



1 Civic Center Circle, Brea, CA 92821-5732

www.cityofbrea.net

Finance Committee

Tuesday, March 9, 2021

8:30 a.m.

Via Zoom Teleconference
Brea Civic & Cultural Center
1 Civic Center Circle, Brea, California

MEMBERS: Mayor Marty Simonoff and Council Member Christine Marick
ALTERNATE: Mayor Pro Tem Cecilia Hupp

This meeting is being conducted consistent with Governor Newsom's Executive Order N-29-20 dated March 17, 2020, regarding the COVID-19 pandemic. The Finance Committee meeting will be held on March 9, 2021 at 8:30 AM via Zoom and the public is welcome to participate. To provide comments by teleconference (Zoom), members of the public must contact City Staff at (714) 990-7676 or arlenem@cityofbrea.net no later than 12:00 PM on Monday, March 8, 2021 to obtain the Zoom Meeting ID number and password. Participants will be muted until recognized at the appropriate time by the Committee. Written comments may be sent to the Administrative Services Department at arlenem@cityofbrea.net no later than 12:00 PM on Monday, March 8, 2021. Any comments received via email will be summarized aloud into the record at the meeting.

The Finance Committee agenda packet can be viewed on the City of Brea website at: <https://www.ci.brea.ca.us/509/Meeting-Agendas-Minutes>. Hard copies of the agenda packet are available via USPS with proper notice by calling (714) 990-7676. Materials related to an item on this agenda submitted to the Finance Committee after distribution of the agenda packet are available for public inspection in the third floor lobby of the Civic & Cultural Center at 1 Civic Center Circle, Brea, CA 92821 during normal business hours. Such documents may also be available on the City's website subject to staff's ability to post documents before the meeting.

CALL TO ORDER / ROLL CALL

1. **Matters from the Audience**

CONSENT

2. **February 23, 2021 Finance Committee Regular Meeting Minutes - Approve.**

DISCUSSION

3. **Cooperative Agreement 12-771 between the City of Brea and State of California Department of Transportation (Caltrans) for the SR 57/Lambert Road Interchange Improvement Project (CIP 7251) – Landscape Phase** - Approve the Cooperative Agreement 12-771 between the City of Brea and Caltrans; and Authorize the City Manager to execute the Cooperative Agreement 12-771 with any subsequent amendments upon approval as to form by the City Attorney.
4. **Authorization for the Issuance of the 2021 Lease Revenue Refunding Bonds to Refinance the Outstanding 2010 Lease Revenue Bonds (Solar and Energy Efficiency Projects) of the Brea Public Financing Authority** - Adopt the Resolution approving the institution of proceedings to refinance the outstanding 2010 Lease Revenue Bonds and engaging related professional services as needed.
5. **Schedule Next Meeting:** Tuesday, March 30, 2021

CC: Mayor Steven Vargas and Council Member Glenn Parker

Special Accommodations

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the City Clerk's Office at (714) 990-7757. Notification 48 hours prior to the meeting will enable City staff to make reasonable arrangements to ensure accessibility. (28 CFR 35.102.35.104 ADA Title II)

City of Brea

FINANCE COMMITTEE COMMUNICATION

TO: Finance Committee Members

FROM: Bill Gallardo

DATE: 03/09/2021

SUBJECT: February 23, 2021 Finance Committee Regular Meeting Minutes

RECOMMENDATION

Approve.

RESPECTFULLY SUBMITTED

William Gallardo, City Manager

Prepared by: Alicia Brenner, Senior Fiscal Analyst

Concurrence: Cindy Russell, Administrative Services Director

Attachments

02-23-2021 Draft Minutes



DRAFT FINANCE COMMITTEE MINUTES

Tuesday, February 23, 2021

8:30 AM

Via Zoom Meeting

Brea Civic & Cultural Center, 1 Civic Center Circle, Brea, California

CALL TO ORDER / ROLL CALL

ATTENDEES: Mayor Pro Tem Hupp, Council Member Christine Marick, Chris Emeterio, Tony Olmos, Michael Ho, Faith Madrazo, Sean Matlock, Liz Pharis, Warren Coleman, Gillian Lobo and Alicia Brenner

1. **Matters from the Audience - None**

CONSENT

2. **January 26, 2021 Finance Committee Regular Meeting Minutes – *Receive and file.***

DISCUSSION

3. **Extension of Professional Services Agreement with Interwest Consulting Group – *Recommended for City Council approval.***
4. **Acceptance of the Alley Rehabilitation Projects, CIP 7319, 7320 & 7321 – *Recommended for City Council approval.***
5. **Amendment No. 1 to PSA with HF&H Consultants, LLC for Refuse Contract Negotiations and SB1383 Compliance Assistance – *Recommended for City Council approval.***
6. **Schedule Next Meeting: Tuesday, March 9, 2021**

Meeting adjourned: 8:38 AM

cc: Mayor Steven Vargas
Council Member Glenn Parker
Council Member Marty Simonoff

City of Brea

FINANCE COMMITTEE COMMUNICATION

TO: Finance Committee Members

FROM: Bill Gallardo

DATE: 03/09/2021

SUBJECT: Cooperative Agreement 12-771 between the City of Brea and State of California Department of Transportation (Caltrans) for the SR 57/Lambert Road Interchange Improvement Project (CIP 7251) – Landscape Phase

RECOMMENDATION

1. Approve the Cooperative Agreement 12-771 between the City of Brea and Caltrans; and
2. Authorize the City Manager to execute the Cooperative Agreement 12-771 with any subsequent amendments upon approval as to form by the City Attorney.

BACKGROUND/DISCUSSION

The State Route (SR) 57 & Lambert Road Interchange Improvements (Project), Project 7251, was initiated in 1999 between the City of Brea and the State of California Department of Transportation (Caltrans) to address traffic congestion on Lambert Road at the SR-57 interchange and at the adjacent intersection of Lambert Road and State College Boulevard.

In 2009, the City and Caltrans entered into a Cooperative Agreement for the Project to complete the Project Approval and Environmental Development (PA&ED), Right-Of-Way (R/W), and Plans, Specifications, and Estimate (PS&E) Phases.

In November 2015, the Project Report and Environmental Document proposed adding a northbound loop on-ramp and realign the northbound off-ramp; widening the southbound ramps and bridge over the railroad; converting the southbound exit ramp to a two (2) lane exit; and widening Lambert Road east of State College for a dedicated right turn lane onto the southbound on-ramp, and a separate bridge for the northbound loop on-ramp.

On July 17, 2018, the City and Caltrans entered into a second Cooperative Agreement to complete the Construction of the Project. Soon thereafter, the PS&E Phase was completed, and the Project was advertised for bids in November 2018.

On April 19, 2019, Caltrans awarded the Construction Contract for the Project to Security Paving, Inc. and the Project started construction on July 9, 2019, but was delayed until August 26, 2019, due to material supply issues with the Contractor. Currently the construction is in its second year of a 500-working day contract and is anticipated to be substantially completed in early 2022.

Once the Project construction is completed, Caltrans will follow-up with the Landscape Phase to complete the landscaping within the area of the Project. In order for Caltrans to proceed with the work, a third Cooperative Agreement between the City and Caltrans is required. This Cooperative Agreement will authorize Caltrans to be the lead designer for the landscape design and allow for them to Advertise, Award, and Administer (“AAA”) the landscape contract. Additionally, the City Public Works Department will be working with Caltrans to develop the landscape design within the parkway area adjacent to the new Lambert Road eastbound dedicated right turn lane onto the southbound on-ramp. Therefore, Caltrans and City staff have developed Cooperative Agreement 12-771 to complete the Landscape Phase for the Project (see Attachment A). This agreement was provided to the City Attorney’s office for review and was accepted as to form.

The Landscape project design is anticipated to be completed in the fall of 2021 and advertised for bids in January 2022, with construction starting in the summer of 2022.

SUMMARY/FISCAL IMPACT

The Project is fully funded by the OCTA Cooperative Agreement C-9-1380, which was approved by City Council on December 3, 2019. The following table provides the funding and expense breakdown. Based on the terms of the OCTA COOP and the Caltrans COOP, the City will pay Caltrans and will be fully reimbursed by OCTA. The Project is considered fully funded by the OCTA COOP Agreement and there will be no General Fund Impact from this action or the Project.

