WESTERN PLACER UNIFIED SCHOOL DISTRICT
810 J STREET, LINCOLN, CALIFORNIA 95648

MEMBERS OF THE GOVERNING BOARD

Paul Long, President
Dennis Sonnenburg, Vice President
Karen Roberts, Clerk
James McLeod, Member
Earl Mentze, Member

ADMINISTRATIVE/MANAGEMENT PERSONNEL

Roger R. Yohe, District Superintendent
Jay M. Stewart, Assistant Superintendent, Business Services
Scott Leaman, Assistant Superintendent, Educational Services
Bob Noyes, Director, Human Services,
Ken Gammelgard, Director of Site Development
Linda Pezanoski, Principal, Sheridan School
John Bliss, Principal, Carlin C. Coppin Elementary School
Judi Frost, Interim Principal, Creekside Oaks Elementary School
Jeremy Lyche, Vice Principal, Creekside Oaks Elementary School
Susan Taxara, Vice Principal, Creekside Oaks Elementary School
Ruben Ayala, Principal, First Street School/District Bilingual Coordinator
Mary Boyle, Principal, Glen Edwards Middle School
Mike Doherty, Assistant Principal, Glen Edwards Middle School
David Butler, Principal, Lincoln High School
Janice Smith, Assistant Principal, Lincoln High School
Stacy Brown, Vice Principal, Lincoln High School/Glen Edwards Middle School
John Wyatt, Principal, Phoenix High School, Adult Ed.
Tracy Murphy, Director, Special Education
Trudy Wilson, Director, Business Services
Frank Nichols, Director of Maintenance and Facilities
Bob Nelson, Transportation Coordinator
Jeff Dardis, Food Service Director
Chuck Youtsey, Technology Coordinator

STUDENT ENROLLMENT

School	5/21/04	6/04/04
Sheridan Charter School (K-8)	171	171
Sheridan School Independent Study (SSIS)	31	27
First Street School	575	571
Carlin C. Coppin Elementary (K-5)	559	559
Creekside Oaks Elementary (K-5)	707	706
Glen Edwards Middle (6-8)	875	875
Lincoln High School	959	959
Phoenix High School	62	57
PCOE Home School	8	8
TOTAL:	3947	3933

Phoenix Infant/Toddler	28	Prechool/Head Start	
Kindergarten Readiness	32	First & J Streets	22
Adult Education	177	Sheridan	22
		Carlin Coppin	22

GLOBAL DISTRICT GOALS

~Develop and continually upgrade a well articulated K -12 academic program that challenges all students to achieve their highest potential.
~Foster a safe, caring environment where individual differences are valued and respected.
~Provide facilities for all district programs and functions that are suitable in terms of function, space, cleanliness and attractiveness.
~Promote the involvement of the community, local government, business, service organizations, etc. as partners in the education of our students.
~Promote student health and nutrition in order to enhance readiness for learning.

WESTERN PLACER UNIFIED SCHOOL DISTRICT
REGULAR MEETING OF THE BOARD OF TRUSTEES
June 15, 2004, 7:00 P.M.
LINCOLN HIGH SCHOOL – PERFORMING ARTS BUILDING
790 "J" STREET, LINCOLN, CA

AGENDA

2003-2004 Goals & Objectives (G & O) for the Management Team: Component I: Quality Student Performance; Component II: Curriculum Themes; Component III: Special Student Services; Component IV: Staff & Community Relations; Component V: Facilities/Administration/Budget.

5:30 P.M. OPEN SESSION - Administrative Conference Room – D.O.

1. Call to Order
2. Announce Closed Session Items
3. Adjourn to Closed Session

5:35 P.M. CLOSED SESSION - Administrative Conference Room – D.O.

1. STUDENT DISCIPLINE/EXPULSION PURSUANT TO E.C. 48918

a. Student Discipline/Expulsion Pursuant To E.C. 48918
Student Expulsion #02/03 X

b. Student Discipline/Expulsion Pursuant To E.C. 48918
Student Expulsion # 02/03 Y

2. STUDENT RETENTION APREAL, PURSUANT TO BP 5123

a. Student Retention Appeal #03/04 1
b. Student Retention Appeal #03/04 2
c. Student Retention Appeal #03/04 3
d. Student Retention Appeal #03/04 4
e. ~~Student Retention Appeal #03/04 5~~ (withdrew appeal)
f. Student Retention Appeal #03/04 6

3. ADJOURN TO OPEN SESSION

7:00 P.M. OPEN SESSION – Performing Arts Building - LHS

1. CALL TO ORDER/PLEDGE OF ALLEGIANCE

2. DISCLOSURE OF ACTION TAKEN IN CLOSED SESSION, IF ANY
The Board of Trustees will disclose any action taken in Closed Session regarding the following items:

2.1 STUDENT DISCIPLINE/EXPULSION PURSUANT TO E.C. 48918

a. Student Discipline/Expulsion Pursuant To E.C. 48918
Student Expulsion #02/03 X

b. Student Discipline/Expulsion Pursuant To E.C. 48918
Student Expulsion # 02/03 Y

2.2 STUDENT RETENTION APREAL, PURSUANT TO BP 5123

a. Student Retention Appeal #03/04 1
b. Student Retention Appeal #03/04 2
c. Student Retention Appeal #03/04 3
d. Student Retention Appeal #03/04 4
e. ~~Student Retention Appeal #03/04 5~~ (withdrew appeal)
f. Student Retention Appeal #03/04 6

3. SPECIAL ORDER OF BUSINESS

4. CONSENT AGENDA

NOTICE TO THE PUBLIC
All items on the Consent Agenda will be approved with one motion, which is not debatable and requires a unanimous vote for passage. If any member of the Board, Superintendent, or the public, so request, items may be removed from this section and placed in the regular order of business following the approval of the consent agenda.

4.1 Ratification of Personnel Items

a. Certificated:

a.1 Ratification of Certificated Resignation:
Carla Heinecke – RSP – FSS
Kristina Drlik – 4th Grade Teacher – CCC
Nicole Schug – Kindergarten Teacher – FSS
Sabrina Ketchum – English Teacher – LHS

a.2 Request for Leave of Absence – Paula DePaoli

b. Classified:

b.1 Ratification of Classified Employment:
Ernesto Sanchez – Custodian/Groundsman - COE

b.2 Ratification of Classified Transfer:
Kelle LeBeau – Library/Computer Lab Technician – Sher to COE
Clementina Hoyos – Food Service Assistant – LHS to GEMS
Kathy Johnson – Instructional Aide- .25 FTE to .50 FTE - CCC

c. Administration:

c.1 Joseph Nokes – Elementary Principal – COE
c.2 Jeremy Lyche – Elementary Principal – TBE

4.2 Approve Resolution 03/04 .40 to Authorize Designated Personnel to Sign Contract Documents for Fiscal Year
4.3 Ratify Blackburn Consulting's Geotechnical Observation and Testing Services proposal for the Foskett Ranch Elementary School.
4.4 Mentor Teacher Approval
4.5 Peer Assistance and Review End-of-Year Report
4.6 Approve the State Preschool Subcontract Between the Western Placer Unified School District and the Placer Community Action Council for $193,970.00
4.7 Approve the Resolution 03/04.42 Authorizing End-of-Year Transfers.

5. COMMUNICATION FROM THE PUBLIC

This portion of the meeting is set aside for the purpose of allowing an opportunity for individuals to address the Board regarding matters not on the agenda, but within the board's subject matter jurisdiction. The Board is not allowed to take action on any item, which is not on the agenda except as authorized by Government Code Section 54954.2.
Request forms for this purpose "Request to Address Board of Trustees" are located at the entrance to the Performing Arts Theater. Request forms are to be submitted to the Board Clerk prior to the start of the meeting.

6. REPORTS & COMMUNICATION

- 6.1 Student Advisory – Andrea Ayala, Lincoln High School
- 6.2 Western Placer Teacher's Association – Mike Agrippino
- 6.3 Western Placer Classified Employee Association – Joe Ross
- 6.4 Superintendent
- 6.5 Assistant Superintendent(s)
  - 6.5.1 Jay M. Stewart
    - a. Facilities Update:
  - 6.5.2 Scott Leaman
    - a. Program Focus Area: Curricular Report
  - 6.5.3 Bob Noyes, Personnel Director

7. PUBLIC HEARING

7.1 ESTABLISH LEVEL I SCHOOL MITIGATION FEES

•The District is proposing to impose Level I school mitigation fees of $2,24 per square foot for residential development, and $ .36 per square foot for commercial development. This proposal was publicly noticed in the Lincoln News-Messenger. This hearing provides opportunity for interested members of the public to comment on the proposal. The fees are effective sixty days after adoption.

7.2 ADOPTION OF THE FY 2004-05 BUDGET

•This public hearing provides the community the opportunity to ask questions and provide comments regarding the adoption of the District's FY 2003-04 budget.

8. ♦ACTION ♦DISCUSSION ♦INFORMATION

CODE: (A) = Action (D) = Discussion (I) = Information

Members of the public wishing to comment on any items should complete a yellow REQUEST TO ADDRESS BOARD OF TRUSTEES form located on the table at the entrance to the Performing Arts Theater. Request forms are to be submitted to the Board Clerk before each item is discussed.

8.1 (D/A) **RATIFY THE TENETAIVE AGREEMENT BETWEEN THE WESTERN PLACER UNIFIED SCHOOL DISTRICT AND THE WESTERN PLACER CLASSIFIED EMPLOYEES' ASSOCIATION TO AMEND ARTICLE VI, PARAGRAPH D OF THE CONTRACT – Stewart** *(03-04 G & O Component IV-V)*

•Historically bus driver's pay period runs from 16th to the 15th of each month. This pay structure necessitated that the drivers be paid on the first day of each month, instead of the last workday of each month like other regular employee in the district. In an effort to standardize their payrolls for all of the school districts in Placer County, we were asked to adjust our bus driver payroll process. This action will put the bus drivers on the same payroll cycle as everyone else.

8.2 (D/A) **APPROVE THE CONFIDENTIAL EMPLOYEE RECLASSIFICATION STUDY EFFECTIVE JULY 1, 2004 - Stewart** *(03-04 G & O Component IV-V)*

•The second year of the two-year salary and benefit agreement with the confidential employees stipulated that a reclassification study would be performed and then implemented as of July 01, 2004. Those positions that were not reclassified would instead receive a 1.50% salary increase. The total cost for the confidential employees' salary improvement is $24,036. This increase was already reflected in the District's multi-year projections.

8.3 (D/A) **APPROVE THE CERTIFICATED MANAGEMENT EMPLOYEE SALARY IMPROVEMENT EFFECTIVE JULY 1, 2004 – Stewart** *(03-04 G & O Component IV-V)*

•The second year of the two-year salary and benefit agreement with the certificated management employees stipulated that a salary comparison would be performed with neighboring school districts and implemented as of July 1, 2004. Those positions that were found to be in line with the comparison school district would instead receive a 1.50% salary increase. The remainder of the certificated management positions will receive a 1.50% salary increase. This increase was already reflected in the District's multi-year projections.

8.4 (D/A) **ADOPT DECLARATION OF NEED FOR FULLY QUALIFIED EDUCATORS – Noyes** *(04 G & O Component IV)*

•Each year the District must declare that there is an insufficient number of certificated persons who meet the district's employment criteria for the positions listed on the attached form. The declaration shall remain in force until June 30, 2005.

8.5 (D/A) **APPROVE RESOLUTION 03/04.41 TO ESTABLISH SCHOOL FEES – Stewart** *(03-04 G & O Component IV)*

•The attached resolution authorizes the District to impose level I school mitigation fees of $2.24 per square foot for residential development, and $.36 per square foot for commercial development. The fees are effective sixty days after the adoption of the resolution. The District is currently performing a Level II study, which may allow the school district to charge a higher fee.

8.6 (D/A) **APPROVAL OF THE PROPOSED INCREASE IN SCOPE TO THE LINCOLN HIGH SCHOOL ATHLETIC COMPLEX – Stewart** *(03-04 G & O Component IV-V)*

•A review and recommendation will be provided to the Board of Trustees regarding the potential of expanding the scope of the Lincoln High Athletic Complex.

8.7 (D/A) **ADOPTION OF THE FY 2004-05 DISTRICT BUDGET AND THE APPROVAL OF THE STATE FINANCIAL REPORTS – Stewart** *(03-04 G & O Component IV-V)*

•The FY 2004-05 District budget and State financial reports will be presented to the Board of Trustees for review and discussion.

8.8 (D/A) **APPROVE THE RESOLUTION 03/04.43 APPROVING THE EXECUTION AND DELIVERY OF CERTAIN AGREEMENTS AND DOCUMENTS IN CONNECTIONI WITH THE EXECUTION AND DELIVERY OF THE 2004A CERTIFICATES OF PARTICIPATION ON BEHALF OF THE DISTRICT AND OTHER MATTERS RELATED THERETO – Stewart** *(03-04 G & O Component IV-V)*

•The attached resolution and supporting documents authorize the District to issue its $35,000,000.00 certificates of participation for construction of the Twelve Bridges Middle School.

9. COMMENTS - BOARD OF TRUSTEES

9.1 FUTURE AGENDA ITEMS

The following are a number of agenda items that the Board of Trustees has been monitoring. They are NOT action items for tonight's meeting, but are noted here for continuing purposes and to ensure that when there are changes or new information they will be called up as Action/Discussion/Information.

- Relationship with Sierra Community College
- Carlin C. Coppin Elementary School Land Plan/Gladding Parkway
- Budget Suspensions for the 2004/05 School Year

9.2 BOARD MEMBER REPORTS/COMMENTS

10. ESTABLISHMENT OF NEXT MEETING(S)

- The President will establish the following meeting(s):
  >August 3, 2004, 7:00 p.m., Lincoln High School Performing Arts Building

11. ADJOURNMENT

BOARD BYLAW 9320: Individuals requiring disability-related accommodations or modifications including auxiliary aids and services in order to participate in the Board meeting should contact the Superintendent or designee in writing, at least two days prior to meeting date. (American Disabilities Act) Government Code 54954.1

Posted: 6/10/04
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DISCLOSURE

OF ACTION

TAKEN IN

CLOSED SESSION,

IF ANY

WESTERN PLACER UNIFIED SCHOOL DISTRICT

CLOSED SESSION AGENDA

PLACE: **Administrative Conference Room, 810 J Street**
DATE: **June 15, 2004**
TIME: **6:00 p.m.**

1. LICENSE/PERMIT DETERMINATION

2. SECURITY MATTERS

3. CONFERENCE WITH REAL PROPERTY NEGOTIATOR

4. CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATION

5. CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION

6. LIABILITY CLAIMS

7. THREAT TO PUBLIC SERVICES OR FACILITIES

8. PERSONNEL
   - •PUBLIC EMPLOYEE APPOINTMENT
   - •PUBLIC EMPLOYEE EMPLOYMENT
   - •PUBLIC EMPLOYEE PERFORMANCE EVALUATION
   - •PUBLIC EMPLOYEE DISCIPLINE/DISMISSAL/RELEASE
   - •COMPLAINTS OR CHARGES AGAINST AN EMPLOYEE

9. CONFERENCE WITH LABOR NEGOTIATOR

10. STUDENTS
    - **•STUDENT DISCIPLINE/EXPULSION PURSUANT TO E.C. 48918**
    - •STUDENT PRIVATE PLACEMENT
    - •INTERDISTRICT ATTENDANCE APPEAL
    - •STUDENT ASSESSMENT INSTRUMENTS
    - **•STUDENT RETENTION APPEAL, Pursuant to BP 5123**

1. LICENSE/PERMIT DETERMINATION
   a. Specify the number of license or permit applications.
2. SECURITY MATTERS
   a. Specify law enforcement agency
   b. Title of Officer,
3. CONFERENCE WITH REAL PROPERTY NEGOTIATOR
   a. Property: specify the street address, or if no street address the parcel number or unique other reference to the property under negotiation.
   b. Negotiating parties: specify the name of the negotiating party, not the agent who directly or through an agent will negotiate with the agency's agent.
   c. Under negotiations: specify whether the instructions to the negotiator will concern price, terms of payment or both.
4. CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATION
   a. Name of case: specify by reference to claimant's name, names or parties, case or claim number.
   b. Case name unspecified: specify whether disclosure would jeopardize service of process or existing settlement negotiations.
5. CONFERENCE WITH LEGAL COUNSEL-ANTICIPATED LITIGATION
   a. Significant exposure to litigation pursuant to subdivision (b) of Government Code section 54956.9 (if the agency expects to be sued) and also specify the number of potential cases.
   b. Initiation of litigation pursuant to subdivision (c) of Government Code Section 54956.9 (if the agency intends to initiate a suit) and specify the number of potential cases.
6. LIABILITY CLAIMS
   a. Claimant: specify each claimants name and claim number (if any). If the claimant is filing a claim alleging district liability based on tortuous sexual conduct or child abuse, the claimant's name need not be given unless the identity has already been publicly disclosed.
   b. Agency claims against.
7. THREATS TO PUBLIC SERVICES OR FACILITIES
   a. Consultation with: specify name of law enforcement agency and title of officer.
8. PERSONNEL:
   A. **PUBLIC EMPLOYEE APPOINTMENT**
      a. Identify title or position to be filled.
   B. **PUBLIC EMPLOYEE EMPLOYMENT**
      a. Identify title or position to be filled.
   C. **PUBLIC EMPLOYEE PERFORMANCE EVALUATION**
      a. Identify position of any employee under review.
   D. **PUBLIC EMPLOYEE DISCIPLINE/DISMISSAL/RELEASE**
      a. It is not necessary to give any additional information on the agenda.
   E. **COMPLAINTS OR CHARGES AGAINST AN EMPLOYEE, UNLESS EMPLOYEE REQUESTS OPEN SESSION**
      a. No information needed
9. CONFERENCE WITH LABOR NEGOTIATOR
   a. Name any employee organization with whom negotiations to be discussed are being conducted.
   b. Identify the titles of unrepresented individuals with whom negotiations are being conducted.
   c. Identify by name the agency's negotiator
10. STUDENTS:
   A. **STUDENT DISCIPLINE/EXPULSION PURSUANT TO E.C. 48918**
   B. **STUDENT PRIVATE PLACEMENT**
      ●Pursuant to Board Policy 6159.2
   C. **INTERDISTRICT ATTENDANCE APPEAL**
      a. Education Code 35146 and 48918
   D. **STUDENT ASSESSMENT INSTRUMENTS**
      a. Reviewing instrument approved or adopted for statewide testing program
   E. **STUDENT RETENTION/ APPEAL**
      a. Pursuant to Board Policy 5123

MISSION STATEMENT: Empower Students with the Skills, Knowledge, and Attitudes for Success in an Ever Changing World

BOARD OF TRUSTEE GLOBAL DISTRICT GOALS	COMPLIANCE CHECK LIST
1. Develop and continually upgrade a well articulated K-12 academic program that challenges all students to achieve their highest potential.	Complies with Board Policy ___ Complies with Site Plan (LIP)___ Complies with Governance & Management Document ___
2. Foster a safe, caring environment where individual differences are valued and respected.	Complies with District Goals___ Complies with District Mission Statement ___
3. Provide facilities for all district programs and functions that are suitable in terms of function, space, cleanliness and attractiveness.	Funding Sign-Off by J. Stewart___ Personnel Sign-Off by B. Noyes___
4. Promote the involvement of the community, local government, business, service organizations, etc. as partners in the education of our students.	Program Sign Off by S. Leaman___ SBLT Involvement ___ Initial

WESTERN PLACER UNIFIED SCHOOL DISTRICT
BOARD OF TRUSTEES
FACT SHEET

SUBJECT:
Student Discipline/Expulsion
Student #03-04 X

AGENDA ITEM AREA:
Disclosure of action taken in closed session

REQUESTED BY:
John Wyatt
District Hearing Officer

ENCLOSURES:

MEETING DATE:
June 15, 2004

BACKGROUND:
The Board of Trustees will disclose any action taken during closed session in Regards to the expulsion of Student #03-04 X

SUPERINTENDENT'S RECOMMENDATION:
The administration recommends the Board of Trustees disclose any action taken in regards to the above item.

MISSION STATEMENT: Empower Students with the Skills, Knowledge, and Attitudes for Success in an Ever Changing World

BOARD OF TRUSTEE GLOBAL DISTRICT GOALS

1. Develop and continually upgrade a well articulated K-12 academic program that challenges all students to achieve their highest potential.
2. Foster a safe, caring environment where individual differences are valued and respected.
3. Provide facilities for all district programs and functions that are suitable in terms of function, space, cleanliness and attractiveness.
4. Promote the involvement of the community, local government, business, service organizations, etc. as partners in the education of our students.

COMPLIANCE CHECK LIST

Complies with Board Policy ___
Complies with Site Plan (LIP) ___
Complies with Governance & Management Document ___
Complies with District Goals ___
Complies with District Mission Statement ___
Funding Sign-Off by J. Stewart ___
Personnel Sign-Off by B. Noyes ___
Program Sign Off by S. Leaman ___
SBLT Involvement ___
Initial

WESTERN PLACER UNIFIED SCHOOL DISTRICT
BOARD OF TRUSTEES
FACT SHEET

SUBJECT:
Student Discipline/Expulsion
Student #03-04 Y

AGENDA ITEM AREA:
Disclosure of action taken in closed session

REQUESTED BY:
John Wyatt
District Hearing Officer

ENCLOSURES:

MEETING DATE:
June 15, 2004

BACKGROUND:
The Board of Trustees will disclose any action taken during closed session in Regards to the expulsion of Student #03-04 Y

SUPERINTENDENT'S RECOMMENDATION:
The administration recommends the Board of Trustees disclose any action taken in regards to the above item.

2.1.b

MISSION STATEMENT: Empower Students with the Skills, Knowledge, and Attitudes for Success in an Ever Changing World.	
BOARD OF TRUSTEE/DISTRICT GOALS	*COMPLIANCE CHECK LIST*
1. Develop and continually upgrade a well articulated K-12 academic program that challenges all students to achieve their highest potential, with a special emphasis on students.	Complies with Board Policy Complies with Site Plan (LIP) Complies with Governance & Management Document
2. Foster a safe, caring environment where individual differences are valued and respected.	Complies with District Goals Complies with District Mission Statement
3. Provide facilities for all district programs and functions that are suitable in terms of function, space, cleanliness and attractiveness.	Funding Sign-Off by J. Stewart Personnel Sign-Off by B. Noyes
4. Promote the involvement of the community, parents, local government, business, service organizations, etc. as partners in the education of the students.	Program Sign Off by S. Leaman SBLT Involvement

WESTERN PLACER UNIFIED SCHOOL DISTRICT
BOARD OF TRUSTEE MEETING
FACT SHEET

SUBJECT:
Retention Appeal
Student #03/04 1

AGENDA ITEM AREA:
Disclosure of action taken in closed session

REQUESTED BY:
Scott Leaman,
Assistant Superintendent

ENCLOSURES:
Yes

MEETING DATE:
June 15, 2004

BACKGROUND:

The Board of Trustees will disclose any action taken during closed session in regards to the retention of student #03/04 1.

ADMINISTRATION'S RECOMMENDATION:
Administration recommends the Board of Trustees disclose any action taken in regards to the above item.

2.2.9

MISSION STATEMENT: Empower Students with the Skills, Knowledge, and Attitudes for Success in an Ever Changing World.	
BOARD OF TRUSTEE/DISTRICT GOALS	*COMPLIANCE CHECK LIST*
1. Develop and continually upgrade a well articulated K-12 academic program that challenges all students to achieve their highest potential, with a special emphasis on students.	Complies with Board Policy Complies with Site Plan (LIP) Complies with Governance & Management Document
2. Foster a safe, caring environment where individual differences are valued and respected.	Complies with District Goals Complies with District Mission Statement
3. Provide facilities for all district programs and functions that are suitable in terms of function, space, cleanliness and attractiveness.	Funding Sign-Off by J. Stewart Personnel Sign-Off by B. Noyes
4. Promote the involvement of the community, parents, local government, business, service organizations, etc. as partners in the education of the students.	Program Sign Off by S. Leaman SBLT Involvement

WESTERN PLACER UNIFIED SCHOOL DISTRICT
BOARD OF TRUSTEE MEETING
FACT SHEET

SUBJECT:
Retention Appeal
Student #03/04 2

AGENDA ITEM AREA:
Disclosure of action taken in closed session

REQUESTED BY:
Scott Leaman,
Assistant Superintendent

ENCLOSURES:
Yes

MEETING DATE:
June 15, 2004

BACKGROUND:

The Board of Trustees will disclose any action taken during closed session in regards to the retention of student #03/04 2.

ADMINISTRATION'S RECOMMENDATION:
Administration recommends the Board of Trustees disclose any action taken in regards to the above item.

2.2.b

MISSION STATEMENT: Empower Students with the Skills, Knowledge, and Attitudes for Success in an Ever Changing World.	
BOARD OF TRUSTEE/DISTRICT GOALS	*COMPLIANCE CHECK LIST*
1. Develop and continually upgrade a well articulated K-12 academic program that challenges all students to achieve their highest potential, with a special emphasis on students.	Complies with Board Policy Complies with Site Plan (LIP) Complies with Governance & Management Document
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3. Provide facilities for all district programs and functions that are suitable in terms of function, space, cleanliness and attractiveness.	Funding Sign-Off by J. Stewart Personnel Sign-Off by B. Noyes
4. Promote the involvement of the community, parents, local government, business, service organizations, etc. as partners in the education of the students.	Program Sign Off by S. Leaman SBLT Involvement

WESTERN PLACER UNIFIED SCHOOL DISTRICT
BOARD OF TRUSTEE MEETING
FACT SHEET

SUBJECT:
Retention Appeal
Student #03/04 3

AGENDA ITEM AREA:
Disclosure of action taken in closed session

REQUESTED BY:
Scott Leaman,
Assistant Superintendent

ENCLOSURES:
Yes

MEETING DATE:
June 15, 2004

BACKGROUND:

The Board of Trustees will disclose any action taken during closed session in regards to the retention of student #03/04 3.

ADMINISTRATION'S RECOMMENDATION:

Administration recommends the Board of Trustees disclose any action taken in regards to the above item.

2.2.C

MISSION STATEMENT: Empower Students with the Skills, Knowledge, and Attitudes for Success in an Ever Changing World.	
BOARD OF TRUSTEE/DISTRICT GOALS	*COMPLIANCE CHECK LIST*
1. Develop and continually upgrade a well articulated K-12 academic program that challenges all students to achieve their highest potential, with a special emphasis on students.	Complies with Board Policy Complies with Site Plan (LIP) Complies with Governance & Management Document
2. Foster a safe, caring environment where individual differences are valued and respected.	Complies with District Goals Complies with District Mission Statement
3. Provide facilities for all district programs and functions that are suitable in terms of function, space, cleanliness and attractiveness.	Funding Sign-Off by J. Stewart
4. Promote the involvement of the community, parents, local government, business, service organizations, etc. as partners in the education of the students.	Personnel Sign-Off by B. Noyes Program Sign Off by S. Leaman SBLT Involvement

WESTERN PLACER UNIFIED SCHOOL DISTRICT
BOARD OF TRUSTEE MEETING
FACT SHEET

SUBJECT:
Retention Appeal
Student #03/04 4

AGENDA ITEM AREA:
Disclosure of action taken in closed session

REQUESTED BY:
Scott Leaman,
Assistant Superintendent

ENCLOSURES:
Yes

MEETING DATE:
June 15, 2004

BACKGROUND:

The Board of Trustees will disclose any action taken during closed session in regards to the retention of student #03/04 4.

ADMINISTRATION'S RECOMMENDATION:
Administration recommends the Board of Trustees disclose any action taken in regards to the above item.

2.2.d

MISSION STATEMENT: Empower Students with the Skills, Knowledge, and Attitudes for Success in an Ever Changing World.	
BOARD OF TRUSTEE/DISTRICT GOALS	*COMPLIANCE CHECK LIST*
1. Develop and continually upgrade a well articulated K-12 academic program that challenges all students to achieve their highest potential, with a special emphasis on students.	Complies with Board Policy Complies with Site Plan (LIP) Complies with Governance & Management Document
2. Foster a safe, caring environment where individual differences are valued and respected.	Complies with District Goals Complies with District Mission Statement
3. Provide facilities for all district programs and functions that are suitable in terms of function, space, cleanliness and attractiveness.	Funding Sign-Off by J. Stewart Personnel Sign-Off by B. Noyes
4. Promote the involvement of the community, parents, local government, business, service organizations, etc. as partners in the education of the students.	Program Sign Off by S. Leaman SBLT Involvement

WESTERN PLACER UNIFIED SCHOOL DISTRICT
BOARD OF TRUSTEE MEETING
FACT SHEET

SUBJECT:
Retention Appeal
Student #03/04 5

AGENDA ITEM AREA:
Disclosure of action taken in closed session

REQUESTED BY:
Scott Leaman,
Assistant Superintendent

ENCLOSURES:
Yes

MEETING DATE:
June 15, 2004

BACKGROUND:

The Board of Trustees will disclose any action taken during closed session in regards to the retention of student #03/04 5.

ADMINISTRATION'S RECOMMENDATION:

Administration recommends the Board of Trustees disclose any action taken in regards to the above item.

2.2.e.

MISSION STATEMENT: Empower Students with the Skills, Knowledge, and Attitudes for Success in an Ever Changing World.	
BOARD OF TRUSTEE/DISTRICT GOALS	*COMPLIANCE CHECK LIST*
1. Develop and continually upgrade a well articulated K-12 academic program that challenges all students to achieve their highest potential, with a special emphasis on students.	Complies with Board Policy Complies with Site Plan (LIP) Complies with Governance & Management Document
2. Foster a safe, caring environment where individual differences are valued and respected.	Complies with District Goals Complies with District Mission Statement
3. Provide facilities for all district programs and functions that are suitable in terms of function, space, cleanliness and attractiveness.	Funding Sign-Off by J. Stewart
4. Promote the involvement of the community, parents, local government, business, service organizations, etc. as partners in the education of the students.	Personnel Sign-Off by B. Noyes Program Sign Off by S. Leaman SBLT Involvement

WESTERN PLACER UNIFIED SCHOOL DISTRICT
BOARD OF TRUSTEE MEETING
FACT SHEET

SUBJECT:
Retention Appeal
Student #03/04 6

AGENDA ITEM AREA:
Disclosure of action taken in closed session

REQUESTED BY:
Scott Leaman,
Assistant Superintendent

ENCLOSURES:
Yes

MEETING DATE:
June 15, 2004

BACKGROUND:

The Board of Trustees will disclose any action taken during closed session in regards to the retention of student #03/04 6.

ADMINISTRATION'S RECOMMENDATION:
Administration recommends the Board of Trustees disclose any action taken in regards to the above item.

2.2.f.

CONSENT

AGENDA

ITEMS

MISSION STATEMENT: Empower Students with the Skills, Knowledge, and Attitudes for Success In an Ever Changing World	
BOARD OF TRUSTEE GLOBAL DISTRICT GOALS	***COMPLIANCE CHECK LIST***
1. Develop and continually upgrade a well articulated K-12 academic program that challenges all students to achieve their highest potential. 2. Foster a safe, caring environment where individual differences are valued and respected. 3. Provide facilities for all district programs and functions that are suitable in terms of function, space, cleanliness and attractiveness. 4. Promote the involvement of the community, parents, local government, business, service organizations, etc. as partners in the education of the students.	Complies with Board Policy X Complies with Site Plan (LIP) ____ Complies with Governance & Management Document ___ Complies with District Goals X Complies with District Mission Statement ____ Funding Sign-Off by J. Stewart ____ Personnel Sign-Off by B. Noyes ____ Program Sign Off by S. Leaman ____ SBLT Involvement ____ Initial

WESTERN PLACER UNIFIED SCHOOL DISTRICT
BOARD OF TRUSTEE MEETING

FACT SHEET

SUBJECT:

Ratification of Certificated Resignation

AGENDA ITEM AREA:

Consent Agenda

REQUESTED BY:
Bob Noyes
Director, Human Services

ENCLOSURES:

MEETING DATE:
June 15, 2004

BACKGROUND:

The Board of Trustees will take action to ratify the resignation of:

Carla Heinecke – RSP Teacher – FSS

SUPERINTENDENT'S RECOMMENDATION:

Administration recommends the Board of Trustees ratify the resignation as listed.

4.1.a.1

MISSION STATEMENT: Empower Students with the Skills, Knowledge, and Attitudes for Success In an Ever Changing World	
BOARD OF TRUSTEE GLOBAL DISTRICT GOALS	***COMPLIANCE CHECK LIST***
1. Develop and continually upgrade a well articulated K-12 academic program that challenges all students to achieve their highest potential.	Complies with Board Policy X Complies with Site Plan (LIP) ____ Complies with Governance & Management Document ___
2. Foster a safe, caring environment where individual differences are valued and respected.	Complies with District Goals X Complies with District Mission Statement ____
3. Provide facilities for all district programs and functions that are suitable in terms of function, space, cleanliness and attractiveness.	Funding Sign-Off by J. Stewart ____
4. Promote the involvement of the community, parents, local government, business, service organizations, etc. as partners in the education of the students.	Personnel Sign-Off by B. Noyes BN Program Sign Off by S. Leaman ____ SBLT Involvement ____ Initial

WESTERN PLACER UNIFIED SCHOOL DISTRICT
BOARD OF TRUSTEE MEETING

FACT SHEET

SUBJECT:

Ratification of Certificated Resignations

AGENDA ITEM AREA:

Consent Agenda

REQUESTED BY:
Bob Noyes
Director, Human Services

ENCLOSURES:

MEETING DATE:
June 15, 2004

BACKGROUND:

The Board of Trustees will take action to ratify the resignations of:

Kristina Drlik – 4th Grade Teacher – CCC
Nicole Schug – Kindergarten Teacher – FSS
Sabrina Ketchum – English Teacher – LHS

SUPERINTENDENT'S RECOMMENDATION:

Administration recommends the Board of Trustees ratify the resignations as listed.

4.1.9.9.1.4

MISSION STATEMENT: Empower Students with the Skills, Knowledge, and Attitudes for Success In an Ever Changing World	
BOARD OF TRUSTEE GLOBAL DISTRICT GOALS	***COMPLIANCE CHECK LIST***
1. Develop and continually upgrade a well articulated K-12 academic program that challenges all students to achieve their highest potential. 2. Foster a safe, caring environment where individual differences are valued and respected. 3. Provide facilities for all district programs and functions that are suitable in terms of function, space, cleanliness and attractiveness. 4. Promote the involvement of the community, parents, local government, business, service organizations, etc. as partners in the education of the students.	Complies with Board Policy __X__ Complies with Site Plan (LIP) ____ Complies with Governance & Management Document ___ Complies with District Goals __X__ Complies with District Mission Statement ____ Funding Sign-Off by J. Stewart ____ Personnel Sign-Off by B. Noyes ____ Program Sign Off by S. Leaman ____ SBLT Involvement ____ Initial

WESTERN PLACER UNIFIED SCHOOL DISTRICT
BOARD OF TRUSTEE MEETING
FACT SHEET

SUBJECT:
Request for 2004/2005
School Year Leave of Absence

AGENDA ITEM AREA:
Consent Agenda

REQUESTED BY:
Bob Noyes
Director, Human Services

ENCLOSURES:

MEETING DATE:
June 15, 2004

BACKGROUND:

The Board of Trustees will take action on a request for Leave of Absence from:

Paula DePaoli – 8th Grade Science Teacher – GEM

SUPERINTENDENT'S RECOMMENDATION:

Administration recommends the Board of Trustees ratify the request as listed.

Boardfactsheet.doc

4.1.a.9.2

MISSION STATEMENT: Empower Students with the Skills, Knowledge, and Attitudes for Success In an Ever Changing World	
BOARD OF TRUSTEE GLOBAL DISTRICT GOALS	*COMPLIANCE CHECK LIST*
1. Develop and continually upgrade a well articulated K-12 academic program that challenges all students to achieve their highest potential. 2. Foster a safe, caring environment where individual differences are valued and respected. 3. Provide facilities for all district programs and functions that are suitable in terms of function, space, cleanliness and attractiveness. 4. Promote the involvement of the community, parents, local government, business, service organizations, etc. as partners in the education of the students.	Complies with Board Policy x Complies with Site Plan (LIP) ____ Complies with Governance & Management Document ___ Complies with District Goals x Complies with District Mission Statement ____ Funding Sign-Off by J. Stewart ____ Personnel Sign-Off by B. Noyes ____ Program Sign Off by S. Leaman ____ SBLT Involvement ____ Initial

WESTERN PLACER UNIFIED SCHOOL DISTRICT
BOARD OF TRUSTEE MEETING
FACT SHEET

SUBJECT:

Ratification of Classified Employment for 2004/2005 School Year

AGENDA ITEM AREA:

Consent Agenda

REQUESTED BY:
Bob Noyes
Director, Human Services

ENCLOSURES:

MEETING DATE:
June 15, 2004

BACKGROUND:

The Board of Trustees will take action to ratify the employment of:

Ernesto Sanchez – Custodian/Groundsman (1.00 FTE) - COE

SUPERINTENDENT'S RECOMMENDATION:

Administration recommends ratification of employment of the individual listed above.

Boardfactsheet.doc

4.1.b.b.1

MISSION STATEMENT: Empower Students with the Skills, Knowledge, and Attitudes for Success In an Ever Changing World	
BOARD OF TRUSTEE GLOBAL DISTRICT GOALS	***COMPLIANCE CHECK LIST***
1. Develop and continually upgrade a well articulated K-12 academic program that challenges all students to achieve their highest potential.	Complies with Board Policy __x__ Complies with Site Plan (LIP) ____ Complies with Governance & Management Document ____
2. Foster a safe, caring environment where individual differences are valued and respected.	Complies with District Goals __x__ Complies with District Mission Statement ____
3. Provide facilities for all district programs and functions that are suitable in terms of function, space, cleanliness and attractiveness.	Funding Sign-Off by J. Stewart ____
4. Promote the involvement of the community, parents, local government, business, service organizations, etc. as partners in the education of the students.	Personnel Sign-Off by B. Noyes ____ Program Sign Off by S. Leaman ____ SBLT Involvement ____ Initial

WESTERN PLACER UNIFIED SCHOOL DISTRICT
BOARD OF TRUSTEE MEETING
FACT SHEET

SUBJECT:

Ratification of Classified Transfers for the 2004/2005 School Year

AGENDA ITEM AREA:

Consent Agenda

REQUESTED BY:
Bob Noyes
Director, Human Services

ENCLOSURES:

MEETING DATE:
June 15, 2004

BACKGROUND:

The Board of Trustees will take action to ratify the transfers of:

Kelle LeBeau – Library Technician (.58 FTE) – Sheridan to COE (1.00 FTE)
Computer Lab Technician – (.30 FTE) – Sheridan to COE
Clementina Hoyos – Food Service Assistant(.25 FTE) – LHS to GEM (.57 FTE)
Kathy Johnson – Instructional Aide (.25 FTE) – CCC to CCC (.50 FTE)

SUPERINTENDENT'S RECOMMENDATION:

Administration recommends ratification of classified transfers of the individuals listed above.

Boardfactsheet.doc

4.1.b.b.2.1

MISSION STATEMENT: Empower Students with the Skills, Knowledge, and Attitudes for Success In an Ever Changing World	
BOARD OF TRUSTEE GLOBAL DISTRICT GOALS	***COMPLIANCE CHECK LIST***
1. Develop and continually upgrade a well articulated K-12 academic program that challenges all students to achieve their highest potential. 2. Foster a safe, caring environment where individual differences are valued and respected. 3. Provide facilities for all district programs and functions that are suitable in terms of function, space, cleanliness and attractiveness. 4. Promote the involvement of the community, parents, local government, business, service organizations, etc. as partners in the education of the students.	Complies with Board Policy X Complies with Site Plan (LIP) ____ Complies with Governance & Management Document ____ Complies with District Goals X Complies with District Mission Statement ____ Funding Sign-Off by J. Stewart ____ Personnel Sign-Off by B. Noyes ____ Program Sign Off by S. Leaman ____ SBLT Involvement ____ Initial

WESTERN PLACER UNIFIED SCHOOL DISTRICT
BOARD OF TRUSTEE MEETING

FACT SHEET

SUBJECT:

Ratification of Certificated Management Employment

AGENDA ITEM AREA:

Consent Agenda

REQUESTED BY:
Bob Noyes
Director, Human Services

ENCLOSURES:

MEETING DATE:
June 15, 2004

BACKGROUND:

The Board of Trustees will take action to ratify the employment of:

Joseph Nokes – Elementary Principal – COE
Jeremy Lyche – Elementary Principal – TBE

SUPERINTENDENT'S RECOMMENDATION:

Administration recommends the Board of Trustees ratify the employment as listed.

4.1.C.1.1

WESTERN PLACER UNIFIED SCHOOL DISTRICT
BOARD OF TRUSTEE MEETING FACT SHEET

MISSION STATEMENT: Empower Students with the Skills, Knowledge, and Attitudes for Success in an Ever Changing World.
BOARD OF TRUSTEES/GLOBAL DISTRICT GOALS
1. Develop and continually upgrade a well articulated K-12 academic program that challenges all students to achieve their highest potential, with a special emphasis on students. 2. Foster a safe, caring environment where individual differences are valued and respected. 3. Provide facilities for all district programs and functions that are suitable in terms of function, space, cleanliness and attractiveness. 4. Promote the involvement of the community, parents, local government, business, service organizations etc. as partners in the education of the students.

AGENDA ITEM:

Approve Resolution 03/04.40 to Authorize Designated Personnel to Sign Contract Documents for Fiscal Year 2003-04.

SUBJECT AREA:

Consent Agenda

REQUESTED BY:

Jay M. Stewart
Assistant Superintendent, Business Services

ENCLOSURES:

Yes

BOARD MEETING DATE:

June 15, 2004

BACKGROUND:

The attached resolution is required prior to signing child development contracts and grants.

SUPERINTENDENT'S RECOMMENDATION:

Administration recommends the Board of Trustees Approve Resolution 03/04.40 to authorize designated personnel to sign contract documents for fiscal year 2003-04.

RESOLUTION 03/04.40

This resolution must be adopted in order to certify the approval of the Governing Board to enter into this transaction with the California Department of Education for the purpose of providing child care and development services **and to authorize the designated personnel to sign contract documents for Fiscal Year 2003/04.**

RESOLUTION

BE IT RESOLVED that the Governing Board of Western Placer Unified School District

authorizes entering into local agreement number/s GPKR and that the person/s who is/are listed below, is/are authorized to sign the transaction for the Governing Board.

NAME	TITLE	SIGNATURE
Jay M. Stewart	Assistant Superintendent	

PASSED AND ADOPTED THIS 15th day of June 2003/04, by the Governing Board of Western Placer Unified School District of Placer County, California.

I, Karen Roberts, Clerk of the Governing Board of Western Placer Unified, of Placer, County, California, certify that the foregoing is a full, true and correct copy of a resolution adopted by the said Board at a regular meeting thereof held at a regular public place of meeting and the resolution is on file in the office of said Board.

(Clerk's signature) 06/15/04 (Date)

4.2.1

WESTERN PLACER UNIFIED SCHOOL DISTRICT
BOARD OF TRUSTEE MEETING FACT SHEET

MISSION STATEMENT: Empower Students with the Skills, Knowledge, and Attitudes for Success in an Ever Changing World.
BOARD OF TRUSTEES/GLOBAL DISTRICT GOALS
1. Develop and continually upgrade a well articulated K-12 academic program that challenges all students to achieve their highest potential, with a special emphasis on students.
2. Foster a safe, caring environment where individual differences are valued and respected.
3. Provide facilities for all district programs and functions that are suitable in terms of function, space, cleanliness and attractiveness.
4. Promote the involvement of the community, parents, local government, business, service organizations etc. as partners in the education of the students.

AGENDA ITEM:

Ratify Blackburn Consulting's Geotechnical Observation and Testing Services Proposal for the Foskett Ranch Elementary School.

SUBJECT AREA:

Consent Agenda

REQUESTED BY:

Jay M. Stewart
Assistant Superintendent, Business Services

ENCLOSURES:

Yes

BOARD MEETING DATE:

June 15, 2004

BACKGROUND:

The attached proposal authorizes Blackburn Consulting to perform the required geotechnical services during the construction of the Foskett Ranch Elementary School. The total amount of the time and expense contract is estimated at $53,037. The District will approve any changes to the proposal that are based on the construction schedule.

SUPERINTENDENT'S RECOMMENDATION:

Administration recommends the Board of Trustees ratify Blackburn Consulting's geotechnical observation and testing services proposal for the Foskett Ranch Elementary School.

2437 Front St. ▪ West Sacramento, CA 95691
(916) 375-8706 ▪ Fax (916) 375-8709

blackburn consulting

3265 Fortune Court ▪ Auburn, CA 95602-7847
(530) 887-1494 ▪ Fax (530) 887-1495

Geotechnical/Geo-Environmental/Materials Engineering and Forensics ▪ Construction Management and Inspections

May 21, 2004

Mr. Jay Stewart
Western Placer Unified School District
810 J Street
Lincoln, CA 95648
Phone (916) 645-6350
Fax (916) 645-6356

Subject: **Foskett Ranch Elementary School**
Lincoln, California
Geotechnical Observation and Testing Services Proposal

Dear Mr. Stewart,

At the request of NTD Architects, Blackburn Consulting, Inc. (BCI) prepared this proposal to provide geotechnical observation and testing services during construction of Foskett Ranch Elementary School in Lincoln, California. For our review, NTD Architects provided the August 28, 2003 plans (including Addendums 1-2) and June 1, 2003 specifications (including Addendums 1-5) for the project.

Below, we present our proposed Scope of Services, Fee and Agreement.

Scope of Services

Since a grading schedule was not provided, we estimated one based on our knowledge of the project, review of the above plans and specificaitons, and our experience with similar projects. We propose the following scope of services based on our estimated construction schedule:

Task 1: Project Plan and Specification Review/Pre-construction Meeting

We will review the DSA-approved plans and specifications for conformance with our geotechnical report for the project. BCI will prepare a letter with our comments and recommended changes, if any. Prior to construction, BCI's project manager and field technician will attend the pre-construction meeting.

4.3.1

Task 2: Geotechnical Observation and Testing

BCI will perform near full-time geotechnical observation and nuclear density testing during mass grading and import nonexpansive fill placement. We will provide part-time geotechnical observation and testing during compaction of pavement subgrade/aggregate base, curb and gutter subgrade, sidewalk subgrade, and trench backfill.

We will prepare Daily Field Reports (DFR's) to document our observation and testing services during grading. The DFR's will be reviewed by a BCI engineer and provided to you, the Project Architect, Project Structural Engineer, Project Inspector and DSA on a weekly basis. Our field technician will verbally communicate any out-of-conformance observations or tests to the grading contractor and Project Inspector on a daily basis.

Our observation and testing services should not be considered direction or supervision of the contractor's work. The contractor is responsible for performing the work in accordance with the DSA-approved, specifications and geotechnical report.

Task 3: Laboratory Testing

BCI will perform maximum density curves on fill material as needed to evaluate fill compaction. We will perform expansion index testing to evaluate potential import fill.

Task 4: Laboratory Verified Report

Upon completion of site earthwork, BCI will prepare and submit a Laboratory Verified Report per DSA Requirements. This report will summarize our geotechnical observation and testing services and include an opinion as to the conformance of the earthwork with the DSA-approved plans and specifications, and our geotechnical report recommendations.

Fee

We will perform the scope of services outlined above on a time and expense basis for an estimated fee of $53,037. We will not exceed this fee without a change in scope and your authorization. An itemization of our fee estimate is attached. Additional requested services, including overtime, will be billed on a time and expense basis in accordance with our current fee schedule.

The above fee estimate is based on our estimated construction schedule. Our final budget will depend on the contractor's actual schedule during grading. Once a construction schedule is available, we can revise this proposal if desired.

Technician Scheduling

Please provide at least 24 hours notice when scheduling our field observation and testing services. We understand that this is not always possible and will make every effort to respond if shorter notice is provided.

4.3.2

Agreement

If the above scope of services and fee estimate is acceptable, please sign the attached Agreement and return a copy to us as our authorization to proceed.

We look forward to a successful project. Please call if you have questions or require additional information.

Sincerely,

BLACKBURN CONSULTING, INC.

Reviewed by:

David J. Morrell, P.E.
Project Manager

Robert B. Lokteff, G.E.
Senior Project Manager

Copy: 1 to Addressee
1 to NTD Architects/Mr. Schiller Cassell

Attachments: Fee Itemization
Agreement

4.3.3

Foskett Ranch Elementary School

Fee Estimate for Geotechnical Observation and Testing Services

blackburn consulting

2437 Front Street
West Sacramento, CA 95691
Ph: (916) 375-8706
Fax: (916) 375-8709

Date: May 21, 2004

Task	Item	Quantity	Rate	Unit	Mult.	Item cost	Task Subtotal
Plan Review & Preconst. Mtg	Proj. Mgr.	8	$130	hour	1	$1,040	
	Tech-Prevailing Wage	1	$85	hour	1	$85	
	Tech-Offsite	3	$75	hour	1	$225	
	Mileage	140	$0.60	mile	1	$84	
							$ 1,434
Mass Grading & Finish Pad Grading (15, 8-hr days) (4, 4-hr days)	Tech-Prevailing Wage	117	$85	hour	1	$9,945	
	Tech-Offsite	19	$75	hour	1	$1,425	
	Nuclear Density Tests	90	$7	ea	1	$630	
	Proj. Mgr.-visits, review	12	$130	hour	1	$1,560	
	Mileage	1275	$0.60	mile	1	$765	
							$ 14,325
Footing Observation (10, 3-hr days)	Tech-Prevailing Wage	10	$85	hour	1	$850	
	Tech-Offsite	10	$75	hour	1	$750	
	Mileage	1190	$0.60	mile	1	$714	
							$ 2,314
Pavement Subgrade & Aggregate Base (12, 4-hr days)	Tech-Prevailing Wage	36	$85	hour	1	$3,060	
	Tech-Offsite	12	$75	hour	1	$900	
	Nuclear Density Tests	50	$7	ea	1	$350	
	Proj. Mgr.-review	8	$130	hour	1	$1,040	
	Mileage	1200	$0.60	mile	1	$720	
							$ 6,070
Sidewalk Subgrade & Aggregate Base (12, 4hr days)	Tech-Prevailing Wage	36	$85	hour	1	$3,060	
	Tech-Offsite	12	$75	hour	1	$900	
	Nuclear Density Tests	30	$7	ea	1	$210	
	Proj. Mgr.-review	8	$130	hour	1	$1,040	
	Mileage	840	$0.60	mile	1	$504	
							$ 5,714
Utility Backfill (30, 6hr days)	Tech-Prevailing Wage	150	$85	hour	1	$12,750	
	Tech-Offsite	30	$75	hour	1	$2,250	
	Nuclear Density Tests	120	$7	ea	1	$840	
	Proj. Mgr.-Review	8	$130	hour	1	$1,040	
	Mileage	1750	$0.60	mile	1	$1,050	
							$ 17,930
Laboratory	Maximum Density Curve	9	$250	test	1	$2,250	
	Expansion Index	4	$200	test	1	$800	
							$ 3,050
Submittal Letters and Final Letter	Proj. Mgr.	10	$130	hour	1	$1,300	
	Senior Proj. Mgr	6	$150	hour	1	$900	
							$ 2,200
Total Fee Estimate							**$ 53,037**

4.3.4

blackburn consulting

3265 Fortune Court, Auburn, CA 95602-7847
Phone: (530) 887-1494, Fax: (530) 887-1495

AGREEMENT

Sign and Return

"We", "Us" and **"Our"** means **Blackburn Consulting Inc. (BCI). "You"** and **"Your"** means the **Western Placer Unified School District** and Your successors or assigns. **You** and **Us** will be jointly referred to as "we", or "us".

SERVICES

We will provide the Geotechnical Engineering Services listed under "Scope of Services" in accordance with the standard care of geotechnical engineers providing similar services under similar conditions. **We** do not warrant or guarantee **Our** Services. **We** are not responsible for other parties' interpretations or use of information we develop.

SCOPE of SERVICES

Provide Geotechnical Observation and Testing Services for Foskett Ranch Elementary School as outlined in Our May 21, 2004 proposal to You.

PAYMENT

You will pay our invoices upon receipt. You will pay a late payment charge at the rate of 1 ½% per month beginning 30 days after receipt. At **Our** option, **We** may suspend or terminate this Agreement and withhold services/documents if payments are not made when due.

SUBSURFACE CONDITION

You will provide **Us** with all information **You** have, or can reasonably obtain, concerning the Project, including subsurface conditions and the location of subsurface or hidden pipes, utilities or structures. **We** will attempt to avoid damage to subsurface structures, but are not responsible for any damage to subsurface pipes, utilities or structures **You** have not disclosed to **Us**.

HAZARDOUS MATERIALS

We will not investigate, treat, transport or dispose or arrange for transport, treatment or disposal of Hazardous Materials. If hazardous materials are discovered at the project site, we can terminate our obligations under this Agreement.

LIMITATIONS ON REMEDIES

Your remedy against **Us**, **Our** employees and/or subcontractors for damages arising from Services or from this Agreement is limited to $200,000 under this Agreement. **You** can increase **Your** remedy limit against us to $1MM by increasing our fees by 20%. To raise **your** remedy limits, either check the box below, or notify **us** in writing before **we** commence services. Neither of us will be liable for consequential damages incurred by either of us.

☐ Raise remedy to $1MM in exchange for 20% fee increase.

INDEMNIFICATION

You agree to indemnify **us** for all remedies arising from any parties or third parties in excess of the limits chosen above.

INSURANCE

We will maintain claims made professional liability insurance, general liability, and automobile liability insurance. **You** have, or will purchase, property insurance sufficient to protect any property in which **You** have an insurable interest. We waive any claims against each other for damage to property covered, or that should have been covered by property insurance required by this paragraph, including subrogated claims.

MEDIATION

Prior to any litigation, arbitration or other proceeding, we will attempt to mediate any dispute between us. The American Arbitration Association will conduct the mediation, unless we otherwise agree. We will equally share all fees and costs of the mediation.

TERMINATION

Either of us may terminate this Agreement for convenience or cause by giving 3 days written notice. If either party terminates this agreement, **You** shall pay **Us** for all work performed prior to termination

FULL AND FINAL AGREEMENT

This Agreement is the full and final agreement between us, supersedes any prior agreements, and may not be modified except by a writing executed by both of us.

TIME BAR TO LEGAL ACTION

All legal actions by either party against the other in any way connected with this Agreement shall be barred after 10 years from the date of **Our** substantial completion.

BIOLOGICAL POLLUTANTS

Our scope does not include investigation or detection of any Biological Pollutants in or around any structure. **You** agree that **We** have no liability for any claim regarding bodily injury or property damage alleged or actual, caused by any Biological Pollutants in or around any structure. In addition, **You** will defend, indemnity, and hold **Us** harmless from any 3rd party claim for damages alleged or actual, caused by any Biological Pollutants in or around any structure, except for damages caused by **Our** sole negligence. "Biological Pollutants" includes molds, fungi, spores, bacteria, and viruses, and the byproducts of any such biological organisms.

CONSTRUCTION MONITORING

You understand that **our** geotechnical report is preliminary. **Our** firm must monitor construction to review **our** assumptions in the geotechnical report and make changes where necessary. If **you** or another party hire another firm to monitor construction, BCI will not be responsible for any other parties' interpretation of **Our** Report.

