposits in transit and outstanding checks at month end



**City of Lancaster  
Recap of Securities Held  
June 30, 2019**

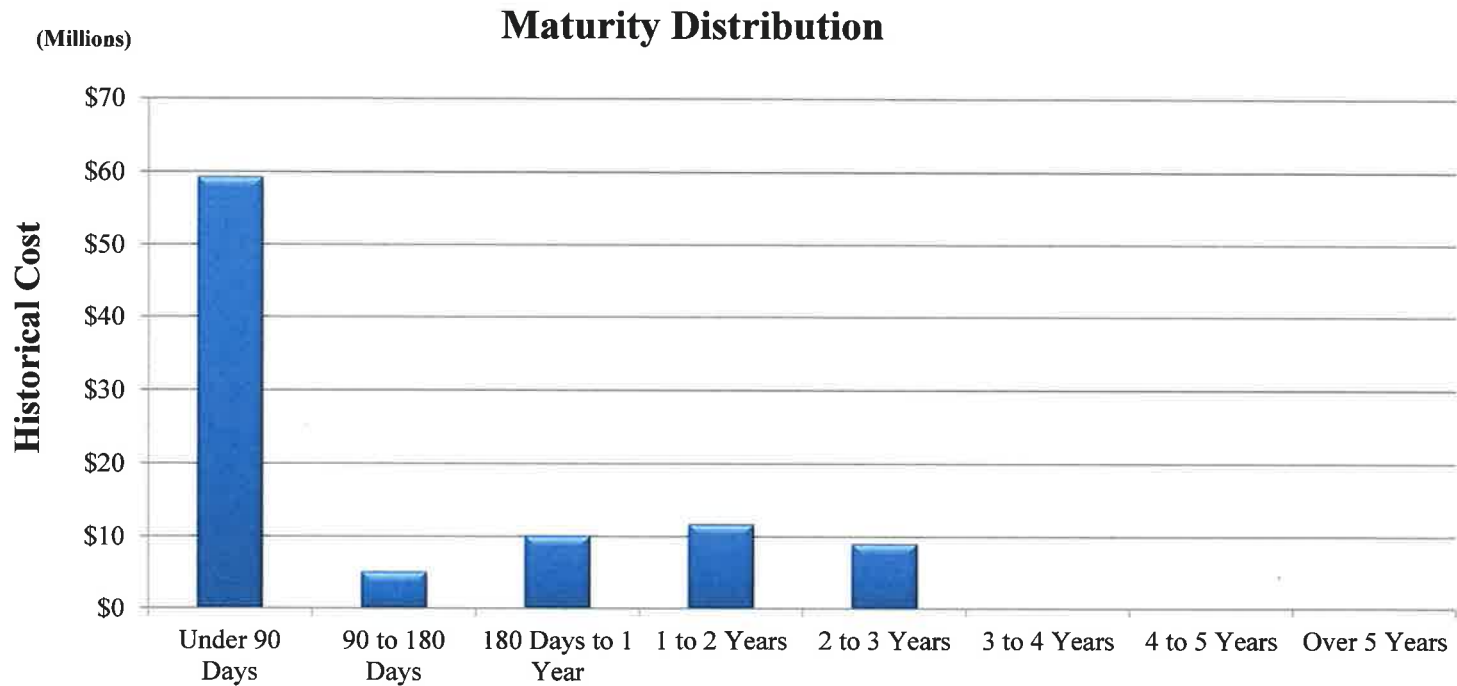
	Historical Cost	Amortized Cost	Fair Value	Unrealized Gain (Loss)	Weighted Average Effective	% Portfolio/ Segment	Weighted Average Market
Cash and Equivalents	\$55,606,920	\$55,606,920	\$55,606,920	\$0	1	58.35%	0.00
Corporate Bonds	\$11,654,788	\$11,667,599	\$11,717,474	\$49,874	441	12.23%	1.14
Government Agencies	\$12,536,232	\$12,511,878	\$12,479,817	(\$32,061)	269	13.15%	0.58
Government Bonds	\$15,503,262	\$15,496,788	\$15,669,462	\$172,674	581	16.27%	1.53
<b>TOTAL</b>	<b>\$95,301,202</b>	<b>\$95,283,185</b>	<b>\$95,473,672</b>	<b>\$190,487</b>	<b>440</b>	<b>100.00%</b>	<b>1.11</b>

**Portfolio Diversification**



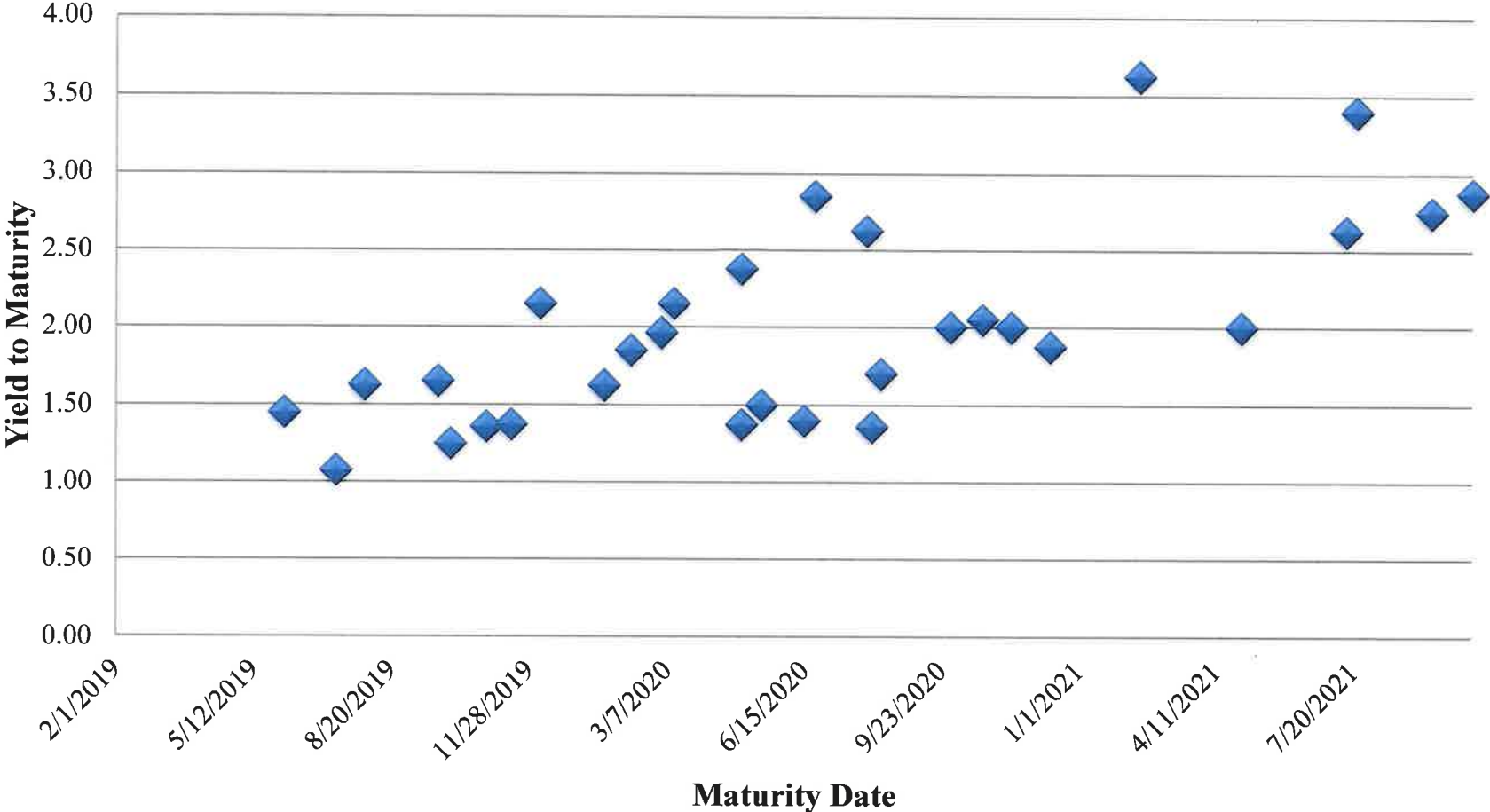
City of Lancaster  
Maturity Distribution  
June 30, 2019

Maturity	Historical Cost	Percent
Under 90 Days	\$59,368,254	62.30%
90 to 180 Days	\$5,103,187	5.35%
180 Days to 1 Year	\$10,069,490	10.57%
1 to 2 Years	\$11,707,606	12.28%
2 to 3 Years	\$9,052,666	9.50%
3 to 4 Years	\$0	0.00%
4 to 5 Years	\$0	0.00%
Over 5 Years	\$0	0.00%
	<b>\$95,301,202</b>	<b>100.00%</b>



City of Lancaster  
Securities Held  
June 30, 2019

**Securities Held**



**STAFF REPORT**  
**City of Lancaster**

CC 4
07/23/19
JC

Date: July 23, 2019

To: Mayor Parris and City Council Members

From: Jeff Campbell, Parks, Recreation and Arts Director

Subject: **Award of RFP No. 705-19 – Landscape Maintenance Services**

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**Recommendation:**

Award RFP No. 705-19, Landscape Maintenance Services, to Terracare, Inc. of Littleton, Colorado, in the amount of \$863,852 for landscape maintenance services; and authorize the City Manager, or his designee, to sign all documents.

**Fiscal Impact:**

\$863,852; source of funding: Landscape Maintenance District Assessment Fund, Gas Tax Fund including:

203-4636-264 Perimeter Areas	\$ 198,662
482-4636-402 Landscape Maintenance District Areas	\$ 629,560
482-4636-401 Business Park	\$ 35,630

**Background:**

The City of Lancaster maintains more than 6,360,000 square feet of developed landscaping. Services covered under this proposal include, but are not limited to, mowing, edging, pruning, fertilizing, weed abatement, irrigation system monitoring and pest control to provide maintenance of all landscaping located in right-of-ways, bike paths, freeway on/off ramp areas, landscape maintenance districts and main thoroughfares in the City.

A request for proposal was issued and on April 17, 2019 bids were received from five (5) firms and four (4) were determined to be complete and qualified. A committee comprised of staff from Finance, Development Services and Parks, Recreation and Arts reviewed the bid submittals. Based on evaluation measures identified in the Request for Proposal (RFP), which included: pricing, experience performing services of similar size and scope, qualifications of staff, references, and local preference, Terracare was determined to be the contractor who could provide the best product for the best price. Terracare currently has several offices in southern California, and will use this opportunity to expand into the Antelope Valley. In addition, they plan to open a small office in Lancaster and hire local residents to fulfill this contract.

RG:jzs

**STAFF REPORT**  
**City of Lancaster**

CC 5
07/23/19
JC

Date: July 23, 2019

To: Mayor Parris and City Council Members

From: Jeff Campbell, Parks, Recreation and Arts Director

Subject: **Award of RFP No. 710-19 – Landscape Maintenance Services (Parks)**

---

**Recommendation:**

Award RFP No. 710-19, Landscape Maintenance Services (Parks), to Terracare, Inc. of Littleton, Colorado, in the amount of \$435,192 for landscape maintenance services (parks); and authorize the City Manager, or his designee, to sign all documents.

**Fiscal Impact:**

\$435,192; source of funding: General Fund

101-4631-402 Central and Eastside Parks Maintenance	\$ 186,520
101-4632-402 Lancaster Municipal Stadium Maintenance	\$ 11,467
101-4634-402 Westside Parks Maintenance	\$ 115,721
101-4635-402 Lancaster National Soccer Center Maintenance	\$ 121,484

**Background:**

Services covered under this agreement include, but are not limited to, mowing, edging, aerating, pruning, fertilizing, weed abatement and pest control to provide maintenance of landscaping for all City parks, the Lancaster Municipal Stadium and the Lancaster National Soccer Center.

A request for proposal was issued and on April 17, 2019 bids were received from six (6) firms and all were determined to be complete and qualified. A committee comprised of staff from Finance and Parks, Recreation and Arts reviewed the bid submittals. Based on evaluation measures identified in the Request for Proposal (RFP), which included: pricing, experience performing services of similar size and scope, qualifications of staff, references and local preference, Terracare was determined to be the contractor who could provide the best product for the best price. Terracare currently has several offices in southern California, and will use this opportunity to expand into the Antelope Valley. In addition, they plan to open a small office in Lancaster and hire local residents to fulfill this contract.

RG:jzs

**STAFF REPORT**  
**City of Lancaster**  
**Lancaster Financing Authority**

JNB 1
07/23/19
JC

Date: July 23, 2019

To: Mayor/Chairman Parris and Council Members/Authority Members

From: Jason Caudle, City Manager  
Pam Statsmann, Finance Director

**Subject: Preliminary and Final Official Statements - Measure M & R Street Improvements Project**

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**City Council Recommendation:**

Adopt **Resolution No. 19-42**, approving a Preliminary and Final Official Statement; and authorizing the taking of certain other actions in connection therewith.

**Lancaster Financing Authority Recommendation:**

Adopt **Resolution No. FA 02-19**, approving a Preliminary and Final Official Statement; and authorizing the taking of certain other actions in connection therewith.

**Fiscal Impact:**

None

**Background:**

In July 2008, LA County Metro's Measure R was approved by Los Angeles County voters. In November 2016, Metro's Measure M was approved. Both Measure R and Measure M included a new half-cent sales tax creating an ongoing source of funding for mobility improvements across Los Angeles County. Under Measure R and M, major road, transit and walking/biking projects are slated to be built in the next 40 years. Measure R and Measure M also includes funds that are returned directly to local cities for their own transportation projects and annual funding to ensure infrastructure is maintained.

Staff has developed a priority list and cost estimate for the Urban Core Arterial and Residential Street Rehabilitation and Resurfacing Projects (the "Projects") that qualify for funding under Metro's guidelines for both Measure R and Measure M. The list, previously presented to the City Council and the Board of Directors, shows total eligible Project costs of almost \$50 million to be completed over the next 3 years. For FY 2017/18, the City received a total of \$3.47 million in combined Measure R and Measure M sales tax and it is projected to receive approximately \$4.1 million in combined revenues for FY 2018/19. In addition to using the annual funds to fund the Projects on a pay-as-you-go basis or to accumulate funds to finance the largest of the Projects, the City has the opportunity to leverage the Measure R and Measure M Revenues. The City can currently raise approximately \$49.3 million for Project costs, providing enough funds to undertake the highest priority and largest Projects, while still maintaining strong debt service coverage (annual revenue divided by annual debt service) of at least 150%. Repayment of the financing will take place over the useful life of the Projects financed. Most of the Projects have a useful life of 15 to 30 years.

The City Council previously adopted Resolution No. 19-17 and the Board of Directors previously adopted Resolution No. FA 01-19 approving the issuance by the Authority of its Revenue Bonds, Series 2019 (Measure M & R Street Improvements Project) and related bond documents as provided in such resolutions.

In order to authorize the issuance of the Bonds, on May 14, 2019, the City Council and the Authority Board of Directors approved various documents in connection with the financing. Subsequent to that approval, the City requested that LAMTA approve the financing such that Measure's R and M revenues could be pledged to the City's financing. That approval was granted in writing on May 21, 2019. City Council and Authority Board approval of the form of the Preliminary Official Statement is the last action that either governing board will be requested to take in anticipation of a sale of the bonds. The Preliminary Official Statement will be used to market the bonds to potential investors.

If City Council and Authority Board elect to approve the two resolutions, City staff will work with the financing team to continue to ready the Bond transaction for a public sale. Below is a summary of the financing schedule:

<b>Date</b>	<b>Activity</b>
July 23	City Council and Authority Board Approve Preliminary Official Statement
August and September	Credit Rating Process
September or October*	Release Preliminary Official Statement to Underwriter to begin marketing of 2019 Bonds to Investors
October*	2019 Bond Order Period, Verbal Award and Execution of Bond Purchase Agreement
October*	Close Financing

\* - Bond Marketing, Offering / Order Period and Closing (Delivery of Funds) will be based upon market conditions and City project requirements.

**Attachments:**

Resolution No. 19-42

Resolution No. FA 02-19

Form of Preliminary Official Statement

RESOLUTION NO. 19-42

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LANCASTER, CALIFORNIA APPROVING A PRELIMINARY AND FINAL OFFICIAL STATEMENT; AND AUTHORIZING THE TAKING OF CERTAIN OTHER ACTIONS IN CONNECTION THEREWITH

WHEREAS, the City of Lancaster (the “City”) desires to finance certain street improvements within the boundaries of the City (the “Improvements”); and

WHEREAS, the Lancaster Financing Authority (the “Authority”) is a joint exercise of powers authority duly organized and existing under and pursuant to that certain Joint Exercise of Powers Agreement, dated September 1, 1989, by and between the City and the Lancaster Redevelopment Agency, under the provisions of Articles 1 through 4 (commencing with Section 6500) of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California (the “Act”), and is authorized pursuant to Article 4 of the Act to borrow money for the purpose of financing the acquisition of bonds, notes and other obligations to provide financing and refinancing for capital improvements of member entities of the Authority; and

WHEREAS, for the purpose of providing funds to finance the Improvements, the Authority has determined to issue its Revenue Bonds, Series 2019 (Measure M & R Street Improvements Project) (the “Bonds”); and

WHEREAS, the City Council has previously adopted Resolution No. 19-17 approving the issuance of the Bonds by the Authority;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LANCASTER AS FOLLOWS:

Section 1. Approval of Preliminary and Final Official Statement. The form of the Preliminary Official Statement is hereby approved. This City Council also hereby authorizes the use and distribution of (i) the Preliminary Official Statement, with such changes as the Mayor, the City Manager, the Assistant City Manager or the Finance Director, and any designee of any of them (the “Authorized Officers”) may approve, such approval to be conclusively evidenced by an Authorized Officer’s execution of a certificate described below; and (ii) an Official Statement in substantially the form of the Preliminary Official Statement, with such changes as may be necessary or advisable in connection with the sale of the Revenue Bonds, as determined by an Authorized Officer, such determination to be conclusively evidenced by the execution and delivery of the Official Statement; and (iii) any amendments or supplements to the Preliminary Official Statement or the Official Statement which an Authorized Officer may deem necessary or desirable. Upon approval of the Preliminary Official Statement by an Authorized Officer, said Authorized Officer shall execute a certificate deeming the Preliminary Official Statement final as of its date, and upon such execution, the Preliminary Official Statement shall be deemed final as of its date, except for the omission of certain information as provided in and pursuant to Rule 15c2-12 promulgated under the Securities Exchange Act.



Section 2. This Resolution shall take effect from and after its adoption.

PASSED, APPROVED and ADOPTED this 23<sup>rd</sup> day of July, 2019, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST:

APPROVED:

\_\_\_\_\_  
RONDA PEREZ  
Acting City Clerk  
City of Lancaster

\_\_\_\_\_  
R. REX PARRIS  
Mayor  
City of Lancaster

STATE OF CALIFORNIA            )  
COUNTY OF LOS ANGELES    )    ss  
CITY OF LANCASTER            )

CERTIFICATION OF RESOLUTION  
CITY COUNCIL

I, \_\_\_\_\_, \_\_\_\_\_ City of Lancaster, California,  
do hereby certify that this is a true and correct copy of the original Resolution No. 19-42, for  
which the original is on file in my office.