Funding Source	
OCTA Cooperative Agreement C-9-1360	\$2,147,210
Expense	
Caltrans Cooperative Agreement 12-0771	\$1,600,000
Remaining Fund Balance For Contingency	\$547,210

The Project construction for the traffic improvements is anticipated to be substantially completed in early 2022, followed by the Landscape Phase, which is anticipated to begin construction in the summer of 2022 and be completed by fall of 2023. There will be a three (3) year landscape maintenance phase subsequent to the completion of the work, which will end by the fall of 2026.

In order to proceed with the Landscape Phase scope of work, the City and Caltrans will be required to enter into a Cooperative Agreement. Cooperative Agreement 12-771 (“Agreement”) has been prepared and reviewed as to form by the City Attorney and is ready for City Council approval. Therefore, staff is recommending the City Council consider approving the Agreement and authorize the City Manager to execute said Agreement with any subsequent amendments upon final approval as to form by the City Attorney.

RESPECTFULLY SUBMITTED

William Gallardo, City Manager

Prepared by: Michael Ho, P.E., Deputy Director of Public Works/City Engineer

Concurrence: Tony Olmos, P.E., Public Works Director

Attachments

Agreement

COOPERATIVE AGREEMENT COVER SHEET

Work Description

REPLACE LANDSCAPING AND IRRIGATION AT STATE ROUTE 57 INTERCHANGE AT LAMBERT ROAD.

Contact Information

CALTRANS

Eric Dickson, Sr. Landscape Architecture
1750 E. 4th Street
Santa Ana, CA 92705
Office Phone: 657-328-6201
Mobile Phone: 949-279-8755
Email: eric_dickson@dot.ca.gov

CITY OF BREA

Tony Olmos, Public Works Director
1 Civic Center Circle
City of Brea, CA 92821
Office Phone: 714-990-7657
Email: tonyo@cityofbrea.net

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COOPERATIVE AGREEMENT

This AGREEMENT, effective on _____, is between the State of California, acting through its Department of Transportation, referred to as CALTRANS, and:

City of Brea, a body politic and municipal corporation or chartered city of the State of California, referred to hereinafter as CITY.

An individual signatory agency in this AGREEMENT is referred to as a PARTY. Collectively, the signatory agencies in this AGREEMENT are referred to as PARTIES.

RECITALS

1. PARTIES are authorized to enter into a Cooperative Agreement for improvements to the State Highway System per the California Streets and Highways Code, Sections 114 and 130.
2. For the purpose of this AGREEMENT, to *replace landscaping and irrigation, referred to hereinafter as LANDSCAPE for State Route 57 interchange improvements at Lambert Road*, referred to hereinafter as PROJECT. The PROJECT scope of work is defined in the project initiation and approval documents (e.g. Project Study Report, Permit Engineering Evaluation Report, or Project Report).
3. All LANDSCAPE obligations and responsibilities assigned in this AGREEMENT to complete the following PROJECT COMPONENTS will be referred to hereinafter as WORK:
 - PLANS, SPECIFICATIONS, AND ESTIMATE (PS&E)
 - CONSTRUCTION

Each PROJECT COMPONENT is defined in the CALTRANS Workplan Standards Guide as a distinct group of activities/products in the project planning and development process.

4. The term AGREEMENT, as used herein, includes this document and any attachments, exhibits, and amendments.

This AGREEMENT is separate from and does not modify or replace any other cooperative agreement or memorandum of understanding between the PARTIES regarding the LANDSCAPE.

PARTIES intend this AGREEMENT to be their final expression that supersedes any oral understanding or writings pertaining to the WORK. The requirements of this AGREEMENT will preside over any conflicting requirements in any documents that are made an express part of this AGREEMENT.

If any provisions in this AGREEMENT are found by a court of competent jurisdiction to be, or are in fact, illegal, inoperative, or unenforceable, those provisions do not render any or all other AGREEMENT provisions invalid, inoperative, or unenforceable, and those provisions will be automatically severed from this AGREEMENT.

Except as otherwise provided in the AGREEMENT, PARTIES will execute a written amendment if there are any changes to the terms of this AGREEMENT.

PARTIES agree to sign a CLOSURE STATEMENT to terminate this AGREEMENT. However, all indemnification, document retention, audit, claims, environmental commitment, legal challenge, maintenance and ownership articles will remain in effect until terminated or modified in writing by mutual agreement or expire by the statute of limitations.

5. The following documents are attached to, and made an express part of this AGREEMENT:
 - Attachment A – Project Limits
 - Attachment B – Project Schedule
6. The following work associated with this LANDSCAPE has been completed or is in progress:
 - CITY completed PA&ED of PROJECT including its LANDSCAPE and was approved by CALTRANS on November 12, 2015 (Cooperative Agreement No. 12-617).
7. In this AGREEMENT capitalized words represent defined terms, initialisms, or acronyms.
8. PARTIES hereby set forth the terms, covenants, and conditions of this AGREEMENT.

RESPONSIBILITIES

Sponsorship

9. A SPONSOR is responsible for establishing the scope of the LANDSCAPE and securing the financial resources to fund the WORK. A SPONSOR is responsible for securing additional funds when necessary or implementing LANDSCAPE changes to ensure the WORK can be completed with the funds obligated in this AGREEMENT.

LANDSCAPE changes, as described in the CALTRANS Project Development Procedures Manual, will be approved by CALTRANS as the owner/operator of the State Highway System with concurrence of SPONSOR.

10. CITY is the SPONSOR for the WORK in this AGREEMENT.

Implementing Agency

11. The IMPLEMENTING AGENCY is the PARTY responsible for managing the scope, cost, schedule, and quality of the work activities and products of a PROJECT COMPONENT.

- CALTRANS is the Plans, Specifications, and Estimate (PS&E) IMPLEMENTING AGENCY.

PS&E includes the development of the plans, specifications, and estimate; obtaining any resource agency permits; and the advertisement/award of the construction contract.

- CALTRANS is the CONSTRUCTION IMPLEMENTING AGENCY.

CONSTRUCTION includes construction contract administration, surveying/staking, inspection, quality assurance, and assuring regulatory compliance. The CONSTRUCTION component budget identifies the capital costs of the construction contract/furnished materials (CONSTRUCTION CAPITAL) and the cost of the staff work in support of the construction contract administration (CONSTRUCTION SUPPORT).

12. Any PARTY responsible for completing WORK will make its personnel and consultants that prepare WORK available to help resolve WORK-related problems and changes for the entire duration of the LANDSCAPE including LANDSCAPE work that may occur under separate agreements.

Funding

13. Funding sources, PARTIES committing funds, funding amounts, and invoicing/payment details are documented in the Funding Summary section of this AGREEMENT.

PARTIES will amend this AGREEMENT by updating and replacing the Funding Summary, in its entirety, each time the funding details change. Funding Summary replacements will be executed by a legally authorized representative of the respective PARTIES. The most current fully executed Funding Summary supersedes any previous Funding Summary created for this AGREEMENT.

14. PARTIES will not be reimbursed for costs beyond the funds obligated in this AGREEMENT.

If an IMPLEMENTING AGENCY anticipates that funding for the WORK will be insufficient to complete the WORK, the IMPLEMENTING AGENCY will promptly notify the SPONSOR.

15. Unless otherwise documented in the Funding Summary, overall liability for project costs within a PROJECT COMPONENT will be in proportion to the amount contributed to that PROJECT COMPONENT by each fund type.
16. Unless otherwise documented in the Funding Summary, any savings recognized within a PROJECT COMPONENT will be credited or reimbursed, when allowed by policy or law, in proportion to the amount contributed to that PROJECT COMPONENT by each fund type.
17. WORK costs, except those that are specifically excluded in this AGREEMENT, are to be paid from the funds obligated in the Funding Summary. Costs that are specifically excluded from the funds obligated in this AGREEMENT are to be paid by the PARTY incurring the costs from funds that are independent of this AGREEMENT.

CEQA/NEPA Lead Agency

18. CALTRANS is the CEQA Lead Agency for the LANDSCAPE.
19. CALTRANS is the NEPA Lead Agency for the LANDSCAPE.

Environmental Permits, Approvals and Agreements

20. PARTIES will comply with the commitments and conditions set forth in the environmental documentation, environmental permits, approvals, and applicable agreements as those commitments and conditions apply to each PARTIES responsibilities in this AGREEMENT.