CLIENT: WESTERN PLACER UNIFIED SCHOOL DISTRICT
Signature: Jay M Stewart
Print Name/Title: Jay M Stewart, Asst Supt.
Date: 5/27/04

BLACKBURN CONSULTING INC.
Signature: Robert B. Lokteff
Print Name/Title: Robert B. Lokteff, Project Manager
Date: May 21, 2004

4.3.5

MISSION STATEMENT: Empower Students with the Skills, Knowledge, and Attitudes for Success In an Ever Changing World	
BOARD OF TRUSTEE GLOBAL DISTRICT GOALS	***COMPLIANCE CHECK LIST***
1. Develop and continually upgrade a well articulated K-12 academic program that challenges all students to achieve their highest potential.	Complies with Board Policy X Complies with Site Plan (LIP) ____ Complies with Governance & Management Document ___
2. Foster a safe, caring environment where individual differences are valued and respected.	Complies with District Goals X Complies with District Mission Statement ____
3. Provide facilities for all district programs and functions that are suitable in terms of function, space, cleanliness and attractiveness.	Funding Sign-Off by J. Stewart ____
4. Promote the involvement of the community, parents, local government, business, service organizations, etc. as partners in the education of the students.	Personnel Sign-Off by B. Noyes BN Program Sign Off by S. Leaman ____ SBLT Involvement ____ Initial

WESTERN PLACER UNIFIED SCHOOL DISTRICT
BOARD OF TRUSTEE MEETING

FACT SHEET

SUBJECT:

Mentor Teacher Approval

AGENDA ITEM AREA:

Consent Agenda

REQUESTED BY:
Bob Noyes BN
Director, Human Services

ENCLOSURES:
Yes (3)

MEETING DATE:
June 15, 2004

BACKGROUND:

In accordance with Article XIX (Mentor Teacher Program) of the collective bargaining agreement between the Western Placer Unified School District and the Western Placer Teachers' Association, Dale Hannum, a first grade teacher at Carlin C. Coppin Elementary School has been selected as the WPUSD BTSA Site Coordinator. Her duties will commence upon board approval. The term of office is three years.

SUPERINTENDENT'S RECOMMENDATION:

Administration recommends approval of the BTSA Site Coordinator as described above by the Western Placer Board of Trustees.

WESTERN PLACER UNIFIED SCHOOL DISTRICT
810 J STREET
LINCOLN, CA 95648

ANNOUNCEMENT OF WPUSD BTSA SITE COORDINATOR

May 18, 2004

Open to currently employed tenured teachers

POSITION: **One Position**

WPUSD BTSA SITE COORDINATOR RESPONSIBILITIES:

1. Attend five days training in Santa Cruz New Teacher Center - Formative Assessment System.
2. Attend six – three hour Forums at PCOE.
3. Provide support, as needed, for BTSA coaches.
4. Disaggregate and distribute all program materials from the District, County, and State.
5. Plan, participate in, and facilitate support and training activities for BTSA coaches.
6. Attend all coach orientations, monthly coach forums, and any additional professional development offered to coaches to improve their skills and knowledge.
7. Communicate monthly with Site and District Administrators and Consortium Directors regarding program effectiveness, the formative assessment system, and beginning teacher working conditions.
8. Participate in the program evaluation process and comply with district and consortium reporting procedures.

STIPEND: $4,000

*Mentor will report directly to the Director of Human Services.

APPLY AT: Western Placer Unified School District (Letter of Intent)
810 J Street
Lincoln, CA 95648
Phone: (916) 645-6350

DEADLINE: **Received by Thursday, May 21, 2004 by 4:00 p.m. at the District Office**

EQUAL OPPORTUNITY EMPLOYER-CERTIFICATED & CLASSIFIED EMPLOYEES HAVE AGENCY SHOP

4.4.1

6. Attend all coach orientations, monthly coach forums, and any additional professional development offered to coaches to improve their skills and knowledge.
7. Communicate monthly with Site and District Administrators and Consortium Directors regarding program effectiveness, the formative assessment system, and beginning teacher working conditions.
8. Participate in the program evaluation process and comply with district and consortium reporting procedures.

STIPEND: $4,000

*Mentor will report directly to the Director of Human Services.

APPLY AT: Western Placer Unified School District (Letter of Intent)
810 J Street
Lincoln, CA 95648
Phone: (916) 645-6350

DEADLINE: **Received by Thursday, May 21, 2004 by 4:00 p.m. at the District Office**

EQUAL OPPORTUNITY EMPLOYER-CERTIFICATED & CLASSIFIED EMPLOYEES HAVE AGENCY SHOP

TRANSACTION REPORT

MAY-18-2004 TUE 08:39 AM

FOR:

DATE START	RECEIVER	TX TIME	PAGES	TYPE	NOTE	M#	DP
BROADCAST							
MAY-18 08:34 AM	COES	30"	1	SEND	OK	738	
08:35 AM	SHERIDAN	16"	1	SEND	OK	738	
08:35 AM	LHS	28"	1	SEND	OK	738	
08:36 AM	CCC	27"	1	SEND	OK	738	
08:37 AM	GEMS	32"	1	SEND	OK	738	
08:38 AM	PHS	27"	1	SEND	OK	738	
08:39 AM	FSS	28"	1	SEND	OK	738	

TOTAL : 3M 8S PAGES: 7

P.01

4.4.2

WESTERN PLACER UNIFIED SCHOOL DISTRICT

810 J Street
Lincoln, CA 95648

(916) 645-6350
(916) 645-6356 FAX

Superintendent
Roger R. Yohe

Board of Trustees
Marcia Harris
Paul Long
Earl Mentze
Karen Roberts
Nels Tahti

Asst. Superintendent,
Business Services
Jay M. Stewart

Asst. Superintendent,
Educational
Services
Scott Leaman

Director,
Human Services
Robert Noyes

May 27, 2004

Dear Dale,

On behalf of the Mentor Selection Committee, Congratulations!

Pending board approval on June 2,2004 you have been selected as the BTSA Site Coordinator Mentor for Western Placer Unified School District. The Mentor Selection Committee thanks you for your excellent presentation. You will be a very important part of the academic life of the district.

Your mentorship position will be reevaluated at the end of this school year because of the Peer Assistance and Review (PAR) program funding pertaining to mentorships. Without financial assistance from the PAR Panel, the district would not be able to establish mentorships and we are fortunate the PAR panel has established a mentorship to focus on BTSA (Beginning Teacher Support and Assessment). This position will officially commence on the date of your Board approval.

Please call me to schedule a meeting to establish your goals. I look forward to working with you in the coming year.

Sincerely,

Bob Noyes, on behalf of the Peer Assistance and Review Panel serving as the Mentor Selection Committee (Lee Beckman, Gregg Law, Rob Kerrigan, Bob Noyes, and Scott Leaman)

cc: Roger Yohe
Bob Noyes
John Bliss

"PURSUIT OF EXCELLENCE"

4.4.3

MISSION STATEMENT: Empower Students with the Skills, Knowledge, and Attitudes for Success In an Ever Changing World	
BOARD OF TRUSTEE GLOBAL DISTRICT GOALS	***COMPLIANCE CHECK LIST***
1. Develop and continually upgrade a well articulated K-12 academic program that challenges all students to achieve their highest potential.	Complies with Board Policy ____ Complies with Site Plan (LIP) ____ Complies with Governance & Management Document ___
2. Foster a safe, caring environment where individual differences are valued and respected.	Complies with District Goals ____ Complies with District Mission Statement ____
3. Provide facilities for all district programs and functions that are suitable in terms of function, space, cleanliness and attractiveness.	Funding Sign-Off by J. Stewart ____
	Personnel Sign-Off by B. Noyes ____
4. Promote the involvement of the community, parents, local government, business, service organizations, etc. as partners in the education of the students.	Program Sign Off by S. Leaman ____
	SBLT Involvement ____ Initial

WESTERN PLACER UNIFIED SCHOOL DISTRICT
BOARD OF TRUSTEE MEETING
FACT SHEET

SUBJECT:

Peer Assistance And Review
End-of-Year Report

AGENDA ITEM AREA:

Consent

REQUESTED BY:

Bob Noyes
Director, Human Services

ENCLOSURES:

Yes (6)

MEETING DATE:

June 15, 2004

BACKGROUND:

Education Code 44500-44508, added by AB 1X (Ch. 4, Statutes of 1999, First Extraordinary Session), establishes the Peer Assistance and Review Program for Teachers. The program becomes fully operational on July 1, 2001, at which time it replaces the California Mentor Teacher Program (Education Code 44490-44498).
Each year the Peer Assistance and Review Panel is to provide an end-of-year report to the school Board.

SUPERINTENDENT'S RECOMMENDATION:

No action required. The report is for discussion/information purposes only at this time.

Boardfactsheet.doc

WESTERN PLACER UNIFIED SCHOOL DISTRICT

PEER ASSISTANCE AND REVIEW PROGRAM

2003-2004 END OF YEAR REPORT

4.5.1

VISION:

Provide the highest quality of instruction and subject matter knowledge in every classroom by facilitating individual teachers in their process of reflection, dialogue, collaboration, and implementation of best teaching practices.

MISSION:

1) **Ensure that every teacher has the resources and skills to help every student learn and grow.**
2) **Focus on student learning as the end and teaching as the means to that end.**
3) **Provide ongoing professional development.**
4) **Provide for continuity, stability, and expertise in each classroom.**
5) **Provide direct, relevant connections between PAR and individual classroom teacher needs.**

MOVING FORWARD:

- ❖ Provided resources for professional growth (ie. Effective Teacher video series by Harry Wong)
- ❖ Conference opportunities were offered
- ❖ Abided by established PAR program timeline
- ❖ Maintained confidentiality
- ❖ Researched the impact of BTSA on the PAR program
- ❖ Continued to fund the BTSA mentor
- ❖ Continued to fund P.E. assessment coordinator
- ❖ Continued to fund new English Learner mentor
- ❖ Realigned PAR program to address funding shortfalls
- ❖ Implemented new contract language
- ❖ Continued to be available to assist Voluntary Teachers
- ❖ Established Goals and Objectives for 2004-05
- ❖ Researched the ESEA impact on PAR
- ❖ Discussed PAR's role in gaining NCLB compliance for teachers
- ❖ Investigated potential current and future staff development opportunities for state and federal compliance

2004-2005 GOALS:

* **Provide teacher-initiated professional development opportunities**

* **Provide opportunities for teacher collaboration**

* **Disseminate professional growth materials and resources that address impending NCLB impacts**

* **Make individual assistance available throughout the year**

* **Continue to offer staff opportunities to view "Effective Teacher" video series throughout the year**

* **Identify new Consulting Teachers as needed**

* **Review the impact of the mentor program**

* **Investigate Staff Development opportunities in accordance with the funding guidelines of the PAR program**

* **Sustain funding source for activities related to state and federal compliance**

* **Assist with Title II District needs assessment**

Account Balances Report
As of 3/24/04

Account		Balance
ASSETS		
	Previous Year Carryover	$123,154.77
	2003-04 PAR Allotment (Total)	$17,936.00
TOTAL ASSETS		$141,090.77
LIABILITIES	2003-04 FISCAL YEAR	
	Consulting Teacher Stipends	($6,000.00)
	Mentors	($10,000.00)
	PAR Panel Stipends	($20,000.00)
	Certificated Benefits	($4,206.00)
	Indirect Costs	($5,432.00)
TOTAL LIABILITIES		($45,638.00)
OVERALL TOTAL		$95,452.77

PAR Projected Budget 2004-05

Projected Income				
2003-04 Carryover Funding				$95,452
2004-05 (Block Grant?)				$17,936
Total Income				*$113,388*
Projected Expenses				
Panel				
Panel Members Stipend	5	x	$4,000	($20,000)
Panel Supplies				($1,000)
In-direct Costs (paid outs x 5%)				($5,000)
Consulting Teacher				
Consulting Teacher Stipend (Training	1	x	$4,000	($4,000)
Staff Development				
PAR Developed (Contract Lang. 2.A.4)				($5,000)
Mentors				
English Learner	1	x	$4,000	($4,000)
BTSA				
BTSA/Mentor Stipend	1	x	$4,000	($4,000)
Total Expenses				*($43,000)*
Balance				$70,388

4.5.6

WESTERN PLACER UNIFIED SCHOOL DISTRICT
BOARD OF TRUSTEE MEETING FACT SHEET

MISSION STATEMENT: Empower Students with the Skills, Knowledge, and Attitudes for Success in an Ever Changing World.
BOARD OF TRUSTEES/GLOBAL DISTRICT GOALS
1. Develop and continually upgrade a well articulated K-12 academic program that challenges all students to achieve their highest potential, with a special emphasis on students.
2. Foster a safe, caring environment where individual differences are valued and respected.
3. Provide facilities for all district programs and functions that are suitable in terms of function, space, cleanliness and attractiveness.
4. Promote the involvement of the community, parents, local government, business, service organizations etc. as partners in the education of the students.

AGENDA ITEM:

Approve the State Preschool Subcontract Between the Western Placer Unified School District and the Placer Community Action Council for $193,970.00.

SUBJECT AREA:

Consent Agenda

REQUESTED BY:

Jay M. Stewart
Assistant Superintendent, Business Services

ENCLOSURES:

Yes

BOARD MEETING DATE:

June 15, 2004

BACKGROUND:

The Placer Community Action Council operates the District's State Preschool programs located in the "Old School House" on First and L, at Carlin C. Coppin Elementary, and the Sheridan School. The cost of the operation is paid from the State Preschool Grant which the District receives each year. The District withholds 5% of the earned revenue for internal operational purposes.

SUPERINTENDENT'S RECOMMENDATION:

Administration recommends the Board of Trustees approve the State Preschool Subcontract between the Western Placer Unified School District and the Placer Community Action Council for $193,970.00.

SUBCONTRACT

This Agreement, entered into between PLACER COMMUNITY ACTION COUNCIL, INC., hereinafter referred to as the AGENCY, and WESTERN PLACER UNIFIED SCHOOL DISTRICT, hereinafter referred to as DISTRICT.

WITNESSETH

The AGENCY and the DISTRICT do mutually agree as follows:

1. AGENCY agrees to operate a State Preschool program in keeping with the State of California Department of Education Title V California Code of Regulations, Section 18273, State Preschool funding Terms and Conditions Guidelines, and Title 22 of the California Administrative Code, for the period from July 01, 2004 through June 30, 2005.

2. AGENCY shall provide DISTRICT with attendance data on a monthly basis for the sixty-eight (68) children funded through DISTRICT.

3. AGENCY shall provide services including an educational program component that is:

   A. Developmentally, culturally and linguistically appropriate, and

   B. Provide activities which will facilitate a child's physical, cognitive, social and emotional development.

4. AGENCY and DISTRICT shall cooperate in providing in-service training for staff.

5. AGENCY shall provide snacks for all children enrolled in the program and AGENCY agrees to purchase lunches from DISTRICT for all enrolled children, both AGENCY'S and DISTRICT'S. The price for said lunches shall be based on DISTRICT'S cost for each child lunch, payable monthly upon receipt of DISTRICT'S statement. AGENCY shall claim reimbursement from the Child Care Food Program for all, both DISTRICT'S and AGENCY'S, children's meals.

4.6.1

6. AGENCY shall operate the contracted preschool programs on property provided at DISTRICT at:

   A. the "Old Lincoln Schoolhouse" at Glen Edwards Middle School in Lincoln, and

   B. Carlin C. Coppin Elementary School in Lincoln, and

   C. Sheridan School in Sheridan

   DISTRICT shall donate classroom space at these locations for use by the AGENCY for classrooms or Home Base socialization on a schedule mutually acceptable to both parties.

7. DISTRICT shall provide for school bus use for preapproved field trips for children enrolled in the program.

8. A portion of the required health services shall be provided by DISTRICT'S nurse.

9. DISTRICT shall provide a share of suitable equipment and materials for use in the program.

10. DISTRICT shall provide the sum of $193,970.00 to AGENCY. The AGENCY will serve 68 students for 175 days at the rate of $16.30 each day. The daily rate of $16.30 is based on the FY 2003-04 State Preschool contract rate of $17.16 less 5% for the DISTRICT'S indirect cost rate. The daily rate will be amended to reflect the FY 2004-05 State Preschool contract rate less the DISTRICT'S 5% indirect cost rate. With this projected amount, agency shall budget for:

a.	1000 Certificated Salaries	$ 55,603.90
b.	2000 Classified Salaries	53,088.40
c.	3000 Fringe Benefits	42,590.65
d.	4000 Supplies	10,881.36
e.	5000 Other	31,805.69
	Total	$193,970.00

Subcontract payments shall be payable as follows:

Due on July 15, 2004	$ 48,492.50
Due on October 15, 2004	48,492.50
Due on January 15, 2005	48,492.50
Due on April 15, 2005	48,492.50
Total	$193,970.00

11. All aforementioned staff shall be considered employees of AGENCY.

12. AGENCY records related to receipt of State funds through the DISTRICT may be subject to the same audit and/or audit review requirement as the DISTRICT. AGENCY subcontracts subject to CDD approval shall be audited.

12.a The AGENCY shall transfer all student records to the appropriate school of attendance prior to June 20, 2005.

13. AGENCY agrees to indemnify and hold harmless the State of California, its officers, agents, and employees from any and all claims and losses occurring or resulting to any and all contractors, subcontractors, material man, laborers and any other person, firm or corporation furnishing or supplying work, services, materials, or supplies in connection with the performance of this contract, and from any and all claims and losses occurring or resulting to any person, firm, or corporation that may be injured or damaged by the AGENCY in the performance of this contract.

14. AGENCY, its agents and employees in the performance of this contract, are acting in an independent capacity and not as officers, employees, or agents of the State of California.

15. No alteration or variation of the terms of this contract shall be valid unless made in writing and signed by both DISTRICT and AGENCY, and approved by the State Department of Education. No oral understanding or agreement incorporated in this contract shall be binding on either party to this contract.

16. AGENCY agrees that no person shall, on the ground of race, color, national origin, sex, or age be discriminated against by AGENCY with regard to any program operated by AGENCY.

17. Non-performance of any of the terms of this Agreement by either party may be grounds for cancellation of this Agreement. In the event that any action, suit, or proceeding be commenced to compel performance of this agreement, or to seek damages for breach thereof, the non-performing party agrees to pay reasonable attorney's fees, to be awarded and fixed by the Court.

18. Either party to this Agreement may terminate said Agreement for convenience upon giving the other party thirty (30) days notice in writing, delivered by certified United States Mail. Also, contingent upon Federal refunding by the Department of Health and Human Services and State Department of Education for Western Placer Unified School District.

19. Title to any supplies or equipment purchased with District's state funds rests with AGENCY only as long as this Agreement is in effect. Upon termination of this Agreement, title to all equipment and remaining supplies shall revert to DISTRICT.

19.a Any unit of equipment costing over $1,500.00 and/or having a useful life expectancy of two years or more and purchased with State funds shall have prior written authorization from DISTRICT and the State.

20. AGENCY agrees that travel and per diem expenses will not be reimbursed at a rate which exceeds that amount paid to the majority of SDE's represented employees computed in accordance with State Board of Control rules.

21. AGENCY shall establish recruitment, enrollment, and attendance procedures which shall ensure maintenance of maximum enrollment and required CDE.

22. AGENCY may provide instruction in the child's native language by agency staff and an instructor from the Title VII program located in the DISTRICT in order to promote a program of cultural awareness and history, presented by both staff and parents in an attempt to build strong self-image and ethnic pride.

    Children enrolled in the preschool program will have the opportunity to continue in the district bilingual program. AGENCY and DISTRICT agree that the bilingual education in preschool is important for achievement of program goals.

23. AGENCY shall maintain (or provide to the contractor) records for program review, evaluation, audit and/or other purposes and make them available to the agents of the State. Such records shall be maintained for a minimum of five (5) years.

PLACER COMMUNITY ACTION COUNCIL, INC.

BY: _____
DOLORES MOHAMMED-GARCIA, EXECUTIVE DIRECTOR

WESTERN PLACER UNIFIED SCHOOL DISTRICT

BY: _____
JAY M. STEWART, ASSISTANT SUPERINTENDENT

DATE: _____

WESTERN PLACER UNIFIED SCHOOL DISTRICT
BOARD OF TRUSTEE MEETING FACT SHEET

MISSION STATEMENT: Empower Students with the Skills, Knowledge, and Attitudes for Success in an Ever Changing World.
BOARD OF TRUSTEES/GLOBAL DISTRICT GOALS
1. Develop and continually upgrade a well articulated K-12 academic program that challenges all students to achieve their highest potential, with a special emphasis on students.
2. Foster a safe, caring environment where individual differences are valued and respected.
3. Provide facilities for all district programs and functions that are suitable in terms of function, space, cleanliness and attractiveness.
4. Promote the involvement of the community, parents, local government, business, service organizations etc. as partners in the education of the students.

AGENDA ITEM:

Approve the Resolution 03/04.42 Authorizing End-of-Year Transfers.

SUBJECT AREA:

Consent Agenda

REQUESTED BY:

Jay M. Stewart
Assistant Superintendent, Business Services

ENCLOSURES:

Yes

BOARD MEETING DATE:

June 15, 2004

BACKGROUND:

The attached resolution authorizes the District to make transfers to cover deficits that may occur during the year-end close-out process. The Board of Trustees will be informed of all such transfers following the final closing of the FY 2003-04 financial records.

SUPERINTENDENT'S RECOMMENDATION:

Administration recommends the Board of Trustees approve the Resolution 03/04.42 authorizing end-of-year transfers.

WESTERN PLACER UNIFIED SCHOOL DISTRICT

Resolution No. 03/04.42

A RESOLUTION BEFORE THE GOVERNING)
BOARD OF THE WESTERN PLACER UNIFIED)
SCHOOL DISTRICT AUTHORIZING END-)
OF-YEAR TRANSFERS.)

The following **RESOLUTION** was duly passed and adopted by the Board of Trustees of the above entitled district at a regular meeting held the 15th day of June, 2004, by roll call vote.

AYES:
NOES:
ABSENT:

BE IT RESOLVED that the Assistant Superintendent of Business Services, pursuant to Education Code Section 42601, be authorized to make transfers as necessary between expenditure classifications to cover budget deficits that might develop from end-of-year expenditures, provided the Board of Trustees of the Western Placer Unified School District and the Placer County Superintendent of Schools is informed of such transfers immediately after closing the accounts for the year 2003-04.

BE IT FURTHER RESOLVED that this written resolution be delivered to the County Superintendent of Schools.

Passed and adopted on this 15th day of June, 2004, Western Placer Unified School District at Placer County, California.

_____
President of the Board

ATTEST:

_____, Clerk

REPORTS

AND

COMMUNICATION

MISSION STATEMENT: Empower Students with the Skills, Knowledge, and Attitudes for Success in an Ever Changing World.		
BOARD OF TRUSTEE/DISTRICT GOALS		*COMPLIANCE CHECK LIST*
1. Develop and continually upgrade a well articulated K-12 academic program that challenges all students to achieve their highest potential, with a special emphasis on students.		Complies with Board Polic ___ Complies with Site Plan (LIP) ___ Complies with Governance & Management Document ___
2. Foster a safe, caring environment where individual differences are valued and respected.		Complies with District Goals ___ Complies with District Mission Statement ___
3. Provide facilities for all district programs and functions that are suitable in terms of function, space, cleanliness and attractiveness.		Funding Sign-Off by J. Stewart ___
4. Promote the involvement of the community, parents, local government, business, service organizations, etc. as partners in the education of the students.		Personnel Sign-Off by B. Noyes Program Sign Off by S. Leaman SBLT Involvement ___

WESTERN PLACER UNIFIED SCHOOL DISTRICT
BOARD OF TRUSTEE MEETING
FACT SHEET

SUBJECT:
Curricular Report

AGENDA ITEM AREA:
Reports

REQUESTED BY:
Scott Leaman,
Assistant Superintendent

ENCLOSURES:
Yes

MEETING DATE:
June 15, 2004

BACKGROUND:

A report of activities for 2003-04 is included.

ADMINISTRATION'S RECOMMENDATION:
No action is required on this item.

6.5.2

Western Placer Unified School District

Curricular Programs Report

2003-04

NOTE: The following represents <u>global</u> descriptions of programs. Additional changes in program may be necessary due to district and site budget decisions.

6.5.2.1

Overarching Activities

- **Continue alignment of curriculum to State standards in the five core areas through articulation and additional materials**
- **Establish and support district assessment systems**
- **Manage state-mandated assessment programs**
- **Support schools with state accountability issues**
- **Implemented 21st Century Learning, After School, Arts Work, and Preschool grants**
- **Support new adoptions**

6.5.2.2

Academic Program

"Develop and continually upgrade a well articulated K-12 academic program that challenges all students to achieve their highest potential."

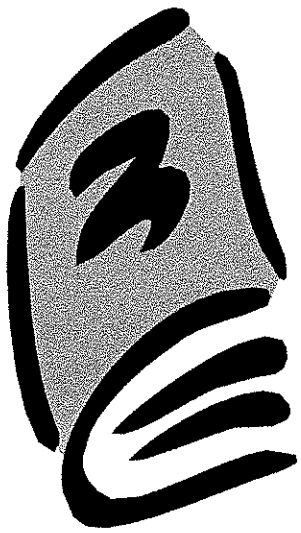
6.5.2.3

Language Arts

"Develop a well articulated K-12 language arts program"

Continue

- Class size reductions (K-3)
- Curriculum Based Measurement
- Summer school Focus



Focus

- Standards-based assessment
- Implement supplemental language arts materials/ programs
- CAHSEE
- K-12 articulation meetings
- Intervention programs
- AB 466 training

6.5.24

Math

"Develop a well articulated K-12 math program"

Continue

- Class size reductions (K-3)
- Summer School focus



Focus

- Standards-based assessment
- Implement supplemental math materials/programs
- CAHSEE
- Staff development needs
- K-12 articulation meetings
- 76 Saxon Math Pilot

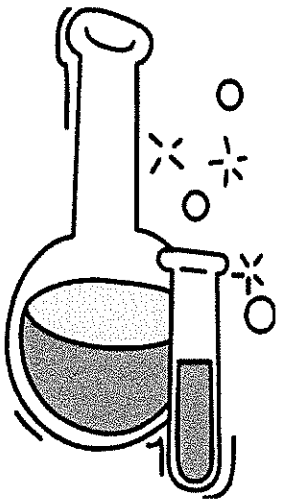
6.5.2.5

Science

"Develop a well articulated K-12 science program"

Continue

- Current K-12 Science system
- Elementary Science Specialists



Focus

- Planning for Outdoor Learning Environment
- LEAF grant
- Science Articulation
- CST Science Test

6.5.2.6

Social Science

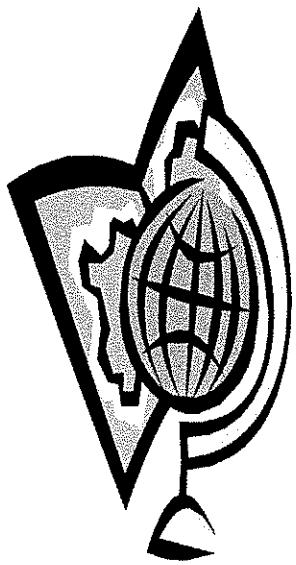
"Develop a well articulated K-12 Social science program"

Continue

- Current K-12 Social Science system

Focus

- Analyze results from State Standards-based tests
- Inclusion in STAR testing



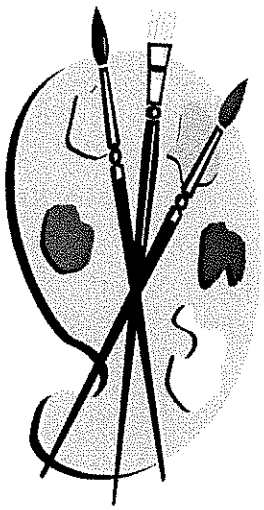
6.5.2.7

Visual and Performing Arts

"Develop a well articulated K-12 Visual and performing arts program"

Continue

- Current Visual and Performing Arts program
- Elementary Music Specialist
- Arts Plan
- Graduation Requirement



Focus

- Arts Work grants
- Expansion of program
- In-service
- Standards-based assessments
- Suspension of supplemental arts funds

6.5.28

Support Programs

6.5.2.9

GATE

Current

- GATE field trips
- GATE identification
- Multi-age GATE class

Focus

- Continued refinement of program
- GEMS participation
- GATE Consultant
- 2003-04 GATE Plan
- GATE Coordinator

6.5.2.10

Special Education

Current

- IEP Coaching
- 11% of students enrolled
- Intern program

Focus

- Curriculum Based Measurement
- Social promotion impact
- Explore new programs for unique populations
- Staffing
- Pre school

6.5.2.11

English Learners

Current

- District program
- Material support
- First Street Elementary English Learner
- Newcomer class

Focus

- California English Language Development Test (CELDT)
- Resignation criteria update
- In-service needs
- ELILP
- Goals for ELILP
- Newcomer
- Mentor

6.5.2.12

Student Services

Current

- Lighthouse Community Resource Center
- Grants
- Family Preservation Grant
- After school Programs

Focus

- Preschool grant
- 21st Century Learning Grant expiration
- After School Grants
- MAA money

6.5.2.13

No Child Left Behind

Current

- Alignment of current programs to areas

Focus

- New Title programs
- Personnel issues
- State alignment of current accountability system (API)
- Private Schools
- CCR implementation

6.5.2.14

Other

- Continue library improvement
- New site plan
- Staff development with
- Peer Assistance and Review program
- Impact of categorical budget cuts
- District budget status
- New Schools

6.5.2.15

Public

Hearing

WESTERN PLACER UNIFIED SCHOOL DISTRICT
BOARD OF TRUSTEE MEETING FACT SHEET

MISSION STATEMENT: Empower Students with the Skills, Knowledge, and Attitudes for Success in an Ever Changing World.
BOARD OF TRUSTEES/GLOBAL DISTRICT GOALS
1. Develop and continually upgrade a well articulated K-12 academic program that challenges all students to achieve their highest potential, with a special emphasis on students. 2. Foster a safe, caring environment where individual differences are valued and respected. 3. Provide facilities for all district programs and functions that are suitable in terms of function, space, cleanliness and attractiveness. 4. Promote the involvement of the community, parents, local government, business, service organizations etc. as partners in the education of the students.

AGENDA ITEM:

Establish Level I School Mitigation Fees

SUBJECT AREA:

Public Hearing.

REQUESTED BY:

Jay M. Stewart
Assistant Superintendent, Business Services

ENCLOSURES:

Yes

BOARD MEETING DATE:

June 15, 2004

BACKGROUND:

The District is proposing to impose Level I school mitigation fees of $2.24 per square foot for residential development, and $0.36 per square foot for commercial development. This proposal was publicly noticed in the Lincoln News-Messenger on June 3rd and June 10th. This hearing provides and opportunity for interested members of the public to comment on the proposal or the attached justification study. The fees are effective sixty days after adoption.

SUPERINTENDENT'S RECOMMENDATION:

No action required.

JUSTIFICATION REPORT
FOR THE
WESTERN PLACER UNIFIED SCHOOL DISTRICT

THIS STUDY ESTABLISHED THE JUSTIFICATION FOR THE IMPOSITION OF DEVELOPER FEES PURSUANT TO APPLICABLE LAW AS OF MAY 2004

Prepared by:

Caldwell Flores Winters, Inc.

Cardiff, California

7.1.1

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DEVELOPER FEES – LEVELS I, II, AND III

Before the passage of Senate Bill 50 in 1998, a school district's authority to levy fees on new development was limited by Government Code Section (GC §) 65995 et seq. Judicial decisions rendered in the court cases commonly known as Mira, Hart, and Murrieta permitted school district to require cities and counties to consider the cost of school mitigation when approving new development. These judicial decisions effectively forced cities, counties, and developers to address the need and cost for schools not expressly addressed within the limitations of GC §65995, et seq.

Senate Bill 50 limited the judicial authority granted by Mira, Hart, and Murrieta and granted statutory authority to school districts to collect fees higher than those authorized by GC §65995 et seq. This new authority to impose higher fees if they are needed is defined by GC §65995.5 et seq. These different amounts of fees acquired trade names as follows:

Level I Fees	Fees to be imposed on new development limited by GC §65995.
Level II Fees	Supplemental Fees to be imposed on new development limited by GC §65995.5 et seq. when the state has bond funds to pay for a portion of school construction and modernization.
Level III Fees	Supplemental Fees to be imposed on new development limited by GC §65995.5 et seq. when the state does not have bond funds to pay for school construction and modernization.

The following study was made to comply with the requirements needed to impose Level I fees.

EXECUTIVE SUMMARY

Level I Developer Fees - Applicable Law

Education Code Section (EC §) 17620 permits "The governing board of any school district is authorized to levy a fee, charge, dedication, or other requirement against any construction within the boundaries of the district, for the purpose of funding the

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construction or reconstruction of school facilities, subject to any limitations set forth in Chapter 4.9 (commencing with Section 65995) of Division 1 of Title 7 of the Government Code..."

Government Code Section (GC §) 65995 limits the fee that school district may collect to a maximum of $0.36 per square foot on commercial/industrial development and $2.24 per square foot on residential development.

Level I Fees - This Justification Report

The District is justified in imposing a fee of $4.31 per square foot of residential development, based on the data and analyses contained in this report. However, existing law (GC §65995 et Seq. and EC §17620) limits the authority of a school district to impose a maximum fee of $2.24 per square foot of residential development.

The relationship between residential development and the need for new school facilities is established by examining the capacity of the district's schools calculated in accordance with methods established in EC §17071.10 et seq., the growth and/or decline of the existing student population, and the need to accommodate future students from new residential construction from which the proposed fees are to be levied, in school facilities funded in whole or in part by the fees imposed. The calculation of students from future development pursuant to GC §65995 is made by determining the ratio of students to residential units for existing residential development within the district and by multiplying the pupil per dwelling unit ratio by the number of proposed new units to be constructed.

Appendix I - Table A calculated the capacity of the district's schools on the SB50-02 form provided by the Office of Public School Construction. Appendix I - Table B shows the historical student population as reported to CBEDS. Appendix II - Table 8 shows the SB50 - 01 enrollment forecast for the district. The student population forecast on the SB50-01 includes growth and/or decline of the students population assuming that the conditions that have existed within the district over the past four years (the measurement period) are identical to the conditions that will exist over future years (the forecast period). Appendix II Tables 1 through 15 show the application of the pupils per dwelling unit ratio to the number of proposed new units to

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be constructed and the need and cost of additional school facilities to accommodate these students.

The total projected school facility costs from new residential projects are $71,520,819 for grades K through 12. The total projected statutory fees to be collected from new residential development are $43,669,382, which are less than the projected costs to mitigate the impact of future residential development. The shortfall is estimated to be $27,851,437.

The results of the calculations performed in Appendices II indicate that GC §65995 fees of $2.24 per square foot of residential construction to be imposed on future residential development will not exceed the total cost of school facilities, land, and land improvement costs related to residential development.

SECTION I - HISTORY OF DEVELOPER FEES FOR SCHOOL FACILITIES

Legislative History

January 2004 State Allocation Board (SAB) action

On January 28, 2004, the SAB approved an increase in the statutory developer fee from $2.14 to $ 2.24 per square foot of residential development and from $0.34 to $0.36 per square foot of commercial/industrial development.

January 2002 State Allocation Board (SAB) action

On January 23, 2002, the SAB approved an increase in the statutory developer fee from $2.05 to $ 2.14 per square foot of residential development and from $0.33 to $0.34 per square foot of commercial/industrial development.

January 2000 State Allocation Board (SAB) action

On January 26, 2000, the SAB approved an increase in the statutory developer fee from $1.93 to $ 2.05 per square foot of residential development and from $0.31 to $0.33 per square foot of commercial/industrial development.

November 1998 Passage of Senate Bill 50 and Proposition 1A

On November 4, 1998, California voters approved Proposition 1A. This action made little revision to the manner in which standard (GC §65995) developer fees are calculated. However, fees in excess of the standard fee were limited to the provisions of GC §§ 65995.5 and .7.

January 1998 SAB action

On January 28, 1996, the SAB approved an increase in the statutory developer fee from $1.84 to $ 1.93 per square foot of residential development and $0.30 to $0.31 per square foot of commercial/industrial development.

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January 1996 SAB action

On January 24, 1996, the SAB approved an increase in the statutory developer fee from $1.72 to $ 1.84 per square foot of residential development and $0.28 to $0.30 per square foot of commercial/industrial development.

Repeal of ACA 6 (Proposition 170, 1993)

On November 4, 1993, California's voters rejected Proposition 170. As part of this action, the additional fee of $1.00 per square foot for residential construction authorized by SB 1287 was repealed. On November 5, 1993, the statutory developer for residential development became limited to a maximum of $1.65. On January 26, 1994, the SAB enacted a once in two year increase in the statutory fee for inflation that has raised the maximum fee from $1.65 to $1.72 for residential construction and from $0.27 to $0.28 for commercial/industrial construction.

Senate Bill (SB) 1287

On September 30, 1992, the governor signed into law SB 1287. It contained several provisions that appear to both lay and legal analysts to be ambiguous. Among the more certain provisions of this legislation is the authorization for school districts to collect an additional $1.00 per square foot residential developer fee, above the already imposed $1.65 per square foot fee authorized by AB 2926, if it can be substantiated through a fee justification study. The total residential developer fee increase to $2.65 per square foot became effective statewide on January 1, 1993, and expired with the defeat of Proposition 170.

Assembly Bill (AB) 2926

In September, 1986, AB 2926 was signed into law. It authorized school districts to impose a fee of not more than $1.50 per square foot on residential and $0.25 per square foot on commercial/industrial development if the school district could establish a finding that additional development projects caused an increased need for school facilities. Developer fees are adjusted for inflation every other year by the SAB, commencing 1990. As of September 30, 1992, the maximum fees were set at $1.65 per square foot, plus $1.00 as authorized by SB 1287 effective January

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1, 1993, for residential development and $0.27 per square foot for commercial/industrial development.

Assembly Bill (AB) 1600

AB 1600 established that school districts must satisfy specific criteria and requirements when establishing, increasing, or imposing a fee as a condition of approval of a development project. These criteria and requirements are:

1. The District must identify the purpose and use of the fee.
2. The District must establish a reasonable relationship between the *fee's use* and the *type of development* on which the fee is imposed, including a determination of a reasonable relationship between the need for additional school facilities and the type of development on which the fee is imposed.
3. The District must establish a reasonable relationship between the *amount* of the fee and the *cost* of the additional school facility, portion of the additional school facility, or reconstructed school facility with expanded pupil capacity caused by the development on which the fee is imposed.
4. The District must make a report each fiscal year regarding any portion of the fee remaining unexpended or unencumbered for five or more years after deposit.

Assembly Bill 181

AB 181 imposed the following changes and additional requirements for school districts imposing or increasing developer fees:

1. School districts may, after conducting a study of employee generation factors within the district, establish commercial/industrial fees on categories of projects or on a case-by-case basis.
2. School Facility Fees may not be used for the "purposes of deferred maintenance," for routine maintenance, or for removal of asbestos -- except as part of an eligible project.

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3. Adoption of School Facilities Fees by the Board of Education is exempt from the California Environmental Quality Act (CEQA) (Government Code Section 53080. 1, added by Chapter 1209, Statutes of 1989).
4. The school district's governing board must establish a process to allow appeals of the imposition of developer fees.

Other Legislation

Other legislation regarding developer fees provides that:

1. Developer fees are to be isolated in a capital facilities fund account. These fees, and any income earned on these fees (i.e., interest), may be used only for the purposes for which they were collected (Government Code Section 53077).
2. School districts may charge a fee on mobile homes if:
   a. the fee is levied only on the initial installation of the mobile home in the district,
   b. a mobile home has not been on the pad previous to the mobile home upon which fees are being levied, and
   c. construction of the pad upon which the mobile home is to be placed had been started subsequent to September 1, 1986.
3. AB 2071, passed into law by the legislature, allows a parent living in one community and working in another to request enrollment for the elementary student in the district in which they work as opposed to the district in which they reside, adding additional pressure on school districts. The district's opportunity to reject these requests is limited. Thus, increasing commercial/industrial development can have a very significant impact upon the district in the event that people working in the new commercial, industrial or entertainment (recreational) centers will be able to make these requests.
4. School districts must first hold a public hearing before adopting or increasing any fee. The public hearing must be part of a regularly

scheduled meeting of the governing board and notice of the meeting must be published twice, in accordance with Government Code Section 6062a. (Government Code §66018).

5. Notice of the public hearing, and a statement that certain required information is available, must be mailed at least fourteen days prior to the public hearing to any interested party requesting written notice of meetings for new or increased fees.
6. At least ten days prior to the public hearing, the district must make available to the public certain data as required by Government Code Section 66016.
7. The District must also wait for a period of 60 days before implementing the developer fees that it imposed by governing board adoption. An emergency resolution may be used under special circumstances to shorten the waiting period.

SECTION II - DESCRIPTION OF THE DISTRICT

Service Area

The Western Placer Unified School District provides K- 12 education for an area of the southwest portion of Placer county including part of the City of Lincoln.

Number of Schools and Capacity of District

The existing capacity of the District's schools is computed based on loading standards in the California Code of Regulations, Title II, Section 1859.35, which sets capacity on a district-wide basis rather than a school-level basis for the purposes of levying developer fees. The following table lists the schools within the district and the grade levels that they serve.

School	Grades Served
Carlin C. Coppin Elementary	K-5
Creekside Oaks Elementary	K-5
Glen Edwards Middle	6-8

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School	Grades Served
First Street Elementary	K-5
Lincoln High	9-12
Phoenix High (Cont.)	10-12
Sheridan School	K-8

Appendix I - Table A shows that the total capacity of the district is 1,299 for grades K through 6, 621 for grades 7 and 8 and 675 for grades 9 through 12.

Enrollment History and SB50 - 01 Enrollment Forecast

Appendix I - Table B shows the enrollment history for grades K through 12 of the District as reported to the State Department of Education in annual October California Basic Educational Data Systems (CBEDS) enrollment reports. Appendix II - Table 8 shows the SB50 - 01 enrollment forecast for the district. The student population forecast on the SB50-01 includes growth and/or decline of the students population assuming that the conditions that have existed within the district over the past four years (the measurement period) are identical to the conditions that will exist over future years (the forecast period). This forecast indicates that in five to six years, the district will grow by 569 students in grades K through 5, 293 students in grades 6 through 8, and 384 students in grades 9 through 12. Appendix I - Table B shows the district's enrollment history as reported to CBEDS.

Pupils per Dwelling Unit

Existing law requires that a reasonable relationship be established between residential development and the need for fees to mitigate new school construction for students from these new developments. School enrollment forecasters usually establish a relationship between annual residential development and student enrollment growth. The method favored by the SAB on the form SAB50-01 for establishing this relationship is the pupil per dwelling unit ratio multiplier model. If an average of pupils per dwelling unit is established over a period of time, multiplying new residential units by the pupil per dwelling unit ratio will yield the forecast number of students.

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Enrollment forecasters often use the term student generation rate to refer to the pupil per dwelling unit ratio.

The pupil-per-dwelling-unit ratio was determined by matching the student data records with resident address for each student to the assessor's parcel information as obtained from the Placer County Assessor through a third-party data provider. Using geographic information systems software, students recorded in the district's computer attendance files were located by address and related to the existing unit type(s) constructed on each parcel. The results of this procedure are shown below:

Unit Type	K-5	6-8	9-12	Total
Single Family	0.168	0.093	0.109	0.371
Multi Family	0.590	0.272	0.220	1.082
Mobile Homes	0.192	0.151	0.087	0.429

Future Enrollment Forecasts

Future enrollment has been projected using the state-approved cohort survival method, (SB50-01) Appendix II - Table 8 and by using the pupil per dwelling unit ratio multiplier method, Appendix II - Table 12. The cohort-survival enrollment projection method estimates that non-charter student enrollment will increase from 4,020 K-12 students in the fall of the 2003 school year to 5,287 K-12 students in the 2008-09 school year; a change of 1,267 students.

The pupil-per-dwelling unit ratio multiplier method estimates that student enrollment will increase from 4,020 K-12 students in the fall of the 2003 school year to 7,219 K-12 students in the 2008-09 school year; a change of 3,199 students. Excess pupil enrollment will be temporarily housed in leased portable classrooms, in space made available by reducing existing programs, and in space temporarily reconstructed on existing site(s) until more permanent measures can be taken.

SECTION III -- RESIDENTIAL DEVELOPMENT

Summary Tables

Classroom loading standards computed in accordance with the California Code of Regulations Section 1859.35 and District standards and practices are also shown in

7.1.12

Appendix II - Table 1. Special Education and Continuation High School facilities needs are computed based on a similar construction allowance schedule. Special Education classrooms have been allocated at the rate of two per elementary level, two per junior high level and two for high school level to accommodate students anticipated from new development.

This report examined the imposition of a fee on local development based on the need to house additional students in grades K through 12 from additional development. Site size assumptions are from the School Facilities Planning Division of the State Department of Education and are 11.4 acres for K-6 elementary schools; 21.4 acres for 7-8 junior high schools; 50 acres for 9-12 high schools, and 2 acres for a continuation high school. One continuation high school of two acres is forecast to be needed for each high school built.

Projected Residential Growth

Appendix II - Table 2 estimates that 9,935 permits may be issued over the time frame contained in this study. Appendix II - Table 3 provides for adjusting the annual projection of permits based on the application of dwelling unit equivalents of the student generation factor. Dwelling unit equivalency is based solely on student generation using single-family generation as the base unit.

Projected Area of New Residential Development and Residential Developer Fee

Appendix II - Table 4 (in 2004 dollars) shows the projected annual habitable area constructed and extends that square footage to an annual and cumulative dollar amount that may be projected to be collected through developer fees. Cumulative statutory developer fees are projected to be $43,669,382 in 2004 dollars. Appendix II - Table 4 is based on the construction schedule contained in Appendix II - Table 2.

Pupil Population Projections from New Residential Development

Appendix II - Table 5 predicts the expected regular students that will be enrolling in the District's schools as a result of the occupancy of the new residential units.

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Appendix II - Table 6 predicts the expected Special Education students that will be enrolling in the District's schools as a result of the occupancy of the new residential units. Appendix II - Table 7 combines the students listed on Tables 5 and 6 to produce a table of total students to be generated from new residential development.

Appendix II - Table 8, the cohort projection, is usually the most reasonable enrollment forecast to apply when projecting district-wide enrollment over the next two years. These projections may be extended with limitations on accuracy. Appendix II - Table 12 mirrors the SB50-01 enrollment projection for the next five years, and extends the five-year projection to a twenty-year span. It should be noted that the basic assumption of this projection method is that the conditions of the historical period over which the input data have been obtained will remain constant throughout the forecasting period. Appendix II - Tables 9, 10, and 11 are pupil population projections based on the student generation or pupil per dwelling unit ratio method with the pupil population distributed by grade using the projected ratios from Appendix II - Table 8.

Additions to Existing Residences

Facility fees could be generated by additions to existing residences. However, few additions are built in the district. The data maintained by the district contained comparatively few additions were greater than 500 square feet. Therefore, additions will not be used as a factor in this report.

School Facilities Calculation Tables

Appendix II - Table 13 shows the estimated permanent classrooms needed to house these students annually by grade level grouping. Appendix II - Table 14 calculates the number of school sites needed to house the students generated from additional development. The cost parameters for school facilities construction stated in Appendix II - Table 15 have been determined from cost allowances permitted by the SAB under the School Facilities Program (SFP) enacted by SB50 and Proposition 1A - 1998.

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SECTION IV -- NEED FOR ADDITIONAL SCHOOL FACILITIES AND FINANCING

Financing School Facilities with Level I Developer Fees

Level I developer fees may be collected by a school district that justifies the need to collect them. A reasonable relationship should exist between the fee charged and the need for new land and/or school facilities to accommodate students from new development. This study used estimated costs for land, site improvements, and school facilities construction as the basis for estimating the level of need in dollars. These needs were calculated based on a per- single and multi family dwelling unit basis.

Appendix II - Table 15 shows the school facilities and estimated land costs that will be needed to house students in grades K through 12. It is estimated that the district will need $71,520,819 for land and school facilities to accommodate students from new development. Appendix II - Table 2 calculates the per-square-foot fee to be $4.31 based on an estimated 19,495,260 square feet of residential construction within the next 20 years.

Summary

It is projected that the District will need $71,520,819 in 2004 dollars to finance projected future needs for K-12 school facilities based on the current residential construction schedule, current pupil per dwelling unit yield ratios and SFP adopted facilities construction standards. Residential developer fee revenues are projected to be $43,669,382 for the District, leaving a shortfall of $27,851,437 for financing future needs for the District.

Other Projects

Other projects will include purchase, lease, or rental of relocatable school facilities, interim site improvements at the existing school site, and necessary administrative expenses required to support the growth program.

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Reconstruction of Existing Facilities

In addition to new construction needs, some renovation or reconstruction of the existing facility could be needed to maintain the usefulness of the school for the immediate impact of new students generated by development, prior to the construction of a new school. Because the existing school is fully committed to students from existing homes, all future growth must be housed in new or reconstructed facilities upon the existing site until the new school can be built.

The existing school may not be reconstructed if it is determined that construction of a new replacement school is more cost-effective and will provide a more educationally appropriate environment.

Other Costs Which May be Paid from Fees Collected

In addition to the above costs, Developer Fees may be used to pay the administrative, legal, architectural, engineering, or other costs associated with implementing the land acquisition, site improvements, school facilities construction and the Developer Fee program.

Use of Facility Fees

Developer fees will be used for provision of emergency portable classrooms, reconstruction of existing facilities, construction of new facilities, and, in other ways, provide for students generated from new development.

SECTION V - FINDINGS AND RECOMMENDATIONS

Findings

1. It has been determined that commercial, industrial, and residential development is projected to occur within the territory of the District.
2. As a result of this development, additional students are projected to enroll in the District's schools.
3. The District's schools are currently overcrowded or are projected to become overcrowded as a result of the enrollment of these new students, causing a need for additional school facilities.

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4. New school facilities to house these additional students from new residential development within the District are projected to cost $71,520,819.
5. It is projected that the District will need $71,520,819 in 2004 dollars to finance projected future needs for K-12 school facilities based on the current residential construction schedule, current pupil per dwelling unit yield ratios and SFP adopted facilities construction standards. Residential developer fee revenues are projected to be $43,669,382 for the District, leaving a shortfall of $27,851,437 for financing future needs for the District.

Recommendations

The district is justified in imposing a fee of $4.31 per square foot of residential development, based on the data and analyses contained in this report. However, existing law (GC §65995 et Seq. and EC §17620) limits the authority of a school district to impose a maximum fee of $2.24 per square foot of residential development. Because of these findings, it is recommended that the district impose and collect a fee of not more than $0.36 per square foot from commercial/industrial development and $2.24 per square foot from residential development as a unified school district as defined by GC § 65995(b)(1), and collect a fee for other residential construction not exempt by statute including an appropriate fee for qualified senior citizen housing projects. It is further recommended that the Superintendent be authorized to develop implementation procedures to enact this program.

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APPENDIX I

7.1.18

STATE OF CALIFORNIA

EXISTING SCHOOL BUILDING CAPACITY

SAB 50-02 (Rev. 09/02) Excel (Rev. 11/21/2002)

STATE ALLOCATION BOARD

OFFICE OF PUBLIC SCHOOL CONSTRUCTION

SCHOOL DISTRICT	FIVE DIGIT DISTRICT CODE NUMBER (*see California Public School Directory*)
'ESTERN PLACER UNIFIED	66951
UNTY	HIGH SCHOOL ATTENDANCE AREA (HSAA) OR SUPER HSAA (*if applicable*)
LACER	

PART I - Classroom Inventory ☐ NEW ☐ ADJUSTED

	K-6	7-8	9-12	Non-Severe	Severe	Total
Line 1. Leased State Relocatable Classrooms	10	4	2			16
Line 2. Portable Classrooms leased less than 5 years	17	2	10			29
Line 3. Interim Housing Portables leased less than 5 years						
Line 4. Interim Housing Portables leased at least 5 years						
Line 5. Portable Classrooms leased at least 5 years						
Line 6. Portable Classrooms owned by district	15	1	6			22
Line 7. Permanent Classrooms	36	21	20			77
Line 8. Total (Lines 1 through 7)	78	28	38			144

PART II - Available Classrooms

Option A.

	K-6	7-8	9-12	Non-Severe	Severe	Total
a. Part I, line 4						
b. Part I, line 5						
c. Part I, line 6	15	1	6			22
d. Part I, line 7	36	21	20			77
e. Total (a, b, c, & d)	**51**	**22**	**26**			**99**

Option B.

	K-6	7-8	9-12	Non-Severe	Severe	Total
a. Part I, line 8	78	28	38			144
b. Part I, lines 1,2,5 and 6 (total only)						67
c. 25 percent of Part I, line 7 (total only)						20
d. Subtract c from b (enter 0 if negative)	29	5	13			47
e. Total (a minus d)	**49**	**23**	**25**			**97**

PART III - Determination of Existing School Building Capacity

	K-6	7-8	9-12	Non-Severe	Severe
Line 1. Classroom capacity	**1,225**	**621**	**675**		
Line 2. SER adjustment	74			1	
Line 3. Operational Grants					
Line 4. Greater of line 2 or 3	**74**			**1**	
Line 5. Total of lines 1 and 4	**1,299**	**621**	**675**	**1**	

I certify, as the District Representative, that the information reported on this form is true and correct and that:
I am designated as an authorized district representative by the governing board of the district; and,
This form is an exact duplicate (verbatim) of the form provided by the Office of Public School Construction (OPSC).
In the event a conflict should exist, then the language in the OPSC form will prevail.

