



Albion Little River Fire Protection District

REVISED REGULAR MEETING AGENDA

Monday, April 17, 2017, **[PLEASE NOTE MEETING TIME CHANGE]** 8:00 pm
 Albion School, 30400 Albion Ridge Road, Albion, CA

1. **Call to order and determination of a quorum:**
2. **Motion by Secretary Alan Taeger to adopt agenda:**
3. **Public communication to the board:** Members of the public may address the board on any matter within the jurisdiction of the board; however, no action will be taken on items not on the agenda. Individuals wishing to address the board regarding items on the agenda may do so when the agenda item is presented.
4. **Chief's report:** (See packet.)
5. **Consent calendar:** The following consent items are expected to be routine and non-controversial, and will be acted on by the board in a single action without discussion unless a request is made by a board member or a member of the public to move an item for discussion or separate action.
 - a. **Approval of the March 20, 2017 regular meeting minutes.**
 - b. **Acceptance of April 17, 2017 correspondence report.**
 - c. **Acceptance of the February, 2017 financial reports.**
6. **Annual Election of Officers deferred pending seating of new board member(s):**
7. **Unfinished Business for discussion and possible action:**
 - a. **Introduction of board member candidate(s).**
8. **Unfinished Business deferred pending seating of new board member(s):**
 - a. **Motion by Director Taeger to amend current district bylaws Section 1100-[Board Meetings], Article 6. [Board Meeting Schedule], item a. to read "Regular meetings to be held on the third Monday of each calendar month at 7:00 pm at Albion School, 30400 Albion Ridge Road, Albion, CA".** Motion carried by unanimous vote of the board at the September 14, 2016 regular meeting. Bylaws change requires confirmation by minimum four votes at a following regular meeting.
 - b. **Second reading of Ordinance 2016-1 proposed by Director Issel (see packet) including revisions.** Proposed ordinance would supersede Bylaws Section 1150 – Document Preparation/Postal Charges.
 - c. **Draft resolution regarding fee waivers:** To accompany ordinance above per item 3.
9. **New Items for discussion and possible action:**
 - a. **Motion by Director Issel to adopt Resolution 20170417 authorizing the execution and delivery of an Equipment Lease-Purchase Agreement, an Escrow Agreement and Equipment Schedule for the acquisition of 8130 Rescue vehicle replacement.** (See Packet.)
 - b. **Motion by Director Issel to adopt proposed alternate Accounts Payable Protocol modifying Protocol adopted at March 20, 2017 regular meeting:** (See packet.)
 - c. **Motion by Director Issel to create a resolution for ALRFPD to file with the State Controller Office as a Special District agency that can solicit public work bids from an informal bidding list.** (See packet.)
10. **Committee Reports:**
 - a. **Public Relations standing committee – Issel, Taeger:**
 - b. **Ad hoc committees:**
 - i. **Dormant committees:**
 1. **Friends of ALRFPD**
 - ii. **Active committees:**
 1. **Long Term Budget Plan - Issel, Taeger**
 2. **Facilities and Apparatus –Issel, Taeger**

3. Mendocino Association of Fire Districts – Taeger
4. Strategic planning – Issel, Taeger
5. Litigation – Issel, Taeger
6. Operations - Issel

11. Directors Discussion:

- a. Non agenda items of board concern.

12. Adjournment:

Any individual who requires disability related accommodations or modifications, including auxiliary aids and services, in order to participate in the board meeting should contact the board at 707-937-4022, email: board@albionfire.com or write to the board at PO Box 634, Albion, CA 95410-0634 as soon as possible before the meeting date.

Fire Chief's Report, 1 April, 2017, by Ted Williams**• Incident Log****• 201702622 03/04/2017 0928**

- FIRE, RESIDENTIAL ALARM; 32801 NAVARRO RIDGE RD., ALBION
- False alarm, canceled incoming
- Debbi Wolfe
- Ted Williams (8162)
- Andrea Pennebaker
- Kevin Spring
- Jaime Placido
- On Scene: 0936
- Available: 0937

• 201702669 03/05/2017 1137

- MEDICAL BRAVO; 3720 ALBION LITTLE RIVER RD., LITTLE RIVER
- Sam Levine
- John Crowningshield
- Citlali Calvillo (8130)
- Leslie Hrbacek (8130)
- Ted Williams
- Steve Crowningshield (8132)
- Kevin Spring (8132)
- Jaime Placido
- On Scene: 1146
- Available: 1237

• 201702689 03/05/2017 1951

- MEDICAL CHARLIE; 3553 ALBION RIDGE G RD (N), ALBION
- Ted Williams (8130)
- Leslie Hrbacek (8130)
- Citlali Calvillo
- Serena Randolph
- John Crowningshield
- On Scene: 2002
- Available: 2033

• 201702692 03/05/2017 2113

- MEDICAL/TRAFFIC COLLISION; 2000 N HWY 1/33900 NAVARRO RIDGE RD., ALBION
- Ted Williams (8162)
- Marshall Brown
- John Crowningshield (8180)
- Steve Crowningshield (8180)
- Kevin Spring (8180)
- Andrea Pennebaker
- Citlali Calvillo
- Serena Randolph (8130)
- Leslie Hrbacek (8162)
- Michael Rees

- Steve Wolfe
- Debbi Wolfe
- On Scene: 2142
- Available: 0014
- **201702748 03/07/2017 1413**
 - MEDICAL ALPHA; SCHOONER'S LANDING, LITTLE RIVER
 - State Parks
 - Michael Rees
 - Citlali Calvillo
 - Andrea Pennebaker (8130)
 - Sam Levine
 - Serena Randolph
 - Debbi Wolfe
 - On Scene: 1422
 - Available: 1456
- **201702842 03/09/2017 2059**
 - WATER RESCUE; HIGHWAY 128, MP 6.0, ALBION
 - Ted Williams (8130)
 - Marshall Brown (8130)
 - Michael Rees
 - John Crowningshield
 - Andrea Pennebaker
 - Citlali Calvillo (8162)
 - Leslie Hrbacek
 - On Scene: 2128
 - Available: 2159
- **201703415 03/25/2017 0738**
 - PUBLIC ASSISTANCE; HIGHWAY 128, MP 4.5, ALBION
 - CHP, CalTrans
 - Marshall Brown (8162)
 - Michael Rees
 - John Crowningshield (8132)
 - Andrea Pennebaker (8162)
 - Steve Wolfe
 - Debbi Wolfe
 - Steve Crowningshield (8132)
 - Jaime Placido
 - On Scene: 0804
 - Available: 0952
- **201703434 03/25/2017 1934**
 - MEDICAL BRAVO; 30300 NAVARRO RIDGE ROAD, ALBION
 - MCSO
 - Michael Rees
 - Steve Wolfe
 - Debbi Wolfe
 - Marshall Brown (8130)

- Leslie Hrbacek (8130)
- Ted Williams
- Serena Randolph (canceled)
- Austin Williams (canceled)
- On Scene: 1941
- Available: 2023
- **201703605 03/30/2017 0225**
 - ELECTRICAL HAZARD; 5200 N. HWY 1, LITTLE RIVER
 - Ted Williams (8162)
 - Jaime Placido
 - Leslie Hrbacek (canceled)
 - On Scene: 0255
 - Available: 0301
- **201703661 03/31/2017 1532**
 - PUBLIC ASSISTANCE; 39700 LITTLE RIVER AIRPORT RD., LR
 - Sam Levine
 - Leslie Hrbacek (8130)
 - Andrea Pennebaker (8130)
 - Jaime Placido
 - Ted Williams (canceled)
 - On Scene: 1548
 - Available: 1558
- **201703663 03/31/2017 1615**
 - PUBLIC ASSISTANCE; N. HWY 1, MP 47.75
 - Initially paged out to MVFD; MVFD and CalFire responded
 - Sam Levine
 - Andrea Pennebaker (8130)
 - Leslie Hrbacek (8130)
 - Jaime Placido
 - Steve Wolfe (canceled)
 - Debbi Wolfe (canceled)
 - Ted Williams (canceled)
 - On Scene: 1620
 - Available: 1642
- **201703681 03/31/2017 2124**
 - MEDICAL DELTA; 17701 BOICE LANE, FT BRAGG
 - Out of District Call, ALRVFD present and gave aid
 - Michael Rees



Albion Little River Fire Protection District

REGULAR MEETING MINUTES

Monday, March 20, 2017, 7:00 pm, Albion School, 30400 Albion Ridge Road, Albion, CA

1. **Call to order and determination of a quorum:** Meeting called to order 7:07 pm by President Issel. Directors Taeger and Roat present. Also present were Chief Williams, 1 firefighter, and two members of the public.
2. **Motion by Secretary Alan Taeger to adopt agenda:** Motion carried by unanimous vote.
3. **Public communication to the board:** None
4. **Chief's report: (in packet)**
5. **Consent calendar:** Item (a.) pulled for separate consideration by Director Issel. Balance approved by unanimous consent.
 - a. **Approval of the February 20, 2017 regular meeting minutes.** Approved as amended by unanimous vote.
 - b. **Acceptance of March 20, 2017 correspondence report.**
 - c. **Acceptance of the January, 2017 financial reports.**
6. **Annual Election of Officers deferred pending seating of new board member(s):**
7. **Unfinished Business for discussion and possible action:**
 - a. **Introduction of board member candidate(s).** None.
8. **Unfinished Business deferred pending seating of new board member(s):**
 - a. **Motion by Director Taeger to amend current district bylaws Section 1100-[Board Meetings], Article 6. [Board Meeting Schedule], item a. to read "Regular meetings to be held on the third Monday of each calendar month at 7:00 pm at Albion School, 30400 Albion Ridge Road, Albion, CA".** Motion carried by unanimous vote of the board at the September 14, 2016 regular meeting. Bylaws change requires confirmation by minimum four votes at a following regular meeting.
 - b. **Second reading of Ordinance 2016-1 proposed by Director Issel (see packet) including revisions.** Proposed ordinance would supersede Bylaws Section 1150 – Document Preparation/Postal Charges.
 - c. **Draft resolution regarding fee waivers:** To accompany ordinance above per item 3.
9. **New Items for discussion and possible action:**
 - a. **Motion by Director Taeger to amend current FY 2016-2017 district budget:** Amended motion to increase expense item 86-2189-Professional and Special Services in the amount of \$9,500.00 to a new total of \$34,500.00 approved by unanimous vote. (Budget item "Heather Paulson" amended to \$3,500.00 from \$5,000.00.)
 - b. **Motion by Director Taeger to adopt proposed Accounts Payable Protocol:** Protocol adopted as amended, subject to possible modification as required, by unanimous vote. (See attached.)
10. **Committee Reports:**
 - a. **Public Relations standing committee – Issel, Taeger:** Director Issel reported that he is studying district implementation of a comprehensive software program designed to aid special districts manage all aspects of district business, including federal, state, and local reporting compliance issues as well as day-to-day operations and website functions.
 - b. **Ad hoc committees:**
 - i. **Dormant committees:**
 1. **Friends of ALRFPD**
 - ii. **Active committees:**
 1. **Long Term Budget Plan - Issel, Taeger:** No report.
 2. **Facilities and Apparatus –Issel, Taeger:** Director Issel reported on efforts to site a potential three bay garage at Albion School and repurpose one classroom for fire

department use. Board members emphasized that none of proposed ALRFPD uses of Albion School facilities will displace any existing or future school or community use. Issel also reported that the new tender is now in Sacramento awaiting final preparation and testing and that DMV paperwork has been submitted.

3. Mendocino Association of Fire Districts – Taeger: No report.

4. ~~Station 813 relocation – Issel, Roat:~~ Item listed in error. Committee combined with “Facilities and Apparatus”

5. Strategic planning – Issel, Taeger: No Report.

6. Litigation – Issel, Taeger: No report.

7. Operations – Issel: Director Issel reported that with arrival of the new tender existing Tender 8192 will be taken out of service and offered as surplus property. Issel suggests we list the surplus tender for sale on “Public Surplus” website.

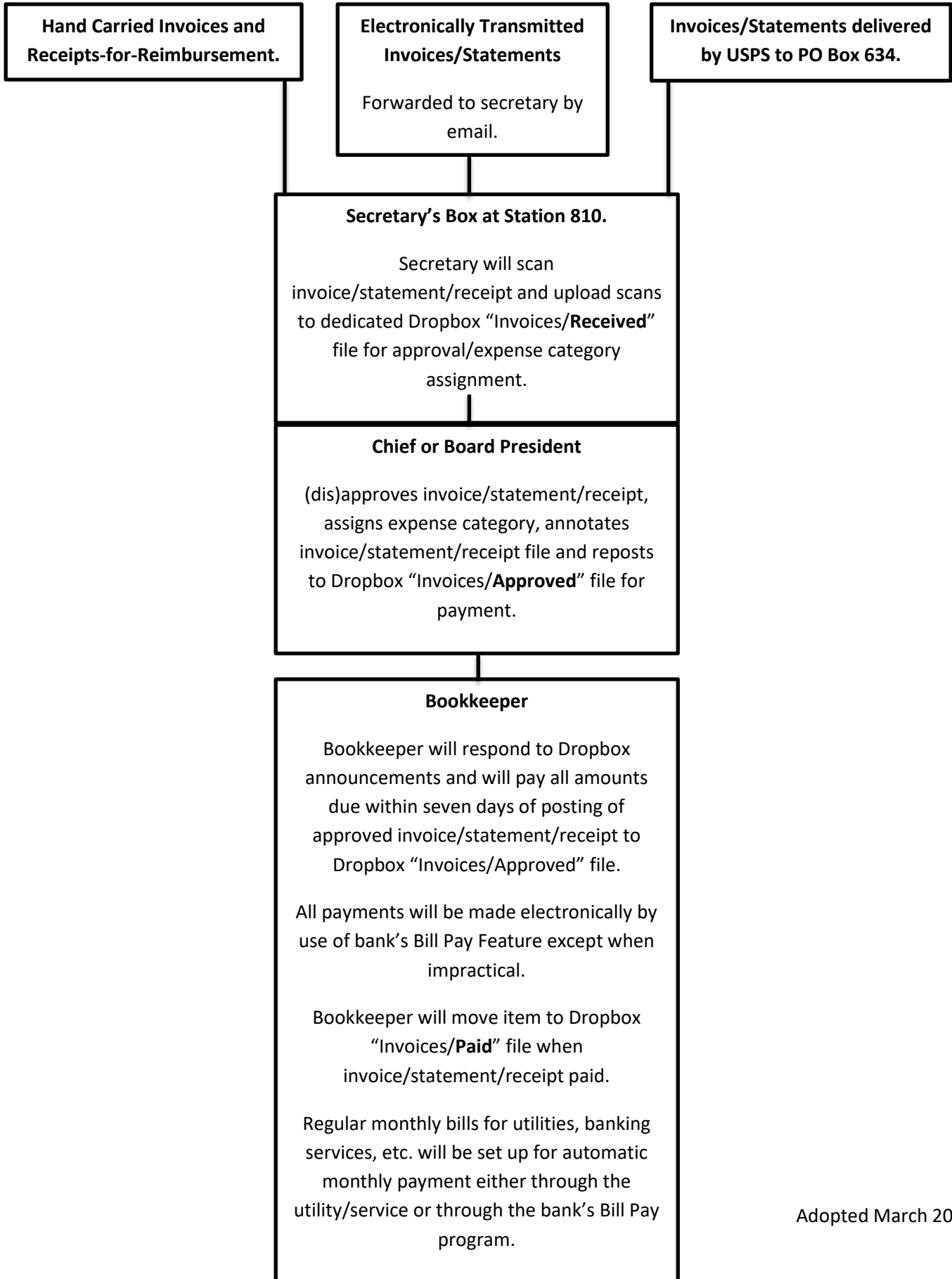
11. Directors Discussion:

- a. **Non agenda items of board concern:** Letter from the Station 810 property owners announcing intent to sell the parcel was discussed. Board to make contact with letter writer/representative to learn more about their intentions and implications for the district.

12. Adjournment: Meeting adjourned 8:25 pm.

Attachment: Accounts Payable Protocol

ACCOUNTS PAYABLE PROTOCOL





REGULAR MEETING MONDAY, APRIL 17, 2017 CORRESPONDENCE REPORT

- March 20, 2017 -Received Memorandum by USPS from LAFCO regarding implementation of Senate Bill 1266 – New Reporting Requirements for Certain Joint Powers Authorities.
- April 4, 2017 -Received letter by USPS from Mendocino County Clerk-Recorder with notification of District election filing requirements due before July 5, 2017.
- April 5, 2017 -Received letter by USPS from Albion Mutual Water Company with notice of annual membership meeting Sunday, April 30, 2017, 6:30pm at Whitesboro Grange and board member election proxy ballot due April 28, 2017.
- April 7, 2017 -Received letter by USPS with notice of enrollment with Sonoma Clean Power.
-Received letter by USPS from LAFCO with Notice of Public Hearing to Adopt Proposed LAFCO Budget for Fiscal Year 2017-2018. Hearing at regular meeting May 1, 2017.
- April 11, 2017 -Received letter by USPS from Mendocino County Planning and Building services with CDP_2016-0006 application and invitation for comments for residential construction in Albion.
- April 14, 2017 -Received validated California DMV registration dated March 29, 2017 for new water tender.