21. Unless otherwise assigned in this AGREEMENT, the IMPLEMENTING AGENCY for a PROJECT COMPONENT is responsible for all PROJECT COMPONENT WORK associated with coordinating, obtaining, implementing, renewing, and amending the LANDSCAPE permits, agreements, and approvals whether they are identified in the planned project scope of work or become necessary in the course of completing the LANDSCAPE.
22. The LANDSCAPE requires the following environmental permits/approvals:

ENVIRONMENTAL PERMITS/REQUIREMENTS
404, US Army Corps Of Engineers
401, Regional Water Quality Control Board
National Pollutant Discharge Elimination System (NPDES), State Water Resources Control Board
State Waste Discharge Requirements (Porter Cologne), Regional Water Quality Control Board
1602 California Department of Fish and Wildlife

Plans, Specifications, and Estimate (PS&E)

23. As the PS&E IMPLEMENTING AGENCY, CALTRANS is responsible for all PS&E WORK except those activities and responsibilities that are assigned to another PARTY and those activities that are excluded under this AGREEMENT.
24. CALTRANS will prepare Utility Conflict Maps identifying the accommodation, protection, relocation, or removal of any existing utility facilities that conflict with construction of the LANDSCAPE or that violate CALTRANS' encroachment policy.
25. CALTRANS will determine the cost to positively identify and locate, accommodate, protect, relocate, or remove any utility facilities whether inside or outside the State Highway System right-of-way in accordance with federal and California laws and regulations, and CALTRANS' policies, procedures, standards, practices, and applicable agreements including but not limited to Freeway Master Contracts.

26. PARTIES acknowledge that the activities Final District PS&E Package (255.20) and Contract Bid Documents “Ready to List” (260) will be performed by CALTRANS. Because CALTRANS is anticipated to perform the advertisement, award, and administration (AAA) of the construction contract, the PS&E package must be reviewed and approved by CALTRANS District and HQ Office Engineers prior to advertisement.

CITY will ensure that any consultant involved in the preparation of the PS&E package will remain available to address all comments generated during the performance of the Final District PS&E Package and Contract Bid Documents “Ready to List” activities.

CONSTRUCTION

27. As the CONSTRUCTION IMPLEMENTING AGENCY, CALTRANS is responsible for all CONSTRUCTION WORK except those activities and responsibilities that are assigned to another PARTY and those activities that are excluded under this AGREEMENT.
28. CALTRANS will provide the CITY a complete executed copy of the Construction Contract within 30 days of execution.
29. Physical and legal possession of the right-of-way must be completed prior to advertising the construction contract, unless PARTIES mutually agree to other arrangements in writing.
30. Right-of-way conveyances must be completed prior to WORK completion, unless PARTIES mutually agree to other arrangements in writing.
31. CALTRANS will advertise, open bids, award, and approve the construction contract in accordance with the California Public Contract Code and the California Labor Code. By accepting responsibility to advertise and award the construction contract, CALTRANS also accepts responsibility to administer the construction contract.
32. If the lowest responsible construction contract bid is greater than the funding commitment to CONSTRUCTION CAPITAL, PARTIES must agree in writing on a course of action within thirty (30) working days. If no agreement is reached within thirty (30) working days the IMPLEMENTING AGENCY will not award the construction contract.
33. CALTRANS will implement changes to the construction contract through Change Orders. PARTIES will review and concur on all Change Orders over \$25,000.
34. PARTIES confirm that upon WORK completion, no maintenance agreement will be necessary.

35. Upon WORK completion, ownership or title to all materials and equipment constructed or installed for the operations and/or maintenance of the State Highway System (SHS) within SHS right-of-way as part of WORK become the property of CALTRANS.

CALTRANS will not accept ownership or title to any materials or equipment constructed or installed outside SHS right-of-way.

Schedule

36. PARTIES will manage the WORK schedule to ensure the timely use of obligated funds and to ensure compliance with any environmental permits, right-of-way agreements, construction contracts, and any other commitments. PARTIES will communicate schedule risks or changes as soon as they are identified and will actively manage and mitigate schedule risks.
37. The IMPLEMENTING AGENCY for each PROJECT COMPONENT will furnish PARTIES with a final report of the WORK completed.

Additional Provisions

Standards

38. PARTIES will perform all WORK in accordance with federal and California laws, regulations, and standards; FHWA standards; and CALTRANS standards. CALTRANS standards include, but are not limited to, the guidance provided in the:
- CADD Users Manual
 - CALTRANS policies and directives
 - Plans Preparation Manual
 - Project Development Procedures Manual
 - Workplan Standards Guide
 - Standard Environmental Reference
 - Highway Design Manual
 - Right of Way Manual
 - Construction Manual

Qualifications

39. Each PARTY will ensure that personnel participating in WORK are appropriately qualified or licensed to perform the tasks assigned to them.
40. CITY will issue any encroachment permits that are necessary for WORK within its jurisdiction and outside the State Highway System right-of-way. CITY will provide encroachment permits to CALTRANS, its contractors, consultants and agents, at no cost.
41. The IMPLEMENTING AGENCY for a PROJECT COMPONENT will coordinate, prepare, obtain, implement, renew, and amend any encroachment permits needed to complete the WORK.

Protected Resources

42. If any PARTY discovers unanticipated cultural, archaeological, paleontological, or other protected resources during WORK, all WORK in that area will stop and that PARTY will notify all PARTIES within 24 hours of discovery. WORK may only resume after a qualified professional has evaluated the nature and significance of the discovery and CALTRANS approves a plan for its removal or protection.

Disclosures

43. PARTIES will hold all administrative drafts and administrative final reports, studies, materials, and documentation relied upon, produced, created, or utilized for the WORK in confidence to the extent permitted by law and where applicable, the provisions of California Government Code, Section 6254.5(e) will protect the confidentiality of such documents in the event that said documents are shared between PARTIES.

PARTIES will not distribute, release, or share said documents with anyone other than employees, agents, and consultants who require access to complete the WORK without the written consent of the PARTY authorized to release them, unless required or authorized to do so by law.

44. If a PARTY receives a public records request pertaining to the WORK, that PARTY will notify PARTIES within five (5) working days of receipt and make PARTIES aware of any disclosed public documents. PARTIES will consult with each other prior to the release of any public documents related to the WORK.

Hazardous Materials

45. HM-1 is hazardous material (including, but not limited to, hazardous waste) that may require removal and disposal pursuant to federal or state law, irrespective of whether it is disturbed by the LANDSCAPE or not.

HM-2 is hazardous material (including, but not limited to, hazardous waste) that may require removal and disposal pursuant to federal or state law only if disturbed by the LANDSCAPE.

The management activities related to HM-1 and HM-2, including and without limitation, any necessary manifest requirements and disposal facility designations are referred to herein as HM-1 MANAGEMENT and HM-2 MANAGEMENT respectively.

46. If HM-1 or HM-2 is found the discovering PARTY will immediately notify all other PARTIES.
47. CALTRANS, independent of the LANDSCAPE, is responsible for any HM-1 found within the existing State Highway System right-of-way. CALTRANS will undertake, or cause to be undertaken, HM-1 MANAGEMENT with minimum impact to the LANDSCAPE schedule.

CALTRANS will pay, or cause to be paid, the cost of HM-1 MANAGEMENT for HM-1 found within the existing State Highway System right-of-way with funds that are independent of the funds obligated in this AGREEMENT.

48. CITY, independent of the LANDSCAPE, is responsible for any HM-1 found within the LANDSCAPE limits and outside the existing State Highway System right-of-way. CITY will undertake, or cause to be undertaken, HM-1 MANAGEMENT with minimum impact to the LANDSCAPE schedule.

CITY will pay, or cause to be paid, the cost of HM-1 MANAGEMENT for HM-1 found within the LANDSCAPE limits and outside of the existing State Highway System right-of-way with funds that are independent of the funds obligated in this AGREEMENT.

49. The CONSTRUCTION IMPLEMENTING AGENCY is responsible for HM-2 MANAGEMENT within the LANDSCAPE limits.

CITY and CALTRANS will comply with the Soil Management Agreement for Aerially Deposited Lead Contaminated Soils (Soil Management Agreement) executed between CALTRANS and the California Department of Toxic Substances Control (DTSC). Under Section 3.2 of the Soil Management Agreement, CALTRANS and CITY each retain joint and severable liability for noncompliance with the provisions of the Soil Management Agreement. CITY will assume all responsibilities assigned to CALTRANS in the Soil Management Agreement during PROJECT COMPONENTS for which they are the IMPLEMENTING AGENCY except for final placement and burial of soil within the State right-of-way, per Section 4.5 of the Soil Management Agreement, which is subject to CALTRANS concurrence and reporting to DTSC which will be performed by CALTRANS.

50. CALTRANS' acquisition or acceptance of title to any property on which any HM-1 or HM-2 is found will proceed in accordance with CALTRANS' policy on such acquisition.