SIGNATURE OF DISTRICT REPRESENTATIVE

DATE

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WESTERN PLACER UNIFIED SCHOOL DISTRICT
HISTORICAL CBEDS PROFILE OF NON-CHARTER SCHOOLS 1994 THROUGH 2003

GRADE	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
KINDERGARTEN	223	229	238	218	222	254	243	295	279	310
GRADE 1	230	222	218	240	225	243	255	294	327	305
GRADE 2	228	239	230	228	241	217	249	282	306	343
GRADE 3	216	221	229	240	225	295	258	277	299	317
GRADE 4	230	204	227	234	254	265	295	291	315	332
GRADE 5	225	221	192	232	232	279	240	319	305	329
GRADE 6	229	211	211	209	255	301	278	281	323	328
GRADE 7	231	222	236	228	218	224	234	291	302	326
GRADE 8	222	245	231	225	235	248	259	264	317	323
OTHER ELEM.	0	0	0	0	0	0	0	0	0	0
GRADE 9	190	210	230	234	249	233	237	272	278	299
GRADE 10	206	199	211	239	235	270	247	242	291	275
GRADE 11	205	203	202	235	244	230	238	253	244	276
GRADE 12	192	196	191	187	230	211	228	253	231	257
OTHER SEC.	0	0	0	0	0	0	0	0	0	0
TOTAL	2,827	2,822	2,846	2,949	3,065	3,270	3,261	3,614	3,817	4,020

APPENDIX II

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ASSUMPTIONS, CALCULATIONS AND DATA USED IN THIS ANALYSIS

WESTERN PLACER UNIFIED SCHOOL DISTRICT
REPORT CALCULATION DATES

30-Apr-04

DISTRICT DATA	VALUE
DISTRICT CODE	66951
COUNTY CODE	31

PUPIL-PER-DWELLING UNIT RATIOS	VALUE
SINGLE FAMILY DWELLING UNITS	0.371
MULTI FAMILY DWELLING UNITS	1.082
APARTMENTS	1.082
MOBILE HOMES	0.429
NON-CONFORMING HOUSING TYPES	0.000

STATUTORY DEVELOPER FEE ASSUMPTIONS	VALUE
DEVELOPER FEE UNIFIED - TOTAL	$2.24
DEVELOPER FEE ELEMENTARY SD	$0.00
DEVELOPER FEE SECONDARY SD	$0.00
DEVELOPER FEE USED IN THIS CALCULATION	$2.24

CLASSROOM LOADING STANDARDS	VALUE
STUDENTS PER CLASSROOM K -3	25
STUDENTS PER CLASSROOM 4-6	25
STUDENTS PER CLASSROOM 7-8	27
STUDENTS PER CLASSROOM 9 - 12	27
STUDENTS PER SPECIAL EDUCATION CLASSROOM	27
CONTINUATION HIGH SCHOOL ALLOWANCE - 9-12 ONLY	15

CLASSROOM SIZES	VALUE
KINDERGARTEN CLASSROOMS	1,350
REGULAR CLASSROOMS	960
LABORATORY CLASSROOMS, COMPUTER, BUSINESS, TYPING	1,050
ARTS / CRAFTS	1,350
HOMEMAKING / FOODS	1,800
INDUSTRIAL ARTS, METAL, WOOD	1,800
SHOP: AUTO, AG.	2,400
SHOP DRAFTING	1,300
SCIENCE LAB	1,300
MUSIC	2,400
SPECIAL EDUCATION CLASSROOMS	1,200

SCHOOL SIZE ASSUMPTIONS	VALUE
ELEMENTARY	
CLASSROOMS PER SITE	25
SCHOOL SIZE IN STUDENTS - TRADITIONAL SCHD.	600
JUNIOR HIGH	
CLASSROOMS PER SITE	35
SCHOOL SIZE IN STUDENTS - TRADITIONAL SCHD.	1,000
SENIOR HIGH	
CLASSROOMS PER SITE	74
SCHOOL SIZE IN STUDENTS - TRADITIONAL SCHD.	1,250

Table 1
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ASSUMPTIONS, CALCULATIONS AND DATA USED IN THIS ANALYSIS

WESTERN PLACER UNIFIED SCHOOL DISTRICT
REPORT CALCULATION DATES

30-Apr-04

LAND COST ASSUMPTIONS	VALUE
COST PER ACRE OF LAND	$145,000

SCHOOL SITE AVAILABILITY ASSUMPTIONS	VALUE
UNUSED ELEMENTARY SCHOOL SITES	0
UNUSED MIDDLE - JUNIOR HIGH SCHOOL SITES	0
UNUSED HIGH SCHOOL SITES	0
UNUSED OTHER SITES	0

SCHOOL CAPACITY AVAILABILITY ASSUMPTIONS	VALUE
UNUSED CAPACITY K-6	0
UNUSED CAPACITY 7 - 8	0
UNUSED CAPACITY 9 - 12	0
UNUSED SPECIAL ED. CAPACITY	0

SCHOOL SIZE ASSUMPTIONS	VALUE
ACRES PER SITE K - 6	12.00
ACRES PER SITE 7 - 8	21.40
ACRES PER SITE 9-12, 10-12 (INCLUDES CONTINUATION SITE)	40.00

SITE PURCHASE TRIGGER AS PERCENTAGE OF TOTAL UTILIZATION	VALUE
PERCENT OCCUPANCY TRIGGER FOR ADDITIONAL K-5, K-6 SITE	
PLANS	30.00%
SITE	40.00%
CONSTRUCTION	50.00%
PERCENT OCCUPANCY TRIGGER FOR ADDITIONAL 6-8, 7-8 SITE	
PLANS	25.00%
SITE	35.00%
CONSTRUCTION	45.00%
PERCENT OCCUPANCY TRIGGER FOR ADDITIONAL 9-12, 10-12 SITE	
PLANS	20.00%
SITE	30.00%
CONSTRUCTION	40.00%

COST INDEX MULTIPLIERS (SAB HANDBOOK P. 3-B-53)	VALUE
GEOGRAPHIC COST INDEX	1.000
CONSTRUCTION INDEX	1.510
SMALL BLDG. INDEX	1.000
URBAN	1.000
SECURITY ALLOWANCE	1.000
TOTAL COST MULTIPLIER	**1.510**
FURNITURE AND EQUIPMENT	1.390

Table 1
7.1.23

ASSUMPTIONS, CALCULATIONS AND DATA USED IN THIS ANALYSIS

WESTERN PLACER UNIFIED SCHOOL DISTRICT
REPORT CALCULATION DATES

30-Apr-04

CONSTRUCTION GRANT ALLOWANCES	VALUE
ELEMENTARY	6,040.00
JUNIOR HIGH / MIDDLE	6,388.00
HIGH	8,363.00

EXCESSIVE COST MULTIPLIERS - SMALL SITE - MULTI LEVEL	VALUE
ELEMENTARY	1.00
JUNIOR HIGH / MIDDLE	1.00
HIGH	1.00

SPECIAL EDUCATION	VALUE
ELEMENTARY	12,875.00
JUNIOR HIGH / MIDDLE	12,875.00
HIGH	12,875.00

OTHER	VALUE
ELEMENTARY	-
JUNIOR HIGH / MIDDLE	-
HIGH	-

TOTAL GRANT ALLOWANCE	VALUE
ELEMENTARY	6,040.00
JUNIOR HIGH / MIDDLE	6,388.00
HIGH	8,363.00

SITE IMPROVEMENT AND UTILITY COSTS	VALUE
ELEMENTARY	750,000
JUNIOR HIGH / MIDDLE	180,000
HIGH	3,000,000

Table 1
7.1.24

PROJECTED ANNUAL PERMIT APPLICATION SCHEDULE

WESTERN PLACER UNIFIED SCHOOL DISTRICT DATE: 30-Apr-04

DEVELOPMENT PROJECT	UNIT TYPE	UNIT SIZE	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	YEARS 2014-2018	YEARS 2019-2023	TOTAL UNITS
Atkins Ranch	SFD	2,100			120	120	120	117							477
Cyprus Meadows	SFD	1,850	72	12											84
Foskett Ranch	SFD	1,700	84	84	84	71									323
Lincoln Highlands	SFD	1,850	96	84											180
Nader Ranch	SFD	2,100				150	150	150	150	150	114				864
Three D	SFD	1,488	120	65											185
Twelve Bridges	SFD	2,120	320	320	320	320	320	320	320	145					2,385
Western Placer Education Foundation	SFD	2,100		30	30	11									71
Lincoln Crossing (CFD #2)	SFD	1,881	1,275	932	379	6									2,592
Lincoln Terrace Apartments	MFD	1,009	80												80
Sun City (Del Webb)	SFD	1,932	1,040	1,040	614										2,694
TOTAL ANNUAL			3,087	2,567	1,547	678	590	587	470	295	114				9,935

Table 2

EQUIVALENT DWELLING UNIT CALCULATION - BASED ON PUPIL PER DWELLING UNIT RATIOS (SFD = 1 E.D.U.)

WESTERN PLACER UNIFIED SCHOOL DISTRICT DATE: 30-Apr-04

DEVELOPMENT PROJECT	UNIT TYPE	EQ. D.U. CALCULATION	EACH FISCAL YEAR BEGINS JULY 1										YEARS 2014-2018	YEARS 2019-2023	TOTAL UNITS
			2004	2005	2006	2007	2008	2009	2010	2011	2012	2013			
Atkins Ranch	SFD	1.000			120	120	120	117							477
Cyprus Meadows	SFD	1.000	72	12											84
Foskett Ranch	SFD	1.000	84	84	84	71									323
Lincoln Highlands	SFD	1.000	96	84											180
Nader Ranch	SFD	1.000				150	150	150	150	150	114				864
Three D	SFD	1.000	120	65											185
Twelve Bridges	SFD	1.000	320	320	320	320	320	320	320	145					2,385
Western Placer Education Foundation	SFD	1.000		30	30	11									71
Lincoln Crossing (CFD #2)	SFD	1.000	1,275	932	379	6									2,592
Lincoln Terrace Apartments	MFD	2.916	233												233
Sun City (Del Webb)	SFD	1.000	1,040	1,040	614										2,694
TOTAL ANNUAL			3,240	2,567	1,547	678	590	587	470	295	114				10,088

Table 3

PROJECTED ANNUAL SQUARE FEET TO BE PERMITTED

WESTERN PLACER UNIFIED SCHOOL DISTRICT DATE: 30-Apr-04

DEVELOPMENT PROJECT	UNIT TYPE	UNIT SIZE	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	YEARS 2014-2018	YEARS 2019-2023	TOTAL UNITS
Atkins Ranch	SFD	2,100			252,000	252,000	252,000	245,700							1,001,700
Cyprus Meadows	SFD	1,850	133,200	22,200											155,400
Foskett Ranch	SFD	1,700	142,800	142,800	142,800	120,700									549,100
Lincoln Highlands	SFD	1,850	177,600	155,400											333,000
Nader Ranch	SFD	2,100				315,000	315,000	315,000	315,000	315,000	239,400				1,814,400
Three D	SFD	1,488	178,560	96,720											275,280
Twelve Bridges	SFD	2,120	678,400	678,400	678,400	678,400	678,400	678,400	678,400	307,400					5,056,200
Western Placer Education Foundation	SFD	2,100		63,000	63,000	23,100									149,100
Lincoln Crossing (CFD #2)	SFD	1,881	2,398,275	1,753,092	712,899	11,286									4,875,552
Lincoln Terrace Apartments	MFD	1,009	80,720												80,720
Sun City (Del Webb)	SFD	1,932	2,009,280	2,009,280	1,186,248										5,204,808
TOTAL ANNUAL			5,798,835	4,920,892	3,035,347	1,400,486	1,245,400	1,239,100	993,400	622,400	239,400				19,495,260
G.C. 65995 ANNUAL FEE CALCULATION		$2.24	$ 12,989,390	$11,022,798	$ 6,799,177	$ 3,137,089	$ 2,789,696	$ 2,775,584	$ 2,225,216	$ 1,394,176	$ 536,256	$ -	$ -	$ -	$ 43,669,382

Table 4

PROJECTED REGULAR STUDENTS GENERATED FROM NEW DEVELOPMENT

WESTERN PLACER UNIFIED SCHOOL DISTRICT DATE: 30-Apr-04

DEVELOPMENT PROJECT	UNIT TYPE	PUPILS/D.U. OR SGF	EACH FISCAL YEAR BEGINS JULY 1										YEARS 2014-2018	YEARS 2019-2023	TOTAL STUDENTS
			2004	2005	2006	2007	2008	2009	2010	2011	2012	2013			
Atkins Ranch	SFD	0.37			45	45	45	43							177
Cyprus Meadows	SFD	0.37	27	4											31
Foskett Ranch	SFD	0.37	31	31	31	26									120
Lincoln Highlands	SFD	0.37	36	31											67
Nader Ranch	SFD	0.37				56	56	56	56	56	42				321
Three D	SFD	0.37	45	24											69
Twelve Bridges	SFD	0.37	119	119	119	119	119	119	119	54					885
Western Placer Education Foundation	SFD	0.37		11	11	4									26
Lincoln Crossing (CFD #2)	SFD	0.37	473	346	141	2									962
Lincoln Terrace Apartments	MFD	1.08	252												252
Sun City (Del Webb)	SFD	0.37	386	386	228										999
TOTAL ANNUAL			1,368	952	574	252	219	218	174	109	42				3,909

Table 5

PROJECTED SPECIAL EDUCATION STUDENTS GENERATED FROM NEW DEVELOPMENT
BASED ON DWELLING UNIT OCCUPANCY

WESTERN PLACER UNIFIED SCHOOL DISTRI DATE: 30-Apr-04

DEVELOPMENT PROJECT	EACH FISCAL YEAR BEGINS JULY 1										YEARS 2014-2018	YEARS 2019-2023	TOTAL STUDENTS
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013			
Atkins Ranch			1	1	1	1							3
Cyprus Meadows	0	0											1
Foskett Ranch	1	1	1	0									2
Lincoln Highlands	1	1											1
Nader Ranch				1	1	1	1	1	1				5
Three D	1	0											1
Twelve Bridges	2	2	2	2	2	2	2	1					15
Western Placer Education Foundation		0	0	0									0
Lincoln Crossing (CFD #2)	8	6	2	0									16
Lincoln Terrace Apartments	4												4
Sun City (Del Webb)	7	7	4										17
TOTAL ANNUAL	23	16	10	4	4	4	3	2	1				66

Table 6

TOTAL PROJECTED STUDENTS FROM NEW DEVELOPMENT BASED ON DWELLING UNIT OCCUPANCY

WESTERN PLACER UNIFIED SCHOOL DISTRICT DATE: 28-Apr-04

DEVELOPMENT PROJECT		EACH FISCAL YEAR BEGINS JULY 1										YEARS 2014-2018	YEARS 2019-2023	TOTAL STUDENTS
		2004	2005	2006	2007	2008	2009	2010	2011	2012	2013			
Atkins Ranch				45	45	45	44							180
Cyprus Meadows	SFD	27	5											32
Foskett Ranch	SFD	32	32	32	27									122
Lincoln Highlands	SFD	36	32											68
Nader Ranch	SFD				57	57	57	57	57	43				326
Three D	SFD	45	25											70
Twelve Bridges	SFD	121	121	121	121	121	121	121	55					900
Western Placer Education Foundation	SFD		11	11	4									27
Lincoln Crossing (CFD #2)	SFD	481	352	143	2									978
Lincoln Terrace Apartments	MFD	257												257
Sun City (Del Webb)	SFD	392	392	232										1,016
TOTAL ANNUAL		1,391	968	584	256	223	221	177	111	43				3,975

130

Table 7

WESTERN PLACER UNIFIED SCHOOL DISTRICT
SAB50 - 01 WEIGHTED COHORT-SURVIVAL ENROLLMENT FORECAST CALCULATION
(USED BY STATE ALLOCATION BOARD TO DETERMINE SCHOOL FACILITIES PROGRAM ELIGIBILITY)

GRADE	2000	2001	2002	2003	CHANGE	2004	2005	2006	2007	2008	2009	BY 2014	BY 2019	BY 2023
K	243	295	278	309	19	328	347	366	385	404	423	518	613	689
1	254	291	322	304	30	339	358	377	396	415	434	529	624	700
2	247	282	303	340	18	322	357	376	395	414	433	528	623	699
3	254	268	298	312	13	353	335	370	389	408	427	522	617	693
4	295	283	305	331	34	346	387	369	404	423	442	537	632	708
5	236	313	295	316	13	344	359	400	382	417	436	531	626	702
6	271	269	313	318	17	333	361	376	417	399	434	529	624	700
7	224	284	290	317	11	329	344	372	387	428	410	521	616	692
8	245	257	312	312	26	343	355	370	398	413	454	528	623	699
9	236	266	276	295	1	313	344	356	371	399	414	510	605	681
10	242	241	287	273	6	301	319	350	362	377	405	497	592	668
11	237	252	243	270	(6)	267	295	313	344	356	371	472	567	643
12	222	252	230	256	2	272	269	297	315	346	358	439	550	626
State 411 Calculation Categories														
ENR K	243	295	278	309		328	347	366	385	404	423	518	613	689
ENR 1-3	755	841	923	956		1,014	1,050	1,123	1,180	1,237	1,294	1,579	1,864	2,092
ENR 4-6	802	865	913	965		1,023	1,107	1,145	1,203	1,239	1,312	1,597	1,882	2,110
ENR 7-8	469	541	602	629		672	699	742	785	841	864	1,049	1,239	1,391
ENR 9-12	937	1,011	1,036	1,094		1,153	1,227	1,316	1,392	1,478	1,548	1,918	2,314	2,618
ANNUAL CHNG		347	199	201		237	240	262	253	254	242	226	247	247
Grade Configuration Analysis														
ENR K-5	1,529	1,732	1,801	1,912		2,032	2,143	2,258	2,351	2,481	2,595	3,165	3,735	4,191
ENR K-6	1,800	2,001	2,114	2,230		2,365	2,504	2,634	2,768	2,880	3,029	3,694	4,359	4,891
ENR 6-8	740	810	915	947		1,005	1,060	1,118	1,202	1,240	1,298	1,578	1,863	2,091
ENR 7-9	705	807	878	924		985	1,043	1,098	1,156	1,240	1,278	1,559	1,844	2,072
ENR K-8	2,269	2,542	2,716	2,859		3,037	3,203	3,376	3,553	3,721	3,893	4,743	5,598	6,282
ENR 10-12	701	745	760	799		840	883	960	1,021	1,079	1,134	1,408	1,709	1,937
ENR 7-12	1,406	1,552	1,638	1,723		1,825	1,926	2,058	2,177	2,319	2,412	2,967	3,553	4,009
ENR K-12	3,206	3,553	3,752	3,953		4,190	4,430	4,692	4,945	5,199	5,441	6,661	7,912	8,900
CHANGE K-6		201	113	116		135	139	130	134	112	149	133	133	133
CHANGE 7-12		146	86	85		102	101	132	119	142	93	93	114	114
SPECIAL EDUCATION	55	61	65	67		71	75	80	84	88	92	113	134	151

Table 8

TOTAL PROJECTED GRADES K-6 STUDENTS FROM NEW DEVELOPMENT

WESTERN PLACER UNIFIED SCHOOL DISTRICT DATE: 30-Apr-04

DEVELOPMENT PROJECT	UNIT TYPE	UNIT SIZE	EACH FISCAL YEAR BEGINS JULY 1										YEARS 2014-2018	YEARS 2019-2023	TOTAL STUDENTS
			2004	2005	2006	2007	2008	2009	2010	2011	2012	2013			
Atkins Ranch	SFD	2,100			22	22	22	21							86
Cyprus Meadows	SFD	1,850	13	2											15
Foskett Ranch	SFD	1,700	15	15	15	13									59
Lincoln Highlands	SFD	1,850	18	15											33
Nader Ranch	SFD	2,100				27	27	27	27	27	20				155
Three D	SFD	1,488	22	12											34
Twelve Bridges	SFD	2,120	59	58	58	57	58	58	57	26					431
Western Placer Education Foundation	SFD	2,100		5	5	2									13
Lincoln Crossing (CFD #2)	SFD	1,881	233	170	69	1									473
Lincoln Terrace Apartments	MFD	1,009	125												125
Sun City (Del Webb)	SFD	1,932	190	190	111										492
TOTAL ANNUAL			675	469	281	122	106	106	84	53	20				1,915

Table 9

PROJECTED TOTAL PROJECTED GRADES 7-8 STUDENTS FROM NEW DEVELOPMENT

WESTERN PLACER UNIFIED SCHOOL DISTRICT DATE: 30-Apr-04

DEVELOPMENT PROJECT	UNIT TYPE	UNIT SIZE	EACH FISCAL YEAR BEGINS JULY 1										YEARS 2014-2018	YEARS 2019-2023	TOTAL STUDENTS
			2004	2005	2006	2007	2008	2009	2010	2011	2012	2013			
Atkins Ranch	SFD	2,100			11	11	11	11							43
Cyprus Meadows	SFD	1,850	7	1											8
Foskett Ranch	SFD	1,700	8	8	8	7									29
Lincoln Highlands	SFD	1,850	9	8											16
Nader Ranch	SFD	2,100				14	13	14	13	13	10				78
Three D	SFD	1,488	11	6											17
Twelve Bridges	SFD	2,120	29	29	29	29	29	29	28	13					215
Western Placer Education Foundation	SFD	2,100		3	3	1									6
Lincoln Crossing (CFD #2)	SFD	1,881	115	84	34	1									234
Lincoln Terrace Apartments	MFD	1,009	62												62
Sun City (Del Webb)	SFD	1,932	94	94	55										243
TOTAL ANNUAL			334	232	139	62	53	53	42	26	10				951

Table 10

TOTAL PROJECTED GRADES 9-12 STUDENTS FROM NEW DEVELOPMENT

WESTERN PLACER UNIFIED SCHOOL DISTRICT DATE: 30-Apr-04

DEVELOPMENT PROJECT	UNIT TYPE	UNIT SIZE	EACH FISCAL YEAR BEGINS JULY 1										YEARS 2014-2018	YEARS 2019-2023	TOTAL STUDENTS
			2004	2005	2006	2007	2008	2009	2010	2011	2012	2013			
Atkins Ranch	SFD	2,100			13	13	13	13							51
Cyprus Meadows	SFD	1,850	7	1											9
Foskett Ranch	SFD	1,700	9	9	9	8									34
Lincoln Highlands	SFD	1,850	10	9											19
Nader Ranch	SFD	2,100				16	16	16	16	16	12				93
Three D	SFD	1,488	12	7											19
Twelve Bridges	SFD	2,120	33	33	34	34	34	34	35	16					254
Western Placer Education Foundation	SFD	2,100		3	3	1									7
Lincoln Crossing (CFD #2)	SFD	1,881	132	97	40	1									271
Lincoln Terrace Apartments	MFD	1,009	71												71
Sun City (Del Webb)	SFD	1,932	108	109	65										282
TOTAL ANNUAL			383	268	164	72	63	63	51	32	12				1,109

Table 11

FUTURE ENROLLMENT FORECAST BY THE NEW DEVELOPMENT MODEL

WESTERN PLACER UNIFIED SCHOOL DISTRICT

STUDENTS GENERATED FROM NEW DEVELOPMENT ADDED TO THE EXISTING STUDENT POPULATION

GRADE	2000	2001	2002	2003	2004	2005	2006	2007	2008	BY 2014	BY 2019	BY 2023
K	243	295	278	309	416	491	535	555	572	614	614	614
1	254	291	322	304	415	492	538	558	575	619	619	619
2	247	282	303	340	445	522	568	588	605	649	649	649
3	254	268	298	312	427	499	545	564	581	624	624	624
4	295	283	305	331	444	527	572	593	611	655	655	655
5	236	313	295	316	428	505	554	574	591	635	635	635
6	271	269	313	318	427	504	550	572	588	632	632	632
7	224	284	290	317	424	498	544	564	582	623	623	623
8	245	257	312	312	424	500	546	566	583	627	627	627
9	236	266	276	295	397	471	515	534	550	592	592	592
10	242	241	287	273	371	440	483	501	517	558	558	558
11	237	252	243	270	357	421	459	476	491	529	529	529
12	222	252	230	256	345	403	439	455	470	506	506	506
State 411 Calculation Categories												
ENR K	243	295	278	309	416	491	535	555	572	614	614	614
ENR 1-3	755	841	923	956	1,287	1,513	1,650	1,710	1,762	1,891	1,891	1,891
ENR 4-5	531	596	600	647	872	1,033	1,127	1,167	1,202	1,290	1,290	1,290
ENR 6	271	269	313	318	427	504	550	572	588	632	632	632
ENR 7-8	469	541	602	629	848	999	1,089	1,129	1,165	1,250	1,250	1,250
ENR 9-12	937	1,011	1,036	1,094	1,470	1,734	1,895	1,966	2,028	2,184	2,184	2,184
ANNUAL CHNG		347	199	201	1,368	952	574	252	219	0	0	0
Grade Configuration Analysis												
ENR K-5	1,529	1,732	1,801	1,912	2,575	3,036	3,312	3,432	3,536	3,795	3,795	3,795
ENR K-6	1,800	2,001	2,114	2,230	3,002	3,540	3,863	4,003	4,125	4,427	4,427	4,427
ENR 6-8	740	810	915	947	1,275	1,503	1,640	1,701	1,753	1,882	1,882	1,882
ENR 7-9	705	807	878	924	1,246	1,470	1,604	1,663	1,715	1,842	1,842	1,842
ENR K-8	2,269	2,542	2,716	2,859	3,851	4,539	4,952	5,133	5,290	5,677	5,677	5,677
ENR 10-12	701	745	760	799	1,073	1,263	1,381	1,432	1,478	1,592	1,592	1,592
ENR 7-12	1,406	1,552	1,638	1,723	2,319	2,733	2,985	3,095	3,193	3,435	3,435	3,435
ENR K-12	3,206	3,553	3,752	3,953	5,321	6,273	6,847	7,099	7,318	7,862	7,862	7,862
CHANGE K-6		201	113	116	772	538	322	141	121	0	0	0
CHANGE 7-12		146	86	85	596	414	252	111	98	0	0	0
SPECIAL EDUCATION	55	61	65	67	90	106	116	120	124	133	133	133

Table 12

PERMANENT CLASSROOM AND RELOCATABLE NEEDS ANALYSIS

WESTERN PLACER UNIFIED SCHOOL DISTRICT 4/30/2004

YEAR	AVAILABLE CAPACITY	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	BY 2019	BY 2023
ANNUAL UNHOUSED STUDENTS K - 3	0	438	300	182	80	69	69	55	34	13	0		
CUMULATIVE UNHOUSED STUDENTS K - 3		438	738	921	1,000	1,069	1,138	1,193	1,227	1,241	1,241	1,241	1,241
ANNUAL UNHOUSED STUDENTS 4-5	0	225	160	94	40	35	35	28	18	7	0		
CUMULATIVE UNHOUSED STUDENTS 4-5		225	386	480	520	555	590	618	636	643	643	643	643
ANNUAL UNHOUSED STUDENTS K-5 SUMMARY	0	663	461	276	120	104	104	83	52	20	0		
CUMULATIVE GRADES K-5		663	1,124	1,400	1,520	1,624	1,728	1,811	1,863	1,883	1,883	1,883	1,883
ANNUAL UNHOUSED STUDENTS 6	0	109	78	46	21	17	17	14	9	3	0		
CUMULATIVE UNHOUSED STUDENTS 6		109	186	232	254	270	288	302	310	314	314	314	314
ANNUAL UNHOUSED STUDENTS 6-8	0	328	228	137	61	52	52	41	26	10	0		
CUMULATIVE UNHOUSED STUDENTS 6-8		328	556	693	754	806	858	899	925	935	935	935	935
ANNUAL UNHOUSED STUDENTS 9-12	0	376	264	161	71	62	62	50	32	12	0		
CUMULATIVE UNHOUSED STUDENTS 9-12		376	640	801	872	934	996	1,047	1,078	1,090	1,090	1,090	1,090
ANNUAL UNHOUSED STUDENTS K-12	0	1,368	952	574	252	219	218	174	109	42	0		
CUMULATIVE UNHOUSED STUDENTS K-12		1,368	2,320	2,894	3,146	3,365	3,583	3,757	3,866	3,909	3,909	3,909	3,909
ANNUALSPECIAL ED.	0	23	0	1	1	1	1	0	0	0	0		
CUMULATIVE SPECIAL ED.		23	23	24	25	25	26	26	26	26	26	26	26
TOTAL		**1,391**	**952**	**575**	**252**	**220**	**219**	**174**	**109**	**42**	**0**		
CUMULATIVE		**1,391**	**2,344**	**2,918**	**3,171**	**3,390**	**3,609**	**3,783**	**3,893**	**3,935**	**3,935**	**3,935**	**3,935**

ANNUAL CLASSROOMS NEEDED

YEAR	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	YEARS 2014-2018	YEARS 2099-2023
K - 3	18	12	7	3	3	3	2	1	1	0	0	0
4-5	9	6	4	2	1	2	1	0	1	0	0	0
K-5	27	18	11	5	4	5	3	1	2	0	0	0
6	4	3	2	1	1	1	0	0	1	0	0	0
7-8	12	9	5	2	2	2	1	1	1	0	0	0
9-12	14	10	6	2	3	2	2	1	0	0	0	0
SPECIAL ED	1	0	0	0	0	0	0	0	0	0	0	0

CUMULATIVE CLASSROOMS NEEDED

YEAR	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	BY 2014	BY 2019
K - 3	18	30	37	40	43	46	48	49	50	50	50	50
4-5	9	15	19	21	22	24	25	25	26	26	26	26
K-5	27	45	56	61	65	70	73	74	76	76	76	76
6	4	7	9	10	11	12	12	12	13	13	13	13
K-6	31	52	65	71	76	82	85	86	89	89		89
7-8	12	21	26	28	30	32	33	34	35	35	35	35
9-12	14	24	30	32	35	37	39	40	40	40	40	40
SPECIAL ED	1	1	1	1	1	1	1	1	1	1	1	1

Q1.36

CALCULATION OF THE NUMBER OF SCHOOL FACILITIES NEEDED

WESTERN PLACER UNIFIED SCHOOL DISTRICT

CATEGORY		2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	BY 2019	BY 2023
CUMULATIVE STUDENTS													
CUMULATIVE K-6		663	1,124	1,400	1,520	1,624	1,728	1,811	1,863	1,883	1,883	1,883	1,883
CUMULATIVE 7-8		328	556	693	754	806	858	899	925	935	935	935	935
CUMULATIVE 9-12		376	640	801	872	934	996	1,047	1,078	1,090	1,090	1,090	1,090
PORTION OF SCHOOLS TO BE USED													
CUMULATIVE K-6		1.106	1.874	2.334	2.533	2.707	2.880	3.019	3.105	3.139	3.139	3.139	3.139
CUMULATIVE 7-8		0.328	0.556	0.693	0.754	0.806	0.858	0.899	0.925	0.935	0.935	0.935	0.935
CUMULATIVE 9-12		0.301	0.512	0.641	0.698	0.747	0.797	0.837	0.863	0.872	0.872	0.872	0.872
PORTION OF SCHOOLS TO BE FUNDED	AVAILABLE SITES												
CUMULATIVE K-6	0	1.106	1.874	2.334	2.533	2.707	2.880	3.019	3.105	3.139	3.139	3.139	3.139
CUMULATIVE 7-8	0	0.328	0.556	0.693	0.754	0.806	0.858	0.899	0.925	0.935	0.935	0.935	0.935
CUMULATIVE 9-12	0	0.301	0.512	0.641	0.698	0.747	0.797	0.837	0.863	0.872	0.872	0.872	0.872
SCHOOL SITES AND CONSTRUCTION PLANS	PLANS TRIGGER												
CUMULATIVE K-6	0.300	1.000	2.000	3.000	3.000	3.000	3.000	3.000	3.000	3.000	3.000	3.000	3.000
CUMULATIVE 7-8	0.250	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
CUMULATIVE 9-12	0.200	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
SCHOOL SITES TO BE PURCHASED	SITE TRIGGER												
CUMULATIVE K-6	0.400	1.000	2.000	2.000	3.000	3.000	3.000	3.000	3.000	3.000	3.000	3.000	3.000
CUMULATIVE 7-8	0.350	0.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
CUMULATIVE 9-12	0.300	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
SCHOOL FACILITIES TO BE CONSTRUCTED	CONSTRUCTION TRIGGER												
CUMULATIVE K-6	0.500	1.000	2.000	2.000	3.000	3.000	3.000	3.000	3.000	3.000	3.000	3.000	3.000
CUMULATIVE 7-8	0.450	0.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
CUMULATIVE 9-12	0.400	0.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000

13-16

Table 14

LAND AND SCHOOL FACILITIES COST SUMMARY

WESTERN PLACER UNIFIED SCHOOL DISTRICT

1/2 LAND COST DATA	PER PUPIL ALLOWANCE	2004	2005	2006	2007	2008	2009
Elementary Schools	$ 1,450.00	$ 962,006	$ 668,015	$ 400,496	$ 173,404	$ 151,461	$ 150,605
Middle Schools	$ 1,551.50	$ 509,101	$ 353,552	$ 212,178	$ 94,862	$ 80,999	$ 80,605
High Schools	$ 2,320.00	$ 873,380	$ 611,968	$ 373,465	$ 164,272	$ 144,367	$ 143,745
1/2 SITE IMPROVEMENT/UTILITIES COSTS							
Elementary Schools	$ 625.00	$ 414,658	$ 287,938	$ 172,628	$ 74,743	$ 65,285	$ 64,916
Middle Schools	$ 90.00	$ 29,532	$ 20,509	$ 12,308	$ 5,503	$ 4,699	$ 4,676
High Schools	$ 1,200.00	$ 451,748	$ 316,535	$ 193,172	$ 84,968	$ 74,673	$ 74,351
1/2 CONSTRUCTION COSTS							
Elementary Schools	$ 6,040.00	$ 4,007,253	$ 2,782,628	$ 1,668,273	$ 722,315	$ 630,913	$ 627,347
Middle Schools	$ 6,386.00	$ 2,096,125	$ 1,455,683	$ 873,601	$ 390,577	$ 333,498	$ 331,874
High Schools	$ 8,363.00	$ 3,148,310	$ 2,205,986	$ 1,346,245	$ 592,159	$ 520,406	$ 518,163
ADDITIONAL GRANT							
Elementary Schools	$ 12,875.00	$ 6,933	$ -	$ -	$ -	$ -	$ -
Middle Schools	$ 12,875.00	$ 1,981	$ -	$ -	$ -	$ -	$ -
High Schools	$ 12,875.00	$ 3,962	$ -	$ -	$ -	$ -	$ -
SUMMARY							
ANNUAL 1/2 LAND COSTS		$ 2,344,487	$ 1,633,535	$ 986,139	$ 432,538	$ 376,827	$ 374,954
CUMULATIVE 1/2 LAND COSTS		$ 2,344,487	$ 3,978,023	$ 4,964,161	$ 5,396,700	$ 5,773,527	$ 6,148,481
ANNUAL 1/2 SITE IMPROVEMENT COSTS		$ 895,938	$ 624,982	$ 378,107	$ 165,214	$ 144,656	$ 143,942
CUMULATIVE 1/2 SITE IMPROVEMENT COSTS		$ 895,938	$ 1,520,920	$ 1,899,027	$ 2,064,241	$ 2,208,898	$ 2,352,840
ANNUAL 1/2 CONSTRUCTION COSTS		$ 9,251,688	$ 6,444,297	$ 3,888,119	$ 1,705,052	$ 1,484,817	$ 1,477,383
CUMULATIVE 1/2 CONSTRUCTION COSTS		$ 9,251,688	$ 15,695,985	$ 19,584,103	$ 21,289,155	$ 22,773,973	$ 24,251,356
ANNUAL ADDITIONAL GRANTS		$ 12,875	$ -	$ -	$ -	$ -	$ -
CUMULATIVE ADDITIONAL GRANTS		$ 12,875	$ 15,708,860	$ 35,292,963	$ 56,582,118	$ 79,356,091	$ 103,607,447
TOTAL 1/2 ANNUAL COSTS		$ 12,504,988	$ 8,702,814	$ 5,252,365	$ 2,302,804	$ 2,006,301	$ 1,996,280
1/2 CUMULATIVE COSTS		$ 12,504,988	$ 21,207,802	$ 26,460,167	$ 28,762,971	$ 30,769,272	$ 32,765,552
TOTAL COSTS							
ELEMENTARY SCHOOL COSTS							
ANNUAL	20,990	$ 10,781,699	$ 7,477,161	$ 4,482,793	$ 1,940,924	$ 1,695,319	$ 1,685,734
CUMULATIVE		$ 10,781,699	$ 18,258,860	$ 22,741,653	$ 24,682,577	$ 26,377,896	$ 28,063,630
JUNIOR HIGH / MIDDLE SCHOOL COSTS							
ANNUAL	20,905	$ 5,273,477	$ 3,659,489	$ 2,196,173	$ 981,884	$ 838,390	$ 834,308
CUMULATIVE		$ 5,273,477	$ 8,932,966	$ 11,129,138	$ 12,111,023	$ 12,949,413	$ 13,783,721
HIGH SCHOOL COSTS							
ANNUAL	24,758	$ 8,954,801	$ 6,268,977	$ 3,825,764	$ 1,682,801	$ 1,478,893	$ 1,472,517
CUMULATIVE		$ 8,954,801	$ 15,223,778	$ 19,049,543	$ 20,732,343	$ 22,211,236	$ 23,683,753
TOTAL CUMULATIVE COSTS		$ 25,009,977	$ 42,415,604	$ 52,920,334	$ 57,525,943	$ 61,536,545	$ 65,531,104
ANNUAL UNITS CONSTRUCTED		3,087	2,567	1,547	678	590	587
CUMULATIVE UNITS CONSTRUCTED		3,087	5,654	7,201	7,879	8,469	9,056
ANNUAL AREA CONSTRUCTED		5,798,835	4,920,892	3,035,347	1,400,486	1,245,400	1,239,100
		5,798,835	10,719,727	13,755,074	15,155,560	16,400,960	17,640,060
SCHOOL COST PER SQUARE FOOT OF DEVELOPMENT		$ 4.31	$ 3.96	$ 3.85	$ 3.80	$ 3.75	$ 3.71

Table 15

LAND AND SCHOOL FACILITIES COST SUMMARY

WESTERN PLACER UNIFIED SCHOOL DISTRICT

	2010	2011	2012	2013	2014	2015	2016
1/2 LAND COST DATA							
Elementary Schools	$ 120,375	$ 75,382	$ 29,112	$ -	$ -	$ -	$ -
Middle Schools	$ 63,426	$ 40,201	$ 15,527	$ -	$ -	$ -	$ -
High Schools	$ 117,096	$ 73,187	$ 28,325	$ -	$ -	$ -	$ -
1/2 SITE IMPROVEMENT/UTILITIES COSTS							
Elementary Schools	$ 51,886	$ 32,492	$ 12,548	$ -	$ -	$ -	$ -
Middle Schools	$ 3,679	$ 2,332	$ 901	$ -	$ -	$ -	$ -
High Schools	$ 60,567	$ 37,855	$ 14,651	$ -	$ -	$ -	$ -
1/2 CONSTRUCTION COSTS							
Elementary Schools	$ 501,424	$ 314,006	$ 121,266	$ -	$ -	$ -	$ -
Middle Schools	$ 261,144	$ 165,520	$ 63,930	$ -	$ -	$ -	$ -
High Schools	$ 422,100	$ 263,821	$ 102,104	$ -	$ -	$ -	$ -
ADDITIONAL GRANT							
Elementary Schools	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Middle Schools	$ -	$ -	$ -	$ -	$ -	$ -	$ -
High Schools	$ -	$ -	$ -	$ -	$ -	$ -	$ -
SUMMARY							
ANNUAL 1/2 LAND COSTS	$ 300,897	$ 188,770	$ 72,964	$ -	$ -	$ -	$ -
CUMULATIVE 1/2 LAND COSTS	$ 6,449,378	$ 6,638,148	$ 6,711,112	$ 6,711,112	$ 6,711,112	$ 6,711,112	$ 6,711,112
ANNUAL 1/2 SITE IMPROVEMENT COSTS	$ 116,132	$ 72,680	$ 28,100	$ -	$ -	$ -	$ -
CUMULATIVE 1/2 SITE IMPROVEMENT COSTS	$ 2,468,972	$ 2,541,652	$ 2,569,751	$ 2,569,751	$ 2,569,751	$ 2,569,751	$ 2,569,751
ANNUAL 1/2 CONSTRUCTION COSTS	$ 1,184,668	$ 743,347	$ 287,300	$ -	$ -	$ -	$ -
CUMULATIVE 1/2 CONSTRUCTION COSTS	$ 25,436,024	$ 26,179,371	$ 26,466,671	$ 26,466,671	$ 26,466,671	$ 26,466,671	$ 26,466,671
ANNUAL ADDITIONAL GRANTS	$ -	$ -	$ -	$ -	$ -	$ -	$ -
CUMULATIVE ADDITIONAL GRANTS	$ 129,043,472	$ 155,222,843	$ 181,689,514	$ 208,156,185	$ 234,622,856	$ 261,089,527	$ 287,556,198
TOTAL 1/2 ANNUAL COSTS	$ 1,601,697	$ 1,004,797	$ 388,364	$ -	$ -	$ -	$ -
1/2 CUMULATIVE COSTS	$ 34,367,249	$ 35,372,046	$ 35,760,410	$ 35,760,410	$ 35,760,410	$ 35,760,410	$ 35,760,410
TOTAL COSTS							
ELEMENTARY SCHOOL COSTS							
ANNUAL	$ 1,347,370	$ 843,761	$ 325,853	$ -	$ -	$ -	$ -
CUMULATIVE	$ 29,411,001	$ 30,254,762	$ 30,580,614	$ 30,580,614	$ 30,580,614	$ 30,580,614	$ 30,580,614
JUNIOR HIGH / MIDDLE SCHOOL COSTS							
ANNUAL	$ 656,499	$ 416,105	$ 160,716	$ -	$ -	$ -	$ -
CUMULATIVE	$ 14,440,220	$ 14,856,325	$ 15,017,040	$ 15,017,040	$ 15,017,040	$ 15,017,040	$ 15,017,040
HIGH SCHOOL COSTS							
ANNUAL	$ 1,199,525	$ 749,728	$ 290,159	$ -	$ -	$ -	$ -
CUMULATIVE	$ 24,883,278	$ 25,633,005	$ 25,923,165	$ 25,923,165	$ 25,923,165	$ 25,923,165	$ 25,923,165
TOTAL CUMULATIVE COSTS	$ 68,734,498	$ 70,744,092	$ 71,520,819	$ 71,520,819	$ 71,520,819	$ 71,520,819	$ 71,520,819
ANNUAL UNITS CONSTRUCTED	470	295	114	0	0	0	0
CUMULATIVE UNITS CONSTRUCTED	9,526	9,821	9,935	9,935	9,935	9,935	9,935
ANNUAL AREA CONSTRUCTED	993,400	622,400	239,400	0	0	0	0
	18,633,460	19,255,860	19,495,260	19,495,260	19,495,260	19,495,260	19,495,260
SCHOOL COST PER SQUARE FOOT OF DEVELOPMENT	$ 3.69	$ 3.67	$ 3.67	$ 3.67	$ 3.67	$ 3.67	$ 3.67

LAND AND SCHOOL FACILITIES COST SUMMARY

WESTERN PLACER UNIFIED SCHOOL DISTRICT

	2017	2018	2019	2020	2021	2022	2023
1/2 LAND COST DATA							
Elementary Schools	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Middle Schools	$ -	$ -	$ -	$ -	$ -	$ -	$ -
High Schools	$ -	$ -	$ -	$ -	$ -	$ -	$ -
1/2 SITE IMPROVEMENT/UTILITIES COSTS							
Elementary Schools	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Middle Schools	$ -	$ -	$ -	$ -	$ -	$ -	$ -
High Schools	$ -	$ -	$ -	$ -	$ -	$ -	$ -
1/2 CONSTRUCTION COSTS							
Elementary Schools	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Middle Schools	$ -	$ -	$ -	$ -	$ -	$ -	$ -
High Schools	$ -	$ -	$ -	$ -	$ -	$ -	$ -
ADDITIONAL GRANT							
Elementary Schools	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Middle Schools	$ -	$ -	$ -	$ -	$ -	$ -	$ -
High Schools	$ -	$ -	$ -	$ -	$ -	$ -	$ -
SUMMARY							
ANNUAL 1/2 LAND COSTS	$ -	$ -	$ -	$ -	$ -	$ -	$ -
CUMULATIVE 1/2 LAND COSTS	$ 6,711,112	$ 6,711,112	$ 6,711,112	$ 6,711,112	$ 6,711,112	$ 6,711,112	$ 6,711,112
ANNUAL 1/2 SITE IMPROVEMENT COSTS	$ -	$ -	$ -	$ -	$ -	$ -	$ -
CUMULATIVE 1/2 SITE IMPROVEMENT COSTS	$ 2,569,751	$ 2,569,751	$ 2,569,751	$ 2,569,751	$ 2,569,751	$ 2,569,751	$ 2,569,751
ANNUAL 1/2 CONSTRUCTION COSTS	$ -	$ -	$ -	$ -	$ -	$ -	$ -
CUMULATIVE 1/2 CONSTRUCTION COSTS	$ 26,466,671	$ 26,466,671	$ 26,466,671	$ 26,466,671	$ 26,466,671	$ 26,466,671	$ 26,466,671
ANNUAL ADDITIONAL GRANTS	$ -	$ -	$ -	$ -	$ -	$ -	$ -
CUMULATIVE ADDITIONAL GRANTS	$ 314,022,870	$ 340,489,541	$ 366,956,212	$ 393,422,883	$ 419,889,554	$ 446,356,225	$ 472,822,896
TOTAL 1/2 ANNUAL COSTS	$ -	$ -	$ -	$ -	$ -	$ -	$ -
1/2 CUMULATIVE COSTS	$ 35,760,410	$ 35,760,410	$ 35,760,410	$ 35,760,410	$ 35,760,410	$ 35,760,410	$ 35,760,410
TOTAL COSTS							
ELEMENTARY SCHOOL COSTS							
ANNUAL	$ -	$ -	$ -	$ -	$ -	$ -	$ -
CUMULATIVE	$ 30,580,614	$ 30,580,614	$ 30,580,614	$ 30,580,614	$ 30,580,614	$ 30,580,614	$ 30,580,614
JUNIOR HIGH / MIDDLE SCHOOL COSTS							
ANNUAL	$ -	$ -	$ -	$ -	$ -	$ -	$ -
CUMULATIVE	$ 15,017,040	$ 15,017,040	$ 15,017,040	$ 15,017,040	$ 15,017,040	$ 15,017,040	$ 15,017,040
HIGH SCHOOL COSTS							
ANNUAL	$ -	$ -	$ -	$ -	$ -	$ -	$ -
CUMULATIVE	$ 25,923,165	$ 25,923,165	$ 25,923,165	$ 25,923,165	$ 25,923,165	$ 25,923,165	$ 25,923,165
TOTAL CUMULATIVE COSTS	$ 71,520,819	$ 71,520,819	$ 71,520,819	$ 71,520,819	$ 71,520,819	$ 71,520,819	$ 71,520,819
ANNUAL UNITS CONSTRUCTED	0	0	0	0	0	0	0
CUMULATIVE UNITS CONSTRUCTED	9,935	9,935	9,935	9,935	9,935	9,935	9,935
ANNUAL AREA CONSTRUCTED	0	0	0	0	0	0	0
	19,495,260	19,495,260	19,495,260	19,495,260	19,495,260	19,495,260	19,495,260
SCHOOL COST PER SQUARE FOOT OF DEVELOPMENT	$ 3.67	$ 3.67	$ 3.67	$ 3.67	$ 3.67	$ 3.67	$ 3.67

Table 15

WESTERN PLACER UNIFIED SCHOOL DISTRICT
BOARD OF TRUSTEE MEETING FACT SHEET

MISSION STATEMENT: Empower Students with the Skills, Knowledge, and Attitudes for Success in an Ever Changing World.
BOARD OF TRUSTEES/GLOBAL DISTRICT GOALS
1. Develop and continually upgrade a well articulated K-12 academic program that challenges all students to achieve their highest potential, with a special emphasis on students. 2. Foster a safe, caring environment where individual differences are valued and respected. 3. Provide facilities for all district programs and functions that are suitable in terms of function, space, cleanliness and attractiveness. 4. Promote the involvement of the community, parents, local government, business, service organizations etc. as partners in the education of the students.

AGENDA ITEM:

Adoption of the FY 2004-05 Budget

SUBJECT AREA:

Public Hearing

REQUESTED BY:

Jay M. Stewart
Assistant Superintendent, Business Services

ENCLOSURES:

No

BOARD MEETING DATE:

June 15, 2004

BACKGROUND:

This public hearing provides the community the opportunity to ask questions and provide comments regarding the adoption of the District's FY 2003-04 budget.

SUPERINTENDENT'S RECOMMENDATION:

No action required.

INFORMATION

DISCUSSION

ACTION ITEMS

WESTERN PLACER UNIFIED SCHOOL DISTRICT
BOARD OF TRUSTEE MEETING FACT SHEET

MISSION STATEMENT: Empower Students with the Skills, Knowledge, and Attitudes for Success in an Ever Changing World.
BOARD OF TRUSTEES/GLOBAL DISTRICT GOALS
1. Develop and continually upgrade a well articulated K-12 academic program that challenges all students to achieve their highest potential, with a special emphasis on students. 2. Foster a safe, caring environment where individual differences are valued and respected. 3. Provide facilities for all district programs and functions that are suitable in terms of function, space, cleanliness and attractiveness. 4. Promote the involvement of the community, parents, local government, business, service organizations etc. as partners in the education of the students.

AGENDA ITEM:

Ratify the Tentative Agreement Between the Western Placer Unified School District and the Western Placer Classified Employees' Association to Amend Article VI, Paragraph D of the Contract.

SUBJECT AREA:

Discussion/Action

REQUESTED BY:

Jay M. Stewart
Assistant Superintendent, Business Services

ENCLOSURES:

Yes

BOARD MEETING DATE:

June 15, 2004

BACKGROUND:

Historically, the bus driver's pay period ran from the 16th of each month to the 15th of the following month. This pay structure necessitated that the drivers be paid on the first day of each month, instead of the last workday of each month like every other regular employee in the District. This pay structure also required an additional payroll from Placer County Office of Education. In an effort to standardize their payrolls for all of the school districts in Placer County, we were asked to make an adjustment to our bus driver payroll process. The bus drivers agreed to a new pay period beginning the 11th of each month and continuing through the 10th of the next month. This action will put the bus drivers on the same payroll cycle as everyone else, and also make available to them the "direct deposit" option for their paychecks.

SUPERINTENDENT'S RECOMMENDATION:

Administration recommends the Board of Trustees ratify the Tentative Agreement between the Western Placer Unified School District and the Western Placer Classified Employees' Association to amend Article VI, Paragraph D of the contract.

TENTATIVE AGREEMENT

Tentative agreement has been reached between the Western Placer Unified School District and the Western Placer Classified Employees' Association to amend the following paragraph:

Article VI; paragraph D – Frequency of Paychecks

Existing Language:

Employees in the bargaining unit who are not on a time card shall be paid once per month on or before the last District work day of the month. Time card employees, including bus drivers, are paid on the first of the month based on a pay period of the 16th through the 15th.

Amended Language:

Employees in the bargaining unit who are not on a time card shall be paid once per month on or before the last District work day of the month. *Time card employees, including bus drivers, are paid on the last District work day of the month based on a pay period of the 11th through the 10th.*

Joe Ross
WPCEA. President

5/27/04
Date

Date Ratified by WPCEA Members

WPUSD Designee

5/27/04
Date

Date Adopted by Board

8.1.1

WESTERN PLACER UNIFIED SCHOOL DISTRICT
BOARD OF TRUSTEE MEETING FACT SHEET

MISSION STATEMENT: Empower Students with the Skills, Knowledge, and Attitudes for Success in an Ever Changing World.
BOARD OF TRUSTEES/GLOBAL DISTRICT GOALS
1. Develop and continually upgrade a well articulated K-12 academic program that challenges all students to achieve their highest potential, with a special emphasis on students. 2. Foster a safe, caring environment where individual differences are valued and respected. 3. Provide facilities for all district programs and functions that are suitable in terms of function, space, cleanliness and attractiveness. 4. Promote the involvement of the community, parents, local government, business, service organizations etc. as partners in the education of the students.

AGENDA ITEM:

Approve the Confidential Employee Reclassification Study Effective July 01, 2004.

SUBJECT AREA:

Discussion/Action

REQUESTED BY:

Jay M. Stewart
Assistant Superintendent, Business Services

ENCLOSURES:

No

BOARD MEETING DATE:

June 15, 2004

BACKGROUND:

The second year of the two-year salary and benefit agreement with the confidential employees stipulated that a reclassification study would be performed and then implemented as of July 01, 2004. Those positions that were not reclassified would instead receive a 1.50% salary increase. The total cost for the confidential employees' salary improvement is $24,036. This increase was already reflected in the District's multi-year projections.

SUPERINTENDENT'S RECOMMENDATION:

Administration recommends the Board of Trustees approve the confidential employee reclassification study effective July 01, 2004.

WESTERN PLACER UNIFIED SCHOOL DISTRICT
BOARD OF TRUSTEE MEETING FACT SHEET

MISSION STATEMENT: Empower Students with the Skills, Knowledge, and Attitudes for Success in an Ever Changing World.
BOARD OF TRUSTEES/GLOBAL DISTRICT GOALS
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AGENDA ITEM:

Approve the Certificated Management Employee Salary Improvement Effective July 01, 2004.

SUBJECT AREA:

Discussion/Action

REQUESTED BY:

Jay M. Stewart
Assistant Superintendent, Business Services

ENCLOSURES:

No

BOARD MEETING DATE:

June 15, 2004

BACKGROUND:

The second year of the two-year salary and benefit agreement with the certificated management employees stipulated that a salary comparison would be performed with neighboring school districts and then implemented as of July 01, 2004. Those positions that were found to be in line with the comparison school district would instead receive a 1.50% salary increase. Three positions, Elementary Principal, Middle School Principal, and the High School Principal were increased based on the salary comparison. The remainder of the certificated management positions, including the psychologists, will receive a 1.50% salary increase. The total cost for the certificated management employees' salary improvement is $43,285. This increase was already reflected in the District's multi-year projections.

SUPERINTENDENT'S RECOMMENDATION:

Administration recommends the Board of Trustees approve the certificated management employee salary improvement effective July 01, 2004.

MISSION STATEMENT: Empower Students with the Skills, Knowledge, and Attitudes for Success In an Ever Changing World

BOARD OF TRUSTEE GLOBAL DISTRICT GOALS	*COMPLIANCE CHECK LIST*
1. Develop and continually upgrade a well articulated K-12 academic program that challenges all students to achieve their highest potential.	Complies with Board Policy ____ Complies with Site Plan (LIP) ____ Complies with Governance & Management Document ___
2. Foster a safe, caring environment where individual differences are valued and respected.	Complies with District Goals 1 Complies with District Mission Statement ____
3. Provide facilities for all district programs and functions that are suitable in terms of function, space, cleanliness and attractiveness.	Funding Sign-Off by J. Stewart ____
4. Promote the involvement of the community, parents, local government, business, service organizations, etc. as partners in the education of the students.	Personnel Sign-Off by B. Noyes BN Program Sign Off by S. Leaman ____ SBLT Involvement ____ Initial

WESTERN PLACER UNIFIED SCHOOL DISTRICT
BOARD OF TRUSTEE MEETING
FACT SHEET

SUBJECT:

Adopt Declaration of Need for Fully Qualified Educators

AGENDA ITEM AREA:

Discussion/Action

REQUESTED BY:
Bob Noyes BN
Director, Human Services

ENCLOSURES:
(5)

MEETING DATE:
June 15, 2004

BACKGROUND:

Each year the District must declare that there is an insufficient number of certificated persons who meet the district's employment criteria for the positions listed on the attached form. The declaration shall remain in force until June 30, 2005.

SUPERINTENDENT'S RECOMMENDATION:

Administration recommends adoption of the Declaration of Need for Fully Qualified Educators.

Boardfactsheet.doc

State Of California
California Commission On Teacher Credentialing
Box 944270
1900 Capitol Avenue
Sacramento, CA 94244-2700

Telephone:
(916) 445-7254 or (888) 921-2682
E-mail: credentials@ctc.ca.gov
Web site: www.ctc.ca.gov

DECLARATION OF NEED FOR FULLY QUALIFIED EDUCATORS

☑ Original declaration of need for year 2004/2005

☐ Revised declaration of need for year _____

For Service in a School District

Name of District Western Placer Unified School District District CDS Code 66951

Name of County Placer County CDS Code 31

By submitting this annual Declaration the district is certifying the following:

- a diligent search, as defined on page 4 of this Declaration, to recruit a fully prepared teacher for the assignment(s) was made
- if a suitable fully prepared teacher is not available to the school district, the district make a reasonable effort to recruit based on the priority stated on page 4 of this Declaration

The governing board of the school district specified above adopted a declaration at a regularly scheduled public meeting held on 6/15/04 certifying that there is an insufficient number of certificated persons who meet the district's specified employment criteria for the position(s) listed on the attached form. The attached form was part of the agenda, and the declaration did NOT appear as part of a consent calendar.

▶ *Enclose a copy of the Board agenda item*

With my signature below I verify that the item was acted upon favorably by the board. The declaration shall remain in force until June 30, 2005.

Submitted by (Superintendent, Board Secretary, or Designee):

Robert Noyes		Director, Human Services
Name	*Signature*	*Title*
(916) 645-6356	(916) 645-6350	6/15/04
Fax Number	*Telephone Number*	*Date*
	810 J Street, Lincoln, CA 95648	
	Mailing Address	

For Service in a County Office of Education, State Agency or Non-Public School or Agency

Name of County N/A County CDS Code _____

Name of State Agency _____

Name of NPS/NPA _____ County of Location _____

(Complete only the appropriate line.)