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04/13/17
Accrual Basis

010
Albion Little River Fire Protection District
Balance Sheet
As of February 28, 2017

	<u>Feb 28, 17</u>
ASSETS	
Current Assets	
Checking/Savings	
Building Fund - Checking	10,647.02
County Held Funds	338,952.50
District Checking	37,620.20
Fire Department - Donations	168,109.34
Total Checking/Savings	<u>555,329.06</u>
Total Current Assets	555,329.06
Fixed Assets	
Accumulated Depreciation	-611,890.00
Building & Improvements	322,400.00
Construction-in-Progress	81,152.00
Firefighting Equipment	503,254.00
Land	125,683.00
Total Fixed Assets	<u>420,599.00</u>
TOTAL ASSETS	<u>975,928.06</u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Credit Cards	
Bank of the West Credit Card	1,351.40
Total Credit Cards	<u>1,351.40</u>
Total Current Liabilities	<u>1,351.40</u>
Total Liabilities	1,351.40
Equity	
Opening Balance Equity	588,887.94
Retained Earnings	357,110.98
Net Income	28,577.74
Total Equity	<u>974,576.66</u>
TOTAL LIABILITIES & EQUITY	<u>975,928.06</u>

12:19 PM

04/13/17

Accrual Basis

011
Albion Little River Fire Protection District
Budget vs. Actual
July 2016 through February 2017

	Jul '16 - Feb 17	Budget	\$ Over Budget	% of Budget
Income				
82-1110 CURRENT SECURED TAX	44,067.99	77,691.00	-33,623.01	56.7%
82-1120-CURRENT UNSECURED TAX	2,467.73	2,555.00	-87.27	96.6%
82-1130-SB813 SUPPLEMENTAL TAX	513.67	397.00	116.67	129.4%
82-1210-PRIOR SECURED TAX	5.60			
82-1220-PRIOR UNSECURED TAX	50.04	74.00	-23.96	67.6%
82-1300-SPECIAL TAX	104,645.93	191,685.78	-87,039.85	54.6%
82-1600-TIMBER TAX	247.72	265.00	-17.28	93.5%
82-4100-INTEREST INCOME	797.71	0.00	797.71	100.0%
82-5481-HOMEOWNER PROPERTY TAX	354.83	731.00	-376.17	48.5%
82-7700-OTHER	8,384.07	0.00	8,384.07	100.0%
82-7705 Donations	0.00	0.00	0.00	0.0%
BBQ INCOME	0.00	0.00	0.00	0.0%
Total Income	161,535.29	273,398.78	-111,863.49	59.1%
Gross Profit	161,535.29	273,398.78	-111,863.49	59.1%
Expense				
86-1014-MISC EMPLOYEE BENEFITS	715.00	2,000.00	-1,285.00	35.8%
86-1035-WORKERS COMPENSATION IN	9,381.00	9,340.00	41.00	100.4%
86-2050-CLOTHING & PERSONAL ITE	3,621.80	15,000.00	-11,378.20	24.1%
86-2060-COMMUNICATIONS	2,903.84	2,500.00	403.84	116.2%
86-2080-FOOD	292.73	1,000.00	-707.27	29.3%
86-2101-INSURANCE GENERAL	8,950.00	9,268.00	-318.00	96.6%
86-2120-MAINTENANCE EQUIPMENT	9,105.47	35,000.00	-25,894.53	26.0%
86-2130-MAINTENANCE STRUCTURES	349.00	3,500.00	-3,151.00	10.0%
86-2140-MEDICAL, LAB SUPPLIES	1,896.22	5,000.00	-3,103.78	37.9%
86-2150-MEMBERSHIPS	872.00	1,300.00	-428.00	67.1%
86-2170-DISTRICT OFFICE SUPPLIE	2,008.89	2,500.00	-491.11	80.4%
86-2181-AUDITING & FISCAL SERVI	6,483.75	15,000.00	-8,516.25	43.2%
86-2185-MED AND DENTAL	519.40	1,500.00	-980.60	34.6%
86-2187-EDUCATION & TRAINING	3,493.66	7,500.00	-4,006.34	46.6%
86-2189-PROFESIONAL & SPECIAL S	23,009.08	34,500.00	-11,490.92	66.7%
86-2210-RENT LEASES	50.00	54.00	-4.00	92.6%
86-2220-SMALL TOOLS & SUPPLIES	6,504.02	10,000.00	-3,495.98	65.0%
86-2231-ELECTION SUPERVISION &	0.00	500.00	-500.00	0.0%
86-2250-TRANSPORTATION & TRAVEL	2,437.58	15,000.00	-12,562.42	16.3%
86-2260-UTILITIES	4,052.83	5,000.00	-947.17	81.1%
86-3113-PAYMNTS TO GOVT AGENCIE	782.40	1,600.00	-817.60	48.9%
86-3310 Interest	13,683.02	21,068.47	-7,385.45	64.9%
86-3311 Principal	11,316.98	16,431.53	-5,114.55	68.9%
86-4360-BUILDINGS & IMPROVEMENT	0.00	140,000.00	-140,000.00	0.0%
86-4370-EQUIPMENT (PURCHASE)	60,946.72	77,824.78	-16,878.06	78.3%
BBQ	0.00	0.00	0.00	0.0%
Suspense	1,807.04	0.00	1,807.04	100.0%
Total Expense	175,182.43	432,386.78	-257,204.35	40.5%
Net Income	-13,647.14	-158,988.00	145,340.86	8.6%

012
Albion Little River Fire Protection District
Donation Revenue & Expense
July 2016 through February 2017

Type	Date	Num	Name	Memo	Class	Amount
Income						
82-4100-INTEREST INCOME						
Deposit	07/29/2016			Interest	FD Donations	5.43
Deposit	08/31/2016			Interest	FD Donations	5.34
Deposit	09/30/2016			Interest	FD Donations	5.42
Deposit	10/31/2016		Savings Bank Of Mend...	Interest	FD Donations	6.09
Deposit	11/30/2016			Interest	FD Donations	6.06
Deposit	12/30/2016			Interest	FD Donations	6.40
Deposit	01/30/2017			Interest	FD Donations	6.83
Deposit	02/28/2017			Interest	FD Donations	6.37
Total 82-4100-INTEREST INCOME						47.94
82-7705 Donations						
Business						
Deposit	08/10/2016	5818		TURBO PROPERTIES	FD Donations	400.00
Deposit	11/19/2016	882...	LITTLE RIVER INN	Deposit	FD Donations	500.00
Deposit	12/15/2016	7492		Thomas and Nancy Patten	FD Donations	150.00
Total Business						1,050.00
Individual						
Deposit	07/11/2016	4629		Bruce	FD Donations	75.00
Deposit	07/11/2016	2614		Conzelman	FD Donations	200.00
Deposit	08/10/2016	9767		WAGGONER	FD Donations	40.00
Deposit	08/10/2016	111...		JACOBS	FD Donations	20.00
Deposit	08/10/2016	2997		AYRES	FD Donations	50.00
Deposit	08/21/2016			Cash given to Fire Fighter as a than...	FD Donations	100.00
Deposit	09/26/2016	4419		Meredith Smith	FD Donations	200.00
Deposit	10/13/2016	1762	Craig Davis	Deposit	FD Donations	3,500.00
Deposit	10/13/2016	1042	The Daley Family Foun...	2016	FD Donations	500.00
Deposit	11/19/2016			\$ from Bishoff Sale	FD Donations	500.00
Deposit	12/27/2016			Anonymous	FD Donations	5,000.00
Deposit	12/27/2016			Paul and Elaine West (honor Steve ...	FD Donations	100.00
Deposit	12/27/2016	1036		Sharon A Lau	FD Donations	150.00
Deposit	12/27/2016	270		White/Burstein	FD Donations	150.00
Deposit	12/27/2016	502		Steven and Deborah Farmar	FD Donations	1,500.00
Deposit	12/27/2016	525		Holiday and Chris Johnson	FD Donations	1,000.00
Deposit	01/05/2017	2104		Claire and Charles Greenberg	FD Donations	1,500.00
Deposit	01/11/2017	1074		Elaine Boyd	FD Donations	500.00
Deposit	01/11/2017	3585		John and Kathryn Hughes	FD Donations	1,000.00
Deposit	02/09/2017	005...	JEANNETTE RASKER	RASKER	FD Donations	35.00
Deposit	02/09/2017	664		EUGENE & CLAIRE PERRICELLI	FD Donations	100.00
Deposit	02/09/2017	1121		JEAN B MAY TRUST	FD Donations	3,950.00
Deposit	02/09/2017	3971		BETH SPRING	FD Donations	100.00
Deposit	02/10/2017	004...		Jeannette Rasker	FD Donations	35.00
Deposit	02/10/2017	9659		Community Foundation Stock Transfer	FD Donations	2,400.00
Total Individual						22,705.00
82-7705 Donations - Other						
Deposit	07/11/2016	152...	RECYCLE PROGRAM	Recycle \$	FD Donations	64.76
Deposit	07/11/2016	152...	RECYCLE PROGRAM	Recycle \$	FD Donations	69.75
Deposit	07/11/2016	153...	RECYCLE PROGRAM	Recycle \$	FD Donations	77.00
Deposit	07/11/2016	001...	THE WOODLANDERS	The Woodlanders	FD Donations	2,000.00
Deposit	07/26/2016	153...	RECYCLE PROGRAM	Recycle \$	FD Donations	64.82
Deposit	07/26/2016	153...	RECYCLE PROGRAM	Recycle \$	FD Donations	72.93
Deposit	07/26/2016	153...	RECYCLE PROGRAM	Recycle \$	FD Donations	77.13
Deposit	07/28/2016	3077		BENEDETTO LANDSCAPING	FD Donations	60.00
Deposit	07/28/2016	1145		SURLES/BENSON	FD Donations	50.00
Deposit	07/28/2016	3215		GRANT	FD Donations	200.00
Deposit	07/28/2016	3477		KLEINSCHMIDT	FD Donations	100.00
Deposit	07/28/2016	505		WEISS	FD Donations	100.00
Deposit	07/28/2016	7177		STONE	FD Donations	500.00
Deposit	07/28/2016	114...		TABER	FD Donations	2,000.00
Deposit	07/28/2016	1283		ALVES	FD Donations	100.00
Deposit	07/28/2016	8186		CROWNINGSCHILD	FD Donations	40.00
Deposit	07/28/2016	372		JOHNSON	FD Donations	250.00
Deposit	07/28/2016	1270		SWALLOW/SANSI	FD Donations	100.00
Deposit	07/28/2016	5052		MEINERSHAGEN/WEALE	FD Donations	200.00
Deposit	07/28/2016	2268		MURRAY	FD Donations	400.00

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04/13/17

Accrual Basis

013
Albion Little River Fire Protection District
Donation Revenue & Expense
July 2016 through February 2017

Type	Date	Num	Name	Memo	Class	Amount
Deposit	07/28/2016	137...		ABELL BUILDERS	FD Donations	160.00
Deposit	08/05/2016			Deposit	FD Donations	100.00
Deposit	08/10/2016		RECYCLE PROGRAM	RECYCLE \$	FD Donations	75.07
Deposit	08/10/2016			CASH AT THE FLATS	FD Donations	60.00
Deposit	08/17/2016	2466		Deposit	FD Donations	100.00
Deposit	08/21/2016	154...	RECYCLE PROGRAM	Recycle \$	FD Donations	66.05
Deposit	08/24/2016	154...	RECYCLE PROGRAM	Recycle \$	FD Donations	84.65
Deposit	08/31/2016		RECYCLE PROGRAM	Recycle \$	FD Donations	57.64
Deposit	09/05/2016	1413	THE WOODLANDERS	Deposit	FD Donations	32.50
Deposit	09/07/2016	155...	RECYCLE PROGRAM	Recycle \$	FD Donations	79.83
Deposit	09/26/2016	155...	RECYCLE PROGRAM	Recycle \$	FD Donations	49.30
Deposit	09/26/2016	155...	RECYCLE PROGRAM	Recycle \$	FD Donations	55.30
Deposit	09/26/2016	1417	THE WOODLANDERS	THE WOODLANDERS	FD Donations	2,000.00
Deposit	09/26/2016	155...	RECYCLE PROGRAM	RECYCLE \$	FD Donations	49.49
Deposit	09/26/2016	154...	RECYCLE PROGRAM	RECYCLE \$	FD Donations	59.52
Deposit	09/26/2016	155...	RECYCLE PROGRAM	RECYCLE \$	FD Donations	37.03
Deposit	09/26/2016	233	Albion-Little River Fire ...	BBQ	FD Donation...	5,314.18
Deposit	09/26/2016	233	Albion-Little River Fire ...	T-SHIRTS	FD Donations	1,375.00
Deposit	10/13/2016	127...	Mendocino Coast Hosp...	Deposit	FD Donations	1,500.00
Deposit	10/13/2016	156...	RECYCLE PROGRAM	RECYCLE \$	FD Donations	42.24
Deposit	10/13/2016			\$ from Bishoff sale	FD Donations	1,358.00
Check	10/18/2016			bounced check	FD Donations	-500.00
Deposit	10/31/2016	198		Lynda J Reed	FD Donations	500.00
Deposit	10/31/2016	157...	Waste Management	recycle \$	FD Donations	57.22
Deposit	10/31/2016	157...	Waste Management	Recycle \$	FD Donations	37.28
Deposit	10/31/2016	157...	Waste Management	Recycle \$	FD Donations	85.81
Deposit	11/14/2016	157...	Waste Management	Recycle \$	FD Donations	30.04
Deposit	11/23/2016		Waste Management	Recycle \$	FD Donations	33.97
Deposit	11/23/2016			Deposit	FD Donations	1,000.00
Deposit	12/05/2016	158...	Waste Management	Recycle \$	FD Donations	58.19
Deposit	12/05/2016	158...	Waste Management	Recycle \$	FD Donations	37.44
Deposit	12/14/2016			Tip Jar	FD Donations	16.00
Deposit	12/14/2016	158...	Waste Management	Recycle \$	FD Donations	97.05
Deposit	12/15/2016	2603	WHITESBORO GRAN...	Deposit	FD Donations	1,096.00
Deposit	12/27/2016	158...	Waste Management	Recycle \$	FD Donations	84.08
Deposit	01/11/2017		Waste Management	Recycle \$	FD Donations	72.08
Total 82-7705 Donations - Other						21,887.35
Total 82-7705 Donations						45,642.35
BBQ INCOME						
Deposit	08/10/2016			Deposit	FD Donation...	65.00
Deposit	08/10/2016			Deposit	FD Donation...	278.00
Deposit	08/10/2016			Deposit	FD Donation...	380.00
Deposit	08/10/2016			Deposit	FD Donation...	475.00
Deposit	08/10/2016			Deposit	FD Donation...	400.00
Total BBQ INCOME						1,598.00
Total Income						47,288.29
Gross Profit						47,288.29
Expense						
86-2170-DISTRICT OFFICE SUPPLIE						
Paper, Ink, Materials						
Check	09/14/2016	1047	Beckman Printing & Co...	Thank you cards	FD Donations	39.95
Total Paper, Ink, Materials						39.95
Total 86-2170-DISTRICT OFFICE SUPPLIE						39.95
86-2181-AUDITING & FISCAL SERVI						
Check	10/18/2016		Savings Bank Of Mend...	bank fee	FD Donations	7.00
Total 86-2181-AUDITING & FISCAL SERVI						7.00

11:57 AM

04/13/17

Accrual Basis

014
Albion Little River Fire Protection District
Donation Revenue & Expense
July 2016 through February 2017

Type	Date	Num	Name	Memo	Class	Amount
Suspense						
Check	08/05/2016		Pierce	will be paid back when \$ comes from...	FD Donations	47,824.78
Check	08/05/2016		Savings Bank Of Mend...	will be paid back	FD Donations	30.00
Deposit	08/08/2016		Albion-Little River Fire ...	paying back loan	FD Donations	-42,824.78
Deposit	09/26/2016	035...	Santa Cruz County Bank	refund from Santa Cruz County Bank...	FD Donations	-10.00
Total Suspense						5,020.00
Total Expense						5,066.95
Net Income						42,221.34



Albion Little-River Fire Protection District

RESOLUTION NO. 20170417

OF THE GOVERNING BODY OF THE ALBION LITTLE RIVER FIRE PROTECTION DISTRICT, AUTHORIZING THE EXECUTION AND DELIVERY OF AN EQUIPMENT LEASE-PURCHASE AGREEMENT, AN ESCROW AGREEMENT AND EQUIPMENT SCHEDULE WITH RESPECT TO THE ACQUISITION, PURCHASE, FINANCING, AND LEASING OF CERTAIN EQUIPMENT FOR THE PUBLIC BENEFIT; AUTHORIZING THE EXECUTION AND DELIVERY OF DOCUMENTS REQUIRED IN CONNECTION THEREWITH; AND AUTHORIZING THE TAKING OF ALL OTHER ACTIONS NECESSARY TO THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED BY THIS RESOLUTION.

WHEREAS, the Albion Little River Fire Protection District (the “Lessee”), a body politic and corporate duly organized and existing as a political subdivision of the State of California, is authorized by the laws of the State of California to purchase, acquire, and lease personal property for the benefit of the Lessee and those it provides services to and to enter into contracts with respect thereto;

WHEREAS, the Lessee desires to purchase, acquire and lease certain equipment constituting personal property necessary for the Lessee to perform essential governmental functions; including without limitation a rescue vehicle in an amount not more than \$275,000.00 as the Designated Officers may deem to be necessary and/or desirable (the “Equipment”);

WHEREAS, in order to acquire such Equipment, the Lessee proposes to enter into one or more Equipment Lease-Purchase Agreements (together with the Equipment Schedules and all related exhibits, schedules, and certificates attached thereto, the “Lease Agreements”) with Holman Capital Corporation (the “Lessor”) and one Escrow Agreement (together the Disbursement/Payment Request Form and Acceptance Certificate, the “Escrow Agreement”) with the Lessor and an escrow agent, the forms of which have been presented to the governing body of the Lessee at this meeting;

Whereas, the Lessor has agreed to assign all of its rights, title and interest in and to the Equipment, the Lease Agreements and the Escrow Agreement (collectively, the “Transaction Documents”) to an investor and the Lessee has consented and acknowledged to the foregoing;

WHEREAS, the governing body of the Lessee deems it for the benefit of the Lessee and for the efficient and effective administration thereof to enter into the Transaction Documents for the purchase, acquisition, and leasing of the Equipment to be therein described on the terms and conditions therein provided;

NOW, THEREFORE, BE IT RESOLVED by the governing body of the Albion Little River Fire Protection District as follows:

Section 1. Approval of Documents. The governing body of the Lessee hereby approves the form, terms and provisions of the Transaction Documents in substantially the forms presented to this meeting and authorizes and directs Michael Issel, the President of the Board of Directors of the Albion Little River Fire Protection District, and such other persons as he/she/they may delegate (the “Designated Officers”), and each of them individually, for and in the name of and on behalf of the Lessee, to execute and deliver the Transaction Documents, and any related Certificate, Exhibits, or other documents attached thereto in such forms with such changes, insertions, revisions, corrections, or amendments as shall be approved by the officer executing them. The execution of the foregoing by a Designated Officer shall constitute conclusive evidence of such officer’s and the governing body’s approval of any such changes, insertions, revisions, corrections, or amendments to the respective forms of agreements presented to this meeting.