Claims

51. Any PARTY that is responsible for completing WORK may accept, reject, compromise, settle, or litigate claims arising from the WORK without concurrence from the other PARTY.
52. PARTIES will confer on any claim that may affect the WORK or PARTIES' liability or responsibility under this AGREEMENT in order to retain resolution possibilities for potential future claims. No PARTY will prejudice the rights of another PARTY until after PARTIES confer on the claim.
53. If the WORK expends state or federal funds, each PARTY will comply with the Federal Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards of 2 CFR, Part 200. PARTIES will ensure that any for-profit consultant hired to participate in the WORK will comply with the requirements in 48 CFR, Chapter 1, Part 31. When state or federal funds are expended on the WORK these principles and requirements apply to all funding types included in this AGREEMENT.

Accounting and Audits

54. PARTIES will maintain, and will ensure that any consultant hired by PARTIES to participate in WORK will maintain, a financial management system that conforms to Generally Accepted Accounting Principles (GAAP), and that can properly accumulate and segregate incurred LANDSCAPE costs and billings.

55. PARTIES will maintain and make available to each other all WORK-related documents, including financial data, during the term of this AGREEMENT.

PARTIES will retain all WORK-related records for three (3) years after the final voucher.

PARTIES will require that any consultants hired to participate in the WORK will comply with this Article.

56. PARTIES have the right to audit each other in accordance with generally accepted governmental audit standards.

CALTRANS, the state auditor, FHWA (if the LANDSCAPE utilizes federal funds), and CITY will have access to all WORK -related records of each PARTY, and any consultant hired by a PARTY to participate in WORK, for audit, examination, excerpt, or transcription.

The examination of any records will take place in the offices and locations where said records are generated and/or stored and will be accomplished during reasonable hours of operation. The auditing PARTY will be permitted to make copies of any WORK-related records needed for the audit.

The audited PARTY will review the draft audit, findings, and recommendations, and provide written comments within thirty (30) calendar days of receipt.

Upon completion of the final audit, PARTIES have forty-five (45) calendar days to refund or invoice as necessary in order to satisfy the obligation of the audit.

Any audit dispute not resolved by PARTIES is subject to mediation. Mediation will follow the process described in the General Conditions section of this AGREEMENT.

57. If the WORK expends state or federal funds, each PARTY will undergo an annual audit in accordance with the Single Audit Act in the Federal Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards as defined in 2 CFR, Part 200.
58. When a PARTY reimburses a consultant for WORK with state or federal funds, the procurement of the consultant and the consultant overhead costs will be in accordance with the Local Assistance Procedures Manual, Chapter 10.

Interruption of Work

59. If WORK stops for any reason, each PARTY will continue to implement the obligations of this AGREEMENT, including the commitments and conditions included in the environmental documentation, permits, agreements, or approvals that are in effect at the time that WORK stops, and will keep the LANDSCAPE in environmental compliance until WORK resumes.

Penalties, Judgements and Settlements

60. The cost of awards, judgements, or settlements generated by the WORK are to be paid from the funds obligated in this AGREEMENT.
61. The cost of legal challenges to the environmental process or documentation may be paid from the funds obligated in this AGREEMENT.
62. Any PARTY whose action or lack of action causes the levy of fines, interest, or penalties will indemnify and hold all other PARTIES harmless per the terms of this AGREEMENT.

Environmental Compliance

63. If during performance of WORK additional activities or environmental documentation is necessary to keep the LANDSCAPE in environmental compliance, PARTIES will amend this AGREEMENT to include completion of those additional tasks.

GENERAL CONDITIONS

Venue

64. PARTIES understand that this AGREEMENT is in accordance with and governed by the Constitution and laws of the State of California. This AGREEMENT will be enforceable in the State of California. Any PARTY initiating legal action arising from this AGREEMENT will file and maintain that legal action in the Superior Court of the county in which the CALTRANS district office that is signatory to this AGREEMENT resides, or in the Superior Court of the county in which the LANDSCAPE is physically located.

Exemptions

65. All CALTRANS' obligations under this AGREEMENT are subject to the appropriation of resources by the Legislature, the State Budget Act authority, programming of funds by the California Transportation Commission (CTC) and the allocation thereof by the CTC.

Indemnification

66. Neither CALTRANS nor any of their officers and employees, are responsible for any injury, damage, or liability occurring by reason of anything done or omitted to be done by CITY, its contractors, sub-contractors, and/or its agents under or in connection with any work, authority, or jurisdiction conferred upon CITY under this AGREEMENT. It is understood and agreed that CITY, to the extent permitted by law, will defend, indemnify, and save harmless CALTRANS and all of their officers and employees from all claims, suits, or actions of every name, kind, and description brought forth under, but not limited to, tortious, contractual, inverse condemnation, or other theories and assertions of liability occurring by reason of anything done or omitted to be done by CITY, its contractors, sub-contractors, and/or its agents under this AGREEMENT.
67. Neither CITY nor any of their officers and employees, are responsible for any injury, damage, or liability occurring by reason of anything done or omitted to be done by CALTRANS, its contractors, sub-contractors, and/or its agents under or in connection with any work, authority, or jurisdiction conferred upon CALTRANS under this AGREEMENT. It is understood and agreed that CALTRANS, to the extent permitted by law, will defend, indemnify, and save harmless CITY and all of their officers and employees from all claims, suits, or actions of every name, kind, and description brought forth under, but not limited to, tortious, contractual, inverse condemnation, or other theories and assertions of liability occurring by reason of anything done or omitted to be done by CALTRANS, its contractors, sub-contractors, and/or its agents under this AGREEMENT.

Non-parties

68. PARTIES do not intend this AGREEMENT to create a third party beneficiary or define duties, obligations, or rights for entities not signatory to this AGREEMENT. PARTIES do not intend this AGREEMENT to affect their legal liability by imposing any standard of care for fulfilling the WORK different from the standards imposed by law.
69. PARTIES will not assign or attempt to assign obligations to entities not signatory to this AGREEMENT without an amendment to this AGREEMENT.

Ambiguity and Performance

70. CITY will not interpret any ambiguity contained in this AGREEMENT against CALTRANS. CITY waives the provisions of California Civil Code, Section 1654.

A waiver of a PARTY's performance under this AGREEMENT will not constitute a continuous waiver of any other provision.

71. A delay or omission to exercise a right or power due to a default does not negate the use of that right or power in the future when deemed necessary.

Defaults

72. If any PARTY defaults in its performance of the WORK, a non-defaulting PARTY will request in writing that the default be remedied within thirty (30) calendar days. If the defaulting PARTY fails to do so, the non-defaulting PARTY may initiate dispute resolution.

Dispute Resolution

73. PARTIES will first attempt to resolve AGREEMENT disputes at the LANDSCAPE team level as described in the Quality Management Plan. If they cannot resolve the dispute themselves, the CALTRANS district director and the executive officer of CITY will attempt to negotiate a resolution. If PARTIES do not reach a resolution, PARTIES' legal counsel will initiate mediation. PARTIES agree to participate in mediation in good faith and will share equally in its costs.

Neither the dispute nor the mediation process relieves PARTIES from full and timely performance of the WORK in accordance with the terms of this AGREEMENT. However, if any PARTY stops fulfilling its obligations, any other PARTY may seek equitable relief to ensure that the WORK continues.

Except for equitable relief, no PARTY may file a civil complaint until after mediation, or forty-five (45) calendar days after filing the written mediation request, whichever occurs first.

PARTIES will file any civil complaints in the Superior Court of the county in which the CALTRANS district office signatory to this AGREEMENT resides or in the Superior Court of the county in which the LANDSCAPE is physically located.

74. PARTIES maintain the ability to pursue alternative or additional dispute remedies if a previously selected remedy does not achieve resolution.

Prevailing Wage

75. When WORK falls within the Labor Code § 1720(a)(1) definition of "public works" in that it is construction, alteration, demolition, installation, or repair; or maintenance work under Labor Code § 1771, PARTIES will conform to the provisions of Labor Code §§ 1720-1815, and all applicable provisions of California Code of Regulations, Title 8, Division 1, Chapter 8, Subchapter 3, Articles 1-7. PARTIES will include prevailing wage requirements in contracts for public work and require contractors to include the same prevailing wage requirements in all subcontracts.

Work performed by a PARTY's own employees is exempt from the Labor Code's Prevailing Wage requirements.

If WORK is paid for, in whole or part, with federal funds and is of the type of work subject to federal prevailing wage requirements, PARTIES will conform to the provisions of the Davis-Bacon and Related Acts, 40 U.S.C. §§ 3141-3148.