WITNESS MY HAND AND THE SEAL OF THE CITY OF LANCASTER, on this  
\_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

(seal)

\_\_\_\_\_

RESOLUTION NO. FA 02-19

A RESOLUTION OF THE LANCASTER FINANCING AUTHORITY APPROVING A PRELIMINARY AND FINAL OFFICIAL STATEMENT; AND AUTHORIZING THE TAKING OF CERTAIN OTHER ACTIONS IN CONNECTION THEREWITH

WHEREAS, the Lancaster Financing Authority (the “Authority”) is a joint exercise of powers authority duly organized and existing under and pursuant to that certain Joint Exercise of Powers Agreement, dated September 1, 1989, by and between the City of Lancaster (the “City”) and the Lancaster Redevelopment Agency, under the provisions of Articles 1 through 4 (commencing with Section 6500) of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California (the “Act”), and is authorized pursuant to Article 4 of the Act to borrow money for the purpose of financing the acquisition of bonds, notes and other obligations to provide financing and refinancing for capital improvements of member entities of the Authority; and

WHEREAS, the City plans to finance certain street improvements within the boundaries of the City (the “Improvements”); and

WHEREAS, for the purpose of providing funds to finance the Improvements, the Authority has determined to issue its Revenue Bonds, Series 2019 (Measure M & R Street Improvements Project) (the “Bonds”); and

WHEREAS, the Authority has previously adopted Resolution No. FA 01-19 approving the issuance of the Bonds;

NOW THEREFORE, THE BOARD OF DIRECTORS OF THE LANCASTER FINANCING AUTHORITY DOES HEREBY FIND, DETERMINE, RESOLVE AND ORDER AS FOLLOWS:

Section 1. Approval of Preliminary and Final Official Statement. The form of the Preliminary Official Statement is hereby approved. This Board of Directors also hereby authorizes the use and distribution of (i) the Preliminary Official Statement, with such changes as the Chairman, the Vice Chairman, the Executive Director or the Treasurer, and any designee of any of them (the “Authorized Officers”) may approve, such approval to be conclusively evidenced by an Authorized Officer’s execution of a certificate described below; and (ii) an Official Statement in substantially the form of the Preliminary Official Statement, with such changes as may be necessary or advisable in connection with the sale of the Revenue Bonds, as determined by an Authorized Officer, such determination to be conclusively evidenced by the execution and delivery of the Official Statement; and (iii) any amendments or supplements to the Preliminary Official Statement or the Official Statement which an Authorized Officer may deem necessary or desirable. Upon approval of the Preliminary Official Statement by an Authorized Officer, said Authorized Officer shall execute a certificate deeming the Preliminary Official Statement final as of its date, and upon such execution, the Preliminary Official Statement shall be deemed final as of its date, except for the omission of certain information as provided in and pursuant to Rule 15c2-12 promulgated under the Securities Exchange Act

Section 2. This Resolution shall take effect from and after its adoption.

PASSED, APPROVED AND ADOPTED this 23<sup>rd</sup> day of July, 2019, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST:

APPROVED:

\_\_\_\_\_  
RONDA PEREZ  
Acting City Clerk  
Lancaster Financing Authority

\_\_\_\_\_  
R. REX PARRIS  
Chair  
Lancaster Financing Authority

STATE OF CALIFORNIA        }  
COUNTY OF LOS ANGELES    }ss  
CITY OF LANCASTER         }

CERTIFICATION OF RESOLUTION  
LANCASTER FINANCING AUTHORITY

I, \_\_\_\_\_, \_\_\_\_\_ City of Lancaster, CA, do hereby certify that this is a true and correct copy of the original Resolution No. FA 02-19, for which the original is on file in my office.

WITNESS MY HAND AND THE SEAL OF THE CITY OF LANCASTER, on this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

(seal)

\_\_\_\_\_

**NEW ISSUE- BOOK-ENTRY ONLY**

**RATINGS**

**INSURED RATING: S&P: “\_\_”**  
**UNDERLYING RATING: S&P: “\_\_”**

(See “CONCLUDING INFORMATION - Ratings on the Bonds” herein)

*In the opinion of Nixon Peabody LLP, Bond Counsel, under existing law and assuming compliance with the tax covenants described herein, and the accuracy of certain representations and certifications made by the Authority and the City and described herein, interest on the Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the “Code”). Bond Counsel is also of the opinion that such interest is not treated as a preference item in calculating the alternative minimum tax imposed under the Code. Bond Counsel is further of the opinion that interest on the Bonds is exempt from personal income taxes of the State of California (the “State”) under present State law. See “TAX MATTERS” herein regarding certain other tax considerations. See “TAX MATTERS” herein.*

\$ \_\_\_\_\_\*

**LANCASTER FINANCING AUTHORITY  
REVENUE BONDS, SERIES 2019  
(Measure M & R Street Improvements Project)**

**Dated: Date of Delivery**

**Due: \_\_\_ 1 as shown on the inside front cover page**

The Lancaster Financing Authority Revenue Bonds, Series 2019 (Measure M & R Street Improvements Project) (the “Bonds”), are being issued to (i) finance the design, acquisition, and construction of certain local roadway and street improvement projects (each a “Project” and collectively, the “Projects”) in the City of Lancaster (the “City”), (ii) purchase a debt service reserve policy to satisfy the reserve requirement for the Bonds and (iii) pay the costs incurred in connection with the issuance of the Bonds.

The Bonds are payable from the Revenues, as defined herein, pledged under the Indenture, as defined herein, consisting primarily of installment payments (the “Installment Payments”) to be made by the City to the Lancaster Financing Authority (the “Authority”) from Measure M Receipts and Measure R Receipts, as defined herein, pursuant to an Installment Sale Agreement, as defined herein, and from certain funds held under the Indenture and insurance or condemnation awards. The City is required under the Installment Sale Agreement to make Installment Payments in each fiscal year in an amount sufficient to pay the annual principal and interest due with respect to the Bonds, as described herein. See “SOURCES OF PAYMENT FOR THE BONDS” and “RISK FACTORS” herein. The Measure M Receipts and Measure R Receipts are the only source of payment of the Installment Payments, and the City has covenanted to use the net proceeds of the Bonds to fund only Projects that constitute both a Measure M Project and a Measure R Project, as described herein. Neither the general fund of the City nor any other moneys of the City are available to pay or secure the Installment Payments or the Bonds.

Interest on the Bonds is payable semiannually on June 1 and December 1 of each year, commencing \_\_\_\_\_ 1, 20\_\_\_\_, until maturity or earlier redemption. See “THE BONDS - General Provisions” and “THE BONDS - Redemption” herein.

THE BONDS ARE PAYABLE EXCLUSIVELY FROM THE REVENUES AND OTHER FUNDS AS IS PROVIDED IN THE INDENTURE. THE GENERAL FUND OF THE AUTHORITY IS NOT LIABLE, AND THE CREDIT OF THE AUTHORITY IS NOT PLEDGED, FOR THE PAYMENT OF THE INTEREST AND PREMIUM (IF ANY) ON OR PRINCIPAL OF THE BONDS. THE PRINCIPAL OF AND INTEREST ON THE BONDS, AND ANY PREMIUM UPON THE REDEMPTION OF ANY THEREOF, SHALL NOT BE A LEGAL OR EQUITABLE PLEDGE, CHARGE, LIEN OR ENCUMBRANCE UPON ANY PROPERTY OF THE AUTHORITY OR UPON ANY OF ITS INCOME, RECEIPTS OR REVENUES EXCEPT THE REVENUES AND OTHER FUNDS PLEDGED TO THE PAYMENT THEREOF AS PROVIDED IN THE INDENTURE. THE AUTHORITY HAS NO TAXING POWER. THE OBLIGATION OF THE CITY TO MAKE INSTALLMENT PAYMENTS DOES NOT CONSTITUTE AN OBLIGATION OF THE CITY FOR WHICH THE CITY IS OBLIGATED TO LEVY OR PLEDGE ANY FORM OF TAXATION OR FOR WHICH THE CITY HAS LEVIED OR PLEDGED ANY FORM OF TAXATION. NEITHER THE BONDS NOR THE OBLIGATION OF THE CITY TO MAKE INSTALLMENT PAYMENTS CONSTITUTES AN INDEBTEDNESS OF THE CITY, THE STATE OR ANY OF ITS POLITICAL SUBDIVISIONS OTHER THAN THE AUTHORITY WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY DEBT LIMITATION OR RESTRICTION.

The cover page contains certain information for quick reference only. It is not a summary of the issue. Potential investors must read the entire Official Statement to obtain information essential to the making of an informed investment decision. See “RISK FACTORS” herein for a discussion of special risk factors that should be considered in evaluating the investment quality of the Bonds.

The scheduled payment of principal of and interest on the Bonds when due, will be guaranteed under an insurance policy to be issued concurrently with the delivery of the Bonds by \_\_\_\_\_. See “BOND INSURANCE” and “APPENDIX F - SPECIMEN MUNICIPAL BOND INSURANCE POLICY.”

The Bonds are being offered when, as and if issued, subject to the approval as to their legality by Nixon Peabody LLP, Los Angeles, California, Bond Counsel. Certain legal matters will also be passed on for the City and the Authority by Nixon Peabody LLP, Los Angeles, California, as Disclosure Counsel, and by Stradling Yocca Carlson & Rauth, a Professional Corporation, Newport Beach, California, as City Attorney and Authority General Counsel. Certain legal matters will be passed on for the Underwriter by its counsel, Norton Rose Fulbright US LLP, Los Angeles, California. It is anticipated that the Bonds will be available for delivery through the book-entry facilities of The Depository Trust Company on or about \_\_\_\_\_, 2019 (see “APPENDIX E - THE BOOK-ENTRY SYSTEM” herein).

PiperJaffray

This Preliminary Official Statement and the information contained herein are subject to completion or amendment. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or a solicitation of an offer to buy, nor shall there be any sale of, these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful under the securities laws of such jurisdiction.

*The date of the Official Statement is \_\_\_\_\_, 2019.*

\* Preliminary, subject to change.

\$ \_\_\_\_\_ \*

**LANCASTER FINANCING AUTHORITY**  
**REVENUE BONDS, SERIES 2019**  
**(Measure M & R Street Improvements Project)**

**MATURITY SCHEDULE**

(Base CUSIP<sup>®†</sup> \_\_\_\_\_)

<b>Maturity Date</b>	<b>Principal</b>	<b>Interest</b>	<b>Yield</b>	<b>CUSIP<sup>®†</sup></b>
<u>_____ 1</u>	<u>Amount</u>	<u>Rate</u>	<u>Yield</u>	<u>CUSIP<sup>®†</sup></u>

[ \$ \_\_\_\_\_ Series 2019 Term Bond due \_\_\_\_\_ 1, 20\_\_ — Rate: \_\_\_ %; Yield: \_\_\_ %  
Price: \_\_\_ %<sup>C</sup> — CUSIP<sub>‡</sub>: ]

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\* Preliminary, subject to change.

† CUSIP<sup>®</sup> is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, managed by S&P Capital IQ on behalf of the American Bankers Association. CUSIP numbers have been assigned by an independent company not affiliated with the Authority, the City, the Municipal Advisor or the Underwriter and are included solely for the convenience of the holders of the Bonds. None of the Authority, the City, the Municipal Advisor or the Underwriters is responsible for the selection or use of these CUSIP numbers, and no representation is made as to their correctness on the Bonds or as indicated above. The CUSIP number for a specific maturity is subject to being changed after the execution and delivery of the Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part of such maturity or as a result of

the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Bonds.

[<sup>C</sup> Priced to par call on \_\_\_\_\_ 1, 20\_\_.]

## GENERAL INFORMATION ABOUT THIS OFFICIAL STATEMENT

**Use of Official Statement.** This Official Statement is submitted in connection with the offer and sale of the Bonds referred to herein and may not be reproduced or used, in whole or in part, for any other purpose. This Official Statement is not to be construed as a contract with the purchasers of the Bonds.

**Effective Date.** This Official Statement speaks only as of its date, and the information and expressions of opinion contained in this Official Statement are subject to change without notice. Neither the delivery of this Official Statement nor any sale of the Bonds will, under any circumstances, create any implication that there has been no change in the affairs of the City or any other parties described in this Official Statement.

**No Offering May be Made Except by This Official Statement.** No dealer, broker, salesperson or other person has been authorized by the Authority or the City to give any information or to make any representations in connection with the offer or sale of the Bonds other than those contained herein and if given or made, such other information or representation must not be relied upon as having been authorized by the Authority, the City or the Municipal Advisor. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the Bonds by a person in any jurisdiction in which it is unlawful for such person to make such an offer, solicitation or sale.

**Preparation of this Official Statement.** The information contained in this Official Statement has been obtained from sources that are believed to be reliable. The information and expressions of opinions herein are subject to change without notice and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the City since the date hereof. This Official Statement is submitted in connection with the sale of the Bonds referred to herein and may not be reproduced or used, in whole or in part, for any other purpose, unless authorized in writing by the City. All summaries of the Bonds, the Installment Sale Agreement, the Indenture or other documents, are made subject to the provisions of such documents and do not purport to be complete statements of any or all of such provisions. Reference is hereby made to such documents on file with the City Clerk for further information. See "INTRODUCTION - Summaries Not Definitive."

The Underwriter has provided the following sentence for inclusion in this Official Statement: The Underwriter has reviewed the information in this Official Statement in accordance with, and as part of, their responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriters do not guarantee the accuracy or completeness of such information.

**Bonds are Exempt from Securities Laws Registration.** The issuance, sale and delivery of the Bonds has not been registered under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, in reliance upon exemptions for the execution, sale and delivery of municipal securities provided under Section 3(a)(2) of the Securities Act of 1933 and Section 3(a)(12) of the Securities Exchange Act of 1934.

**Estimates and Forecasts.** When used in this Official Statement and in any continuing disclosure by the Authority or the City, any press release and any oral statement made with the approval of an authorized officer of the Authority or the City or any other entity described or referenced herein, the words or phrases "will likely result," "are expected to," "will continue," "is anticipated," "estimate," "project," "forecast," "expect," "intend" and similar expressions identify "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements are subject to risks and uncertainties that could cause actual results to differ materially from those contemplated in such forward-looking statements. Any forecast is subject to such uncertainties. Inevitably, some assumptions used to develop the forecasts will not be realized and unanticipated events and circumstances may occur. Therefore, there are likely to be differences between forecasts and actual results, and those differences may be material.

**Stabilization of and Changes to Offering Prices.** In connection with this offering, the Underwriters may overallocate or effect transactions which stabilize or maintain the market price of the Bonds at a level above that which might otherwise prevail in the open market. Such stabilizing, if commenced, may be discontinued at any time. The Underwriters may offer and sell the Bonds to certain dealers and others at prices lower than the public offering prices set forth on the inside front cover page hereof and said public offering prices may be changed from time to time by the Underwriters.

**City Website.** The City maintains a website. The information on such website is not part of this Official Statement and is not intended to be relied on by investors with respect to the Bonds unless specifically set forth or incorporated herein.



**CITY OF LANCASTER  
LANCASTER FINANCING AUTHORITY**

**CITY COUNCIL/BOARD OF DIRECTORS**

R. Rex Parris, *Mayor/Chairman*  
Marvin Crist, *Vice Mayor/Vice Chairman*  
Ken Mann, *Councilmember/Director*  
Angela Underwood-Jacobs, *Councilmember/Director*  
Raj Malhi, *Councilmember/Director*

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**CITY AND AUTHORITY STAFF**

Jason Caudle, *City Manager/Executive Director*  
Ronda Perez, *Assistant City Manager/Assistant Executive Director*  
Pam Statsmann, *Finance Director/Treasurer*

Allison E. Burns, *City Attorney/Authority Counsel*  
Kathleen Stenback, *Deputy City Clerk/Secretary*

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**SPECIAL SERVICES**

**Municipal Advisor**  
NHA Advisors, LLC  
San Rafael, California

**Bond and Disclosure Counsel**  
Nixon Peabody LLP  
Los Angeles, California

**Trustee**  
U.S. Bank National Association  
Los Angeles, California

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# OFFICIAL STATEMENT

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## LANCASTER FINANCING AUTHORITY REVENUE BONDS, SERIES 2019 (Measure M & R Street Improvements Project)

This Official Statement, which includes the cover page and appendices (the “Official Statement”), is provided to furnish certain information concerning the sale of the Lancaster Financing Authority Revenue Bonds, Series 2019 (Measure M & R Street Improvements Project) (the “Bonds”), in the aggregate principal amount of \$ \_\_\_\_\_\*.

### INTRODUCTION

*This Introduction contains only a brief description of this issue and does not purport to be complete. This Introduction is subject in all respects to more complete information in the entire Official Statement and the offering of the Bonds to potential investors is made only by means of the entire Official Statement and the documents summarized herein. Potential investors must read the entire Official Statement to obtain information essential to the making of an informed investment decision (see “RISK FACTORS” herein). For definitions of certain capitalized terms used herein and not otherwise defined, and the terms relating to the Bonds, see the summary included in “APPENDIX A - SUMMARY OF CERTAIN PROVISIONS OF THE PRINCIPAL LEGAL DOCUMENTS” herein.*

### The City and the Authority

The City of Lancaster, California (the “City”) is located in the County of Los Angeles (the “County”) approximately 60 miles northeast of the City of Los Angeles in the southwest portion of the Antelope Valley between the City of Palmdale and Edwards Air Force Base. The City was incorporated as a general law city on November 22, 1977. On April 13, 2010, the qualified electors within the City voted to convert the City to a charter city. The population of the City as of January 1, 2019 was estimated to be 161,604. See “CITY OF LANCASTER” for additional economic and demographic information relating to the City.

The Lancaster Financing Authority (the “Authority”) is a joint exercise of powers authority organized and existing under and by virtue of the Joint Exercise of Powers Act, constituting Articles 1 through 4 (commencing with Section 6500) of Chapter 5, Division 7, Title 1 of the Government Code of the State of California (the “Joint Powers Act”). The City and the Lancaster Redevelopment Agency (the “Agency”) formed the Authority by the execution of an amended and restated joint exercise of powers agreement on September 1, 1989 (the “Joint Powers Agreement”).

Pursuant to the Joint Powers Act, the Authority is authorized to issue revenue bonds to provide funds to acquire or construct and to refinance public capital improvements, such revenue bonds to be repaid from the installment payments described herein.

The Authority is governed by a five-member Board whose members are the same as the City Council. The Mayor serves as the Chairman of the Authority. The City Manager of the City acts as the Executive Director of the Authority.

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\* Preliminary, subject to change.

## **Purpose**

The Bonds are being issued to finance the design, acquisition, and construction of certain local roadway and street improvement projects (collectively, the “Projects”) in the City, purchase a debt service reserve policy to satisfy the reserve requirement for the Bonds and to pay the costs of issuing the Bonds. See “THE FINANCING PLAN” herein.

## **Security and Sources of Repayment**

The Bonds are being issued under an Indenture of Trust, dated as of \_\_\_\_\_, 2019 (the “Indenture”), by and between the Authority and U.S. Bank National Association Los Angeles, California, as trustee (the “Trustee”). See “APPENDIX A - SUMMARY OF CERTAIN PROVISIONS OF THE PRINCIPAL LEGAL DOCUMENTS” herein.