Section 2. Other Actions Authorized. The officers and employees of the Lessee shall take all action necessary or reasonably required by the parties to the Transaction Documents to carry out, give effect to, and consummate the transactions contemplated thereby (including the execution and delivery of Certificates of Acceptance and Disbursement/Payment Requests, Notice and Acknowledgements of Assignments, and any tax certificate and agreement, each with respect to and as contemplated in the Agreement and/or Escrow Agreement) and to take all action necessary in conformity therewith, including, without limitation, the execution and delivery of any closing and other documents required to be delivered in connection with the Transaction Documents. The Designated Officers and all other officers and employees of the Lessee are hereby directed and authorized to take and shall take all action necessary or reasonably required in order to select, purchase, and take delivery of the Equipment. All actions heretofore taken by officers, employees, and agents of the Lessee that are in conformity with the purposes and intent of this resolution are hereby approved, confirmed, and ratified.

Section 3. No General Liability. Nothing contained in this Resolution No. 20170417, the Transaction Documents, nor any other instrument shall be construed with respect to the Lessee as incurring a pecuniary liability or charge upon the general credit of the Lessee or against its taxing power, nor shall the breach of any agreement contained in this Resolution No. 20170417, the Transaction Documents, or any other instrument or document executed in connection therewith impose any pecuniary liability upon the Lessee or any charge upon its general credit or against its taxing power, except to the extent that the rental payments payable under the Transaction Documents are special limited obligations of the Lessee as provided therein.

Section 4. Appointment of Authorized Lessee Representatives. The Designated Officers are each hereby designated to act as authorized representatives of the Lessee for purposes of the Transaction Documents until such time as the governing body of the Lessee shall designate any other or different authorized representative for purposes of the Transaction Documents.

Section 5. Severability. If any section, paragraph, clause, or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause, or provision shall not affect any of the remaining provisions of this Resolution No. 20170417.

Section 6. Repealer. All bylaws, orders, and resolutions or parts thereof, inconsistent herewith, are hereby repealed to the extent only of such inconsistency. This repealer shall not be construed as reviving any bylaw, order, resolution, or ordinance or part thereof.

Section 7. Effective Date. This Resolution 20170417 shall be effective immediately upon its approval and adoption.

The foregoing Resolution was duly passed and adopted at a meeting of the Board of Directors for the Albion Little River Fire Protection District held on April 17, 2017, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Michael Issel, President

ATTEST:

By: _____
Alan Taeger, Secretary

INDEX TO LEGAL DOCUMENTS

**BANK-QUALIFIED, APPROPRIATION-BASED, ESCROW FUNDED
TAX-EXEMPT EQUIPMENT LEASE-PURCHASE AGREEMENT
DATED APRIL 27, 2017 BY AND BETWEEN
HOLMAN CAPITAL CORPORATION
And
ALBION-LITTLE RIVER FIRE PROTECTION DISTRICT**

Lease Documents:

- Tab 1: Equipment Lease-Purchase Agreement;
- Tab 2: Exhibit A – Equipment Schedule;
- Tab 3: Exhibit B – Notice and Acknowledgment of Assignment;
- Tab 4: Exhibit C-1 – Insurance Coverage Request;
- Tab 5: Exhibit C-2 – Self-Insurance Rider (if applicable);
- Tab 6: Exhibit D – Essential Use Certificate;
- Tab 7: Exhibit E – Incumbency Certificate;
- Tab 8: Exhibit F – Opinion of Lessee’s Counsel;
- Tab 9: Exhibit G – Bank Qualified Certificate;
- Tab 10: Exhibit H – Post Issuance Tax Compliance Procedures
- Tab 11: Exhibit I – Escrow Agreement
- Tab 12: Resolution of Lessee;
- Tab 13: UCC-1 Financing Statement with attached Schedule A (prepared and filed by Investor);
- Tab 14: Form 8038-G;
- Tab 15: Closing Memorandum/Payment Proceeds Direction; and
- Tab 16: Vendor Contract & Payment Bond, if and as applicable

Assignment Documents (Lessor and Investor Only):

- Tab 17: Assignment Agreement with Schedule A thereto.
-

**HOLMAN CAPITAL CORPORATION
EQUIPMENT LEASE-PURCHASE AGREEMENT**

1. **Agreement.** Subject to the terms and conditions contained in this Equipment Lease-Purchase Agreement dated April 27, 2017 (this "Lease Agreement"), HOLMAN CAPITAL CORPORATION, as lessor ("Lessor"), whose mailing address is 25201 Paseo de Alicia, Suite 290, Laguna Hills, CA 92653, hereby purchases from and agrees to sell, transfer and lease back to the ALBION-LITTLE RIVER FIRE PROTECTION DISTRICT, as lessee ("Lessee"), whose mailing address is 4601 Albion Little River Road, Albion, CA 95410, and Lessee hereby sells to and agrees to acquire, purchase and lease back from Lessor, the items of personal property (together with any replacement parts, additions, substitutions, repairs or accessories now or hereafter incorporated in or affixed to it, hereinafter referred to collectively as the "Equipment") described in Exhibit A attached hereto.

2. **Term.** The term of this Lease Agreement (the "Lease Term") begins as of the Commencement Date stated in Exhibit A and shall continue so long as any amounts remain unpaid hereunder. The Lease Term will terminate upon the first to occur of: (a) the exercise by Lessee of the option to purchase the Equipment pursuant to Paragraph 10, (b) Lessor's election to terminate this Lease Agreement pursuant to Paragraph 16, (c) Lessee's option to terminate this Lease Agreement pursuant to the second paragraph of Section 3, and (d) the payment by Lessee of all sums required to be paid by Lessee hereunder.

2.5. **Escrow Agreement.** On the Commencement Date, Lessor and Lessee shall enter into an escrow agreement (an "Escrow Agreement") dated the Commencement Date, between Lessor, Lessee, and Santa Cruz County Bank, as escrow agent, relating to the escrow fund (an "Escrow Fund") created thereunder. On the Commencement Date, Lessor shall deposit: \$272,269.60 into the Escrow Fund to be held in escrow and applied upon the express terms and conditions of the Escrow Agreement; for the acquisition of the equipment (\$267,269.60) and for the payment of issuance costs (\$5,000.00), which shall be disbursed as provided for in the Closing Memorandum of even date herewith.

3. **Rental Payments.** Lessee agrees to pay the rental payments hereunder for the Lease Term in the amounts and on the dates identified in Exhibit A. Payment of all rental payments and other amounts payable hereunder shall be made to Lessor at its above-stated address or as it shall otherwise designate in writing. As set forth in Exhibit A, a portion of each rental payment is paid as, and represents payment of, interest, and the balance of each rental payment is paid as, and represents payment of, principal.

Notwithstanding any provision to the contrary in this Lease Agreement, Lessee may terminate this Lease Agreement at the end of any fiscal year of Lessee as identified in Exhibit A (a "Fiscal Year") if sufficient funds are not appropriated by Lessee's Governing Board to pay rental payments and other amounts due hereunder during the next succeeding Fiscal Year (an "Event of Nonappropriation"). Lessee hereby agrees to notify Lessor at least 30 days prior to the last day of its then current Fiscal Year of the occurrence of an Event of Nonappropriation or, if nonappropriation has not occurred by that date, promptly upon the occurrence of an Event of Nonappropriation.

Lessee represents and warrants that: (a) it has made sufficient appropriations or has other legally available funds to pay all rental payments hereunder due during the first Fiscal Year hereunder; (b) the officer of Lessee responsible for budget preparation will do all things lawfully within his/her power to obtain appropriated funds for the payment of rental payments and other amounts required to be paid hereunder in each next succeeding Fiscal Year for the Lease Term with the understanding that any such appropriation is within the sole discretion of the Lessee's Governing Board; and (c) Lessee acknowledges that Lessor has relied upon these representations as an inducement to enter into this Lease Agreement. If an Event of Nonappropriation hereunder shall occur, Lessee agrees, at Lessee's sole cost and expense, peaceably to deliver the corresponding Equipment to Lessor at such location in the continental United States as is specified by Lessor, in the condition required by Paragraph 7 of this Lease Agreement, on or before the effective date of termination.

Lessee's obligation to pay rental payments and any additional amounts payable hereunder constitutes a current obligation payable exclusively from legally available funds and shall not be construed to be an indebtedness within the meaning of any applicable constitutional or statutory limitation or requirement.

4. **Essentiality.** Subject to Paragraph 3 of this Lease Agreement, Lessee's present intention is to make rental payments for the Lease Term as long as it has sufficient appropriations or, if any/applicable, other legally available funds. Lessee represents that, with respect hereto, (a) the use and operation of the Equipment is essential to its proper, efficient, and economic governmental operation and (b) the functions performed by the Equipment could not be transferred to other equipment available for its use. Lessee does not intend to sell or otherwise dispose of the Equipment or any interest therein prior to the last rental payment scheduled to be paid hereunder. On the Commencement Date, Lessee shall complete and provide Lessor a certificate in the form of Exhibit D.

5. **Disclaimer of Warranties.** **LESSEE REPRESENTS THAT IT HAS SELECTED THE EQUIPMENT PRIOR TO HAVING REQUESTED LESSOR TO FINANCE THE SAME. LESSEE AGREES THAT LESSOR HAS NOT MADE ANY, AND MAKES NO, REPRESENTATIONS OR WARRANTIES OF ANY KIND OR NATURE, DIRECTLY OR INDIRECTLY, EXPRESS OR IMPLIED, AS TO ANY MATTER WHATSOEVER, INCLUDING (WITHOUT LIMITATION) THE SUITABILITY OF THE EQUIPMENT, ITS DURABILITY, ITS FITNESS FOR ANY PARTICULAR PURPOSE, ITS MERCHANTABILITY, ITS CONDITION, ITS CAPACITY, ITS OPERATION, ITS PERFORMANCE, ITS DESIGN, ITS MATERIALS, ITS WORKMANSHIP AND/OR ITS QUALITY. AS BETWEEN LESSEE AND LESSOR, LESSEE LEASES, PURCHASES AND ACQUIRES THE EQUIPMENT "AS IS" "WHERE IS" AND "WITH ALL FAULTS."** Lessor hereby assigns to Lessee, to the extent that it may lawfully do so, so long as no Event of Default and no Event of Nonappropriation shall have occurred and be continuing hereunder, all rights and benefits that Lessor may have under any warranty, guaranty or the like that may be made with respect to the Equipment by the manufacturer, seller and/or supplier (collectively, the "Vendor") thereof. Lessor shall not be liable to Lessee or any third party for any loss, damage, injury or expense of any kind or nature caused directly or indirectly by any of the Equipment or the use or maintenance thereof or any defect therein, the failure of operation thereof or by any interruption of service or loss of use thereof or for any loss of business or damage whatsoever and howsoever caused. Lessor makes no warranty as to the treatment of this Lease Agreement for tax or accounting purposes or as to the compliance of the Equipment with applicable government regulations or requirements. Lessee agrees to look solely to the Vendor for any claim arising from any defect, breach of warranty, failure or delay in delivery, mis-delivery or inability to use the Equipment for any reason whatsoever and Lessee's obligations to Lessor hereunder shall not in any manner be affected thereby, including (without limitation) Lessee's obligations to pay Lessor all rental payments and other amounts payable hereunder. Lessee has selected both the Equipment and the Vendor and acknowledges that Lessor has not participated in any way in Lessee's selection of the Equipment or the Vendor. Lessor has no obligation to install, erect, test, adjust, service or maintain the Equipment.

6. **Delivery and Acceptance; Quiet Enjoyment.** Lessee shall accept the Equipment for which disbursement is requested from the Escrow Fund upon its delivery and authorizes Lessor to insert on Exhibit A the serial numbers and any additional description of the items of Equipment so delivered. As evidence of that acceptance, Lessee shall execute and deliver to Lessor a Certificate of Acceptance in the form attached as Exhibit A to the Escrow Agreement. Regardless of whether Lessee has furnished a Certificate of Acceptance pursuant to this Paragraph 6, by making a rental payment after its receipt of the Equipment, Lessee shall be deemed to have accepted the Equipment on the date of such rental payment for purposes hereof. During the Lease Term, Lessee shall be entitled to quiet enjoyment of the Equipment, subject to the terms of this Lease Agreement.

7. **Use of Equipment; Maintenance and Repairs.** Lessee shall keep the Equipment within the State at the "Equipment Location" stated in Exhibit A and Lessee shall not remove any of the Equipment therefrom without Lessor's prior written consent. Lessee shall use the Equipment in a careful manner and

shall at all times, at its sole expense, keep the Equipment in good operating condition, repair and appearance and comply with all laws, ordinances, regulations or requirements of any governmental authority, official, board or department relating to its installation, possession, use or maintenance. Lessee shall not make any alterations, additions, or improvements to the Equipment that are not readily removable without causing damage to or reducing the value of the Equipment. All alterations, additions, or improvements not readily removable shall become property of Lessor.

8. **Security Interest; Title to Equipment.** (a) The provisions of this Section 8(a) apply generally to all Equipment, regardless of the type, the Vendor Contract (as defined on Exhibit A), and the Escrow Fund (if any/applicable): To secure the performance of all of Lessee's obligations hereunder, Lessee hereby grants to Lessor, and Lessor shall have and retain, a security interest constituting a first priority and perfected lien and security interest on the Equipment delivered hereunder and on any attachments, proceeds therefrom. Lessee agrees to execute and deliver such additional documents, including, without limitation, opinions of counsel, financing statements, landlord-tenant or mortgagee waivers, information necessary for fixture filings, notices and similar instruments, in form satisfactory to Lessor, that Lessor deems necessary or appropriate to establish and maintain its first priority and perfected security interest in the Equipment or for the confirmation or perfection of Lessor's rights hereunder. As further security therefor, Lessee hereby grants to Lessor a first priority security interest in the cash and negotiable instruments from time to time in the Escrow Fund and all proceeds (cash and non-cash) thereof, and agrees with respect thereto that Lessor shall have all the rights and remedies of a secured party under the applicable provisions of the law of the state of California. Lessee, at its expense, will protect and defend Lessee's rights in the Equipment and Lessor's rights and interests therein and will keep the Equipment free and clear from any and all claims, liens, encumbrances and legal processes of Lessee's creditors and other persons. Lessor shall have the right during normal hours, upon reasonable prior notice to Lessee, to enter upon the premises where the Equipment is located in order to inspect the Equipment.

(b) Solely with respect to Equipment that is *not* comprised of vehicles and during the Lease Term, ownership and legal title of all of the Equipment and all substitutions, repairs, modifications, and replacements shall be in Lessee, and Lessee shall take all necessary action to vest such ownership and title in Lessee. Lessor does not own the Equipment, and, by this Lease Agreement, Lessor is merely financing the acquisition of the Equipment for the Lessee. Lessor has not been in the chain of title, does not operate, control or have possession or control over the Equipment, or Lessee's use, maintenance, operation, storage, or maintenance of the Equipment. Lessee is entitled to use and possession of the Equipment, subject to the rights of Lessor hereunder (including its interest in the Equipment as the lessor hereunder). If Lessor terminates this Lease Agreement pursuant to Paragraph 16 hereof or an Event of Nonappropriation occurs hereunder, all rights, title, and interests in the Equipment shall immediately vest in Lessor free and clear of any right, title or interest of Lessee. Lessee, at its expense, will protect and defend Lessee's rights in the Equipment and Lessor's rights and interests therein and will keep the Equipment free and clear from any and all claims, liens, encumbrances and legal processes of Lessee's creditors and other persons. Lessor shall have the right during normal hours, upon reasonable prior notice to Lessee, to enter upon the premises where the Equipment is located in order to inspect the Equipment.

(c) Solely with respect to Equipment consisting of vehicles, the provisions of this Section 8(c) shall apply: Lessee agrees to either: (i) cause the original registration of such titled equipment or vehicles to list Lessee as owner and Lessor or its assignee as first priority lienholder with respect to the Equipment, or (ii), if the Equipment is titled in California, endorse the certificate of ownership showing Lessor or its assignee as "legal owner" (as defined by Section 6301 of the California Vehicle Code). Lessee agrees to execute and deliver such additional documents, including, without limitation, opinions of counsel, MSOs/Certificates of Origin, Title Applications, notices and similar instruments, in form satisfactory to Lessor, that Lessor deems necessary or appropriate to establish and maintain its security interest in the Equipment or for the confirmation or perfection of Lessor's rights hereunder. During the Lease Term, Lessee shall either: (i) hold legal title to the Equipment as the owner, or (ii), for Equipment titled in California, be the "owner" (as defined

in Section 460 of the California Vehicle Code) of the Equipment entitled to use and possession of the Equipment, subject to the rights of Lessor hereunder, which is the first position lienholder and, with respect to Equipment titled in California, the “legal owner” (as defined in Section 370 of the California Vehicle Code) of the Equipment. If Lessor terminates this Lease Agreement pursuant to Paragraph 16 hereof or an Event of Nonappropriation occurs hereunder, all rights, title, and interests in the Equipment shall immediately vest in Lessor free and clear of any right, title or interest of Lessee.

As further security therefor, Lessee hereby agrees with respect thereto that Lessor shall have all the rights and remedies of a secured party under applicable California law with respect to any and all Equipment hereunder.

9. **Personal Property.** The Equipment shall be and remain personal property notwithstanding the manner in which it may be attached or affixed to realty. Lessee covenants that, unless Lessee owns the premises in which the Equipment is to be located and such premises are not subject to any mortgage or lease. At Lessor’s request, Lessee shall provide Lessor with a waiver from each landlord and/or mortgagee of the premises in which the Equipment is to be located of any rights that such landlord and/or mortgagee may have in respect of any of the Equipment. Lessee will also provide any information as may be reasonably requested by Lessor with respect to any fixture filings that Lessor may deem necessary.