When applicable, PARTIES will include federal prevailing wage requirements in contracts for public works. WORK performed by a PARTY's employees is exempt from federal prevailing wage requirements.

SIGNATURES

PARTIES are empowered by the law to enter into this AGREEMENT and have delegated to the undersigned the authority to execute this AGREEMENT on behalf of the respective agencies and covenants to have followed all the necessary legal requirements to validly execute this AGREEMENT.

This AGREEMENT may be executed and delivered in counterparts, and by each PARTY in a separate counterpart, each of which when so executed and delivered shall constitute an original and all of which taken together shall constitute one and the same instrument.

The PARTIES acknowledge that executed copies of this AGREEMENT may be exchanged by facsimile or email, and that such copies shall be deemed to be effective as originals.

**STATE OF CALIFORNIA
DEPARTMENT OF TRANSPORTATION**

Adnan Maiah
Deputy District Director
Strategic Portfolio Management
Single Focal Point

CITY OF BREA

Bill Gallardo
City Manager

Attest:

Verification of funds and authority:

Neda Saber
District Budget Manager

City Clerk

Approved as to form and procedure:

Terence Boga
City Attorney

FUNDING SUMMARY NO. 01

<u>FUNDING TABLE</u>							v. 12
<u>IMPLEMENTING AGENCY</u> →			<u>CALTRANS</u>	<u>CALTRANS</u>		Totals	
Source	Party	Fund Type	PS&E	CONST. SUPPORT	CONST. CAPITAL		
LOCAL	CITY	Measure M	400,000	400,000	800,000	1,600,000	
Totals			400,000	400,000	800,000	1,600,000	

<u>SPENDING SUMMARY</u>								v. 222
Fund Type	PS&E		CONST. SUPPORT		CONST. CAPITAL		Totals	
	<u>CALTRANS</u>	CITY	<u>CALTRANS</u>	CITY	<u>CALTRANS</u>	DFM CALTRANS		
Measure M	400,000	0	400,000	0	600,000	200,000	1,600,000	
Totals	400,000	0	400,000	0	600,000	200,000	1,600,000	

Funding

1. If there are insufficient funds available in this AGREEMENT to place the LANDSCAPE right-of-way in a safe and operable condition, the appropriate IMPLEMENTING AGENCY will fund these activities until such time as PARTIES amend this AGREEMENT.

That IMPLEMENTING AGENCY may request reimbursement for these costs during the amendment process.

2. If there are insufficient funds in this AGREEMENT to implement the obligations and responsibilities of this AGREEMENT, including the applicable commitments and conditions included in the LANDSCAPE environmental documentation, permits, agreements, and/or approvals that are in effect at a time that WORK stops, each PARTY accepts responsibility to fund their respective WORK until such time as PARTIES amend this AGREEMENT.

Each PARTY may request reimbursement for these costs during the amendment process.

ICRP Rate

3. The cost of any engineering support performed by CALTRANS includes all direct and applicable indirect costs. CALTRANS calculates indirect costs based solely on the type of funds used to pay support costs. State and federal funds administered by CALTRANS are subject to the current Program Functional Rate. All other funds are subject to the current Program Functional Rate and the current Administration Rate. The Program Functional Rate and Administration Rate are adjusted periodically.

Invoicing and Payment

4. PARTIES will invoice for funds where the SPENDING SUMMARY shows that one PARTY provides funds for use by another PARTY. PARTIES will pay invoices within forty-five (45) calendar days of receipt of invoice when not paying with Electronic Funds Transfer (EFT). When paying with EFT, CITY will pay invoices within ten (10) calendar days of receipt of invoice.
5. If CITY has received EFT certification from CALTRANS then CITY will use the EFT mechanism and follow all EFT procedures to pay all invoices issued from CALTRANS.

6. When a PARTY is reimbursed for actual cost, invoices will be submitted each month for the prior month's expenditures with back-up documentation. After all PROJECT COMPONENT WORK is complete, PARTIES will submit a final accounting of all PROJECT COMPONENT costs with back-up documentation. Based on the final accounting, PARTIES will invoice or refund as necessary to satisfy the financial commitments of this AGREEMENT.

Plans, Specifications, and Estimate (PS&E)

7. CALTRANS will invoice and CITY will reimburse for actual costs incurred and paid up to the Spending Summary Table Limits. All PS&E documentation prepared by CALTRANS and associated with the submitted invoices shall be provided to the CITY within 30 calendar days of payment.

CONSTRUCTION Support

8. CALTRANS will invoice and CITY will reimburse for actual costs incurred and paid up to the Spending Summary Table Limits. CALTRANS will provide the CITY with all construction support documentation associated with the submitted invoices within 30 calendar days of payment.

CONSTRUCTION Capital

9. CALTRANS will invoice CITY for a \$40,000 initial deposit after execution of this AGREEMENT and forty-five (45) working days prior to the commencement of CONSTRUCTION CAPITAL expenditures. This deposit represents two (2) months' estimated costs.

Thereafter, CALTRANS will invoice and CITY will reimburse for actual costs incurred and paid pursuant to the Executed Construction Contract Schedule of Values up to the Spending Summary Table limits. CALTRANS will provide CITY copies of all Construction Contract invoices with verification of payment within 30 days of payment.

Department Furnished Materials (DFM)

CALTRANS will invoice and CITY will reimburse for actual costs incurred and paid up to the Spending Summary Table Limits. CALTRANS will provide the CITY with all DFM receipts associated with the submitted invoices within 30 calendar days of payment.