The Bonds are payable from the Revenues pledged under the Indenture. The Revenues consist primarily of installment payments (the “Installment Payments”) to be made by the City to the Authority and of certain funds held under the Indenture and investment earnings thereon (collectively with the Installment Payments, the “Revenues”). The Authority will sell the improvements to the City pursuant to an Installment Sale Agreement, dated as of \_\_\_\_\_, 2019 (the “Installment Sale Agreement”), by and between the Authority and the City.

Under the Installment Sale Agreement, the Installment Payments are payable from and secured by a first lien on:

- all Measure M Receipts (as such term is defined herein), which consist of certain amounts received by the City from a 0.5% retail transactions and use tax that is collected by the County, to the extent that the applicable Project constitutes a Measure M Project (as such term is defined herein); and
- all Measure R Receipts (as such term is defined herein), which consist of certain amounts received by the City from a 0.5% retail transactions and use tax that is collected by the County through June 30, 2039), to the extent that the applicable Project constitutes a Measure R Project (as such term is defined herein).

Installment Payments are payable in an amount that is sufficient to pay, when due, the annual principal of and interest on the Bonds. See “SOURCES OF PAYMENT FOR THE BONDS,” “MEASURE M AND MEASURE R SALES TAX,” and “RISK FACTORS.” The Measure M Receipts and Measure R Receipts are the only source of payment of the Installment Payments. Neither the general fund of the City nor any other moneys of the City are available to pay or secure the Installment Payments.

All of the Authority’s right, title and interest in and to the Installment Sale Agreement (apart from certain indemnification rights), including the right to receive Installment Payments under the Installment Sale Agreement, are assigned to the Trustee under the Indenture for the benefit of Bondholders.

For a summary of the Indenture and the Installment Sale Agreement, see “APPENDIX A - SUMMARY OF CERTAIN PROVISIONS OF THE PRINCIPAL LEGAL DOCUMENTS” herein. Certain capitalized terms used in this Official Statement and not otherwise defined have the meanings given them in “APPENDIX A.”

## **Municipal Bond Insurance and Reserve Account Insurance Policy**

Concurrently with the issuance of the Bonds, \_\_\_\_\_ (the “Municipal Bond Insurer”) will issue its Municipal Bond Insurance Policy (the “Policy”) for the Bonds. The Policy guarantees the scheduled payment of principal of and interest on the Bonds when due as set forth in the form of the Policy included as “APPENDIX F - SPECIMEN MUNICIPAL BOND INSURANCE POLICY.”

In order to further secure the payment of the principal of and interest on the Bonds, a Reserve Account has been established by the Indenture. The Reserve Account will be funded by the purchase of a Debt Service Reserve Municipal Bond Insurance Policy (the “Reserve Policy”) issued by the Municipal Bond Insurer in an amount equal to the Reserve Requirement as defined in the Indenture. See “SOURCES OF PAYMENT FOR THE BONDS - Reserve Account.”

## **Limited Obligation**

The Bonds are payable exclusively from the Revenues and other funds as is provided in the Indenture. The general fund of the Authority is not liable, and the credit of the Authority is not pledged, for the payment of the interest and premium (if any) on or principal of the Bonds. The principal of and interest on the Bonds, and any premium upon the redemption of any thereof, shall not be a legal or equitable pledge, charge, lien or encumbrance upon any property of the Authority or upon any of its income, receipts or revenues except the Revenues and other funds pledged to the payment thereof as provided in the Indenture. The Authority has no taxing power. The obligation of the City to make Installment Payments does not constitute an obligation of the City for which the City is obligated to levy or pledge any form of taxation or for which the City has levied or pledged any form of taxation. Neither the Bonds nor the obligation of the City to make Installment Payments constitutes an indebtedness of the City, the State of California (the “State”) or any of its political subdivisions other than the Authority within the meaning of any constitutional or statutory debt limitation or restriction.

## **Legal Matters**

All legal proceedings in connection with the issuance of the Bonds are subject to the approving opinion of Nixon Peabody LLP, Los Angeles, California, as Bond Counsel. Such opinion, and certain tax consequences incident to the ownership of the Bonds are described more fully under the heading “TAX MATTERS” herein. Certain legal matters will be passed on for the City and the Authority by Nixon Peabody LLP, Los Angeles, California, as Disclosure Counsel, and by Stradling Yocca Carlson & Rauth, a Professional Corporation, Newport Beach, California, as City Attorney and General Counsel to the Authority. Certain legal matters will be passed on for the Underwriter by its Counsel, Norton Rose Fulbright US LLP, Los Angeles, California.

## **Offering of the Bonds**

**Authority for Issuance and Delivery.** The Bonds are to be issued in accordance with applicable provisions of the California Government Code, the Indenture and by a resolution of the Authority adopted on May 14, 2019.

**Offering and Delivery of the Bonds.** The Bonds are offered, when, as and if issued, subject to the approval as to their legality by Nixon Peabody LLP, Bond Counsel. It is anticipated that the Bonds, in book-entry form, will be available for delivery on or about \_\_\_\_\_, 2019 through the facilities of The Depository Trust Company (“DTC”). See “APPENDIX E - THE BOOK-ENTRY SYSTEM.”

## **Summaries Not Definitive**

The summaries and references contained herein with respect to the Indenture, the Installment Sale Agreement, the Bonds and other statutes or documents do not purport to be comprehensive or definitive and are qualified by reference to each such document or statute, and references to the Bonds are qualified in their entirety by reference to the form thereof included in the Indenture. Copies of the documents described herein are available for inspection during the period of initial offering of the Bonds at the offices of the Municipal Advisor. Copies of these documents may be obtained after delivery of the Bonds at the trust office of the Trustee, U.S. Bank National Association, Los Angeles, California or from the City at 44933 Fern Avenue, Lancaster, CA 93534.

## Scheduled Debt Service on the Bonds

The following is a schedule of semi-annual Installment Payments and therefore the total scheduled debt service on the Bonds, assuming no optional redemptions are made.

<u>Payment Date</u>	<u>Principal</u>	<u>Interest</u>	<u>Debt Service</u>	<u>Annual Debt Service</u>
---------------------	------------------	-----------------	---------------------	----------------------------

# THE FINANCING PLAN

## The Projects

The City has approved financing by the Authority of certain street improvements (both arterial and residential) within the City's urban core, namely all roadway bounded by 30<sup>th</sup> Street West to 20<sup>th</sup> Street East from Avenue I to Avenue M shown in the map below.

[Insert map of the improvements]

## Estimated Sources and Uses of Funds

Under the provisions of the Indenture, the Trustee will receive the proceeds from the sale of the Bonds and will apply them as follows:

### Sources of Funds

Par Amount of Bonds  
Original Issue Premium/Discount  
Total Sources of Funds

### Uses of Funds

Project Fund  
Underwriter's Discount  
Costs of Issuance Fund <sup>(1)</sup>  
Total Uses of Funds

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<sup>(1)</sup> Expenses include fees and expenses of Bond Counsel, Municipal Advisor, Disclosure Counsel and Trustee, rating fees, the Policy and the Reserve Policy premiums, costs of printing the Official Statement, and other costs of issuance of the Bonds.

# THE BONDS

## General Provisions

**Payment of the Bonds.** The Bonds will be issued in the form of fully registered Bonds in the principal amount of \$5,000 each or any integral multiple thereof. Interest on the Bonds is payable semi-annually on June 1 and December 1 of each year, commencing on \_\_\_\_\_1, 20\_\_ (each, an "Interest Payment Date"), at the rates per annum set forth on the inside front cover page hereof, until maturity or earlier redemption. Interest on the Bonds will be computed on the basis of a year consisting of 360 days and twelve 30-day months. Principal on the Bonds is payable on \_\_\_\_\_ in each of the years and in the amounts set forth on the inside front cover page hereof.

Each Bond shall bear interest from the Interest Payment Date next preceding the date of authentication thereof, unless (i) it is authenticated after the fifteenth day of the month preceding such Interest Payment Date (each, a "Record Date") and on or before the following Interest Payment Date, in which event it shall bear interest from such Interest Payment Date, or (b) it is authenticated on or before \_\_\_\_\_ 15, 20\_\_, in which event it shall bear interest from the Closing Date; *provided, however*, that if, as of the date of authentication of any Bond, interest thereon is in default, such Bond shall bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment thereon.



Principal of and interest on the Bonds shall be payable in lawful money of the United States of America. Interest with respect to any Bond shall be payable to the Owner thereof as of the Record Date immediately preceding each such Interest Payment Date, such interest to be paid by check of the Trustee mailed by first class mail to the Owners at the respective addresses of such Owners as they appear on the Registration Books; provided however, that payment of interest may be made by wire transfer in immediately available funds to an account in the United States of America to any Owner of Bonds in the aggregate principal amount of \$1,000,000 or more who shall furnish written wire instructions to the Trustee at least five (5) days before the applicable Record Date. Principal of any Bond shall be paid by check of the Trustee upon presentation and surrender thereof at the Office of the Trustee.

**Book-Entry System.** DTC will act as securities depository for the Bonds. The Bonds will be issued as fully registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. Interest on and principal of the Bonds will be payable when due by wire of the Trustee to DTC which will in turn remit such interest and principal to DTC Participants (as defined herein), which will in turn remit such interest and principal to Beneficial Owners (as defined herein) of the Bonds (see "APPENDIX E - THE BOOK-ENTRY SYSTEM" herein). As long as DTC is the registered owner of the Bonds and DTC's book-entry method is used for the Bonds, the Trustee will send any notices to Bond Owners only to DTC.

## Redemption

**Optional Redemption.** The Bonds shall be subject to mandatory redemption as a whole or in part, upon 20 days' written notice to the Trustee by the City (or such shorter period as shall be acceptable by the Trustee in its sole discretion) of its intention to optionally prepay the Installment Payments, on any date on or after \_\_\_\_ 1, 20\_\_, from any available source of funds of the City, at a redemption price equal to the principal amount of the Bonds to be redeemed, together with accrued interest thereon to the date fixed for redemption, without premium. Any such redemption shall be in such order of maturity as the City shall designate (and, if no specific order of redemption is designated by the City, in inverse order of maturity).

**Mandatory Sinking Account Redemption.** The Bonds maturing on \_\_\_\_ 1, 20\_\_ (the "Term Bonds") are subject to redemption from Mandatory Sinking Fund Payments in part on \_\_\_\_ 1, \_\_\_\_, and on each June 1 thereafter, to and including \_\_\_\_ 1, \_\_\_\_, to the extent of the sinking fund payment made by the Authority, derived from Installment Payments made by the City, with respect to each such redemption date, at a redemption price equal to the principal amount thereof to be redeemed, together with accrued interest thereon to the dated fixed for redemption, without premium, as follows:

Sinking Account Redemption Date (____ 1) <hr style="width: 100%;"/>	Principal Amount to be Redeemed or Purchased <hr style="width: 100%;"/> \$
--	--

\_\_\_\_\_  
 \* Maturity

In the event that the Trustee has redeemed Term Bonds in part but not in whole pursuant to Optional Redemption, the amount of the Term Bonds to be redeemed in each subsequent year pursuant to this section will be reduced in such order as shall be determined by the City, and the City shall provide a revised sinking fund schedule to the Trustee.

**Notice of Redemption; Rescission of Notice.** If redemption is authorized or required, notice of redemption shall be mailed by first class mail, postage prepaid, not less than 20 nor more than 60 days before any redemption date, to the respective Owners of any Bonds designated for redemption at their addresses appearing on the Registration Books, to the Securities Depositories and to the Information Services. Each notice of redemption shall state the date of the notice, the redemption date, the place or places of redemption, whether less than all of the Bonds (or all Bonds of a single maturity) are to be redeemed, the CUSIP numbers and (in the event that not all Bonds within a maturity are called for redemption) Bond numbers of the Bonds to be redeemed, the maturity or maturities of the Bonds to be redeemed, in the case of Bonds to be redeemed in part only, the respective portions of the principal amount thereof to be redeemed.

If such redemption is an optional redemption, the notice will state that such redemption is conditioned upon receipt by the Trustee of sufficient funds to insure the payment of the redemption price, including principal and interest.

Each such notice shall also state that on the redemption date there will become due and payable on each of said Bonds the redemption price thereof, and that from and after such redemption date interest thereon shall cease to accrue, and shall require that such Bonds be then surrendered. Neither the failure to receive any notice nor any defect therein shall affect the sufficiency of the proceedings for such redemption or the cessation of accrual of interest from and after the redemption date. Notice of redemption of Bonds shall be given by the Trustee, at the expense of the Authority, for and on behalf of the Authority.

So long as DTC is the registered Owner of the Bonds, all such notices will be provided to DTC as the Owner, without respect to the beneficial ownership of the Bonds. See "APPENDIX E - THE BOOK-ENTRY SYSTEM."

**Selection of Bonds for Redemption.** Whenever provision is made in the Indenture for the redemption of less than all of the Bonds of a particular maturity, the Trustee shall select the Bonds to be redeemed from all Bonds of such maturity or such given portion thereof not previously called for redemption, by lot in any manner which the Trustee in its sole discretion shall deem appropriate and fair. For purposes of such selection, the Trustee shall treat each Bond as consisting of separate \$5,000 portions and each such portion shall be subject to redemption as if such portion were a separate Bond.

**Effect of Redemption.** Notice of redemption having been duly given, and moneys for payment of the redemption price of, together with interest accrued to the date fixed for redemption on, the Bonds (or portions thereof) so called for redemption being held by the Trustee, on the redemption date designated in such notice, the Bonds (or portions thereof) so called for redemption shall become due and payable, interest on the Bonds so called for redemption shall cease to accrue, said Bonds (or portions thereof) shall cease to be entitled to any benefit or security under the Indenture, and the Owners of said Bonds shall have no rights in respect thereof except to receive payment of the redemption price thereof.

**Partial Redemption.** If only a portion of any Bond is called for redemption, then upon surrender of any Bonds redeemed in part only, the Authority shall execute and the Trustee shall authenticate and deliver to the Owner thereof, at the expense of the Authority, a new Bond or Bonds of authorized denominations equal in aggregate principal amount to the unredeemed portion of the Bonds surrendered.

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# **SOURCES OF PAYMENT FOR THE BONDS**

## **General**

The Bonds are payable from and secured by a pledge of Revenues and certain funds and accounts established and held by the Trustee under the Indenture. Revenues, as defined in the Indenture, means (a) all amounts received by the Authority or the Trustee pursuant or with respect to the Installment Sale Agreement, including, without limiting the generality of the foregoing, all of the Installment Payments (including both timely and delinquent payments, any late charges, and whether paid from any source) and prepayments, and (b) all interest, profits or other income derived from the investment of amounts in any fund or account established pursuant to the Indenture; but excluding any Additional Payments. See “APPENDIX A - SUMMARY OF CERTAIN PROVISIONS OF THE PRINCIPAL LEGAL DOCUMENTS” herein.

The Authority will assign to the Trustee for the payment of the Bonds the Authority’s rights, title and interest in the Installment Sale Agreement (with certain exceptions), including the right to receive Installment Payments to be made by the City under the Installment Sale Agreement.

The Bonds are limited obligations of the Authority payable solely from and secured by a pledge of Revenues and certain funds and accounts held under the Indenture. The Authority has no taxing power.

## **Installment Payments**

The City is required to pay the Installment Payments from a lien on Measure M Receipts and Measure R Receipts (see “Pledge of Measure M Receipts and Measure R Receipts” below), in an amount equal to the principal and interest due with respect to the Bonds. The Installment Sale Agreement requires the City to make Installment Payments to the Authority on or before each Installment Payment Date. Installment Payments to be paid by the City are assigned and are to be transmitted directly to the Trustee. The Indenture provides that the Installment Payments will be deposited in the Bond Fund maintained by the Trustee under the Indenture and applied to pay the principal and interest on the Bonds.

The obligation of the City to pay Installment Payments does not constitute an obligation for which the City is obligated to levy or pledge any form of taxation or for which the City has levied or pledged any form of taxation. The obligation of the City to pay Installment Payments does not constitute a debt of the City, the State of California or of any political subdivision thereof within the meaning of any constitutional or statutory debt limitation or restriction.

## **Measure M Sales Tax**

The term “Measure M Ordinance” is defined in the Indenture to mean Ordinance No. 16-01, the Los Angeles County Traffic Improvement Plan, adopted by the Los Angeles County Metropolitan Transit Authority (“MTA”) on June 23, 2016, and approved by at least two-thirds of electors voting on such proposition in the November 8, 2016 election, as supplemented and amended.

The term “Measure M Revenues” is defined in the Indenture to mean revenues of the MTA pursuant to the Measure M Ordinance derived from a retail transactions and use tax imposed in the County pursuant to Part 1.6 of Division 2 of the Revenue and Taxation Code of the State of California, as now in effect and as it may from time to time hereafter be amended or supplemented, Division 12 (Section 130350 et seq.) of the Public Utilities Code of the State of California, as now in effect and as it may from time to time hereafter be amended or supplemented, and the Measure M Ordinance. Collection of the Measure M Revenues commenced on July 1, 2017 and authorization to collect Measure M Revenues does not terminate.

The term “Measure M Receipts” is defined in the Indenture to mean Measure M Revenues allocated by the MTA to the City pursuant to the Measure M Ordinance from the Local Return Subfund established under the Measure M Ordinance, to the extent that a Project constitutes a Measure M Project.

The term “Measure M Project” is defined in the Indenture to mean a capital project for which Measure M Receipts may be expended. See the caption “THE FINANCING PLAN - The Projects.”

## **Measure R Sales Tax**

The term “Measure R Ordinance” is defined in the Indenture to mean Ordinance No. 08-01, the Traffic Relief and Rail Expansion Ordinance, adopted by the MTA on July 24, 2008, and approved by at least two-thirds of electors voting on such proposition in the November 4, 2008 election, as supplemented and amended.

The term “Measure R Revenues” is defined in the Indenture to mean revenues of the MTA pursuant to the Measure R Ordinance derived from a retail transactions and use tax imposed in the County pursuant to Part 1.6 of Division 2 of the Revenue and Taxation Code of the State of California, as now in effect and as it may from time to time hereafter be amended or supplemented, Division 12 (Section 130350 et seq.) of the Public Utilities Code of the State of California, as now in effect and as it may from time to time hereafter be amended or supplemented, and the Measure R Ordinance. Collection of the Measure R Revenues commenced on July 1, 2009 and terminates on June 30, 2039.

The term “Measure R Receipts” is defined in the Indenture to mean Measure R Revenues allocated by the MTA to the City pursuant to the Measure R Ordinance from the Local Return Subfund established under the Measure R Ordinance, to the extent that a Project constitutes a Measure R Project.

The term “Measure R Project” is defined in the Indenture to mean a capital project for which Measure R Receipts may be expended. See the caption “THE FINANCING PLAN - The Projects.”

## **Pledge of Measure M Receipts and Measure R Receipts**

The City has covenanted and agreed to apply Measure M Receipts and Measure R Receipts to the payment of the annual Installment Payments prior to any other expenditure of such funds, subject to the terms for release for expenditure as proved in the Installment Sale Agreement.