10. **Purchase of Equipment by Lessee; Prepayment.** At the option of Lessee, and provided that no Event of Default has occurred and is continuing hereunder, Lessor’s interest in all, but not less than all, of the Equipment will be transferred, conveyed and assigned to Lessee, and this Lease Agreement shall terminate: (a) upon payment in full of the rental payments and all other payments then due hereunder or (b) on any rental payment date hereunder, provided Lessee shall have delivered written notice at least 30 days prior to such date of Lessee’s intention to purchase the Equipment pursuant to this provision, by paying to Lessor, in addition to the rental payment due on such date, an amount equal to the concluding payment (the “Concluding Payment”) shown for such rental payment date in the rental payment schedule in Exhibit A. Lessee shall not have the option to purchase the Equipment hereunder as provided in the foregoing clause (b) on any rental payment date hereunder for which a Concluding Payment is not stated in the rental payment schedule.

11. **Risk of Loss.** Lessee shall bear the entire risk of loss, theft, destruction of or damage to the Equipment or any part thereof from any cause whatsoever during the Lease Term and thereafter until redelivery to a location designated by Lessor, and shall not be relieved of the obligation to pay rental payments or any other obligation hereunder because of any such occurrence. If (a) the Equipment or any portion thereof hereunder is destroyed (in whole or in part) or is damaged by fire or other casualty or (b) title to, or the temporary use of, the Equipment or any part thereof hereunder is taken under the exercise of the power of eminent domain, Lessee shall immediately notify Lessor. Lessee and Lessor shall cause the net proceeds of any insurance claim (including self-insurance) or condemnation award to be applied, at Lessor’s option, to (i) the prompt repair, restoration, modification or replacement of the Equipment so affected or (ii) the payment in full of the then applicable Concluding Payment. Any balance of net proceeds remaining after completion of such work or payment of such Concluding Payment shall be paid promptly to Lessee. If the net proceeds are insufficient to pay the costs of such repair, restoration, modification or replacement or to pay such Concluding Payment in full, Lessee shall, at Lessor’s direction, either complete the work or pay the then applicable Concluding Payment in full and in either case pay any cost in excess of the amount of net proceeds, but only from legally available funds.

12. **Insurance.** (a) Insurance Policies. If Lessee is not self-insured (as hereafter provided), Lessee shall, at its expense, keep the Equipment fully insured against loss, fire, theft, damage or destruction from any cause whatsoever in an amount not less than the greater of (a) the total rental payments for the Lease Term, and (b) the full replacement cost of the Equipment without consideration for depreciation. Lessee shall also provide such additional insurance against injury, loss or damage to persons or property arising out of the use or operation of the Equipment as is customarily maintained by the owners of like

property, with companies satisfactory to Lessor. Each policy shall provide that, as to the interest or coverage of Lessor or Lessor's assignee, the insurance afforded thereby shall not be suspended, forfeited or in any manner prejudiced by any default or by any breach of warranty, condition or covenant on the part of Lessee. If Lessee shall fail to provide any such insurance required hereunder or, within ten (10) days after Lessor's request therefor, shall fail to deliver the policies or certificates thereof to Lessor, then Lessor, at its option, shall have the right to procure such insurance and to add the full cost thereof to the rental payment next becoming due, which Lessee agrees to pay as additional rent. All such insurance shall be in form, issued by such insurance companies and be in such amounts as shall be satisfactory to Lessor, and shall provide that losses, if any, shall be payable to Lessor as "loss payee," and all such liability insurance shall include Lessor as an "additional insured." Lessee shall pay the premiums for such insurance and deliver to Lessor a certification in the form of Exhibit C-1 and satisfactory evidence of the insurance coverage required hereunder. Lessee hereby irrevocably appoints Lessor as Lessee's attorney-in-fact to make claim for, receive payments of and execute and endorse all documents, checks or drafts received in payment for loss or damage under any such insurance policy.

(b) Self-Insurance. If Lessee is self-insured with respect to equipment such as the Equipment under an actuarially sound self-insurance program that is acceptable to and approved by Lessor, Lessee shall maintain during the Lease Term such actuarially sound self-insurance program and shall provide Lessor a certification in the form of Exhibit C-2 together with evidence of the self-insurance program in form and substance satisfactory to Lessor.

13. **Fees; Taxes and Other Governmental Charges; Liens.** Lessee covenants and agrees at all times to keep the Equipment free and clear of all levies, liens (other than those created hereunder) and encumbrances, and to pay all charges, taxes and fees (including any recording or stamp fees or taxes) that may now or hereafter be imposed upon the ownership, leasing, rental, sale, purchase, possession or use of the Equipment and shall give Lessor immediate written notice of any of the foregoing. If any of same shall remain unpaid when due, Lessor may pay same and add such payment to the rental payment next becoming due, as additional rent. Lessee shall execute and deliver to Lessor upon Lessor's request such further instruments and documents containing such other assurances as Lessor deems necessary or advisable for the confirmation or perfection of Lessor's rights hereunder or to otherwise effectuate the intent of this Lease Agreement.

14. **Indemnification.** To the extent authorized by law, Lessee shall indemnify and save Lessor, its officers, employees, agents, servants, successors and assigns, harmless from any and all liabilities (including, without limitation, negligence, tort and strict liability), damages, expenses, claims, actions, proceedings, judgments, settlements, losses, liens and obligations, including (without limitation) attorneys' fees and costs ("Claims"), arising out of the ordering, purchase, delivery, rejection, non-delivery, ownership, selection, possession, operation, control, use, condition, maintenance, transportation, storage, repair, return or other disposition of the Equipment, any claims arising under federal, state or local environmental protection and hazardous substance clean up laws and regulations and any claims of patent, trademark or copyright infringement or, if Lessee shall be in default hereunder, arising out of the condition of any item of Equipment sold or disposed of after use by Lessee, including (without limitation) claims for injury to or death of persons and for damage to property. The indemnities, assumption of liabilities and obligations herein provided shall be payable solely from funds legally available for such purpose and shall continue in full force and effect notwithstanding the expiration, termination or cancellation of this Lease Agreement for any reason whatsoever. However, Lessee shall not be obligated to indemnify Lessor from Claims arising from the actual, proven, direct and proximate gross negligence or willful misconduct of Lessor.

15. **Assignment; Subleasing.** LESSEE SHALL NOT ASSIGN, PLEDGE, MORTGAGE, SUBLET OR OTHERWISE TRANSFER OR ENCUMBER ANY OF ITS RIGHTS UNDER THIS LEASE AGREEMENT, THE ESCROW AGREEMENT (INCLUDING THE ESCROW FUND CREATED THEREUNDER) OR IN THE EQUIPMENT OR ANY PART THEREOF, NOR PERMIT ITS USE BY ANYONE OTHER THAN LESSEE AND ITS REGULAR EMPLOYEES, WITHOUT LESSOR'S PRIOR

WRITTEN CONSENT. ANY SUCH PURPORTED TRANSFER, ASSIGNMENT OR OTHER ACTION WITHOUT LESSOR'S PRIOR WRITTEN CONSENT SHALL BE VOID.

Lessor may, at any time and from time to time, assign, transfer or otherwise convey all or any part of its interest in the Equipment, this Lease Agreement, and the Escrow Agreement (including the Escrow Fund created thereunder), including, but not limited to, Lessor's rights to receive the rental payments hereunder or any part thereof (in which event Lessee agrees to make all rental payments thereafter to the assignee designated by Lessor) without the necessity of obtaining Lessee's consent, *provided, however*, Lessor will deliver to Lessee prior written notice of an assignment. No such assignment, transfer or conveyance shall be effective until Lessee shall have received a written notice of assignment that discloses the name and address of each such assignee at least fifteen (15) days prior to such assignment. During the term of this Lease Agreement, Lessee shall keep, or cause to be kept, a complete and accurate record of all such assignments with respect hereto in form necessary to comply with Section 149 of the Internal Revenue Code of 1986, as amended (the "Code"). Lessee agrees (unless otherwise stated), if so requested, to acknowledge any such assignment in writing within 15 days after request therefor in the form attached as Exhibit B hereto. Lessee further agrees that any moneys or other property received by Lessor as a result of any such assignment, transfer or conveyance shall not inure to Lessee's benefit.

16. Events of Default; Remedies. Each of the following events constitutes an "Event of Default" hereunder: (a) Lessee fails to pay in full the rental payment due hereunder on any date upon which such rental payment is due; (b) Lessee fails to comply with any other agreement or covenant of Lessee hereunder for a period of 30 days following receipt of written notice of violation of such agreement or covenant and demand that such violation be remedied; (c) Lessee institutes any proceedings under any bankruptcy, insolvency, reorganization or similar law or a receiver or similar officer is appointed for Lessee or any of its property; (d) any warranty, representation or statement made in writing by or on behalf of Lessee in connection herewith is found to be incorrect or misleading in any material respect on the date made; (e) actual or attempted sale, lease or encumbrance of any of the Equipment or the making of any levy, seizure or attachment thereof or thereon; or (f) Lessee defaults in its obligations under any other agreement for borrowing money, lease financing of property, or otherwise receiving credit and the obligee thereunder (or trustee on its behalf) is permitted to exercise any remedies under the agreement.

Immediately upon the occurrence of an Event of Default hereunder, Lessor may demand payment of the Concluding Payment, together with all rental payments and other amounts that may have been appropriated through the end of the then current Fiscal Year and terminate this Lease Agreement or Lessee's rights hereunder and in any such event repossess the Equipment, which Lessee hereby agrees, at its expense, to surrender promptly to Lessor at such location in the continental United States as Lessor shall direct. In the alternative, Lessor may request that Lessee refrain from using the Equipment, purge any software and programming from its operating systems and destroy any hard or electronic copies of such software and programming. Upon Lessor's request, Lessee will provide Lessor with reasonable certifications as to the foregoing. If Lessor is entitled to repossess the Equipment or under any provision of this Lease Agreement, Lessee shall permit Lessor or its agents to enter the premises where the Equipment is then located. In the event of any such repossession, Lessee shall execute and deliver such documents as may reasonably be required to restore title to and possession of the Equipment to Lessor, free and clear of all liens and security interests to which the Equipment may have become subject. Upon repossession, if the Equipment is damaged or otherwise made less suitable for the purposes for which it was manufactured than when delivered to Lessee, Lessee agrees, at its option, to (a) repair and restore the Equipment to the same condition in which it was received by Lessee (reasonable wear and tear excepted) or (b) pay to Lessor the reasonable costs of such repair and restoration, or (c) pay for the transfer of any and all licenses, rights, or interest in any software or programming, to the extent the foregoing may be assigned. If Lessor sells or otherwise liquidates the Equipment following an Event of Default or an Event of Nonappropriation as herein provided and realizes net proceeds (after payment of costs) in excess of total rental payments that would have been paid during the Lease Term plus any other amounts then due hereunder, Lessor shall immediately pay the amount of any such excess to Lessee.

If Lessor terminates this Lease Agreement under this Paragraph 16 or an Event of Nonappropriation occurs hereunder and in either case Lessee continues to use the Equipment or if Lessee otherwise refuses to pay rental payments hereunder due during a Fiscal Year for which Lessee's governing body has appropriated sufficient legally available funds to pay such rental payments due hereunder, Lessor (i) may declare the rental payments due and owing for the Fiscal Year for which such appropriations have been made to be immediately due and payable, (ii) shall be entitled to bring such action at law or in equity to recover money and other damages attributable to such holdover period for the Equipment, and (iii) will be entitled to recover interest on all such amounts at the Default Rate.

Lessor shall also be entitled to exercise any or all remedies available to a secured party under applicable California law and all other rights and remedies that Lessor may have at law or in equity. All rights and remedies of Lessor shall be cumulative and not alternative. Lessor's failure to exercise or delay in exercising any right or remedy shall not be construed as a waiver thereof, nor shall a waiver on one occasion be construed to bar the exercise of any right or remedy on a future occasion. Lessee agrees to reimburse Lessor for any expenses (including attorney's fees) reasonably incurred by Lessor with respect to the enforcement of any of the remedies listed above or any other remedy available to Lessor, but only from legally available funds.

17. **Late Payments.** Whenever any rental payment or other amount payable to Lessor by Lessee hereunder is not paid within ten (10) days after such due date, Lessee agrees to pay Lessor a late charge on the delinquent amount at the "Default Rate," which is one percent (1%) per month, or the maximum amount permitted under applicable law, whichever is less. Such amount(s) shall be payable solely from legally available funds in addition to all amounts payable by Lessee as a result of the exercise of any of the remedies herein provided.

18. **Rental Payments to Be Unconditional.** Except as expressly set forth in this Lease Agreement (including Paragraph 3), Lessee agrees that as of the Commencement Date, Lessee's obligations hereunder are absolute and unconditional and shall continue without set-off, deduction, counterclaim, abatement, recoupment, or reduction and regardless of any disability of Lessee to use the Equipment or any part thereof because of any reason including, but not limited to, war, act of God, governmental regulations, strike, loss, damage, destruction, obsolescence, failure of or delay in delivery or failure of the Equipment to operate properly.

19. **Tax Covenants.** Lessee agrees that it will not take any action that would cause the interest component of rental payments hereunder to be or to become ineligible for the exclusion from gross income of the owner or owners thereof for federal income tax purposes, nor will it omit to take or cause to be taken, in a timely manner, any action which omission would cause the interest component of rental payments hereunder to be or to become ineligible for the exclusion from gross income of the owner or owners thereof for federal income tax purposes. Lessee agrees to (a) execute and deliver to Lessor, upon Lessor's request, a tax certificate and agreement in form and content acceptable to Lessor and Lessee, relating to the establishment and maintenance of the excludability from gross income of the interest component of rental payments hereunder for federal income tax purposes; (b) complete and file in a timely manner an information reporting return as required by the Code; and (c) rebate an amount equal to excess earnings on the Escrow Fund to the federal government if required by, and in accordance with, Section 148(f) of the Code, and make the determinations and maintain the records required by the Code.

Lessee represents that neither Lessee nor any agency or unit of Lessee has on hand any property, including cash and securities, that is legally required or otherwise restricted (no matter where held or the source thereof) to be used directly or indirectly to purchase the Equipment. Lessee has not and will not establish any funds or accounts (no matter where held or the source thereof) the use of which is legally required or otherwise restricted to pay directly or indirectly rental payments hereunder. Lessor and Lessee certify that, so long as any rental payments hereunder remain unpaid, moneys on deposit in the Escrow Fund

will not be used in a manner that will cause this Lease Agreement to be classified as an “arbitrage bond” within the meaning of Section 148(a) of the Code.

If Lessee breaches the covenants contained in this Paragraph 19, the interest component of rental payments hereunder may become includible in gross income of the owner or owners thereof for federal income tax purposes. In such event, Lessee agrees to pay promptly after any such determination of taxability and on each rental payment date thereafter to Lessor an additional amount determined by Lessor to compensate such owner or owners for the loss of such excludability (including without limitation, compensation relating to interest expense, penalties or additions to tax), which determination shall be conclusive (absent manifest error).

It is Lessor’s and Lessee’s intention that this Lease Agreement not constitute a “true” lease for federal income tax purposes and, therefore, it is Lessor’s and Lessee’s intention that Lessee be considered the owner of the Equipment hereunder for federal income tax purposes.

20. Lessee Representations and Warranties. Lessee hereby represents and warrants to and agrees with Lessor that:

(a) Lessee is a volunteer agency within the State of California and will do or cause to be done all things necessary to preserve and keep in full force and effect its existence as such. Lessee currently operates under a Board of Directors form of government.

(b) Lessee has the power and authority under applicable law to enter into the transactions contemplated by this Lease Agreement and the Escrow Agreement and has been duly authorized to execute and deliver this Lease Agreement and the Escrow Agreement and to carry out its obligations hereunder and thereunder. Lessee has provided to Lessor a full, true and correct copy of a resolution or other appropriate official action of Lessee’s governing body specifically authorizing Lessee to execute and deliver this Lease Agreement and the Escrow Agreement and all documents contemplated hereby and thereby. Lessee has provided to Lessor a full, true, and correct copy of an Incumbency Certificate in substantially the form attached as Exhibit F hereto relating to the authority of the officers who have executed and delivered this Lease Agreement and who will execute and deliver this Lease Agreement and the Escrow Agreement and all documents in connection herewith and therewith on behalf of Lessee.

(c) All requirements have been met and procedures have occurred in order to ensure the enforceability of this Lease Agreement and the Escrow Agreement, and Lessee has complied with such public bidding requirements, if any, as may be applicable to the transactions contemplated by this Lease Agreement and the Escrow Agreement.

(d) Lessee is not subject to any legal or contractual limitation or provision of any nature whatsoever that in any way limits, restricts or prevents Lessee from entering into this Lease Agreement and the Escrow Agreement, or performing any of its obligations hereunder or thereunder, except to the extent that such performance may be limited by bankruptcy, insolvency, reorganization or other laws affecting creditors’ rights generally.

(e) There is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, public board or body, known to be pending or threatened against or affecting Lessee, nor to the best knowledge of Lessee is there any basis therefor, wherein an unfavorable decision, ruling or finding would materially adversely affect the transactions contemplated by this Lease Agreement or the Escrow Agreement, or any other agreement or instrument to which Lessee is a party and that is used or contemplated for use in the consummation of the transactions contemplated by this Lease Agreement or the Escrow Agreement. All authorizations, consents, and approvals of governmental bodies or agencies required in connection with the execution and delivery by Lessee of this Lease Agreement and the Escrow Agreement or in connection with the carrying out by Lessee of its obligations hereunder and thereunder have been obtained.

(f) The payment of the rental payments or any portion thereof hereunder is not (under the terms of this Lease Agreement) directly or indirectly (i) secured by any interest in property used or to be used in any activity carried on by any person other than a state or local governmental unit or payments in respect of such property; or (ii) on a present value basis, derived from payments (whether or not to Lessee) in respect of property, or borrowed money, used or to be used in any activity carried on by any person other than a state or local governmental unit. The Equipment will not be used, directly or indirectly, in any activity carried on by any person other than a state or local government unit. No portion of the purchase price for the Equipment will be used, directly or indirectly, to make or finance loans to any person other than Lessee. Lessee has not entered into any management or other service contract with respect to the use and operation of the Equipment.