ATTACHMENT A
PROJECT LIMITS
Cooperative Agreement 12-771

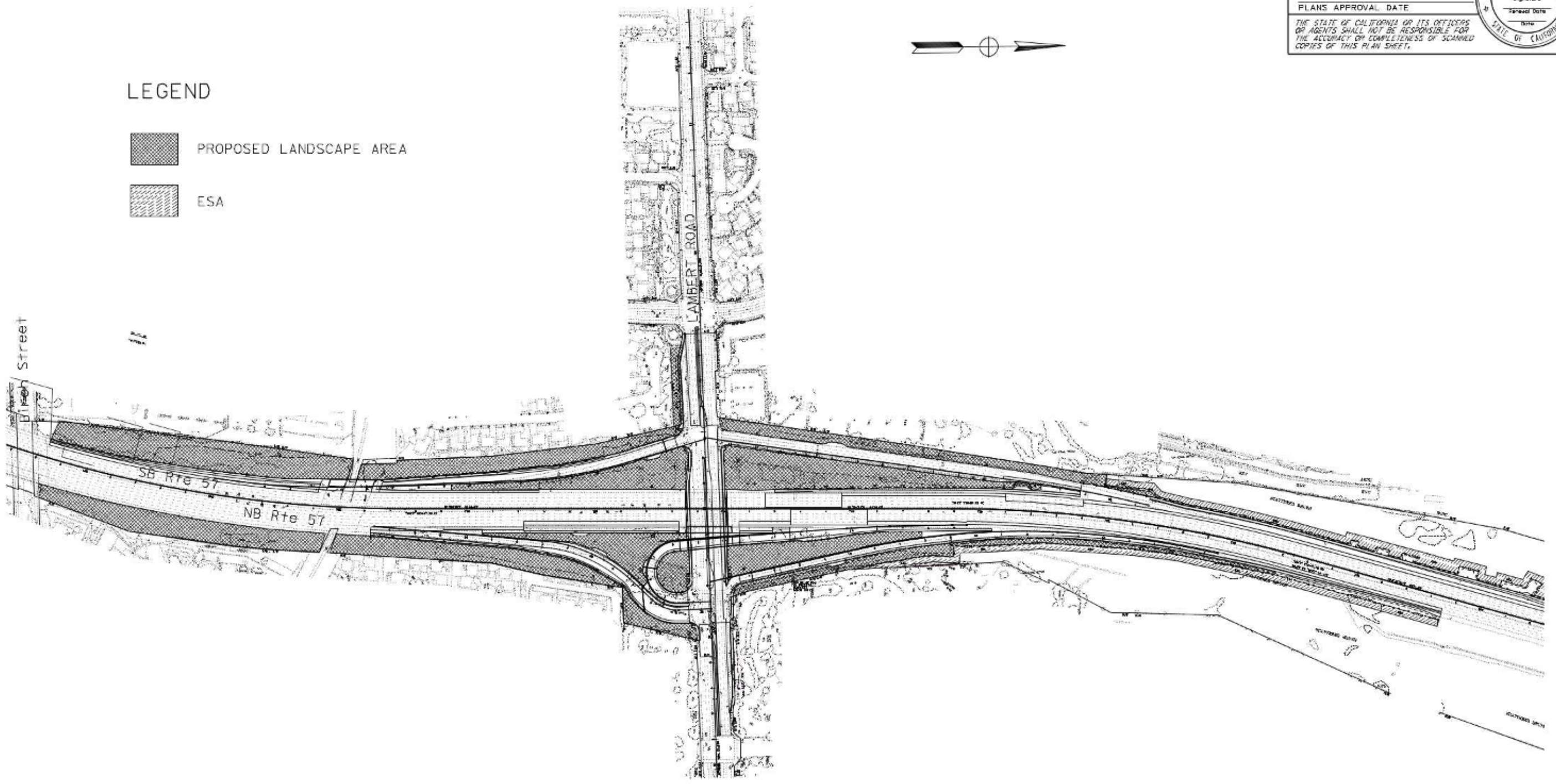
DI&T	COUNTY	ROUTE	POST MILES TOTAL PROJECT	SHEET NO.	TOTAL SHEETS

LICENSED LANDSCAPE ARCHITECT
PLANS APPROVAL DATE
THE STATE OF CALIFORNIA OR ITS OFFICERS
OR AGENTS SHALL NOT BE RESPONSIBLE FOR
THE ACCURACY OR COMPLETENESS OF SCANNED
COPIES OF THIS PLAN SHEET.

LICENSED LANDSCAPE ARCHITECT
Signature
Approved Date
Date
STATE OF CALIFORNIA

LEGEND

- PROPOSED LANDSCAPE AREA
- ESA



PROPOSED LANDSCAPE AREA FOR LAMBERT INTERCHANGE AT SR 57

STATE OF CALIFORNIA - DEPARTMENT OF TRANSPORTATION	SENIOR LANDSCAPE ARCHITECT	CALCULATED BY DESIGNED BY	REVISOR BY	DATE REVISOR
Caltrans				

ATTACHMENT B
PROJECT SCHEDULE
Cooperative Agreement 12-771

PROJECT MILESTONE		MILESTONE DATE (MONTH/YEAR)
PAED, ROW, PS&E, AND CONSTRUCTION PHASES		
PA&ED	M200	11/2015
PS&E to DOE	M377	11/2021
RTL Landscape	M460	01/2022
Award Landscape Contract	M495	07/2022
Approve Landscape Contract	M500	08/2022
Landscape Contract Acceptance	M600	09/2026
End Project	M800	09/2028

City of Brea

FINANCE COMMITTEE COMMUNICATION

TO: Finance Committee Members

FROM: Bill Gallardo

DATE: 03/09/2021

SUBJECT: Authorization for the Issuance of the 2021 Lease Revenue Refunding Bonds to Refinance the Outstanding 2010 Lease Revenue Bonds (Solar and Energy Efficiency Projects) of the Brea Public Financing Authority

RECOMMENDATION

Adopt the Resolution approving the institution of proceedings to refinance the outstanding 2010 Lease Revenue Bonds and engaging related professional services as needed.

BACKGROUND/DISCUSSION

In 2010, the City of Brea through the Brea Public Finance Authority (Authority), issued the following Bonds to finance a portion of the costs of the installation of photovoltaic energy systems and energy efficient improvements at the Brea Civic & Cultural Center and Brea Community Center:

\$2,835 000 (original principal amount) 2010 Lease Revenue Bonds (Solar Energy and Efficiency Projects) (the “2010 Bonds”), of which \$2,760,000 remain outstanding

These bonds are secured by lease payments from the City’s General Fund which benefits from the facilities constructed with the bond proceeds. It is noted that these bonds were issued as taxable Build America Bonds which made the Authority eligible for a cash subsidy to offset the cost of the interest on these taxable bonds. The effective rate of interest on these bonds is 4.58% based on the 6.83% average coupon on the outstanding bonds, net of the subsidy of approximately 33%.

Based on current market conditions, subject to change, it is projected that the City could realize savings at this time by refunding these bonds with tax-exempt bonds. The projected debt service savings are \$827,072 or an average annual reduction in bond payments of \$55,138 over the next fifteen (15) years. The projected true interest cost is lower at 2.10% as compared to the effective 4.58% average interest rate on the outstanding bonds. The amount of bonds outstanding is projected to be reduced by \$435,000 from \$2.760 million down to \$2.325 million. The term of the 2021 Bonds would remain the same as the 2010 Bonds with a final maturity on April 1, 2036. The City’s local Debt Policy requires a threshold of at least 3% net present value savings to be met in order to refund bonds. The proposed refunding which includes the costs of issuing the bonds, results in a projected net present value savings of 16.02% of the outstanding bonds to be refunded.

Below is a table summarizing the details of the 2021 Refunding Bonds to be refunded and the anticipated savings:

Refunding Statistics	2021 Lease Revenue Refunding Bonds
Amount of Refunded Bonds	\$2,760,000
Call Date	10/01/2021 @ 100
Rating	"AA"
Refunding Type	Tax-exempt
Final Maturity	04/01/2036
Amount of Refunding Bonds	\$2,325,000
True Interest Cost	2.10%
Avg. Annual Savings	\$55,138
Total Gross Savings	\$827,072
Net PV Savings	\$442,142
% Savings of Refunded Bonds	16.02%

The adoption of the Resolution authorizes staff to undertake the necessary actions for the proposed refunding of the 2010 Lease Revenues Bonds; approves professional services related to the refunding; and directs City officials to execute related documents as needed. The City's bond issuance team has been in place for many years and staff recommends these firms to continue providing those services for this refunding issue. The Resolution authorizes the following firms to participate in the transaction and the City Manager to execute agreements as necessary:

- Financial Advisory - Fieldman, Rolapp & Associates
- Bond Counsel - Jones Hall, A Professional Law Corporation
- Disclosure Counsel - Richards, Watson & Gershon
- Underwriter - Stifel, Nicolaus & Company
- Trustee and Escrow Bank - Bank of New York Mellon Trust, N.A.

The next steps will be to prepare required legal and financing documents and secure an underlying credit rating from Standard & Poor's. The final step will be for the City Council to consider a resolution approving the Preliminary Official Statement (bond offering document) and other related bond documents for the 2021 Refunding Bonds. Based on the current schedule, staff anticipates this City Council consideration of the final authorization for issuance of the bonds would be scheduled for a May 2021 City Council meeting.

RESPECTFULLY SUBMITTED

William Gallardo, City Manager

Prepared by: Cindy Russell, Administrative Services Director

Attachments

Resolution

Refunding Analysis

RESOLUTION NO. ____

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BREA APPROVING INSTITUTION OF PROCEEDINGS TO REFINANCE OUTSTANDING 2010 LEASE REVENUE BONDS (SOLAR AND ENERGY EFFICIENCY PROJECTS) OF THE BREA PUBLIC FINANCING AUTHORITY, AND ENGAGING PROFESSIONAL SERVICES RELATING THERETO

WHEREAS, the Brea Public Financing Authority (the "Financing Authority") has previously issued its 2010 Lease Revenue Bonds (Solar and Energy Efficiency Projects) in the aggregate principal amount of \$2,835,000 (the "2010 Bonds"), under an Indenture of Trust dated as of April 1, 2010, between the Financing Authority and The Bank of New York Mellon Trust Company, N.A., as trustee, which are secured by lease payments made by the City of Brea (the "City") under a Lease Agreement dated as of April 1, 2010 (the "2010 Lease Agreement"), between the Financing Authority as lessor and the City as lessee; and

WHEREAS, the 2010 Bonds are currently subject to redemption, and the lease payment obligations of the City under the 2010 Lease Agreement are currently subject to prepayment; and

WHEREAS, the Financing Authority is authorized to issue its lease revenue bonds (the "Refunding Bonds") for the purpose of refinancing the 2010 Bonds and thereby providing debt service savings to the Financing Authority and the City; and

WHEREAS, the City Council has considered a financing plan for such purposes and wishes at this time to authorize and direct City staff to implement such financing plan and to engage the necessary professional services therefor;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Brea as follows:

Section 1. Authorization to Proceed with Refunding Plan. The City Council hereby authorizes and directs the City Manager, the Administrative Services Director and other officers and staff of the City to initiate proceedings for the issuance of Refunding Bonds by the Financing Authority under the applicable provisions California law, for the purpose of refinancing the 2010 Bonds. Such officers and staff shall cause the necessary documentation relating to the issuance and sale of the Refunding Bonds to be prepared and presented to the City Council and to the governing board of the Financing Authority for consideration at a future meeting of the City Council and the Financing Authority.