All Measure M Receipts and Measure R Receipts and any other amounts held by the trustee in any fund or account established under the Indenture (other than the Project Fund or the Rebate Fund) have been irrevocably pledged to the payment of the principal of and interest on the Bonds as provided in the Indenture. The Measure M Receipts and Measure R Receipts will not be used for any other purpose while the Bonds remain outstanding, however, out of the Measure M Receipts and Measure R Receipts there may be applied such sums for such purposes as are permitted by the Indenture. Such pledge will constitute a first pledge of and charge and lien on Measure M Receipts and Measure R Receipts and any other amounts held by the trustee in any fund or account established under the Indenture (other than the Project Fund or the Rebate Fund) for the payment of the principal of and interest on the Bonds.

Pursuant to the Indenture, the Authority assigned all of its rights and remedies under the Installment Sale Agreement, including its right to receive the Installment Payments and its security interest in and lien on the Measure M Receipts and Measure R Receipts.

## **Flow of Funds Under the Indenture**

**Bond Fund.** All Revenues shall be promptly deposited by the Trustee upon receipt thereof in a special fund designated as the “Bond Fund” which the Trustee shall establish, maintain and hold in trust. Within

the Bond Fund there shall be established an Interest Account, a Principal Account, a Reserve Account, and a Sinking Account. All Revenues deposited with the Trustee shall be held, disbursed, allocated and applied by the Trustee only as provided in the Indenture.

Not later than the Business Day preceding each Interest Payment Date, the Trustee shall transfer from the Bond Fund and deposit into the following respective accounts, the following amounts in the following order of priority, the requirements of each such account (including the making up of any deficiencies in any such account resulting from lack of Revenues sufficient to make any earlier required deposit) at the time of deposit to be satisfied before any transfer is made to any account subsequent in priority:

- (a) The Trustee shall deposit in the Interest Account an amount required to cause the aggregate amount on deposit in the Interest Account equal to the amount of interest coming due and payable on such Interest Payment Date on all Bonds then Outstanding. All amounts in the Interest Account shall be used and withdrawn by the Trustee solely for the purpose of paying interest on the Bonds as it shall become due and payable (including accrued interest on any Bonds redeemed prior to maturity pursuant to the Indenture).
- (b) The Trustee shall deposit in the Principal Account an amount, if any, required to cause the aggregate amount on deposit in the Principal Account to equal the principal amount of the Bonds coming due and payable on such Interest Payment Date. All amounts in the Principal Account shall be used and withdrawn by the Trustee solely to pay the principal amount of the Bonds at their respective maturity dates.
- (c) The Trustee shall deposit in the Sinking Account an amount, if any, required to cause the aggregate amount on deposit in the Sinking Account to equal the aggregate principal amount of the Term Bonds required to be redeemed on such Interest Payment Date pursuant to the Sinking Fund Redemption provisions of the Indenture.
- (d) The Trustee shall deposit in the Reserve Account an amount, if any, required to cause the amount on deposit in the Reserve Account to be equal to the Reserve Requirement.
- (e) If the then applicable Interest Payment Date is \_\_\_\_\_ 1, all remaining moneys shall be held by the Trustee in the Bond Fund and applied for the next succeeding June 1 Interest Payment Date deposit. If the then applicable Interest Payment Date is \_\_\_\_\_ 1, all remaining moneys shall be transferred to the City to be used for any lawful purpose.

**Redemption Fund.** The Trustee shall establish and maintain the Redemption Fund, amounts in which shall be used and withdrawn by the Trustee solely for the purpose of paying the principal of the Bonds to be redeemed pursuant to the optional redemption provisions of the Indenture; *provided, however,* that at any time prior to the selection of Bonds for redemption, the Trustee may apply such amounts to the purchase of Bonds at public or private sale. .

## **Reserve Account**

The Reserve Account is established under the Indenture to be funded in an amount equal to the “Reserve Requirement.” As defined in the Indenture, the term “Reserve Requirement” means, as of any calculation date in a Bond Year, an amount equal to the least of (a) maximum annual debt service on the Bonds, (b) 125% of average annual debt service on the Bonds, and (c) 10% of the original par amount of the Bonds. As of the Closing date, the Reserve Requirement is \$\_\_\_\_\_.

[Notwithstanding anything to the contrary set forth in the Indenture, amounts on deposit in the Reserve Account shall be applied solely to the payment of principal and interest due with respect to the Bonds. If, on any Interest Payment Date, the moneys available in the Bond Fund do not equal the amount of the principal and interest with respect to the Bonds then coming due and payable, the Trustee shall apply the

moneys available in the Reserve Account to make delinquent Installment Payments by transferring the amount necessary for this purpose to the Bond Fund or shall draw on the [Reserve Policy (as defined below)] and apply amounts received from such draw to make delinquent Installment Payments.]

The Indenture provides that in lieu of a cash deposit, the Authority may satisfy all or a portion of a Reserve Requirement by means of a Reserve Policy (see “APPENDIX A - SUMMARY OF CERTAIN PROVISIONS OF THE PRINCIPAL LEGAL DOCUMENTS” herein). The Authority will satisfy the Reserve Requirement for the Bonds by depositing the Reserve Policy in the face amount of \$\_\_\_\_\_, to be issued by \_\_\_ concurrently with the issuance of the Bonds. See “APPENDIX A - SUMMARY OF CERTAIN PROVISIONS OF THE PRINCIPAL LEGAL DOCUMENTS - The Indenture - Allocation of Revenues - Application of Reserve Account.” The Reserve Policy is not available to pay debt service on Parity Obligations, if any.

The Authority is not required under the Indenture to replace the Reserve Policy with cash or a replacement instrument in the event the ratings of \_\_\_ decline or are withdrawn.

## **Flow of Funds Under the Installment Sale Agreement**

**Deposit to and Transfer from Measure M Receipts Fund and Measure R Receipts Fund.** All of the Measure M Receipts shall be deposited by the City immediately upon receipt in the Measure M Receipts Fund, which fund the City agrees and covenants to establish and maintain. All of the Measure R Receipts shall be deposited by the City immediately upon receipt in the Measure R Receipts Fund, which fund the City agrees and covenants to establish and maintain.

On or before each Installment Payment Date, the City shall withdraw from the Measure M Receipts Fund and Measure R Receipts Fund and transfer to the Trustee, for deposit into the Bond Fund, an amount which, together with the balance then on deposit in the Bond Fund (other than amounts resulting from the prepayment of the Installment Payments pursuant to the Indenture and other than amounts required for payment of the principal or interest with respect to any Bonds which have matured or been called for redemption but which have not been presented for payment), is equal to the aggregate amount of the Installment Payment coming due and payable on the next succeeding Interest Payment Date.

## **Parity Obligations**

The City has the right to issue Parity Obligations. “Parity Obligations” is defined in the Indenture to mean any leases, loan agreements, installment sale agreements, bonds, notes or other obligations of the City payable from and secured by a pledge of and lien upon any of the Measure M Receipts and Measure R Receipts on a parity with the Installment Payments.

Parity Obligations may be issued on a parity with the Installment Sale Agreement and any existing Parity Obligations subject to the following specific conditions:

- (i) The City shall be in compliance with all covenants set forth in the Installment Sale Agreement and with all covenants set forth in the agreements relating to then existing Parity Obligations.
- (ii) The Measure M Receipts and Measure R Receipts as shown by the books of the City for the latest Fiscal Year or any more recent twelve (12) month period selected by the City, as shown by the books of the City, shall at least equal one hundred fifty percent (150%) of Maximum Annual Debt Service immediately subsequent to the issuance of such Parity Obligations.
- (iii) The instrument providing for the issuance of such Parity Obligations shall provide that:
  - (A) The proceeds of such Parity Obligations shall be applied to the acquisition, construction, improvement, financing or refinancing of additional Projects that are eligible both as a Measure M Project and as a Measure R Project in accordance with the MTA Guidelines (see

“RISK FACTORS – “Non-Compliance with Measure M and Measure R Guidelines”), or for the purpose of refunding any Parity Obligations in whole or in part, including all costs (including costs of issuing such Parity Obligations and including capitalized interest on such Parity Obligations during any period which the City deems necessary or advisable) relating thereto;

(B) Interest on such Parity Obligations shall be payable on \_\_\_\_ 15 and \_\_\_\_ 15 in each year of the term of such Parity Obligations except the first year, during which year interest may be payable on any \_\_\_\_ 15 or \_\_\_\_ 15; and

(C) The principal of such Parity Obligations shall be payable on \_\_\_\_ 15 in any year in which principal is payable.

(iv) A reserve fund may, but shall not be required to, be established for such Parity Obligations.

## **MUNICIPAL BOND INSURANCE**

[to be completed]

## **MEASURE M AND MEASURE R SALES TAX**

### **State Sales Tax**

In general, the State sales tax (“State Sales Tax”) applies to the gross receipts of retailers from the sale of tangible personal property. The State use tax is imposed on the storage, use, or other consumption in the State of property purchased from a retailer for such storage, use, or other consumption. Because the use tax does not apply to cases where the sale of the property is subject to the sales tax, the application of the use tax generally is to purchases made outside of the State for use within the State. The current Statewide tax rate is 7.25%.

Many categories of transactions are exempt from the State Sales Tax. The most important of these exemptions are sales of food products for home consumption, prescription medicine, edible livestock and their feed, seed and fertilizer used in raising food for human consumption, and gas, electricity, and water when delivered to consumers through mains, lines and pipes. In addition, Occasional Sales (i.e., sales of property not held or used by a seller in the course of activities for which he or she is required to hold a seller’s permit) are generally exempt from the State Sales Tax; however, the Occasional Sales exemption does not apply to the sale of an entire business and other sales of machinery and equipment used in a business. Sales of property to be used outside the County that are shipped to a point outside the County, pursuant to the contract of sale, by delivery to such point by the retailer, or by delivery by the retailer to a carrier for shipment to a consignee, at such point, are exempt from both the State Sales Tax and the State use tax.

### **Measure M Sales Tax**

In an election on November 8, 2016, more than two-thirds of the voters in the County approved the Measure M Ordinance, thereby imposing a 0.5% retail transactions and use tax on the gross receipts of retailers from the sale of tangible personal property sold in the County and a use tax at the same rate upon the storage, use, or other consumption in the County of such property purchased from any retailer for storage, use, or other consumption in the County, subject to certain limited exceptions described below (the “Measure M Sales Tax”). The Measure M Sales Tax commenced on July 1, 2017, is administered by MTA and is not limited in duration, and will increase subsequent to July 1, 2039 upon the expiration of the Measure R Sales Tax described below.

The Measure M Ordinance provides for the collection and allocation of revenues as follows: (i) 1% for regional rail; (ii) 2% for Metro State of Good Repair; (iii) 2% for Americans with Disabilities Act (“ADA”) Paratransit for Disabled and MTA discounts for seniors and students; (iv) 2% for Metro Active Transportation Program; (v) 5% for MTA rail operations; (vi) 17% for highway construction; (vii) 17% for local return; (viii) 20% for transit operations; and (ix) 35% for transit construction. The Measure M Receipts constitute the local return portion of such Measure M Revenues allocable to the City (as described in clause (vii) in the previous sentence).

The Measure M Sales Tax imposed in the County for transportation purposes and administered by MTA is in addition to the State Sales Tax. The Measure M Sales Tax is generally imposed upon the same transactions and items that are subject to the State Sales Tax, with generally the same exceptions.

The Measure M Sales Tax is also in addition to: (i) Measure R Sales Tax, (ii) a 0.5% sales tax imposed by the Los Angeles County Transportation Commission (the “Commission”), predecessor to the MTA, beginning in 1990 and currently imposed by MTA pursuant to Ordinance No. 49 of the Commission, known as the “Proposition C Sales Tax;” (iii) a 0.5% sales tax imposed by the Commission beginning in 1980 and currently imposed by MTA pursuant to Ordinance No. 16 of the Commission, known as the “Proposition A Sales Tax;” and (iv) sales taxes that apply only within certain cities within the County. The Measure R Sales Tax will terminate on July 1, 2039 and the Measure M Sales Tax will increase to a 1.0% sales tax.

Action by the State Legislature or by voter initiative could change the transactions and items upon which the State Sales Tax and the Measure M Sales Tax are imposed. Such changes or amendments could have either an adverse or beneficial effect on Measure M Revenues. Neither the Authority nor the City is currently aware of any proposed legislative change that would have a material adverse effect on Measure M Revenues.

For information related to MTA, see the caption “LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY.”

## **Measure R Sales Tax**

In an election on November 4, 2008, more than two-thirds of the voters in the County approved the Measure R Ordinance, thereby imposing a 0.5% retail transactions and use tax on the gross receipts of retailers from the sale of tangible personal property sold in the County and a use tax at the same rate upon the storage, use, or other consumption in the County of such property purchased from any retailer for storage, use, or other consumption in the County, subject to certain limited exceptions described below (the “Measure R Sales Tax”). The Measure R Sales Tax commenced on July 1, 2009, is administered by MTA and will terminate after 30 years on June 30, 2039.

The Measure R Ordinance provides for the collection and allocation of revenues as follows: (i) 2% for MTA rail capital improvements; (ii) 3% for Metrolink capital improvements; (iii) 5% for rail operations for new transit projects; (iv) 15% for local return (the “Measure R Local Return”); (v) 20% for bus operations allocated using MTA’s formula allocation procedure; (vi) 20% for highway capital projects; and (vii) 35% for specific transit capital projects. The Measure R Receipts constitute the local return portion of such Measure R Revenues allocable to the City (as described in clause (iv) in the previous sentence).

The Measure R Sales Tax imposed in the County for transportation purposes and administered by MTA is in addition to the State Sales Tax. The Measure R Sales Tax is generally imposed upon the same transactions and items that are subject to the State Sales Tax, with generally the same exceptions. The Measure R Sales Tax is also in addition to (i) the Measure M Sales Tax (ii) the Proposition C Sales Tax; (iii) the Proposition A Sales Tax; and (iv) sales taxes that apply only within certain cities within the County.

Action by the State Legislature or by voter initiative could change the transactions and items upon which the State Sales Tax and the Measure R Sales Tax are imposed. Such changes or amendments could have



either an adverse or beneficial effect on Measure R Revenues. Neither the Authority nor the City is currently aware of any proposed legislative change that would have a material adverse effect on Measure R Revenues.

## Collection and Allocation of Measure M Revenues

Collection of the Measure M Sales Tax began on July 1, 2017, and is administered by the California Department of Tax and Fee Administration, which imposes a charge for administration. Such charge is based on the actual costs incurred by the California Department of Tax and Fee Administration in connection with the administration of the collection of the Measure M Sales Tax. In accordance with the Measure M Ordinance, MTA is required to allocate the proceeds of the Measure M Sales Tax as follows:

<u>Uses</u>	<u>Percentage of Allocation</u> <sup>(2)</sup>
Metro Rail Operations (including Metro Rail State of Good Repair)	5%
Transit Operations (Metro and Municipal Providers)	20%
ADA Paratransit for Disabled; Metro discounts for seniors and students	2%
Transit Construction (includes system connectivity projects – airports, Union Station, and Countywide BRT)	35%
Metro State of Good Repair	2%
Highway Construction (includes system connectivity projects – ports, highway congestion, good movement)	17%
Metro Active Transportation Program (bicycle, pedestrian, complete streets)	2%
Regional Rail	1%
Measure M Local Return <sup>(1)</sup>	<u>17%</u>
Total	100%

<sup>(1)</sup> 1% Administration supplements the Measure M Local Return, increasing the Measure M Local Return from 16% to 17% of net revenues, which amount will increase to 20% on July 1, 2039. 17% of the Measure M Sales Tax is allocated to incorporated cities within the County (including the City) and to the County for the unincorporated areas thereof on a per capita basis for streets and roads improvements; a comprehensive, integrated transportation network with infrastructure and design that allows safe and convenient travel along and across streets for all users, including pedestrians, users and operators of public transit, bicyclist, persons with disabilities, seniors, children, motorists, users of green modes, and movers of commercial goods, and commonly referred to as “Complete Streets”; urban transportation rights-of-way integrated with stormwater treatment techniques that use natural processes and landscaping and quantitatively demonstrate that they capture and treat stormwater runoff from their tributary watershed through infiltration or other means and are included within respective Enhanced Watershed Management Plans, and commonly referred to as “Green Streets”; storm drains; traffic control measures; active transportation; public transit services and capital, transit oriented community investments; transit marketing; congestion management program (planning, engineering and/or study); transportation administration; or as matching funds for other federal, state or local sources used to fund transportation projects.

<sup>(2)</sup> Does not sum due to inclusion of 1% Administration to supplement Measure M Local Return. See Footnote <sup>(1)</sup> above.

The Measure M Ordinance specifies that 17% of the Measure M Sales Tax, which includes a 1% Administration supplement (the “Measure M Local Return”) be allocated to incorporated cities within the County (including the City) and to the County for the unincorporated areas each on a per capita basis, which amount will increase to 20% on July 1, 2039. The California Department of Tax and Fee Administration, after deducting the costs of administering the Measure M Sales Tax, has agreed to remit all Measure M Sales Tax revenues to any trustee for MTA’s outstanding bond issues that are secured by Measure M Sales Tax revenues (collectively, the “MTA Measure M Bonds”). Such trustee would thereafter immediately disburse the Measure M Local Return to the MTA. The Measure M Local Return does not serve as security for any of the MTA Measure M Bonds. At this time, MTA has not issued any MTA Measure M Bonds, but may do so in the future.

Currently, apportionments of the Measure M Local Return are being made to 88 cities and the County for the unincorporated areas (each, a “Jurisdiction” and, collectively, the “Jurisdictions”). The Measure M Local Return allocations to the Jurisdictions are based on the population shares from the projected populations as derived from annual estimates made by the California State Department of Finance. The projected populations are revised annually in the formula allocation procedure established by the MTA Board. Before any Jurisdiction can receive any allocations of the Measure M Local Return, such Jurisdiction must sign an assurances and understanding agreement with MTA. Measure M Local Return funds are then automatically allocated monthly on a per capita basis to such Jurisdiction. In addition, to continue receiving Measure M Local Return funds, the governing body of each Jurisdiction must annually adopt a resolution approving such Jurisdiction’s five year plan regarding the expenditure of its Measure M Revenues and demonstrate its compliance with the required uses of its Measure M Revenues pursuant to an annual audit. See “RISK FACTORS - Non-Compliance with Measure M and Measure R Guidelines.”

## Collection and Allocation of Measure R Revenues

Collection of the Measure R Sales Tax began on July 1, 2009, and is administered by the California Department of Tax and Fee Administration, which imposes a charge for administration. Such charge is based on the actual costs incurred by the California Department of Tax and Fee Administration in connection with the administration of the collection of the Measure R Sales Tax. In accordance with the Measure R Ordinance, MTA is required to allocate the proceeds of the Measure R Sales Tax as follows:

<u>Uses</u>	<u>Percentage of Allocation</u>
New Rail and/or Bus Rapid Transit	35%
Metrolink Capital Improvement Projects within the County	3%
Metro Rail Capital – System Improvements, Rail Yards and Rail Cars	2%
Carpool Lanes, Highways, Goods Movement, Grade Separations and Soundwalls	20%
Rail Operations	5%
Bus Operations	20%
Measure R Local Return <sup>(1)</sup>	<u>15%</u>
Total	100%

<sup>(1)</sup> 15% of the Measure R Sales Tax is allocated to incorporated cities within the County (including the City) and to the County for the unincorporated areas thereof on a per capita basis for major street resurfacing, rehabilitation and reconstruction; pothole repair; left turn signals; bikeways; pedestrian improvements; streetscapes; signal synchronization; and transit.