(g) The entering into and performance of this Lease Agreement and the Escrow Agreement will not violate any judgment, order, law or regulation applicable to Lessee or result in any breach of, or constitute a default under, or result in the creation of any lien, charge, security interest, or other encumbrance upon any assets of Lessee or on the Equipment pursuant to an indenture, mortgage, deed of trust, bank loan or credit agreement, or other instrument to which Lessee is a party or by which it or its assets may be bound, except as herein provided.

(h) Lessee's name as indicated on the first page of this Lease Agreement is its true, correct, and complete legal name.

(i) The useful life of the Equipment will not be less than the Lease Term hereof.

(j) Lessee has entered into this Lease Agreement for the purpose of purchasing, acquiring, and leasing the Equipment and not for the purpose of refinancing any outstanding obligation of Lessee more than 90 days in advance of its payment or prepayment date. The purchase price for the Equipment has been or will be paid directly by Lessor from the Escrow Fund to the Vendor, and no portion of the purchase price for the Equipment has been or will be paid to Lessee as reimbursement for any expenditure paid by Lessee more than 60 days prior to the execution and delivery hereof.

(k) The application, statements, and credit or financial information submitted by it to Lessor are true and correct and made to induce Lessor to enter into this Lease Agreement and the Escrow Agreement.

(l) During the term of this Lease Agreement, Lessee shall, upon the specific written request of Lessor, (i) provide Lessor, at or prior to the end of each Fiscal Year (commencing with the current Fiscal Year), with current budgets or other proof of appropriation for the ensuing Fiscal Year and such other information relating to Lessee's ability to continue the Lease Term for the next succeeding Fiscal Year as may be reasonably requested by Lessor and (ii) furnish or cause to be furnished to Lessor, at Lessee's expense, as soon as available and in any event not later than 180 days after the close of each Fiscal Year, the audited financial statements of Lessee at the close of and for such Fiscal Year, all in reasonable detail, audited by and with the report of Lessee's auditor.

(m) On the Commencement Date, Lessee shall cause to be executed and delivered to Lessor an Opinion of Lessee's Counsel in substantially the form attached as Exhibit G hereto.

(n) Lessee shall pay the excess (if any) of the actual costs of acquiring the Equipment hereunder over the amount deposited by Lessor in the Escrow Fund and interest earnings thereon.

(o) Lessee has experienced no material change in its financial condition since June 30, 2016.

(p) Lessee acknowledges that: (a) Lessor is acting solely for its own account and not as a fiduciary for Lessee or in the capacity of broker, dealer, municipal securities underwriter or municipal advisor; (b) Lessor has not provided, and will not provide, financial, legal, tax, accounting or other advice to or on behalf of Lessee with respect to its acquisition of the Equipment; and (c) Lessee has sought and obtained financial, legal, tax, accounting and other advice (including as it relates to structure, timing, terms and similar matters) with respect to this Lease Agreement from its financial, legal and other advisors (and not Lessor) to the extent that Lessee desired to obtain such advice.

21. **Execution in Counterparts; Chattel Paper.** This Lease Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument; *provided, however*, that only Counterpart No. 1 hereof shall constitute chattel paper for purposes of the applicable Uniform Commercial Code.

22. **Applicable Law.** This Lease Agreement shall be construed under the laws of the State of California.

23. **Binding Effect; Severability; Survival.** This Lease Agreement shall not become effective until accepted by Lessor at its herein-described office, and upon such acceptance shall inure to and bind the parties, their successors, legal representatives, and assigns. No provision of this Lease Agreement that may be construed as unenforceable shall in any way invalidate any other provision hereof, all of which shall remain in full force and effect.

24. **Miscellaneous Provisions.** Any notice to a party hereunder shall be deemed given when mailed to that party by certified mail, return receipt requested, at its address set forth herein or such other address as either may designate for itself in such notice to the other. This Lease Agreement and the Escrow Agreement constitute the entire mutual understanding of the parties regarding the subject matter hereof and thereof and may not be modified except in writing, signed by the party against whom such modification is asserted. Upon the request of Lessor, Lessee shall at any time and from time to time execute and deliver such further documents and do such further acts as Lessor may reasonably request in order fully to effect the purposes hereof and any assignment hereof. If a court with competent jurisdiction rules that the interest rate charged hereunder exceeds the maximum rate of interest allowed by applicable law, then the effective rate of interest hereunder shall be automatically reduced to the maximum lawful rate allowable under the applicable laws.

[Remainder of page intentionally left blank]

THE UNDERSIGNED HEREBY AGREE TO ALL OF THE TERMS AND CONDITIONS AS SET FORTH IN THIS EQUIPMENT LEASE-PURCHASE AGREEMENT.

HOLMAN CAPITAL CORPORATION, Lessor ALBION-LITTLE RIVER FIRE PROTECTION
DISTRICT, Lessee

By: x _____
Lance S. Holman
President & CEO

By: x _____
Name: Michael Issel
Title: Board President

Counterpart No. _____ of two manually executed and serially numbered counterparts. To the extent that this Lease Agreement constitutes chattel paper (as defined in applicable California Law), no security or ownership interest herein may be created through the transfer or possession of any Counterpart other than Counterpart No. 1.

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EXHIBIT A
EQUIPMENT SCHEDULE TO EQUIPMENT LEASE-PURCHASE AGREEMENT
DATED APRIL 27, 2017

1. DESCRIPTION OF THE EQUIPMENT:

Acquisition of one 2017 Type II Ford 4x4 Rescue Squad vehicle with all accessories, attachments, and substitutions to be purchased by the Albion-Little River Fire Protection District listed below and financed by this Equipment Schedule dated April 27, 2017 by and between Holman Capital Corporation and Albion-Little River Fire Protection District, including, without limitation, the following:

Description	Total Cost	% of Total
Ford Rescue Vehicle	\$ 267,269.60	98.16%
Documentation Fee	\$ 5,000.00	1.84%
Net Financing Amount	\$ 272,269.60	100.00%

together with all accessories, attachments, substitutions and accessions.

2. EQUIPMENT LOCATION: Albion-Little River Fire Protection District, as more fully described on the Vendor Contract, including the Lessee's principal location at 31004 Albion Ridge Road, Albion, CA 95410.

3. RENTAL PAYMENT SCHEDULE: The rental payments shall be made for the Equipment as follows. The following schedule is subject to change upon a change in the Maximum Federal Corporate Tax Rate (as hereinafter defined).

PAYMENT NUMBER	DATE DUE	TOTAL RENTAL PAYMENT DUE	INTEREST COMPONENT	PRINCIPAL COMPONENT	PURCHASE OPTION ^o
0	04/27/2017				
1	07/27/2017	\$ 7,050.18	\$ 2,518.49	\$ 4,531.69	\$ 275,770.05
2	10/27/2017	\$ 7,050.18	\$ 2,476.58	\$ 4,573.60	\$ 271,059.24
3	01/27/2018	\$ 7,050.18	\$ 2,434.27	\$ 4,615.91	\$ 266,304.85
4	04/27/2018	\$ 7,050.18	\$ 2,391.57	\$ 4,658.61	\$ 261,506.48
5	07/27/2018	\$ 7,050.18	\$ 2,348.48	\$ 4,701.70	\$ 256,663.73
6	10/27/2018	\$ 7,050.18	\$ 2,304.99	\$ 4,745.19	\$ 251,776.19
7	01/27/2019	\$ 7,050.18	\$ 2,261.10	\$ 4,789.08	\$ 246,843.43
8	04/27/2019	\$ 7,050.18	\$ 2,216.80	\$ 4,833.38	\$ 241,865.05
9	07/27/2019	\$ 7,050.18	\$ 2,172.09	\$ 4,878.09	\$ 236,840.62
10	10/27/2019	\$ 7,050.18	\$ 2,126.97	\$ 4,923.21	\$ 231,769.71
11	01/27/2020	\$ 7,050.18	\$ 2,081.43	\$ 4,968.75	\$ 226,651.90
12	04/27/2020	\$ 7,050.18	\$ 2,035.47	\$ 5,014.71	\$ 221,486.75
13	07/27/2020	\$ 7,050.18	\$ 1,989.08	\$ 5,061.10	\$ 216,273.82
14	10/27/2020	\$ 7,050.18	\$ 1,942.26	\$ 5,107.92	\$ 211,012.66
15	01/27/2021	\$ 7,050.18	\$ 1,895.02	\$ 5,155.16	\$ 205,702.85
16	04/27/2021	\$ 7,050.18	\$ 1,847.33	\$ 5,202.85	\$ 200,343.91
17	07/27/2021	\$ 7,050.18	\$ 1,799.21	\$ 5,250.97	\$ 194,935.41
18	10/27/2021	\$ 7,050.18	\$ 1,750.63	\$ 5,299.55	\$ 189,476.87
19	01/27/2022	\$ 7,050.18	\$ 1,701.61	\$ 5,348.57	\$ 183,967.85
20	04/27/2022	\$ 7,050.18	\$ 1,652.14	\$ 5,398.04	\$ 178,407.87
21	07/27/2022	\$ 7,050.18	\$ 1,602.21	\$ 5,447.97	\$ 172,796.46
22	10/27/2022	\$ 7,050.18	\$ 1,551.81	\$ 5,498.37	\$ 167,133.14
23	01/27/2023	\$ 7,050.18	\$ 1,500.95	\$ 5,549.23	\$ 161,417.43
24	04/27/2023	\$ 7,050.18	\$ 1,449.62	\$ 5,600.56	\$ 155,648.85
25	07/27/2023	\$ 7,050.18	\$ 1,397.82	\$ 5,652.36	\$ 149,826.92
26	10/27/2023	\$ 7,050.18	\$ 1,345.53	\$ 5,704.65	\$ 143,951.13
27	01/27/2024	\$ 7,050.18	\$ 1,292.77	\$ 5,757.41	\$ 138,021.00
28	04/27/2024	\$ 7,050.18	\$ 1,239.51	\$ 5,810.67	\$ 132,036.01
29	07/27/2024	\$ 7,050.18	\$ 1,185.76	\$ 5,864.42	\$ 125,995.66
30	10/27/2024	\$ 7,050.18	\$ 1,131.51	\$ 5,918.67	\$ 119,899.43
31	01/27/2025	\$ 7,050.18	\$ 1,076.77	\$ 5,973.41	\$ 113,746.81

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32	04/27/2025	\$ 7,050.18	\$ 1,021.51	\$ 6,028.67	\$ 107,537.28
33	07/27/2025	\$ 7,050.18	\$ 965.75	\$ 6,084.43	\$ 101,270.32
34	10/27/2025	\$ 7,050.18	\$ 909.47	\$ 6,140.71	\$ 94,945.39
35	01/27/2026	\$ 7,050.18	\$ 852.66	\$ 6,197.52	\$ 88,561.94
36	04/27/2026	\$ 7,050.18	\$ 795.34	\$ 6,254.84	\$ 82,119.46
37	07/27/2026	\$ 7,050.18	\$ 737.48	\$ 6,312.70	\$ 75,617.38
38	10/27/2026	\$ 7,050.18	\$ 679.09	\$ 6,371.09	\$ 69,055.16
39	01/27/2027	\$ 7,050.18	\$ 620.16	\$ 6,430.02	\$ 62,432.23
40	04/27/2027	\$ 7,050.18	\$ 560.68	\$ 6,489.50	\$ 55,748.05
41	07/27/2027	\$ 7,050.18	\$ 500.65	\$ 6,549.53	\$ 49,002.03
42	10/27/2027	\$ 7,050.18	\$ 440.07	\$ 6,610.11	\$ 42,193.62
43	01/27/2028	\$ 7,050.18	\$ 378.92	\$ 6,671.26	\$ 35,322.22
44	04/27/2028	\$ 7,050.18	\$ 317.21	\$ 6,732.97	\$ 28,387.26
45	07/27/2028	\$ 7,050.18	\$ 254.93	\$ 6,795.25	\$ 21,388.16
46	10/27/2028	\$ 7,050.18	\$ 192.08	\$ 6,858.10	\$ 14,324.31
47	01/27/2029	\$ 7,050.18	\$ 128.64	\$ 6,921.54	\$ 7,195.13
48	04/27/2029	\$ 7,050.18	\$ 64.62	\$ 6,985.56	\$ -
Grand Totals		\$ 338,408.64	\$ 66,139.04	\$ 272,269.60	

° Assumes that all rental payments and additional rentals due on and prior to that date have been paid.

4. INTEREST RATE: 3.70 % multiplied by the Margin Rate Factor.

“Margin Rate Factor” means the greater of (i) 1.0 and (ii) product of (a) one minus the Maximum Federal Corporate Tax Rate newly in effect multiplied by (b) one divided by the sum of one minus the Maximum Federal Corporate Tax Rate as of the Commencement Date (which for the avoidance of doubt equals 1.53846). The effective date of any change in the Margin Rate Factor shall be the effective date of the decrease or increase (as applicable) in the Maximum Federal Corporate Tax Rate resulting in such change.

“Maximum Federal Corporate Tax Rate” means the maximum rate of income taxation imposed on corporations pursuant to Section 11(b) of the Code, as in effect from time to time (or, if as a result of a change in the Code, the rate of income taxation imposed on corporations generally shall not be applicable to the Bank, the maximum statutory rate of federal income taxation which could apply to the Bank).

5. COMMENCEMENT DATE: April 27, 2017

6. SCHEDULED LEASE TERM: 12 years

7. Lessee’s current Fiscal Year extends from July 1, 2016 to June 30, 2017.

8. The terms and provisions of the Equipment Lease-Purchase Agreement described above (other than to the extent that they relate solely to other Schedules or Equipment listed on other Schedules) are hereby incorporated into this Schedule by reference and made a part hereof.

9. Lessee hereby represents, warrants, and covenants that (i) its representations, warranties, and covenants set forth in the Equipment Lease-Purchase Agreement (particularly Paragraph 20 thereof) are true and correct as though made on the date of execution of this Schedule, and (ii) sufficient funds have been appropriated by Lessee for the payment of all rental payments due under this Schedule during Lessee’s current Fiscal Year.

10. Interest, if any, accruing from the Commencement Date to the actual date of funding shall be retained by Lessor as additional consideration for entering into this Equipment Schedule.

[Remainder of page intentionally left blank]

ALBION-LITTLE RIVER FIRE PROTECTION DISTRICT, as Lessee

HOLMAN CAPITAL CORPORATION, as Lessor

By: _____
Name: Michael Issel
Title: Board President

By: _____
Name: Lance S. Holman
Title: President & CEO

Counterpart No. _____ of two manually executed and serially numbered counterparts. To the extent that this Schedule constitutes chattel paper (as defined in the applicable Uniform Commercial Code), no security or ownership interest herein may be created through the transfer or possession of any Counterpart other than Counterpart No. 1.

[Signature Page to Exhibit A- Equipment Schedule]

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EXHIBIT B

**NOTICE AND ACKNOWLEDGEMENT OF SALE OF RENTAL PAYMENTS AND
ASSIGNMENT OF LEASE AGREEMENT AND ESCROW AGREEMENT**

Holman Capital Corporation ("*Lessor*") and the Albion-Little River Fire Protection District ("*Lessee*") have entered into an Equipment Lease-Purchase Agreement and Equipment Schedule thereto both dated April 27, 2017 (the "*Lease Agreement*"), under which Lessee has, or will have prior to its execution hereof, leased equipment (the "*Equipment*") described therein.

Lessee is hereby notified that Lessor has assigned its right, title, and interest in and to the Lease Agreement, the leased Equipment, and the rental payments as permitted by the Lease Agreement.

Lessee is hereby directed to pay any and all rental payments and other amounts due under the Lease Agreement to Santa Cruz County Bank, and/or its affiliates (the "Assignee"), as directed by the Assignee or a paying agent acting on behalf of Assignee, pursuant to the instructions contained in any invoice or notice. Lessee will also direct any and all correspondence, notice and servicing requests to the Assignee at the following address:

Santa Cruz County Bank
Attn: Loan Servicing
P.O. Box 8426
Santa Cruz, CA 95061

By signing this Notice and Acknowledgment, Lessee agrees that it will pay all amounts due under the Lease Agreement as directed in the invoice without any set-off or deduction whatsoever notwithstanding any defect in, damage to or requisition of any of the Equipment leased under the Lease Agreement, any other similar or dissimilar event, any defense, set-off, counterclaim or recoupment arising out of any claim against Lessor or Assignee.

Lessee further acknowledges and agrees that Assignee has not assumed any of Lessor's obligations or duties under the Lease Agreement or made any warranties whatsoever as to the Lease Agreement or the Equipment. Lessee agrees that no change may be made to the Lease Agreement without the prior written consent of Assignee.

By signing this Notice and Acknowledgment, Lessee warrants that its representations and warranties under the Lease Agreement are true and correct on the date hereof.

Date: April 27, 2017

Albion-Little River Fire Protection District, as Lessee

By: _____
Name: Michael Issel
Title: Board President

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EXHIBIT C-2

Holman Capital Corporation
25201 Paseo de Alicia, Suite 290
Laguna Hills, CA 92653

April 27, 2017

Re: Equipment Lease-Purchase Agreement dated April 27, 2017

In connection with the above-referenced Lease Agreement, Albion-Little River Fire Protection District, as lessee (the "*Lessee*") certifies that it participates in an actuarially sound self-insurance program for property damage and public liability risks.

The following is attached (check all that apply):

- Letter from risk manager describing self-insurance program
- Other evidence of Lessee's participation in self-insurance program

Very truly yours,

Albion-Little River Fire Protection District, as Lessee

By: _____
Name: Michael Issel
Title: Board President

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EXHIBIT D

ESSENTIAL USE CERTIFICATE

Holman Capital Corporation
25201 Paseo de Alicia, Suite 290
Laguna Hills, CA 92653

April 27, 2017

Re: Equipment Lease-Purchase Agreement dated April 27, 2017

I, Michael Issel, the Board President of the Albion-Little River Fire Protection District, as lessee (the "Lessee"), am qualified to answer the questions set forth below regarding the Equipment to be acquired by Lessee in connection with the above-referenced Lease Agreement:

1. *What is the specific use of the Equipment?*
This apparatus will be used to supply medical emergency response, cliff and water rescue, vehicle extraction, HazMat response, and fire suppression augmentation to the citizens and visitors in the Albion-Little River Fire Protection District coverage area.
2. *What increased capabilities will the Equipment provide?*
The increased capabilities include the latest technology in braking, driving aids and traction control to improve safety and customized multifunction response capability unique to our ocean, rural, forestland geography.
3. *Why is the Equipment essential to your ability to deliver governmental services?*
The Type II Rescue Truck is the essential "first out" response vehicle to all emergency calls, and is an essential component in the provision of quality firefighting and emergency services to citizens within Albion-Little River Fire Protection District coverage area.
4. *Does the Equipment replace existing equipment? (If so, please explain why you are replacing the existing equipment)*
This specific vehicle will replace our aging front line emergency response apparatus that is over 27 years old for which few spare parts are now available.
5. *Why did you choose this specific Equipment?*
The selected equipment is specifically designed to meet the Albion-Little River Fire Protection District's specifications, geographic needs, and long service life for its community.
6. *For how many years do you expect to utilize the Equipment?*
We intend to utilize the equipment for an estimated time of twenty-five years.