The Superintendent of the County Office of Education or the Director of the State Agency or the Director of the NPS/NPA specified above adopted a declaration on 6/15/04, at least 72 hours following his or her public announcement that such a declaration would be made, certifying that there is an insufficient number of certificated persons who meet the county's, agency's or school's specified employment criteria for the position(s) listed on the attached form.

The declaration shall remain in force until June 30, _____.

▶ *Enclose a copy of the public announcement*

(continued)

8.4.1

Submitted by Superintendent or Director:

Robert Noyes		Director, Human Services
Name	*Signature*	*Title*
(916) 645-6356	(916) 645-6350	6/15/04
Fax Number	*Telephone Number*	*Date*
810 J Street, Lincoln, CA 95648		
Mailing Address		

▶ *This declaration must be on file with the California Commission on Teacher Credentialing before any emergency permits will be issued for service with the employing agency*

Areas of Anticipated Need for Fully Qualified Educators

Based on the previous year's actual needs and projections of enrollment, please indicate the number of emergency permits the employing agency estimates it will need in each of the identified areas during the valid period of this Declaration of Need for Fully Qualified Educators. This declaration shall be valid only for the type(s) and subjects(s) identified below.

This declaration must be revised by the employing agency when the total number of emergency permits applied for exceeds the estimate by ten percent. Board approval is required for a revision.

Type of Emergency Permit	**Estimated Number Needed**
Multiple Subject with no emphasis	2
Multiple Subject with CLAD emphasis	2
Multiple Subject with BCLAD emphasis (list target languages on page 3)	
Single Subject with no emphasis	
Single Subject with CLAD emphasis	4
Single Subject with BCLAD emphasis (list target languages on page 3)	
CLAD Permit (applicant already holds teaching credential)	
BCLAD (applicant already holds teaching credential, list target languages on page 3)	
Education Specialist: Deaf and Hard of Hearing	
Mild/Moderate	3
Moderate/Severe	
Physical and Health Impaired	
Visually Impaired	
Early Childhood Special Education	
Resource Specialist	3
Clinical or Rehabilitative Services:	
Language. Speech and Hearing	1
Special Class Authorization	
Library Media Teacher Services	

(continued)

8.4.2

Subjects on Emergency Single Subject Teaching Permits

Identify the subjects of estimated need with a check mark:

- ☐ Agriculture
- ☐ Art
- ☐ Biological Sciences (Specialized)
- ☐ Business
- ☐ Chemistry (Specialized)
- ☑ English
- ☐ Geosciences (Specialized)
- ☑ Foundational-Level Mathematics
- ☐ Health Science
- ☐ Home Economics
- ☑ Industrial & Technology Education.
- ☐ Language Other than English
  - ☐ French
- ☐ Language Other than English (cont.)
  - ☐ German
  - ☐ Spanish
  - ☐ Other (Specify)_____
- ☑ Math
- ☐ Music
- ☐ Physical Education
- ☐ Physics (Specialized)
- ☑ Science: Biological Sciences
- ☐ Science: Chemistry
- ☑ Science: Geosciences
- ☐ Science: Physics
- ☐ Social Science

Target Language(s) on Bilingual Emphasis and BCLAD Permits

List the target languages of estimated need under the appropriate category.

	Multiple Subject	Single Subject	BCLAD Permits
1.	Spanish	Spanish	1
2.			
3.			
4.			
5.			

(continued)

8.4.3

Limited Assignment Permits

Limited Assignment Permits may only be issued to applicants holding a valid California teaching credential based on a baccalaureate degree and a professional preparation program including student teaching.

Based on the previous year's actual needs and projections of enrollment, please indicate the number of limited assignment permits the employing agency estimates it will need in multiple subject and single subject areas.

TYPE OF LIMITED ASSIGNMENT PERMIT	ESTIMATED NUMBER NEEDED
Multiple Subject	
Single Subject	1
TOTAL	1

Efforts to Recruit Certificated Personnel

The employing agency declares that it has implemented in policy and practices a process for conducting a diligent search that includes, but is not limited to, distributing job announcements, contacting college and university placement centers, advertising in local newspapers, exploring incentives included in the Teaching As A Priority Block Grant (refer to **www.cde.ca.gov** for more details), participating in the state and regional recruitment centers and participating in job fairs in California.

If a suitable teacher is not available to the school district, the district made a reasonable effort to recruit an individual for the assignment, in the following order:

- an individual who is scheduled to complete initial preparation requirements within six months
- a candidate who qualifies and agrees to participate in an approved internship including pre-internship program in the region of the school district

Efforts to Certify, Assign, and Develop Fully Qualified Personnel

Does your agency participate in a Commission-accredited pre-internship program? ☑ Yes ☐ No

If yes, how many pre-interns do you expect to have this year? 0

If no, explain. District is targeting fully credentialed teachers in all subject areas.

Has your agency established a District Intern program? ☐ Yes ☑ No

If no, explain. The district is part of the Placer, Nevada and El Dorado counties BTSA consortium

Does your agency participate in the Individualized Internship Program? ☑ Yes ☐ No

If no, explain. _____

Does your agency participate in a Commission-accredited college or university internship program? ☑ Yes ☐ No

(continnued)

8.4.4

If yes, how many interns do you expect to have this year? 2

If yes, list each college or university with which you participate in an internship program. CSU Sacramento, CSU Chico and Placer County Office of Education

If no, explain why you do not participate in an internship program.

N/A

8.4.5

WESTERN PLACER UNIFIED SCHOOL DISTRICT
BOARD OF TRUSTEE MEETING FACT SHEET

MISSION STATEMENT: Empower Students with the Skills, Knowledge, and Attitudes for Success in an Ever Changing World.
BOARD OF TRUSTEES/GLOBAL DISTRICT GOALS
1. Develop and continually upgrade a well articulated K-12 academic program that challenges all students to achieve their highest potential, with a special emphasis on students. 2. Foster a safe, caring environment where individual differences are valued and respected. 3. Provide facilities for all district programs and functions that are suitable in terms of function, space, cleanliness and attractiveness. 4. Promote the involvement of the community, parents, local government, business, service organizations etc. as partners in the education of the students.

AGENDA ITEM:

Approve Resolution 03/04.41 to Establish School Fees.

SUBJECT AREA:

Discussion/Action

REQUESTED BY:

Jay M. Stewart
Assistant Superintendent, Business Services

ENCLOSURES:

Yes

BOARD MEETING DATE:

June 15, 2004

BACKGROUND:

The attached resolution authorizes the District to impose Level I school mitigation fees of $2.24 per square foot for residential development, and $0.36 per square foot for commercial development. The fees are effective sixty days after the adoption of the resolution.

The District is currently performing a Level II study which may allow the school district to charge a higher fee. The Level II study takes in consideration a number of factors, primarily the District's rapid growth rate and student yield rate. Other data, such as outstanding general obligation bonds, long-term facility debt, land costs, and participation in the State's facility construction program are also analyzed. The Level II study should be completed by the end of June 2004.

SUPERINTENDENT'S RECOMMENDATION:

Administration recommends the Board of Trustees approve Resolution 03/04.41 to establish school fees.

RESOLUTION NO. 03/04.41

A RESOLUTION OF THE GOVERNING BOARD OF THE WESTERN PLACER UNIFIED SCHOOL DISTRICT ESTABLISHING SCHOOL FACILITIES FEES

WHEREAS, under the provisions of Education Code section 17620 et seq. and Government Code section 65995 et seq., a school district's governing board may establish fees to offset the cost of school facilities made necessary by construction following the making of certain findings by such governing board;

WHEREAS, pursuant to Government Code section 66001 et seq., the District has prepared a justification study; and

WHEREAS, pursuant to Education Code section 17621, the purpose of this Resolution is to approve fees consistent with the adjustment authorized by the State Allocation Board and consistent with the District's needs in this area.

NOW, THEREFORE, BE IT HEREBY RESOLVED by the Governing Board of the Western Placer Unified School District as follows:

Section 1. Procedure and Public Hearing. This Board hereby finds that prior to the adoption of this Resolution, the Board conducted a public hearing at which oral and written presentations were made, as part of the Board's regularly scheduled June 15, 2004 meeting. Notice of the time and place of the meeting, including a general explanation of the matter to be considered, has been published twice in a newspaper in accordance with Government Code section 66018, and a notice, including a statement that the data required by Government Code section 66016 was available, was mailed at least 14 days prior to the meeting to any interested party who had filed a written request with the District for mailed notice of the meeting on new or increased fees or service charges within the period specified by law. Additionally, at least 10 days prior to the meeting, the District made available to the public, data indicating the amount of the cost, or estimated cost, required to provide the service for which the fee or service charge is to be adjusted pursuant to this Resolution, and the revenue sources anticipated to provide this service, including general fund revenues. By way of such public meeting, the Board received oral and written presentations by District staff which are summarized and contained in the Justification Report for the Imposition of Developer Fees (the "Justification Study") along with other materials which formed the basis for the action taken pursuant to this Resolution.

Section 2. Adoption of Justification Study. The Board hereby finds that the Justification Study, as presented to the Board, demonstrates the District's need and justification to levy fees on construction within the District. The Board hereby approves of and adopts the Justification Study.

8.5.1

Section 3. Findings. The Board has reviewed the Justification Study as it relates to proposed and potential development, the resulting school facilities needs, the cost thereof, and the available sources of revenue, including the increase in fees provided by this Resolution, and based thereon and upon all other written and oral presentations to the Board, the Board hereby approves and adopts the Justification Study and makes the following findings:

(a) Enrollment at the various District schools is presently at or approaching capacity;

(b) Additional development projects within the District, whether new residential construction or residential reconstruction involving increases in habitable areas, or new commercial or industrial construction will increase the need for school facilities;

(c) Without the addition of new school facilities, further residential development projects or commercial or industrial development projects within the District will result in a significant decrease in the quality of education presently offered by the District;

(d) Residential development and commercial or industrial development is projected within the District's boundaries and the enrollment produced thereby will exceed the capacity of the schools of the District. Projected development within the District, without additional school facilities, will result in conditions of overcrowding which will impair the normal functioning of the District's educational programs;

(e) The fees proposed in the Justification Study and the fees adjusted pursuant to this Resolution are for the purpose of providing adequate school facilities to maintain the quality of education offered by the District;

(f) The fees proposed in the Justification Study and adjusted pursuant to this Resolution will be used for the construction and reconstruction of school facilities as identified in the Justification Study;

(g) The uses of the fees proposed in the Justification Study and adjusted pursuant to this Resolution are reasonably related to the types of development projects on which the fees are imposed;

(h) The fees proposed in the Justification Study and adjusted pursuant to this Resolution bear a reasonable relationship to the need for school facilities created by the types of development projects on which the fees are imposed;

(i) The fees proposed in the Justification Study and adjusted pursuant to this Resolution do not exceed the estimated amount required to provide funding for the construction or reconstruction of school facilities for which the fees are levied; and in making this finding, the Board declares that it has considered the availability of revenue sources anticipated to provide such facilities, including general fund revenues.

(j) The fees imposed on commercial or industrial development bear a reasonable relationship and are limited to the needs of the community for elementary or high school facilities and are reasonably related and limited to the need for schools caused by the development.

(k) The fees will be collected for school facilities for which an account has been established and funds appropriated and for which the district has adopted a construction schedule and/or to reimburse the District for expenditures previously made.

Section 4. Fee. Based upon the foregoing findings, the Board hereby establishes fees to the amount of $2.24 fee per square foot of residential development and $0.36 per square foot of commercial/industrial development.

Section 5. Fee Adjustments and Limitations. The fees shall be subject to the following:

(a) The amount of the District's fees shall be reviewed annually to determine if a fee increase according to the adjustment for inflation set forth in the statewide cost index for Class B construction as determined by the State Allocation Board is justified.

(b) The fees adjusted pursuant to this Resolution do not apply during the term of any contract entered into between a subdivider or builder and the District, or any applicable city or county on or before January 1, 1987, that requires the payment of a fee, charge or dedication for the construction of school facilities as a condition to the approval of residential development.

(c) Any development project for which a final map was approved and construction had commenced on or before September 1, 1986, is subject only to the fee, charge, dedication or other form of requirement in existence on that date and applicable to the project.

(d) To the extent that the District is collecting fees pursuant to Chapter 407, statutes of 1998, (Government Code sections 65995.5 or 65995.7), commonly known as SB 50, on any new residential construction, this fee would not apply.

(e) The term "development project" as used herein is as defined by section 65928 of the Government Code.

Section 6. Additional Mitigation Methods. The policies set forth in this Resolution are not exclusive and the Board reserves the authority to undertake other or additional methods to finance school facilities including, but not limited to, the Mello-Roos Community Facilities Act of 1982 (Government Code §§53311, et seq.) and such other funding mechanisms as are authorized by Government Code section 65996. This Board reserves the authority to substitute the dedication of land or other property or other form of requirement in lieu of the fees levied by way of this Resolution at its discretion, so long as the reasonable value of land to be dedicated does not exceed the maximum fee amounts contained herein or modified pursuant hereto.

Section 7. Implementation.

(a) The Superintendent, or the Superintendent's designee, is authorized to issue Certificates of Compliance upon the payment of any fee levied under the authority of this Resolution.

Section 8. California Environmental Quality Act. The Board hereby finds that the establishment of fees provided by this Resolution is to obtain funds for capital projects necessary to maintain service within the District and that therefore this action is statutorily exempt from the provisions of the California Environmental Quality Act (CEQA).

Section 9. Commencement Date. The Board orders that, pursuant to Education Code section 17621, the fees called for herein be effective 60 days hereafter.

Section 10. Notification of Local Agencies. The Secretary of the Board is hereby directed to forward copies of this Resolution along with a map of the District's boundaries to the County Planning Commission, County Board of Supervisors, and Lincoln City Council; and to file a Notice of Exemption from CEQA with the County Clerk.

Section 11. Severability. If any portion of this Resolution is found by a Court of competent jurisdiction to be invalid, such finding shall not affect the validity of the remaining portions of this Resolution. The Board hereby declares its intent to adopt this Resolution irrespective of the fact that one or more of its provisions may be declared invalid subsequent hereto.

APPROVED, PASSED and ADOPTED by the Governing Board of the Western Placer Unified School District this 15th day of June 2004, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

_____
President, Board of Trustees
Western Placer Unified School District

ATTEST:

_____
Clerk, Board of Trustees
Western Placer Unified School District

8.5.4

WESTERN PLACER UNIFIED SCHOOL DISTRICT
BOARD OF TRUSTEE MEETING FACT SHEET

MISSION STATEMENT: Empower Students with the Skills, Knowledge, and Attitudes for Success in an Ever Changing World.
BOARD OF TRUSTEES/GLOBAL DISTRICT GOALS
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AGENDA ITEM:

Approval of the Proposed Increase in Scope to the Lincoln High School Athletic Complex.

SUBJECT AREA:

Discussion/Action

REQUESTED BY:

Jay M. Stewart
Assistant Superintendent, Business Services

ENCLOSURES:

Yes

BOARD MEETING DATE:

June 15, 2004

BACKGROUND:

A review and recommendation will be provided to the Board of Trustees regarding the potential of expanding the scope of the Lincoln High School athletic complex.

SUPERINTENDENT'S RECOMMENDATION:

Administration recommends the Board of Trustees approve the proposed increase in scope to the Lincoln High School Athletic Complex.

WESTERN PLACER UNIFIED SCHOOL DISTRICT
BOARD OF TRUSTEE MEETING FACT SHEET

MISSION STATEMENT: Empower Students with the Skills, Knowledge, and Attitudes for Success in an Ever Changing World.
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AGENDA ITEM:

Adoption of the FY 2004-05 District Budget and the Approval of the State Financial Reports.

SUBJECT AREA:

Discussion/Action

REQUESTED BY:

Jay M. Stewart
Assistant Superintendent, Business Services

ENCLOSURES:

Yes

BOARD MEETING DATE:

June 15, 2004

BACKGROUND:

The FY 2004-05 District budget and State financial reports will be presented to the Board of Trustees for review and discussion.

SUPERINTENDENT'S RECOMMENDATION:

Administration recommends the Board of Trustees adopt the FY 2004-05 District Budget and the approve the State financial reports.

8.1

WESTERN PLACER UNIFIED SCHOOL DISTRICT
BOARD OF TRUSTEE MEETING FACT SHEET

MISSION STATEMENT: Empower Students with the Skills, Knowledge, and Attitudes for Success in an Ever Changing World.
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3. Provide facilities for all district programs and functions that are suitable in terms of function, space, cleanliness and attractiveness.
4. Promote the involvement of the community, parents, local government, business, service organizations etc. as partners in the education of the students.

AGENDA ITEM:

Approve the Resolution 03/04.43 Approving the Execution and Delivery of Certain Agreements and Documents in Connection with the Execution and Delivery of the 2004A Certificates of Participation On Behalf of the District and other Matters Related Thereto.

SUBJECT AREA:

Discussion/Action

REQUESTED BY:

Jay M. Stewart
Assistant Superintendent, Business Services

ENCLOSURES:

Yes

BOARD MEETING DATE:

June 15, 2004

BACKGROUND:

The attached resolution and supporting documents authorize the District to issue its $35,000,000.00 certificates of participation for construction of the Twelve Bridges Middle School.

SUPERINTENDENT'S RECOMMENDATION:

Administration recommends the Board of Trustees approve Resolution 03/04.43 approving the execution and delivery of certain agreements and documents in connection with the execution and delivery of the 2004A certificates of participation on behalf of the District and other matters related

8.8

RESOLUTION NO. 03/04.43

RESOLUTION OF THE BOARD OF TRUSTEES OF WESTERN PLACER UNIFIED SCHOOL DISTRICT APPROVING THE EXECUTION AND DELIVERY OF CERTAIN AGREEMENTS AND DOCUMENTS IN CONNECTION WITH THE EXECUTION AND DELIVERY OF CERTIFICATES OF PARTICIPATION ON BEHALF OF THE DISTRICT AND OTHER MATTERS RELATED THERETO

WHEREAS, the Western Placer Unified School District (the "**District**") is a Member (as defined in the JPA Agreement) of a joint powers authority (the "**Authority**") formed pursuant to a Joint Exercise of Powers Agreement (the "**JPA Agreement**) to assist its Members in, among other things, financing working capital and financing or refinancing public capital improvements for school facilities;

WHEREAS, the Board of Trustees has determined that it is in the best interest of the District to construct and improve certain school facilities within the District;

WHEREAS, the District previously authorized in its Resolution No. 03/04.19 the execution and delivery of certain certificates of participation (the "**2003 Certificates**") to finance the construction and improvement of such school facilities within the District and the execution and delivery of the 2003 Certificates were delayed;

WHEREAS, the JPA Agreement and the Act authorize the Authority to assist in the financing of Program Projects (as defined in the JPA Agreement) and, in lieu of the 2003 Certificates, the Authority will assist the District in connection with the execution and delivery of the District's Certificates of Participation (School Facilities Project), Series 2004A (the "**Certificates**") in the maximum aggregate amount of not to exceed $35,000,000 to finance the construction and improvement of the school facilities described above;

WHEREAS, in order to facilitate the execution and delivery of the Certificates by the Authority, the District and the Authority will enter into the Ground Lease (as hereinafter defined) pursuant to which the District will lease certain real property currently located in the District and all facilities and improvements located thereon to be selected by the Superintendent of the District (the "**Property**") to the Authority;

WHEREAS, the District and the Authority will enter into the Lease (as hereinafter defined) pursuant to which the Authority will lease the Property to the District;

WHEREAS, pursuant to an Assignment Agreement (as hereinafter defined) the Authority will assign and transfer to U.S. Bank National Association (the "**Trustee**") all of its rights, title and interest in and to the Lease and the Ground Lease, including its right to receive payments of base rental under the Lease;

WHEREAS, the Authority, the District and the Trustee will enter into the Trust Agreement (as hereinafter defined) pursuant to which the Trustee will execute and deliver the Certificates;

8.8.1

WHEREAS, the District and Banc of America Securities LLC (the "**Underwriter**") will enter into the Purchase Agreement (as hereinafter defined) relating to the Certificates;

WHEREAS, the District and Dexia Credit Local, or such other institution as may be approved by the Authority and the District (the "**Liquidity Provider**"), will enter into a Standby Purchase Agreement (as hereinafter defined) pursuant to which the Liquidity Provider will agree to purchase the Certificates, or a portion thereof, in the event of failed remarketing;

WHEREAS, the District and Banc of America Securities LLC, as remarketing agent (the "**Remarketing Agent**") will enter into a Remarketing Agreement (as hereinafter defined) to provide for the remarketing of the Certificates; and

WHEREAS, there have been presented to this meeting the following:

(i) A form of Ground Lease Agreement (the "**Ground Lease**") by and between the District and the Authority;

(ii) A form of Lease Agreement (the "**Lease**") by and between the Authority and the District;

(iii) A form of Assignment Agreement (the "**Assignment Agreement**") by and between the Authority and the Trustee;

(iv) A form of Trust Agreement (the "**Trust Agreement**") by and among the Authority, the District and the Trustee;

(v) A form of Certificate Purchase Agreement (the "**Purchase Agreement**") by and between the District and the Underwriter;

(vi) A form of Remarketing Agreement (the "**Remarketing Agreement**") by and between the District and the Remarketing Agent;

(vii) A form of Standby Purchase Agreement (the "**Standby Purchase Agreement**") by and between the District and the Liquidity Provider; and

(viii) A form of official statement relating to the Certificates (the "**Official Statement**").

NOW, THEREFORE, IT IS RESOLVED, DETERMINED AND ORDERED by the Board of Trustees of the District as follows:

SECTION 1. The District, as a Member of the Authority within whose boundaries the Program Projects are to be located, hereby approves the execution and delivery of the Certificates and hereby determines there will be significant public benefit resulting therefrom.

SECTION 2. The form of the Ground Lease on file with the District and considered at this meeting is hereby approved. The officers and agents of the District are, and each of them acting alone is, hereby authorized and directed, for and in the name of and on behalf of the District, to execute and deliver the Ground Lease in substantially the form on file with the District and considered at this meeting, with such changes therein as the officers and

8.8.2

agents of the District may approve, in their discretion, as being in the best interests of the District, including, without limitation, the Property to be subject to such Ground Lease and such changes as may be necessary to obtain credit enhancement, including bond insurance, with respect to the Certificates, such approval to be conclusively evidenced by the execution and delivery thereof. The officers and agents of the District are hereby authorized and directed to make changes to the Ground Lease to achieve the purposes for which the Certificates are being executed and delivered.

SECTION 3. The form of the Lease on file with the District and considered at this meeting is hereby approved. The officers and agents of the District are, and each of them acting alone is, hereby authorized and directed, for and in the name of and on behalf of the District, to execute and deliver the Lease in substantially the form on file with the District and considered at this meeting, with such changes therein as the officers and agents of the District may approve, in their discretion, as being in the best interests of the District, including, without limitation, the Property to be subject to such Lease and such changes as may be necessary to obtain credit enhancement, including bond insurance, with respect to the Certificates, such approval to be conclusively evidenced by the execution and delivery thereof. The officers and agents of the District are hereby authorized and directed to make changes to the Lease to achieve the purposes for which the Certificates are being executed and delivered.

SECTION 4. The District hereby consents to the assignment by the Authority pursuant to the Assignment Agreement of substantially all of its rights, title and interest under the Lease and the Ground Lease, including the right to receive payments of base rental under the Ground Lease Agreement, to the Trustee for the benefit of the owners of the Certificates.

SECTION 5. The form of the Trust Agreement on file with the District and considered at this meeting is hereby approved. The officers and agents of the District are, and each of them acting alone is, hereby authorized and directed, for and in the name of and on behalf of the District, to execute and deliver the Trust Agreement in substantially the form on file with the District and considered at this meeting, with such changes therein as the officers and agents of the District may approve, in their discretion, as being in the best interests of the District, including, without limitation, such changes as may be necessary to obtain credit enhancement, including bond insurance, with respect to the Certificates, such approval to be conclusively evidenced by the execution and delivery of the Trust Agreement by such officers and agents. The officers and agents of the District are hereby authorized and directed to make changes to the Trust Agreement to achieve the purposes for which the Certificates are being executed and delivered.

SECTION 6. The form of the Standby Purchase Agreement on file with the District and considered at this meeting are hereby approved. The officers and agents of the District are, and each of them acting alone is, hereby authorized and directed, for and in the name of and on behalf of the District, to execute and deliver the Standby Purchase Agreement in substantially the form on file with the District and considered at this meeting, with such changes therein as the officers and agents of the District may approve, in their discretion, as being in the best interests of the District. The District hereby approves the reimbursement of the Liquidity

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Provider for certain payments in connection with the Certificates pursuant to the Standby Purchase Agreement.

SECTION 7. The form of the Remarketing Agreement on file with the District and considered at this meeting are hereby approved. The officers and agents of the District are, and each of them acting alone is, hereby authorized and directed, for and in the name of and on behalf of the District, to execute and deliver the Remarketing Agreement in substantially the form on file with the District and considered at this meeting, with such changes therein as the officers and agents of the District may approve, in their discretion, as being in the best interests of the District.

SECTION 8. The form of an official statement containing certain information regarding the District and relating to the Certificates on file with the District and considered at this meeting is hereby approved with such changes therein as are reasonable and customary and as are approved by the Superintendent or his or her designee, as being in the best interests of the District. The distribution of the Official Statement in conjunction with the sale and delivery of the Certificates is hereby approved. The Superintendent or his or her designee of the District are hereby authorized to execute and deliver the Official Statement.

SECTION 9. The form of Purchase Agreement on file with the District and considered at this meeting is hereby approved and the Certificates are hereby authorized to be sold to the Underwriter pursuant to the Purchase Agreement subject to the conditions set forth in this Section 9. The officers and agents of the District are hereby authorized and directed, for and in the name of and on behalf of the District, to execute and deliver the Purchase Agreement in substantially the form on file with the District and considered at this meeting, with such changes therein as the officers and agents of the District may approve, in their discretion, as being in the best interests of the District, such approval to be conclusively evidenced by the execution and delivery thereof; provided that (i) the aggregate principal amount of the Certificates shall not exceed $35,000,000, and (ii) the maximum aggregate underwriter's discount (excluding original issue discount, if any) from the principal amount of the Certificates shall not exceed two and one-half percent (2.5%) of the aggregate principal amount of the Certificates, excluding any costs of issuance to be paid by Underwriter, if any. All other terms and conditions shall be consistent with and shall carry out the intention of this Board's approval, as set forth herein.

SECTION 10. The officers and agents of the District are hereby authorized and directed to execute all documents and to take such actions as they may deem necessary or convenient in order to effectuate the purposes of this Resolution and to permit the execution and delivery of the Certificates as such officers and agents deem as being in the best interests of the District, in the manner described in the documents hereby approved.

[Signature Page to Follow]

The foregoing resolution was duly adopted by the Board of Trustees of Western Placer Unified School District the 15 day of June, 2004.

BOARD OF TRUSTEES OF WESTERN PLACER UNIFIED SCHOOL DISTRICT

By: _____
President

ATTEST:

By: _____
Clerk of the Board of Trustees

8.8.5

RESOLUTION NO. __

RESOLUTION OF THE GOVERNING BOARD OF CALIFORNIA PUBLIC SCHOOL DISTRICT FINANCING AUTHORITY APPROVING THE EXECUTION AND DELIVERY OF CERTAIN AGREEMENTS AND DOCUMENTS IN CONNECTION WITH THE EXECUTION AND DELIVERY OF CERTIFICATES OF PARTICIPATION AND OTHER MATTERS RELATED THERETO

WHEREAS, California Public School District Financing Authority (the "**Authority**") is authorized under Article 1, Chapter 5, Division 7, Title 1 of the Government Code of California (commencing with Section 6500), as amended (the "**Act**"), and that certain Joint Exercise of Powers Agreement (the "**JPA Agreement**), dated June 25, 2003 between the parties thereto, to, among other things, assist in the financing and refinancing of its Members' (as defined in the Act) Program Projects (as defined in the JPA Agreement);

WHEREAS, the Western Placer Unified School District (the "**District**") is a Member of the Authority and has determined that it is in the best interest of the District to construct and improve certain school facilities within the District;

WHEREAS, the proposed construction and improvement of such school facilities by the District shall constitute Program Projects by the District, and the Authority has previously approved in its Resolution No. 5, dated December 3, 2003, the execution and delivery of certain agreements and documents in connection with the District's certificates of participation (the "**2003 Certificates**") to finance the proposed construction and improvement;

WHEREAS, the execution and delivery of the 2003 Certificates were delayed, and the District desires to execute and deliver in lieu thereof its Certificates of Participation (School Facilities Project), Series 2004A (the "**Certificates**") in the maximum aggregate amount of $35,000,000 to finance the proposed construction and improvement described above;

WHEREAS, the Authority desires to assist the District in connection with the execution and delivery of the Certificates;

WHEREAS, in order to facilitate the execution and delivery of the Certificates, the District and the Authority will enter into the Ground Lease (as hereinafter defined) pursuant to which the District will lease certain real property currently located in the District and all facilities and improvements located thereon to be selected by the Superintendent of the District (the "**Property**") to the Authority;

WHEREAS, the District and the Authority will enter into the Lease (as hereinafter defined) pursuant to which the Authority will lease the Property to the District;

WHEREAS, pursuant to an Assignment Agreement (as hereinafter defined), the Authority will assign and transfer to U.S. Bank National Association (the "**Trustee**") all of its

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rights, title and interest in and to the Lease and the Ground Lease, including its right to receive payments of base rental under the Lease;

WHEREAS, the Authority, the District and the Trustee will enter into the Trust Agreement (as hereinafter defined) pursuant to which the Trustee will execute and deliver the Certificates;

WHEREAS, the Authority, the District and Dexia Credit Local, or such other bank as may be approved by the Authority and the District (the "**Liquidity Provider**") will enter into a Reimbursement Agreement (as hereinafter defined) pursuant to which the Authority and the District will agree to certain obligations in connection with the payments to be made by the Liquidity Provider with regards to the Certificates; and

WHEREAS, there have been presented to this meeting the following:

(i) A form of Ground Lease Agreement (the "**Ground Lease**") by and between the District and the Authority;

(ii) A form of Lease Agreement (the "**Lease**") by and between the Authority and the District;

(iii) A form of Assignment Agreement (the "**Assignment Agreement**") by and between the Authority and the Trustee; and

(iv) A form of Trust Agreement (the "**Trust Agreement**") by and among the Authority, the District and the Trustee.

NOW, THEREFORE, IT IS RESOLVED, DETERMINED AND ORDERED by the Governing Board of the Authority as follows:

Section 1. The form of the Ground Lease on file with the Authority and considered at this meeting is hereby approved. The officers and agents of the Authority are, and each of them acting alone is, hereby authorized and directed, for and in the name of and on behalf of the Authority, to execute and deliver the Ground Lease in substantially the form on file with the Authority and considered at this meeting, with such changes therein as the officers and agents of the Authority may approve, in their discretion, as being in the best interests of the Authority, including, without limitation, the Property to be subject to such Ground Lease and such changes as may be necessary to obtain credit enhancement, including bond insurance, with respect to the Certificates, such approval to be conclusively evidenced by the execution and delivery thereof. The officers and agents of the Authority are hereby authorized and directed to make changes to the Ground Lease to achieve the purposes for which the Certificates are being executed and delivered.

Section 2. The form of the Lease on file with the Authority and considered at this meeting is hereby approved. The officers and agents of the Authority are, and each of them acting alone is, hereby authorized and directed, for and in the name of and on behalf of the Authority, to execute and deliver the Lease in substantially the form on file with the Authority and considered at this meeting, with such changes therein as the officers and agents of the

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Authority may approve, in their discretion, as being in the best interests of the Authority, including, without limitation, the Property to be subject to such Lease and such changes as may be necessary to obtain credit enhancement, including bond insurance, with respect to the Certificates, such approval to be conclusively evidenced by the execution and delivery thereof. The officers and agents of the Authority are hereby authorized and directed to make changes to the Lease to achieve the purposes for which the Certificates are being executed and delivered.

Section 3. The Authority hereby approves the assignment of substantially all of its rights, title and interest under the Lease and the Ground Lease, including the right to receive payments of base rental under the Ground Lease Agreement, to the Trustee for the benefit of the owners of the Certificates pursuant to the Assignment Agreement. The form of the Assignment Agreement on file with the Authority and considered at this meeting is hereby approved. The officers and agents of the Authority are, and each of them acting alone is, hereby authorized and directed, for and in the name of and on behalf of the Authority, to execute and deliver the Assignment Agreement in substantially the form on file with the Authority and considered at this meeting, with such changes therein as the officers and agents of the Authority may approve, in their discretion, as being in the best interests of the Authority with respect to the Certificates, such approval to be conclusively evidenced by the execution and delivery thereof. The officers and agents of the Authority are hereby authorized and directed to make changes to the Assignment Agreement to achieve the purposes for which the Certificates are being executed and delivered.

Section 4. The form of the Trust Agreement on file with the Authority and considered at this meeting is hereby approved. The officers and agents of the Authority are, and each of them acting alone is, hereby authorized and directed, for and in the name of and on behalf of the Authority, to execute and deliver the Trust Agreement in substantially the form on file with the Authority and considered at this meeting, with such changes therein as the officers and agents of the Authority may approve, in their discretion, as being in the best interests of the Authority, including, without limitation, such changes as may be necessary to obtain credit enhancement, including bond insurance, with respect to the Certificates, such approval to be conclusively evidenced by the execution and delivery of the Trust Agreement by such officers and agents. The officers and agents of the Authority are hereby authorized and directed to make changes to the Trust Agreement to achieve the purposes for which the Certificates are being executed and delivered.

Section 5. The preparation of the Reimbursement Agreement is hereby approved. The officers and agents of the Authority are, and each of them acting alone is, hereby authorized and directed, for and in the name of and on behalf of the Authority, to negotiate and finalize the form of the Reimbursement Agreement. Upon approval of the Reimbursement Agreement by such officer, the Reimbursement Agreement shall be deemed final. The officers and agents of the Authority are, and each of them acting alone is, hereby authorized and directed, for and in the name of and on behalf of the Authority, to execute and deliver the Reimbursement Agreement in substantially its final form, with such changes therein as the officers and agents of the Authority may approve, in their discretion, as being in the best interests of the Authority.

Section 6. The officers and agents of the Authority are hereby authorized and directed to execute all documents and to take such actions as they may deem necessary or

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convenient in order to effectuate the purposes of this Resolution and to permit the execution and delivery of the Certificates as such officers and agents deem as being in the best interests of the Authority, in the manner described in the documents hereby approved.

[Signature Page to Follow]

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The foregoing resolution was duly adopted by the Governing Board of California Public School District Financing Authority on the __ day of June, 2004.

GOVERNING BOARD OF
CALIFORNIA PUBLIC SCHOOL DISTRICT
FINANCING AUTHORITY

REPRESENTATIVE OF LINDSAY UNIFIED SCHOOL DISTRICT

By: _____
Title: Superintendent
Name: Janet Kliegl

REPRESENTATIVE OF WESTERN PLACER UNIFIED SCHOOL DISTRICT

By: _____

Title: Assistant Superintendent of Business Services
Name: Jay Stewart

TO BE RECORDED AND WHEN RECORDED
RETURN TO:
O'Melveny & Myers LLP
400 S. Hope Street
Los Angeles, CA 90071
Attn: Anita Famili, Esq.

LEASE AGREEMENT

Dated as of _____, 2004

by and between

CALIFORNIA PUBLIC SCHOOL DISTRICT FINANCING AUTHORITY

and

WESTERN PLACER UNIFIED SCHOOL DISTRICT

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EXHIBIT A	Legal Description of the Property
EXHIBIT B-1	Base Rental Payment Schedule
EXHIBIT B-2	Base Rental Payment Schedule

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LEASE AGREEMENT

THIS LEASE AGREEMENT, dated as of _____, 2004 (this "**Lease**"), by and between **WESTERN PLACER UNIFIED SCHOOL DISTRICT** (the "District"), a school district organized and existing under the Constitution and laws of the State of California (the "**State**"), as lessee, and **CALIFORNIA PUBLIC SCHOOL DISTRICT FINANCING AUTHORITY** (the "Authority"), a joint powers authority formed under the laws of the State of California, as lessor;

W I T N E S S E T H:

WHEREAS, pursuant to a Ground Lease, dated as of the date hereof (the "**Ground Lease**"), by and between the District and the Authority, the District has leased to the Authority certain real property, including all buildings and improvements thereon and to be located thereon, as described in Exhibit A thereto and in Exhibit A hereto (as further defined in Section 1, the "**Property**");

WHEREAS, the District wishes to provide for the financing of the construction of certain school facilities on property located within the District and the District and the Authority are authorized pursuant to the laws of the State to enter into leases for such purpose;

WHEREAS, the District has determined that in order to accomplish such purpose it is necessary and desirable to have the District lease the Property pursuant to this Lease;

WHEREAS, pursuant to this Lease the Authority will lease the Property to the District; and

WHEREAS, the Authority intends to provide for the transfer of certain of its rights, title and interest in this Lease to a Trustee for the benefit of owners of certificates of participation in this Lease;

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, the parties hereto agree as follows:

Section 1.0. Definitions. Unless the context otherwise requires, the terms defined in this Section 1 shall, for all purposes of this Lease, have the meanings as set forth below. All other capitalized terms used herein without definition shall have the meanings as set forth in the Trust Agreement (as hereafter defined).

"**Additional Rental**" means the amounts specified as such in Section 3.1(c) hereof.

"**Asbestos Containing Materials**" means material in friable form containing more than one percent (1%) of the asbestiform varieties of (a) chrysotile (serpentine); (b) crocidolite (ricbeckite); (c) amosite (cummington-itegrinerite); (d) anthophyllite; (e) tremolite; and (f) actinolite.

"**Base Rental**" means the amounts specified as such in Section 3.1(a) and 3.1(b) hereof, as such amounts may be adjusted from time to time in accordance with the terms hereof, but does not include Additional Rental.

"**Certificate Insurer**" means Financial Security Assurance Inc., or any successor thereto.

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"**District Representative**" means the Superintendent of the District or another official designated by such officer and authorized to act on behalf of the District under or with respect to this Lease and all other agreements related hereto.

"**Environmental Regulations**" means all Laws and Regulations, now or hereafter in effect, with respect to Hazardous Materials, including, without limitation, the Comprehensive Environmental Response, Compensation, and Liability Act, as amended (42 U.S.C. Section 9601, et seq.)(together with the regulations promulgated thereunder, "CERCLA"), the Resource Conservation and Recovery Act, as amended (42 U.S.C. Section 6901, et seq.)(together with the regulations promulgated thereunder, "RCRA"), the Emergency Planning and Community Right-to-Know Act, as amended (42 U.S.C. Section 11001, et seq.)(together with the regulations promulgated thereunder, "Title III"), the Clean Water Act, as amended (33 U.S.C. Section 1321, et seq.)(together with the regulations promulgated thereunder, "CWA"), the Clean Air Act, as amended (42 U.S.C. Section 7401, et seq.)(together with the regulations promulgated thereunder, "CAA") and the Toxic Substances Control Act, as amended (15 U.S.C. Section 2601 et seq.)(together with the regulations promulgated thereunder, "TSCA"), and any state or local similar laws and regulations and any so-called local, state or federal "superfund" or "superlien" law.

"**Fiscal Year**" means the fiscal year of the District, which at the date of this Lease is the period from July 1 to and including the following June 30.

"**Ground Lease**" means that certain Ground Lease, dated as of the date hereof, by and between the District and the Authority, including any amendments thereto.

"**Hazardous Materials**" has the meaning provided in Section 4.5(b)

"**Laws and Regulations**" has the meaning provided in Section 4.5(b).

"**Lease**" means this Lease Agreement, including any amendments or supplements hereto made or entered into in accordance with the terms hereof and of the Trust Agreement.

"**Lease Event of Default**" means the occurrence and continuation of any event specified in Section 12(a) hereof.

"**Lease Term**" means the term of this Lease, as provided in Section 2 hereof.

"**Lease Year**" means the period from the Closing Date through [July 31, 2005] and thereafter the period from each [August 1], to and including the following [July 31], during the Lease Term.

"**Permitted Encumbrances**" means, with respect to the Property, as of any particular time, (a) liens for general ad valorem taxes and assessments, if any, not then delinquent, or which the District may, pursuant to provisions of Article V hereof, permit to remain unpaid, (b) the Assignment Agreement, (c) the Lease Agreement, (d) the Ground Lease, (e) the interest of the State of California in the Property arising under Section 17730 of the California Education Code, (f) any right or claim of any mechanic, laborer, materialman, supplier or vendor not filed or perfected in the manner prescribed by law as normally exist with respect to properties similar to the Property for the purposes for which it was acquired or is held by the District, (g) easements, rights of way, mineral rights, drilling rights and other rights, reservations, covenants,

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conditions or restrictions which exist of record as of the Delivery Date which the District certifies in writing will not affect the intended use of the Property or impair the security granted to the Trustee for the benefit of the Owners of the Series 2004A Certificates by the Trust Agreement and the Assignment Agreement and to which the Authority, the Insurer and the District consent in writing, and (h) easements, rights of way, mineral rights, drilling rights and other rights, reservations, covenants, conditions or restrictions established following the Delivery Date which the District certifies in writing do not affect the intended use of the Property or impair the security granted to the Trustee for the benefit of the Owners of the Series 2004A Certificates by the Trust Agreement and the Assignment Agreement and to which the Authority, the Insurer and the District consent in writing.

"**Property**" means the real property, including all buildings and improvements at any time thereon, as described in Exhibit A hereto, including any real property substituted therefor pursuant to Section 16 hereof but excluding real property which has been released or for which new real property has been substituted in accordance with Section 16.

"**Release**" has the meaning provided in Section 4.5(b)

"**Rental Payments**" means all Base Rental and Additional Rental payable hereunder.

"**Series 2004A Certificates**" means the $_____ Western Placer Unified School District Certificates of Participation (School Facilities Project) Series 2004A initially in the Weekly Rate Mode and convertible to the Fixed Rate Mode.

"**Trust Agreement**" means that certain Trust Agreement, dated as of the date hereof, by and among the District, the Authority and the Trustee, including any amendments or supplements thereto made or entered into in accordance with its terms.

"**Trustee**" means U.S. Bank National Association, as trustee acting in its capacity as such under the Trust Agreement or any successor appointed as therein provided.

Section 2.0. Lease Term; Transfer of Title To District.

a. The Authority hereby leases the Property to the District, and the District hereby leases the Property from the Authority and agrees to pay the Base Rental and the Additional Rental as provided herein for the right to use and occupy the Property, subject to the Permitted Encumbrances, all on the terms and conditions set forth herein.

The term of this Lease shall begin on the Closing Date and end on the earliest of (a) _____, 202_, or (b) at such earlier date as the Series 2004A Certificates and all other amounts due hereunder and under the Trust Agreement shall have been paid or provision for their payment shall have been made in accordance with Section 12.01 of the Trust Agreement, or (c) the date of termination of this Lease due to casualty or condemnation in accordance with the terms of Section 5 or 6 hereof, or (d) the date on which the District has exercised its right to purchase the Property pursuant to Section 15 hereof; provided, however, that, to the extent permitted by law, (i) so long as the Insurance Policy is in full force and effect, if Base Rental has been abated in any year in accordance with Section 3.5 or if all Base Rental Payments have not been fully paid in accordance with Exhibits B-1 and B-2 hereto, the term of this Lease shall be extended until such time as the aggregate amount of abated and unpaid Base Rental payments has been paid as provided in Section 3.5 but in no event beyond ten years after the latest date of maturity of the Series 2004A Certificates, as specified in the Trust Agreement and (ii) this

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Lease shall not terminate until all Additional Rental owed by the Lessee pursuant to Section 3.1(c)(v) has been paid. The District shall have no right to terminate this Lease for a default by the Authority hereunder.

Upon the termination of this Lease, all of the Authority's right, title and interest in the Property, and any improvements thereon or additions thereto, shall be transferred directly to the District or, at the option of the District, to any assignee or nominee of the District, in accordance with the provisions of this Lease, free and clear of any interest of the Authority.

The District shall not have the right to terminate the Lease Agreement for any default by the Corporaiton in the Terms of this Lease Agreement.

Section 3.0. Rent.

Section 3.1. Rental Payments. The District hereby agrees, subject to the terms hereof, to pay from any legally available funds to the Authority the Base Rental and to pay to the parties entitled thereto Additional Rental in an aggregate amount no greater than the fair rental value of the Property in each Lease Year. In satisfaction of its obligations hereunder, the District shall pay the Base Rental and Additional Rental in the amounts, at the times and in the manner hereinafter set forth, such amounts constituting in the aggregate rent payable under this Lease.

a. (i) Base Rental (Series 2004A Weekly Rate). Subject to the provisions of Section 3.5 hereof and the provisions of Sections 6 and 15 hereof, the principal and interest components of the Base Rental evidenced by the Series 2004A Certificates in the Weekly Rate Mode (the "Series 2004A Weekly Rate Base Rental") shall be paid by the District in the amounts and at the times specified in the Base Rental Payment Schedule (Series 2004A Weekly Rate) attached as Exhibit B-1 hereto. The interest components of the Series 2004A Weekly Rate Base Rental shall be paid by the District as and constitute interest paid on the principal components of the Series 2004A Weekly Rate Base Rental. The interest components of the Series 2004A Weekly Rate Base Rental shall accrue at the Weekly Rate, calculated as provided in the Trust Agreement. Notwithstanding the foregoing, the interest components of Series 2004A Weekly Rate Base Rental evidenced by Bank Certificates shall accrue at the lesser of the Bank Certificate Rate or the Maximum Rate, calculated as provided in the Trust Agreement. In addition, the principal and interest components of the Series 2004A Weekly Rate Base Rental evidenced by Bank Certificates shall be paid by the District in the amounts and at the times specified in the Trust Agreement and the Standby Agreement.

To secure the performance of its obligation to pay the Series 2004A Weekly Rate Base Rental, the District shall deposit the Series 2004A Weekly Rate Base Rental payable on any Interest Payment Date or Principal Payment Date with the Trustee on or before the date that is ten days prior to the Interest Payment Date or Principal Payment Date, in each case for application by the Trustee in accordance with the terms of the Trust Agreement. In the event any such date of deposit is not a Business Day, such deposit shall be made on the first prior day that is a Business Day.

(ii) Base Rental (Series 2004A Fixed Rate). Subject to the provisions of Section 3.5 hereof and the provisions of Sections 6 and 15 hereof, the principal and interest components of the Base Rental evidenced by the Series 2004A Certificates in

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the Fixed Rate Mode (the "Series A Fixed Rate Base Rental") shall be paid by the District in the amounts and at the times specified in the Base Rental Payment Schedule (Series 2004A Fixed Rate) attached as Exhibit B-2 hereto. The interest components of the Series A Fixed Rate Base Rental shall be paid by the District as and constitute interest paid on the principal components of the Series A Fixed Rate Base Rental. The interest components of the Series A Fixed Rate Base Rental shall accrue at the Fixed Rate, calculated as provided in the Trust Agreement. Series A Fixed Rate Base Rental payable on _____ 1 in any year shall be for the period from _____ 1 of such year to _____ 31 of such year, and Series A Fixed Rate Base Rental payable on _____ 1 in any year shall be for the period from _____ 1 of the prior year to _____, of the then current year.

To secure the performance of its obligation to pay the Series A Fixed Rate Base Rental, the District shall deposit the Series A Fixed Rate Base Rental payable on [_____ **1]** of any year with the Trustee on or before [_____ **15]** of such year and shall deposit the Series A Fixed Rate Base Rental payable on [_____ **1]** of any year with the Trustee on or before [_____ **15]** of such year, in each case for application by the Trustee in accordance with the terms of the Trust Agreement. In the event any such date of deposit is not a Business Day, such deposit shall be made on the first prior day that is a Business Day.

b. In no event shall the amount of Base Rental payable on any date exceed the aggregate amount of Principal and interest required to be paid or prepaid on such date with respect to the Outstanding Series 2004A Certificates, according to their tenor.

c. Additional Rental. In addition to the Base Rental set forth herein, the District agrees to pay as Additional Rental, to the extent permitted by law, all of the following:

i. All taxes and assessments of any nature whatsoever, including but not limited to excise taxes, ad valorem taxes, ad valorem and specific lien special assessments and gross receipts taxes, if any, levied upon the Property or upon any interest of the Authority, the Trustee or the Owners therein or in this Lease;

ii. Insurance premiums, if any, on all insurance required under the provisions of Section 4.3 hereof;

iii. All fees, costs and expenses (not otherwise paid or provided for out of the proceeds of the sale of the Series 2004A Certificates) of the Trustee and any paying agent in connection with the Trust Agreement;

iv. Any other fees, costs or expenses incurred by the Authority or the Trustee in connection with the execution, performance or enforcement of this Lease or any assignment hereof or of the Trust Agreement or any of the transactions contemplated hereby or thereby or related to the Property;

v. Amounts required to be paid to the Trustee for deposit in the Reserve Fund;

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vi. All fees, charges and expenses payable to the Bank pursuant to the Standby Agreement, other than amounts payable to the Bank with respect to Bank Certificates;

vii. Any amounts with respect to this Lease or the Series 2004A Certificates required to be rebated to the federal government in accordance with section 148(f) of the Code; and

viii. All other payments required to be paid by the District under the provisions of this Lease or the Trust Agreement.

Amounts constituting Additional Rental payable hereunder shall be paid by the District directly to the person or persons to whom such amounts shall be payable. The District shall pay all such amounts when due or at such later time as such amounts may be paid without penalty or, in any other case, within 60 days after notice in writing from the Trustee or the Authority, as applicable, to the District stating the amount of Additional Rental then due and payable and the purpose thereof.

Section 3.2. Consideration.

The payments of Rental Payments under this Lease for each Fiscal Year or portion thereof during the Lease Term shall constitute the total rental for such Fiscal Year or portion thereof and shall be paid by the District for and in consideration for the right to the use and occupancy, and the continued quiet use and enjoyment, of the Property by the District for and during such Fiscal Year or portion thereof. The parties hereto have agreed and determined that such total rental in any Fiscal Year is not and will not be in excess of the total fair rental value of the Property for such Fiscal Year. In making such determination, consideration has been given to the uses and purposes served by the Property and the benefits therefrom that will accrue to the parties by reason of this Lease and to the general public by reason of the District's use of the Property.

The District hereby represents and warrants that the Property is an essential facility for the operations of the District.

Section 3.3. Budget. The District hereby covenants to take such action as may be necessary to include all Rental Payments due in each fiscal year hereunder in its annual budget and to make the necessary annual appropriations for all such Rental Payments, subject to Section 3.5 hereof. The District further covenants, to the extent permitted by law, to take such action as may be necessary to include in its annual budget and to make appropriations from any legally available funds sufficient funds to make all Rental Payments in excess of any insurance to ensure completion of any reconstruction, repair, restoration, modification or improvements to the Property. Notwithstanding the foregoing, the obligation of the District to make Base Rental or Additional Rental payments does not constitute an obligation of the District for which the District is obligated to levy or pledge any form of taxation or for which the District has levied or pledged any form of taxation. Neither the Series 2004A Certificates nor the obligation of the District to make Base Rental or Additional Rental payments constitutes an indebtedness of the District, the State or any of its political subdivisions within the meaning of any constitutional or statutory debt limitation or restriction.

Section 3.4. Payment; Credit. Amounts necessary to pay Base Rental shall be deposited by the District on the dates set forth in Section 3.1(a) hereof in lawful money of the

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United States of America, at the Principal Office of the Trustee, or at such other place or places as may be established in accordance with the Trust Agreement. Except as provided in Section 3.5 hereof, any amount necessary to pay any Base Rental or portion thereof that is not so deposited shall remain due and payable until received by the Trustee. Notwithstanding any dispute between the District and the Authority hereunder, the District shall make all Rental Payments when due and shall not withhold any Rental Payments pending the final resolution of such dispute or for any other reason whatsoever. The District's obligation to make Rental Payments in the amount and on the terms and conditions specified hereunder shall be absolute and unconditional without any right of set-off or counterclaim, and without abatement, subject only to the provisions of Section 3.5 hereof. Amounts required to be deposited with the Trustee pursuant to this Section 3.4 on any date shall be reduced to the extent of amounts on deposit on such date in the Base Rental Payment Fund (except with respect to amounts on deposit in the Base Rental Payment Fund as a result of a transfer from the Reserve Fund), the Interest Fund and the Principal Fund of the Base Rental Payment Fund held by the Trustee under the Trust Agreement, except for amounts being held therein for the payment of Series 2004A Certificates that have matured or been called but have not been surrendered for payment.

Section 3.5. Rental Abatement. Except to the extent of (i) available amounts held by the Trustee in the Base Rental Payment Fund, the Interest Fund or the Principal Fund or in the Reserve Fund, (ii) amounts, if any, received in respect of rental interruption insurance, and (iii) amounts, if any, otherwise legally available to the District for payments in respect of this Lease or to the Trustee for payments in respect of the Series 2004A Certificates, Rental Payments due hereunder shall be subject to abatement in accordance with this Section 3.5 during any period in which, by reason of material damage, destruction or condemnation of the Property or any portion thereof, or defects in title to the Property or any portion thereof, there is substantial interference with the right to the use and occupancy of the Property or any portion thereof by the District. The amount of annual rental abatement shall be such that the resulting Rental Payments in any Lease Year during which such interference continues, excluding any amounts described in clauses (i), (ii) or (iii) above, do not exceed the annual fair rental value of the portions of the Property with respect to which there has not been substantial interference, as evidenced by a certificate of a District Representative. Such abatement shall continue for the period commencing with the date of such damage, destruction, condemnation or discovery of such title defect and ending with the restoration of the Property or portion thereof to tenantable condition or correction of the title defect. To the extent permitted by law and so long as the Insurance Policy is in full force and effect, upon cessation of the abatement event, the Property shall be appraised to determine its current fair rental value. If such value has increased since the date of delivery of the Series 2004A Certificates, so long as the Insurance Policy is in full force and effect and to the extent permitted by law, Base Rental shall be increased up to the amount of such increase in fair rental value to the earlier of (i) the end of the remaining term or (ii) until such time as all abated and unpaid Base Rental (without interest thereon) have been paid. In the event of any such damage, destruction, condemnation or title defect, this Lease shall continue in full force and effect, except as set forth in Sections 5 and 6 hereof.

Section 3.6. Triple Net Lease. This Lease is intended to be a triple net lease. The District agrees that the Rental Payments provided for herein shall be an absolute net return to the Authority free and clear of any expenses, charges or set-offs whatsoever.

Section 4.0. Affirmative Covenants of the Authority and the District. The Authority and the District are entering into this Lease in consideration of, among other things, the following covenants:

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Section 4.1. Replacement, Maintenance and Repairs. The District shall, at its own expense, during the Lease Term maintain the Property, or cause the same to be maintained, in good order, condition and repair. The District shall replace any portion of the Property that is destroyed or damaged to such an extent that there is substantial interference with the right to the use and occupancy of the Property or any portion thereof by the District that would result in an abatement of Rental Payments or any portion thereof pursuant to Section 3.5 hereof, whether or not there are sufficient insurance or condemnation proceeds to pay for such replacement; provided, however, that the District shall not be required to repair or replace any such portion of the Property pursuant to this Section 4.1 if there shall be applied to the prepayment of Outstanding Series 2004A Certificates insurance or condemnation proceeds or other legally available funds sufficient to prepay (i) all of the Series 2004A Certificates Outstanding and all other amounts due hereunder and under the Trust Agreement, or (ii) any portion thereof such that the resulting Rental Payments payable pursuant to Section 3.1 hereof in any Lease Year following such partial prepayment are sufficient to pay in the then current and any future Lease Year the Principal and interest with respect to all Series 2004A Certificates to remain Outstanding and all other amounts due hereunder and under the Trust Agreement, to the extent it is due and payable in such Lease Year, immediately after such partial prepayment.