The Measure R Ordinance specifies that 15% of the Measure R Sales Tax (the “Measure R Local Return”) be allocated to incorporated cities within the County (including the City) and to the County for the unincorporated areas each on a per capita basis. The California Department of Tax and Fee Administration, after deducting the costs of administering the Measure R Sales Tax, has agreed to remit all Measure R Sales Tax revenues to any trustee for MTA’s outstanding bond issues that are secured by Measure R Sales Tax revenues (collectively, the “MTA Measure R Bonds”). Such trustee would thereafter immediately disburse the Measure R Local Return to the MTA. The Measure R Local Return does not serve as security for any of the MTA Measure R Bonds. At this time, MTA has issued \$\_\_\_\_\_ MTA Measure R Bonds.

Currently, apportionments of the Measure R Local Return are being made to 88 cities and the County for the unincorporated areas (each, a “Jurisdiction” and, collectively, the “Jurisdictions”). The Measure R Local Return allocations to the Jurisdictions are based on the population shares from the projected populations as derived from annual estimates made by the California State Department of Finance. The projected populations are revised annually in the formula allocation procedure established by the MTA Board. Before any Jurisdiction can receive any allocations of the Measure R Local Return, such Jurisdiction must sign an assurance and understanding agreement with MTA. Measure R Local Return funds are then automatically allocated monthly on a per capita basis to such Jurisdiction. In addition, to continue receiving

Measure R Local Return funds, the governing body of each Jurisdiction must annually adopt a resolution approving such Jurisdiction’s five year plan regarding the expenditure of its Measure R Revenues and demonstrate its compliance with the required uses of its Measure R Revenues pursuant to an annual audit. See “RISK FACTORS - Non-Compliance with Measure M and Measure R Guidelines.”

## Historical Measure M Receipts and Measure R Receipts

The following table sets forth the Measure M Receipts and Measure R Receipts that were distributed by MTA to the City since fiscal year 2014-15.

### CITY OF LANCASTER HISTORICAL MEASURE M RECEIPTS AND MEASURE R RECEIPTS

<u>Fiscal Year</u>	<u>Measure M Receipts</u>	<u>Measure R Receipts<sup>1</sup></u>	<u>Total</u>
2014-15	–	\$1,745,661	\$1,745,661
2015-16	–	1,796,381	1,796,381
2016-17	–	1,825,625	1,825,625
2017-18	\$1,649,797 <sup>2</sup>	1,820,508	3,470,305
2018-19*			

<sup>1</sup> Measure R Receipts reported above reflect only the portion of Measure R Receipts pledged to the repayment of the Bonds, and may differ from amounts reported in the City’s audited financials.

<sup>2</sup> MTA began distributing Measure M Receipts to the City in October of 2017.

\* Receipts reported are unaudited figures. The City’s audited financials were not available at the time of posting.

Source: City of Lancaster

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## Projected Debt Service Coverage

The following table sets forth the projected annual debt service coverage with respect to the Bonds.

<b>Bond Year Ending _____1</b>	<b>Measure M Receipts</b>	<b>Measure R Receipts</b>	<b>Total</b>	<b>Projected Annual Installment Payments*</b>	<b>Debt Service Coverage*</b>
2020	\$	\$	\$		
2021					
2022					
2023					
2024					
2025					
2026					
2027					
2028					
2029					
2030					
2031					
2032					
2033					
2034					
2035					
2036					
2037					
2038					
2039					
2040					
2041 <sup>1</sup>					
2042					
2043					
2044					
2045					
2046					
2047					
2048					
2049					

<sup>1</sup> Beginning Bond Year \_\_\_\_\_1, 2041, the Measure M local return percentage increases from 17% to 20%.

\* Preliminary, subject to change.

Source: City of Lancaster

## **LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY**

MTA was established in 1993 pursuant to the provisions of Section 130050.2 et seq. of the California Public Utilities Code. MTA is the consolidated successor entity to both the Southern California Rapid Transit District (the “District”) and the Commission. As the consolidated successor entity, MTA succeeded to all powers, duties, rights, obligations, liabilities, indebtedness (bonded or otherwise), immunities, and exemptions of the Commission and the District, including the Commission’s responsibility for planning, engineering, and constructing a county-wide rail transit system. The Commission was authorized, subject to approval by the electorate of the County, to adopt a retail transactions and use tax ordinance, with the revenues of such tax to be used for public transit purposes.

MTA is governed by a 14-member Board of Directors (the “MTA Board”). The MTA Board is composed of the five members of the County of Los Angeles Board of Supervisors, the Mayor of the City of Los Angeles, two public members, and one member of the City Council of the City of Los Angeles appointed by the Mayor of the City of Los Angeles, four members who are either a mayor or a member of a city council of a city in the County (other than the City of Los Angeles) and who have been appointed by the Los Angeles County City Selection Committee, and a nonvoting member appointed by the Governor.

The MTA Board exclusively exercises and discharges the following powers and responsibilities: (i) establishment of overall goals and objectives; (ii) adoption of the aggregate budget for all of its organizational units; (iii) designation of additional municipal bus operators under criteria enumerated in the California Public Utilities Code; (iv) approval of all final rail corridor selections; (v) final approval of labor contracts covering employees of MTA and its organizational units; (vi) establishment of MTA’s organizational structure; (vii) conducting hearings and setting fares for the operating organizational units; (viii) approval of transportation zones; (ix) approval of any debt instrument with a maturity date exceeding the end of the fiscal year in which it is issued; (x) approval of benefit assessment districts and assessment rates; and (xi) approval of contracts for construction and transit equipment acquisition which exceed \$5,000,000 and making findings in connection with certain procurement decisions.

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## **THE AUTHORITY**

The Authority is a joint exercise of powers authority organized and existing under and by virtue of the Joint Exercise of Powers Act, constituting Articles 1 through 4 (commencing with Section 6500) of Chapter 5, Division 7, Title 1 of the Government Code of the State of California (the “Joint Powers Act”). The City and the Lancaster Redevelopment Agency (the “Agency”) formed the Authority by the execution of an amended and restated joint exercise of powers agreement on September 1, 1989 (the “Joint Powers Agreement”).

Pursuant to the Joint Powers Act, the Authority is authorized to issue revenue bonds to provide funds to acquire or construct and to refinance public capital improvements, such revenue bonds to be repaid from the installment payments described herein.

The Authority is governed by a five-member Board whose members are the same as the City Council. The Mayor serves as the Chairman of the Authority. The City Manager of the City acts as the Executive Director of the Authority.

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# CITY OF LANCASTER

## General

The City is located in the County of Los Angeles approximately 60 miles northeast of the City of Los Angeles in the southwest portion of the Antelope Valley between the City of Palmdale and Edwards Air Force Base. The City was incorporated on November 22, 1977 as a general law city. On April 13, 2010, the qualified electors within the City voted to convert the City to a charter city. The City maintains a council-manager form of government. The mayor and city council are elected at large for staggered four-year-terms.

The City provides a broad range of services, including highway, street, drainage, sewer, and infrastructure construction and maintenance; planning and zoning; and parks, recreation and cultural activities. Sheriff's and animal control services are provided under contract with the County, whereas fire protection, water, sanitation, school, and library are funded by special districts not under City control.

## Government

***City Council and Staff.*** The City maintains a council-manager form of government. The mayor and city council are elected at large for staggered four-year terms. The City Council appoints a City Manager, City Clerk, City Attorney, and all advisory boards and commissions. The City Manager serves as the chief administrative officer of the City.

**Jason Caudle** is the City Manager of the City and the Executive Director of the Authority. Mr. Caudle has 25 years of local government experience – he served five years as a Field Representative for a Kern County Supervisor and served 10 years as the City Manager for the City of Tehachapi. Prior to joining Lancaster, Mr. Caudle served as a Vice President of Public Sector Finance for Kinsell, Newcomb, and De Dios, a broker-dealer specializing in municipal bonds. Mr. Caudle holds a bachelor's degree in Political Science and a master's degree in Public Policy and Administration from the California State University at Bakersfield and was a Licensed General Securities Representative.

**Ronda Perez** is the Assistant City Manager and the Assistant Executive Director of the Authority. Mrs. Perez has been with the City for 12 years serving in various positions, most recently of which, as the Parks, Recreation and Arts Director for the City since 2011. Her primary areas of emphasis have been in special event cultivation, cultural arts and recreational programming, sponsorship development, budgeting and capital program management. She holds two bachelor's degrees from the University of California, Irvine in Political Science and Criminology and a Master's Degree from California State University, Long Beach in Criminal Justice.

**Pam Statsmann** is the Finance Director of the City and the Treasurer of the Authority. Ms. Statsmann has approximately 28 years of experience in municipal government, all with the City of Lancaster. She has held various positions within the City's Finance Department. Prior to joining the City, she worked five years in the banking industry. She holds a bachelor's degree in Business Administration from California State University, Bakersfield.

## Population

The population of the City as of January 1, 2019 was estimated to be 161,604. The following table lists population figures for the City, the County and the State as of January 1 for the last ten years.

**TABLE 1**  
**CITY OF LANCASTER, COUNTY OF LOS ANGELES AND STATE OF CALIFORNIA**

**Population Estimates**

**Calendar Years 2010 through 2019<sup>(1)</sup>**

<b>Calendar Year</b>	<b>City of Lancaster</b>	<b>County of Los Angeles</b>	<b>State of California</b>
2010	156,633	9,818,605	37,253,956
2011	158,260	9,885,948	37,594,781
2012	159,315	9,972,649	37,971,427
2013	160,420	10,040,960	38,321,459
2014	161,046	10,098,952	38,622,301
2015	161,440	10,155,753	38,952,462
2016	161,552	10,185,851	39,214,803
2017	161,401	10,226,920	39,504,609
2018	161,395	10,254,658	39,740,508
2019	161,604	10,253,716	39,927,315

<sup>(1)</sup> Estimated by the California Department of Finance, Demographic Research Unit, as of January 1 of each year, except 2010, which is Census Benchmark as of April 1, 2010.

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## Employment

According to the State of California Employment Development Department, the estimated unemployment rate for the City as of May 2019 was 6.4 percent, and the estimated unemployment rate for the County as of May 2019 was 4.4 percent. The following table shows certain employment statistics for the City, the County, and the State for calendar years 2010 through 2018.

**TABLE 2**  
**CITY OF LANCASTER, COUNTY OF LOS ANGELES AND STATE OF CALIFORNIA**  
**City and County Employment Statistics**  
**Calendar Years 2010 through 2018 <sup>(1)</sup>**

Year	City		Unemployment Rate	County	State
	Labor Force	Employed		Unemployment Rate	Unemployment Rate
2010	63,200	54,500	13.9%	12.5%	12.2%
2011	63,500	54,900	13.5	12.2	11.7
2012	63,000	55,300	12.2	10.9	10.4
2013	63,500	56,600	10.9	9.8	8.9
2014	63,700	57,800	9.2	8.3	7.5
2015	63,200	58,500	7.4	6.6	6.2
2016	64,300	59,800	7.0	5.3	5.5
2017	65,100	60,700	6.7	4.8	4.8
2018	65,600	61,200	6.6	4.7	4.2

<sup>(1)</sup> Not seasonally adjusted. Figures represent the 12-month average for each such year.  
Source: State of California, Employment Development Department.

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The City serves as a primary commercial center of the Greater Antelope Valley, which covers 3,514.2 square miles of area and includes the City, Edwards Air Force Base, certain unincorporated areas of the County and the cities of Palmdale, Tehachapi, Mojave, and Ridgecrest. The table below lists the ten largest employers in the Greater Antelope Valley area for 2018. Major private employers in the area include those in the military, and health care industries. Major public sector employers include the County and several local school districts.

**TABLE 3  
ANTELOPE VALLEY AREA  
MAJOR EMPLOYERS**

	<b>Name of Company</b>	<b>Employees</b>	<b>Valley Employment Percentage of Total</b>
1.	Edwards Air Force Base	11,457	17.44%
2.	China Lake Naval Weapons Center	6,520	9.92
3.	Northrop Grumman	4,200	6.39
4.	County of Los Angeles	4,136	6.30
5.	Lockheed Martin	3,700	5.63
6.	Antelope Valley Hospital Medical Center	2,600	3.96
7.	Antelope Valley Union High School District	2,500	3.81
8.	Lancaster School District	2,200	3.35
9.	Palmdale School District	1,792	2.73
10.	CA State Prison (LA)	550	0.84
	Total	65,700	60.36%

Source: City of Lancaster Comprehensive Annual Financial Report, Fiscal Year Ended June 30, 2018.

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The following table summarizes the civilian labor force in the County for the calendar years 2014 through 2018. These figures are countywide statistics and may not necessarily accurately reflect employment trends in the City.

**TABLE 4**  
**LOS ANGELES COUNTY**  
**Annual Average Industrial Employment <sup>(1)</sup>**  
**Calendar Years 2014-2018**

	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
Total Farm	5,200	5,000	5,300	5,700	4,800
Mining and Logging	3,100	2,900	2,400	2,000	1,900
Construction	118,500	126,100	133,900	138,400	146,000
Manufacturing	371,500	368,200	360,800	349,900	343,700
Trade, Transportation and Utilities	804,500	822,200	835,600	845,700	850,900
Information	198,900	207,600	229,400	214,900	217,400
Financial Activities	211,200	215,600	219,800	221,600	223,000
Professional and Business Services	589,100	591,000	600,100	608,800	620,000
Educational and Health Services	725,000	745,900	772,700	800,600	823,600
Leisure and Hospitality	464,100	486,600	510,000	524,600	534,300
Other Services	150,500	151,000	153,300	155,700	159,700
Government	556,200	568,500	576,700	586,100	589,600
Total All Industries <sup>(1)</sup>	4,199,814	4,292,615	4,402,016	4,456,017	4,516,918
Total Civilian Labor Force <sup>(2)</sup>	4,992,600	4,989,800	5,041,400	5,096,500	5,136,300
Total Unemployment	412,300	330,100	264,800	242,700	239,800
Unemployment Rate	8.3%	6.6%	5.3%	4.8%	4.7%

<sup>(1)</sup> Industry employment is by place of work; excludes self-employed individuals, unpaid family workers, household domestic workers and workers on strike.

<sup>(2)</sup> Labor force data is by place of residence; includes self-employed individuals, unpaid family workers, household domestic workers and workers on strike.

Source: California Employment Development Department, Labor Market Information Division.

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## Per Capita Personal Income

The table below shows the per capita personal income for the City, the County and the State for the 2013-17 five-year period.

**TABLE 5**  
**CITY OF LANCASTER, COUNTY OF LOS ANGELES AND STATE OF CALIFORNIA**

### Per Capita Income

**Calendar Years 2013 through 2017**  
**(in 2017 dollars)**

<b>Calendar Year</b>	<b>City of Lancaster</b>	<b>County of Los Angeles</b>	<b>State of California</b>
2013-17	\$19,906	\$30,798	\$33,128

Source: U.S. Census Bureau, American Community Survey, 5-Year Estimates.

## Median Household Income

The table below shows the median household income for the City, the County and the State for the 2013-17 five-year period.

**TABLE 6**  
**CITY OF LANCASTER, COUNTY OF LOS ANGELES AND STATE OF CALIFORNIA**

### Median Household Income

**Calendar Years 2013 through 2017**  
**(in 2017 dollars)**

<b>Calendar Year</b>	<b>City of Lancaster</b>	<b>County of Los Angeles</b>	<b>State of California</b>
2013-17	\$49,314	\$61,015	\$67,169

Source: U.S. Census Bureau, American Community Survey, 5-Year Estimates.

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## Construction Activity

The table below summarizes residential construction activity in Lancaster for both single-family and attached living units during the last three fiscal years.

**TABLE 7  
CITY OF LANCASTER**

### Residential Building Permits and Valuation

	<u>2015-16</u>	<u>2016-17</u>	<u>2017-18</u>
<b>Residential</b>			
New Single-Dwelling	\$34,451,790	\$38,855,397	\$25,387,340
New Multi-Dwelling	16,102,930	0	2,726,461
Total Residential	<u>\$50,554,720</u>	<u>\$38,855,397</u>	<u>\$28,113,801</u>
<b>No. of New Dwelling Units</b>			
Single-Dwelling	91	121	86
Multi-Dwelling	156	0	51
Total Units	<u>247</u>	<u>121</u>	<u>137</u>

Source: City of Lancaster.

## Retail Sales

The following table summarizes the volume of retail sales and taxable transactions for the City of Lancaster and Los Angeles County for 2007 through 2017 (the most recent year for which statistics are available from the State Board of Equalization for the full year).

**CITY OF LANCASTER AND LOS ANGELES COUNTY  
TOTAL TAXABLE TRANSACTIONS  
(in \$ thousands)**

<u>Year</u>	<u>City of Lancaster</u> <u>Taxable Transactions</u>		<u>Los Angeles County</u> <u>Taxable Transactions</u>	
	<u>Retail and Food</u> <u>Services</u>	<u>Other</u>	<u>Retail and Food</u> <u>Services</u>	<u>Other</u>
2007	\$1,369,416	\$321,532	\$96,095,711	\$41,724,707
2008	1,149,823	344,926	89,810,309	42,071,435
2009	976,089	314,925	78,444,115	34,300,613
2010	998,547	315,548	82,175,416	34,766,918
2011	1,136,017	336,774	89,251,447	37,189,291
2012	1,213,772	350,112	95,318,603	39,976,979
2013	1,229,905	356,628	99,641,174	40,438,534
2014	1,231,026	392,139	104,189,819	43,257,108
2015	1,233,691	421,958	108,147,021	42,886,760
2016	1,266,225	445,315	109,997,043	44,211,290
2017	1,332,433	434,127	113,280,347	45,979,009

Source: State Board of Equalization, "Taxable Sales in California."

## **RISK FACTORS**

*The purchase of the Bonds involves investment risk. If a risk factor materializes to a sufficient degree, it could delay or prevent payment of principal of and/or interest on the Bonds. Such risk factors include, but are not limited to, the following matters and should be considered, along with other information in this Official Statement, by potential investors.*

### **Installment Payments Constitute Limited Obligations**

The obligation of the City to make Installment Payments under the Installment Sale Agreement is a special obligation of the City, payable solely from the Measure M Receipts and Measure R Receipts, does not constitute a debt of the City, the Authority, the County, the State or any political subdivision of the State within the meaning of any constitutional or statutory debt limitation or restriction, and does not constitute an obligation for which the City, the County, the State or any political subdivision of the State (other than the Authority) is obligated to levy or pledge any form of taxation or for which the City, the County, the State, or any political subdivision of the State (other than the Authority) has levied or pledged any form of taxation. The Authority has no taxing power.