Section 2. Engagement of Professional Services. In connection with the issuance and sale of the Refunding Bonds, the City Council hereby designates the following professional firms to participate the transaction: (a) Fieldman, Rolapp & Associates as financial advisor; (b) Jones Hall, A Professional Law Corporation, as bond counsel; (c) Richards, Watson and Gershon as disclosure counsel; (d) The Bank of New York Mellon Trust, N.A., as trustee and escrow bank; and (e) Stifel, Nicolaus & Company, Incorporated, as underwriter. The City Manager is hereby authorized and directed to

execute agreements for said services with Fieldman, Rolapp & Associates and Jones Hall, A Professional Law Corporation, in the respective forms on file with the City Clerk. The other firms mentioned in this Section 2 are either already under contract to the City for their respective services or will enter into agreements with the City to be approved in connection with the final authorization of the Refunding Bonds.

Section 3. Effective Date. This Resolution shall take effect immediately upon its passage and adoption.

PASSED AND ADOPTED this 2nd day of March, 2021, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Mayor

ATTEST:

City Clerk

SOURCES AND USES OF FUNDS

City of Brea
Lease Revenue Refunding Bonds, Series 2021

Assumes 'AA' Rates as of February 24, 2021 PLUS 25bps
Scenario: Level Savings

Dated Date 07/07/2021
Delivery Date 07/07/2021

Sources:

Bond Proceeds:

Par Amount	2,325,000.00
Premium	413,615.35
	2,738,615.35

Other Sources of Funds:

Prior Reserve Fund	269,892.87
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3,008,508.22

Uses:

Refunding Escrow Deposits:

Cash Deposit	0.71
SLGS Purchases	2,853,919.00
	2,853,919.71

Delivery Date Expenses:

Cost of Issuance	125,000.00
Underwriter's Discount	29,062.50
	154,062.50

Other Uses of Funds:

Contingency	526.01
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3,008,508.22

Notes:

1. Preliminary and subject to change.
2. The use of the 'AA' rating is consistent with the rating of the outstanding prior bonds.
3. Interest rate assumptions are based on current market conditions and similar credits.
4. City's actual results may differ, and Stifel makes no commitment to underwrite at these levels.
5. Costs of issuance and underwriter's discount are estimates for discussion purposes.
6. Analysis was performed with no changes to the term or the structure of the debt service from the currently outstanding issue.
7. The escrow has been funded with SLGS but in no way is Stifel recommending this or any other investment strategy.
8. Refunding analysis reflects loss of subsidy of 35% of interest expense net of 5.7% sequestration rate.

SUMMARY OF REFUNDING RESULTS

City of Brea
Lease Revenue Refunding Bonds, Series 2021

Assumes 'AA' Rates as of February 24, 2021 PLUS 25bps
Scenario: Level Savings

Dated Date	07/07/2021
Delivery Date	07/07/2021
Arbitrage yield	1.789270%
Escrow yield	0.020197%
Value of Negative Arbitrage	11,703.48
Bond Par Amount	2,325,000.00
True Interest Cost	2.097279%
Net Interest Cost	2.296607%
All-In TIC	2.677222%
Average Coupon	3.999675%
Average Life	9.712
Weighted Average Maturity	9.719
Duration	8.274
Par amount of refunded bonds	2,760,000.00
Average coupon of refunded bonds	6.830549%
Average life of refunded bonds	9.989
Remaining weighted average maturity of refunded bonds	9.989
PV of prior debt to 07/07/2021 @ 1.789270%	4,070,843.71
Net PV Savings	442,142.39
Percentage savings of refunded bonds	16.019652%

Notes:

1. Preliminary and subject to change.
2. The use of the 'AA' rating is consistent with the rating of the outstanding prior bonds.
3. Interest rate assumptions are based on current market conditions and similar credits.
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5. Costs of issuance and underwriter's discount are estimates for discussion purposes.
6. Analysis was performed with no changes to the term or the structure of the debt service from the currently outstanding issue.
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8. Refunding analysis reflects loss of subsidy of 35% of interest expense net of 5.7% sequestration rate.

BOND SUMMARY STATISTICS

City of Brea Lease Revenue Refunding Bonds, Series 2021

Assumes 'AA' Rates as of February 24, 2021 PLUS 25bps
Scenario: Level Savings

Dated Date	07/07/2021
Delivery Date	07/07/2021
First Coupon	10/01/2021
Last Maturity	04/01/2036
Arbitrage Yield	1.789270%
True Interest Cost (TIC)	2.097279%
Net Interest Cost (NIC)	2.296607%
All-In TIC	2.677222%
Average Coupon	3.999675%
Average Life (years)	9.712
Weighted Average Maturity (years)	9.719
Duration of Issue (years)	8.274
Par Amount	2,325,000.00
Bond Proceeds	2,738,615.35
Total Interest	903,126.67
Net Interest	518,573.82
Total Debt Service	3,228,126.67
Maximum Annual Debt Service	511,800.00
Average Annual Debt Service	219,103.62

Bond Component	Par Value	Price	Average Coupon	Average Life	Average Maturity Date	Duration	PV of 1 bp change
Serial Bond	2,325,000.00	117.790	4.000%	9.712	03/24/2031	8.289	2,049.15
	2,325,000.00			9.712			2,049.15

	TIC	All-In TIC	Arbitrage Yield
Par Value	2,325,000.00	2,325,000.00	2,325,000.00
+ Accrued Interest			
+ Premium (Discount)	413,615.35	413,615.35	413,615.35
- Underwriter's Discount	-29,062.50	-29,062.50	
- Cost of Issuance Expense		-125,000.00	
- Other Amounts			
Target Value	2,709,552.85	2,584,552.85	2,738,615.35
Target Date	07/07/2021	07/07/2021	07/07/2021
Yield	2.097279%	2.677222%	1.789270%

Notes:

1. Preliminary and subject to change.
2. The use of the 'AA' rating is consistent with the rating of the outstanding prior bonds.
3. Interest rate assumptions are based on current market conditions and similar credits.
4. City's actual results may differ, and Stifel makes no commitment to underwrite at these levels.
5. Costs of issuance and underwriter's discount are estimates for discussion purposes.
6. Analysis was performed with no changes to the term or the structure of the debt service from the currently outstanding issue.
7. The escrow has been funded with SLGS but in no way is Stifel recommending this or any other investment strategy.
8. Refunding analysis reflects loss of subsidy of 35% of interest expense net of 5.7% sequestration rate.

BOND PRICING

City of Brea
Lease Revenue Refunding Bonds, Series 2021

Assumes 'AA' Rates as of February 24, 2021 PLUS 25bps
Scenario: Level Savings

Bond Component	Maturity Date	Amount	Rate	Yield	Price	Yield to Maturity	Call Date	Call Price	Premium (-Discount)
Serial Bond:									
	04/01/2022	10,000	3.000%	0.620%	101.738				173.80
	04/01/2028	345,000	4.000%	1.460%	116.230				55,993.50
	04/01/2029	380,000	4.000%	1.590%	117.469				66,382.20
	04/01/2030	420,000	4.000%	1.720%	118.413				77,334.60
	04/01/2031	465,000	4.000%	1.820%	119.362				90,033.30
	04/01/2032	115,000	4.000%	1.900%	118.578	C 2.061%	04/01/2031	100.000	21,364.70
	04/01/2033	125,000	4.000%	1.970%	117.897	C 2.255%	04/01/2031	100.000	22,371.25
	04/01/2034	140,000	4.000%	2.000%	117.607	C 2.388%	04/01/2031	100.000	24,649.80
	04/01/2035	155,000	4.000%	2.040%	117.220	C 2.510%	04/01/2031	100.000	26,691.00
	04/01/2036	170,000	4.000%	2.080%	116.836	C 2.615%	04/01/2031	100.000	28,621.20
2,325,000									413,615.35

Dated Date	07/07/2021	
Delivery Date	07/07/2021	
First Coupon	10/01/2021	
Par Amount	2,325,000.00	
Premium	413,615.35	
Production	2,738,615.35	117.789908%
Underwriter's Discount	-29,062.50	-1.250000%
Purchase Price	2,709,552.85	116.539908%
Accrued Interest		
Net Proceeds	2,709,552.85	

Notes:

1. Preliminary and subject to change.
2. The use of the 'AA' rating is consistent with the rating of the outstanding prior bonds.
3. Interest rate assumptions are based on current market conditions and similar credits.
4. City's actual results may differ, and Stifel makes no commitment to underwrite at these levels.
5. Costs of issuance and underwriter's discount are estimates for discussion purposes.
6. Analysis was performed with no changes to the term or the structure of the debt service from the currently outstanding issue.
7. The escrow has been funded with SLGS but in no way is Stifel recommending this or any other investment strategy.
8. Refunding analysis reflects loss of subsidy of 35% of interest expense net of 5.7% sequestration rate.