The District shall provide or cause to be provided all security service, custodial service, janitorial service and other services necessary for the proper upkeep and maintenance of the Property. It is understood and agreed that in consideration of the payment by the District of the Rental Payments herein provided for, the District is entitled to use and occupy the Property and the Authority shall have no obligation to incur any expense of any kind or character in connection with the management, operation or maintenance of the Property during the Lease Term. The Authority shall not be required at any time to make any improvements, alterations, changes, additions, repairs or replacements of any nature whatsoever in or to the Property. The District hereby expressly waives the right to make repairs or to perform maintenance of the Property at the expense of the Authority, (to the extent permitted by law) waives the benefit of Sections 1932, 1933(4), 1941 and 1942 of the California Civil Code relating thereto, and waives any other rights to fully terminate this Lease by virtue of a partial damage or destruction of the Property.

The District shall keep the Property free and clear of all liens, charges, security interests and encumbrances other than (i) those existing on or prior to the Closing Date or on or prior to the date any property is substituted for any of the Property pursuant to Section 16 hereof which are covered by the exceptions and exclusions set forth in the title policies delivered pursuant to Section 4.3 or Section 16, as applicable, and expressly approved by the District and the Authority, and (ii) any liens of mechanics, materialmen, suppliers, vendors or other persons or entities for work or services performed or materials furnished in connection with the Property that are not due and payable or the amount, validity or application of which is being contested in accordance with Section 4.4 hereof.

Section 4.2. Taxes, Other Governmental Charges and Utility Charges. The Authority and the District contemplate that the Property will be used for a governmental or proprietary purpose of the District and, therefore, that the Property will be exempt from all taxes presently assessed and levied with respect to the Property. Nevertheless, the District hereby agrees to pay during the Lease Term, as the same respectively become due, all taxes (except for income or franchise taxes of the Authority), utility charges and governmental charges of any kind whatsoever that may at any time be lawfully assessed or levied against or with respect to the Property; provided, however, that, with respect to any governmental charges that may lawfully be paid in installments over a period of years, the District shall be obligated to pay only

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such installments as are accrued during such time as this Lease is in effect; and provided further, that the District may contest in good faith the validity or application of any tax, utility charge or governmental charge in any reasonable manner that, in the opinion of independent counsel does not adversely affect the right, title and interest of the Authority in and to any portion of the Property or its rights or interests under this Lease or subject any portion of the Property to loss or forfeiture. Any such taxes or charges shall constitute Additional Rental under Section 3.1(d) hereof and shall be payable directly to the entity assessing such taxes or charges.

Section 4.3. Insurance.

(a) The District shall secure and maintain or cause to be secured and maintained, at all times with insurers of recognized responsibility, and such insurers shall be rated in the two (2) highest rating categories of S&P or Moody's, or through a program of self-insurance, to the extent specifically permitted in this Section 4.3, all coverage on the Property required by this Section 4.3.

Such insurance shall consist of:

1. A policy or policies of insurance against loss or damage to the Property known as "all risk," excluding earthquake insurance. Such insurance shall be maintained at any time in an amount not less than the lesser of the full replacement value of the Property or the aggregate Principal amount of Series 2004A Certificates at such time Outstanding. The term "full replacement value" as used herein shall mean the cost of repair or replacement of the Property, without deduction for depreciation. Such insurance may at any time include a deductible clause providing for a deductible not to exceed $100,000 (or such greater amount approved by the Certificate Insurer) from all losses in any year; provided, however, that in the event the District is unable to secure and maintain, or cause to be secured and maintained, the insurance required under this clause (1), the District shall self-insure to the extent necessary to enable it to repair or replace the Property in accordance with the provisions of Section 4.1 hereof;

2. Comprehensive general liability coverage against claims for damages including death, personal injury, bodily injury or property damage arising from operations involving the Property. Such insurance shall afford protection with a combined single limit of not less than $500,000 per occurrence with respect to bodily injury, death or property damage liability; provided, however, that the District's obligations under this clause (2) may be satisfied by self-insurance;

3. Machinery coverage against loss or damage by explosion of pressure vessels and similar apparatus now or hereafter installed in an amount not less than $7,500,000 per accident; provided, however, that the District's obligations under this clause (3) may be satisfied by self-insurance;

4. Workers' compensation insurance issued by a responsible carrier authorized under the laws of the State to insure employers against liability for compensation under the California Labor Code, or any act enacted as an amendment or supplement thereto or in lieu thereof, such workers' compensation insurance to cover all persons employed by the District in connection with the Property and to cover full liability for compensation under any such act; provided, however, that the District's obligations under this clause (4) may be satisfied by self-insurance; and

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5. Rental interruption insurance to cover loss, total or partial, of the use of any part of the Property as a result of any of the hazards covered by the insurance required pursuant to clause (1) above, in an amount sufficient at all times to pay the total rent payable under this Lease for a period adequate to cover the period of repair or replacement. Such policy shall provide that the amount payable thereunder shall not be less than an amount equal to two times the maximum Base Rental payable in any Fiscal Year for the term of this Lease; provided, however, that for purposes of calculating said maximum amount, the interest component of Base Rental evidenced by Series 2004A Certificates in a Weekly Rate Mode shall be deemed to accrue at a rate per annum of 12%; provided, further that the District's obligations under this clause (5) may not be satisfied by self-insurance.

All policies or certificates issued by the respective insurers for insurance, with the exception of workers' compensation insurance, shall provide that such policies or certificates shall not be canceled or materially changed without at least 30 days' prior written notice to the Trustee. At the request of the Trustee no more often than once per calendar year during the Lease Term, the District shall provide for the Trustee a certificate of the District's Risk Manager or an independent insurance consultant or actuary, stating whether all policies or self-insurance required by this Section 4.3 have been obtained and are in full force and effect.

All policies or certificates of insurance provided for in this Section 4.3(a) shall name the District and the Authority as a named insured, and the Trustee as additional insured. All policies or certificates of insurance maintained under clauses (1), (3) and (5) above, shall name the Trustee as loss payee, and the proceeds of such insurance shall be deposited with the Trustee for application pursuant to the Trust Agreement. All proceeds of insurance maintained under clauses (2) and (4) shall be deposited with the District.

Notwithstanding the generality of the foregoing (with the exception of the rental interruption insurance required by clause (5) above), the District shall not be required to maintain or cause to be maintained (i) more insurance than is specifically referred to above or (ii) any policies of insurance other than standard policies of insurance with standard deductibles offered by reputable insurers at a reasonable cost in the open market.

b. Any self-insurance maintained by the District pursuant to this Section 4.3 shall comply with the following terms:

1. The self-insurance program shall be approved in writing by an independent insurance consultant and the insurer;

2. The self-insurance program shall include an actuarially sound claims reserve fund out of which each self-insured claim shall be paid; the adequacy of each such fund shall be evaluated on an annual basis by the independent insurance consultant; and any deficiencies in any self-insured claims reserve fund shall be remedied in accordance with the recommendation of aforementioned independent insurance consultant;

3. The self-insured claims reserve fund shall be held in a separate trust fund by an independent trustee, which may be the Trustee serving as such under the Trust Agreement; and

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4. In the event the self-insurance program shall be discontinued, the actuarial soundness of its claims reserve fund, as determined by the independent insurance consultant, shall be maintained.

c. The District shall deliver to the Trustee as soon as practicable after the Closing Date, (i) a copy of an ALTA Owner's policy of title insurance with respect to the Property, issued in an amount equal to the aggregate principal amount of Series 2004A Certificates Outstanding by a title insurance company acceptable to the Authority and the Trustee, naming the District as insured and showing fee title to the Property in the name of the District; and (ii) a copy of an ALTA Leasehold Owner's Policy naming the Authority and the District as insureds, and insuring the validity and priority of the Ground Lease (and the interest of the Authority thereunder, as assigned to the Trustee) and this Lease (and the interest of the Authority thereunder, as assigned to the Trustee). All endorsements and restrictions to the policies delivered hereunder must be acceptable to the Certificate Insurer. The policies delivered hereunder may not permit the title insurer to purchase any Series 2004A Certificates in lieu of providing payment under the policy unless, upon purchase, such Series 2004A Certificates are cancelled, or to settle claims with any person other than the Trustee, acting with the consent of the Certificate Insurer.

Section 4.4. Liens. The District promptly shall pay or cause to be paid all sums of money that may become due for any labor, services, materials, supplies or equipment alleged to have been furnished or to be furnished to or for, in, upon or about the Property and that may be secured by any mechanic's, materialman's or other lien against the Property, or the interest of the Authority therein, and shall cause each such lien to be fully discharged and released; provided, however, that the District or the Authority (i) may contest in good faith any such claim or lien without payment thereof so long as such non-payment and contest stays execution or enforcement of the lien, but if such lien is reduced to final judgment and such judgment or such process as may be issued for the enforcement thereof is not stayed, or if stayed and the stay thereafter expires, then and in any such event the District shall forthwith pay and discharge such judgment or lien, or (ii) delay payment without contest so long as and to the extent that such delay will not result in the imposition of any penalty or forfeiture.

Section 4.5. Compliance with Laws, Regulations, Etc.

a. The District agrees to observe and comply with all rules, regulations and laws applicable to the District with respect to the Property and the operation thereof. The cost, if any, of such observance and compliance shall be borne by the District, and the Authority shall not be liable therefor. The District agrees further to place, keep, use, maintain and operate the Property in such a manner and condition as will provide for the safety of its agents, employees, invitees, subtenants, licensees and the public.

b. The District has, after due inquiry, no knowledge and has not given or received any written notice indicating that the Property or the past or present use thereof or any practice, procedure or policy employed by it in the conduct of its business materially violates any applicable law, regulation, code, order, rule, judgment or consent agreement, including, without limitation, those relating to zoning, building, use and occupancy, fire safety, health, sanitation, air pollution, ecological matters, environmental protection, hazardous or toxic materials, substances or wastes, conservation, parking, architectural barriers to the handicapped, or restrictive covenants or other agreements affecting title to the Property (collectively, "Laws and Regulations"). Without limiting the generality of the foregoing, neither the District nor to the best of its knowledge, after due inquiry, any prior or present owner, tenant or subtenant of any of the Property has, other than as set forth in subsections (b) and (c) of this Section or as may have

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been remediated in accordance with Laws and Regulations, (i) used, treated, stored, transported or disposed of any material amount of flammable explosives, polychlorinated biphenyl compounds, heavy metals, chlorinated solvents, cyanide, radon, petroleum products, asbestos or any Asbestos Containing Materials, methane, radioactive materials, pollutants, hazardous materials, hazardous wastes, hazardous, toxic, or regulated substances or related materials, as defined in CERCLA, RCRA, CWA, CAA, TACA and Title III, and the regulations promulgated pursuant thereto, and in all other Environmental Regulations applicable to the District, any of the Property or the business operations conducted by the District thereon (collectively "Hazardous Materials") on, from or beneath its Property, (ii) pumped, spilled, leaked, disposed of, emptied, discharged or released (hereinafter collectively referred to as "Release") any material amount of Hazardous Materials on, from or beneath the Property, or (iii) stored any material amount of petroleum products at the Property in underground storage tanks.

c. Excluded from the representations and warranties in subsection (a) hereof with respect to Hazardous Materials are those Hazardous Materials in those amounts ordinarily found in the inventory of or used in the operations of a school facility, the use, treatment, storage, transportation and disposal of which has been and shall be in compliance with all Laws and Regulations.

d. No Property located in an area of high potential incidence of radon has an unventilated basement or subsurface portion which is occupied or used for any purpose other than the foundation or support of the improvements to such Property.

Section 4.6. Environmental Compliance.

a. The District shall not use or permit the Property or any part thereof to be used to generate, manufacture, refine, treat, store, handle, transport or dispose of, transfer, produce or process Hazardous Materials, except, and only to the extent, if necessary to maintain the improvements on the Property and then, only in compliance with all Environmental Regulations, and any state equivalent laws and regulations, nor shall it permit, as a result of any intentional or unintentional act or omission on its part or by any tenant, subtenant, licensee, guest, invitee, contractor, employee and agent, the storage, transportation, disposal or use of Hazardous Materials or the Release or threat of Release of Hazardous Materials on, from or beneath the Property or onto any other property excluding, however, those Hazardous Materials in those amounts ordinarily found in the inventory of or used in the operation of a school facility, the use, storage, treatment, transportation and disposal of which shall be in compliance with all Environmental Regulations. Upon the occurrence of any Release or threat of Release of Hazardous Materials, the District shall promptly commence and perform, or cause to be commenced and performed promptly, without cost to the Authority, all investigations, studies, sampling and testing, and all remedial, removal and other actions necessary to clean up and remove all Hazardous Materials so Released, on, from or beneath the Property or other property, in compliance with all Environmental Regulations. Notwithstanding anything to the contrary contained herein, underground storage tanks shall only be permitted subject to compliance with subsection (d) and only to the extent necessary to maintain the improvements on the Property.

b. The District shall comply with, and shall use its best efforts to assure that its tenant's subtenants, agents, licensees, employees, contractors, and agents comply with, all Environmental Regulations and shall keep the Property free and clear; provided, however, that notwithstanding that a portion of this covenant is limited to the District's use of its best efforts, the District shall remain solely responsible for ensuring such compliance and such limitation

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shall not diminish or affect in any way the District's obligations contained in subsection (c) hereof as provided in subsection (c) hereof. Upon receipt of any notice from any person with regard to the Release of Hazardous Materials on, from or beneath the Property, the District shall give prompt written notice thereof to the Certificate Insurer, (and, in any event, prior to the expiration of any period in which to respond to such notice under any Environmental Regulation).

c. Irrespective of whether any representation or warranty contained in Section 4.5 is not true or correct, the District shall defend, indemnify and hold harmless the Authority, the holders of Series 2004A Certificates, the Trustee and the Certificate Insurer, its partners, depositors and each of its and their employees, agents, officers, directors, trustees, successors and assigns, from and against any claims, demands, penalties, fines, attorneys' fees (including, without limitation, attorneys' fees incurred to enforce the indemnification contained in this Section 4.6), consultants' fees, investigation and laboratory fees, liabilities, settlements (five Business Days' prior notice of which the Authority, Trustee or the Certificate Insurer, as appropriate, shall have delivered to the District), court costs, damages, losses, costs or expenses of whatever kind or nature, known or unknown, contingent or otherwise, occurring in whole or in part, arising out of, or in any way related to (i) the presence, disposal, Release, threat of Release, removal, discharge, storage or transportation of any Hazardous Materials on, from or beneath the Property, (ii) any personal injury (including wrongful death) or property damage (real or personal) arising out of or related to such Hazardous Materials, (iii) any lawsuit brought or threatened, settlement reached (five Business Days' prior notice of which the Authority, the Trustee or the Certificate Insurer, as appropriate, shall have delivered to the District), or governmental order relating to Hazardous Materials on, from or beneath any of the Property, (iv) any violation of Environmental Regulations or subsection (a) or (b) or (e) hereof by it or any of its agents, tenants, employees, contractors, licensees, guests, subtenants or invitees, and (v) the imposition of any governmental lien for the recovery of environmental cleanup or removal costs. To the extent that the District is strictly liable under any Environmental Regulation, its obligation to the holders of Series 2004A Certificates and the Certificate Insurer and other indemnitees under the foregoing indemnification shall likewise be without regard to fault on its part with respect to the violation of any Environmental Regulation which results in liability to any indemnitee. Its obligations and liabilities under this Section 4.6 shall survive any foreclosure of the security interest in the Property or the delivery of any instrument in lieu of foreclosure, and the satisfaction of all Series 2004A Certificates.

d. The District shall conform to and carry out a reasonable program of maintenance and inspection of all underground storage tanks, and shall maintain, repair, and replace such tanks only in accordance with Laws and Regulations, including but not limited to Environmental Regulations.

Section 4.7. Condemnation. The District hereby covenants and agrees, to the extent it may lawfully do so, that so long as any of the Series 2004A Certificates remain outstanding and unpaid, the District will not exercise the power of condemnation with respect to the Property. The District further covenants and agrees, to the extent it may lawfully do so, that if for any reason the foregoing covenant is determined to be unenforceable or if the District should fail or refuse to abide by such covenant and condemns the Property, the appraised value of the leased property shall not be less than the greater of (i) if such Series 2004A Certificates are then subject to redemption, the principal and interest components of the Series 2004A Certificates outstanding through the date of their redemption, or (ii) if such Series 2004A Certificates are not then subject to redemption, the amount necessary to defease such Series

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2004A Certificates to the first available redemption date in accordance with the Trust Agreement.

Section 5.0. Application of Insurance Proceeds.

a. Proceeds of insurance received in respect of destruction of or damage to any portion of the Property by fire or other casualty or event shall be paid to the Trustee for application in accordance with the provisions of Section 7.05 of the Trust Agreement. If there is an abatement of Rental Payments pursuant to Section 3.5 hereof as a result of such casualty or event, and the District elects pursuant to Section 7.05 of the Trust Agreement to apply such insurance proceeds and such other sums as are deposited by the District pursuant to such section to the prepayment of Series 2004A Certificates rather than to the replacement or repair of the destroyed or damaged portion of the Property, then this Lease shall terminate with respect to the destroyed or damaged portion of the Property as of the later of the date of such election by the District or the date the amount required by Section 7.05 of the Trust Agreement is received by the Trustee and in either case, after payment of any Additional Rental owed hereunder. If the District elects, pursuant to Section 7.05 of the Trust Agreement to apply such proceeds to the repair or replacement of the portion of the Property that has been damaged or destroyed, in the event there has been an abatement of Rental Payments pursuant to Section 3.5 hereof, then Rental Payments shall again begin to accrue with respect thereto upon repair or replacement of such portion of the Property.

b. Proceeds of title insurance received with respect to the Property shall be paid to the Trustee for application in accordance with the provisions of Section 7.06 of the Trust Agreement.

Section 6.0. Eminent Domain.

Section 6.1. Total Condemnation. If the Property, or so much thereof as to render the remainder of the Property unusable for the District's purposes under this Lease, shall be taken under the power of eminent domain, then this Lease shall terminate as of the later of the day possession shall be so taken and the date of entry of the interlocutory judgment and in either case, after payment of any Additional Rental owed hereunder.

Section 6.2. Partial Condemnation. If less than a substantial portion of the Property shall be taken under the power of eminent domain, and the remainder is useable for the District's purposes, then this Lease shall continue in full force and effect as to the remaining portions of the Property, subject only to such rental abatement as is required by Section 3.5 hereof. The District and the Authority hereby waive the benefit of any law to the contrary. Any award made in eminent domain proceedings for the taking shall be paid to the Trustee for application in accordance with the provisions of Section 7.05 of the Trust Agreement. If the District elects, pursuant to Section 7.05 of the Trust Agreement, to apply such proceeds to the replacement of the condemned portion of the Property, in the event there has been an abatement of Rental Payments pursuant to Section 3.5 hereof, then Rental Payments shall again begin to accrue with respect thereto upon replacement of such portion of the Property.

Section 7.0. Assignment.

a. The District shall not sell, mortgage, pledge, assign or transfer any interest of the District in this Lease or in the Property by voluntary act or by operation of law, or otherwise; provided, however, that the District may grant concessions to others involving the use of any

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portion of the Property whether or not such concessions purport to convey a leasehold interest or a license to use a portion of the Property. Any sublease or concession shall specifically state that it is subject and subordinate in all respects to this Lease. Subject to the limitations set forth herein, the District shall at all times remain liable for the performance of the covenants and conditions on its part to be performed under this Lease, notwithstanding any subletting or granting of concessions which may be made. Nothing herein contained shall be construed to relieve the District of its primary obligation to pay Rental Payments as provided in this Lease or to relieve the District of any other obligations contained herein. In no event shall the District sublease to or permit the use of all or any part of the Property by any person so as to cause the interest component with respect to the Series 2004A Certificates to be includable in gross income for federal income tax purposes or to be subject to State personal income tax.

b. The Authority shall, concurrently with the execution hereof, absolutely and irrevocably assign all of its right, title and interest in and to this Lease (except for its right to payment of its expenses under Section 3.1(c) hereof, its right to indemnification pursuant to Section 11 hereof and its right to receive certain notices under Section 18 hereof), including without limitation its right to receive Base Rental payable hereunder, to the Trustee pursuant to the Assignment Agreement, and the District hereby approves such assignment. The parties hereto further agree to execute any and all documents necessary and proper in connection therewith.

Section 8.0. Additions and Improvements; Removal. The District shall have the right during the Lease Term to make any additions or improvements to the Property, to attach fixtures, structures or signs, and to affix any personal property to the Property, so long as the fair rental value of the Property is not thereby reduced. Title to all fixtures, equipment or personal property placed by the District on the Property shall remain in the District to the extent that such items may be removed from the property without damage. Title to any personal property, improvements or fixtures placed on any portion of the Property by any sublessee or licensee of the District shall be controlled by the sublease or license agreement between such sublessee or licensee and the District, which sublease or license agreement shall not be inconsistent with this Lease.

Section 9.0. Right of Entry. Representatives of the Authority shall, subject to reasonable security precautions, have the right to enter upon the Property during reasonable business hours (and in emergencies at all times) (i) to inspect the same, (ii) for any purpose connected with the rights or obligations of the Authority under this Lease, or (iii) for all other lawful purposes.

Section 10.0. Quiet Enjoyment. The Authority covenants and agrees that the District, upon keeping and performing the covenants and agreements herein contained, shall, at all times during the Lease Term, peaceably and quietly have, hold, and enjoy the Property.

Section 11.0. Indemnification and Hold Harmless Agreement. To the extent permitted by law and subject to the provisions of Section 4.6(c) herein, the District hereby agrees to indemnify and hold the Authority and the Trustee and their respective officers, directors and employees harmless against any and all liabilities that might arise out of or are related to the Property or any portion thereof, the Trust Agreement, the Lease, the Ground Lease, the Assignment Agreement, the Series 2004A Certificates or any disclosure document related to the Series 2004A Certificates and the District further agrees to defend the Authority and the Trustee and their respective officers, directors and employees in any action arising out of or related to the Property and the Series 2004A Certificates; provided, however, that the

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District shall not indemnify and hold the Trustee and its officers and directors harmless against any liability that might arise out of the negligence or wilful misconduct of the Trustee or its officers and directors. The provisions of this Section 11 and the obligation of the District to pay Additional Rental to the Trustee shall survive the termination of this Lease.

Section 12.0. Default by District.

a. Events of Default. The following shall be events of default hereunder: (i) the District shall fail to deposit with the Trustee any Base Rental payment required to be so deposited pursuant to Section 3.1(a) or 3.1(b) hereof by the close of business on the day such deposit is required to be deposited pursuant to Section 3.1(a) or 3.1(b) hereof; (ii) the District shall fail to pay any item of Additional Rental as and when the same shall become due and payable pursuant to Section 3.1(c) hereof; or (iii) the District shall breach any other terms, covenants or conditions contained herein or in the Trust Agreement, and shall fail to remedy any such breach with all reasonable dispatch within a period of 30 days after written notice thereof from the Trustee, Authority, or its assignee or the Certificate Insurer to the District, or, if such breach cannot be remedied within such 30-day period, shall fail to institute corrective action within such 30-day period and diligently pursue the same to completion; provided, however, that such period shall not extend beyond a total of 90 days without the consent of the Certificate Insurer.

b. Remedies on Default. Upon an Event of Default, the Authority or its assignee shall have the right to exercise the remedies provided hereunder, but such right shall be subject to the right of the Certificate Insurer to approve and direct the exercise of such remedies. The Authority shall have the right to right to terminate this Lease Agreement and relet the Property. The Authority or its assignee shall have the right, without any further demand or notice (i) to reenter the Property and eject all parties in possession therefrom and, without terminating this Lease, relet the Property as the agent and for the account of the District upon such terms and conditions as the Authority may deem advisable, in which event the rents received on such releting shall be applied as set forth in the Trust Agreement; provided, that if a sufficient sum shall not be realized to pay such sums and other charges then the District shall pay to the Authority any net deficiency existing on the date when the Base Rental or Additional Rental is due hereunder; provided, however, that such reentry and releting shall be done only with the consent of the District, which consent is hereby irrevocably given; or (ii) in lieu of the above, so long as the Authority does not terminate this Lease or the District's possession of the Property, to enforce all of its rights and remedies under this Lease, including the right to recover Base Rental payments as they become due under this Lease pursuant to section 1951.4 of the California Civil Code by pursuing any remedy available in law or in equity, except as expressly provided herein. Any reentry pursuant to this Section 12 shall be allowed by the District without hindrance, and the Authority shall not be liable in damages for any reentry or be guilty of trespass. The Authority or any assignee of the rights of the Authority hereunder shall not exercise its remedies hereunder so as to cause the interest with respect to the Series 2004A Certificates to be includable in gross income for federal income tax purposes or subject to State personal income taxes. Notwithstanding any other provision of this Lease or the Trust Agreement, in no event shall the Authority have the right to accelerate the payment of any Base Rental hereunder.

Each and every remedy of the Authority or any assignee of the rights of the Authority hereunder is cumulative and the exercise of one remedy shall not impair the right of the Authority or its assignee to any or all other remedies. If any statute or rule validly shall limit the remedies given to the Authority or any assignee of the rights of the Authority hereunder, the

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Authority or its assignee nevertheless shall be entitled to whatever remedies are allowable under any statute or rule of law.

All damages and other payments received by the Authority pursuant to this Section 12 shall be applied in the manner set forth in Section 23 hereof.

Section 13.0. Waiver. The waiver by the Authority of any breach by the District, and the waiver by the District of any breach by the Authority of any term, covenant or condition hereof shall not operate as a waiver of any subsequent breach of the same or any other term, covenant or condition hereof.

Section 14.0. Disclaimer Of Warranties. NEITHER THE CORPORATION NOR ANY PERSON ACTING ON ITS BEHALF HAS MADE OR MAKES ANY WARRANTY OR REPRESENTATION AS TO THE PAST, PRESENT OR FUTURE CONDITION OF THE PROPERTY NOT HEREIN EXPRESSED, AND THE DISTRICT HAS ENTERED INTO THIS LEASE WITHOUT REPRESENTATIONS OR WARRANTIES WITH RESPECT THERETO ON THE PART OF THE CORPORATION, ITS AGENTS, REPRESENTATIVES OR EMPLOYEES.

Section 15.0. Prepayment. The District shall have the option to purchase on any Business Day the Authority's interest in the Property upon payment of an option price in an amount sufficient to provide funds to pay the aggregate amount for the entire remaining Lease Term consisting of principal and interest on such principal to the applicable prepayment date. Any such payment shall be made to the Trustee to pay the principal and interest with respect to the Series 2004A Certificates.

If the Business Day on which the District intends to exercise its option hereunder is, in accordance with Sections 4.02 of the Trust Agreement, a date on which Series 2004A Certificates are subject to optional prepayment, then the District shall give notice to the Trustee of its intention to exercise its option hereunder not later than five days prior to the date on which the Trustee is required to send notice of prepayment to the Owners pursuant to the Trust Agreement. If the Business Day on which the District intends to exercise its option hereunder is not a date on which Series 2004A Certificates are subject to optional payment, then the District shall exercise its option to purchase by giving notice thereof to the Trustee not later than five days prior to the Business Day on which it desires to exercise such option.

On any Business Day as to which the District shall properly have exercised the option granted it pursuant hereto, and shall have paid or made provision (as set forth in the preceding paragraph) for the payment of the required option price, the Authority shall execute and deliver to the District a quitclaim deed conveying to the District or its nominee the Authority's right, title and interest in the Property. If the District shall properly exercise the option provided in this Section 15 prior to the expiration of the Lease Term to purchase the entire Property, and the Authority shall execute and deliver the quitclaim deed to the Property as aforesaid, then this Lease shall terminate, but such termination shall not affect the District's obligation to pay the option price on the terms herein set forth. Notwithstanding the foregoing, the right of the District to obtain the release of the Leased Property and discharge of this Lease Agreement shall not be effective unless all Certificates have been paid in full and are no longer Outstanding under the Trust Agreement.

Section 16.0. Release and Substitution. If no Lease Event of Default has occurred and is continuing hereunder, this Lease and the Ground Lease may be modified or amended at any time, and the Trustee may consent thereto without the consent of the Owners, if such

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amendment is to modify or amend the description of the Property or to release from this Lease any portion of the Property, or to substitute other property and improvements for the Property, provided that the District shall have obtained the prior written consent of the Certificate Insurer and the Bank and shall have delivered to the Trustee, S&P and Moody's all of the following:

i. Executed copies of the Lease and the Ground Lease or amendments thereto containing the amended legal description of the Property;

ii. Evidence satisfactory to the Trustee that copies of the Lease, the Ground Lease and the Assignment Agreement or amendments thereto containing the amended legal description of the Property have been duly recorded in the official records of the County Recorder of the County of Ventura;

iii. A certificate of the District Representative, accompanied by evidence satisfactory to the Trustee evidencing that the annual fair rental value of the property which will constitute the Property after such release or substitution will be at least equal to 100% of the maximum amount of Base Rental payments becoming due in the then current Lease Year or in any subsequent Lease Year;

iv. A certificate provided by the District insurer evidencing the insured value of the property which will constitute the Property or any portion thereof after such release or substitution;

v. In the case of substitution of property for the then existing Property, a CLTA Owner's policy or policies and a CLTA Leasehold Owner's policy or policies, in each case meeting the requirements of Section 4.3(c) hereof, or a commitment or commitments for such policies or amendments or endorsements to existing policies resulting in title insurance with respect to the Property after such substitution in an amount at least equal to the amount of such insurance provided with respect to the Property prior to such substitution. Each such insurance instrument, when issued, shall insure such substituted property subject only to such exceptions as do not substantially interfere with the District's right to use and occupy such substituted property and as will not result in an abatement of Base Rental payments payable by the District under this Lease;

vi. A certificate of the District Representative stating that such removal or substitution does not materially adversely affect the interest of the Owners of the Series 2004A Certificates then Outstanding and that the property which will constitute the Property is essential to the operations of the District;

vii. An opinion of reputable bond counsel stating that such amendment or modification (1) is authorized or permitted by the Constitution and laws of the State and by this Lease; (2) complies with the terms of the Constitution and laws of the State and of this Lease; (3) will, upon the execution and delivery thereof, be valid and binding upon the Authority and the District in accordance with its terms; and (4) will not cause the interest component of the Base Rental payments to be included in gross income for federal income tax purposes;

viii. A certificate of useful life demonstrating that the useful life of the property which will constitute the Property after such release or substitution meets or exceeds the remaining term of the Series 2004A Certificates; and

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ix. A certificate of the District Representative evidencing that the property which will constitute the Property after such release or substitution is not encumbered by any prior liens (other than liens described in the last paragraph of Section 4.1 or in Section 4.4 and liens which do not, in the aggregate, prohibit the use of the Property in the manner intended by the District).

Section 17.0. Tax Covenants.

a. Private Activity Bond Limitation. The District shall assure that the proceeds of the Certificates are not so used as to cause the Certificates to satisfy the private business tests of section 141(b) of the Code or the private loan financing test of section 141(c) of the Code.

b. Federal Guarantee Prohibition. The District shall not take any action or permit or suffer any action to be taken if the result of the same would be to cause any of the Certificates to be "federally guaranteed" within the meaning of section 149(b) of the Code.

c. Rebate Requirement. The District shall take any and all actions necessary to assure compliance with section 148(f) of the Code, relating to the rebate of excess investment earnings, if any, to the federal government, to the extent that such section is applicable to the Certificates.

d. No Arbitrage. The District shall not take, or permit or suffer to be taken by the Trustee or otherwise, any action with respect to the proceeds of the Certificates which, if such action had been reasonably expected to have been taken, or had been deliberately and intentionally taken, on the date of issuance of the Certificates would have caused the Certificates to be "arbitrage Certificates" within the meaning of section 148 of the Code.

e. Maintenance of Tax-Exemption. The District shall take all actions necessary to assure the exclusion of interest on the Certificates from the gross income of the Owners of the Certificates to the same extent as such interest is permitted to be excluded from gross income under the Code as in effect on the date of issuance of the Certificates.

Section 18.0. Notices. All notices, requests, demands and other communications under this Lease shall be in writing (unless otherwise specified herein) and shall be sufficiently given on the date of service if served personally upon the person to whom notice is to be given or if mailed by first class registered or certified mail, return receipt requested, postage prepaid, and properly addressed as follows:

if to the District, to

Western Placer Unified School District
210 J. Street
Lincoln, CA 95648
Attention: Superintendent
Phone: (916) 645-6350
Telecopy: (916) 645-6356

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if to the Authority, to	California Public School District Financing Authority c/o Western Placer Unified School District 210 J. Street Lincoln, CA 95648 Attention: Superintendent Phone: (916) 645-6350 Telecopy: (916) 645-6356
if to the Trustee, to	U.S. Bank National Association One California Street, Suite 2550 San Francisco, CA 94111 Phone: (415) 273-4514 Telecopy: (415) 273-4591
if to the Certificate Insurer, to	Financial Security Assurance Inc. 350 Park Avenue New York, New York 10022-6022 Attn: [Manager Director – Municipal Surveillance] Phone: _____ Telecopy: _____
if to the Bank, to	_____ _____ _____ _____

or to such other address or addresses as any such person shall have designated to the others by notice given in accordance with the provisions of this Section 18.

Section 19.0. Validity. If any one or more of the terms, provisions, promises, covenants or conditions of this Lease shall to any extent be adjudged invalid, unenforceable, void or voidable for any reason whatsoever by a court of competent jurisdiction, then each and all of the remaining terms, provisions, promises, covenants and conditions of this Lease shall not be affected thereby and shall be valid and enforceable to the fullest extent permitted by law.

If for any reason this Lease shall be held by a court of competent jurisdiction to be void, voidable or unenforceable by the Authority or by the District, or if for any reason it is held by such a court that any of the covenants and agreements of the District hereunder, including the covenant to pay Rental Payments hereunder, is unenforceable for the full term hereof, then and in such event for and in consideration of the right of the District to possess, occupy and use the Property, which right in such event is hereby granted, this Lease shall thereupon become and shall be deemed to be a lease from year to year under which the annual Base Rental payments and Additional Rental payments herein specified will be paid by the District.

Section 20.0. Execution in Counterparts. This Lease may be executed in several counterparts, each of which shall be deemed to be an original, and all of which together shall constitute but one and the same agreement.

Section 21.0. Law Governing. This Lease is made in the state of California under the Constitution and laws of California and is to be so construed.

Section 22.0. Amendment.

a. This Lease and the Ground Lease, and the rights and obligations of the Authority and the District hereunder and thereunder, may be amended at any time by an amendment hereto or thereto which shall become binding upon execution by the District and the Authority, but only with the prior written consent of the Certificate Insurer (so long as the Certificate Insurer is not in default in its payment obligations under the Insurance Policy and the Bank (so long as the Bank is not in default under the Facility) and the Owners of a majority of the principal evidenced by the Series 2004A Certificates then Outstanding, provided that no such amendment shall (i) extend the payment date of any Base Rental, reduce the interest component or principal component of any Base Rental or change the prepayment terms and provisions, without the prior written consent of the Owner of each Certificate so affected, (ii) reduce the percentage of the principal evidenced by the Series 2004A Certificates the consent of the Owners of which is required for the execution of any amendment of this Lease or the Ground Lease, or (iii) modify any of the rights or obligations of the Bank without the prior written consent of the Bank.

b. This Lease and the Ground Lease, and the rights and obligations of the District and the Authority hereunder and thereunder, may also be amended at any time by an amendment hereto or thereto which shall become binding upon execution by the District and the Authority, with the written consent of the Certificate Insurer (so long as the Certificate Insurer is not in default in its payment obligations under the Insurance Policy) and the Bank (so long as the Bank is not in default under the Facility), but without the written consents of any Owners, but only to the extent permitted by law and only for any one or more of the following purposes:

i. to add to the agreements, conditions, covenants and terms required by the Authority or the District to be observed or performed herein or therein other agreements, conditions, covenants and terms thereafter to be observed or performed by the Authority or the District, or to surrender any right or power reserved herein or therein to or conferred herein or therein on the Authority or the District, and which in either case shall not materially adversely affect the interests of the Certificate Insurer, the Bank or the Owners;

ii. to make such provisions for the purpose of curing any ambiguity or of correcting, curing or supplementing any defective provision contained herein or therein or in regard to questions arising hereunder or thereunder which the Authority or the District may deem desirable or necessary and not inconsistent herewith or therewith, and which shall not materially adversely affect the interests of the Insurer, the Bank or the Owners;

iii. to make such additions, deletions or modifications as may be necessary or appropriate to assure the exclusion from gross income for federal income tax purposes of the interest components of Base Rental;

iv. to provide for the execution and delivery of Additional Series 2004A Certificates in accordance with the provisions of the Trust Agreement or to provide for the substitution or release of a portion of the Property in accordance with the provisions of Section 16 hereof; or

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v. to make such other changes herein or therein or modifications hereto or thereto as the Authority or the District may deem desirable or necessary, and which shall not materially adversely affect the interests of the Insurer, the Bank or the Owners.

c. This Lease and the Ground Lease, and the rights and obligations of the Authority and the District hereunder and thereunder, may also be amended as of any Conversion Date by an amendment hereof or thereof which shall become binding on such Conversion Date with the prior written consent of the Insurer (so long as the Insurer is not in default in its payment obligations under the Insurance Policy), but without the written consents of any Owners, but only to the extent permitted by law and only if the Series 2004A Certificates have been remarketed by the Remarketing Agent pursuant to subsection (d) of Section 5.02 of the Trust Agreement for purchase on such Series A Conversion Date with such amended rights or obligations of the Authority and the District under this Lease and the Ground Lease.

Section 23.0. Excess Payments. Notwithstanding anything contained herein or in the Trust Agreement to the contrary, if for any reason, including but not limited to damage, destruction, condemnation, transfer, sale or disposition, the District or the Trustee receives payments, proceeds or awards with respect to the Property in excess of the amount necessary to pay or prepay or provide in accordance with the Trust Agreement for the payment or prepayment of all of the Outstanding Series 2004A Certificates and all other amounts due hereunder and under the Trust Agreement, such excess shall represent the District's equity interest in the Property and shall all be paid to the District.

Section 24.0. No Merger. If both the Authority's and the District's estate under this or any other lease relating to the Property or any portion thereof shall at any time for any reason become vested in one owner, this Lease and the estate created hereby shall not be destroyed or terminated by the doctrine of merger unless the District so elects as evidenced by recording a written declaration so stating and with the consent of the Certificate Insurer and, unless and until the District so elects, the District shall continue to have and enjoy all of its rights and privileges as to the separate estates.

Section 25.0. Rights of Insurer; Rights of Bank.

(a) As long as the Insurance Policy is in effect and the Certificate Insurer is not in default in respect of its payment obligations thereunder, the Certificate Insurer shall be deemed to be the sole and exclusive Owner of the Outstanding Series 2004A Certificates for purposes of all approvals, consents, waivers, institution of any action, and the direction of all remedies, including but not limited to approval of or consent to any amendment or supplement to this Lease Agreement and the Ground Lease which requires the consent or approval of the Owners of a majority of the principal evidenced by the Series 2004A Certificates then Outstanding; provided, however, that the Certificate Insurer shall not be deemed to be the sole and exclusive Owner of the Outstanding Series 2004A Certificates with respect to any amendment or supplement to this Lease Agreement or the Ground Lease which seeks to amend or supplement the Lease Agreement or the Ground Lease for the purposes set forth in clause (i) or (ii) of subsection (a) of Section 10.07 hereof, and, provided, further, that the Certificate Insurer shall not be deemed the sole and exclusive Owner of the Outstanding Series 2004A Certificates for such purposes, and shall not have the right to direct or consent to District, Authority, Trustee or Owner action, during any period if:

i. the Certificate Insurer shall fail to make any payment under the Insurance Policy when due and such failure shall continue for three Business Days;

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ii. any material provision of the Insurance Policy shall be held to be invalid by a final, non-appealable order of a court of competent jurisdiction, or the validity or enforceability thereof shall be contested by the Certificate Insurer; or

iii. a proceeding shall have been instituted in a court having jurisdiction in the premises seeking an order for relief, rehabilitation, reorganization, conservation, liquidation or dissolution in respect of the Insurer under Article 16 of the Insurance Law of the State of New York or any successor provision thereto and such proceeding is not terminated for a period of 90 consecutive days or such court enters an order granting the relief sought in such proceeding.

b. If (i) any event described in clause (i), (ii) or (iii) of subsection (a) of this Section has occurred, and (ii) all Outstanding Series 2004A Certificates are Bank Certificates, then the Bank shall have all rights of approval, consent and waiver, and all rights to institute actions and direct remedies, enjoyed by the Certificate Insurer hereunder prior to the occurrence of such event.

Section 26.0. Third-Party Beneficiaries. The Certificate Insurer and the Bank are third-party beneficiaries of this Lease Agreement.

Section 27.0. References to Bank Ineffective. If the Facility is no longer in effect, and all obligations to the Bank under the Standby Agreement have been paid in full, then all references in this Lease Agreement to the Bank, the Facility and the Standby Agreement shall be of no effect.

Section 28.0. Further Assurances and Corrective Instruments. The District and the Authority agree that they will, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements hereto and such further instruments as may reasonably be required for correcting any inadequate or incorrect description of the Property leased hereby or intended to be so leased or for carrying out the express intention of this Lease.

[Remainder of page intentionally left blank.]

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IN WITNESS WHEREOF, the parties hereto have executed this Lease as of the date first above written.

WESTERN PLACER UNIFIED SCHOOL DISTRICT

By: _____
Name: _____

CALIFORNIA PUBLIC SCHOOL DISTRICT FINANCING AUTHORITY

By: _____
Name: _____

Attest:

By: _____
Secretary

EXHIBIT A

LEGAL DESCRIPTION OF THE PROPERTY

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EXHIBIT B-1

BASE RENTAL PAYMENT SCHEDULE

(SERIES 2004A CERTIFICATES IN THE WEEKLY RATE MODE)

I. The Principal component of the Series 2004A Weekly Rate Base Rental Payments for the Series 2004A Certificates shall be paid in the amounts and on the dates specified below:

Payment Date (_____)	Principal Component of Base Rental Payment
2024 (maturity)	[$_____]

II. In addition to the payments listed above, so long as the Series 2004A Certificates remain in the Weekly Rate Mode, the interest component of the Series 2004A Weekly Rate Base Rental shall be paid on the first business day of each calendar month, in an amount equal to the amount of interest accruing at the Weekly Rates in effect for the preceding month, calculated as provided in the Trust Agreement.

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EXHIBIT B-2

BASE RENTAL PAYMENT SCHEDULE

(SERIES 2004A CERTIFICATES IN THE FIXED RATE MODE)

I. The Principal component of the Series A Fixed Rate Base Rental Payments shall be paid in the amounts and on the dates specified below:

Payment Date (_____)	Principal Component of Base Rental Payment
2024 (maturity)	[$_____]

II. In addition to the payments listed above, upon conversion of the Series 2004A Certificates to the Fixed Rate Mode, the interest component of the Series A Fixed Rate Base Rental shall be paid on [_____] and [_____] of each calendar year, in an amount equal to the interest accruing at the Fixed Rate from the preceding [_____] or [_____], calculated as provided in the Trust Agreement.

TRUST AGREEMENT

BY AND AMONG

U.S. BANK NATIONAL ASSOCIATION,

CALIFORNIA PUBLIC SCHOOL DISTRICT FINANCING AUTHORITY

AND

WESTERN PLACER UNIFIED SCHOOL DISTRICT

DATED AS OF

_____, 2004

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TRUST AGREEMENT

THIS TRUST AGREEMENT (this "Trust Agreement"), executed and entered into as of _____, 2004 is by and among **U.S. BANK NATIONAL ASSOCIATION**, a national banking association duly organized and existing under and by virtue of the laws of the United States of America, as Trustee (the "**Trustee**"), the **CALIFORNIA PUBLIC SCHOOL DISTRICT FINANCING AUTHORITY**, a joint powers authority formed under the laws of the State of California (the "**Authority**"), and the **WESTERN PLACER UNIFIED SCHOOL DISTRICT**, a school district organized and existing under and by virtue of the laws of the State of California (the "**District**");

W I T N E S S E T H:

WHEREAS, the Authority is a joint powers agency duly organized and existing under the laws of the State of California (the "**State**"), and is authorized pursuant to the JPA Act (as defined herein) to provide for the execution and delivery of certificates of participation to provide funds to achieve its purposes;

WHEREAS, in order to finance the construction of certain Project (as defined herein), the District will lease certain real property owned by the District, and the improvements thereto (the "**Property**"), to the Authority pursuant to a Ground Lease, dated as of the date hereof (the "**Ground Lease**"), and the District will sublease the Property back from the Authority pursuant to a Lease Agreement, dated as of the date hereof (the "**Lease Agreement**");

WHEREAS, the District and the Authority have determined that it would be in the best interests of the District and the Authority to provide the funds necessary to finance the Project through the sale and delivery of certificates of participation (the "Series 2004A Certificates") evidencing direct, fractional undivided interests in the base rental payments to be made under the Lease Agreement;

WHEREAS, all rights to receive such base rental payments have been assigned without recourse by the Authority to the Trustee pursuant to an Assignment Agreement, dated as of the date hereof;

WHEREAS, in consideration of such assignment and the execution of this Trust Agreement, the Trustee has agreed to execute and deliver the Series 2004A Certificates, each evidencing a direct, fractional undivided interest in such base rental payments;

WHEREAS, the District and the Authority have agreed that the proceeds of the Series 2004A Certificates will be used to finance the Project; and

WHEREAS, all acts, conditions and things required by law to exist, to have happened and to have been performed precedent to and in connection with the execution and entering into of this Trust Agreement do exist, have happened and have

been performed in regular and due time, form and manner as required by law, and the parties hereto are now duly authorized to execute and enter into this Trust Agreement;

NOW, THEREFORE, in consideration of the premises and of the mutual agreements and covenants contained herein and for other valuable consideration, the parties hereto do hereby agree as follows:

ARTICLE I
DEFINITIONS; EQUAL SECURITY

Section 1.01 Definitions. Unless the context otherwise requires, the terms defined in this Section shall for all purposes hereof and of any amendment hereof or supplement hereto and of the Series 2004A Certificates and of any certificate, opinion, request or other document mentioned herein or therein have the meanings defined herein, the following definitions to be equally applicable to both the singular and plural forms of any of the terms defined herein:

"Additional Rental" means all amounts payable by the District as Additional Rental pursuant to Section 3.1(c) of the Lease Agreement.

"Assignment Agreement" means the Assignment Agreement, dated as of the date hereof, by and between the Authority and the Trustee.

"Authority" means the California Public School District Financing Authority, a joint powers authority formed under the laws of the State of California.

"Authorized Authority Representative" means the President, the Vice President, the Treasurer/Auditor or the Secretary of the Authority, and any other person authorized by the Governing Board of the Authority to act on behalf of the Authority under or with respect to this Trust Agreement, the Ground Lease, the Lease and the Assignment Agreement.

"Authorized Denominations" means (a) with respect to Series A Series 2004A Certificates in the Weekly Rate Mode, $100,000 and whole multiples thereof, except that one Series 2004A Certificate may be in the amount of $100,000 and a whole multiple of $5,000 in excess thereof, and (b) with respect to Series 2004A Certificates in the Fixed Rate Mode, $5,000 and whole multiples thereof.

"Authorized District Representative" means the Superintendent of the District or the Assistant or Deputy Superintendent of the District, and any other person authorized by the Board of Trustees of the District to act on behalf of the District under or with respect to this Trust Agreement.

"Available Commitment" has the meaning ascribed thereto in the Standby Agreement.

"Bank" means Dexia Credit Local, as provider of the Facility, and any provider of a Substitute Facility.

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"Bank Certificate" has the meaning ascribed thereto in the Standby Agreement.

["Bank Certificate Rate" means, [_____.]

["Bank Rate" [_____.]

"Base Rental" means all amounts payable to the Authority by the District as Base Rental pursuant to Section 3.01 of the Lease Agreement.

"Base Rental Payment Fund" means the fund by that name established in accordance with Section 7.03 hereof.

"Beneficial Owners" means those individuals, partnerships, corporations or other entities for whom the Participants have caused the Depository to hold Book-Entry Series 2004A Certificates.

"Book-Entry Series 2004A Certificates" means the Series 2004A Certificates registered in the name of the nominee of DTC, or any successor securities depository for the Series 2004A Certificates, as the registered owner thereof pursuant to the terms and provisions of Section 2.10 hereof.

"Business Day" means a day other than (a) Saturday or Sunday, (b) a day on which banking institutions in the city or cities in which the principal office of the Trustee, the principal office of the Remarketing Agent or the office of the Bank at which requests for purchase under the Facility are made are located, are authorized or required by law to be closed, and (c) a day on which the New York Stock Exchange is authorized or obligated by law or executive order to be closed. If the date for making any payment or the last date for performance of any act or the exercising of any right, as provided in the Trust Agreement or the Lease Agreement, shall not be a Business Day, such payment may be made or act performed or right exercised on the next succeeding Business Day, with the same force and effect as if done on the nominal date provided in the Trust Agreement or the Lease Agreement and, unless otherwise specifically provided in the Trust Agreement, the Lease Agreement or the Standby Agreement, no interest shall accrue for the period from and after such nominal date.

"Capitalized Interest Fund" means the fund by that name established and maintained by the Trustee pursuant to subsection (c) of Section 7.01 of this Trust Agreement; and

"Cede & Co." means Cede & Co., the nominee of DTC, and any successor nominee of DTC with respect to the Series 2004A Certificates.

"Certificate of the Authority" means an instrument in writing signed by an Authorized Authority Representative. If and to the extent required by the provisions of Section 14.06 hereof, each Certificate of the Authority shall include the statements provided for in Section 14.06 hereof.

"Certificate of the District" means an instrument in writing signed by an Authorized District Representative. If and to the extent required by the provisions of Section 14.06 hereof, each Certificate of the District shall include the statements provided for in Section 14.06 hereof.

"Certificate Purchase Agreement" means the Certificate Purchase Agreement relating to the Series A Series 2004A Certificates, by and between the Purchaser and the District.

"Certificates" means the Series 2004A Certificates of Participation executed and delivered by the Trustee pursuant hereto, initially consisting of the Series A Series 2004A Certificates.

"Code" means the Internal Revenue Code of 1986, as amended.

"**Costs of Issuance"** means all the costs of executing and delivering the Series 2004A Certificates, including, but not limited to, all printing and document preparation expenses in connection with this Trust Agreement, the Lease Agreement, the Ground Lease, the Assignment Agreement, the Standby Agreement, the Series 2004A Certificates and any preliminary official statement and final official statement pertaining to the Series 2004A Certificates, rating agency fees, CUSIP Service Bureau charges, legal fees and expenses of counsel with respect to the financing of the Project, initial fees and expenses of the administrator of the financing of the Project, any computer and other expenses incurred in connection with the Series 2004A Certificates, the initial fees and expenses of the Trustee and its counsel, the premium for the Insurance Policy, Facility fees and charges, and other fees and expenses incurred in connection with the execution and delivery of the Series 2004A Certificates or the implementation of the financing of the Project, to the extent such fees and expenses are approved by the District.

"Costs of Issuance Account" means the account by that name established in accordance with Section 7.02 hereof.

"**Credit Facility**" shall have such meaning as described in Section 13.03(b) herein.

"Delivery Date" means _____, 2004.

"Depository" means the securities depository acting as Depository pursuant to Section 2.11 hereof.

"District" means the Western Placer Unified School District, a school district organized and existing under and by virtue of the laws of the State of California.

"DTC" means The Depository Trust Company, New York, New York and its successors.

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"Facility" means the standby purchase facility established by the Bank pursuant to the Standby Agreement, and any Substitute Facility.

"Fair Market Value" means the price at which a willing buyer would purchase the investment from a willing seller in a bona fide, arm's length transaction (determined as of the date the contract to purchase or sell the investment becomes binding) if the investment is traded on an established securities market (within the meaning of section 1273 of the Code) and, otherwise, the term "Fair Market Value" means the acquisition price in a bona fide arm's length transaction (as referenced above) if (i) the investment is a certificate of deposit that is acquired in accordance with applicable regulations under the Code, (ii) the investment is an agreement with specifically negotiated withdrawal or reinvestment provisions and a specifically negotiated interest rate (for example, a guaranteed investment contract, a forward supply contract or other investment agreement) that is acquired in accordance with applicable regulations under the Code, (iii) the investment is a United States Treasury Security--State and Local Government Series that is acquired in accordance with applicable regulations of the United States Bureau of Public Debt, or (iv) any commingled investment fund in which the District and related parties do not own more than a ten percent (10%) beneficial interest therein if the return paid by the fund is without regard to the source of the investment.

"Federal Funds Rate" means, for any day, the overnight rate of interest per annum quoted by the Bank for the overnight sale to other major banks and financial institutions of federal funds on such day (or, if such day is not a day for trading in federal funds by and between banks in the New York interbank market, the next preceding day for such trading).

"Fixed Rate" means the interest rate or rates determined for a Fixed Rate Period pursuant to Section 3.02 hereof.

"Fixed Rate Mode" means the Mode in which the Series A Series 2004A Certificates evidence interest at a Fixed Rate.

"General Account" means the account established pursuant to Section 7.02 of this Trust Agreement.

"Ground Lease" means the Ground Lease, dated as of the date hereof, by and between the District and the Authority, as originally executed and as it may from time to time be amended in accordance with the provisions thereof and of the Lease Agreement.

"Initial Weekly Rate" means, with respect to any Series 2004A Certificates in Weekly Rate Mode, the interest applicable to such Series 2004A Certificates during the Initial Weekly Rate Period for such Series 2004A Certificates as provided herein.

"Initial Weekly Rate Period" means, with respect to any Series 2004A Certificates, the period beginning on the Delivery Date, and ending on the following

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Wednesday, during which time interest with respect to such Series 2004A Certificates will be payable at the Initial Weekly Rate for such Series 2004A Certificates.

"**Insolvency Proceeding**" shall have such meaning as given in Section 13.02(l) herein.

"Insurance Business Day" means any day other than (a) a Saturday or Sunday, and (b) a day on which Insurer's Fiscal Agent or banking institutions in the State of New York are authorized or required by law or executive order to remain closed.

"Insurance Policy" means the Municipal Bond Insurance Policy, and any endorsement thereto, issued by Insurer guaranteeing the scheduled payment of the interest and Principal evidenced by the Series 2004A Certificates and Bank Certificates when due, or any insurance policy substituted for said Municipal Bond Insurance Policy.

"Insurer" means Financial Security Assurance Inc., a New York stock insurance company, or any successor thereto or assignee thereof, or, if the initial Insurance Policy is replaced with a substituted insurance policy, the issuer of such substituted insurance policy.

"Insurer's Fiscal Agent" means a fiscal agent appointed by Insurer for purposes of, and in accordance with the terms contained in, the Insurance Policy.

"Interest Fund" means the fund by that name established in accordance with Section 7.04 hereof.

"Interest Payment Date" means:

(a) with respect to Series 2004A Certificates in the Weekly Rate Mode, the first Business Day of each calendar month, commencing on the first Business Day of the month immediately following the Delivery Date to the date of any conversion to the Fixed Rate Mode;

(b) with respect to Series 2004A Certificates in the Fixed Rate Mode, each February 1 and August 1 or any optional prepayment date pursuant to Section 4.01; and

(c) with respect to any Bank Certificate, the first Business Day of each calendar month and the date on which such Bank Certificate is remarketed (and ceases to be a Bank Certificate) pursuant to Section 5.06 hereof.