### **Passive Revenue Source**

The payment of principal of and interest on the Bonds is secured solely by a pledge of Installment Payments, which in turn are secured by a pledge by the City of the Measure M Receipts and Measure R Receipts, and certain funds held under the Indenture. The City does not have any control over the amount of Measure M Receipts and Measure R Receipts to be received by the City because: (i) Measure M Revenues and Measure R Revenues constitute revenues of MTA derived from a retail transactions and use tax imposed in the County pursuant to the Measure M Ordinance and Measure R Ordinance, respectively, and the City has no ability to control the number of transactions and revenues generated by the tax; and (ii) the City does not have any control over the collection or distribution procedures related to any State taxes or local retail transactions and use taxes.

There can be no assurance that future Measure M Receipts and Measure R Receipts will be available in the historical amounts shown in this Official Statement. A decrease in Measure M Revenues and Measure R Revenues would adversely affect the amount and/or availability of Measure M Receipts and Measure R Receipts. In addition, the City must continuously meet certain requirements set forth in the Measure M Ordinance and Measure R Ordinance, respectively, in order to be eligible to receive Measure M Revenues and Measure R Revenues from MTA and apply Measure M Receipts and Measure R Receipts to pay the Installment Payments. Such requirements include the annual adoption by the City of a resolution approving the City's Five-Year Capital Improvement Plan and compliance by the City with a maintenance of effort requirement. See the captions "MEASURE M AND MEASURE R SALES TAX" and "Non-Compliance with Measure M and Measure R Guidelines" below.

### **Increased Internet Use May Reduce Sales Tax Revenues**

The increasing use of the Internet to conduct electronic commerce may affect the levels of Measure M Revenues and Measure R Revenues. Internet sales of physical products by businesses that are located in the State, and Internet sales of physical products delivered to the State by businesses that are located outside of the State, are generally subject to sales taxes. However, the City believes that many of these transactions may avoid taxation either through error or deliberate nonreporting, which potentially reduces the amount of Measure M Revenues and Measure R Revenues. As a result, the more that the Internet is used to conduct electronic commerce, along with the failure to collect sales taxes on such Internet purchases, the more that the City may experience reductions in Measure M Revenues and Measure R Revenues. On September 23, 2011, Governor Brown signed into law a settlement with Amazon.com Inc., one of the largest internet

retailers in the State. As a result, beginning in September 2012, Amazon.com began collecting taxes from its Internet sales in the State to remit to the Board of Equalization.

On June 21, 2018, in the case of *South Dakota v. Wayfair*, the Supreme Court of the United States ruled that states can require online sellers to collect sales taxes. As a result of this ruling, states will be able to require retailers to collect state sales tax on their transactions, whether or not the retailer has a physical presence within the state. The Authority cannot predict the degree that the ruling in *South Dakota v. Wayfair* will affect the collection of the Measure M Sales Tax and Measure R Sales Tax on a going forward basis.

## **Allocation of Measure M Revenues and Measure R Revenues to the City**

The California Department of Tax and Fee Administration administers collection of the Measure M Sales Tax and Measure R Sales Tax. The California Department of Tax and Fee Administration, after deducting the costs of administering the Measure M Sales Tax, has agreed to remit all Measure M Sales Tax revenues to any trustee for MTA Bonds to be secured by Measure M Sales Tax. Such trustee would thereafter immediately disburse the Measure M Local Return to the MTA. The Measure M Local Return does not serve as security for any MTA Bonds that may be issued. Amounts constituting the Measure M Local Return are transferred to the MTA for allocation of the Measure M Revenues to the City as described herein. The trustee for the MTA Bonds would thereafter disburse moneys designated for local agencies to MTA, which allocates such Measure M Revenues to the City as described herein.

The California Department of Tax and Fee Administration, after deducting the costs of administering the Measure R Sales Tax, has agreed to remit all Measure R Sales Tax revenues to any trustee for MTA Bonds to be secured by Measure R Sales Tax. Such trustee would thereafter immediately disburse the Measure R Local Return to the MTA. The Measure R Local Return does not serve as security for any MTA Bonds that may be issued. Amounts constituting the Measure R Local Return are transferred to the MTA for allocation of the Measure M Revenues to the City as described herein. The trustee for the MTA Bonds would thereafter disburse moneys designated for local agencies to MTA, which allocates such Measure M Revenues to the City as described herein. See the caption “MEASURE M AND MEASURE R SALES TAX - Collection and Allocation of Measure M Revenues.”

There can be no assurance that changes in the foregoing procedures or other actions undertaken or not undertaken by the California Department of Tax and Fee Administration, the trustee for any MTA Bonds to be secured by Measure M Sales Tax or any MTA Bonds secured or to be secured by Measure R Sales Tax or by MTA will not adversely affect the City’s receipt of Measure M Revenues or Measure R Revenues.

## **Limitations on Use of Measure M Revenues and Measure R Revenues**

Not all of the Measure M Revenues and Measure R Revenues allocated by MTA to the City may be applied to pay the Installment Payments. Only the Measure M Receipts and Measure R Receipts may be so applied. See the caption “SOURCES OF PAYMENT FOR THE BONDS - Measure M Sales Tax” and “- Measure R Sales Tax” for detailed definitions of such terms.

## **Project Eligibility**

The projects to be constructed by the City must be designated by MTA as qualified projects for purposes of the local streets and roads program established under the Measure M Ordinance and the Measure R Ordinance. Only such Measure M Projects are eligible to be financed from Measure M Receipts and only Measure R Projects are eligible to be financed from Measure R Receipts. Although the City believes that all of the components of the Projects constitute a Measure M Project as well as a Measure R Project, there can be no assurance as to the continuing eligibility of such Project for MTA’s local streets and roads program. See the captions “MEASURE M AND MEASURE R SALES TAX - Collection and Allocation of

Measure M Revenues,” “- Collection and Allocation of Measure R Revenues” and “Non-Compliance with Measure M and Measure R Guidelines” below.

## **Non-Compliance with Measure M and Measure R Guidelines**

**Measure M Guidelines.** In connection with the Measure M Ordinance, MTA, on June 22, 2017, approved guidelines relating to the administration and use of the Measure M Sales Tax (the “Measure M Guidelines”). The Measure M Guidelines include a number of provisions that must be complied with by the City to ensure continued eligibility to receive Measure M Sales Tax distributions. Failure to follow these provisions could result in the suspension of distributions of Measure M Sales Tax, the return of such tax to MTA or the requirement of the City to replenish its “Measure M Local Return” account with available funds other than Measure M Sales Tax. MTA performs annual audits to monitor compliance with the provisions of the Measure M Guidelines.

Under the Measure M Guidelines, the City is required to expend Measure M Sales Tax monies only on those transportation purposes identified in the Measure M Guidelines. If the City is found to have expended funds without MTA’s approval, the City will be required to reimburse its Measure M Sales Tax account for the amount of the unapproved expenditures. If MTA determines that Measure M Sales Tax was expended on projects that do not meet the Guidelines’ definition of transportation purposes, then the City will be required to reimburse its Measure M Sales Tax account in an amount equal to the non-qualifying expenditures plus interest, and could also face a suspension of disbursements of Measure M Sales Tax for a period of three years. If such a suspension were imposed, the City would not receive any Measure M Sales Tax during the term of the suspension, which may have an adverse impact on the Authority’s ability to pay the principal of and interest on the Bonds on a timely basis.

In addition, the failure of the City to properly verify that all Measure M Sales Tax related revenue, including Measure M Sales Tax allocations to the City, project generated revenues and interest income, was properly credited to its Measure M Sales Tax account, could result in the suspension of Measure M Sales Tax disbursements until the City has demonstrated to MTA that all such Measure M Sales Tax allocable to the City has been credited to the City’s Measure M Sales Tax account. If the City fails to properly credit its Measure M Sales Tax related revenue to its Measure M Sales Tax account, MTA could suspend the distribution of Measure M Sales Tax until the City has demonstrated compliance with the Measure M Guidelines. During the duration of any suspension of Measure M Sales Tax disbursements, the City would not be receiving Measure M Receipts, which in turn, may affect the ability of the Authority to pay the principal of and debt service on the Bonds on a timely basis.

The Measure M Guidelines also require the local agencies, including the City, to maintain their individual local commitment of funds for transportation projects and services that was expended prior to the receipt of the Measure M Sales Tax (the “MOE”). If the local agency fails to maintain the MOE, then such local agency will be required to reimburse its account with available funds other than Measure M Sales Tax monies.

The City is required to expend Measure M Sales Tax within five years of the last day of the fiscal year in which such funds were originally allocated or received (subject to certain exceptions). If the City fails to expend the Measure M Sales Tax allocated to the City, the City is required to return the lapsed Measure M Sales Tax, interest income and other earned income on such lapsed amount, to MTA for reallocation to the other local agencies based on population. In certain circumstances, the City, with the approval of MTA, may be able to obtain additional time beyond the five-year term limit to expend its allocation of Measure M Sales Tax.

The Measure M Guidelines additionally require that the City annually submit an expenditure plan and an expenditure report to MTA to remain legally eligible to receive Measure M Sales Tax. If the City fails to submit to submit these items to MTA, the City may be determined to be legally ineligible to receive Measure M Sales Tax. During any period when the City is not legally eligible to receive Measure M Sales Tax, the



City would not be receiving Measure M Receipts, which in turn, may affect the ability of the Authority to pay the principal of and debt service on the Bonds on a timely basis.

The Measure M Guidelines also gives MTA the right to suspend or revoke allocation to local agencies that are found to be in gross violation of the Measure M Guidelines, or repeatedly committing violations, or refusing to take corrective measures. During the duration of any suspension of Measure M Sales Tax disbursements or revocation of Measure M Sales Tax allocation, the City would not be receiving M Receipts, which in turn, may affect the ability of the Authority to pay the principal of and debt service on the Bonds on a timely basis.

**Measure R Guidelines.** MTA has also adopted Measure R Guidelines. The Measure R Guidelines include a number of provisions that must be complied with by the City to ensure continued eligibility to receive Measure R Sales Tax distributions. Failure to follow these provisions could result in the suspension of distributions of Measure R Sales Tax, the return of such tax to MTA or the requirement of the City to replenish its “Measure R Local Return” account with available funds other than Measure R Sales Tax. MTA performs annual audits to monitor compliance with the provisions of the Measure R Guidelines.

Under the Measure R Guidelines, the City is required to expend Measure R Sales Tax monies only on those transportation purposes identified in the Measure R Guidelines. If the City is found to have expended funds without MTA’s approval, the City will be required to reimburse its Measure R Sales Tax account for the amount of the unapproved expenditures. If MTA determines that Measure R Sales Tax was expended on projects that do not meet the Measure R Guidelines’ definition of transportation purposes, then the MTA has the right to suspend of disbursements of Measure R Sales Tax to the City for a period of three years. If such a suspension were imposed, the City would not receive any Measure R Sales Tax during the term of the suspension, which may have an adverse impact on the Authority’s ability to pay the principal of and interest on the Bonds on a timely basis.

In addition, the failure of the City to properly verify that all Measure R Sales Tax related revenue, including Measure R Sales Tax allocations to the City, project generated revenues and interest income, was properly credited to its Measure R Sales Tax account, could result in the suspension of Measure R Sales Tax disbursements until the City has demonstrated to MTA that all such Measure R Sales Tax allocable to the City has been credited to the City’s Measure R Sales Tax account. If the City fails to properly credit its Measure R Sales Tax related revenue to its Measure R Sales Tax account, MTA could suspend the distribution of Measure R Sales Tax until the City has demonstrated compliance with the Measure R Guidelines. During the duration of any suspension of Measure R Sales Tax disbursements, the City would not be receiving Measure R Receipts, which in turn, may affect the ability of the Authority to pay the principal of and debt service on the Bonds on a timely basis.

Like the Measure M Guidelines, the Measure R Guidelines also require the local agencies, including the City, to maintain their MOE. If the local agency fails to maintain the MOE, then such local agency will be required to reimburse its account with available funds other than Measure R Sales Tax monies.

The City is required to expend Measure R Sales Tax within five years of the last day of the fiscal year in which such funds were originally allocated or received (subject to certain exceptions). If the City fails to expend the Measure R Sales Tax allocated to the City, the City is required to return the lapsed Measure R Sales Tax, interest income and other earned income on such lapsed amount, to MTA for reallocation to the other local agencies based on population. In certain circumstances, the City, with the approval of MTA, may be able to obtain additional time beyond the five-year term limit to expend its allocation of Measure R Sales Tax.

The Measure R Guidelines additionally require that the City annually submit an expenditure plan and an expenditure report to MTA to remain legally eligible to receive Measure R Sales Tax. If the City fails to submit these items to MTA, the City may be determined to be legally ineligible to receive Measure R Sales Tax. During any period when the City is not legally eligible to receive Measure R Sales Tax, the City would

not be receiving Measure R Receipts, which in turn, may affect the ability of the Authority to pay the principal of and debt service on the Bonds on a timely basis.

The Measure R Guidelines also give MTA the right to suspend or revoke allocation to local agencies that are found to be in gross violation of the Measure R Guidelines, or repeatedly committing violations, or refusing to take corrective measures. During the duration of any suspension of Measure R Sales Tax disbursements or revocation of Measure R Sales Tax allocation, the City would not be receiving Measure R Receipts, which in turn, may affect the ability of the Authority to pay the principal of and debt service on the Bonds on a timely basis.

## **Parity Obligations**

Subject to certain restrictions, the City is permitted to incur Parity Obligations that constitute additional charges against the Measure M Receipts and Measure R Receipts without the consent of Owners of the Bonds. See the caption “SOURCES OF PAYMENT FOR THE BONDS - Parity Obligations.” To the extent that other Parity Obligations are executed by the City, the funds available to pay the Installment Payments may be decreased. In addition, there is no limitation on the ability of the City to execute any Parity Obligations at any time to refund any outstanding Parity Obligations.

## **Limitations on Remedies; Bankruptcy**

The rights of the Owners of the Bonds are subject to the limitations on legal remedies against municipalities in the State, including a limitation on enforcement of judgments against funds needed to serve the public welfare and interest. Additionally, enforceability of the rights and remedies of the Owners of the Bonds, and enforcement of the City’s obligations under the Installment Sale Agreement, may become subject to the federal bankruptcy code and applicable bankruptcy, insolvency, reorganization, moratorium or similar laws relating to or affecting the enforcement of creditors’ rights generally, now or later in effect, equity principles that may limit the specific enforcement under State law of certain remedies, the exercise by the United States of America of the powers delegated to it by the federal Constitution, the reasonable and necessary exercise, in certain exceptional situations, of the police powers inherent in the sovereignty of the State and its governmental bodies in the interest of serving a significant and legitimate public purpose and the limitations on remedies against cities in the State.

Bankruptcy proceedings under Chapter 9 of the Bankruptcy Code (Title 11, United States Code) which governs the bankruptcy proceedings for public agencies such as the City and MTA, or the exercise of powers by the federal or State government, if initiated, could subject the Owners of the Bonds to judicial discretion and interpretation of their rights in bankruptcy or otherwise, and consequently may entail risks of delay, limitation, or modification of their rights.

Bond Counsel has limited its opinion as to the validity and enforceability of the Installment Sale Agreement and the Indenture to the extent that enforceability may be limited by bankruptcy, insolvency, reorganization, fraudulent conveyance or transfer, moratorium, or other similar laws affecting generally the enforcement of creditor’s rights, by equitable principles and by the exercise of judicial discretion.

The lack of availability of certain remedies or the limitation of remedies may entail risks of delay, limitation, or modification of the rights of the Owners.

## **Early Redemption Risk**

Early payment of the Installment Payments and early redemption of the Bonds may occur in whole or in part without premium, if the City exercises its right to prepay Installment Payments in whole or in part pursuant to the provisions of the Installment Sale Agreement and the Indenture. See “THE BONDS - Redemption - Optional Redemption.”

## **Loss of Tax Exemption on the Bonds**

As discussed under the caption “TAX MATTERS” herein, interest on the Bonds could become includable in gross income for purposes of federal income taxation retroactive to the date the Bonds were executed and delivered as a result of future acts or omissions of the Authority or the City in violation of its covenants contained in the Indenture and the Installment Sale Agreement. Should such an event of taxability occur, the Bonds are not subject to special redemption or any increase in interest rate and will remain outstanding until maturity.

See “TAX MATTERS” for additional tax-related risks.

## **IRS Audit of Tax-Exempt Bond Issues**

The Internal Revenue Service (“Service”) has an ongoing program of auditing the tax-exempt status of the interest on municipal obligations. If an audit of the Bonds is commenced, under current procedures, the Service is likely to treat the Authority or the City as the “taxpayer,” and the owners of the Bonds would have no right to participate in the audit process. In responding to or defending an audit of the tax-exempt status of the interest on the Bonds, the Authority or the City may have different or conflicting interests from the owners of the Bonds. Public awareness of any future audit of the Bonds could adversely affect the value and liquidity of the Bonds during the pendency of the audit, regardless of its ultimate outcome

## **Bond Insurance**

In the event of default of the payment of the scheduled principal of or interest on the Bonds when all or some becomes due, the Trustee on behalf of any owner of the Bonds shall have a claim under the Policy for such payments. The Municipal Bond Insurer may direct and must consent to any remedies with respect to the Bonds and the Municipal Bond Insurer’s consent may be required in connection with amendments to any applicable documents relating to the Bonds. See “Appendix A – SUMMARY OF CERTAIN PROVISIONS OF PRINCIPAL LEGAL DOCUMENTS – Provisions Relating to the 2019 Bond Insurance Policy.”

The long-term ratings on the Bonds are dependent in part on the financial strength of the Bond Insurer and its claims paying ability. The Municipal Bond Insurer’s financial strength and claims paying ability are predicated upon a number of factors which could change over time. No assurance is given that the long-term ratings of the Municipal Bond Insurer and the ratings on the Bonds will not be subject to downgrade and such event could adversely affect the market price of the Bonds or the marketability (liquidity) for the Bonds. See “CONCLUDING INFORMATION – Ratings on the Bonds” herein.

The obligations of the Municipal Bond Insurer are unsecured contractual obligations and in an event of default by the Municipal Bond Insurer, the remedies available may be limited by applicable bankruptcy law or state law related to insolvency of insurance companies.

Neither the Authority, the City, the Underwriter nor the Municipal Advisor has made independent investigation into the claims paying ability of the Municipal Bond Insurer and no assurance or representation regarding the financial strength or projected financial strength of the Municipal Bond Insurer is given. Thus, when making an investment decision, potential investors should carefully consider the ability of the City to make the Installment Payments and the Authority to make the debt service payments on the Bonds and the claims paying ability of the Municipal Bond Insurer, particularly over the life of the investment. See “MUNICIPAL BOND INSURANCE” herein for further information regarding the Municipal Bond Insurer and the Policy, which includes further instructions for obtaining current financial information concerning the Municipal Bond Insurer.

## **Secondary Market Risk**

There can be no assurance that there will be a secondary market for purchase or sale of the Bonds, and from time to time there may be no market for them, depending upon prevailing market conditions, the financial condition or market position of firms who may make the secondary market and the financial condition of the City.