Very truly yours,
Albion-Little River Fire Protection District, as Lessee

By: _____
Name: Michael Issel
Title: Board President

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EXHIBIT E

INCUMBENCY CERTIFICATE

I, Alan Taeger, do hereby certify that I am the Finance Officer of the Albion-Little River Fire Protection District, which is a volunteer agency within the State of California, and operates under a Board of Directors form of government, and that I have custody of the records of such entity.

I hereby certify that, as of the date hereof, the individuals named below are the duly elected or appointed members of the Board holding the offices set forth opposite their respective names. I further certify that:

- (i) The signatures set opposite their respective names and titles are their true and authentic signatures, and
- (ii) Such officers have the authority on behalf of such entity to:
 - a. Enter into that certain Equipment Lease-Purchase Agreement and Equipment Schedule both dated April 27, 2017 (the "*Lease Agreement*"), between the Albion-Little River Fire Protection District and Holman Capital Corporation, as lessor, and
 - b. Enter into that certain Escrow dated April 27, 2017 (the "*Escrow Agreement*"), between the Albion-Little River Fire Protection District, Santa Cruz County Bank, as escrow agent, and Holman Capital Corporation, as lessor, and to execute various payment and disbursement request forms,
 - c. Execute Certificates of Acceptance and other certificate, documents, and agreements relating to the Lease Agreement and/or Escrow Agreement.

NAME	TITLE	SIGNATURE
Michael Issel	Board President	_____

IN WITNESS WHEREOF, I have duly executed this Certificate on behalf of the Albion-Little River Fire Protection District, California.

April 27, 2017

Alan Taeger, Finance Officer

EXHIBIT F

OPINION OF LESSEE'S COUNSEL

April 27, 2017

Holman Capital Corporation
25201 Paseo de Alicia, Suite 290
Laguna Hills, CA 92653

Re: Equipment Lease-Purchase Agreement and Equipment Schedule both dated April 27, 2017

Ladies and Gentlemen:

As counsel to the Albion-Little River Fire Protection District (the "*Lessee*"), I have examined the Equipment Lease-Purchase Agreement and Equipment Schedule both dated April 27, 2017 (collectively, the "*Lease Agreement*"), between the Lessee and Holman Capital Corporation, as lessor ("*Lessor*"), the form of the Escrow Agreement, together the Disbursement Request Form and Certificate of Acceptance (collectively, the "*Escrow Agreement*"), and the proceedings taken by the Governing Body of the Lessee to authorize on behalf of the Lessee the execution and delivery of the Lease Agreement and the Escrow Agreement and the investment of the lease proceeds into the Permitted Investment (as such term is defined in the Escrow Agreement). The Lease Agreement and the Escrow Agreement are herein collectively referred to as the "*Transaction Documents*." Based upon the foregoing examination and upon an examination of such other documents and matters of law as I have deemed necessary or appropriate, I am of the opinion that:

1. The Lessee is a volunteer agency within the State of California, and operates under a Board of Directors form of government, with full power and authority to enter into the Transaction Documents. Lessee is a political subdivision within the meaning of Section 103(c) of the Internal Revenue Code of 1986, as amended.

2. The Transaction Documents have each been duly authorized, executed, and delivered by the Lessee. The Permitted Investment has been duly authorized by the Lessee. Assuming due authorization, execution and delivery thereof by Lessor, the Transaction Documents constitute legal, valid, and binding obligations of the Lessee, enforceable against the Lessee in accordance with their respective terms, subject to any applicable bankruptcy, insolvency, moratorium or other laws or equitable principles affecting the enforcement of creditors' rights generally.

3. The Equipment to be leased pursuant to the Lease Agreement constitutes personal property and, when subjected to use by the Lessee, will not be a fixture under applicable law.

4. The Lessee has complied with any applicable public bidding requirements in connection with the Transaction Documents and the transactions contemplated thereby. The resolution adopted by the Governing Body of the Lessee authorizing the execution and delivery of the Transaction Documents, the investment of lease proceeds into the Escrow Account and Permitted Investments, and certain other matters was adopted at a meeting that was held in compliance with all applicable laws relating to the holding of open and public meetings.

5. No litigation or proceeding is pending or, to the best of my knowledge, threatened to restrain or enjoin the execution, delivery, or performance by the Lessee of the Transaction Documents or in any way to contest the validity of the Transaction Documents, to contest or question the creation or existence of the Lessee or the Governing Body of the Lessee or the authority or ability of the Lessee to execute or deliver the Transaction Documents or to comply with or perform its obligations thereunder. There is no litigation

pending or, to the best of my knowledge, threatened seeking to restrain or enjoin the Lessee from annually appropriating sufficient funds to pay the rental payments or other amounts contemplated by the Lease Agreement. The entering into and performance of the Transaction Documents do not and will not violate any judgment, order, law, or regulation applicable to the Lessee or result in any breach of, or constitute a default under, or result in the creation of any lien, charge, security interest, or other encumbrance upon any assets of the Lessee or on the Equipment (as such term is defined in the Lease Agreement) pursuant to any indenture, mortgage, deed of trust, bank loan or credit agreement, or other instrument to which the Lessee is a party or by which it or its assets may be bound.

This opinion may be relied upon by purchasers and assignees of Lessor's interests in the Lease Agreement.

Respectfully submitted,

Firm Name

EXHIBIT G:

BANK QUALIFIED CERTIFICATE

The Albion-Little River Fire Protection District, as issuer, (the “Lessee”) under that certain Equipment Lease-Purchase Agreement (the “Agreement”) dated as of April 27, 2017 to which this Designation is attached, hereby designates the Agreement as a “qualified tax-exempt obligation” for the purposes and within the meaning of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended. The Lessee hereby represents that the Lessee reasonably anticipates that the Lessee and other entities that the Lessee controls will not issue tax-exempt obligations (including the Agreement) the aggregate principal amount of which exceed \$10,000,000 during the calendar year in which the Agreement is executed and delivered and interest commences to accrue thereunder.

This Designation is attached to and made a part of the Agreement and inures to the benefit of the Purchaser and its successors and/or assigns.

EXECUTED as of this 27th day of April, 2017.

Albion-Little River Fire Protection District, as Lessee

By: _____
Name: Michael Issel
Title: Board President

EXHIBIT H**POST-ISSUANCE TAX COMPLIANCE PROCEDURES**

Dated: April 27, 2017

The following certificate is delivered in connection with the execution and delivery of the Equipment Lease-Purchase Agreement dated April 27, 2017 (the "Lease Agreement"), entered into between the Albion-Little River Fire Protection District (the "Lessee") and Holman Capital Corporation (the "Corporation"). Capitalized terms used herein have the meanings defined in the Lease Agreement.

Section 1. In General.

1.1. This Certificate is executed for the purpose of establishing the reasonable expectations of Lessee as to future events regarding the financing of certain equipment (the "Equipment") to be acquired by Lessor and leased to Lessee pursuant to and in accordance with the Equipment Schedule executed under the Agreement (together with all related documents executed pursuant thereto and contemporaneously herewith, the "Financing Documents"). As described in the Financing Documents, Lessor shall apply **\$272,269.60** (the "Principal Amount") toward the acquisition of the Equipment and closing costs, and Lessee shall make Rental Payments under the terms and conditions as set forth in the Financing Documents.

1.2. The individual executing this Certificate on behalf of Lessee is an officer of Lessee delegated with the responsibility of reviewing and executing the Financing Documents, pursuant to the resolution or other official action of Lessee adopted with respect to the Financing Documents, a copy of which has been delivered to Lessor.

1.3. The Financing Documents are being entered into for the purpose of providing funds for financing the cost of acquiring, equipping and installing the Equipment which is essential to the governmental functions of Lessee, which Equipment is described in the Equipment Schedule. The Principal Amount will be deposited in escrow by Lessor on the date of issuance of the Financing Documents and held by **Santa Cruz County Bank**, as escrow agent (the "Escrow Agent") pending acquisition of the Equipment under the terms of that certain Escrow Agreement dated as of April 27, 2017 (the "Escrow Agreement"), by and between Lessor and Escrow Agent.

1.4. Lessee will timely file for each payment schedule issued under the Lease a Form 8038-G (or, if the invoice price of the Equipment under such schedule is less than \$100,000, a Form 8038-GC) relating to such Lease with the Internal Revenue Service in accordance with Section 149(e) of the Internal Revenue Code of 1986, as amended (the "Code").

1.5. The Lease is a "qualified tax-exempt obligation" for the purposes and within the meaning of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

Section 2. Non-Arbitrage Certifications.

2.1. The Rental Payments due under the Financing Documents will be made with monies retained in Lessee's general operating fund (or an account or subaccount therein). No sinking, debt service, reserve or similar fund or account will be created or maintained for the payment of the Rental Payments due under the Financing Documents or pledged as security therefor.

2.2. There have been and will be issued no obligations by or on behalf of Lessee that would be deemed to be (i) issued or sold within fifteen (15) days before or after the date of issuance of the Financing Documents, (ii) issued or sold pursuant to a common plan of financing with the Financing Documents and (iii) paid out of substantially the same source of funds as, or deemed to have substantially the same claim to be paid out of substantially the same source of funds as, the Financing Documents.

2.3. Lessee does not and will not have on hand any funds that are or will be restricted, segregated, legally required or otherwise intended to be used, directly or indirectly, as a substitute, replacement or separate source of financing for the Equipment.

2.4. No portion of the Principal Amount is being used by Lessee to acquire investments which produce a yield materially higher than the yield realized by Lessor from Rental Payments received under the Financing Documents.

2.5. The Principal Amount does not exceed the amount necessary for the governmental purpose for which the Financing Documents were entered into. Such funds are expected to be needed and fully expended for payment of the costs of acquiring, equipping and installing the Equipment.

2.6. Lessee does not expect to convey, sublease or otherwise dispose of the Equipment, in whole or in part, at a date which is earlier than the final Payment Date under the Financing Documents.

Section 3. Disbursement of Funds; Reimbursement to Lessee.

3.1 It is contemplated that the entire Principal Amount will be used to pay the acquisition cost of Equipment to the vendors or manufacturers thereof or for any financial advisory or closing costs, provided that, if applicable, a portion of the principal amount may be paid to Lessee as reimbursement for acquisition cost payments already made by it so long as the conditions set forth in Section 3.2 below are satisfied.

3.2 Lessee shall not request that it be reimbursed for Equipment acquisition cost payments already made by it unless each of the following conditions have been satisfied:

(a) Lessee adopted a resolution or otherwise declared its official intent in accordance with Treasury Regulation § 1.150-2 (the "Declaration of Official Intent"), wherein Lessee expressed its intent to be reimbursed from the proceeds of a borrowing for all or a portion of the cost of the Equipment, which expenditure was paid to the Vendor not earlier than sixty (60) days before Lessee adopted the Declaration of Official Intent;

(b) The reimbursement being requested will be made by a written allocation before the later of eighteen (18) months after the expenditure was paid or eighteen (18) months after the items of Equipment to which such payment relates were placed in service;

(c) The entire payment with respect to which reimbursement is being sought is a capital expenditure, being a cost of a type properly chargeable to a capital account under general federal income tax principles; and

(d) Lessee will use any reimbursement payment for general operating expenses and not in a manner which could be construed as an artifice or device under Treasury Regulation § 1.148-10 to avoid, in whole or in part, arbitrage yield restrictions or arbitrage rebate requirements.

Section 4. Use and Investment of Funds; Temporary Period.

4.1. Lessee has incurred or will incur, within six (6) months from the date of issuance of the Financing Documents, binding obligations to pay an amount equal to at least five percent (5%) of the Principal Amount toward the costs of the Equipment. An obligation is not binding if it is subject to contingencies within Lessee's control. The ordering and acceptance of the items of Equipment will proceed with due diligence to the date of final acceptance of the Equipment.

4.2. An amount equal to at least eighty-five percent (85%) of the Principal Amount will be expended to pay the cost of the Equipment by the end of the three-year period commencing on the date of this Certificate. No portion of the Principal Amount will be used to acquire investments that do not carry out the governmental purpose of the Financing Documents and that have a substantially guaranteed yield of four (4) years or more.

4.3.(a) Lessee covenants and agrees that it will rebate an amount equal to excess earnings on the Principal Amount deposited under the Escrow Agreement to the Internal Revenue Service if required by, and in accordance with, Section 148(f) of the Code, and make the annual determinations and maintain the records required by and otherwise comply with the regulations applicable thereto. Lessee reasonably expects to cause the Equipment to be acquired by April 2018, but not later than October 2018.

(b) Lessee will provide evidence to Lessor that the rebate amount has been calculated and paid to the Internal Revenue Service in accordance with Section 148(f) of the Code unless (i) the entire Principal Amount is

expended on the Equipment by the date that is the six-month anniversary of the Financing Documents or (ii) the Principal Amount is expended on the Equipment in accordance with the following schedule: At least fifteen percent (15%) of the Principal Amount and interest earnings thereon will be applied to the cost of the Equipment within six months from the date of issuance of the Financing Documents; at least sixty percent (60%) of the Principal Amount and interest earnings thereon will be applied to the cost of the Equipment within 12 months from the date of issuance of the Financing Documents; and one hundred percent (100%) of the Principal Amount and interest earnings thereon will be applied to the cost of the Equipment prior to eighteen (18) months from the date of issuance of the Financing Documents.

(c) Lessee hereby covenants that (i) Lessee is a governmental unit with general tax powers; (ii) the Lease is not a "private activity bond" under Section 141 of the Code; and (iii) at least ninety-five percent (95%) of the Principal Amount is used for the governmental activities of Lessee.

Section 5. Escrow Account.

The Financing Documents provide that the monies deposited in escrow shall be invested until payments to the vendor(s) or manufacturer(s) of the Equipment are due. Lessee will ensure that such investment will not result in Lessee's obligations under the Financing Documents being treated as an "arbitrage bond" within the meaning of Section 148(a) of the Internal Revenue Code of 1986, as amended (the "Code"), respectively. Any monies which are earned from the investment of these funds shall be labeled as interest earned. All such monies will be disbursed on or promptly after the date that Lessee accepts the Equipment. Lessee acknowledges that the provisions of Sections 2 and 4 herein are particularly applicable when the Principal Amount is funded into an Escrow Fund subject to the Escrow Agreement.

Section 6. No Private Use; No Consumer Loan.

6.1. Lessee will not exceed the private use restrictions set forth in Section 141 of the Code. Specifically, Lessee will not permit more than 10% of the Principal Amount to be used for a Private Business Use (as defined herein) if, in addition, the payment of more than ten percent (10%) of the Principal Amount plus interest earned thereon is, directly or indirectly, secured by (i) any interest in property used or to be used for a Private Business Use or (ii) any interest in payments in respect of such property or derived from any payment in respect of property or borrowed money used or to be used for a Private Business Use.

6.2. In addition, if both (A) more than five percent (5%) of the Principal Amount is used as described above with respect to Private Business Use and (B) more than five percent (5%) of the Principal Amount plus interest earned thereon is secured by Private Business Use property or payments as described above, then the excess over such five percent (5%) (the "Excess Private Use Portion") will be used for a Private Business Use related to the governmental use of the Equipment. Any such Excess Private Use Portion of the Principal Amount will not exceed the portion of the Principal Amount used for the governmental use of the particular project to which such Excess Private Use Portion is related.

6.3. For purposes of paragraph 6.2 above, "Private Business Use" means use of bond proceeds or bond financed-property directly or indirectly in a trade or business carried on by a natural person or in any activity carried on by a person other than a natural person, excluding, however, use by a state or local governmental unit and excluding use as a member of the general public.

6.4. No part of the Principal Amount or interest earned thereon will be used, directly or indirectly, to make or finance any loans to non-governmental entities or to any governmental agencies other than Lessee.

Section 7. No Federal Guarantee.

7.1. Payment of the principal or interest due under the Financing Documents is not directly or indirectly guaranteed, in whole or in part, by the United States or an agency or instrumentality thereof.

7.2. No portion of the Principal Amount or interest earned thereon shall be (i) used in making loans the payment of principal or interest of which are to be guaranteed, in whole or in part, by the United States or any agency or instrumentality thereof, or (ii) invested, directly or indirectly, in federally insured deposits or accounts if such investment would cause the financing under the Financing Documents to be "federally guaranteed" within the meaning of Section 149(b) of the Code.

Section 8. Miscellaneous.

8.1. Lessee shall keep a complete and accurate record of all owners or assignees of the Financing Documents in form and substance satisfactory to comply with the registration requirements of Section 149(a) of the Code unless Lessor or its assignee agrees to act as Lessee's agent for such purpose.

8.2. Lessee shall maintain complete and accurate records establishing the expenditure of the Principal Amount and interest earnings thereon for a period of five (5) years after payment in full under the Financing Documents.

8.3. To the best of the undersigned's knowledge, information and belief, the above expectations are reasonable and there are no other facts, estimates or circumstances that would materially change the expectations expressed herein.

8.4. The Lessee's Tax Identification Number is: 26-1583790.

8.5. The Lessee has adopted, or will adopt in a reasonable period post-closing, by resolution, separate written procedures regarding ongoing compliance with federal tax requirements necessary to keep, ensure and maintain the interest portions of the Rental Payments under the Lease Agreement as excluded from Lessor's gross income for federal income tax purposes, and will, on an annual basis, conduct an audit of the Lease Agreement to ensure compliance with such procedures

IN WITNESS WHEREOF, this Post-Issuance Tax Compliance Procedures Certificate has been executed on behalf of Lessee as of April 27, 2017.