"JPA Act" means Section 6500 et seq. of the California Government Code, as amended.

"Late Payment Rate" shall have such meaning as described in Section 13.03(b) herein.

"Lease Agreement" means the Lease Agreement, dated as of the date hereof, by and between the District and the Authority, as originally executed and as it may from time to time be amended in accordance with the provisions thereof.

"Letter of Representations" means the letter of the District delivered to and accepted by the Depository on or prior to the delivery of the Series 2004A Certificates as Book-Entry Series 2004A Certificates setting forth the basis on which the Depository serves as depository for such Book-Entry Series 2004A Certificates, as originally executed or as it maybe supplemented or revised or replaced by a letter to a substitute Depository.

"Mandatory Sinking Account Payment" means the Principal evidenced by Series 2004A Certificates required to be paid on each Mandatory Sinking Account Payment Date pursuant to Section 4.02 hereof.

"Maximum Rate" means (a) with respect to any Series 2004A Certificate other than Bank Certificates, the lesser of 12% per annum and the highest rate of interest allowed by law, and (b) with respect to Bank Certificates, the lesser of [25%] per annum and the highest rate of interest allowed by law.

"Mode" means the Fixed Rate Mode or the Weekly Rate Mode.

"Moody's" means Moody's Investors Service, a corporation organized and existing under the laws of the State of Delaware, its successors and assigns, except that if such corporation shall no longer perform the function of a securities rating agency for any reason, the term "Moody's" shall be deemed to refer to any other nationally recognized securities rating agency selected by the District and approved by the Trustee and Insurer.

"Nominee" means the nominee of the Depository, which may be the Depository, as determined from time to time pursuant to Section 2.10 hereof.

"Notice of Mandatory Tender" has the meaning ascribed thereto in the Standby Agreement.

"Notice of Non-Reinstatement" has the meaning ascribed thereto in the Standby Agreement.

"Opinion of Counsel" means a written opinion of counsel of recognized national standing in the field of law relating to municipal bonds, appointed and paid by the District and satisfactory to and approved by the Trustee.

"Outstanding" when used as of any particular time with reference to Series 2004A Certificates, means (subject to the provisions of Section 11.02 hereof) all Series 2004A Certificates except:

(a) Series 2004A Certificates previously canceled by the Trustee or delivered to the Trustee for cancellation;

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(b) Series 2004A Certificates paid or deemed to have been paid within the meaning of Section 12.01 hereof; and

(c) Series 2004A Certificates in lieu of or in substitution for which other Series 2004A Certificates shall have been executed and delivered by the Trustee pursuant to Section 2.09 hereof.

"Owner" means any person who shall be the registered owner of any Outstanding Certificate as indicated in the registration books of the Trustee required to be maintained pursuant to Section 2.07 hereof.

"Participants" means those broker-dealers, banks and other financial institutions from time to time for which the Depository holds Book-Entry Series 2004A Certificates as securities depository.

"Payment Date" means any Interest Payment Date or Principal Payment Date.

"Period" or **"Rate Period"** means, when used with respect to any particular rate of interest applicable to the Series 2004A Certificates (whether a Weekly Rate or a Fixed Rate), the period during which such rate of interest will remain in effect pursuant to Article III hereof

"Permitted Investments" means any of the following to the extent then permitted by the general laws of the State of California applicable to investments by school districts:

(1) (a) Direct obligations (other than an obligation subject to variation in principal repayment) of the United States of America ("United States Treasury Obligations"), (b) obligations fully and unconditionally guaranteed as to timely payment of principal and interest by the United States of America, (c) obligations fully and unconditionally guaranteed as to timely payment of principal and interest by any agency or instrumentality of the United States of America when such obligations are backed by the full faith and credit of the United States of America, or (d) evidences of ownership of proportionate interests in future interest and/or principal payments on United States Treasury Obligations or Resolution Funding Corporation debt obligations stripped by the Federal Reserve Bank of New York and held by a bank or trust company as custodian, under which the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obliger and the underlying government obligations are not available to any person claiming through the custodian or to whom the custodian may be obligated (collectively, "United States Obligations").

(2) Federal Housing Administration debentures.

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(3) The listed obligations of government-sponsored agencies which are not backed by the full faith and credit of the United States of America:

- Federal Home Loan Mortgage Corporation (FHLMC) Participation certificates (excluded are stripped mortgage securities which are purchased at prices exceeding their principal amounts) Senior debt obligations

- Farm Credit Banks (formerly: Federal Land Banks, Federal Intermediate Credit Banks and Banks for Cooperatives) Consolidated systemwide bonds and notes

- Federal Home Loan Banks (FHL Banks) Consolidated debt obligations

- Federal National Mortgage Association (FNMA) Senior debt obligations Mortgage-backed securities (excluded are stripped mortgages securities which are purchased at prices exceeding their principal amounts)

- Student Loan Marketing Association (SLMA) Senior debt obligations (excluded are securities that do not have a fixed par value and/or whose terms do not promise a fixed dollar amount at maturity or call date)

- Financing Corporation (FICO) Debt obligations

- Resolution Funding Corporation (REFCORP) Debt obligations

(4) Unsecured certificates of deposit, deposit accounts, time deposits, and bankers' acceptances (having maturities of not more than 30 days) of any bank the short-term obligations of which are rated "A-1" or better by S&P.

(5) Deposits the aggregate amount of which are fully insured by the Federal Deposit Insurance Corporation (FDIC), in banks which have capital and surplus of at least $35 million.

(6) Commercial paper (having original maturities of not more than 270 days) rated "A-1+" by S&P and "Prime-1" by Moody's.

(7) Money market funds rated "Aam" or "Aam-G" by S&P, or better and, subject to the prior written consent of Insurer, S&P and Moody's, the investment pool maintained by the county in which the District is located or other investment pools, in either case so long as such pool is rated in one of the two highest rating categories by S&P and Moody's.

(8) Repurchase agreements:

A. With (i) any domestic bank, or domestic branch of a foreign bank, the long term debt of which is rated at least "AA" by S&P; (ii) any broker-dealer with "retail customers" or a related affiliate thereof which broker-dealer has, or

the parent company (which guarantees the provider) of which has, long-term debt rated at least "A" by S&P and Moody's, which broker-dealer falls under the jurisdiction of the Securities Investors Protection Corp. (SIPC); or (ii) any other entity rated "AA" or better by S&P and Moody's and acceptable to Insurer, provided that:

a. The market value of the collateral is maintained at levels and upon such conditions as would be acceptable to S&P and Moody's to maintain an "AA" rating in an "AA" rated structured financing (with a market value approach);

b. The Trustee or a third party acting solely as agent therefor or for the District (the "Holder of the Collateral") has possession of the collateral or the collateral has been transferred to the Holder of the Collateral in accordance with applicable state and federal laws (other than by means of entries on the transferor's books);

c. The repurchase agreement shall state, and an opinion of counsel is rendered at the time such collateral is delivered, that the Holder of the Collateral has a perfected first priority security interest in the collateral, any substituted collateral and all proceeds thereof (in the case of bearer securities, this means the Holder of the Collateral is in possession);

d. All other requirements of S&P in respect of repurchase agreements shall be met;

e. The repurchase agreement shall provide that if during its term the provider's rating by either S&P or Moody's is withdrawn or suspended or falls below A- or A3", respectively, the provider must, at the direction of the District or the Trustee (who shall give such direction if so directed by Insurer), within 10 days of receipt of such direction, repurchase all collateral and terminate the agreement, with no penalty or premium to the District or Trustee.

Notwithstanding the above, if a repurchase agreement has a term of 270 days or less (with no evergreen provision), collateral levels need not be as specified in (a) above, so long as such collateral levels are 103% or better and the provider is rated at least "A" by S&P and Moody's, respectively.

(9) State Obligations, which means

(a) Direct general obligations of any state of the United States or any subdivision or agency thereof to which is pledged the full faith and credit of a state the unsecured general obligation debt of which is rated AA3 by Moody's and AA- by S&P, or better, or any obligation fully and unconditionally guaranteed by any state, subdivision or agency whose unsecured general obligation debt is so rated.

(b) Direct, general short-term obligations of any state agency or subdivision described in (a) above and rated "A-l+" by S&P and "Prime-l" by Moody's.

(c) Special Revenue Bonds (as defined in the United States Bankruptcy Code) of any state, state agency or subdivision described in (a) above and rated "AA" or better by S&P and "Aa" or better by Moody's.

(10) Investment agreements with a domestic or foreign bank or corporation (other than a life or property casualty insurance company) the long-term debt of which, or, in the case of a guaranteed corporation the long-term debt, or, in the case of a monoline financial guaranty insurance company, claims paying ability, of the guarantor is rated at least "AA" by S&P and "Aa" by Moody's; provided, that, by the terms of the investment agreement:

(a) interest payments are to be made to the Trustee at times and in amounts as necessary to pay debt service (or, if the investment agreement is for the Acquisition Fund, construction draws) on the Series 2004A Certificates;

(b) the invested funds are available for withdrawal without penalty or premium, at any time upon not more than seven days' prior notice; the Trustee and the District hereby agree to give or cause to be given notice in accordance with the terms of the investment agreement so as to receive funds thereunder with no penalty or premium paid;

(c) the investment agreement shall state that it is the unconditional and general obligation of, and is not subordinated to any other obligation of, the provider thereof or, if the provider is a bank, the agreement or the opinion of counsel shall state that the obligation of the provider to make payments thereunder ranks pari passu with the obligations of the provider to its other depositors and its other unsecured and unsubordinated creditors;

(d) the Trustee or the District receive the opinion of domestic counsel (which opinion shall be addressed to the District and Insurer) that such investment agreement is legal, valid and binding and enforceable against the provider in accordance with its terms and of foreign counsel (if applicable) in form and substance acceptable, and addressed to, Insurer;

(e) the investment agreement shall provide that if during its term (i) the provider's rating by either Moody's or S&P falls below "AA-" or "Aa3", respectively, the provider shall, at its option, within 10 days of receipt of publication of such downgrade, either (A) collateralize the investment agreement by delivering or transferring in accordance with applicable state and federal laws (other than by means of entries on the provider's books) to the Trustee, the District or a Holder of the Collateral, collateral free and clear of any third-party liens or claims the market value of which collateral is maintained at levels and upon such conditions as would be acceptable to S&P to maintain an "A" rating in an "A" rated structured financing (with a market value approach); or (B) repay the principal of and accrued but unpaid interest, on the investment, and (ii) the provider's rating by either Moody's or S&P is withdrawn or suspended or falls below "A-" or "A3," respectively, the provider must, at the direction of the District

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or the Trustee (who shall give such direction if so directed by Insurer), within 10 days of receipt of such direction, repay the principal of and accrued but unpaid interest on the investment, in either case with no penalty or premium to the District or Trustee;

(f) the investment agreement shall state, and an opinion of counsel shall be rendered, in the event collateral is required to be pledged by the provider under the terms of the investment agreement, at the time such collateral is delivered, that the Holder of Collateral has a perfected first priority security interest in the collateral, any substituted collateral and all proceeds thereof (in the case of bearer securities, this means the Holder of Collateral is in possession); and

(g) the investment agreement must provide that if during its term (i) the provider shall default in its payment obligations, the provider's obligations under the investment agreement shall, at the direction of the District or the Trustee (who shall give such direction if so directed by Insurer), be accelerated and amounts invested and accrued but unpaid interest thereon shall be repaid to the District or Trustee, as appropriate, and (ii) the provider shall become insolvent, not pay its debts as they become due, be declared or petition to be declared bankrupt, etc. ("event of insolvency"), the provider's obligations shall automatically be accelerated and amounts invested and accrued but unpaid interest thereon shall be repaid to the District or Trustee, as appropriate.

(11) Pre-refunded municipal obligations rated "AAA" by S&P and "Aaa" by Moody's meeting the following requirements:

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

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

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

(d) the cash or United States Treasury Obligations serving as security for the municipal obligations are held by an escrow agent or trustee in trust for owners of the municipal obligations;

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

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

"Policy Costs" shall have such meaning as described in subsection (b) of Section 13.03 hereof.

"Policy Payments Account" means the account by that name established in accordance with subsection (c) of Section 13.02 hereof.

"**Preference Claim**" shall have such meaning as described in subsection (l) of Section 13.02 hereof.

"Prepayment Fund" means the fund by that name established in accordance with Section 7.04 hereof.

"Prime Rate" shall have such meaning as described in subsection (b) of Section 13.03 hereof.

"**Principal**" means the outstanding principal amount of any Certificate.

"Principal Fund" means the fund by that name established in accordance with Section 7.04 hereof.

"Principal Office" means the Trustee's principal corporate trust office in Los Angeles, California.

"Principal Payment Date" means a date on which the Principal evidenced by the Series 2004A Certificates becomes due and payable.

"Project" means, collectively, the construction and improvement of the Foskett Ranch Elementary School and other school facilities on property located within the District.

"**Project Costs**" means, with respect to the Series 2004A Certificates, all costs of planning, renovating, modifying, enhancing, developing, financing, constructing, installing, equipping, furnishing, improving and/or acquiring the Project and placing the same in operation.

"Purchase Date" means the date upon which the Trustee is obligated to purchase the Series 2004A Certificate pursuant to Article V hereof.

"Purchase Price" means, the amount payable to an Owner upon optional or mandatory tender of its Series 2004A Certificate, being the Principal evidenced by such

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Series 2004A Certificate, plus accrued but unpaid interest evidenced thereby, if any, at the rate applicable to such Series 2004A Certificate from the most recent Interest Payment Date and up to but excluding the Purchase Date.

"Purchaser" means Banc of America Securities LLC, as underwriter and purchaser of the Series 2004A Certificates pursuant to the Certificate Purchase Agreement.

"Rebate Fund" means the fund by that name established in accordance with Section 7.08 hereof.

"Rebate Requirement" has the meaning ascribed thereto in the Tax Certificate.

"Record Date" means, with respect to any Interest Payment Date, (a) the Business Day immediately prior to such Interest Payment Date, in the case of Series 2004A Certificates in a Weekly Rate Mode, except for a payment of defaulted interest, and (b) the fifteenth day of the calendar month immediately preceding such Interest Payment Date, whether or not such day is a Business Day, in the case of Series 2004A Certificates in the Fixed Rate Mode. With respect to any payment of defaulted interest, a special record date will be established in accordance with the provisions of this Trust Agreement.

"Remarketing Agent" means the remarketing agent for the Series 2004A Certificates appointed pursuant to Section 10.06 hereof.

"Remarketing Agreement" means the Remarketing Agreement, dated as of the date hereof, by and between the District and the initial Remarketing Agent, as originally executed and as it may from time to time be amended in accordance with the provisions thereof, or any similar agreement with a successor Remarketing Agent.

"Rental Payments" means, collectively, the Base Rental and the Additional Rental.

"Rental Period" means the period from the Delivery Date through [_____] and, thereafter, the twelve-month period commencing on [_____] of each year during the term of the Lease Agreement.

"Reserve Facility" means any line of credit, letter of credit, insurance policy, surety bond or other credit source approved by Insurer and deposited with the Trustee pursuant to Section 7.07 hereof.

"Reserve Fund" means the fund by that name established in accordance with Section 7.07 hereof.

"Reserve Requirement" means an amount equal to the least of (a) the maximum amount of Base Rental coming due in any one Lease year, (b) 10% of the initial principal amount of the Series 2004A Certificates, and (c) 125% of the average amount of Base Rental coming due in each Lease year; provided, however, that for

purposes of calculating the Reserve Requirement, the interest component of Base Rental evidenced by Series 2004A Certificates in a Weekly Rate Mode shall be deemed to accrue at a rate per annum as if the Series 2004A Certificates had been initially issued at a fixed rate of [12%].

"Series 2004A Certificates" means the [$___] Western Placer Unified School District Series 2004A Certificates of Participation (School Facility Projects) Series 2004A.

"Series A Conversion Date" means, with respect to a Series 2004A Certificate, any date on which the Mode applicable thereto is converted from one Weekly Rate Mode to the Fixed Rate Mode.

"S&P" means Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies, Inc., a corporation organized and existing under the laws of the State of New York, its successors and assigns, except that if such entity shall no longer perform the functions of a securities rating agency for any reason, the term "S&P" shall be deemed to refer to any other nationally recognized securities rating agency selected by the District and approved by the Trustee and Insurer.

"Standby Agreement" means the Standby Purchase Agreement, dated as of the date hereof, by and between the District and the Bank, as originally executed and as it may from time to time be amended in accordance with the provisions thereof, or any similar agreement with the provider of a Substitute Facility.

"Substitute Facility" means any standby purchase facility substituted for the initial Facility and any standby purchase facility substituted for a Substitute Facility thereafter in accordance with the provisions hereof.

"Tax Certificate" means the Tax and Nonarbitrage Certificate executed by the District at the time of execution and delivery of the Series 2004A Certificates relating to the requirements of Section 148 of the Code, as originally executed and as it may from time to time be amended in accordance with the provisions thereof.

"Trust Agreement" means this Trust Agreement, by and among the Trustee, the Authority and the District, as originally executed and as it may from time to time be amended or supplemented in accordance with the provisions hereof.

"Trustee" means U.S. Bank National Association, a national banking association duly organized and existing under and by virtue of the laws of the United States of America, or any other bank or trust company which may at any time be substituted in its place as provided in Section 10.02 hereof.

"Weekly Rate" means the interest rate or rates determined for a Weekly Rate Period pursuant to subsection (b) of Section 3.01 hereof.

"Weekly Rate Calculation Date" shall have such meaning given in subsection (b) of Section 3.01.

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"Weekly Rate Mode" means the Mode in which the Series 2004A Certificates evidence interest at a Weekly Rate.

"Written Request of the Authority" means an instrument in writing signed by an Authorized Authority Representative.

"Written Request of the District" means an instrument in writing signed by an Authorized District Representative.

Section 1.02 **Equal Security**. In consideration of the acceptance of the Series 2004A Certificates by the Owners, this Trust Agreement shall be deemed to be and shall constitute a contract between the Trustee and the Owners to secure the full and final payment of the interest and Principal evidenced by the Series 2004A Certificates which may be executed and delivered hereunder, subject to each of the agreements, conditions, covenants and terms contained herein; and all agreements, conditions, covenants and terms contained herein required to be observed or performed by or on behalf of the Trustee shall be for the equal and proportionate benefit, protection and security of all Owners without distinction, preference or priority as to security or otherwise of any Series 2004A Certificates over any other Series 2004A Certificates by reason of the number or date thereof or the time of execution or deliver, thereof or for any cause whatsoever, except as expressly provided herein or therein.

ARTICLE II
TERMS AND CONDITIONS OF CERTIFICATES

Section 2.01 **Preparation and Delivery of Series 2004A Certificates**. The Trustee is hereby authorized and directed to prepare the Series 2004A Certificates and, upon the Written Request of the District, shall execute the Series 2004A Certificates in the aggregate Principal amount of [$_____] evidencing the aggregate Principal components of the Base Rental and each evidencing a direct, fractional undivided interest in the Base Rental. The Series 2004A Certificates shall be numbered, with or without prefixes, as directed by the Trustee. The Trustee is hereby authorized to deliver the Series 2004A Certificates to the Purchaser pursuant to the Certificate Purchase Agreement upon receipt of a Written Request of the District and upon receipt of the proceeds of sale thereof. The Series 2004A Certificates shall be designated [$_____] Western Placer Unified School District Certificates of Participation (School Facilities Project), Series 2004A and shall consist of [$_____] Principal amount of Series 2004A Certificates initially in a Weekly Rate Mode. The Series 2004A Certificates shall be prepared in the form of fully registered Series 2004A Certificates, without coupons, in Authorized Denominations and shall be payable in lawful money of the United States of America.

Section 2.02 **Description of Series 2004A Certificates.**

The Series 2004A Certificates initially bearing interest in a Weekly Rate Mode shall be dated as of the Delivery Date. Each Series 2004A Certificate which is not a Bank Certificate shall evidence interest from the Interest Payment Date next preceding

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its date of execution, unless: (i) it is executed as of an Interest Payment Date, in which event interest represented thereby shall be payable from such Interest Payment Date; or (ii) it is executed before the close of business on the first Record Date with respect thereto, in which event interest with respect thereto shall be payable from the Delivery Date. Notwithstanding, the foregoing, if, as shown by the records of the Trustee, interest evidenced by the Series 2004A Certificates shall be in default, each Series 2004A Certificate shall evidence interest from the last Interest Payment Date to which such interest has been paid in full or duly provided for. In addition, Series 2004A Certificates which become Bank Certificates shall evidence interest as described above, and from the date on which they become Bank Certificates shall bear interest at the Bank Certificate Rate until such time as they are no longer Bank Certificates. The Bank may recapture interest on Bank Certificates in excess of [__]% up to a maximum rate of [__]% while they remain Bank Certificates.

The Series 2004A Certificates shall evidence interest at the rates determined as set forth herein, payable on the Interest Payment Dates.

While the Series 2004A Certificates evidence interest at the Weekly Rate, interest evidenced by such Series 2004A Certificates shall be computed on the basis of the actual days elapsed and a 365- or 366-day year, as applicable. While the Series 2004A Certificates evidence interest at the Fixed Rate, interest evidenced by such Series 2004A Certificates shall be computed on the basis of a 360-day year consisting of twelve 30-day months. Interest evidenced by Bank Certificates shall be computed on the basis of a year of 365 days for the actual number of days elapsed.

Except as otherwise provided in the Letter of Representations, payments of interest evidenced by the Series 2004A Certificates shall be made to the Owners thereof (as determined at the close of business on the Record Date next preceding the related Interest Payment Date) by check of the Trustee mailed to the address of each such Owner as it appears on the registration books maintained by the Trustee pursuant to Section 2.07 hereof, or to such other address as may be furnished in writing to the Trustee by such Owner, except that in the case of an Owner of Series 2004A Certificates evidencing $1,000,000 or more in aggregate Principal amount, upon the written request of such Owner to the Trustee (which request shall remain in effect until revoked or revised by such Owner by an instrument in writing delivered to the Trustee), received at least ten days prior to a Record Date, specifying the account within the United States of America to which such payment shall be made, payment of interest evidenced by such Series 2004A Certificates shall be made by wire transfer of immediately available funds on the following Interest Payment Date; provided, however, that if a Series 2004A Certificate becomes a Bank Certificate after a Record Date and on or before the next succeeding Interest Payment Date, the payment of interest evidenced by such Bank Certificate shall be made to the Bank on such Interest Payment Date. Notwithstanding anything to the contrary contained herein, payments of interest evidenced by Bank Certificates shall be made to the Bank by wire transfer of immediately available funds to the account specified in the Standby Agreement. Payment of Principal and prepayment premium, if any, evidenced by the Series 2004A Certificates, on their stated Principal Payment Dates or on prepayment in whole or in

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part prior thereto, shall be made only upon presentation and surrender of the Series 2004A Certificates at the Principal Office of the Trustee.

Section 2.03 Form of Series 2004A Certificates. The Series 2004A Certificates and the assignment to appear thereon shall be in substantially the forms, respectively, of Exhibit A hereto, with necessary or appropriate insertions, omissions and variations as permitted or required hereby.

Section 2.04 Execution of Series 2004A Certificates and Replacement Series 2004A Certificates. The Series 2004A Certificates shall be executed by the Trustee by the manual signature of an authorized signatory of the Trustee. The Trustee shall deliver replacement Series 2004A Certificates in the manner and as contemplated by this Article. Such replacement Series 2004A Certificates shall be executed as herein provided and shall be in Authorized Denominations.

Section 2.05 Transfer and Payment of Series 2004A Certificates; Exchange of Series 2004A Certificates. Each Certificate is transferable by the Owner thereof, in person or by his attorney duly authorized in writing, at the Principal Office of the Trustee on the registration books maintained by the Trustee pursuant to Section 2.07 hereof, upon surrender of such Certificate for cancellation accompanied by delivery of a duly executed written instrument of transfer in a form approved by the Trustee. The Trustee may treat the Owner of any Certificate as the absolute owner of such Certificate for all purposes, whether or not the Principal or interest evidenced by such Certificate shall be overdue, and the Trustee shall not be affected by any knowledge or notice to the contrary; and payment of the interest and Principal evidenced by such Certificate shall be made only to such Owner, which payments shall be valid and effectual to satisfy and discharge the liability evidenced by such Certificate to the extent of the sum or sums so paid.

Whenever any Certificate shall be surrendered for transfer, the Trustee shall execute and deliver a new Certificate or Series 2004A Certificates evidencing Principal in the same aggregate amount and having the same stated Principal Payment Date. The Trustee shall require the payment by any Owner requesting such transfer of any tax or other governmental charge required to be paid with respect to such transfer.

Each Certificate may be exchanged at the Principal Office of the Trustee for Series 2004A Certificates evidencing Principal in a like aggregate Principal amount having the same stated Principal Payment Date in such Authorized Denominations as the Owner thereof may request. The Trustee shall require the payment by the Owner requesting such exchange of any tax or other governmental charge required to be paid with respect to such exchange.

The Trustee shall not be required to transfer or exchange any Certificate during the period commencing on the date five days before the date of selection of Series 2004A Certificates for prepayment and ending on the date of mailing notice of such prepayment, nor shall the Trustee be required to transfer or exchange any Certificate or

portion thereof selected for prepayment from and after the date of mailing the notice of prepayment thereof.

Section 2.06 **Certificate Registration Books**. The Trustee shall keep at its Principal Office sufficient books for the registration and transfer of the Series 2004A Certificates, which books shall be available for inspection and copying by the Authority, the District, the Bank (or its designated agent) and Insurer (or its designated agent) at reasonable hours and under reasonable conditions; and upon presentation for such purpose the Trustee shall, under such reasonable regulations as it may prescribe, register or transfer the Series 2004A Certificates on such books as hereinabove provided. The Trustee shall, upon written request, make copies of such books available to any Owner or his agent duly authorized in writing.

Section 2.07 **Temporary Series 2004A Certificates**. The Series 2004A Certificates may be initially delivered in temporary form exchangeable for definitive Series 2004A Certificates when ready for delivery, which temporary Series 2004A Certificates shall be printed, lithographed or typewritten, shall be of such denominations as may be determined by the Trustee, shall be in fully registered form and shall contain such reference to any of the provisions hereof as may be appropriate. Every temporary Certificate shall be executed and delivered by the Trustee upon the same conditions and terms and in substantially the same manner as definitive Series 2004A Certificates. If the Trustee executes and delivers temporary Series 2004A Certificates, it will prepare and execute definitive Series 2004A Certificates without delay, and thereupon the temporary Series 2004A Certificates may be surrendered at the Principal Office of the Trustee in exchange for such definitive Series 2004A Certificates, and until so exchanged such temporary Series 2004A Certificates shall be entitled to the same benefits hereunder as definitive Series 2004A Certificates executed and delivered hereunder.

Section 2.08 **Series 2004A Certificates Mutilated, Lost, Destroyed or Stolen**. If any Certificate shall become mutilated, the Trustee, at the expense of the Owner thereof, shall execute and deliver a new Certificate evidencing a like Principal amount and having the same stated Principal Payment Date and number in exchange and substitution for the Certificate so mutilated, but only upon surrender to the Trustee of the Certificate so mutilated. Every mutilated Certificate so surrendered to the Trustee shall be canceled by it. If any Certificate shall be lost, destroyed or stolen, evidence of such loss, destruction or theft may be submitted to the Trustee, and if such evidence is satisfactory to the Trustee and indemnity satisfactory to the Trustee and Insurer shall be given, the Trustee, at the expense of the Owner thereof, shall execute and deliver a new Certificate evidencing a like Principal amount and having the same stated Principal Payment Date, numbered as the Trustee shall determine, in lieu of and in substitution for the Certificate so lost destroyed or stolen. The Trustee may require payment of a sum not exceeding the actual cost of preparing each new Certificate executed and delivered by it under this Section and of the expenses which may be incurred by it under this Section. Any Certificate executed and delivered under the provisions of this Section in lieu of any Certificate alleged to be lost, destroyed or stolen shall be equally and proportionately entitled to the benefits hereof with all other Series 2004A Certificates

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executed and delivered hereunder, and the Trustee shall not be required to treat both the original Certificate and any replacement Certificate as being Outstanding for the purpose of determining the amount of Series 2004A Certificates which may be executed and delivered hereunder or for the purpose of determining any percentage of Series 2004A Certificates Outstanding hereunder, but both the original and replacement Certificate shall be treated as one and the same. Notwithstanding any other provision of this Section, in lieu of executing and delivering a new Certificate for a Certificate which has been lost, destroyed or stolen and which evidences Principal that is then payable, the Trustee may make payment of such Certificate to the Owner thereof if so instructed by the District.

Section 2.09 **Cooperation by the District**. The District shall cooperate with the Trustee to cause the necessary arrangements to be made and to be thereafter continued whereby the Series 2004A Certificates shall be made available for exchange, registration and transfer at the Principal Office of the Trustee.

Section 2.10 **Book-Entry System**.

Prior to the execution and delivery of the Series 2004A Certificates, the District may provide that such Series 2004A Certificates shall be initially executed and delivered as Book-Entry Series 2004A Certificates, and in such event, the Series 2004A Certificates for each stated Principal Payment Date shall be in the form of a separate single fully registered Certificate for each maturity (which may be typewritten). Upon initial execution and delivery, the ownership of each such Certificate shall be registered in the registration books maintained by the Trustee in the name of the Nominee, as nominee of the Depository. Payment of Principal or interest evidenced by any Book-Entry Certificate registered in the name of the Nominee shall be made on the applicable Interest Payment Date by wire transfer of New York clearing house or equivalent next day funds or by wire transfer of same day funds to the account of the Nominee. Such payments shall be made to the Nominee at the address which is, on the Record Date, shown for the Nominee in the registration books maintained by the Trustee.

With respect to Book-Entry Series 2004A Certificates, the District, the Authority and the Trustee shall have no responsibility or obligation to any Participant or to any person on behalf of which such a Participant holds an interest in such Book-Entry Series 2004A Certificates. Without limiting the immediately preceding sentence, the District, the Authority and the Trustee shall have no responsibility or obligation with respect to (i) the accuracy of the records of the Depository, the Nominee or any Participant with respect to any ownership interest in Book-Entry Series 2004A Certificates, (ii) the delivery to any Participant or any other person, other than an Owner as shown in the registration books maintained by the Trustee, of any notice with respect to Book-Entry Series 2004A Certificates, including any notice of prepayment, (iii) the selection by the Depository and its Participants of the beneficial interests in Book-Entry Series 2004A Certificates to be prepaid in the event Series 2004A Certificates are prepaid in part, (iv) the payment to any Participant or any other person, other than an Owner as shown in the registration books maintained by the Trustee, of any amount

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with respect to Principal, premium if any, or interest evidenced by Book-Entry Series 2004A Certificates, or (v) any consent given or other action taken by the Depository as Owner.

The District, the Authority and the Trustee may treat and consider the person in whose name each Book-Entry Certificate is registered in the registration books maintained by the Trustee as the absolute Owner of such Book-Entry Certificate for the purpose of payment of Principal, prepayment premium, if any, and interest evidenced by such Certificate, for the purpose of selecting any Series 2004A Certificates, or portions thereof, to be prepaid, for the purpose of giving notices of prepayment and other matters with respect to such Certificate, for the purpose of registering transfers with respect to such Certificate, for the purpose of obtaining any consent or other action to be taken by Owners and for all other purposes whatsoever, and the District, the Authority and the Trustee shall not be affected by any notice to the contrary.

In the event of a prepayment of all or a portion of a Certificate, the Depository, in its discretion, (i) may request the Trustee to execute and deliver a new Certificate, or (ii) if DTC is the sole Owner of such Certificate, shall make an appropriate notation on the Certificate indicating the date and amounts of the reduction in Principal evidenced thereby resulting from such prepayment, except in the case of final payment, in which case such Certificate must be presented to the Trustee prior to payment.

The Trustee shall pay all Principal, premium, if any, and interest evidenced by the Series 2004A Certificates only to or "upon the order of" (as that term is used in the Uniform Commercial Code as adopted in the State of California) the respective Owner, as shown in the registration books maintained by the Trustee, or his respective attorney duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the obligations with respect to payment of Principal, premium, if any, and interest evidenced by the Series 2004A Certificates to the extent of the sum or sums so paid. No person other than an Owner, as shown in the registration books maintained by the Trustee, shall receive a Certificate evidencing Principal, premium, if any, and interest evidenced by the Series 2004A Certificates. Upon delivery by the Depository to the Owners, the Trustee and the District of written notice to the effect that the Depository has determined to substitute a new nominee in place of the Nominee, and subject to the provisions herein with respect to Record Dates, the word Nominee in this Trust Agreement shall refer to such nominee of the Depository.

In order to qualify the Book-Entry Series 2004A Certificates for the Depository's book-entry system, the District shall execute and deliver to the Depository a Letter of Representations. The execution and delivery of a Letter of Representations shall not in any way impose upon the Authority, the District or the Trustee any obligation whatsoever with respect to persons having interests in such Book-Entry Series 2004A Certificates other than the Owners, as shown on the registration books maintained by the Trustee. Such Letter of Representations may provide the time, form, content and manner of transmission, of notices to the Depository. In addition to the execution and delivery of a Letter of Representations by the District, the District, the Authority and the Trustee shall take such other actions, not inconsistent with this Trust Agreement, as are

reasonably necessary to qualify Book-Entry Series 2004A Certificates for the Depository's book-entry program.

In the event the District determines that it is in the best interests of the Beneficial Owners that they be able to obtain certificated Series 2004A Certificates and that such Series 2004A Certificates should therefore be made available and notifies the Depository and the Trustee of such determination, the Depository will notify the Participants of the availability through the Depository of certificated Series 2004A Certificates. In such event, the Trustee shall transfer and exchange certificated Series 2004A Certificates as requested by the Depository and any other Owners in appropriate amounts. In the event (i)the Depository determines not to continue to act as securities depository for Book-Entry Series 2004A Certificates, or (ii) the Depository shall no longer so act and gives notice to the Trustee of such determination, then the District shall discontinue the Book-Entry system with the Depository. If the District determines to replace the Depository with another qualified securities depository, the District shall prepare or direct the preparation of a new single, separate, fully registered Certificate for each stated Principal Payment Date of such Book-Entry Series 2004A Certificates, registered in the name of such successor or substitute qualified securities depository or its nominee. If the District fails to identify another qualified securities depository to replace the Depository, then the Series 2004A Certificates shall no longer be restricted to being registered in the registration books maintained by the Trustee in the name of the Nominee, but shall be registered in whatever name or names the Owners transferring or exchanging such Series 2004A Certificates shall designates in accordance with the provisions of Sections 2.05 and 2.08 hereof. Whenever the Depository requests the District to do so, the District will cooperate with the Depository in taking appropriate action after reasonable notice (i) to make available one or more separate certificates evidencing the Book-Entry Series 2004A Certificates to any Participant having Book-Entry Series 2004A Certificates credited to its account with the Depository, and (ii) to arrange for another securities depository to maintain custody of certificates evidencing the Book-Entry Series 2004A Certificates.

Notwithstanding any other provision of this Trust Agreement to the contrary, if DTC is the sole Owner of the Series 2004A Certificates, so long as any Book-Entry Certificate is registered in the name of the Nominee, all payments of Principal, premium, if any, and interest evidenced by such Certificate and all notices with respect to such Certificate shall be made and given, respectively, as provided in the Letter of Representations or as otherwise instructed by the Depository.

In connection with any notice or other communication to be provided to Owners pursuant to the Trust Agreement by the District, the Authority or the Trustee, with respect to any consent or other action to be taken by Owners, the Trustee shall establish a record date for such consent or other action and give the Depository notice of such record date not less than 15 calendar days in advance of such record date to the extent possible. Notice to the Depository shall be given only when DTC is the sole Owner of the Series 2004A Certificates.

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Notwithstanding the foregoing, in the event any Certificate is tendered but not remarketed, with the result that such Certificate becomes a Bank Certificate, the Trustee and the District shall take all such actions as shall be necessary to cause DTC to register such tendered but not remarketed Certificate in the name of the Bank as beneficial owner. Bank Certificates shall be held by the Trustee on behalf, and for the benefit, of the Bank. At such time as all Bank Certificates have been remarketed such that no Bank Certificates remain outstanding and the Facility has been reinstated to the Available Commitment, the Trustee and the District shall take all such actions as shall be necessary to return the Series 2004A Certificates to the full book-entry system of DTC.

ARTICLE III
INTEREST RATES

Section 3.01 Weekly Rates.

(a) *Determination by Remarketing Agent; Notice of Rates Determined.* All Series 2004A Certificates shall initially be in the Weekly Rate Mode and shall remain in the Weekly Rate Mode until all or a portion of the Series 2004A Certificates are converted to the Fixed Rate Mode as provided herein or until becoming Bank Certificates (at which time they shall evidence interest at the lesser of the Bank Certificate Rate or the Maximum Rate until such time as they are no longer Bank Certificates). Interest with respect to the Series 2004A Certificates in the Weekly Rate Mode shall be payable at the Initial Weekly Rate during the Initial Weekly Rate Period, and, thereafter, the Weekly Rates to be applicable to Series 2004A Certificates in Weekly Rate Mode shall be determined by the Remarketing Agent as provided in this Section. Notwithstanding anything to the contrary contained herein, while any Certificate is a Bank Certificate, it shall always evidence interest at the lesser of the Bank Certificate Rate (which rate shall only be available to Bank) or the Maximum Rate and, so long as such Certificate is a Bank Certificate it shall not be converted to any other Mode.

Notice of Weekly Rates shall be given by the Remarketing Agent to the Trustee by telephone (followed by notice in writing by an authorized officer of the Remarketing Agent) not later than 5:00 p.m. on the date of determination.

The Trustee shall inform the Owners of the Series 2004A Certificates in the Weekly Mode, Insurer and the Bank of each Weekly Rate upon request.

The Remarketing Agent shall, in accordance with the provisions hereof, determine the Weekly Rate for Series 2004A Certificates with each particular stated Principal Payment Date that are, or are proposed to be, in the Weekly Rate Mode to which such Weekly Rate applies. The Weekly Rate so to be determined for such Series 2004A Certificates with a particular stated Principal Payment Date shall be the lowest rate of interest which, in the judgment of the Remarketing Agent, would cause such Series 2004A Certificates to produce as nearly as practicable a bid equal to the principal evidenced thereby, plus accrued interest evidenced thereby, under prevailing

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market conditions as of the date of determination of such Weekly Rate. Except with respect to Bank Certificates, which shall evidence interest at the Bank Rate, if the Remarketing Agent fails to determine a Weekly Rate, the Weekly Rate shall be (i) 100% of the rate for 60-day tax-exempt commercial paper published on the applicable Weekly Rate Calculation Date by the Munifacts Wire System, Inc., or (ii) if no such rate is then published, it shall remain the same as for the immediately prior Weekly Rate Period. Notwithstanding the foregoing, in no event shall any Adjustable Rate exceed the Maximum Rate.

All determinations of Adjustable Rates pursuant to this Section shall be conclusive and binding upon the District, the Trustee, the Bank, Insurer and the Owners of the Series 2004A Certificates. The District, the Trustee, the Bank, Insurer and the Remarketing Agent shall not be liable to the Owner of any Certificate for failure to give any notice required above or for failure of the Owner of any Certificate to receive any such notice.

(b) *Weekly Rates.* Weekly Rate Periods shall be from Thursday of each week to but excluding Thursday of the following week, except (i) for the Initial Weekly Rate Period and (ii) in case the Weekly Rate Mode is in effect as of the stated Principal Payment Date of a Certificate, the last Weekly Rate Period therefor shall end on such stated Principal Payment Date. The Weekly Rate for each Weekly Rate Period shall be determined not later than 4:00 p.m. on the last Business Day which is immediately prior to the commencement date of the Weekly Rate Period to which such Weekly Rate relates (the "**Weekly Rate Calculation Date**").

(c) *Limitation on Rate Periods.* None of the Weekly Rate Periods may extend beyond the expiration date of the Facility. No Adjustable Rate Period for any Certificate may extend beyond the stated Principal Payment Date of such Certificate.

Section 3.02 [Reserved].

Section 3.03 Conversion to the Fixed Rate Mode.

(a) At any time after the Initial Weekly Rate Period, all or a portion of the Series 2004A Certificates may be converted from the then current Weekly Rate Mode to the Fixed Rate Mode at the option of the District as provided in this Section; provided, however, that the aggregate amount of principal evidenced by Series 2004A Certificates with each stated Principal Payment Date to be so converted shall be an Authorized Denomination for the Fixed Rate Mode and the aggregate amount of principal evidenced by Series 2004A Certificates with each stated Principal Payment Date that will remain in the then current Weekly Rate Mode shall be an Authorized Denomination for the then current Weekly Rate Mode. Insurer may direct the District to cause to be converted to the Fixed Rate Mode any Series 2004A Certificates that have remained Bank Certificates for 120 days or more. The Series 2004A Conversion Date for any conversion of Series 2004A Certificates to the Fixed Rate Mode shall be the first Business Day of a calendar month.

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Not less than 30 and not more than 45 days (or such shorter period approved by the parties to receive the same) prior to the Series 2004A Conversion Date, the District shall give written notice to the Trustee, the Remarketing Agent, the Bank and Insurer, setting forth (i) the election to convert Series 2004A Certificates to the Fixed Rate Mode, (ii) the proposed Conversion Date, and (iii) the aggregate principal evidenced by Series 2004A Certificates with each particular stated Principal Payment Date to be converted to the Fixed Rate Mode, and (iv) the aggregate principal evidenced by Series 2004A Certificates with each particular stated Principal Payment Date to be converted from each Weekly Rate Mode. As a condition of any such conversion, the Trustee, the Bank, Insurer and the Remarketing Agent shall receive concurrently with the notice, a letter from counsel that it expects to be able to deliver on the Series 2004A Conversion Date an Opinion of Counsel to the effect that such conversion will not, in and of itself, adversely affect the exclusion from gross income of interest evidenced by the Series 2004A Certificates for federal income tax purposes.

(b) The Remarketing Agent shall make a preliminary determination of the Fixed Rate for the Series 2004A Certificates with each particular stated Principal Payment Date to be converted in the same manner as is provided for the final determination of rates pursuant to subsection (d) of this Section. Such preliminary determination shall be made on a Business Day which is at least 25 days prior to the Series 2004A Conversion Date. On the date of the preliminary determination, the Remarketing Agent shall notify the Trustee, and the Trustee shall notify the District, the Bank and Insurer, by telephone (promptly confirmed in writing), telegram, telecopy, telex or other similar means of communication of the preliminary Fixed Rates so determined.

(c) If less than all of the Series 2004A Certificates with a particular stated Principal Payment Date in a particular Weekly Rate Mode are to be converted to the Fixed Rate Mode, the Trustee shall select by lot the Series 2004A Certificates with such stated Principal Payment Date in such Weekly Rate Mode to be so converted. The Trustee shall mail a notice of the proposed conversion to all of the Owners of Series 2004A Certificates to be converted to the Fixed Rate Mode. A copy of such notice shall be sent to the District, the Bank and Insurer. Such notice shall be mailed not less than 21 days prior to the proposed Conversion Date. Such notice shall set forth the proposed Conversion Date and state (i) that the Series 2004A Certificates to be converted are subject to mandatory tender for purchase (without the right to retain) on the Series 2004A Conversion Date at a Purchase Price equal to the principal evidenced thereby plus accrued interest evidenced thereby, and (ii) that such Series 2004A Certificates shall be deemed purchased on the Series 2004A Conversion Date, and thereafter the Owner shall have no further rights hereunder except to receive such Purchase Price.

(d) The Remarketing Agent shall determine the Fixed Rate for the Series 2004A Certificates with each particular stated Principal Payment Date by not later than 3:30 p.m. on the last Business Day that is at least five days prior to the Series 2004A Conversion Date. The Fixed Rate for Series 2004A Certificates with each particular Principal Payment Date shall be the lowest rate (not in excess of the Maximum Rate) which, in the judgment of the Remarketing Agent as of the date of determination and under prevailing market conditions, would cause such Series 2004A Certificates to

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produce as nearly as practicable a bid equal to the principal evidenced thereby, plus accrued interest evidenced thereby. Not later than 4:00 p.m. on the date of determination of the Fixed Rates, the Remarketing Agent shall notify the Trustee by telephone (promptly confirmed in writing) of the Fixed Rate applicable to each Certificate to be converted. Such determinations shall be conclusive and binding upon the District, the Trustee, the Bank, Insurer and the Owners of the Series 2004A Certificates. The Trustee shall notify the District, the Bank and Insurer by telephone (promptly confirmed in writing), telegram, telecopy, telex or other similar means of communication of the Fixed Rates so determined.

The Remarketing Agent shall offer for sale at par and use its best efforts to find purchasers for the Series 2004A Certificates required to be tendered pursuant to subsection (c) of this Section. The terms of any sale by the Remarketing Agent of such Series 2004A Certificates shall provide for the sale thereof at par and the payment of the Purchase Price by the Remarketing Agent to the Trustee in immediately available funds against the delivery of the remarketed Series 2004A Certificates to the Trustee at or before 11:30 a.m. on the Purchase Date.

(e) Notwithstanding the delivery of notice of conversion by the District pursuant to subsection (a) of this Section, conversion to the Fixed Rate Mode shall not take effect if:

(i) the District withdraws such notice of conversion not later than the Business Day immediately preceding the date on which the Fixed Rates are to be determined;

(ii) the Remarketing Agent fails to determine the Fixed Rates;

(iii) any notice required by this Section is not given when required;

(iv) there is not delivered to the District and the Trustee an Opinion of Counsel, dated as of the Series 2004A Conversion Date, to the effect that such conversion will not, in and of itself, adversely affect the exclusion from gross income of interest evidenced by the Series 2004A Certificates for federal income tax purposes;

(v) upon such conversion, any Series 2004A Certificates in the Fixed Rate Mode would be Bank Certificates, unless the Bank consents; or

(vi) upon the conversion, the amount on deposit in the Reserve Fund, together with the amount available under all Reserve Facilities, would not be at least equal to the Reserve Requirement.

In any of such events, the Series 2004A Certificates which were to be converted shall automatically be converted to a Weekly Rate Mode that shall commence on the date such conversion was to be made, provided that the mandatory tender for purchase pursuant to Sections 5.03 hereof shall nevertheless be carried out if notice of the conversion to the Fixed Rate Mode has been given to the Owners of the Series 2004A

Certificates. Withdrawal of a conversion notice shall be given by the District to the Trustee, the Remarketing Agent, the Bank and Insurer, by telephone, promptly confirmed in writing. No cancellation of a conversion to the Fixed Rate Mode pursuant to this subsection shall constitute an event of default hereunder. If the Series 2004A Certificates are not converted to a Fixed Rate Mode, and the Remarketing Agent fails to determine a Weekly Rate, the Weekly Rate shall be (i) 100% of the rate for 60-day tax-exempt commercial paper published on the applicable Weekly Rate Calculation Date by the Munifacts Wire System, Inc., or (ii) if no such rate is then published, it shall remain the same as for the immediately prior Weekly Rate Period.

(f) Once the District has effectively exercised its option to convert a Series 2004A Certificate to the Fixed Rate Mode pursuant to this Section, the District shall have no further option to convert such Series 2004A Certificate to any other Mode, and such Series 2004A Certificate shall no longer be subject to tender for purchase.

ARTICLE IV
PREPAYMENT OF CERTIFICATES

Section 4.01 **Extraordinary Prepayment**. The Series 2004A Certificates (including Bank Certificates) are subject to prepayment on any date prior to their stated Principal Payment Dates, in whole or in part, in Authorized Denominations, from and to the extent of any Net Proceeds received with respect to all or a portion of the Property, deposited by the Trustee in the Prepayment Fund and not used to repair or replace said property pursuant to Section 7.04 hereof, at a prepayment price equal to the Principal evidenced thereby, plus accrued interest evidenced thereby to the date fixed for prepayment, without premium.

Section 4.02 **Optional Prepayment**.

The Series 2004A Certificates are subject to optional prepayment prior to maturity at the option of the District from amounts received from the proceeds of general obligation bonds of the District or from State facilities funds on any Interest Payment Date, as a whole or in part, at a prepayment price equal to the Principal thereof to such prepayment date, without a premium, plus accrued but unpaid interest to the prepayment date.

Bank Certificates shall be subject to prepayment on any date prior to their stated Principal Payment Dates, at the option of the District, as a whole or in part, from and to the extent of prepaid Base Rental paid from sources other than amounts received from the proceeds of general obligation bonds of the District, at a prepayment price equal to the Principal evidenced thereby, plus accrued interest evidenced thereby, without premium. Bank Certificates shall be prepaid prior to the prepayment of any other Series 2004A Certificates as provided below, other than payment due to Mandatory Sinking Account Prepayment.

Series 2004A Certificates in the Weekly Rate Mode and Bank Certificates shall be subject to prepayment on any Interest Payment Date prior to their stated Principal

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Payment Dates, at the option of the District, as a whole or in part in Authorized Denominations, from and to the extent of prepaid Base Rental paid pursuant to Section 15 of the Lease Agreement, at a prepayment price equal to the Principal evidenced thereby, plus accrued interest evidenced thereby to the date fixed for prepayment, without premium.

Series 2004A Certificates in the Fixed Rate Mode shall be subject to prepayment on any date during the periods indicated in the following table prior to their stated Principal Payment Dates, at the option of the District, as a whole or in part in Authorized Denominations, from and to the extent of prepaid Base Rental paid pursuant to Section 15 of the Lease Agreement, at the following prepayment prices applicable for the periods indicated, plus accrued interest evidenced thereby to the date fixed for prepayment:

Original Length of Fixed Rate Period	Commencement of Prepayment Period	Prepayment Price as a Percentage of Principal Component
More than 10 years	[_____]	100%
10 years or less	[_____]	

Section 4.03 Mandatory Sinking Account Prepayment.

The Series 2004A Certificates with a stated Principal Payment Date of August 1, [_____] are subject to prepayment prior to such stated Principal Payment Date, in part, from Mandatory Sinking Account Payments, on each August 1 specified below, at a prepayment price equal to the Principal evidenced thereby, plus accrued interest evidenced thereby to the date fixed for prepayment, without premium. The Principal evidenced by such Series 2004A Certificates to be so prepaid and the dates therefore shall be as follows:

Prepayment Date (August 1)	Principal To Be Prepaid

The amount of each such prepayment shall be reduced proportionately in the event and to the extent of any and all prepayments of Series 2004A Certificates with a stated Principal Payment Date of August 1, [_____], other than prepayments made pursuant to the preceding paragraph.

Upon the conversion of all or a portion of the Series 2004A Certificates with each particular stated Principal Payment Date to a different mode, such certificates shall be allocated a proportionate share of the Mandatory Sinking Account Payments for Series 2004A Certificates with such Principal Payment Date; provided, however, that the District may, pursuant to a Written Request of the District delivered to the Trustee prior to the date notice of such conversion is sent to the Owners of Series 2004A Certificates, direct that Series 2004A Certificates with a particular stated Principal Payment Date in the Fixed Rate Mode shall have disproportionately higher Mandatory Sinking Account

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Payments on one or more Mandatory Sinking Account Payment Dates and that Series 2004A Certificates with the same Principal Payment Date remaining in the Weekly Rate Mode shall have correspondingly lower Mandatory Sinking Account Payments. A revised Mandatory Sinking Account Payment schedule for Series 2004A Certificates in each Mode with each particular stated Principal Payment Date shall accompany each such Written Request of the District.

Section 4.04 **Selection of Series 2004A Certificates for Prepayment**. Whenever less than all the Outstanding Series 2004A Certificates are to be prepaid on any one date, the Trustee shall select the Series 2004A Certificates to be prepaid (a) with respect to any prepayment pursuant to Section 4.01 hereof, proportionately among Series 2004A Certificates with different stated Principal Payment Dates, and (b) with respect to any prepayment pursuant to Section 4.02 hereof, as directed in a Written Request of the District, and by lot among Series 2004A Certificates with the same stated Principal Payment Date in any manner that the Trustee deems fair and appropriate, which decision shall be final and binding upon the District, the Authority and the Owners. Notwithstanding the foregoing, all Bank Certificates with a particular stated Principal Payment Date shall be prepaid prior to the prepayment of any other Series 2004A Certificates with the same stated Principal Payment Date. The Trustee shall promptly notify the District in writing of the numbers of the Series 2004A Certificates so selected for prepayment on such date. For purposes of such selection, any Certificate may be prepaid in part in Authorized Denominations. For the purposes of determining the prepayment of Series 2004A Certificates pursuant to this Section 4.03, the Series 2004A Certificates shall be deemed to mature in the amounts and on the dates set forth in the tables in Section 4.02(a) hereof.

Section 4.05 **Notice of Prepayment**. When prepayment of Series 2004A Certificates is authorized pursuant to this Article, the Trustee shall give notice, at the expense of the District, of the prepayment of the Series 2004A Certificates which notice shall be revocable at the election of the District; provided, however, that except with respect to prepayment of Series 2004A Certificates pursuant to Section 4.02 hereof, and except with respect to Series 2004A Certificates to be prepaid with the proceeds of obligations issued to accomplish a current or advance refunding of the Series 2004A Certificates or to be prepaid from amounts to be provided by Insurer in its sole discretion, the Trustee shall not give notice of prepayment of Series 2004A Certificates unless there shall have been deposited with the Trustee available funds sufficient to pay the prepayment price of the Series 2004A Certificates to be prepaid. The notice of prepayment shall specify (a) the Series 2004A Certificates or designated portions thereof (in the case of prepayment of the Series 2004A Certificates in part but not in whole) which are to be prepaid, (b) the date of prepayment, (c) the place or places where the prepayment will be made, including the name and address of any paying agent, (d) the prepayment price, (e) the CUSIP numbers assigned to the Series 2004A Certificates to be prepaid, (f) the numbers of the Series 2004A Certificates (if less than all of a maturity is to be prepaid) to be prepaid in whole or in part and, in the case of any Certificate to be prepaid in part only, the Principal evidenced by such Certificate to be prepaid, and (g) the interest rate and stated Principal Payment Date of each Certificate to be prepaid in whole or in part. Such notice of prepayment shall further state that on

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the specified date there shall become due and payable upon each Certificate or portion thereof being prepaid the prepayment price and that from and after such date interest evidenced thereby shall cease to accrue and be payable.

The Trustee shall take the following actions with respect to such notice of prepayment:

At least 30 but not more than 60 days prior to any prepayment date, notice of prepayment shall be given to the respective Owners of Series 2004A Certificates designated for prepayment by first-class mail, postage prepaid, at their addresses appearing on the registration books maintained by the Trustee as of the close of business on the day before such notice of prepayment is given.

The actual receipt by an Owner of any notice of such prepayment shall not be a condition precedent to prepayment, and neither failure to receive such notice nor any defect therein shall affect the validity of the proceedings for the prepayment of such Series 2004A Certificates or the cessation of interest evidenced thereby on the date fixed for prepayment.

A certificate by the Trustee that notice of prepayment has been given to Owners as herein provided shall be conclusive as against all parties, and no Owner whose Certificate is called for prepayment may object thereto or object to the cessation of interest evidenced thereby on the fixed prepayment date by any claim or showing that said Owner failed to actually receive such notice of prepayment.

The Trustee shall give notice of prepayment of any Series 2004A Certificates to be prepaid upon receipt of a Written Request of the District (which request shall be given to the Trustee at least 45 days prior to the date fixed for prepayment).

Section 4.06 **Partial Prepayment of Series 2004A Certificates**. Upon surrender of any Certificate prepaid in part only, the Trustee shall execute and deliver to the Owner thereof a new Certificate or Series 2004A Certificates evidencing the unprepared Principal of the Certificate surrendered.