## **CONSTITUTIONAL PROVISIONS AFFECTING CITY REVENUES AND APPROPRIATIONS**

### **Article XIII B of the California Constitution – Limitations on Appropriations**

On November 6, 1979, State voters approved Proposition 4, the so-called Gann Initiative, which added Article XIII B to the State Constitution (“Article XIII B”). In June 1990, Article XIII B was amended by the voters through their approval of Proposition 111. Article XIII B limits the annual appropriations of the State and of any city, county, school district, authority or other political subdivision of the State to the level of appropriations for the prior fiscal year, as adjusted annually for changes in the cost of living, population and cost of services rendered by the governmental entity. The “base year” for establishing such appropriation limit is State fiscal year 1978-79 and the limit is to be adjusted annually to reflect changes in population and consumer prices. Adjustments in the appropriations limit of an entity may also be made if: (i) the financial responsibility for a service is transferred to another public entity or to a private entity; (ii) the financial source for the provision of services is transferred from taxes to other revenues; or (iii) the voters of the entity approve a change in the limit for a period of time not to exceed four years.

Appropriations of an entity of local government that are subject to Article XIII B include generally any authorization to expend during the fiscal year the proceeds of taxes levied by the State or other entity of local government, exclusive of certain State subventions, refunds of taxes, benefit payments from retirement, unemployment insurance and disability insurance funds. Appropriations that are subject to limitation pursuant to Article XIII B do not include debt service on indebtedness existing or legally authorized as of January 1, 1979 or on bonded indebtedness thereafter approved according to law by a vote of the electors of the issuing entity voting in an election for such purpose, appropriations required to comply with mandates of courts or the federal government, appropriations for qualified capital outlay projects and appropriations by the State of revenues derived from any increase in gasoline taxes and motor vehicle weight fees above January 1, 1990 levels. “Proceeds of taxes” include, but are not limited to, all tax revenues and the proceeds to any entity of government from: (i) regulatory licenses, user charges, and user fees to the extent such proceeds exceed the cost of providing the service or regulation; (ii) the investment of tax revenues; and (iii) certain State subventions received by local governments. Article XIII B includes a requirement that if an entity’s revenues in any year exceed the amount permitted to be spent, the excess must be returned by revising tax rates or fee schedules over the subsequent two fiscal years.

Article XIII B allows voters to approve a temporary waiver of a government’s Article XIII B limit. Such a waiver is often referred to as a “Gann limit waiver.” The length of any such waiver is limited to four years. The Gann limit waiver does not provide any additional revenues to a local government or allow a local government to finance additional services.

Installment Payments are subject to the Article XIII B appropriations limitations. The City reports that it has never made appropriations that exceeded the limitation on appropriations under Article XIII B. The impact of the appropriations limit on the financial needs of the City in the future is unknown.

## **Proposition 218**

In 1996, the voters of the State approved Proposition 218, known as the “Right to Vote on Taxes Act.” Proposition 218 added Articles XIIC and XIID to the California State Constitution. Among other things, Article XIIC removes limitations, if any, that exist on the initiative power in matters of local taxes, assessments, fees and charges. Even though the Authority’s enabling legislation did not limit the initiative power of the electorate prior to Proposition 218, Proposition 218 has affirmed the right of the voters to propose initiatives that could impact the Measure M Receipts and Measure R Receipts.

## **Future Initiatives**

Article XIIB, Article XIIC and Article XIID were each adopted as measures that qualified for the ballot pursuant to the State’s Constitutional initiative process. From time to time other initiative measures could be adopted that affect the ability of the City to increase or apply revenues and to make or increase appropriations or the ability of MTA to levy, collect or allocate the Measure M Sales Tax, or Measure R Sales Tax, all of which could adversely impact the amount of Measure M Revenues or Measure R Revenues received by the City.

# **TAX MATTERS**

## **Federal Income Taxes**

The Internal Revenue Code of 1986, as amended (the “Code”), imposes certain requirements that must be met subsequent to the issuance and delivery of the Bonds for interest thereon to be and remain excluded from gross income for federal income tax purposes. Noncompliance with such requirements could cause the interest on the Bonds to be included in gross income for federal income tax purposes retroactive to the date of issue of the Bonds. Pursuant to the Indenture and the Tax and Nonarbitrage Certificate of the City (the “Tax Certificate”) the Authority and the City have covenanted to comply with the applicable requirements of the Code in order to maintain the exclusion of the interest on the Bonds from gross income for federal income tax purposes pursuant to Section 103 of the Code. In addition, the Authority and the City have made certain representations and certifications in the Indenture and the Tax Certificate. Bond Counsel will not independently verify the accuracy of those representations and certifications.

In the opinion of Nixon Peabody LLP, Bond Counsel, under existing law and assuming compliance with the aforementioned covenant, and the accuracy of certain representations and certifications made by the Authority and the City described above, interest on the Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Code. Bond Counsel is also of the opinion that such interest is not treated as a preference item in calculating the alternative minimum tax imposed under the Code.

## **State Taxes**

Bond Counsel is also of the opinion that interest with respect to the Bonds is exempt from personal income taxes of the State under present State law. Bond Counsel expresses no opinion as to other state or local tax consequences arising with respect to the Bonds nor as to the taxability of the Bonds or the income therefrom under the laws of any state other than California.

## **Original Issue Discount**

Bond Counsel is further of the opinion that the excess of the principal amount of a maturity of the Bonds over its issue price (i.e., the first price at which price a substantial amount of such maturity of the Bonds was sold to the public, excluding bond houses, brokers or similar persons or organizations acting in the

capacity of underwriters or wholesalers) (each, a “Discount Bond” and collectively the “Discount Bonds”) constitutes original issue discount which is excluded from gross income for federal income tax purposes to the same extent as interest on the Bonds. Further, such original issue discount accrues actuarially on a constant interest rate basis over the term of each Discount Bond and the basis of each Discount Bond acquired at such issue price by an initial purchaser thereof will be increased by the amount of such accrued original issue discount. The accrual of original issue discount may be taken into account as an increase in the amount of tax-exempt income for purposes of determining various other tax consequences of owning the Discount Bonds, even though there will not be a corresponding cash payment. Owners of the Discount Bonds are advised that they should consult with their own advisors with respect to the state and local tax consequences of owning such Discount Bonds.

## **Original Issue Premium**

Bonds sold at prices in excess of their principal amounts are “Premium Bonds”. An initial purchaser with an initial adjusted basis in a Premium Bond in excess of its principal amount will have amortizable bond premium which is not deductible from gross income for federal income tax purposes. The amount of amortizable bond premium for a taxable year is determined actuarially on a constant interest rate basis over the term of each Premium Bond based on the purchaser’s yield to maturity (or, in the case of Premium Bonds callable prior to their maturity, over the period to the call date, based on the purchaser’s yield to the call date and giving effect to any call premium). For purposes of determining gain or loss on the sale or other disposition of a Premium Bond, an initial purchaser who acquires such obligation with an amortizable bond premium is required to decrease such purchaser’s adjusted basis in such Premium Bond annually by the amount of amortizable bond premium for the taxable year. The amortization of bond premium may be taken into account as a reduction in the amount of tax-exempt income for purposes of determining various other tax consequences of owning such Bonds. Owners of the Premium Bonds are advised that they should consult with their own advisors with respect to the state and local tax consequences of owning such Premium Bonds.

## **Ancillary Tax Matters**

Ownership of the Bonds may result in other federal tax consequences to certain taxpayers, including, without limitation, certain S corporations, foreign corporations with branches in the United States, property and casualty insurance companies, individuals receiving Social Security or Railroad Retirement benefits, individuals seeking to claim the earned income credit, and taxpayers (including banks, thrift institutions and other financial institutions) who may be deemed to have incurred or continued indebtedness to purchase or to carry the Bonds. Prospective investors are advised to consult their own tax advisors regarding these rules.

Interest paid on tax-exempt obligations such as the Bonds is subject to information reporting to the Internal Revenue Service (the “IRS”) in a manner similar to interest paid on taxable obligations. In addition, interest on the Bonds may be subject to backup withholding if such interest is paid to a registered owner that (a) fails to provide certain identifying information (such as the registered owner’s taxpayer identification number) in the manner required by the IRS, or (b) has been identified by the IRS as being subject to backup withholding.

Bond Counsel is not rendering any opinion as to any federal tax matters other than those described in the opinions attached as Appendix D. Prospective investors, particularly those who may be subject to special rules described above, are advised to consult their own tax advisors regarding the federal tax consequences of owning and disposing of the Bonds, as well as any tax consequences arising under the laws of any state or other taxing jurisdiction.

## **Changes in Law and Post Issuance Events**

Legislative or administrative actions and court decisions, at either the federal or state level, could have an adverse impact on the potential benefits of the exclusion from gross income of the interest on the Bonds for federal or state income tax purposes, and thus on the value or marketability of the Bonds. This could result from changes to federal or state income tax rates, changes in the structure of federal or state income taxes (including replacement with another type of tax), repeal of the exclusion of the interest on the Bonds from gross income for federal or state income tax purposes, or otherwise. It is not possible to predict whether any legislative or administrative actions or court decisions having an adverse impact on the federal or state income tax treatment of holders of the Bonds may occur. Prospective purchasers of the Bonds should consult their own tax advisors regarding the impact of any change in law on the Bonds.

Bond Counsel has not undertaken to advise in the future whether any events after the date of issuance and delivery of the Bonds may affect the tax status of interest on the Bonds. Bond Counsel expresses no opinion as to any federal, state or local tax law consequences with respect to the Bonds, or the interest thereon, if any action is taken with respect to the Bonds or the proceeds thereof upon the advice or approval of other counsel.

## **LEGAL MATTERS**

### **Enforceability of Remedies**

The remedies available to the Trustee and the Owners of the Bonds upon an event of default under the Indenture, the Installment Sale Agreement, or any other document described herein are in many respects dependent upon regulatory and judicial actions which are often subject to discretion and delay. Under existing law and judicial decisions, the remedies provided for under such documents may not be readily available or may be limited. In the case of any bankruptcy proceeding involving the City, the rights of the Owners could be modified at the direction of the court. The various legal opinions to be delivered concurrently with the delivery of the Bonds will be qualified to the extent that the enforceability of certain legal rights related to the Indenture, the Installment Sale Agreement and other pertinent documents is subject to limitations imposed by bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors generally and by equitable remedies and proceedings generally.

### **Approval of Legal Proceedings**

Nixon Peabody LLP, Los Angeles, California, as Bond Counsel, will render an opinion with respect to the validity and enforceability of the Indenture and the Installment Sale Agreement, and as to the validity of the Bonds. See "APPENDIX D" hereto for the proposed form of Bond Counsel's opinion.

The Authority and the City have no knowledge of any fact or other information which would indicate that the Indenture, the Installment Sale Agreement or the Bonds are not enforceable against the Authority and the City, as applicable, except to the extent such enforcement is limited by principles of equity, by state and federal laws relating to bankruptcy, reorganization, moratorium or creditors' rights generally and by limitations on legal remedies against municipalities in the State.

Certain legal matters will be passed on for the City and the Authority by Nixon Peabody LLP, Los Angeles, California, as Disclosure Counsel and by the City Attorney. Fees payable to Bond Counsel and Disclosure Counsel are contingent upon the sale and delivery of the Bonds.

## **Absence of Litigation**

The Authority and the City will each furnish a certificate dated as of the date of delivery of the Bonds that there is not now known to be pending or threatened any litigation restraining or enjoining the execution or delivery of the Indenture, the Installment Sale Agreement or the sale or delivery of the Bonds or in any manner questioning the proceedings and authority under which the Indenture and the Installment Sale Agreement are to be executed or delivered or the Bonds are to be delivered or affecting the validity thereof.

There are lawsuits and claims against the City that are incidental to the ordinary course of the City's operations. In the view of the City, there is no litigation, present or pending against the City, that will individually or in the aggregate impair the City's ability to make Installment Payments when due.

## **CONCLUDING INFORMATION**

### **Ratings on the Bonds**

S&P Global Ratings ("S&P") has assigned a rating of "\_\_\_" to the Bonds. S&P is also expected to assign its rating of "\_\_\_" to the Bonds with the understanding that the Policy insuring the payment when due of the principal of and interest on the Bonds will be issued concurrently by the Municipal Bond Insurer with the delivery of the Bonds. Such ratings reflect only the views of S&P, and any desired explanation of the significance of such ratings may be obtained from S&P Global Ratings. Generally, a rating agency bases its rating on the information and materials furnished to it and on investigations, studies and assumptions of its own.

There is no assurance such rating will continue for any given period of time or that such rating will not be revised downward or withdrawn entirely by the rating agency, if in the judgment of such rating agency, circumstances so warrant. Any such downward revision or withdrawal of such ratings may have an adverse effect on the market price of the Bonds. Except as otherwise required in the Continuing Disclosure Certificate, the City undertakes no responsibility either to bring to the attention of the owners of any Bonds any downward revision or withdrawal of any rating obtained or to oppose any such revision or withdrawal. A rating is not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal at any time.

### **Underwriting**

The Bonds are being sold at an aggregate purchase price of \$\_\_\_\_\_ (representing the aggregate principal amount of the Bonds plus a net original issue [premium/discount] of \$\_\_\_\_\_ and less an underwriting discount of \$\_\_\_\_\_) pursuant to a bond purchase contract ("Bond Purchase Contract") entered into between the Authority and the City and Piper Jaffray & Co. (the "Underwriter").

The expenses associated with the issuance of the Bonds are being paid by the Authority and the City from proceeds of the Bonds. The right of the Underwriters to receive compensation in connection with the Bonds is contingent upon the issuance and delivery by the Authority, and the purchase by the Underwriters, of the Bonds. The Bond Purchase Contract provides that the Underwriters will purchase all of the Bonds if any are purchased and that the obligation of the Underwriters to accept and pay for the Bonds is subject to certain terms and conditions set forth therein, including the approval by counsel of certain legal matters.

The Underwriters will initially offer the Bonds for sale at the prices and yields set forth on the inside cover page of this Official Statement. Such prices or yields may subsequently change. The Underwriters reserve the right to join with dealers and other investment banking firms in offering the Bonds for sale and may offer to sell Bonds to dealers at prices lower than the initial offering prices.



## **Financial Statements**

The City's financial statements for the Fiscal Year ended June 30, 2018, included in APPENDIX B hereto, have been audited by White Nelson Diehl Evans LLP, Irvine, California (the "Auditor"). The Auditor was not requested to consent to the inclusion of its report in APPENDIX B and it has not undertaken to update its report or to take any action intended or likely to elicit information concerning the accuracy, completeness or fairness of the statements made in the Official Statement, and no opinion is expressed by the Auditor with respect to any event subsequent to the date of its report.

## **The Municipal Advisor**

NHA Advisors, LLC, San Rafael, California, has served as municipal advisor (the "Municipal Advisor") to the Authority in connection with the Bonds. The Municipal Advisor is not obligated to undertake, and has not undertaken to make, an independent verification or to assume responsibility for the accuracy, completeness or fairness of the information contained in this Official Statement. The Municipal Advisor is an independent advisory firm and is not engaged in the business of underwriting, trading or distributing municipal or other public securities.

## **Continuing Disclosure**

The Authority has determined that no financial or operating data concerning the Authority is material to any decision to purchase, hold or sell the Bonds and the Authority will not provide any such information. The City will covenant for the benefit of the Owners and beneficial owners of the Bonds to provide certain financial information and operating data relating to the City and to provide notices of the occurrence of certain enumerated events if material.

Pursuant to a Continuing Disclosure Agreement, dated as of \_\_\_\_\_1, 2019 (the "Continuing Disclosure Agreement"), by and between the City and Willdan Financial Services, as dissemination agent, the City has covenanted for the benefit of the holders and beneficial owners of the Bonds to provide certain financial information and operating data relating to the City (the "Annual Report") no later than March 31 of each year, commencing March 31, 2020, and to provide notices of the occurrence of certain enumerated events. The Annual Report and the notices of enumerated events will be filed by the City or its dissemination agent with the Municipal Securities Rulemaking Board through the Electronic Municipal Marketplace Access ("EMMA") website. The specific nature of the information to be contained in the Annual Report and the notice of material events is set forth in "APPENDIX C – FORM OF CONTINUING DISCLOSURE AGREEMENT" herein.

**Prior Undertakings.** [During the past five years, the City and the Authority have complied with its respective continuing disclosure undertakings in all material respects. The former Lancaster Redevelopment Agency had previously entered into continuing disclosure agreements with respect to its bonds. During the past five years, the former Lancaster Redevelopment Agency had incidences where it failed to timely file financial statements, omitted certain operating and financial data in its annual reports and failed to timely file notices of certain enumerated events such as rating changes.

The City adopted in March 2015 an internal continuing disclosure policy relating to the City and all related entities, including the successor agency to the former Lancaster Redevelopment Agency, to assist compliance with the continuing disclosure undertakings of the City and other related entities of the City. Since the adoption of such policy, there have been no failures to comply with any continuing disclosure undertakings.] [Update as necessary]

## **Additional Information**

The summaries and references contained herein with respect to the Indenture, the Installment Sale Agreement, the Bonds, statutes and other documents, do not purport to be comprehensive or definitive and are qualified by reference to each such document or statute and references to the Bonds are qualified in their entirety by reference to the form hereof included in the Indenture. Copies of the Indenture and the Installment Sale Agreement may be obtained after delivery of the Bonds from the City at 44933 Fern Avenue, Lancaster, CA 93534.

## **References**

Any statements in this Official Statement involving matters of opinion, whether or not expressly so stated, are intended as such and not as representations of fact. This Official Statement is not to be construed as a contract or agreement between the Authority and the purchasers or Owners of any of the Bonds.

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**Execution**

The execution of this Official Statement for the City by the City Manager and for the Authority by the Executive Director has been duly authorized by the City and the Authority.

**LANCASTER PUBLIC FINANCING AUTHORITY**

By: \_\_\_\_\_  
Executive Director

**CITY OF LANCASTER**

By: \_\_\_\_\_  
City Manager

**APPENDIX A**  
**SUMMARY OF CERTAIN PROVISIONS OF THE PRINCIPAL**  
**LEGAL DOCUMENTS**

[to be provided by Bond Counsel]

**APPENDIX B**  
**CITY AUDITED FINANCIAL STATEMENTS**

**APPENDIX C**  
**FORM OF CONTINUING DISCLOSURE AGREEMENT**

# **APPENDIX D**

## **FORM OF OPINION OF BOND COUNSEL**

Lancaster Financing Authority  
Lancaster, California

City of Lancaster  
Lancaster, California

Ladies and Gentlemen:

We have acted as Bond Counsel to the Lancaster Financing Authority (the “Authority”) in connection with the issuance of \$\_\_\_\_\_ aggregate principal amount of its Revenue Bonds, Series 2019 (Measure M & R Street Improvements Project) (the “Bonds”), issued pursuant to an Indenture, dated as of \_\_\_\_\_1, 2019 (the “Indenture”), by and between the Authority and U.S. Bank National Association, as trustee (the “Trustee”). Capitalized terms used but not defined herein shall have the meaning ascribed to such term as set forth in the Indenture.