ALBION-LITTLE RIVER FIRE PROTECTION
DISTRICT, CALIFORNIA

By: _____
Name: Michael Issel
Title: Board President

EXHIBIT I:**ESCROW AGREEMENT**

LESSOR:
 Holman Capital Corporation
 25201 Paseo de Alicia, Suite 290
 Laguna Hills, CA 92653

ESCROW AGENT:
 Santa Cruz County Bank
 720 Front Street, Suite 220
 Santa Cruz, CA 95060

LESSEE:
 Albion-Little River Fire Protection District
 4601 Albion Little River Road
 Albion, CA 95410

THIS ESCROW AGREEMENT (this "*Escrow Agreement*") is made as of April 27, 2017, between Holman Capital Corporation ("*Lessor*"), the Albion-Little River Fire Protection District ("*Lessee*"), and Santa Cruz County Bank (the "*Escrow Agent*").

Lessor and Lessee have heretofore entered into that certain Equipment Lease-Purchase Agreement and Equipment Schedule both dated April 27, 2017 (the "*Lease Agreement*"). The Lease Agreement contemplates that certain Equipment described therein (the "*Equipment*") is to be acquired from the vendor(s) or manufacturer(s) thereof.

After acceptance of the Equipment by Lessee, the Equipment is to be leased by Lessor to Lessee pursuant to the terms of the Lease Agreement.

The Lease Agreement contemplates that Lessor will deposit with the Escrow Agent cash in the amount of \$272,269.60 (the "*Deposit Amount*"), for deposit into the escrow fund (the "*Escrow Fund*"), to be held in escrow by the Escrow Agent and applied on the express terms and conditions set forth herein. Such deposit into the Escrow Fund, together with all interest and additions received with respect thereto, is to be applied from time to time to pay the vendor(s) or manufacturer(s) of the Equipment its invoice cost (a portion of which may, if required, be paid prior to final acceptance of the Equipment by Lessee). The Escrow Fund is to be held in Lessee's name for the benefit of Lessee and Lessor, and Lessee has granted to Lessor a first priority and perfected security interest in the Escrow Fund and any all proceeds, interest and other earnings thereon and investments therein to the Lessor by virtue of the execution of this Escrow Agreement without the need for any additional filings or financing statements.

The parties desire to set forth the terms on which the escrow is to be created and to establish the rights and responsibilities of the parties hereto.

NOW, THEREFORE, the parties agree as follows:

1. The Escrow Agent hereby agrees to serve as escrow agent upon the terms and conditions set forth herein. The Escrow Agent agrees that the Escrow Fund shall be held irrevocably in trust for the account and benefit of Lessee and all interest earned with respect to the Escrow Fund shall accrue to the benefit of Lessee and shall be applied as expressly set forth herein.

To the limited extent required to perfect the first, priority security interest hereby granted by Lessee to Lessor in the cash and negotiable instruments from time to time held in the Escrow Fund, Lessor hereby appoints the Escrow Agent as its security agent, and the Escrow Agent hereby accepts the

appointment as security agent, and agrees to hold physical possession of such cash and negotiable instruments on behalf of Lessor.

2. On such day as determined to the mutual satisfaction of the parties (the "Commencement Date"), Lessor shall deposit with the Escrow Agent cash in the amount of the Deposit Amount to be held by the Escrow Agent on the express terms and conditions set forth herein. The Escrow Agent agrees to accept the deposit of the Deposit Amount by Lessor with the Escrow Agent, and further agrees to hold the amount so deposited together with all interest and other additions received with respect thereto in escrow on the express terms and conditions set forth herein.
3. The Escrow Agent shall at all times segregate the Escrow Fund into an account maintained for that express purpose, which shall be clearly identified on the books and records of the Escrow Agent as being held in its capacity as Escrow Agent. Cash, securities and other negotiable instruments held in the Escrow Fund from time to time shall be held or registered in the name of the Escrow Agent (or its nominee). The Escrow Fund shall not, to the extent permitted by applicable law, be subject to levy or attachment or lien by or for the benefit of any creditor of any of the parties hereto (except with respect to the security interest therein held by Lessor).
4. Lessee hereby directs the Escrow Agent to invest the cash held in the Escrow Fund in a Santa Cruz County Bank non-interest bearing demand deposit account with no fees or costs (as more particularly described in Schedule B hereto, the "Permitted Investment"), or such other investments as Escrow Agent may from time to time offer and Lessee may from time to time specify in writing, to the extent the same are at the time legal for investment of the funds being invested. Interest (if any) or other amounts earned and received by the Escrow Agent with respect to the Escrow Fund shall be deposited in and become a part of the Escrow Fund. No investment shall be made that would cause the Lease Agreement to be deemed to be an arbitrage bond within the meaning of Section 148(a) of the Internal Revenue Code of 1986, as amended.
5. Lessor and Lessee hereby authorize the Escrow Agent to take the following actions with respect to the Escrow Fund:
 - a. From time to time, the Escrow Agent shall pay the vendor or manufacturer of the Equipment payments then due and payable, or reimburse Lessee for amounts that it has paid to the vendor or manufacturer of the Equipment, upon receipt of the following: (a) a duly executed Certificate of Acceptance and Payment Request in the form attached as Exhibit A hereto, (b) the vendor(s) or manufacturer(s) invoice(s) specifying the acquisition price of the Equipment described in the requisition request, and (c) any additional documentation required by Lessor.
 - b. On the Commencement Date, the Escrow Agent shall pay to Holman Capital Corporation a documentation fee in the amount of \$5,000.00. The Escrow Agent will not charge fees for the ordinary services it renders in connection herewith.
 - c. If Lessor provides to the Escrow Agent written notice of the occurrence of an Event of Default or an Event of Nonappropriation by Lessee under the Lease Agreement, the Escrow Agent shall thereupon promptly remit to Lessor the entire balance of the Escrow Fund.
 - d. Upon receipt by the Escrow Agent of a duly executed Certificate of Acceptance and Payment Request identified as the final such request, the Escrow Agent shall transfer the then remaining balance of the Escrow Fund to Lessee, upon the express condition that Lessee hereby agrees to use such excess amount solely for capital expenditures as shall be

approved by Lessee or, at the written direction of Lessee, for application against the interest component of the Lessee's payment obligation under the Lease Agreement, as provided therein, unless otherwise agreed by Lessor.

6. The Escrow Agent shall have no liability for acting upon any written instruction presented by Lessee and Lessor in connection with this Escrow Agreement that the Escrow Agent in good faith believes to be genuine. Furthermore, the Escrow Agent shall not be liable for any act or omission in connection with this Escrow Agreement except for its own gross negligence, willful misconduct, or bad faith. The Escrow Agent shall not be liable for any loss or diminution in value of the Escrow Fund as a result of the investments made pursuant to Section 4.
7. To the extent authorized by law, Lessee hereby agrees to indemnify and save the Escrow Agent harmless against any liabilities that it may incur in the exercise and performance of its powers and duties hereunder and that are not due to the Escrow Agent's gross negligence or willful misconduct. No indemnification will be made under this Section or elsewhere in this Escrow Agreement for damages arising solely out of gross negligence, willful misconduct, or bad faith by the Escrow Agent, its officers, agents, employees, successors or assigns.
8. The Escrow Agent may at any time resign by giving at least 30 days' prior written notice to Lessee and Lessor, but such resignation shall not take effect until the appointment of the successor Escrow Agent. The substitution of another bank or trust company to act as Escrow Agent under this Escrow Agreement may occur by written agreement of Lessor and Lessee. In addition, the Escrow Agent may be removed at any time, with or without cause, by instrument in writing executed by Lessor and Lessee. Such notice shall set forth the effective date of the removal. In the event of any resignation or removal of the Escrow Agent, a successor Escrow Agent shall be appointed by an instrument in writing executed by Lessor and Lessee. Such successor Escrow Agent shall indicate its acceptance of such appointment by an instrument in writing delivered to Lessor, Lessee and the predecessor Escrow Agent. Upon the effective date of resignation or removal, the Escrow Agent will transfer the Escrow Fund then held by it to the successor Escrow Agent selected by Lessor and Lessee.
9. This Escrow Agreement shall terminate upon receipt by the Escrow Agent of the written notice from Lessor specified in Section 5(c) or Section 5(d) hereof.
10. All notices hereunder shall be in writing, sent by certified mail, return receipt requested, or by mutually recognized overnight carrier addressed to the other party at its respective address shown on page 1 of this Escrow Agreement or at such other address as such party shall from time to time designate in writing to the other parties; and shall be effective on the date or receipt.
11. This Escrow Agreement shall inure to the benefit of and shall be binding upon the parties hereto and their respective successors and assigns. No rights or obligations of the Escrow Agent under this Escrow Agreement may be assigned without the prior written consent of Lessor and Lessee.
12. This Escrow Agreement constitutes the entire agreement between the parties hereto with respect to the subject matter hereof, and no waiver, consent, modification, or change of terms hereof shall bind any party unless in writing signed by all parties.
13. The Escrow Agent may employ agents, attorneys and accountants in connection with its duties hereunder and shall not be liable for any action taken or omitted in good faith in accordance with the advice of counsel, accountants, or other skilled persons.
14. This Escrow Agreement shall be governed by and be construed and interpreted in accordance with the internal laws of the State of California.

15. Information Required Under USA PATRIOT ACT: The parties acknowledge that in order to help the United States government fight the funding of terrorism and money laundering activities, pursuant to Federal regulations that became effective on October 1, 2003 (Section 326 of the USA PATRIOT Act) all financial institutions are required to obtain, verify, record and update information that identifies each person establishing a relationship or opening an account. The parties to this Agreement agree that they will provide to the Escrow Agent such information as it may request, from time to time, in order for the Escrow Agent to satisfy the requirements of the USA PATRIOT Act, including but not limited to the name, address, tax identification number and other information that will allow it to identify the individual or entity who is establishing the relationship or opening the account and may also ask for formation documents such as articles of incorporation or other identifying documents to be provided.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the parties hereto have caused this Escrow Agreement to be duly executed as of the day and year first above set forth.

LESSOR: HOLMAN CAPITAL CORPORATION

LESSEE: ALBION-LITTLE RIVER FIRE PROTECTION DISTRICT

By: _____
Lance S. Holman
President &CEO

By: _____
Michael Issel
Board President

ESCROW AGENT: SANTA CRUZ COUNTY BANK

By: _____
Name: Shawn Lipman
Title: Vice President,
Senior Relationship Manager

EXHIBIT A TO ESCROW AGREEMENT

CERTIFICATE OF ACCEPTANCE AND PAYMENT REQUEST

The following payment request is directed to Santa Cruz County Bank (the "*Escrow Agent*"), as escrow agent under that certain Escrow Agreement dated April 27, 2017 (the "*Escrow Agreement*"), between the Albion-Little River Fire Protection District ("*Lessee*"), Holman Capital Corporation ("*Lessor*"), and the Escrow Agent. Because Holman Capital Corporation has assigned all of its right, title, and interest in and to the Escrow Agreement to Santa Cruz County Bank, all references herein to "*Lessor*" shall mean Santa Cruz County Bank.

The Escrow Agent is hereby requested to pay from the Escrow Fund established and maintained under the Escrow Agreement the amount set forth below to the named payee(s). The amount shown is due and payable under a purchase order or contract (or has been paid by and not previously reimbursed to Lessee). The equipment described below is part or all of the Equipment leased pursuant to that certain Equipment Lease-Purchase Agreement and Equipment Schedule both dated April 27, 2017 (the "*Lease Agreement*"), between Lessor and Lessee:

LOCATION	DESCRIPTION OF UNITS OF EQUIPMENT	AMOUNT	PAYEE
----------	--------------------------------------	--------	-------

Lessee hereby certifies and represents to and agrees with Lessor as follows with respect to the Equipment described above: (i) the Equipment has been delivered to the location(s) set forth in the Lease Agreement; (ii) a present need exists for the Equipment, which need is not temporary or expected to diminish in the near future; (iii) the Equipment is essential to and will be used by Lessee only for the purpose of performing one or more governmental functions of Lessee consistent with the permissible scope of Lessee's authority; (iv) the estimated useful life of the Equipment based upon the manufacturer's representations and Lessee's projected needs is not less than the term of the Lease Agreement; (v) Lessee has conducted such inspection and/or testing of the Equipment as it deems necessary and appropriate and hereby acknowledges that it accepts the Equipment for all purposes as of the date of this Certificate; (vi) the Equipment is covered by insurance in the types and amounts required by the Lease Agreement; (vii) no Event of Default or Event of Nonappropriation, as those terms are defined in the Lease Agreement, and no event that with the giving of notice or lapse of time or both, would become an Event of Default or an Event of Nonappropriation, has occurred and is continuing on the date hereof; and (viii) sufficient funds have been appropriated by Lessee for the payment of all rental payments due under the Lease Agreement during Lessee's current Fiscal Year.

Based on the foregoing, the Escrow Agent is hereby authorized and directed to fund the acquisition of the Equipment set forth above by paying, or causing to be paid, the manufacturer(s)/vendor(s) the amounts set forth on the attached invoices from the Escrow Fund held under the Escrow Agreement in accordance with its terms.

The following documents are attached hereto and made a part hereof: (a) Original Invoice(s) and (b) Copies of Certificate(s) of Ownership, designating Lessor as legal owner, and evidence of filing.

IF REQUEST IS FINAL REQUEST, CHECK HERE . The undersigned hereby certifies that the items of Equipment described above, together with the items of Equipment described in and accepted by Certificates of Acceptance and Payment Requests previously filed by Lessee with Lessor constitute all of the Equipment subject to the Lease Agreement. By checking the foregoing box, Lessee certifies and confirms that Lessor has performed all of its obligations under the Lease Agreement.

Acceptance Date: _____

Approved:

SANTA CRUZ COUNTY BANK, as Lessor

ALBION-LITTLE RIVER FIRE PROTECTION DISTRICT, as Lessee

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

SCHEDULE A TO ESCROW AGREEMENT:

NOTICE AND ACKNOWLEDGEMENT OF
ASSIGNMENT OF ESCROW AGREEMENT

Holman Capital Corporation ("Lessor"), Albion-Little River Fire Protection District ("Lessee"), and Santa Cruz County Bank ("Escrow Agent") have entered into an Escrow Agreement dated April 27, 2017 (the "Escrow Agreement"), pursuant to which Lessor, or its Assignee (as defined below), has deposited cash into the Escrow Fund established thereunder, which funds are to be used by Lessee to acquire certain Equipment.

Escrow Agent is hereby notified that Lessor has assigned all of its right, title, and interest in and to, but not its obligations under, the Escrow Agreement to Santa Cruz County Bank ("Assignee"), including, in particular, but without limitation, Lessor's security interest in the Escrow Fund and Lessor's right to approve all payment requests submitted by Lessee.

Date: April 27, 2017

LESSOR: HOLMAN CAPITAL
CORPORATION

LESSEE: ALBION-LITTLE RIVER FIRE
PROTECTION DISTRICT

By: _____
Lance S. Holman
President & CEO

By: _____
Michael Issel
Board President

ESCROW AGENT: SANTA CRUZ COUNTY BANK

By: _____
Name: Shawn Lipman
Title: Vice President,
Senior Relationship Manager

IN WITNESS WHEREOF, the parties hereto have caused this Escrow Agreement to be duly executed as of the day and year first above set forth.

LESSOR: HOLMAN CAPITAL CORPORATION

LESSEE: ALBION-LITTLE RIVER FIRE PROTECTION DISTRICT

By: _____
Lance S. Holman
President &CEO

By: _____
Michael Issel
Board President

ESCROW AGENT: SANTA CRUZ COUNTY BANK

By: _____
Name: Shawn Lipman
Title: Vice President,
Senior Relationship Manager

IF REQUEST IS FINAL REQUEST, CHECK HERE . The undersigned hereby certifies that the items of Equipment described above, together with the items of Equipment described in and accepted by Certificates of Acceptance and Payment Requests previously filed by Lessee with Lessor constitute all of the Equipment subject to the Lease Agreement. By checking the foregoing box, Lessee certifies and confirms that Lessor has performed all of its obligations under the Lease Agreement.

Acceptance Date: _____

Approved:

SANTA CRUZ COUNTY BANK, as Lessor

ALBION-LITTLE RIVER FIRE PROTECTION DISTRICT, as Lessee

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

SCHEDULE A TO ESCROW AGREEMENT:

NOTICE AND ACKNOWLEDGEMENT OF
ASSIGNMENT OF ESCROW AGREEMENT

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Date: April 27, 2017

LESSOR: HOLMAN CAPITAL
CORPORATION

LESSEE: ALBION-LITTLE RIVER FIRE
PROTECTION DISTRICT

By: _____
Lance S. Holman
President & CEO

By: _____
Michael Issel
Board President

ESCROW AGENT: SANTA CRUZ COUNTY BANK

By: _____
Name: Shawn Lipman
Title: Vice President,
Senior Relationship Manager

SCHEDULE B TO ESCROW AGREEMENT:

DISCLOSURE AND AUTHORIZATION FOR PERMITTED INVESTMENT

SANTA CRUZ COUNTY BANK NON-INTEREST BEARING DEMAND DEPOSIT ACCOUNT

Client: ALBION-LITTLE RIVER FIRE PROTECTION DISTRICT

Lease Issuance: April 27, 2017

DISCLOSURE

The Santa Cruz County Bank Non-Interest Bearing Demand Deposit Account (the "Permitted Investment") is a non-interest bearing checking account exclusively for mutual customers of Holman Capital Corporation and Santa Cruz County Bank. The Permitted Investment is not endorsed, collateralized or guaranteed by, and does not constitute obligations of Santa Cruz County Bank or its affiliates; however, the funds held in this account are considered insured deposits by the FDIC. A copy of all accounts disclosures and/or a prospectus have been provided to the undersigned Lessee. We hereby acknowledge receipt of the foregoing.