Section 4.07 **Effect of Prepayment**. If notice of prepayment has been duly given as aforesaid and moneys for the payment of the prepayment price of the Series 2004A Certificates to be prepaid are held by the Trustee, then on the prepayment date designated in such notice, the Series 2004A Certificates so called for prepayment shall become payable at the prepayment price specified in such notice; and from and after the date so designated, interest evidenced by the Series 2004A Certificates so called for prepayment shall cease to accrue, such Series 2004A Certificates shall cease to be entitled to any benefit or security hereunder and the Owners of such Series 2004A Certificates shall have no rights in respect thereof except to receive payment of the prepayment price thereof, and such moneys shall be pledged to such prepayment. The Trustee shall, upon surrender for payment of any of the Series 2004A Certificates to be prepaid, pay such Series 2004A Certificates at the prepayment price thereof.

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All Series 2004A Certificates prepaid pursuant to the provisions of this Article shall be canceled by the Trustee and shall not be redelivered.

ARTICLE V
TENDER AND PURCHASE OF SERIES 2004A CERTIFICATES

Section 5.01 Optional Tenders by Owners of Series 2004A Certificates in Weekly Rate Modes.

(a) *Purchase Dates.* Owners of Series 2004A Certificates in the Weekly Rate Mode (other than Bank Certificates) may elect to have their Series 2004A Certificates (or portions thereof in Authorized Denominations) purchased at the Purchase Price, upon the giving of the following telephonic or written notices meeting the further requirements of subsection (b) of this Section on any Business Day upon delivery of a written notice of tender to the Trustee not later than 5:00 p.m. on a Business Day which is not less than seven days prior to the Purchase Date.

(b) *Notice of Tender.* Each notice of tender:

(i) shall be delivered to the Trustee at its Principal Office and the Remarketing Agent at its principal office and be in form satisfactory to the Trustee;

(ii) shall state (A) the principal evidenced by the Certificate or portion of the Certificate to be purchased and the CUSIP number thereof, (B) that the Owner irrevocably demands purchase of such Series 2004A Certificate or portion thereof, (C) the date on which such Certificate or portion thereof is to be purchased, (D) payment instructions, and (E) if such tender is through a Participant, the DTC participant number for such Participant and the name, telephone number and telecopy number of a contact person at such Participant; and

(iii) shall automatically constitute (A) an irrevocable offer to sell the Certificate or portion thereof to which the notice relates on the Purchase Date to any purchaser selected by the Remarketing Agent, at the Purchase Price, (B) an irrevocable authorization and instruction to the Trustee to effect transfer of such Certificate or portion thereof upon payment of such Purchase Price to the Trustee on the Purchase Date, (C) an irrevocable authorization and instruction to the Trustee to effect the exchange of the Certificate to be purchased in whole or in part for other Series 2004A Certificates of the same stated Principal Payment Date evidencing principal in an equal aggregate amount so as to facilitate the sale of such Certificate or portion thereof, and (D) an acknowledgment that such Owner will have no further rights with respect to such Certificate or portion thereof upon payment of the Purchase Price by the Trustee on the Purchase Date, except for the right of such Owner to receive such Purchase Price upon surrender of such Certificate to the Trustee.

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The determination of the Trustee as to whether a notice of tender has been properly delivered pursuant to the foregoing provisions shall be conclusive and binding upon the Owner.

(c) *Series 2004A Certificates to be Remarketed.* Not later than 4:30 p.m. on the Business Day immediately following the date of receipt of any notice of tender, the Trustee shall notify the Remarketing Agent and the Bank of the principal evidenced by Series 2004A Certificates or portions thereof to be tendered and remarketed and the date on which such Series 2004A Certificates or portions thereof are to be tendered and remarketed. Such notices shall be given by telephone, telegram, telecopy, telex or other similar communication and shall be promptly confirmed in writing.

(d) *Remarketing of Tendered Series 2004A Certificates.* The Remarketing Agent shall offer for sale and use its best efforts to find purchasers for all Series 2004A Certificates or portions thereof properly tendered. The terms of any sale by the Remarketing Agent of tendered Series 2004A Certificates shall provide for the purchase of the remarketed Series 2004A Certificates at the Purchase Price and the payment of such Purchase Price to the Trustee by the Remarketing Agent in immediately available funds against delivery of the remarketed Series 2004A Certificates to the Trustee at or before 11:30 a.m. on the Purchase Date. Notwithstanding the foregoing, the Remarketing Agent shall not offer for sale any Certificate if (i) notice of any optional or mandatory prepayment or any conversion from Weekly Rate Mode to the Fixed Rate Mode has been given to the Owner of such Series 2004A Certificates pursuant to the provisions of this Trust Agreement, or (ii) any defeasance of such Certificate in accordance with the provisions of this Trust Agreement has occurred, unless the Remarketing Agent has advised the person in writing to whom the offer is made of such occurrence and the effect of the same on the rights of the Owner of such Certificate, including, but not limited to, the rights of such Owner to tender such Certificate, as described in the conversion notice from the Trustee to the Owner of such Certificate.

Section 5.02 **[Reserved]**.

Section 5.03 **Mandatory Tenders Upon Conversion to Fixed Rate Mode.** Series 2004A Certificates being converted to the Fixed Rate Mode shall be subject to mandatory tender for purchase at the Purchase Price on the Series 2004A Conversion Date, and the Owners shall not be entitled to retain such Series 2004A Certificates. Notice of such conversion to the Fixed Rate Mode shall be given to the Owners in the manner provided in subsection (c) of Section 3.04 hereof, and the provisions of Section 5.05 hereof shall be applicable to the purchase, payment for and registration and delivery of the Series 2004A Certificates being converted to the Fixed Rate Mode.

Section 5.04 **Mandatory Tenders Upon Expiration or Substitution of Facility or Event of Default with Respect Thereto**.

(a) *Purchase Dates.* Prior to conversion of a Certificate to the Fixed Rate Mode, such Certificate shall be subject to mandatory tender for purchase at the Purchase Price:

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(i) on a Business Day which is at least five days prior to expiration of the Facility;

(ii) on the fifth Business Day following the Trustee's receipt of a Notice of Mandatory Tender from the Bank; and

(iii) on a Business Day which is at least five days prior to the substitution of a Substitute Facility for the Facility pursuant to subsection (b) of Section 6.01 hereof.

(b) *No Election to Retain Series 2004A Certificates.* The Owners may not elect to retain their Series 2004A Certificates in the event of mandatory tender required by the provisions of subsection (a) of this Section.

(c) *Notice to Owners.* Notice of mandatory tender of Series 2004A Certificates, stating the date on which and time at which Series 2004A Certificates are required to be tendered for purchase, shall be given by first class mail, postage prepaid by the Trustee to the Owners of Series 2004A Certificates required to be so tendered not less than five Business Days prior to the date on which such Series 2004A Certificates are to be purchased pursuant to paragraph (i) or paragraph (iii) of subsection (a) of this Section, or as soon as practicable, but in no event later than three Business Days, after the Trustee's receipt of a Notice of Mandatory Tender from the Bank, with respect to a purchase pursuant to paragraph (ii) of said subsection. A copy of such notice shall be sent to the District, the Remarketing Agent and the Bank. Notice having been so given, such mandatory tender shall occur on the date provided in such notice whether or not a Substitute Facility is provided after such initial notice has been given.

(d) *Remarketing.* On the Business Day on which the notice is mailed pursuant to subsection (c) of this Section, the Trustee shall notify the Remarketing Agent and the Bank by telephone, telegram, telecopy, telex or other similar communication of the aggregate principal evidenced by Series 2004A Certificates to be tendered for purchase on the mandatory tender date.

The Remarketing Agent shall offer for sale and use its best efforts to find purchasers for the Series 2004A Certificates to be tendered pursuant to subsection (a) of this Section and shall inform prospective purchasers whether the Facility will be replaced. In the case of replacement of the Facility, the Remarketing Agent shall inform prospective purchasers of the identity of the Bank issuing such replacement Facility and of the ratings to be in effect on the Series 2004A Certificates following such replacement. The terms of any sale by the Remarketing Agent of tendered Series 2004A Certificates shall provide for the purchase of the remarketed Series 2004A Certificates at the Purchase Price and the payment of such Purchase Price to the Trustee by the Remarketing Agent in immediately available funds against the delivery of the remarketed Series 2004A Certificates to the Trustee at or before 11:30 a.m. on the Purchase Date. Notwithstanding the foregoing, the Series 2004A Certificates shall not be offered for sale unless the Facility or a Substitute Facility is in place at the time of the remarketing.

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Section 5.05 Purchase of Tendered Series 2004A Certificates.

(a) *Notices.* At or before 3:30 p.m. on the Business Day immediately preceding each Purchase Date, the Remarketing Agent shall notify by telephone, telegram, telecopy, telex or other similar communication to the Trustee and the Bank of the principal evidenced by tendered Series 2004A Certificates which have been remarketed and of the names, addresses and taxpayer identification numbers of the purchasers and the denominations of remarketed Series 2004A Certificates to be delivered to each purchaser. On the Purchase Date, the Trustee shall make a request for purchase in accordance with the terms of the Facility at the times and to the extent necessary to timely pay the Purchase Price with regard to the Series 2004A Certificates for which remarketing proceeds have not been paid to the Trustee; and the Trustee shall hold the moneys received pursuant to such request under the Facility in trust in a separate segregated account for the benefit of the Owners of such tendered Series 2004A Certificates.

(b) *Sources of Payment.* The Remarketing Agent shall pay to the Trustee, on the Purchase Date, all amounts representing proceeds of the remarketing of tendered Series 2004A Certificates, such payments to be made in the manner and at the time specified in subsection (d) of Section 5.01 hereof, Section 5.03 hereof and subsection (d) of Section 5.04 hereof, as applicable. All such proceeds shall be held by the Trustee in trust in a separate segregated account for the benefit of the person or entity which has delivered such moneys until the Series 2004A Certificates purchased with such moneys have been delivered to such person or entity. The District and the Authority shall not have any right, title, or interest in or to remarketing proceeds held by the Remarketing Agent or the Trustee or proceeds of a draw on the Facility. The Bank has agreed under the Facility to pay, on or before 2:00 p.m. on the Purchase Date (so long as the request for purchase thereunder is made prior to 12:00 noon), the Purchase Price to the Trustee of such Series 2004A Certificates that have not been remarketed. The parties hereto agree that the rights of Owners of Series A Certificates to have their Series A Certificates purchased pursuant to this Article V will be limited to the sum of the proceeds of the remarketing of tendered Series A Certificates and of draws on the Facility as provided in this paragraph and that neither the District nor the Corporation are obligated to expend any amounts in connection with the purchase of Series A Certificates as provided in this Article V.

(c) *Payments by the Trustee.* Before 4:00 p.m. on the Purchase Date and upon receipt by the Trustee of 100% of the aggregate Purchase Price of the tendered Series 2004A Certificates, the Trustee shall pay the Purchase Price of such Series 2004A Certificates to the Owners thereof at its Principal Office or by bank wire transfer. Such payments shall be made in immediately available funds. Payments of such Purchase Price are to be made from the following sources in the order of priority indicated:

(i) the proceeds of the sale of the Series 2004A Certificates which have been remarketed by the Remarketing Agent; and

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(ii) moneys paid pursuant to requests for purchase under the Facility.

(d) *Registration and Delivery of Tendered or Purchased Series 2004A Certificates.* On the Purchase Date, the Trustee shall register and deliver (or hold) all Series 2004A Certificates purchased on any Purchase Date as follows:

(i) Series 2004A Certificates purchased or remarketed by the Remarketing Agent shall be registered in accordance with the instructions of the Remarketing Agent and made available for delivery to the Remarketing Agent against payment of the Purchase Price for such Series 2004A Certificates by 11:30 a.m.; and

(ii) Series 2004A Certificates purchased with funds received under the Facility shall become Bank Certificates, shall be registered in the name of the Bank or its nominee and shall be delivered to or held by DTC, or such other entity as may be specified by the Bank in a written instrument delivered to the Trustee, for the benefit of the Bank.

(e) *Delivery of Series 2004A Certificates; Effect of Failure to Surrender Series 2004A Certificates.* All Series 2004A Certificates to be purchased on any date shall be required to be delivered to the Principal Office of the Trustee at or before 11:30 a.m. on the Purchase Date. If the Owner of any Certificate or portion thereof that is subject to purchase pursuant to this Article V fails to surrender such Certificate to the Trustee for purchase on the Purchase Date, and if the Trustee is in receipt of the Purchase Price therefor, such Certificate or portion thereof shall nevertheless be deemed purchased on the Purchase Date and ownership of such Certificate or portion thereof shall be transferred to the purchaser thereof as provided in subsection (d) of this Section. Any Owner who fails to deliver a Certificate for purchase as required above shall have no further rights with respect thereto except the right to receive the Purchase Price therefor upon presentation and surrender of said Certificate to the Trustee.

(f) *Investment of Funds.* All money held by the Trustee for the payment of the Purchase Price of Series 2004A Certificates shall be held in separate segregated accounts and shall be held uninvested.

Section 5.06 **Series 2004A Certificates Purchased Under Facility.** In the event that any Series 2004A Certificates become Bank Certificates pursuant to subsection (d) of Section 5.05 hereof, the Remarketing Agent shall continue to offer for sale and use its best efforts to sell such Bank Certificates at the Purchase Price prior to selling any other Series 2004A Certificates until such Bank Certificates are sold or until the Remarketing Agent, Insurer and the District determine that such Bank Certificates cannot be sold at such price; provided, however, that upon the occurrence and during the continuance of an event of default under any of subsections [_____] of Section [_____] of the Standby Agreement, the Remarketing Agent shall not, without the consent of the Bank, remarket any Bank Certificates that, upon such remarketing, would be in an Weekly Rate Mode. The Trustee shall deliver such Bank Certificates to the Bank or its designee (including DTC) which shall hold the same pending such

remarketing. Upon the remarketing of any Bank Certificate, and receipt of the proceeds of such remarketing, such Bank Certificate shall cease to be a Bank Certificate (unless and until it again becomes a Bank Certificate pursuant to subsection (d) of Section 5.05 hereof). While the Facility is effective and prior to the release of any Bank Certificate, upon receipt of the proceeds of the remarketing of Bank Certificates, the Trustee shall deliver to the Bank the notices required pursuant to the Facility in order to reinstate the Facility to an amount equal to the principal and interest evidenced by the Outstanding Series 2004A Certificates in accordance with its terms. The Trustee shall deliver a copy of such notices to the Remarketing Agent. The Trustee shall not release any remarketed Bank Certificates that, upon such remarketing, would be in an Weekly Rate Mode unless and until the Trustee receives written notice from the Bank pursuant to subsection [(__)] of Section [__] of the Standby Agreement that the Available Commitment has been reinstated as provided therein. Notwithstanding anything to the contrary contained herein, Bank Certificates shall not be purchased with funds received under the Facility.

Section 5.07 Insufficient Funds for Purchases.

(a) If the moneys available for purchase of Series 2004A Certificates pursuant to this Article are inadequate for the purchase of all Series 2004A Certificates which are tendered on any Purchase Date, each Certificate subject to such purchase shall continue in the same Mode as in effect with respect thereto on the day prior to the Purchase Date to the date on which the earliest of the following occurs:

(i) the date of conversion of such Certificate to the Fixed Rate Mode;

(ii) the date on which any default by the Bank under the terms of the Facility has been cured; or

(iii) the date on which a Substitute Facility meeting the requirements of Section 6.01 hereof has been obtained.

(b) If the provisions of subsection (a) of this Section become applicable (i) the Trustee shall immediately (but no later than the end of the next succeeding Business Day) return all tendered Series 2004A Certificates to the Owners thereof and notify all Owners of Series 2004A Certificates in writing of the Mode to be effective with respect thereto pursuant to subsection (a) of this Section, and (ii) the Trustee shall return all moneys received for the purchase of such Series 2004A Certificates to the persons who provided such moneys.

Section 5.08 **Restriction on Remarketing of Series 2004A Certificates to District or Authority.** So long as the Facility is effective, no Certificate tendered pursuant to this Article shall be remarketed to the District or the Authority; provided, however, that the Trustee shall not be required to monitor the actions of the Remarketing Agent to insure that it does not sell Series 2004A Certificates to the District or the Authority.

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Section 5.09 **Book-Entry Tenders.** Notwithstanding any other provision of this Article to the contrary, all tenders for purchase during any period in which the Series 2004A Certificates are registered in the name of the Nominee (or the nominee of any successor Depository) shall be subject to the terms and conditions set forth in the Letter of Representations and any notices and regulations promulgated by DTC. Subject to such terms, conditions, notices and regulations, the Series 2004A Certificates may be tendered by means of a book-entry credit of such Series 2004A Certificates to the account of the Remarketing Agent; provided, however, that under certain circumstances notice of tender shall be given by a Participant on behalf of the Beneficial Owner of such Series 2004A Certificates, and, provided further, that, if the Remarketing Agent notifies the Trustee that such Series 2004A Certificates have been remarketed pursuant to this Trust Agreement, such Series 2004A Certificates may be treated as being tendered upon a book-entry transfer of such Series 2004A Certificates from the account of the tendering party to the credit of the account of the purchaser of such Series 2004A Certificates.

Section 5.10 **No Obligation to Purchase.** Notwithstanding any provision contained in this Article V, neither the District nor Insurer shall have any obligation to purchase tendered Certificates that cannot be remarketed.

ARTICLE VI
THE FACILITY

Section 6.01 **The Facility.**

(a) The original Facility and any Substitute Facility shall be an obligation of the Bank to pay to the Trustee upon request made with respect to the Series 2004A Certificates related thereto and in accordance with the terms thereof (i) an amount, not exceeding the aggregate Principal evidenced by the Series 2004A Certificates, sufficient to pay the Principal portion of the Purchase Price of the Series 2004A Certificates delivered or required to be delivered to the Trustee for purchase, and (ii) an amount sufficient to pay the interest portion of the Purchase Price of Series 2004A Certificates delivered to the Trustee for purchase, which amount with respect to any Series 2004A Certificate in the Weekly Rate Mode, shall be an amount equal to the amount of interest that would accrue during a period of 37 days computed at the Maximum Rate.

(b) If at any time the District shall deliver to the Trustee:

(i) a Substitute Facility;

(ii) an Opinion of Counsel stating that the delivery of such Substitute Facility to the Trustee is authorized under this Trust Agreement and complies with the provisions hereof and that the proposed substitution will not, in and of itself adversely affect the exclusion of interest evidenced by the Series 2004A Certificates from gross income for federal income tax purposes;

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(iii) one or more opinions of counsel addressed to the Trustee, to the effect, singly or together, that (A) the Substitute Facility is a legal valid and binding obligation of the obliger, enforceable against the obliger in accordance with its terms, except as limited by applicable reorganization, insolvency, liquidation, readjustment of debt, moratorium or other similar laws affecting the enforcement of the rights of creditors generally as such laws may be applied in the event of a reorganization, insolvency, liquidation, readjustment of debt or other similar proceeding of or moratorium applicable to the obliger and by general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law), and (B) payments made by the obliger to the Trustee under the Substitute Facility will not be voidable under Section 547 of the United States Bankruptcy Code in the context of a case or proceeding by or against the District or the Authority under the United States Bankruptcy Code;

(iv) if a rating or ratings on the Series 2004A Certificates shall be in effect on the date of such substitution, written evidence from Moody's and S&P, as applicable, to the effect that each such rating agency has reviewed the proposed Substitute Facility and that the substitution of the proposed Substitute Facility for the existing Facility will not, in and of itself result in a reduction, suspension or withdrawal of such rating agency's rating on the Series 2004A Certificates or, in the event of a substitution of a proposed Substitute Facility due to a downgrading of the credit rating of the Bank or the Facility, written evidence from Moody's and S&P, as applicable, to the effect that each such rating agency has reviewed the proposed Substitute Facility and that the substitution of the proposed Substitute Facility for the existing Facility will not, in and of itself result in a reduction of such rating agency's rating on the Series 2004A Certificates effective prior to the downgrading in the credit rating of the Bank or the Facility; and

(v) written evidence that Insurer has consented to such proposed substitution and that notice of such proposed substitution has been sent to the Owners prior to such substitution, then the Trustee shall, so long as such Substitute Facility shall contain administrative procedures which are acceptable to the Trustee in its reasonable discretion, accept such Substitute Facility, and, not later than five days after such acceptance, surrender the existing Facility to the issuer thereof, together with any certificate of surrender required by such Facility.

(c) In the event of a downgrading of the credit rating of the Facility or any Substitute Facility to a rating lower than A-1 by Standard & Poor's or VMIG-2 by Moody's, the District shall, at the direction of Insurer, substitute the Facility as provided in subsection (b) above.

(d) During a Weekly Rate Period, if all of the requirements of subsection (b) of this Section are satisfied other than those set forth in paragraph (iv) thereof, and all of the requirements of subsection [(__)] of Section [_____] of the Standby Agreement

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are satisfied, and the District has given the Trustee and the Owners at least 45 days written notice of its intention to substitute such Facility, the Trustee shall accept the Substitute Facility, enforce payment of any amounts due under the existing Facility to the extent required by this Trust Agreement and, not later than five days after such acceptance, surrender the existing Facility to the issuer thereof, together with any certificate of surrender required by such Facility.

(e) Any Substitute Facility shall be an irrevocable purchase agreement, letter of credit, surety bond, insurance policy, guaranty or other irrevocable credit facility, or any combination thereof, issued by one or more commercial banks or savings and loan associations, insurance companies or other financial institutions, the terms of which shall in all respects material to the interests of the Owners be the same as the Facility, except that the expiration date of such Substitute Facility may be later than the expiration date for the existing Facility and such expiration date shall be not less than one year after the date such Substitute Facility is substituted for the existing Facility.

(f) Series 2004A Certificates in the Fixed Rate Mode shall not be payable from or secured by the Facility or subject to tender for purchase. Within five days after the date on which all Series 2004A Certificates have been converted to the Fixed Rate Mode, the Trustee shall surrender the Facility to the Bank together with any certificate of surrender required by the Facility.

(g) No later than five days after all Principal and interest evidenced by the Series 2004A Certificates have been paid in full, the Trustee shall surrender the Facility to the Bank together with any certificate of surrender required by the Facility.

(h) Notwithstanding any other provision of this Trust Agreement, (i) under no circumstances shall any amounts other than the Purchase Price of the Series 2004A Certificates be payable from funds paid by the Bank under the Facility or from any proceeds of the remarketing of Series 2004A Certificates by the Remarketing Agent, and (ii) under no circumstances shall remarketing proceeds or proceeds received under the Facility be paid to the District or the Authority.

Section 6.02 **Rights of the Bank**. If (a) any event described in clause (i), (ii) or (iii) of subsection (a) of Section 13.01 hereof has occurred, and (b) all Outstanding Series 2004A Certificates are Bank Certificates, then the Bank shall have all rights of approval, consent and waiver, and all rights to institute actions and direct remedies, enjoyed by Insurer hereunder prior to the occurrence of such event.

Section 6.03 **Notices to the Bank**. The Trustee shall provide to the Bank copies of all notices, consents, certificates, waivers or transcripts received by the Trustee from the District or Insurer or delivered by the Trustee to the District, Insurer, Moody's or S&P.

The District shall provide to the Bank copies of all notices, consents, certificates, waivers or transcripts received from Insurer or delivered by the District to Insurer,

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Moody's or S&P if any such copy will not otherwise be provided to the Bank by the Trustee pursuant to the preceding sentence.

ARTICLE VII
FUNDS AND ACCOUNTS; RENTAL PAYMENTS

Section 7.01 Deposit of Proceeds of Series 2004A Certificates.

Series A. The District hereby directs the Trustee to deposit and transfer the proceeds received from the sale of the Series 2004A Certificates in the amount of [$_____] as follows:

(a) the Trustee shall deposit in the Costs of Issuance Account of the Construction and Acquisition Fund the amount of [$_____]; and

(b) Trustee shall deposit an amount equal to $[_____] into the "Capitalized Interest Fund," which shall be established and maintained by the Trustee and kept separate and apart from all other funds and monies held by the Trustee.

(c) the remainder of the proceeds ($_____) shall be deposited in the General Account of the Construction and Acquisition Fund.

Section 7.02 Establishment and Application of Construction and Acquisition Fund. There is hereby established in trust a special fund designated the "Construction and Acquisition Fund," which shall be held by the Trustee and which shall be kept separate and apart from all other funds and money held by the Trustee. Money in the Construction and Acquisition Fund shall be expended for the payment of Project Costs. The Trustee shall administer such fund and the accounts thereof as provided in this Article VII. Within the Construction and Acquisition Fund, the Trustee shall establish a Costs of Issuance Account and a General Account.

(a) Costs of Issuance Account. There shall be deposited in the Costs of Issuance Account in the Construction and Acquisition Fund that portion of the proceeds of the Series 2004A Certificates required to be deposited pursuant to Section 7.01 hereof. The Trustee shall disburse money from the Costs of Issuance Account on such dates and in such amounts as are necessary to pay Costs of Issuance, in each case in accordance with a payment request form in the form attached here as Exhibit B together with invoices therefor. Any amounts remaining in the Costs of Issuance Account on the earlier of the date on which the District has notified the Trustee in writing that all Costs of Issuance have been paid or one year after the Delivery Date shall be transferred to the General Account in the Construction and Acquisition Fund.

(b) General Account. There shall be deposited in the General Account in the Construction and Acquisition Fund that portion of the proceeds of the Series 2004A Certificates required to be deposited pursuant to Section 7.01 hereof, and any money received by the Trustee as payment under any performance or labor and material bond given by the Contractor for the Project, or as proceeds under any builders all-risk insurance provided with respect to the Project. The Trustee shall, from time to time,

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disburse money from the General Account in the Construction and Acquisition Fund to pay Project Costs, as hereinafter provided, in each case promptly after receipt of a written request of a representative of the District in the form attached hereto as Exhibit B together with invoices therefor.

In making such payments, the Trustee may rely upon the representations made in such written request. If for any reason the District should decide prior to the payment of any item in said written request not to pay such item, then it shall give written notice of such decision to the Trustee and thereupon the Trustee shall not make such payment, and the Trustee shall have no liability to the District or the designated payee as a result of such nonpayment.

Unless the Insurer otherwise directs, upon the occurrence and continuance of an Event of Default as defined in the Lease Agreement or the occurrence and continuance of an event which with notice or lapse of time or both would constitute an Event of Default, amounts on deposit in the Construction and Acquisition Fund shall not be disbursed but shall instead be applied to the payment of debt service or redemption of the Certificates.

In no event shall the Trustee be responsible for the improper use of money properly disbursed pursuant to requests made under this Section.

If, after payment by the Trustee of all written requests theretofore tendered to the Trustee under the provisions of this Section, and delivery to the Trustee of the Certificate of Completion, there shall remain any balance of money in the General Account of the Construction and Acquisition Fund, all money so remaining shall be transferred, first, to the Reserve Fund to the extent necessary to make the amount on deposit therein equal to the Reserve Requirement, second, in integral multiples of $5,000, to the Prepayment Account in the Certificate Fund, and third, to the Interest Account of the Certificate Fund.

Section 7.03 **Pledge; Base Rental Payment Fund**. In order to secure the District's obligations hereunder and under the Lease Agreement, the Authority and the District hereby irrevocably pledge to the Trustee, for the benefit of the Owners, all of their right, title and interest, if any, in and to all amounts on deposit from time to time in the funds and accounts established hereunder (other than the Rebate Fund), which amounts shall be used for the payment of the interest components and Principal components of the Base Rental. This pledge shall constitute a first lien on the funds and accounts established hereunder in accordance with the terms hereof. It is the intent of the parties hereto that the Authority not have any right, title or interest in or to the amounts on deposit from time to time in the funds and accounts established hereunder. If, contrary to the intent of the parties hereto, the Authority is found to have any right, title or interest in or to any such amounts, then the Authority hereby irrevocably pledges to the Trustee for the benefit of the Owners all of such right, title and interest.

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All Base Rental shall be paid directly by the District to the Trustee, and if received by the Authority at any time shall be deposited by the Authority with the Trustee within five Business Day after the receipt thereof. If the District shall fail to deposit with the Trustee a Base Rental payment on the applicable Base Rental Deposit Date, the Trustee shall, within three Insurance Business Days after such Base Rental Deposit Date, notify Insurer of such failure. All Base Rental paid by the District shall be deposited by the Trustee in the Base Rental Payment Fund, which the Trustee shall establish and maintain until all required Base Rental is paid in full pursuant to the Lease Agreement and until the first date upon which the Series 2004A Certificates are no longer Outstanding. The moneys in the Base Rental Payment Fund shall be held in trust by the Trustee for the benefit of the Owners and shall be disbursed only for the purposes and uses herein authorized. The Insurance Policy shall be held by the Trustee and shall be deemed to be held in the Base Rental Payment Fund. Any Net Proceeds of rental interruption insurance received with respect to the Property shall be deposited in the Base Rental Payment Fund.

Section 7.04 **Deposit of Base Rental**. The Trustee shall transfer the amounts on deposit in the Base Rental Payment Fund, at the times and in the manner hereinafter provided, to the following respective funds, each of which the Trustee hereby agrees to establish and maintain until all required Base Rental is paid in full pursuant to the Lease Agreement and until the first date upon which the Series 2004A Certificates are no longer Outstanding. The moneys in each of such funds and account shall be held in trust by the Trustee for the benefit of the Owners and shall be disbursed only for the purposes and uses herein authorized.

(a) *Interest Fund.* The Trustee, on each Interest Payment Date, shall deposit in the Interest Fund that amount of moneys representing the portion of the Base Rental designated as the interest component coming due on such Interest Payment Date. Moneys in the Interest Fund shall be used by the Trustee for the purpose of paying the interest evidenced by the Series 2004A Certificates when due and payable.

(b) *Principal Fund.* The Trustee, on each Principal Payment Date and each Mandatory Sinking Account Payment Date, shall deposit in the Principal Fund that amount of moneys representing the portion of the Base Rental designated as the Principal component coming due on such Principal Payment Date or Mandatory Sinking Account Payment Date. Moneys in the Principal Fund shall be used by the Trustee for the purpose of paying the Principal evidenced by the Series 2004A Certificates when due and payable at their stated Principal Payment Dates or upon earlier prepayment from Mandatory Sinking Account Payments.

(c) *Prepayment Fund.* The Trustee, on the prepayment date specified in the Written Request of the District filed with the Trustee at the time that any prepaid Base Rental is paid to the Trustee pursuant to the Lease Agreement, shall deposit in the Prepayment Fund that amount of moneys representing the portion of the Base Rental designated as prepaid Base Rental. Additionally, the Trustee shall deposit in the Prepayment Fund any amounts required to be deposited therein pursuant to Section 7.06 or Section 7.07 hereof. Moneys in the Prepayment Fund shall be used by the

Trustee for the purpose of paying the interest, premium, if any, and Principal evidenced by the Series 2004A Certificates to be prepaid. All moneys held by the Trustee in the Prepayment Fund shall either be held uninvested or invested in Permitted Investments described in clause (1) of the definition thereof, which mature in sufficient amounts and on the dates needed to make the prepayments of Series 2004A Certificates for which such moneys were deposited.

(d) *Capitalized Interest Fund.* One day prior to each Interest Payment Date occurring prior to [_____], the Trustee shall transfer from the Capitalized Interest Fund to the Interest Fund an amount which, together with monies on deposit in the Interest Fund, equals the interest then due on such Interest Payment Date with respect to the Series 2004A Certificates. Upon the date which is two (2) years from the Delivery Date, any monies with respect to the Series 2004A Certificates then remaining in the Capitalized Interest Fund shall be treated as described in the Tax Certificate.

Section 7.05 **Application of Net Proceeds**. If the Property or any portion thereof shall be damaged or destroyed, subject to the further requirements of this Section, the District shall, as expeditiously as possible, continuously and diligently prosecute or cause to be prosecuted the repair or replacement thereof, unless the District elects not to repair or replace the Property or the affected portion thereof in accordance with the provisions hereof

The proceeds of any insurance (other than proceeds of rental interruption insurance), including the proceeds of any self-insurance, received on account of any damage or destruction of the Property or a portion thereof (the **"Net Proceeds"**) shall as soon as possible be deposited with the Trustee and be held by the Trustee in a special account which the Trustee shall establish and hold hereunder and made available for and, to the extent necessary, shall, with the consent of Insurer, be applied to the cost of repair or replacement of the Property or the affected portion thereof upon receipt of a Written Request of the District, together with invoices therefor. Pending such application, such proceeds may be invested by the Trustee as directed by the District in Permitted Investments that mature not later than such times as moneys are expected to be needed to pay such costs of repair or replacement.

Notwithstanding the foregoing, the District shall, within 60 days of the occurrence of the event of damage or destruction, notify the Trustee in writing as to whether the District intends to replace or repair the Property or the portions of the Property which were damaged or destroyed. If the District does intend to replace or repair the Property or portions thereof, the District shall deposit with the Trustee the full amount of any insurance deductible to be credited to the special account.

If such damage, destruction or loss was such that there resulted a substantial interference with the District's right to the use or occupancy of the Property and an abatement in whole or in part of Rental Payments results from such damage or destruction pursuant to Section 3.06 of the Lease Agreement, then the District shall, with the consent or at the direction of Insurer, be required either to (a) apply sufficient funds from the insurance proceeds and other legally available funds to the replacement

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or repair of the Property or the portions thereof which have been damaged to the condition which existed prior to such damage or destruction, or (b) apply sufficient funds from the insurance proceeds and other legally available funds to the prepayment pursuant to Section 4.01 hereof, in full of all the Outstanding Series 2004A Certificates or all of those Outstanding Series 2004A Certificates which would have been payable from that portion of the Base Rental which are abated as a result of the damage or destruction. Funds to be applied to the prepayment of Series 2004A Certificates in accordance with clause (b) above shall be deposited in the Prepayment Fund together with written notice to the Trustee that such funds are to be deposited to the Prepayment Fund. Any proceeds of any insurance, including the proceeds of any self-insurance remaining after the portion of the Property which was damaged or destroyed is restored to and made available to the District in substantially the same condition and annual fair rental value as that which existed prior to the damage or destruction as required by clause (a) above or the prepayment of Series 2004A Certificates as required by clause (b) above, in each case as evidenced by a Certificate of the District to such effect, shall be deposited in the Reserve Fund to the extent that the amount therein is less than the Reserve Requirement, as evidenced by a Certificate of the District to that effect. If the District is not required to replace or repair the Property, or the affected portion thereof, as set forth in clause (a) above or to use such amounts to prepay Series 2004A Certificates as set forth in clause (b) above, then such proceeds shall be deposited in the Reserve Fund to the extent that the amount therein is less than the Reserve Requirement. Any amounts not required to be so deposited into the Reserve Fund shall, with the consent of Insurer and if there is first delivered to the Trustee a Certificate of the District to the effect that the annual fair rental value of the Property after such damage or destruction, and after any repairs or replacements made as a result of such damage or destruction, is at least equal to 100% of the maximum amount of Base Rental becoming due under the Lease Agreement in the then current Rental Period or any subsequent Rental Period and the fair replacement value of the Property after such damage or destruction is at least equal to the sum of the then unpaid Principal components of Base Rental, be paid to the District to be used for any lawful purpose.

The proceeds of any award in eminent domain shall be deposited by the Trustee in the Prepayment Fund and applied to the prepayment of Outstanding Series 2004A Certificates pursuant to Section 4.01 hereof.

Section 7.06 **Title Insurance**. Proceeds of any policy of title insurance received by the Trustee in respect of the Property shall be applied and disbursed by the Trustee as follows:

(a) if the District determines that the title defect giving rise to such proceeds has not substantially interfered with its use and occupancy of the Property and will not result in an abatement of Rental Payments payable by the District under the Lease Agreement, such proceeds shall, with the written approval of Insurer, be remitted to the District and used for any lawful purpose thereof; or

(b) if the District determines that the title defect giving rise to such proceeds has substantially interfered with its use and occupancy of the Property and will result in

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an abatement in whole or in part of Rental Payments payable by the District under the Lease Agreement, then the Trustee shall, with the written approval of Insurer, immediately deposit such proceeds in the Prepayment Fund and such proceeds shall be applied to the prepayment of Series 2004A Certificates in the manner pursuant to Section 4.01 hereof.

Section 7.07 Reserve Fund.

(a) The Trustee shall establish and maintain the Reserve Fund until all required Base Rental is paid in full pursuant to the Lease Agreement and until the first date upon which the Series 2004A Certificates are no longer Outstanding. The moneys in the Reserve Fund shall be held in trust by the Trustee for the benefit of the Owners and shall be disbursed only for the purposes and uses herein authorized. There shall be deposited in the Reserve Fund the amount required to be deposited therein pursuant to Section 7.01 hereof. The District may, with the prior written consent of Insurer (so long as Insurer is not in default in its payment obligations under the Insurance Policy), substitute a Reserve Facility for all or part of the moneys on deposit in the Reserve Fund by depositing such Reserve Facility with the Trustee, provided that, at the time of such substitution, the amount on deposit in the Reserve Fund, together with the amount available under all Reserve Facilities, shall be at least equal to the Reserve Requirement. Moneys for which a Reserve Facility has been substituted as provided herein shall be transferred, at the election of the District, to the Acquisition Fund, to the Prepayment Fund or, upon receipt of an Opinion of Counsel that such transfer will not, in and of itself, adversely affect the exclusion of interest evidenced by the Series 2004A Certificates from gross income for federal income tax purposes, to the General Account of the Construction and Acquisition Fund.

(b) Amounts on deposit in the Reserve Fund which were not derived from payments under any Reserve Facility credited to the Reserve Fund to satisfy a portion of the Reserve Requirement shall be used and withdrawn by the Trustee prior to using and withdrawing any amounts derived from payments under such Reserve Facility. In order to accomplish such use and withdrawal of such amounts not derived from payments under any such Reserve Facility, the Trustee shall, as and to the extent necessary, liquidate any investments purchased with such amounts.

(c) If, on any Interest Payment Date, the amount on deposit in the Interest Fund is insufficient to pay the interest evidenced by the Series 2004A Certificates payable on such Interest Payment Date, the Trustee shall transfer from the Reserve Fund and deposit in the Interest Fund an amount sufficient to make up such deficiency. If the amount on deposit in the Reserve Fund is not sufficient to make such transfer, the Trustee shall make a claim under any available Reserve Facility, in accordance with the provisions thereof, in order to obtain an amount sufficient to allow the Trustee to make such transfer as and when required.

If, on any Principal Payment Date or Mandatory Sinking Account Payment Date, the amount on deposit in the Principal Fund is insufficient to pay the Principal evidenced by the Series 2004A Certificates payable on such Principal Payment Date or Mandatory

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Sinking Account Payment Date, the Trustee shall transfer from the Reserve Fund and deposit in the Principal Fund an amount sufficient to make up such deficiency. If the amount on deposit in the Reserve Fund is not sufficient to make such transfer, the Trustee shall make a claim under any available Reserve Facility, in accordance with the provisions thereof, in order to obtain an amount sufficient to allow the Trustee to make such transfer as and when required.

Moneys, if any, on deposit in the Reserve Fund shall be withdrawn and applied by the Trustee for the final payment of Principal and interest evidenced by the Series 2004A Certificates.

(d) In the event of any transfer from the Reserve Fund or the making of any claim under a Reserve Facility, the Trustee shall, within five days thereafter, provide written notice to the District, the Bank and Insurer of the amount and the date of such transfer or claim.

(e) If the sum of the amount on deposit in the Reserve Fund, plus the amount available under all available Reserve Facilities, is less than the Reserve Fund Requirement, the first payment of Base Rental thereafter received from the District under the Lease Agreement and not needed to pay the Principal or interest evidenced by the Series 2004A Certificates on the next Interest Payment Date, Principal Payment Date or Mandatory Sinking Account Payment Date shall be used, first, to reinstate the amounts available under any Reserve Facilities that have been drawn upon and, second, to increase the amount on deposit in the Reserve Fund, so that the amount available under all available Reserve Facilities when added to the amount on deposit in the Reserve Fund, shall equal the Reserve Requirement. If, as a result of investment losses on funds on deposit in the Reserve Fund, the sum of the amount on deposit in the Reserve Fund, plus the amount available under all available Reserve Facilities, is less than the Reserve Requirement, the District shall pay to the Trustee on the next succeeding Base Rental Payment Date, as Additional Rental pursuant to subsection (e) of Section 3.02 of the Lease Agreement, for deposit in the Reserve Fund, such amounts as are required to increase the amount on deposit in the Reserve Fund to an amount which, when added to the amount available under all available Reserve Facilities, is equal to the Reserve Requirement.

If as a result of the payment of Principal or interest evidenced by the Series 2004A Certificates or otherwise, the Reserve Requirement is reduced, amounts on deposit in the Reserve Fund in excess of such reduced Reserve Requirement shall be transferred to the Base Rental Payment Fund.

Section 7.08 Rebate Fund.

(a) In addition to the other funds and accounts created pursuant hereto, the Trustee shall establish and maintain the Rebate Fund. There shall be deposited in the Rebate Fund such amounts as are required to be deposited therein pursuant to the Tax Certificate. All money at any time deposited in the Rebate Fund shall be held by the Trustee in trust, to the extent required to satisfy the Rebate Requirement, for payment

to the United States of America. Notwithstanding defeasance of the Series 2004A Certificates pursuant to Article XII hereof or anything to the contrary contained herein, all amounts required to be deposited into or on deposit in the Rebate Fund shall be governed exclusively by this Section and by the Tax Certificate (which is incorporated herein by reference). The Trustee shall be deemed conclusively to have complied with such provisions if it follows the written directions of the District, and shall have no liability or responsibility to enforce compliance by the District with the terms of the Tax Certificate. The Trustee may conclusively rely upon the District's determinations, calculations and certifications required by the Tax Certificate. The Trustee shall have no responsibility to independently make any calculation or determination or to review the District's calculations.

(b) Any funds remaining in the Rebate Fund after payment in full of all of the Series 2004A Certificates and after payment of any amounts described in this Section, shall be withdrawn by the Trustee and remitted to the District.

Section 7.09 Investments.

(a) Except as otherwise provided herein, any moneys held by the Trustee in the funds and accounts established hereunder shall be invested by the Trustee in the absence of written direction only in the Permitted Investments described in clause (7) of the definition thereof. The Trustee may act as principal or agent in the acquisition or disposition of any investment. The Trustee shall not be liable or responsible for any loss suffered in connection with any such investment made by it under the terms of and in accordance with this Section. The Trustee shall sell or present for redemption any obligations so purchased whenever it shall be necessary in order to provide moneys to meet any payment of the funds so invested, and the Trustee shall not be liable or responsible for any losses resulting from any such investment sold or presented for redemption. Any Permitted Investments that are registered securities shall be registered in the name of the Trustee. The Trustee will have no obligation to determine whether any Permitted Investment (as defined in this Trust Agreement as of the date hereof) remains an investment permitted under the laws of the state of California, but may rely conclusively on any request of the District that the requested Permitted Investment is permissible under California law.

The Trustee is hereby authorized, in making or disposing of any investment permitted by this Section, to deal with itself (in its individual capacity) or with any one of more of its affiliates, whether it or such affiliate is acting as an agent of the Trustee or for any third person or dealing as principal for its own account.

(b) Investments purchased with funds on deposit in the Base Rental Payment Fund and Prepayment Fund shall mature not later than the payment date or prepayment date, as appropriate, immediately succeeding the investment. Notwithstanding anything to the contrary contained herein, investments purchased with funds on deposit in the Reserve Fund shall have an average aggregate weighted term to maturity of not greater than five years.

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(c) Investments (except investment agreements) in any fund or account established hereunder shall be valued, exclusive of accrued interest, (i) as frequently as deemed necessary by Insurer but not less often than annually nor more often than monthly, and (ii) upon any draw upon the Reserve Fund. All investments of amounts deposited in any fund or account established hereunder shall be valued at the market value thereof.

(d) Any interest or profits received with respect to investments held in any of the funds or accounts established hereunder (other than the Rebate Fund and the Prepayment Fund) shall be transferred to the Base Rental Payment Fund. Any interest or profits received with respect to investments held in the Rebate Fund or the Prepayment Fund shall be retained therein. Notwithstanding the foregoing, any such transfer shall be made from the Reserve Fund only if and to the extent that, after such transfer, the amount on deposit in the Reserve Fund, together with amounts available to be drawn on all Credit Facilities, if any, available therein, is at least equal to the Reserve Requirement.

(e) If at any time after investment therein an investment ceases to meet the criteria set forth in the definition of Permitted Investments and such obligation, aggregated with other non-conforming investments, exceeds 10% of invested funds, upon receipt of a written request of the District, such investment shall be sold or liquidated by the Trustee. The Trustee shall terminate any repurchase agreement upon a failure of the counterparty thereto to maintain the requisite collateral percentage after the restoration period and, if not paid by the counterparty in federal funds against transfer of the repurchase securities, liquidate the collateral. The Trustee shall, upon actual knowledge of a default under a repurchase or investment agreement or the withdrawal or suspension of either of the ratings of a repurchase or investment agreement provider or a drop in the ratings thereon below "AA" or "Aa", as appropriate, or "AAA" or "Aaa", as appropriate, in the case of a foreign bank so notify Insurer and, if so directed by Insurer, shall demand further collateralization of the agreement or termination thereof and liquidation of the collateral.

(f) In the event any funds or accounts are invested in an investment agreement described in clause (10) of the definition of Permitted Investments, the Trustee shall give notice to the provider of such investment agreement in accordance with the terms of such investment agreement to receive funds thereunder with no penalty or premium.

(g) Except as otherwise provided in the following sentence, the District covenants that all investments of amounts deposited in any fund or account created by or pursuant to this Trust Agreement, or otherwise containing gross proceeds of the Certificates (within the meaning of section 148 of the Code) shall be acquired, disposed of, and valued (as of the date that valuation is required by this Indenture or the Code) at Fair Market Value. Investments in funds or accounts (or portions thereof) that are subject to a yield restriction under applicable provisions of the Code and (unless valuation is undertaken at least annually) investments in the Reserve Fund shall be valued at their present value (within the meaning of section 148 of the Code).

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ARTICLE VIII
COVENANTS

Section 8.01 **Compliance with Trust Agreement**. The Trustee will not execute or deliver any Series 2004A Certificates in any manner other than in accordance with the provisions hereof, and the Authority and the District will not suffer or permit any default by them to occur hereunder, but will faithfully comply with, keep, observe and perform all the agreements, conditions, covenants and terms hereof required to be complied with, kept, observed and performed by them.

Section 8.02 **Compliance with Ground Lease and Lease Agreement**. The Authority and the District will faithfully comply with, keep, observe and perform all the agreements, conditions, covenants and terms contained in the Ground Lease and the Lease Agreement required to be complied with, kept, observed and performed by them and, together with the Trustee, will enforce the Ground Lease and the Lease Agreement against the other party thereto in accordance with their respective terms.

Section 8.03 **Observance of Laws and Regulations**. The Authority, the District and the Trustee will faithfully comply with, keep, observe and perform all valid and lawful obligations or regulations now or hereafter imposed on them by contract, or prescribed by any law of the United States of America or of the State of California, or by any officer, board or commission having jurisdiction or control, as a condition of the continued enjoyment of each and every franchise, right or privilege now owned or hereafter acquired by them, including their right to exist and carry on their respective businesses, to the end that such franchises, rights and privileges shall be maintained and preserved and shall not become abandoned, forfeited or in any manner impaired.

Section 8.04 **Other Liens**. The District will keep the Property and all parts thereof free from judgments and materialmen's and mechanics' liens and free from all claims, demands, encumbrances and other liens of whatever nature or character, and free from any claim or liability which materially impairs the District in conducting its business or utilizing the Property, and the Trustee at its option (after first giving the District ten days' written notice to comply therewith and failure of the District to so comply within such ten-day period) may defend against any and all actions or proceedings, or may pay or, with the consent of Insurer, compromise any claim or demand asserted in any such actions or proceedings; provided, however, that, in defending against any such actions or proceedings or in paying or compromising any such claims or demands, the Trustee shall not in any event be deemed to have waived or released the District from liability for or on account of any of its agreements and covenants contained herein, or from its obligation hereunder to perform such agreements and covenants. The Trustee shall have no liability with respect to any determination made in good faith to proceed or decline to defend, pay or compromise any such claim or demand.

So long as any Series 2004A Certificates are Outstanding, none of the Trustee, the Authority or the District shall create or suffer to be created any pledge of or lien on

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the amounts on deposit in any of the funds or accounts created hereunder, other than the pledge and lien hereof.

The Authority and the Trustee shall not encumber the Property other than in accordance with the Ground Lease, the Lease Agreement, the Trust Agreement and the Assignment Agreement.

Section 8.05 **Prosecution and Defense of Suits**. The District will promptly, upon request of the Trustee, Insurer, the Bank, the Authority or any Owner, take such action from time to time as maybe necessary or proper to remedy or cure any cloud upon or defect in the title to the Property or any part thereof, whether now existing or hereafter developing, will prosecute all actions, suits or other proceedings as may be appropriate for such purpose and will indemnify and save the Trustee, Insurer, the Bank, the Authority and every Owner harmless from all cost, damage, expense or loss, including attorneys' fees, which they or any of them may incur by reason of any such cloud, defect, action, suit or other proceeding.

The District will defend against every action, suit or other proceeding at any time brought against the Trustee, Insurer, the Bank, the Authority or any Owner upon any claim arising out of the receipt, deposit or disbursement of any of the Base Rental or involving the rights of the Trustee, Insurer, the Bank, the Authority or any Owner hereunder; provided, however, that the Trustee, Insurer, the Bank, the Authority or any Owner at its election may appear in and defend any such action, suit or other proceeding. The District will, to the extent permitted by law, indemnify and hold harmless the Trustee, Insurer, the Bank, the Authority and the Owners against any and all liability claimed or asserted by any person arising out of any such receipt, deposit or disbursement, and will, to the extent permitted by law, indemnify and hold harmless the Trustee, Insurer, the Bank, the Authority and the Owners against any attorneys' fees or other expenses which any of them may incur in connection with any litigation or otherwise in connection with the foregoing to which any of them may become a party in order to enforce their rights hereunder, provided that no indemnification will be made to the Trustee for losses arising out of the willful misconduct or negligence of the Trustee.

Section 8.06 **Accounting Records and Statements**. The Trustee will keep proper accounting records in which complete and correct entries shall be made of all transactions relating to the receipt, deposit and disbursement of the Base Rental, and such accounting records shall be available for inspection by the Authority and the District at reasonable hours and under reasonable conditions. The Trustee will, upon written request, make copies of the foregoing available to Insurer, the Bank and any Owner or his agent duly authorized in writing. The Trustee shall deliver a monthly accounting to the District; provided that the Trustee shall not be obligated to deliver an accounting for any fund or account that (a) has a balance of $0.00 and (b) has not had any activity since the last reporting date.

Section 8.07 **Recordation**. The District shall record, or cause to be recorded, with the appropriate county recorder, the Lease Agreement, the Ground Lease and the Assignment Agreement, or memoranda thereof.

Section 8.08 **Tax Covenants**.

(a) In order to maintain the exclusion from gross income for federal income tax purposes of interest with respect to the Certificates, the District covenants to comply with each applicable requirement of Section 103 and Sections 141 through 150 of the Code. In furtherance of this covenant, the District agrees to comply with the Tax Certificate as a source of guidance for compliance with such provisions. The Trustee hereby agrees to comply with any instructions received from the District which the District indicates must be followed in order to comply with the Tax Certificate.

Notwithstanding any other provision of this Trust Agreement to the contrary, upon the District's failure to observe, or refusal to comply with, the foregoing covenant, no person other than the Trustee or the Owners of the Certificates shall be entitled to exercise any right or remedy provided to the above Owners under this Trust Agreement on the basis of the District's failure to observe, or refusal to comply with, the covenant.

(b) In the event that at any time the District is of the opinion that for purposes of this Section it is necessary or helpful to restrict or limit the yield on the investment of any moneys held by the Trustee in any of the funds or accounts established hereunder, the District shall so instruct the Trustee in writing, and the Trustee shall take such action as may be necessary in accordance with such instructions.

(c) Notwithstanding any provisions of this Section, if the District shall provide to the Trustee an Opinion of Counsel to the effect that any specified action required under this Section is no longer required or that some further or different action is required to maintain the exclusion from federal income tax of interest evidenced by the Series 2004A Certificates, the Trustee may conclusively rely on such opinion in complying with the requirements of this Section and of the Tax Certificate, and the covenants hereunder shall be deemed to be modified to that extent.

Section 8.09 **Covenant to Comply With Future Continuing Disclosure Requirements**. In the event that, following a Series 2004A Conversion Date, the Series 2004A Certificates become subject to Rule 15c2-12 promulgated by the Securities and Exchange Commission (the "Rule"), the respective Obligor hereby covenants to comply with the continuing disclosure requirements of the Rule and will then provide written evidence of its intent to do so.

Section 8.10 **Further Assurances**. Whenever and so often as requested to do so by the Trustee, Insurer, the Bank or any Owner, the Authority and the District will promptly execute and deliver or cause to be executed and delivered all such other and further assurances, documents or instruments and promptly do or cause to be done all such other and further things as may be necessary or reasonably required in order to further and more fully vest in the Trustee, Insurer, the Bank and the Owners all advantages, benefits, interests, powers, privileges and rights conferred or intended to be conferred upon them hereby or by the Assignment Agreement, the Ground Lease or the Lease Agreement.

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ARTICLE IX
DEFAULT AND LIMITATIONS OF LIABILITY

Section 9.01 **Action on Default**. If an event of default (within the meaning of Article VI of the Lease Agreement) shall happen, then such event of default shall constitute an event of default hereunder. The Trustee may give notice, as assignee of the Authority, of an event of default under the Lease Agreement to the District, and shall do so if directed to do so by Insurer or the Owners of not less than a majority of the aggregate Principal evidenced by Series 2004A Certificates then Outstanding. In each and every case during the continuance of an event of default, the Trustee (a) may, with the prior written consent of Insurer, at the direction of the Owners of not less than a majority of the aggregate Principal evidenced by Series 2004A Certificates then Outstanding, and (b) shall, so long as Insurer is not in default in its payment obligations under the Insurance Policy, at the direction of Insurer, upon notice in writing to the District and the Authority, exercise any of the remedies granted to the Authority under the Lease Agreement and, in addition, with the written consent or at the written direction of, Insurer, take whatever action at law or in equity may appear necessary or desirable to enforce its rights as assignee pursuant to the Assignment Agreement or to protect and enforce any of the rights vested in the Trustee or the Owners by this Trust Agreement or by the Series 2004A Certificates, either at law or in equity or in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement or for the enforcement of any other legal or equitable right, including any one or more of the remedies set forth in Section 9.02 hereof.

Section 9.02 **Other Remedies of the Trustee**. Subject to the provisions of Section 9.01 hereof, the Trustee shall have the right:

(a) by mandamus or other action or proceeding or suit at law or in equity to enforce its rights hereunder or under the Lease Agreement against the Authority or the District or any member, director, officer or employee thereof, and to compel the Authority or the District or any such member, director, officer or employee to perform or carry out its or his or her duties under law and the agreements and covenants required to be performed by it or him or her contained herein;

(b) by suit in equity to enjoin any acts or things which are unlawful or violate the rights of the Trustee; or

(c) by suit in equity upon the happening of any event of default hereunder to require the Authority and the District to account as the trustee of an express trust.