As Bond Counsel, we have examined copies, certified to us as being true and complete, of the Indenture, the Installment Sale Agreement, dated as of \_\_\_\_\_1, 2018 (the “Installment Sale Agreement”), between the Authority and the City of Lancaster (the “City”), the Tax Certificate, dated the date hereof (the “Tax Certificate”), opinions of counsel to the Authority, the City and the Trustee, certificates of the Authority, the City, the Trustee and others, and such other documents, opinions and matters to the extent we deemed necessary to render the opinions set forth herein. We have not undertaken to verify independently the accuracy of the factual matters represented, warranted or certified therein, and we have assumed the genuineness of all signatures thereto. The Installment Sale Agreement and the Indenture are collectively referred to herein as the “Legal Documents.”

We have, with your approval, assumed that all items submitted to us as originals are authentic and that all items submitted as copies conform to the originals.

On the basis of such examination, our reliance upon the assumptions contained herein and our consideration of such questions of law as we considered relevant, and subject to the limitations and qualifications in this opinion, we are of the opinion that:

1. The Bonds constitute the valid and binding limited obligations of the Authority.
2. The Indenture has been duly executed and delivered by, and, assuming due authorization, execution and delivery by the other parties thereto, constitutes the legally valid and binding obligation of, the Authority, enforceable in accordance with its terms. The Indenture establishes a valid lien on and a pledge of the Revenues (as defined in the Indenture) for the security of the Bonds. Enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles affecting the enforcement of creditors' rights generally, the exercise of judicial discretion, the application of equitable principles if equitable remedies are sought and limitations on remedies against counties in the State of California.
3. The Installment Sale Agreement has been duly executed and delivered by, and, assuming due authorization, execution and delivery by the other parties thereto, constitute the legally valid

and binding obligations of, the City and the Authority, enforceable in accordance with their terms. Enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles affecting the enforcement of creditors' rights generally, the exercise of judicial discretion, the application of equitable principles if equitable remedies are sought and limitations on remedies against counties in the State of California.

4. The Internal Revenue Code of 1986 (the "Code") sets forth certain requirements which must be met subsequent to the issuance and delivery of the Bonds for interest thereon to be and remain excluded from gross income for federal income tax purposes. Noncompliance with such requirements could cause the interest on the Bonds to be included in gross income for federal income tax purposes retroactive to the date of issue of the Bonds. Pursuant to the Indenture and the Tax Certificate, the Authority and the City, as applicable, have covenanted to comply with the applicable requirements of the Code in order to maintain the exclusion of the interest on the Bonds from gross income for federal income tax purposes pursuant to Section 103 of the Code. In addition, the Authority and the City, as applicable, have made certain representations and certifications in the Indenture and the Tax Certificate. We have not independently verified the accuracy of those certifications and representations.

Under existing law, assuming compliance with the tax covenants described herein and the accuracy of the aforementioned representations and certifications, interest on the Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Code. We are also of the opinion that such interest is not treated as a preference item in calculating the alternative minimum tax imposed under the Code.

5. Interest on the Bonds is exempt from personal income taxes of the State of California under present state law.

The opinions set forth in paragraphs 1, 2 and 3 above are subject to (a) applicable bankruptcy, insolvency, reorganization, moratorium or similar laws relating to or affecting creditors' rights generally (including, without limitation, fraudulent conveyance laws), (b) the effect of general principles of equity, including, without limitation, concepts of materiality, reasonableness, good faith and fair dealing and the possible unavailability of specific performance or injunctive relief, regardless of whether considered in a proceeding in equity or at law, and (c) the limitations on legal remedies against government entities in the State of California. We express no opinion with respect to any indemnification, contribution, choice of law, choice of forum or waiver provisions contained in the Legal Documents, and we express no opinion on the laws of any jurisdiction other than the State of California and the United States of America.

Except as stated in paragraphs 4 and 5, we express no opinion as to any other federal, state or local tax consequences of the ownership or disposition of the Bonds. Furthermore, we express no opinion as to any federal, state or local tax law consequences with respect to the Bonds, or the interest thereon, if any action is taken with respect to the Bonds or the proceeds thereof upon the advice or approval of other counsel.

No opinion is expressed herein on the accuracy, completeness or sufficiency of any offering material relating to the Bonds. This opinion is expressly limited to the matters set forth above and we render no opinion, whether by implication or otherwise, as to any other matters.

We do not undertake to advise you of any subsequent events or developments which might affect the statements contained herein. Our engagement with respect to this matter has ended as of the date hereof, and we disclaim any obligation to update this letter.



Respectfully submitted,

## **APPENDIX E**

### **THE BOOK-ENTRY SYSTEM**

*The following description of the Depository Trust Company (“DTC”), the procedures and record keeping with respect to beneficial ownership interests in the Bonds, payment of principal, interest and other payments on the Bonds to DTC Participants or Beneficial Owners, confirmation and transfer of beneficial ownership interest in the Bonds and other related transactions by and between DTC, the DTC Participants and the Beneficial Owners is based solely on information provided by DTC. Accordingly, no representations can be made concerning these matters and neither the DTC Participants nor the Beneficial Owners should rely on the foregoing information with respect to such matters, but should instead confirm the same with DTC or the DTC Participants, as the case may be.*

*Neither the issuer of the Bonds (the “Issuer”) nor the trustee, fiscal agent or paying agent appointed with respect to the Bonds (the “Agent”) take any responsibility for the information contained in this Appendix.*

*No assurances can be given that DTC, DTC Participants or Indirect Participants will distribute to the Beneficial Owners (a) payments of interest, principal or premium, if any, with respect to the Bonds, (b) certificates representing ownership interest in or other confirmation or ownership interest in the Bonds, or (c) redemption or other notices sent to DTC or Cede & Co., its nominee, as the registered owner of the Bonds, or that they will so do on a timely basis, or that DTC, DTC Participants or DTC Indirect Participants will act in the manner described in this Appendix. The current “Rules” applicable to DTC are on file with the Securities and Exchange Commission and the current “Procedures” of DTC to be followed in dealing with DTC Participants are on file with DTC.*

1. The Depository Trust Company (“DTC”), New York, NY, will act as securities depository for the Bonds (the “Securities”). The Securities will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Security certificate will be issued for each issue of the Securities, each in the aggregate principal amount of such issue, and will be deposited with DTC. If, however, the aggregate principal amount of any issue exceeds \$500 million, one certificate will be issued with respect to each \$500 million of principal amount, and an additional certificate will be issued with respect to any remaining principal amount of such issue.

2. DTC, the world’s largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). DTC has a Standard & Poor’s rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange

Commission. More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com). *The information contained on such Internet site is not incorporated herein by reference.*

3. Purchases of Securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the Securities on DTC's records. The ownership interest of each actual purchaser of each Security ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Securities are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Securities, except in the event that use of the book-entry system for the Securities is discontinued.

4. To facilitate subsequent transfers, all Securities deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Securities with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Securities; DTC's records reflect only the identity of the Direct Participants to whose accounts such Securities are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

5. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Securities may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Securities, such as redemptions, tenders, defaults, and proposed amendments to the Security documents. For example, Beneficial Owners of Securities may wish to ascertain that the nominee holding the Securities for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

6. Redemption notices shall be sent to DTC. If less than all of the Securities within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

7. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Securities unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).

8. Redemption proceeds and distributions on the Securities will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from Issuer or Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, Agent, or Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption

proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of Issuer or Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

9. DTC may discontinue providing its services as depository with respect to the Securities at any time by giving reasonable notice to Issuer or Agent. Under such circumstances, in the event that a successor depository is not obtained, Security certificates are required to be printed and delivered.

10. Issuer may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, Security certificates will be printed and delivered to DTC.

11. The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that Issuer believes to be reliable, but Issuer takes no responsibility for the accuracy thereof.

**APPENDIX F**  
**SPECIMEN MUNICIPAL BOND INSURANCE POLICY**

**STAFF REPORT**  
**City of Lancaster**

NB 1
07/23/19
JC

Date: July 23, 2019

To: Mayor Parris and City Council Members

From: Jeff Campbell, Parks, Recreation and Arts Director

Subject: **Application for Statewide Park Development and Community Revitalization Program Grant Funds**

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**Recommendation:**

Adopt **Resolution No. 19-43**, approving the application for Statewide Park Development and Community Revitalization Program grant funds.

**Fiscal Impact:**

None

**Background:**

The California Department of Parks and Recreation has been delegated responsibility for the administration and establishment of necessary procedures to apply for grant funds from the Statewide Park Development and Community Revitalization Grant Program. The Program procedures require the applicant to certify by resolution the approval of the application before submission of the application to the State.

Adoption of this resolution will approve the submittal of an application for the Sgt. Steve Owen Memorial Park Improvements and Rawley Duntley Park Renovation projects.

NJ:jzs

**Attachment:**

Resolution No. 19-43

RESOLUTION NO. 19-43

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LANCASTER, CALIFORNIA, APPROVING THE APPLICATION FOR STATEWIDE PARK DEVELOPMENT AND COMMUNITY REVITALIZATION PROGRAM GRANT FUNDS

WHEREAS, the State Department of Parks and Recreation has been delegated the responsibility by the Legislature of the State of California for the administration of the Statewide Park Development and Community Revitalization Grant Program, setting up necessary procedures governing the application; and

WHEREAS, said procedures established by the State Department of Parks and Recreation require the Applicant to certify by resolution the approval of the application before submission of said application to the State; and

WHEREAS, successful Applicants will enter into a contract with the State of California to complete the Grant Scope project.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LANCASTER AS FOLLOWS:

Section 1. That the City of Lancaster approves the filing of an application for the Sgt. Steve Owen Memorial Park Improvements Project and Rawley Duntley Park Renovation Project; and

Section 2. Certifies that said Applicant has or will have available, prior to commencement of any work on the project included in this application, the sufficient funds to complete the project; and

Section 3. Certifies that if the project is awarded, the Applicant has or will have sufficient funds to operate and maintain the project; and

Section 4. Certifies that the Applicant has reviewed, understands, and agrees to the General Provisions contained in the contract shown in the Grant Administration Guide; and

Section 5. Delegates the authority to (designated position) to conduct all negotiations, sign and submit all documents, including, but not limited to applications, agreements, amendments, and payment requests, which may be necessary for the completion of the Grant Scope; and

Section 6. Agrees to comply with all applicable federal, state and local laws, ordinances, rules, regulations and guidelines; and

Section 7. Will consider promoting inclusion per Public Resources Code §80001(b) (8 A-G).

PASSED, APPROVED and ADOPTED this 23<sup>rd</sup> day of July 2019, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST:

APPROVED:

\_\_\_\_\_  
RONDA PEREZ  
Acting City Clerk  
City of Lancaster

\_\_\_\_\_  
R. REX PARRIS  
Mayor  
City of Lancaster

STATE OF CALIFORNIA            )  
COUNTY OF LOS ANGELES    )    ss  
CITY OF LANCASTER            )

CERTIFICATION OF RESOLUTION  
CITY COUNCIL

I, \_\_\_\_\_, \_\_\_\_\_ City of Lancaster, California,  
do hereby certify that this is a true and correct copy of the original Resolution No. 19-43, for  
which the original is on file in my office.

WITNESS MY HAND AND THE SEAL OF THE CITY OF LANCASTER, on this  
\_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

(seal)

\_\_\_\_\_



**STAFF REPORT**  
**City of Lancaster**

NB 2
07/23/19
JC

Date: July 23, 2019

To: Mayor Parris and City Council Members

From: Pam Statsmann, Finance Director

Subject: **Amendment to the Adopted Budget and Capital Improvement Program for Fiscal Year 2018-2019**

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**Recommendation:**

Adopt **Resolution No. 19-44**, authorizing an amendment to the adopted Budget and Capital Improvement Program (CIP) for Fiscal Year 2018-2019.

**Fiscal Impact:**

This requested action balances, as it increases recognized revenue/transfers in by the same \$1,487,475 increase in CIP expenditures/transfers out.

**Background:**

In reviewing records to close fiscal year 2018-2019, a need to increase recognized revenues/transfers in and CIP expenditures/transfers out, in the amount of \$1,487,475, was realized. Staff recommends adoption of this resolution to properly reflect budget related to operating transfers and change the funding of a portion of two capital improvement project.

PS:dw

**Attachment:**

Resolution No. 19-44

RESOLUTION NO. 19-44

A RESOLUTION OF THE CITY COUNCIL OF THE  
CITY OF LANCASTER, CALIFORNIA, AUTHORIZING  
AN AMENDMENT TO THE FINAL BUDGET FOR  
FISCAL YEAR 2018-2019

WHEREAS, the budget for fiscal year 2018-2019 was adopted by Resolution 18-31 on June 26, 2018; and

WHEREAS, it is appropriate to amend the adopted budget, in accordance with proper governmental accounting and financial reporting practices; and

WHEREAS, funds are available, as designated in the requested action.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LANCASTER AS FOLLOWS:

Section 1. The fiscal year 2018-2019 adopted budget is amended as detailed in Attachment A.

PASSED, APPROVED, and ADOPTED this 23<sup>rd</sup> day of July, 2019, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST:

APPROVED:

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RONDA PEREZ  
Acting City Clerk  
City of Lancaster

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R. REX PARRIS  
Mayor  
City of Lancaster

Resolution No. 19-44  
Page 2

STATE OF CALIFORNIA            )  
COUNTY OF LOS ANGELES       )ss  
CITY OF LANCASTER             )

CERTIFICATION OF RESOLUTION  
CITY COUNCIL

I, \_\_\_\_\_, \_\_\_\_\_ City of  
Lancaster, California, do hereby certify that this is a true and correct copy of the original  
Resolution No. 19-44, for which the original is on file in my office.

WITNESS MY HAND AND THE SEAL OF THE CITY OF LANCASTER, on this \_\_\_\_\_  
day of \_\_\_\_\_, \_\_\_\_\_.

(seal)

\_\_\_\_\_

Resolution No. 19-44, Attachment A

Amendment to the Adopted Budget and Capital Improvement Program (CIP) for Fiscal Year 2018-2019

Division/C				Increase/(Decrease) in Revenue/Transfers	Increase/(Decrease) in Expense/Transfers
Fund	IP Code	Object	Justification	In	Out & CIP
212	4999	101	Increase available budget for transfers out to cover operations		121,040
101	3990	212	Increase estimated budget for transfers in to cover operations	121,040	
206	4999	203	Increase available budget for transfers out to cover operations		976,000
203	3990	206	Increase estimated budget for transfers in to cover operations	976,000	
252	4999	203	Increase available budget for transfers out to cover operations		179,415
203	3990	252	Increase estimated budget for transfers in to cover operations	179,415	
321	4999	209	Increase available budget for transfers out to cover operations		12,400
209	3990	321	Increase estimated budget for transfers in to cover operations	12,400	
206	4999	321	Increase available budget for transfers out to cover operations		86,355
321	3990	206	Increase estimated budget for transfers in to cover operations	86,355	
206	4999	483	Increase available budget for transfers out to cover operations		30,000
483	3990	206	Increase estimated budget for transfers in to cover operations	30,000	
101	4999	701	Decrease available budget for transfers out to cover debt service		(449,845)
701	3990	101	Decrease estimated budget for transfers in to cover debt service	(449,845)	
203	4999	701	Increase available budget for transfers out to cover debt service		22,100
701	3990	203	Increase estimated budget for transfers in to cover debt service	22,100	
212	4999	701	Increase available budget for transfers out to cover debt service		204,000
701	3990	212	Increase estimated budget for transfers in to cover debt service	204,000	
227	4999	701	Increase available budget for transfers out to cover debt service		42,500
701	3990	227	Increase estimated budget for transfers in to cover debt service	42,500	
480	4999	701	Increase available budget for transfers out to cover debt service		24,250
701	3990	480	Increase estimated budget for transfers in to cover debt service	24,250	
482	4999	701	Increase available budget for transfers out to cover debt service		110,500
701	3990	482	Increase estimated budget for transfers in to cover debt service	110,500	
484	4999	701	Increase available budget for transfers out to cover debt service		24,250
701	3990	484	Increase estimated budget for transfers in to cover debt service	24,250	
490	4999	701	Increase available budget for transfers out to cover debt service		26,500
701	3990	490	Increase estimated budget for transfers in to cover debt service	26,500	
399	16ST005	924	Increase available budget for capital improvement project 16ST005		30,953
217	16ST005	924	Decrease available budget for capital improvement project 16ST005		(30,953)
204	3301	100	Increase estimated revenue from AVAQMD for Senior Subsidy Grant	40,000	
204	4430	770	Increase available budget for Senior Subsidy Grant		40,000
101	3585	100	Increase estimated revenue in Developer in Lieu to fund CIP 15BW008	38,010	
101	15BW008	924	Increase available budget for capital improvement project 15BW008		38,010
<b>Total Amendments to Adopted Budget &amp; CIP</b>				<b>\$ 1,487,475</b>	<b>\$ 1,487,475</b>

**MEMORANDUM  
CITY OF LANCASTER**

TO: Mayor Parris and City Council Members

FROM: Vice Mayor Marvin Crist  
Council Member Angela Underwood-Jacobs

DATE: July 23, 2019

SUBJECT: **Report on the Activities of the Board of Directors for the Antelope Valley Transit Authority**

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**Recommendation:**

Receive a report of the proceedings and issues discussed at the May regular Board of Directors meeting of the Antelope Valley Transit Authority (AVTA).

**Background:**

The Antelope Valley Transit Authority is a distinct government entity created under a joint powers authority agreement between the City of Lancaster, the City of Palmdale, and Los Angeles County that provides public transit services. Vice Mayor Marvin Crist serves as the Chairman, and Council Member Angela Underwood-Jacobs serves as a Director on the AVTA Board for the City of Lancaster. Council Member Raj Malhi serves as an Alternate Director.

**The following significant events took place at the regular May Board meeting:**

**Present:** Chairman Marvin Crist  
Vice Chair Dianne Knippel  
Director Angela Underwood-Jacobs  
Director Michelle Flanagan  
Alternate Director Laura Bettencourt (for Director Steve Hofbauer absent)  
Director Richard Loa

**Proposed FY 2020 Budget.**

Approved the proposed FY 2020 Budget.  
Approved (6-0-0-0)

**Contract #2019-64 to Brown Armstrong Accountancy Corporation for CPA Financial Auditing Services.**

Authorize the Executive Director/CEO to execute Contract #2019-64 for audit services to Brown Armstrong Accountancy Corporation, Bakersfield, CA, for a one-year period with four one-year optional renewal periods for a combined amount not to exceed \$290,000.00.  
Approved (6-0-0-0)

**Reviewed Draft Personnel Rules and Regulations Manual.**

Executive Director/CEO Macy Neshati presented the staff report. The Board received the document for review; there was no action required. The Personnel Rules and Regulations Manual will be agendaized for approval at the June 25, 2019, meeting.

**Amendment #1 to Contract No. 2019-28 with Cubic Transportation Systems, Inc., for Additional Farebox Equipment.**

Authorized the Executive Director/CEO to execute Amendment #1 to Contract No. 2019-28 with Cubic Transportation Systems, Inc., to add eight (8) farebox upgrade kits to support the Farebox Equipment and TAP Validator Upgrade Project in the amount of \$65,648.00 plus applicable sales tax. Approved (6-0-0-0)

**Amended and Restated Executive Director/Chief Executive Officer (CEO) Employment Agreement.**

Approved the Amended and Restated Executive Director/CEO Employment Agreement.

Approved (6-0-0-0)

CVH/sr