SAVINGS

City of Brea Lease Revenue Refunding Bonds, Series 2021

Assumes 'AA' Rates as of February 24, 2021 PLUS 25bps
Scenario: Level Savings

Date	Prior Debt Service	Prior Adjustments	Prior Net Cash Flow	Refunding Debt Service	Savings	Present Value to 07/07/2021 @ 1.7892701%
04/01/2022	188,108.40	-62,085.18	126,023.22	78,126.67	47,896.55	47,639.95
04/01/2023	188,108.40	-62,085.18	126,023.22	92,600.00	33,423.22	32,551.97
04/01/2024	188,108.40	-62,085.18	126,023.22	92,600.00	33,423.22	31,977.25
04/01/2025	188,108.40	-62,085.18	126,023.22	92,600.00	33,423.22	31,412.68
04/01/2026	188,108.40	-62,085.18	126,023.22	92,600.00	33,423.22	30,858.08
04/01/2027	188,108.40	-62,085.18	126,023.22	92,600.00	33,423.22	30,313.27
04/01/2028	568,108.40	-62,085.18	506,023.22	437,600.00	68,423.22	60,822.09
04/01/2029	582,519.20	-53,639.46	528,879.74	458,800.00	70,079.74	61,178.57
04/01/2030	594,236.40	-44,304.72	549,931.68	483,600.00	66,331.68	56,876.01
04/01/2031	613,260.00	-34,080.96	579,179.04	511,800.00	67,379.04	56,737.61
04/01/2032	233,151.60	-22,493.44	210,658.16	143,200.00	67,458.16	55,783.06
04/01/2033	236,793.00	-18,744.52	218,048.48	148,600.00	69,448.48	56,402.18
04/01/2034	239,401.80	-14,654.82	224,746.98	158,600.00	66,146.98	52,763.10
04/01/2035	245,978.00	-10,224.28	235,753.72	168,000.00	67,753.72	53,077.73
04/01/2036	251,177.40	-5,339.36	245,838.04	176,800.00	69,038.04	53,115.69
	4,693,276.20	-638,077.82	4,055,198.38	3,228,126.67	827,071.71	711,509.25

Savings Summary

Dated Date	07/07/2021
Delivery Date	07/07/2021
PV of savings from cash flow	711,509.25
Less: Prior funds on hand	-269,892.87
Plus: Refunding funds on hand	526.01
Net PV Savings	442,142.39

Notes:

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BOND DEBT SERVICE

City of Brea
Lease Revenue Refunding Bonds, Series 2021

Assumes 'AA' Rates as of February 24, 2021 PLUS 25bps
Scenario: Level Savings

Dated Date 07/07/2021
Delivery Date 07/07/2021

Period Ending	Principal	Interest	Debt Service
04/01/2022	10,000	68,126.67	78,126.67
04/01/2023		92,600.00	92,600.00
04/01/2024		92,600.00	92,600.00
04/01/2025		92,600.00	92,600.00
04/01/2026		92,600.00	92,600.00
04/01/2027		92,600.00	92,600.00
04/01/2028	345,000	92,600.00	437,600.00
04/01/2029	380,000	78,800.00	458,800.00
04/01/2030	420,000	63,600.00	483,600.00
04/01/2031	465,000	46,800.00	511,800.00
04/01/2032	115,000	28,200.00	143,200.00
04/01/2033	125,000	23,600.00	148,600.00
04/01/2034	140,000	18,600.00	158,600.00
04/01/2035	155,000	13,000.00	168,000.00
04/01/2036	170,000	6,800.00	176,800.00
	2,325,000	903,126.67	3,228,126.67

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BOND DEBT SERVICE

City of Brea
Lease Revenue Refunding Bonds, Series 2021

Assumes 'AA' Rates as of February 24, 2021 PLUS 25bps
Scenario: Level Savings

	Dated Date	07/07/2021		
	Delivery Date	07/07/2021		
Period Ending	Principal	Interest	Debt Service	Annual Debt Service
10/01/2021		21,676.67	21,676.67	
04/01/2022	10,000	46,450.00	56,450.00	78,126.67
10/01/2022		46,300.00	46,300.00	
04/01/2023		46,300.00	46,300.00	92,600.00
10/01/2023		46,300.00	46,300.00	
04/01/2024		46,300.00	46,300.00	92,600.00
10/01/2024		46,300.00	46,300.00	
04/01/2025		46,300.00	46,300.00	92,600.00
10/01/2025		46,300.00	46,300.00	
04/01/2026		46,300.00	46,300.00	92,600.00
10/01/2026		46,300.00	46,300.00	
04/01/2027		46,300.00	46,300.00	92,600.00
10/01/2027		46,300.00	46,300.00	
04/01/2028	345,000	46,300.00	391,300.00	437,600.00
10/01/2028		39,400.00	39,400.00	
04/01/2029	380,000	39,400.00	419,400.00	458,800.00
10/01/2029		31,800.00	31,800.00	
04/01/2030	420,000	31,800.00	451,800.00	483,600.00
10/01/2030		23,400.00	23,400.00	
04/01/2031	465,000	23,400.00	488,400.00	511,800.00
10/01/2031		14,100.00	14,100.00	
04/01/2032	115,000	14,100.00	129,100.00	143,200.00
10/01/2032		11,800.00	11,800.00	
04/01/2033	125,000	11,800.00	136,800.00	148,600.00
10/01/2033		9,300.00	9,300.00	
04/01/2034	140,000	9,300.00	149,300.00	158,600.00
10/01/2034		6,500.00	6,500.00	
04/01/2035	155,000	6,500.00	161,500.00	168,000.00
10/01/2035		3,400.00	3,400.00	
04/01/2036	170,000	3,400.00	173,400.00	176,800.00
	2,325,000	903,126.67	3,228,126.67	3,228,126.67

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SUMMARY OF BONDS REFUNDED

City of Brea Lease Revenue Refunding Bonds, Series 2021

Assumes 'AA' Rates as of February 24, 2021 PLUS 25bps
Scenario: Level Savings

Bond	Maturity Date	Interest Rate	Par Amount	Call Date	Call Price
Series 2010 (Solar and Energy Efficiency), 2010SOL:					
TERM30	04/01/2028	6.734%	380,000.00	10/01/2021	100.000
	04/01/2029	6.734%	420,000.00	10/01/2021	100.000
	04/01/2030	6.734%	460,000.00	10/01/2021	100.000
TERM36	04/01/2031	6.884%	510,000.00	10/01/2021	100.000
	04/01/2032	6.884%	165,000.00	10/01/2021	100.000
	04/01/2033	6.884%	180,000.00	10/01/2021	100.000
	04/01/2034	6.884%	195,000.00	10/01/2021	100.000
	04/01/2035	6.884%	215,000.00	10/01/2021	100.000
	04/01/2036	6.884%	235,000.00	10/01/2021	100.000
			2,760,000.00		

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UNDERWRITER'S EXCLUSION DISCLOSURE

City of Brea Lease Revenue Refunding Bonds, Series 2021

Assumes 'AA' Rates as of February 24, 2021 PLUS 25bps
Scenario: Level Savings

Stifel, Nicolaus & Company, Incorporated ("Stifel") has been engaged or appointed to serve as an underwriter or placement agent with respect to a particular issuance of municipal securities to which the attached material relates and Stifel is providing all information and advice contained in the attached material in its capacity as underwriter or placement agent for that particular issuance. As outlined in the SEC's Municipal Advisor Rule, Stifel has not acted, and will not act, as your municipal advisor with respect to the issuance of the municipal securities that is the subject to the engagement.

Stifel is providing information and is declaring to the proposed municipal issuer and any obligated person that it has done so within the regulatory framework of MSRB Rule G-23 as an underwriter (by definition also including the role of placement agent) and not as a financial advisor, as defined therein, with respect to the referenced proposed issuance of municipal securities. The primary role of Stifel, as an underwriter, is to purchase securities for resale to investors in an arm's-length commercial transaction. Serving in the role of underwriter, Stifel has financial and other interests that differ from those of the issuer. The issuer should consult with its own financial and/or municipal, legal, accounting, tax and other advisors, as applicable, to the extent it deems appropriate.

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