AUTHORIZATION

With respect to the above referenced Lease Issuance of the Lessee, Santa Cruz County Bank is hereby authorized and directed to invest the Lease Proceeds in the Permitted Investment pending additional investment directions and/or distribution instructions from the Lessee and/or Lessor, subject to the express terms contained in the Escrow Agreement.

LESSEE
ALBION-LITTLE RIVER FIRE PROTECTION DISTRICT

By: _____ Date: _____
Name: Michael Issel
Title: Board President

CLOSING MEMORANDUM

\$272,269.60 RESCUE SQUAD VEHICLE FINANCING
PURSUANT TO THAT EQUIPMENT LEASE-PURCHASE AGREEMENT AND EQUIPMENT SCHEDULE THERETO
DATED APRIL 27, 2017
BETWEEN ALBION-LITTLE RIVER FIRE PROTECTION DISTRICT AS LESSEE, AND
HOLMAN CAPITAL CORPORATION, AS LESSOR

Pre-Closing: Pre-Closing will be held at the Lessee's convenience, on or before **April 25, 2017**. All documents will be executed and two (2) blue ink originals will be overnighted to Holman Capital Corporation, 25201 Paseo de Alicia, Suite 290, Laguna Hills, CA 92653 for delivery no later than 9:00 am on the morning of **April 25, 2017** and held in trust until such time as the wires and original documents are released by the Parties.

Closing: (1) By internal funds transfer and pending receipt of original, executed Lease Documents, on the morning of **April 27, 2017**, the Investor is authorized by Lessee to transfer via internal credit the Total Equipment Cost (as defined below) to Escrow Agent, pursuant to a general ledger credit to the Escrow Account as follows:

Bank Name:	Santa Cruz County Bank
ABA Number:	121143736
Account Number:	23009806
Account Name:	Albion-Little River Fire Protection District

(2) By wire transfer and pending receipt of original, executed Lease Documents, on the morning of **April 27, 2017**, the Investor is authorized by Lessee to transfer via wire the Issuance Costs (as defined below) to Lessor as follows:

Bank Name:	Community Business Bank
ABA Number:	121144191
Account Number:	201008281
Account Name:	Holman Capital Corporation

Counsel for each of the Parties will confirm by e-mail receipt of funds and then the release of all original documents held in trust, when such funds and/or documents are in the possession of each of the Parties. Upon confirmation by Escrow Agent of the Lease Proceeds, Lessee will wire closing costs, legal fees and other amounts to the parties in accordance with the invoices attached hereto.

Sources and Uses of Funds:

Principal Amount of Lease	\$ 272,269.60
TOTAL SOURCES	\$ 272,269.60
Total Equipment Cost:	\$ 267,269.60
Issuance Costs:	\$ 5,000.00
TOTAL LEASE PROCEEDS	\$ 272,269.60

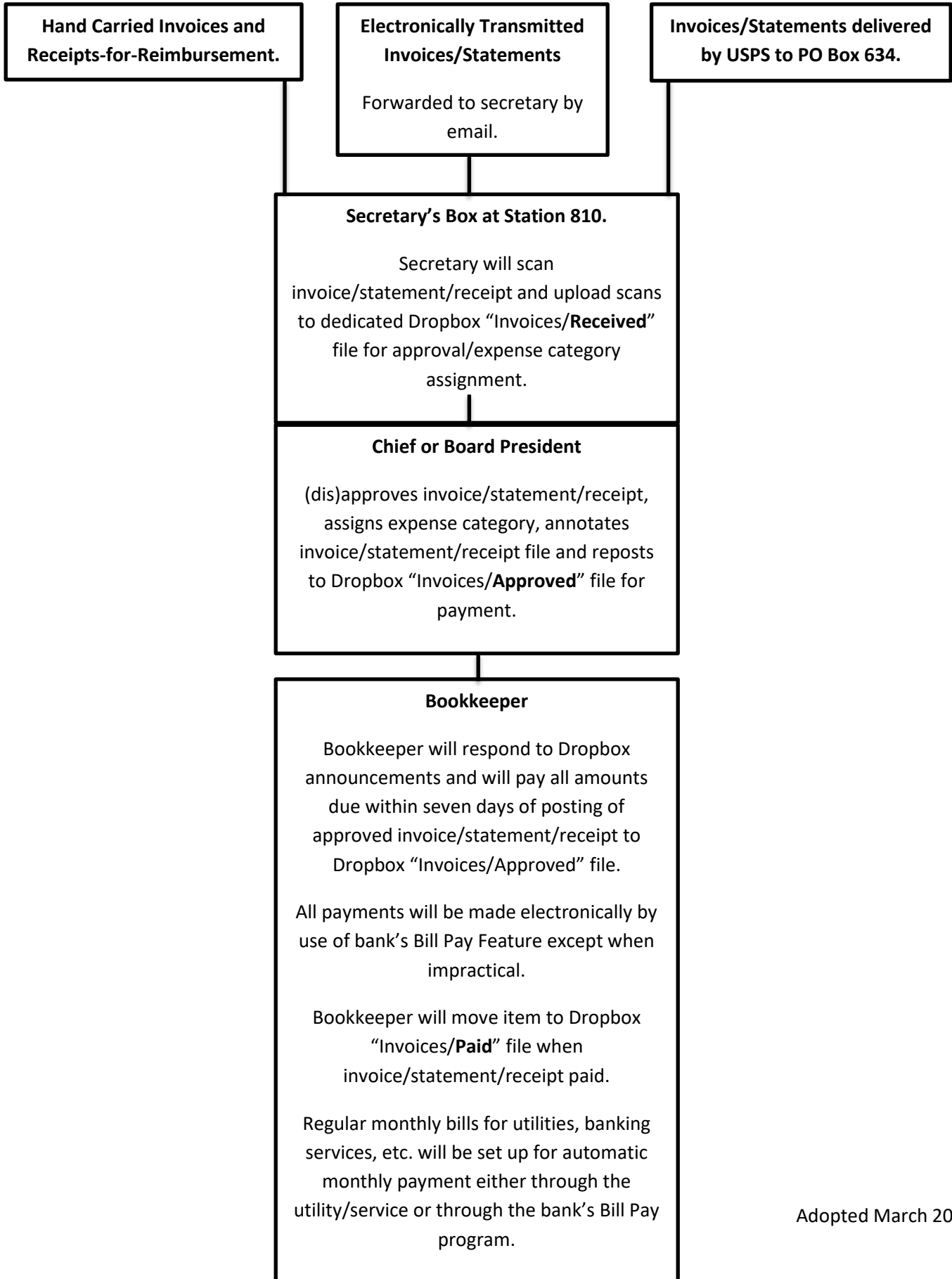
Attest:

ALBION-LITTLE RIVER FIRE PROTECTION DISTRICT

By: _____
 Name: Michael Issel
 Title: Board President

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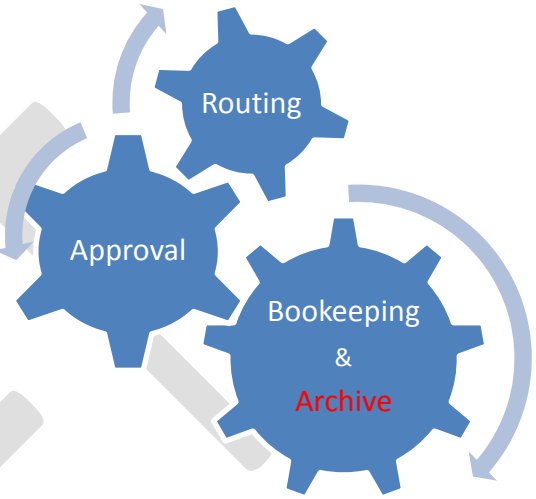
ACCOUNTS PAYABLE PROTOCOL



Accounts Payable Protocol

- Hand Carried Invoices & Reimbursement Receipts-
- Invoices/Statements delivered by USPS to PO Box 634.
- Electronically Transmitted Invoices/Statements Forwarded to Secretary by email,

Payment Approval Thread



Secretary's Box at Station 810.
 Secretary scans invoice/statement/receipt and uploads scans to dedicated Dropbox file for approval/expense category assignment. Thereafter, Secretary deposits paper invoice/email into **Current Month** file folder.

Chief or Board President
 (dis)approves invoice/statement/receipt, assigns expense category, annotates invoice/statement/receipt file and reposts to Dropbox.

Bookkeeper

Bookkeeper responds to posting of approved invoice/statement/receipt to Dropbox and pays all amounts due within billing cycle twice a month to assure our Net 30 payment terms.

Bookkeeper removes item from Dropbox file when invoice/statement/receipt paid.

Regular monthly bills for utilities, banking services, etc. will continue automatic monthly payments either through utility/service or through bank's Bill Pay program.

- Paper Invoice/eMail/Verbal
- Collect **Current Month** Paper Invoice/eMail /file folder weekly
- Attach Check Stub or Write "Paid" on Invoice/email
- Produce AFP & Send to County
- Receive AFP Approval from County
- Deposit County Funds
- Attach Check Stub from County to **Current Month** Invoices with AFP
- Return Original Paper Invoices to Current Month file folder @ Station 810 when completed – ready for audit.

Paper Archive Thread



CALIFORNIA UNIFORM PUBLIC CONSTRUCTION COST ACCOUNTING ACT

http://www.sco.ca.gov/ard_cuccac.html

- Required to Advertise | Must File w
+ Higher limit w/o Bid | State Controller

= State Controller Page
↳ Manual

↳ Source Resolution
Optim? -

↳ FAQ

↳ Special Districts
Overhead $\approx 30\%$

↳ Labor
+ Materials

Overhead Rate -

- California Public Contract Code 22000 et seq.
- Increases force account limit
- Allows for informal bidding-on certain projects
- Requires certain advertising be done
- Requires informal bidding list be maintained
- Requires estimates be made and maintained as public record
- Allows for uniform overhead rate

STEPS:

Governing Board adopts through a resolution to become a participant

Resolution must be filed with State Controller's Office

Governing Board adopts an ordinance or policy for informal bidding

Agency advertises for contractors interested in informal bidding list

§2511 is out of ACT → For Fee Department
in the ACT

Force Account limit: \$45,000

Informal Limit: \$175,000

Force Account Limits

Force Account is the work done with an agencies employees or day labor. It varies according to the specific entity. An entity cannot waive bidding requirements, except in the case of a TRUE emergency.

Discussion and Possible Action:

Uniform Public Construction Accounting Act

Public Contract Code §22000

In an effort to promote uniformity of the cost accounting standards and bidding procedures on construction work performed or contracted by local agencies, the Legislature established the Uniform Public Construction Accounting Act (UPCAA) as an alternative method for the bidding of public works projects by public entities. Public agencies can take advantage of increased bidding thresholds and other benefits provided by the UPCAAs if it elects to follow the cost accounting procedures contained in the Cost Accounting Policies and Procedures Manual of the California Uniform Construction Cost Accounting Commission. The procedures generally are used to estimate project costs to determine whether bidding is required and to record actual project costs when the project is performed by the agency's own workforce. The Cost Accounting Policies and Procedures Manual include sample forms. The alternative bidding thresholds are:

- Public Projects \$45,000 or less – negotiated contract or by purchase order.
- Public Projects \$45,001-\$175,000 – informal bidding procedures set forth in UPCAAs.
- Public Projects greater than \$175,000 – formal bidding procedures.

Vehicle Storage Disposition

UNIT NUMBER	VEHICLE DESCRIPTION	YEAR	MAKE	MAY STATION MATRIX	JULY STATION MATRIX	DEC STATION MATRIX
8130	RESCUE 4X4 BLS	2017	FORD	NA	NA	811
8130	RESCUE 4X4 BLS	1990	FORD	811	811	SOLD
8131	RESCUE 4X4	1994	CHEVROLET	810	810	812
8132	RESCUE	1992	FORD	812	812	812
8162	TYPE II ENGINE	2000	INT'L	811	811	812
8170	TYPE III ENGINE	1994	FORD	812	812	812
8171	TYPE III ENGINE	1993	FORD	813	813	813
8180	TYPE I ENGINE	1989	SEAGRAVE	812	812	812
8181	TYPE I ENGINE	2017	PIERCE	NA	811	811
8183	TYPE III ENGINE	1987	FORD	815	815	815
8190	WATER TENDER	2005	FREIGHT	811	811	811
8191	WATER TENDER	2017	FREIGHT	NA	812	812
8192	WATER TENDER	1985	INT'L	812	SOLD	SOLD
81H20 (Z)	BOAT	2001	ZODIAC	810	810	810
	TRAILER (BOAT)	2003	EZ LOADER	810	810	810
8198	JET SKI	2008	KAWASAKI	810	810	810
8199	JET SKI	2008	KAWASAKI	810	810	810
	TRAILER (JETS)	2008	KAWASAKI	810	810	810



ARMSTRONG STEEL CORPORATION

ARMSTRONGSTEELBUILDINGS.COM | 5889 Greenwood Plaza Blvd Greenwood Village, CO 80111 | p800.345.4610 | f720.230.7266

Jonathan Greenlee

(720) 550-4599

jonathan.g@armstrongsteel.com

Building Specifications

QUOTE #

issel041417A

DATE

Apr 14, 2017

CUSTOMER DETAILS

Attention Michael Isсел	Phone (707) 937-1806	
Building Address TBD	County Mendocino	
City Albion	State CA	Zip 95410

BUILDING DETAILS

Width 30'	Length 35'	Eave Height 16'	Pitch 2:12
Doors N/A	Windows N/A	Insulation N/A	
Wall Color SMP - (TBD)	Trim Color SMP - (TBD)	Roof Color Galvalume Plus	

CODES & LOADS

Ground Snow 20	Roof Snow 20	Wind 110
Exposure C	Building Code IBC-15	Collateral Load 1

INCLUDED

- Roof Z Purlin & Wall Z Girt Galvanized Secondary Framing
- Galvanized Endwall Framing
- Structural Steel I-Beams
- **50 Year Warranty** On All Structural Members
- 26 Gauge PBR Color Wall Sheeting (**40 Year Warranty**)
- 26 Gauge Galvalume PBR Roof (**35 Year Warranty**)
- All Fasteners and Hardware
- **Lifetime Warranty** against rust on all fasteners.
- Premium Sculpted Trim
- Premium Base Trim
- Dedicated Professional Project Manager
- Certified, Stamped & Engineered Drawings specific to your state.
- **ALL AMERICAN** – Armstrong is proud to be an American company that uses only American made materials.
- **State of the Art Manufacturing Facilities** - Every Armstrong building is **IAS Certified** and stands for quality controlled fabrication with fast turnaround.
- **Precision Engineering** – Our structures are faultless. State of the art technology ensures that every building is made to the highest standards.
- **On Time Delivery** – Confirmed delivery times mean more efficient crew scheduling, saving you time and money.

ENGINEERING AND DRAWINGS

INCLUDED

PROJECT MANAGER

INCLUDED

BUILDING PRICE

\$15,400.00

800.345.4610

50 YEAR FACTORY WARRANTY



ARMSTRONG STEEL CORPORATION

ARMSTRONGSTEELBUILDINGS.COM | 5889 Greenwood Plaza Blvd Greenwood Village, CO 80111 | p800.345.4610 | f720.230.7266

Jonathan Greenlee

(720) 550-4599

jonathan.g@armstrongsteel.com

Building Specifications

QUOTE #

issel041417A

DATE

Apr 14, 2017

CUSTOMER DETAILS

Attention Michael Isсел	Phone (707) 937-1806	
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BUILDING DETAILS

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- **On Time Delivery** – Confirmed delivery times mean more efficient crew scheduling, saving you time and money.

ENGINEERING AND DRAWINGS

INCLUDED

PROJECT MANAGER

INCLUDED

BUILDING PRICE

\$19,280.00

800.345.4610

50 YEAR FACTORY WARRANTY



Fifty-Year Structural Warranty

Armstrong Steel provides a fifty-year warranty on the structural material and workmanship for a period of fifty years from the date of shipment from the factory. During this period of time, Armstrong Steel's sole responsibility will be to replace defective material whose failure is within the terms of this guarantee and will assume ONLY THE DIRECT COST OF MATERIAL REQUIRED. This warranty is subject to the following provisions.

- 1) This warranty is conditioned upon the materials furnished receiving normal and necessary maintenance.
- 2) This warranty applies to only those materials furnished by Armstrong Steel in a finished condition, and does not apply to unfinished material such as primer paint on structural steel.
- 3) This warranty does not apply to any defect due to overloading caused by cranes or other attachments to the frame or structural members, or the installation of any signs, vents, machinery or weights in excess of design conditions, or to other loads in excess of those for which the material was designed.
- 4) This warranty does not apply to any material which has been subjected to misuse or negligence, or has been moved from its original place of erection, or to any material which has not been erected in strict accordance with all applicable Armstrong Steel erection instructions, MBMA and local building codes.
- 5) This warranty does not apply if the defects or failures are caused to any extent by abnormal weather conditions, acts of God, hail or other falling objects, mechanical damage (including but not limited to damage caused by rust creepage at sheared end laps), explosion, fire, riots, civil commotions, external forces, faulty or inadequate foundations or soil-bearing conditions, acts of war, radiation, harmful fumes or foreign substances in the atmosphere, corrosion, improper or extended field storage or floods.
- 6) This warranty is null and void unless Armstrong Steel is advised in writing of any defect or failure within then (10) days after the owner knew or ought to have known of such defect or failure.
- 7) This warranty does not apply to non-structural building members such as sheeting or trim - see separate panel and trim warranties for details.

This warranty is issued solely to the Armstrong Steel customer. This warranty is not assignable to any other party. Further, this guarantee does not apply to any party more commercially remote than the original owners of the metal building constructed with the product. It is likewise agreed that this limited warranty does not apply to any failure or defect that occurs after the sale or transfer of ownership of the building(s).

The express warranty contained on the face here is Armstrong Steel's sole and exclusive warranty with respect to materials and workmanship. Armstrong Steel disclaims any other warranty, express or implied, including warranties of merchantability or fitness for a particular purpose. Armstrong Steel shall not have any liability for consequential or special damages, however occasioned, including without limitation, loss to the building or to its contents, or loss of profits.

Customer Name _____ File # _____

Building Location _____

Date Shipment Completed _____

Armstrong Steel Corporation _____