Section 9.03 **Non-Waiver**. So long as Insurer is not in default in its payment obligations under the Insurance Policy, the Trustee shall not waive any default or breach of duty or contract hereunder without the prior written consent of Insurer. A waiver of any default or breach of duty or contract by the Trustee shall not affect any subsequent default or breach of duty or contract or impair any rights or remedies on any such subsequent default or breach of duty or contract. No delay or omission by the Trustee to exercise any right or remedy accruing upon any default or breach of duty or

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contract shall impair any such right or remedy or shall be construed to be a waiver of any such default or breach of duty or contract or an acquiescence therein, and every right or remedy conferred upon the Trustee by law or by this Article may be enforced and exercised from time to time and as often the Trustee shall deem expedient.

If any action, proceeding or suit to enforce any right or to exercise any remedy is abandoned or determined adversely to the Trustee, Insurer, the Bank or any Owner, then subject to any adverse determination, the Trustee, Insurer, the Bank, such Owner, the Authority and the District shall be restored to their former positions, rights and remedies as if such action, proceeding or suit had not been brought or taken.

Section 9.04 **Remedies Not Exclusive**. Subject to the provisions of Section 9.01 hereof, no remedy herein conferred upon or reserved to the Trustee is intended to be exclusive of any other remedy, and each such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing in law or in equity or by statute or otherwise and may be exercised without exhausting and without regard to any other remedy conferred by any law. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

Section 9.05 **No Liability by the Authority to the Owners**. Except as expressly provided herein, the Authority shall not have any obligation or liability to the Owners with respect to the payment when due of the Base Rental by the District, or with respect to the performance by the District of the other agreements and covenants required to be performed by it contained in the Lease Agreement, the Ground Lease or herein, or with respect to the performance by the Trustee of any right or obligation required to be performed by it contained herein.

Section 9.06 **No Liability by the District to the Owners**. Except for the payment when due of the Base Rental and the performance of the other agreements and covenants required to be performed by it contained in the Lease Agreement, the Ground Lease or herein, the District shall not have any obligation or liability to the Owners with respect to the Trust Agreement or the preparation, execution, delivery or transfer of the Series 2004A Certificates or the disbursement of the Base Rental by the Trustee to the Owners, or with respect to the performance by the Trustee of any right or obligation required to be performed by it contained herein.

Section 9.07 **No Liability of the Trustee to the Owners**. Except as expressly provided herein, the Trustee shall not have any obligation or liability to the Owners with respect to the payment when due of the Base Rental by the District, or with respect to the performance by the Authority or the District of the other agreements and covenants required to be performed by them, respectively contained in the Lease Agreement, the Ground Lease or herein.

Section 9.08 **Application of Amounts After Default**. All payments received by the Trustee with respect to the rental of the Property after a default by the District pursuant to Article VI of the Lease Agreement (including, without limitation, any

proceeds received in connection with the sale, assignment or sublease of the Authority's right, title and interest in the Ground Lease), and all damages or other payments received by the Trustee for the enforcement of any rights and powers of the Trustee under Article VI of the Lease Agreement, shall be deposited into the Base Rental Payment Fund and, together with other amounts held by the Trustee hereunder (other than amounts on deposit in the Rebate Fund), shall be applied at the earliest practicable time determined by the Trustee:

(a) to the payment of all amounts due the Trustee under Section 10.03 hereof;

(b) to the payment of all amounts then due for interest evidenced by the Series 2004A Certificates, in respect of which, or for the benefit of which, money has been collected (other than Series 2004A Certificates which have become payable prior to such event of default and money for the payment of which is held by the Trustee), ratably without preference or priority of any kind, according to the amounts of interest evidenced by such Series 2004A Certificates due and payable;

(c) to the payment of all amounts then due for Principal evidenced by the Series 2004A Certificates, in respect of which, or for the benefit of which, money has been collected (other than Series 2004A Certificates which have become payable prior to such event of default and money for the payment of which is held by the Trustee), ratably without preference or priority of any kind, according to the amounts of Principal evidenced by such Series 2004A Certificates due and payable; and

(d) to the extent not included in clause (b) or clause (c) above, to the payment of all amounts then due to Insurer and the Bank.

Section 9.09 **Trustee May Enforce Claims Without Possession of Series 2004A Certificates**. All rights of action and claims under this Trust Agreement or the Series 2004A Certificates may be prosecuted and enforced by the Trustee without the possession of any of the Series 2004A Certificates or the production thereof in any proceeding relating thereto, and any such proceeding instituted by the Trustee shall be brought in its own name as trustee of an express trust, and any recovery of judgment shall be subject to subsection (g) of Section 6.01 hereof, after provision for the payment of the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel, be for the ratable benefit of the Owners of the Series 2004A Certificates in respect of which such judgment has been recovered.

Section 9.10 **Limitation on Suits**. No Owner of any Certificate shall have any right to institute any proceeding, judicial or otherwise, with respect to this Trust Agreement, or for the appointment of a receiver or Trustee, or for any other remedy hereunder, unless (a) such Owner shall have previously given written notice to the Trustee of a continuing event of default, (b) so long as Insurer is not in default in its payment obligations under the Insurance Policy, such Owner shall have obtained Insurer's consent to such institution or appointment, (c) the Owners of not less than 25% of the aggregate Principal evidenced by Series 2004A Certificates then

Outstanding shall have made written request to the Trustee to institute proceedings in respect of such event of default in its own name as Trustee hereunder, (d) such Owner or Owners shall have afforded to the Trustee indemnity reasonably satisfactory to the Trustee against the costs, expenses and liabilities to be incurred in compliance with such request, (e) the Trustee for 60 days after its receipt of such notice, request and offer of indemnity shall have failed to institute any such proceedings, and (f) no direction inconsistent with such written request shall have been given to the Trustee during such 60 day period by the Owners of a majority of the aggregate Principal evidenced by Series 2004A Certificates then Outstanding; it being understood and intended that no one or more Owners of Series 2004A Certificates shall have any right in any manner whatever by virtue of, or by availing of, any provision of this Trust Agreement to affect, disturb or prejudice the rights of any other Owner of Series 2004A Certificates, or to obtain or seek to obtain priority or preference over any other Owner or to enforce any right under this Trust Agreement, except in the manner herein provided and for the equal and ratable benefit of all the Owners of Series 2004A Certificates.

ARTICLE X
THE TRUSTEE AND THE REMARKETING AGENT

Section 10.01 **Employment of the Trustee; Duties**. The Authority and the District hereby appoint and employ the Trustee to receive, deposit and disburse the Base Rental, to prepare, execute, deliver and transfer the Series 2004A Certificates and to perform the other functions contained herein, all in the manner provided herein and subject to the conditions and terms hereof. By executing and delivering this Trust Agreement, the Trustee accepts the appointment and employment hereinabove referred to and accepts the rights and obligations of the Trustee provided herein, subject to the conditions and terms hereof. Other than when an event of default has occurred and is continuing, the Trustee undertakes to perform such duties and only such duties as are specifically set forth in this Trust Agreement, and no implied covenants or obligations shall be read into this Trust Agreement against the Trustee. In case an event of default has occurred and is continuing, the Trustee shall exercise such of the rights and powers vested in it by this Trust Agreement, and use the same degree of care and skill in their exercise, as a prudent person would exercise or use under the circumstances in the conduct of such person's own affairs.

The Trustee agrees to hold all Series 2004A Certificates delivered to it for purchase hereunder in trust for the benefit of, the respective Owners which shall have so delivered such Series 2004A Certificates until moneys representing the Purchase Price of such Series 2004A Certificates shall have been delivered to or for the account of or to the order of such Owners and to keep such books and records as shall be consistent with prudent industry practice and to make such books and records available for inspection by the District and the Remarketing Agent.

Section 10.02 **Removal and Resignation of the Trustee**. The District may, subject to the provisions of the Standby Agreement, by an instrument in writing, remove the Trustee initially a party hereto and any successor thereto unless an event of default shall have occurred and then be continuing, and shall remove the Trustee initially a

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party hereto and any successor thereto if at any time (a) requested to do so by Insurer (as long as Insurer is not in default in its payment obligations under the Insurance Policy) or by an instrument or concurrent instruments in writing signed by the Owners of a majority of the aggregate Principal component represented by the Series 2004A Certificates at the time Outstanding (or their attorneys duly authorized in writing), or (b) the Trustee shall cease to be eligible in accordance with the following sentence, and shall appoint a successor Trustee. The Trustee and any successor Trustee shall be a commercial bank or trust company with trust powers having (or if such bank or trust company is a member of a bank holding company system, its bank holding company has) a combined capital (exclusive of borrowed capital) and surplus of at least $50,000,000 and subject to supervision or examination by federal or state authorities. If such bank or trust company publishes a report of condition at least annually, pursuant to law or to the requirements of any supervising or examining authority above referred to, then for the purposes of this Section the combined capital and surplus of such bank or trust company shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published.

The Trustee may at any time resign by giving written notice of such resignation to the Authority and the District and by giving notice, by first class mail, postage prepaid, of such resignation to the Owners at their addresses appearing on the registration books maintained by the Trustee. Upon receiving such notice of resignation, the District shall, subject to the provisions of the Standby Agreement, promptly appoint a successor Trustee by an instrument in writing; provided, however, that in the event the District does not appoint a successor Trustee within 30 days following receipt of such notice of resignation, the resigning Trustee may, at the expense of the District, petition the appropriate court having jurisdiction to appoint a successor Trustee. Any resignation or removal of a Trustee and appointment of a successor Trustee shall become effective only upon acceptance of appointment by the successor Trustee. Any successor Trustee appointed under this Trust Agreement shall signify its acceptance of such appointment by executing and delivering to the District, the Authority and the Bank and to its predecessor Trustee a written acceptance thereof, and thereupon such successor Trustee, without any further act, deed or conveyance, shall become vested with all the moneys, estates, properties, rights, powers, trusts, duties and obligations of such predecessor Trustee, with like effect as if originally named Trustee herein; but, nevertheless, at the written request of the District or of the successor Trustee, such predecessor Trustee shall execute and deliver any and all instruments of conveyance or further assurance and do such other things as may reasonably be required for more fully and certainly vesting in and confirming to such successor Trustee all the right, title and interest of such predecessor Trustee in and to any property held by it under this Trust Agreement and shall pay over, transfer, assign and deliver to the successor Trustee any money or other property subject to the trusts and conditions herein set forth, including the Facility (which shall be transferred in accordance with the terms thereof).

Any corporation, association or agency into which the Trustee may be converted or merged, or with which it may be consolidated, or to which it may sell or transfer its corporate trust business (including the trust contemplated by this Trust Agreement) and

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assets as a whole or substantially as a whole, or any corporation or association resulting from any such conversion, sale, merger, consolidation or transfer to which it is a party, provided that such entity meets the combined capital and surplus requirements of this Section, *ipso facto*, shall be and become successor trustee under this Trust Agreement and vested with all the trusts, powers, discretions, immunities, privileges and all other matters as was its predecessor, without the execution or filing of any instrument or any further act, deed or conveyance on the part of any of the parties hereto, anything herein to the contrary notwithstanding.

Section 10.03 **Compensation of the Trustee**. The District shall from time to time, subject to any written agreement then in effect with the Trustee, pay the Trustee reasonable compensation for all its services rendered hereunder and reimburse the Trustee for all its reasonable advances and expenditures (which shall not include "overhead expenses" except as such expenses are included as a component of the Trustee's stated annual fees) hereunder, including but not limited to advances to and reasonable fees and reasonable expenses of accountants, agents, appraisers, consultants or other experts, and counsel not directly employed by the Trustee but an attorney or firm of attorneys retained by the Trustee, employed by it in the exercise and performance of its rights and obligations hereunder; provided, however, that the Trustee shall not have any lien for such compensation or reimbursement against any moneys held by it in any of the funds or accounts established hereunder (except that such compensation or reimbursement may be made from the Costs of Issuance Account to the extent provided in Section 7.02 hereof or from the Base Rental Fund or Reserve Fund to the extent provided in Section 9.08 hereof). The Trustee may take whatever legal actions are lawfully available to it directly against the Authority or the District.

Except as otherwise expressly provided herein, no provision of this Trust Agreement shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder or in the exercise of any of its rights or powers hereunder.

Section 10.04 **Protection of the Trustee**. The Trustee shall be protected and shall incur no liability in acting or proceeding in good faith upon any affidavit, bond, certificate, consent, notice, request, requisition, resolution, statement, telegram, voucher, waiver or other paper or document which it shall in good faith believe to be genuine and to have been adopted, executed or delivered by the proper party or pursuant to any of the provisions hereof, and the Trustee shall be under no duty to make any investigation or inquiry as to any statements contained or matters referred to in any such instrument, but may accept and rely upon the same as conclusive evidence of the truth and accuracy of such statements. The Trustee shall be under no obligation to exercise any of the rights or powers vested in it by this Trust Agreement at the request or direction of any of the Owners of the Series 2004A Certificates pursuant to this Trust Agreement, unless such Owners shall have offered to the Trustee security or indemnity, reasonably satisfactory to the Trustee, against the reasonable costs, expenses and liabilities which might be incurred by it in compliance with such request or direction. Under no circumstances shall the Trustee request or be entitled to indemnification from the District for taking actions required by and in accordance with

this Trust Agreement, including, but not limited to, requesting amounts under the Facility, causing payments of interest and Principal evidenced by the Series 2004A Certificates to be made to the Owners thereof and carrying out purchases or prepayments of the Series 2004A Certificates in accordance with the terms hereof. The Trustee may consult with counsel, who may be counsel to the Authority or the District, with regard to legal questions, and the opinion of such counsel shall be full and complete authorization and protection in respect to any action taken or suffered by it hereunder in good faith in accordance therewith.

The Trustee shall not be responsible for the sufficiency of the Series 2004A Certificates or the Lease Agreement, or of the assignment made to it by the Assignment Agreement, or for statements made in the preliminary or final official statement relating to the Series 2004A Certificates, or of the title to the Property.

The Trustee shall not be required to take notice or be deemed to have notice of any default or event of default hereunder, except failure of any of the payments to be made to the Trustee required to be made hereunder or under the Lease Agreement, unless the Trustee shall be specifically notified in writing of such default, or event of default by Insurer, the District, the Authority or by the Owners of not less than 25% of the aggregate Principal evidenced by the Series 2004A Certificates then Outstanding.

Whenever in the administration of its rights and obligations hereunder the Trustee shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action hereunder, such matter (unless other evidence in respect thereof be herein specifically prescribed) may be deemed to be conclusively proved and established by a Certificate of the District or a Certificate of the Authority, and such certificate shall be full warrant to the Trustee for any action taken or suffered under the provisions hereof upon the faith thereof, but in its discretion the Trustee may, in lieu thereof, accept other evidence of such matter or may require such additional evidence as it deems reasonable.

The Trustee may buy, sell, own, hold and deal in any of the Series 2004A Certificates and may join in any action which any Owner may be entitled to take with like effect as if the Trustee were not a party hereto. The Trustee, either as principal or agent, may also engage in or be interested in any financial or other transaction with the Authority or the District, and may act as agent, depository or trustee for any committee or body of Owners or of owners of obligations of the Authority or the District as freely as if it were not the Trustee hereunder.

The Trustee may, to the extent reasonably necessary, execute any of the trusts or powers hereof and perform any rights and obligations required of it hereunder by or through agents, attorneys or receivers, and shall be entitled to advice of counsel concerning all matters of trust and its rights and obligations hereunder, and the Trustee shall not be answerable for the negligence or misconduct of any such agent, attorney or receiver selected by it with reasonable care; provided, however, that in the event of any negligence or misconduct of any such attorney, agent or receiver, the Trustee shall diligently pursue all remedies of the Trustee against such agent, attorney or receiver.

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The Trustee shall not be liable for any error of judgment made by it in good faith unless it shall be proved that the Trustee was negligent in ascertaining the pertinent facts.

The Trustee shall not be answerable for the exercise of any trusts or powers hereunder or for anything whatsoever in connection with the funds established hereunder, except only for its own willful misconduct, negligence or breach of an obligation hereunder.

The Trustee may, on behalf of the Owners, intervene in any judicial proceeding to which the Authority or the District is a party and which, in the opinion of the Trustee and its counsel, affects the Series 2004A Certificates or the security therefor, and shall do so if requested in writing by Insurer or the Owners of at least 5% of the aggregate Principal evidenced by Series 2004A Certificates then Outstanding, provided the Trustee shall have no duty to take such action unless it has been indemnified to its reasonable satisfaction against all risk or liability arising from such action.

Section 10.05 Appointment of Co-Trustee. It is the purpose of this Trust Agreement that there shall be no violation of any law of any jurisdiction (including particularly the laws of the State of California) denying or restricting the right of banking corporations or associations to transact business as Trustee in such jurisdiction. It is recognized that in the case of litigation under this Trust Agreement, and in particular in case of the enforcement of the rights of the Trustee on default, or in the case the Trustee deems that by reason of any present or future law of any jurisdiction it may not exercise any of the powers, rights or remedies herein granted to the Trustee or hold title to the properties, in trust, as herein granted, or take any other action which may be desirable or necessary in connection therewith, it may be necessary that the Trustee appoint an additional institution as a separate or co-trustee. The following provisions of this Section are adopted to these ends.

In the event that the Trustee appoints an additional institution as a separate or co-trustee, each and every remedy, power, right, claim, demand, cause of action, immunity, estate title, interest and lien expressed or intended by this Trust Agreement to be exercised by or vested in or conveyed to the Trustee with respect thereto shall be exercisable by and vest in such separate or co-trustee but only to the extent necessary to enable such separate or co-trustee to exercise such powers, rights and remedies, and every covenant and obligation necessary to the exercise thereof by such separate or co-trustee shall run to and be enforceable by either of them. Any co-trustee shall be bound by the standards of care, duties and obligations of the Trustee under this Trust Agreement as if such co-trustee were the Trustee. Any co-trustee shall be a bank or trust company doing business in the State of California and at all times shall have a combined capital (exclusive of borrowed capital) and surplus of at least $50,000,000 and subject to supervision or examination by federal or state authorities. If such bank or trust company publishes a report of condition at least annually, pursuant to law or to the requirements of any supervising or examining authority above referred to, then for the purposes of this Section the combined capital and surplus of such bank or trust company shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published.

Should any instrument in writing from the District, the Authority or Insurer be required by the separate trustee or co-trustee so appointed by the Trustee for more fully and certainly vesting in and confirming to it such properties, rights, powers, trusts, duties and obligations, any and all such instruments in writing shall, on request, be executed, acknowledged and delivered by the District, the Authority or Insurer. In case any separate trustee or co-trustee, or a successor to either, shall become incapable of acting, resign or be removed, all the estates, properties, rights, powers, trusts, duties and obligations of such separate trustee or co-trustee, so far as permitted by law, shall vest in and be exercised by the Trustee until the appointment of a new Trustee or successor to such separate trustee or co-trustee.

Section 10.06 **The Remarketing Agent**. Banc of America Securities LLC is hereby appointed initial Remarketing Agent for the Series 2004A Certificates. The Remarketing Agent shall designate its Principal office and signify its acceptance of the duties and obligations imposed upon it hereunder by a written instrument of acceptance delivered to the District and the Trustee under which the Remarketing Agent will agree, among other things, to hold all moneys delivered to it hereunder for the purchase of Series 2004A Certificates as agent and bailee of, and in escrow for the benefit of, the person or entity which shall have so delivered such moneys until such moneys are delivered to the Trustee, and to keep such books and records as shall be consistent with prudent industry practice and to make such books and records available for inspection by the District and the Trustee at all reasonable times.

Section 10.07 **Qualifications of Remarketing Agent**. The Remarketing Agent shall be either (a) a member of the National Association of Securities Dealers, Inc., having a capitalization of at least $50,000,000, or (b) a commercial bank having combined capital and surplus of $50,000,000 and, in either event, rated Baa/Prime-3 or better by Moody's or shall otherwise be approved in writing by the rating agencies then rating the Series 2004A Certificates and authorized by law to perform all the duties imposed upon it by this Trust Agreement. The Remarketing Agent may at any time resign and be discharged of the duties and obligations created by this Trust Agreement by giving at least 120 days' notice to the District, the Trustee, Insurer and the Bank. The Remarketing Agent may be removed at any time by the District, and Insurer may at any time direct the District to so remove the Remarketing Agent. Successor Remarketing Agents shall be appointed from time to time by the District, with the prior written approval of Insurer and the Bank.

If the Remarketing Agent resigns or is removed, the Remarketing Agent shall pay over, assign and deliver any money and Series 2004A Certificates held by it in such capacity to the successor Remarketing Agent. If the Remarketing Agent shall resign or be removed, or be dissolved, or if the property or affairs of the Remarketing Agent shall be taken under the control of any state or federal court or administrative body because of bankruptcy or insolvency, or for any other reason, the District shall appoint a successor Remarketing Agent, with the prior written approval of Insurer and Bank. If the District fails to so appoint a successor Remarketing Agent, the Trustee shall appoint a successor Remarketing Agent with the prior written approval of Insurer and the Bank.

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Any successor Remarketing Agent appointed under this Trust Agreement, shall signify its acceptance of such appointment by executing and delivering to the District, the Trustee, and to its predecessor Remarketing Agent, a written acceptance thereof, and thereupon such successor Remarketing Agent, without further act, deed or conveyance, shall become vested with all the monies, estates, properties, rights, powers, trusts, duties and obligations of such predecessor Remarketing Agent, with like effect as if originally named Remarketing Agent herein; but nevertheless at the request of the District or the request of the successor Remarketing Agent, such predecessor Remarketing Agent shall execute and deliver any and all instruments of conveyance or further assurance and do such other things as may reasonably be required for more fully and certainly vesting in and confirming to such successor Remarketing Agent all the right, title and interest of such predecessor Remarketing Agent in and to any property held by it under this Trust Agreement and shall pay over, transfer, assign and deliver to the successor Remarketing Agent any money or other property subject to the trust and conditions herein set forth. Upon request of the successor Remarketing Agent, the District shall execute and deliver any and all instruments as may be reasonably required for more fully and certainly vesting in and confirming to successor Remarketing Agent all money, estates, properties, rights, powers, trusts, duties and obligations. Upon acceptance by a successor Remarketing Agent as provided in this subsection, the Trustee shall give notice of the succession of such Remarketing Agent hereunder to the Bank and to the Owners at the addresses shown in the registration books maintained by the Trustee.

ARTICLE XI
AMENDMENT OF OR SUPPLEMENT TO TRUST AGREEMENT

Section 11.01 Amendment or Supplement.

(a) This Trust Agreement and the rights and obligations of the Authority, the District, the Owners and the Trustee hereunder may be amended or supplemented at any time by an amendment hereof or supplement hereto which shall become binding when the prior written consents of Insurer (so long as Insurer is not in default in its payment obligations under the Insurance Policy) and the Owners of a majority of the aggregate Principal evidenced by the Series 2004A Certificates then Outstanding, exclusive of Series 2004A Certificates disqualified as provided in Section 11.02 hereof, are filed with the Trustee. No such amendment or supplement shall (i) extend the stated Principal Payment Date of any Certificate or reduce the rate of interest evidenced thereby or extend the time of payment of such interest or reduce the amount of Principal evidenced thereby or reduce the amount of any Mandatory Sinking Account Payment or change the prepayment terms and provisions or the provisions regarding delivery of notice of prepayment or diminish the security afforded by the Insurance Policy without the prior written consent of the Owner of each Certificate so affected and Insurer (so long as Insurer is not in default in its payment obligations under the Insurance Policy), (ii) reduce the percentage of Owners whose consent is required for the execution of any amendment hereof or supplement hereto without the prior written consent of the Owners of all Series 2004A Certificates then Outstanding and Insurer (so long as Insurer is not in default in its payment obligations under the Insurance Policy), (iii)

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modify any of the rights or obligations of the Trustee without the prior written consent of the Trustee, (iv) modify any of the rights or obligations of the Bank without the prior written consent of the Bank or (v) amend this Section without the prior written consent of the Owners of all Series 2004A Certificates then Outstanding and Insurer (so long as Insurer is not in default in its payment obligations under the Insurance Policy).

(b) This Trust Agreement and the rights and obligations of the Authority, the District, the Owners and the Trustee hereunder may also be amended or supplemented at any time by an amendment hereof or supplement hereto which shall become binding upon execution, with the prior written consent of Insurer (so long as Insurer is not in default in its payment obligations under the Insurance Policy), but without the written consents of any Owners, but only to the extent permitted by law and after receipt of an unqualified approving Opinion of Counsel and only for any one or more of the following purposes:

(i) to add to the agreements, conditions, covenants and terms required by the Authority or the District to be observed or performed herein other agreements, conditions, covenants and terms thereafter to be observed or performed by the Authority or the District, or to surrender any right or power reserved herein to or conferred herein on the Authority or the District, and which in either case shall not adversely affect the rights or interests of Insurer, the Bank or the Owners;

(ii) to make such provisions for the purpose of curing any ambiguity or of correcting, curing or supplementing any defective provision contained herein or in regard to questions arising hereunder which the Authority or the District may deem desirable or necessary and not inconsistent herewith, and which shall not materially adversely affect the rights or interests of Insurer, the Bank or the Owners;

(iii) to make such additions, deletions or modifications as may be necessary or appropriate to assure the exclusion from gross income for federal income tax purposes of interest evidenced by the Series 2004A Certificates;

(iv) for any other reason, provided such amendment or supplement does not materially adversely affect the rights or interests of Insurer, the Bank or the Owners; provided, however, that the Authority, the District and the Trustee may rely in entering into any such amendment or supplement upon an Opinion of Counsel stating that the requirements of this paragraph have been met with respect to such amendment or supplement.

(c) This Trust Agreement and the rights and obligations of the Authority, the District, the Owners and the Trustee hereunder may also be amended or supplemented as of any Series A Conversion Date by an amendment hereof or supplement hereto which shall become binding on such Series A Conversion Date, with the prior written consent of Insurer (so long as Insurer is not in default in its payment obligations under the Insurance Policy) and the Bank (so long as the Bank is not in default under the

Facility), but without the written consents of any Owners, but only to the extent permitted by law and only if the Series 2004A Certificates have been remarketed by the Remarketing Agent pursuant to subsection (d) of Section 5.02 hereof or Section 5.03 hereof for purchase on such Series A Conversion Date with such amended or supplemented rights or obligations.

Insurer shall be provided with a full original transcript of all proceedings relating to the amendment of or supplement to this Trust Agreement pursuant to this Section.

Section 11.02 Amendments to Ground Lease and Lease Agreement. The Ground Lease and the Lease Agreement may be amended in writing by agreement between the Authority and the District, with the prior written consent of the Trustee and Insurer, but no such amendment shall become effective as to the Owners unless and until approved in writing by the Owners of a majority in aggregate Principal evidenced by the Series 2004A Certificates then Outstanding. Notwithstanding the foregoing, the Ground Lease, the Lease Agreement and the rights and obligations provided thereby may also be modified or amended at any time with the consent of the Trustee and Insurer (which consent shall not be unreasonably withheld with respect to clause (1)) but without the consent of any Owners, upon the written agreement of the District and the Authority, but only (1) for the purpose of curing any ambiguity or omission relating thereto, or of curing, correcting or supplementing any defective provision contained in the Ground Lease or the Lease Agreement, (2) in regard to questions arising under the Ground Lease or the Lease Agreement which the District and the Authority may deem necessary or desirable and not inconsistent with the Ground Lease or the Lease Agreement and which shall not adversely affect the interests of the Owners of the Series 2004A Certificates then Outstanding, (3) to effect any substitution of the Property in accordance with Section 7 of the Sublease, or (4) for any other reason, provided such modification or amendment does not adversely affect the interests of the Owners of the Series 2004A Certificates then Outstanding; provided that the District and the Authority may rely in entering into any such amendment or modification thereof, and the Trustee may rely in giving its consent thereto upon the opinion of Independent Counsel stating that the requirements of this sentence have been met with respect to such amendment or modification.

Section 11.03 Disqualified Series 2004A Certificates. Series 2004A Certificates owned or held by or for the account of the District (but excluding Series 2004A Certificates held in any pension or retirement fund of the District) shall not be deemed Outstanding for the purpose of any consent or other action or any calculation of Outstanding Series 2004A Certificates provided in this Article, and shall not be entitled to consent to or take any other action provided in this Article, and the Trustee may adopt appropriate regulations to require each Owner, before his consent provided for herein shall be deemed effective, to reveal if the Series 2004A Certificates as to which such consent is given are disqualified as provided in this Section.

Section 11.04 Endorsement or Replacement of Series 2004A Certificates After Amendment or Supplement. After the effective date of any action taken as hereinabove provided in this Article, the Trustee may determine that the Series 2004A

Certificates may bear a notation by endorsement in form approved by the Trustee as to such action, and in that case upon demand of the Owner of any Outstanding Certificate and presentation of such Certificate for such purpose at the Principal Office of the Trustee a suitable notation as to such action shall be made on such Certificate. If the Trustee shall receive an Opinion of Counsel advising that new Series 2004A Certificates modified to conform to such action are necessary, modified Series 2004A Certificates shall be prepared, and in that case upon demand of the Owner of any Outstanding Series 2004A Certificates such new Series 2004A Certificates shall be exchanged at the Principal Office of the Trustee without cost to each Owner for Series 2004A Certificates then Outstanding upon surrender of such Outstanding Series 2004A Certificates.

Section 11.05 **Amendment by Mutual Consent**. Subject to the receipt of the prior written consent of Insurer and the Bank as provided in Section 11.01 hereof, the provisions of this Article shall not prevent any Owner from accepting any amendment as to the particular Series 2004A Certificates owned by him, provided that due notation thereof is made on such Series 2004A Certificates.

ARTICLE XII
DEFEASANCE

Section 12.01 Discharge of Series 2004A Certificates and Trust Agreement.

(a) If the Trustee shall pay or cause to be paid or there shall otherwise be paid (i) to the Owners of all Outstanding Series 2004A Certificates the interest and Principal evidenced thereby at the times and in the manner stipulated herein and therein, and (ii) all other amounts due hereunder and under the Lease Agreement and the Standby Agreement, then such Owners shall cease to be entitled to the pledge of and lien on the amounts on deposit in the funds and accounts established hereunder, as provided herein, and all agreements and covenants of the Authority, the District, and the Trustee to such Owners hereunder shall thereupon cease, terminate and become void and shall be discharged and satisfied.

(b) Any Outstanding Certificate shall be deemed to have been paid within the meaning and with the effect expressed in this Section when the whole amount of the Principal, premium, if any, and interest evidenced by such Certificate shall have been paid or when (i) in case said Certificate or portion thereof has been selected for prepayment in accordance with Section 4.04 hereof prior to its stated Principal Payment Date, the District shall have given to the Trustee irrevocable instructions to give, in accordance with the provisions of Section 4.05 hereof, notice of prepayment of such Certificate, or portion thereof, (ii) there shall be on deposit with the Trustee, moneys, or (A) Permitted Investments described in clause (1)(a) of the definition thereof, or (B) Permitted Investments described in clause (11) of the definition thereof, or any combinations thereof ("Defeasance Securities"), which Defeasance Securities shall not contain provisions permitting the redemption thereof other than at the option of the holder, the Principal of and the interest on which when due, and without any reinvestment thereof, will provide moneys which shall be sufficient to pay when due the

Principal, premium, if any, and interest evidenced by such Certificate and due and to become due on or prior to the prepayment date or its stated Principal Payment Date, as the case may be, and (iii) in the event the stated Principal Payment Date of such Certificate will not occur, and said Certificate is not to be prepaid, within the next succeeding 60 days, the District shall have given the Trustee irrevocable instructions to give notice, as soon as practicable in the same manner as a notice of prepayment given pursuant to Section 4.05 hereof, to the Owner of said Certificate, or portion thereof, stating that the deposit of moneys or Defeasance Securities required by clause (ii) of this subsection has been made with the Trustee and that said Certificate, or portion thereof, is deemed to have been paid in accordance with this Section and stating such Principal Payment Date or prepayment date upon which moneys are to be available for the payment of the Principal, premium, if any, and interest evidenced by said Certificate, or portion thereof.

Neither the moneys nor the Defeasance Securities deposited with the Trustee pursuant to this Section nor Principal or interest payments on any such Defeasance Securities shall be withdrawn or used for any purpose other than and shall be held in trust for and pledged to, the payment of the Principal, premium, if any, and interest evidenced by said Certificate, or portions thereof. If payment of less than all of the Series 2004A Certificates is to be provided for in the manner and with the effect expressed in this Section, the Trustee or the District, as applicable, shall select such Series 2004A Certificates, or portions thereof, in the manner specified in Section 4.04 hereof for selection for prepayment of less than all of the Series 2004A Certificates, in the Principal amounts designated to the Trustee by the District.

(c) The Trustee may seek and is entitled to rely upon (i) an Opinion of Counsel reasonably satisfactory to the Trustee to the effect that the conditions precedent to a defeasance pursuant to this Section have been satisfied, and (ii) such other opinions, certifications and computations, as the Trustee may reasonably request of independent certified public accountants or other financial consultants concerning the matters described in subsection (b) of this Section.

(d) After the payment of all the interest, prepayment premium, if any, and Principal evidenced by all Outstanding Series 2004A Certificates and all other amounts due hereunder and under the Lease Agreement and the Standby Agreement as provided in this Section, the Trustee shall execute and deliver to the Authority and the District all such instruments as may be necessary or desirable to evidence the discharge and satisfaction of the Trust Agreement, the Trustee shall pay over or deliver to the District all moneys or securities held by it pursuant hereto which are not required for the payment of the interest, prepayment premium, if any, and Principal evidenced by such Series 2004A Certificates and all other amounts due hereunder and under the Lease Agreement.

(e) Prior to any defeasance becoming effective under this Article, (i) all amounts currently due to Insurer under the Insurance Policy and to the Bank under the Standby Agreement shall have been paid in full, and (ii) the District shall cause to be delivered (A) an executed copy of a report, addressed to the Trustee, the District and

Insurer, in form and in substance acceptable to the Trustee, the District and Insurer, of a nationally recognized certified public accountant, or firm of such accountants, verifying that the Defeasance Securities and cash, if any, satisfy the requirements of clause (ii) of subsection (b) of this Section (a "Verification"), (B) a copy of the escrow deposit agreement entered into in connection with such defeasance, which escrow deposit agreement shall provide that no substitution of Defeasance Securities shall be permitted except with other Defeasance Securities and upon delivery of a new Verification and no reinvestment of Defeasance Securities shall be permitted except as contemplated by the original Verification or upon delivery of a new Verification, and (C) a copy of an Opinion of Counsel, dated the date of such defeasance and addressed to the Trustee, the District and Insurer, in form and in substance acceptable to the Trustee, the District and Insurer, to the effect that such Series 2004A Certificates have been paid within the meaning and with the effect expressed in the Trust Agreement, all agreements and covenants of the Authority, the District and the Trustee to the Owners of such Series 2004A Certificates under the Trust Agreement have ceased, terminated and become void and have been discharged and satisfied. In the event a forward purchase agreement is to be employed in connection with the Defeasance Securities purchased to defease Series 2004A Certificates, such agreement shall be subject to the approval of Insurer and shall be accompanied by such opinions of counsel as may be required by Insurer. Insurer shall be provided with final drafts of the above-referenced documentation not less than five Business Days prior to the funding of the escrow.

Prior to the defeasance of any Series 2004A Certificates in the Weekly Rate Mode becoming effective under this Article, the Trustee shall have received written confirmation from each rating agency then rating such Series 2004A Certificates that such defeasance would not, in and of itself, cause such rating agency to lower, withdraw or suspend its rating of such Series 2004A Certificates.

Section 12.02 Unclaimed Moneys. Any moneys held by the Trustee in trust for the payment and discharge of the interest or Principal evidenced by any of the Series 2004A Certificates which remain unclaimed for two years after the date when such interest or Principal evidenced by such Series 2004A Certificates have become payable, if such moneys were held by the Trustee at such date, or for two years after the date of deposit of such moneys if deposited with the Trustee after the date when the interest and Principal evidenced by such Series 2004A Certificates have become payable, shall, subject to subsection (g) of Section 6.01 hereof be repaid by the Trustee to the District as its absolute property free from trust, and the Trustee shall thereupon be released and discharged with respect thereto and the Owners shall look only to the District for the payment of the interest and Principal evidenced by such Series 2004A Certificates.

ARTICLE XIII
INSURANCE POLICY PROVISIONS

Section 13.01 Insurer To Be Deemed Owner; Rights of Insurer; Payments by Insurer; Notices.

4.8-111

(a) Notwithstanding any provision of this Trust Agreement to the contrary, so long as Insurer is not in default in its payment obligations under the Insurance Policy, Insurer shall at all times be deemed the sole and exclusive Owner of the Outstanding Series 2004A Certificates for the purposes of all approvals, consents, waivers, institution of any action, and the direction of all remedies, including but not limited to approval of or consent to any amendment of or supplement to this Trust Agreement which requires the consent or approval of the Owners of a majority of the aggregate Principal evidenced by the Series 2004A Certificates then Outstanding pursuant to this Trust Agreement; provided, however, that Insurer shall not be deemed to be the sole and exclusive Owner of the Outstanding Series 2004A Certificates with respect to any amendment or supplement to this Trust Agreement which seeks to amend or supplement this Trust Agreement for the purposes set forth in clauses (i), (ii) or (iv) of subsection (a) of Section 11.01 hereof, and provided further that Insurer shall not be deemed the sole and exclusive Owner of the Outstanding Series 2004A Certificates with respect to any amendment or supplement to this Trust Agreement, and shall not have the right to direct or consent to District, Authority, Trustee or Owner action as provided herein, if:

(i) Insurer shall be in payment default under the Insurance Policy and such failure shall continue for three Business Days;

(ii) any material provision of the Insurance Policy shall be held to be invalid by a final, non-appealable order of a court of competent jurisdiction, or the validity or enforceability thereof shall be contested by Insurer; or

(iii) a proceeding shall have been instituted in a court having jurisdiction in the premises seeking an order for relief, rehabilitation, reorganization, conservation, liquidation or dissolution in respect of Insurer under Article 16 of the Insurance Law of the State of New York or any successor provision thereto and such proceeding is not terminated for a period of 90 consecutive days or such court enters an order granting the relief sought in such proceeding.

(b) To the extent that Insurer makes payment of any interest or Principal evidenced by a Certificate, it shall become the Owner of such portion of such Certificate and the right to receive payment of such interest or Principal and shall be fully subrogated to all of the Owner's rights thereunder in accordance with the terms of the Insurance Policy to the extent of such payment, including the Owner's rights to payment thereof. To evidence such subrogation (i) in the case of subrogation as to claims for past due interest, the Trustee shall note Insurer's rights as subrogee on the registration books maintained by the Trustee upon receipt of proof from Insurer as to payment of such interest to the Owner of the Certificate evidencing such interest, and (ii) in the case of subrogation as to claims for a past due Principal, the Trustee shall note Insurer's rights as subrogee on the registration books maintained by the Trustee upon surrender of the Certificate evidencing such Principal by the Owner thereof to the Trustee.

(c) In the event that the interest or Principal evidenced by a Certificate shall be paid by Insurer pursuant to the terms of the Insurance Policy, (i) such Certificate

shall continue to be "outstanding" under the Trust Agreement, (ii) the pledge of the amounts on deposit in the funds and accounts established hereunder and all covenants, agreements and other obligations of the District hereunder and under the Lease Agreement shall continue to exist, (iii) Insurer shall be fully subrogated to all of the rights of such Owner in accordance with the terms and conditions of subsection (b) of this Section and the Insurance Policy, and (iv) neither the Trust Agreement nor the Lease Agreement shall be discharged unless and until all amounts due to Insurer have been paid in full.

(d) If, as a result of the District's nonpayment, when due, of all or a portion of a Base Rental (other than a nonpayment caused by an abatement of Rental Payments pursuant to the Lease Agreement), Insurer has paid said Base Rental on behalf of the District pursuant to the Insurance Policy, the first of Base Rental thereafter received from the District under the Lease Agreement shall be paid to Insurer, as the Owner of the Series 2004A Certificates (or portions thereof) evidencing such delinquent Base Rental in repayment of such payment by Insurer until such payment is paid in full. If, as a result of the District's nonpayment of all or a portion of a Base Rental (which nonpayment is caused by an abatement of Rental Payments pursuant to the Lease Agreement), Insurer has paid said Base Rental on behalf of the District pursuant to the Insurance Policy, Insurer, as the Owner of the Series 2004A Certificates (or portions thereof) representing such abated Base Rental, shall be entitled to receive, during the extension of the term of the Lease Agreement provided for in the Lease Agreement, any amounts paid in respect of such abated and unpaid Base Rental. Any such payment by the District pursuant to this Section shall be applied first to the interest component of such delinquent Base Rental due Insurer and second to the Principal component of such delinquent Base Rental due Insurer.

(e) If an event of default (within the meaning of Article VI of the Lease Agreement) shall have occurred and be continuing, Insurer may, regardless of whether a claim has been made under the Insurance Policy, at any time and at its sole option, pay to the Owners all or any Portion of the interest or Principal evidenced by the Series 2004A Certificates (at a price equal to 100% of the Principal evidenced by the Series 2004A Certificates so purchased) prior to the stated Principal Payment Dates thereof; provided, however, that such payment by Insurer shall not accelerate the District's obligation to make Rental Payments under the Lease Agreement. The Trustee shall accept such payments on behalf of the Owners and Insurer's obligations under the Insurance Policy shall be discharged to the extent of such payments.

(f) Insurer shall be notified (i) by the District in advance of the execution of any amendment of or supplement to this Trust Agreement and of any amendment to the Lease Agreement or the Ground Lease in the event consent of the Owners is not required for such amendment or supplement, (ii) by the Trustee within two Business Days of the Trustee's having actual knowledge of the occurrence of any event of default, and (iii) by the Trustee of any prepayment of Series 2004A Certificates (including the Principal evidenced by, and the CUSIP numbers of, such Series 2004A Certificates to be prepaid) at the same time that the Owners of the Series 2004A Certificates to be prepaid are notified. In addition, all notices, reports, certificates and

opinions (i) to be delivered to or by the Trustee or to the Owners or available at the request of the Owners pursuant to this Trust Agreement, or (ii) to be delivered by the District pursuant to the Lease Agreement or the Assignment Agreement shall also be delivered to Insurer.

(g) The Trustee shall also notify Insurer (i) immediately, upon the withdrawal of amounts on deposit in the Reserve Fund, other than amounts comprising investment earnings thereon or amounts in excess of the Reserve Requirement which may be withdrawn in accordance with the terms of the Trust Agreement, upon a claim being made under any Reserve Facility or upon the determination that a deficiency in the Reserve Fund exists as a result of fluctuations in the market value of investments held therein, and (ii) immediately upon the resignation or removal of the Trustee or the Remarketing Agent, or the appointment of a successor Trustee or Remarketing Agent.

Section 13.02 Deposits to Policy Payments Account; Payments Under the Insurance Policy.

(a) So long as the Insurance Policy shall be in full force and effect, the District and the Trustee hereby agree to comply with the provisions of this Section.

(b) If, on the third Business Day prior to a Principal Payment Date, Mandatory Sinking Account Payment Date or Interest Payment Date, the Trustee determines that there will be insufficient funds in the funds and accounts established hereunder available to pay the interest or Principal evidenced by the Series 2004A Certificates on such Principal Payment Date, Mandatory Sinking Account Payment Date or Interest Payment Date, the Trustee shall give notice to Insurer and to Insurer's Fiscal Agent (if any) by telephone or telecopy of the amount of such deficiency by 12:00 (noon) on such Business Day. If, on the second Business Day prior to such Principal Payment Date, Mandatory Sinking Account Payment Date or Interest Payment Date, there continues to be a deficiency in the amount available to pay the interest or Principal evidenced by the Series 2004A Certificates due on such Principal Payment Date, Mandatory Sinking Account Payment Date or Interest Payment Date, the Trustee shall make a claim under the Insurance Policy and give notice to Insurer and Insurer's Fiscal Agent (if any) by telephone of the amount of such deficiency, and the allocation of such deficiency among the amount required to pay the interest or Principal evidenced by the Series 2004A Certificates, confirmed in writing to Insurer and Insurer's Fiscal Agent (if any) by 12:00 (noon) on such second Business Day.

(c) The Trustee shall establish and maintain a separate special purpose trust account for the benefit of Owners of the Series 2004A Certificates known as the Policy Payments Account over which the Trustee shall have exclusive control and sole right of withdrawal. The Trustee shall deposit any amount paid under the Insurance Policy in the Policy Payments Account and distribute such amount only for purposes of making the payments for which a claim was made. Such amounts shall be received by the Trustee in trust for the Owners. Such amounts shall be disbursed by the Trustee to Owners in the same manner as payments of interest and Principal evidenced by the Series 2004A Certificates are to be made under the provisions hereof. It shall not be

necessary for such payments to be made by checks or wire transfers separate from the check or wire transfer used to make payments of interest and Principal with other funds available to make such payments. However, the amount of any payments of interest and Principal evidenced by the Series 2004A Certificates to be paid from the Policy Payments Account shall be noted as provided in subsection (e) of this Section. Funds held in the Policy Payments Account shall not be invested by the Trustee.

In the event the Series 2004A Certificates are subject to Mandatory Sinking Account Payment, upon receipt of the moneys due, affected Certificate Owners shall surrender their Series 2004A Certificates to the Trustee who shall authenticate and deliver to each such Owner a new Certificate or Series 2004A Certificates evidencing Principal in an aggregate amount equal to the unprepared portion of the Certificate surrendered, and upon the stated Principal Payment Date or advancement thereof and receipt of the moneys due, Certificate Owners shall surrender their Series 2004A Certificates for cancellation. The Trustee shall designate any portion of Principal evidenced by Series 2004A Certificates paid by Insurer, whether by virtue of Mandatory Sinking Account Payment, the stated Principal Payment Date or Insurer's election to pay said amounts prior to the stated Principal Payment Date pursuant to subsection (e) of Section 13.01 hereof, on its books as a reduction in the Principal evidenced by Series 2004A Certificates registered to the then current Owners, whether DTC or its nominee or otherwise, and shall issue a replacement Certificate to Insurer, registered in the name of Financial Security Assurance Inc., evidencing Principal in an amount equal to the Principal so paid (without regard to Authorized Denominations); provided, however, that the Trustee's failure to so designate any payment or issue any replacement Certificate shall have no effect on the amount of Principal or interest evidenced by any Certificate payable by the District or on the subrogation rights of Insurer.

(d) Any funds received by the Trustee as a result of any claim under the Insurance Policy shall be applied by the Trustee, together with the funds, if any, to be withdrawn from the Interest Fund, Principal Fund, Prepayment Fund and Reserve Fund, directly to the payment in full of the interest and Principal evidenced by the Series 2004A Certificates then due (including Series 2004A Certificates held for the Trustee's own account). Funds received by the Trustee as a result of any claim under the Insurance Policy shall be deposited by the Trustee in the Policy Payments Account and used solely for payment to the Owners of Series 2004A Certificates and may not be applied to satisfy any costs, expenses or liabilities of the Trustee. Any funds remaining in the Policy Payments Account following a Principal Payment Date, Mandatory Sinking Account Payment Date or Interest Payment Date shall promptly be remitted to Insurer, except for funds held for the payment of Principal or interest evidenced by Series 2004A Certificates for which the stated Principal Payment Date or date of prepayment has occurred but which have not been surrendered for payment.

(e) The Trustee shall keep a complete and accurate record of all funds deposited by Insurer into the Policy Payments Account and the allocation of such funds to payment of interest and Principal evidenced by any Certificate. Insurer shall have the right to inspect such records at reasonable times upon one Business Day's prior notice to the Trustee.

8.8.15

(f) Subject to and conditioned upon payment of any interest or Principal evidenced by the Series 2004A Certificates by or on behalf of Insurer, each Owner, by its purchase of Series 2004A Certificates, hereby assigns to Insurer, but only to the extent of all payments made by Insurer, all rights to the payment of interest or Principal evidenced by the Series 2004A Certificates, including, without limitation, any amounts due to the Owners in respect of securities law violations arising from the offer and sale of the Series 2004A Certificates, which are then due for payment. Insurer may exercise any option, vote, right, power or the like with respect to Series 2004A Certificates to the extent it has made a payment of Principal evidenced by Series 2004A Certificates pursuant to the Insurance Policy. The foregoing assignment is in addition to, and not in limitation of, rights of subrogation otherwise available to Insurer in respect of such payments. The Trustee shall take such action and deliver such instruments as may be reasonably requested or required by Insurer to effectuate the purpose or provisions of this subsection.

(g) Insurer shall have the right to advance any payment required to be made by the District in order to prevent an event of default under this Trust Agreement and the Trustee shall be required to accept such advance. The District shall, upon demand, reimburse Insurer for any such advance.

(h) The rights granted under this Trust Agreement, the Lease Agreement or the Ground Lease to Insurer to request, consent to or direct any action are rights granted to Insurer in consideration of its issuance of the Insurance Policy. Any exercise by Insurer of such rights is merely an exercise of Insurer's contractual rights and shall not be construed or deemed to be taken for the benefit of or on behalf of the Owners, nor does such action evidence any position of Insurer, positive or negative, as to whether Owner consent is required in addition to consent of Insurer.

(i) The District hereby agrees, to the extent permitted by law, to pay or reimburse Insurer any and all charges, fees, costs and expenses which Insurer may reasonably pay or incur, including, but not limited to, fees and expenses of attorneys, accountants, consultants and auditors and reasonable costs of investigations, in connection with (i) any accounts established or actions taken to facilitate payments under the Insurance Policy, (ii) the administration, enforcement, defense or preservation of any rights in respect of any of this Trust Agreement, the Lease Agreement, the Ground Lease, or the Assignment Agreement, including defending, monitoring or participating in any litigation or proceeding (including any bankruptcy proceeding in respect of the District or the Authority) relating to the Lease Agreement, the Ground Lease, the Assignment Agreement or this Trust Agreement, (iii) the pursuit of any of the remedies under the Lease Agreement, the Ground Lease, the Assignment Agreement or this Trust Agreement, or otherwise afforded by law or equity, to the extent such costs and expenses are not otherwise recovered, (iv) any amendment, waiver or other action with respect to, or related to, the Lease Agreement, the Ground Lease, the Assignment Agreement or this Trust Agreement whether or not executed or completed, (v) the violation by the District or the Authority of any law, rule or regulation, or any judgment, order or decree applicable to it, or (vi) any litigation or other dispute in connection with this Trust Agreement, the Lease Agreement, the Ground Lease, or the Assignment

Agreement, or the transactions contemplated thereby, other than amounts resulting from the failure of Insurer to honor its obligations under the Insurance Policy. Costs and expenses shall include a reasonable allocation of compensation and overhead attributable to time of employees of Insurer spent in connection with the actions described above, and Insurer reserves the right to charge a reasonable fee as a condition to executing any amendment, waiver or consent proposed in respect of the Lease Agreement, the Ground Lease, the Assignment Agreement or this Trust Agreement.

(j) In addition to any and all rights of reimbursement, subrogation and any other rights pursuant to the Lease Agreement or this Trust Agreement or under law or in equity, the District agrees, to the extent permitted by law, to pay or reimburse Insurer any and all charges, fees, costs, claims, losses, liabilities (including penalties), judgments, demands, damages, and expenses which Insurer or its officers, directors, shareholders, employees, agents and each person, if any, who controls Insurer within the meaning of either Section 15 of the Securities Act of 1933 or Section 20 of the Securities Exchange Act of 1934 may reasonably pay or incur, including, but not limited to, fees and expenses of attorneys, accountants, consultants and auditors and reasonable costs of investigations, of any nature in connection with, in respect of or relating to the transactions contemplated by the Lease Agreement, the Ground Lease, the Assignment Agreement or this Trust Agreement by reason of:

(i) any omission or action (other than of or by Insurer) in connection with the offering, execution, sale or delivery of the Series 2004A Certificates;

(ii) the negligence, bad faith, willful misconduct, misfeasance, malfeasance, or theft committed by any director, of officer, employee or agent of the District or the Authority, in connection with any transaction arising from or relating to the Lease Agreement, the Ground Lease, the Assignment Agreement or this Trust Agreement;

(iii) the violation by the District or the Authority of any law, rule or regulation, or any judgment, order or decree applicable to it;

(iv) the breach by the District or the Authority of any representation, warranty or covenant under the Lease Agreement, the Ground Lease, the Assignment Agreement or this Trust Agreement or the occurrence, in respect of the District under the Lease Agreement, the Ground Lease, the Assignment Agreement or this Trust Agreement of any event of default or any event which, with the giving of notice or lapse of time or both, would constitute any event of default; or

(v) any untrue statement or alleged untrue statement of a material fact contained in any official statement distributed in connection with the offering and sale of the Series 2004A Certificates, or any omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, except insofar as such claims arise out of

or are based upon any untrue statement or omission in information included in such an official statement and furnished by Insurer in writing expressly for use therein.

The District also agrees, to the extent permitted by law, to pay to Insurer any payments (other than payments made under the Insurance Policy which are payable to Insurer pursuant to its subrogation rights) made by Insurer on behalf of, or advanced to, the District or the Authority and which the District would otherwise be obligated to pay, including, without limitation, any amounts payable by the District or the Authority pursuant to the Series 2004A Certificates, the Lease Agreement, the Ground Lease or this Trust Agreement.

(k) Insurer shall be entitled to pay Principal or interest evidenced by the Series 2004A Certificates that shall become Due for Payment but shall be unpaid by reason of Nonpayment by the District (as such terms are defined in the Insurance Policy) thereof in accordance with this Trust Agreement, whether or not Insurer has received a Notice (as defined in the Insurance Policy) of Nonpayment or a claim upon the Insurance Policy.

(l) The Trustee shall promptly notify Insurer of either of the following as to which it has actual knowledge: (i) the commencement of any proceeding by or against the District or the Authority commenced under the United States Bankruptcy Code or any successor statute or any other applicable bankruptcy, insolvency, receivership, rehabilitation or similar law (an "**Insolvency Proceeding**"), and (ii) the making of any claim in connection with any Insolvency Proceeding seeking the avoidance as a preferential transfer (a "**Preference Claim**") of any payment of interest or Principal evidenced by the Series 2004A Certificates. Each Owner by its purchase of Series 2004A Certificates, and the Trustee hereby agrees that Insurer may at any time during the continuation of an Insolvency Proceeding direct all matters relating to such Insolvency Proceeding, including, without limitation, (i) all matters relating to any Preference Claim, (ii) the direction of any appeal of any order relating to any Preference Claim, and (iii) the posting of any surety, supersedes or performance bond pending any such appeal. In addition, and without limitation of the foregoing, Insurer shall be subrogated to the rights of the Trustee and each Owner in any Insolvency Proceeding to the extent it is subrogated pursuant to Section 13.01 hereof, including, without limitation, any rights of any party to an adversary proceeding action with respect to any court order issued in connection with any such Insolvency Proceedings.

The obligations set forth in subsections (i) and (1) of this Section shall survive discharge or termination of this Trust Agreement and the Lease Agreement.

Section 13.03 Reserve Facility.

(a) So long as Insurer provides the Reserve Facility in connection with the Series 2004A Certificates, the District and the Trustee hereby agree to comply with this Section.

(b) The District shall repay any draws under the Reserve Facility and pay all related reasonable expenses incurred by Insurer. Interest shall accrue and be payable on such draws and expenses from the date of payment by Insurer at the Late Payment Rate. "**Late Payment Rate**" means the lesser of (a) the greater of (i) the per annum rate of interest, publicly announced from time to time by JPMorgan Chase Bank at its principal office in the City of New York, as its prime or base lending rate ("**Prime Rate**") (any change in such Prime Rate to be effective on the date such change is announced by JPMorgan Chase Bank) plus 3%, and (ii) the then applicable highest rate of interest on the Series 2004A Certificates and (b) the maximum rate permissible under applicable usury or similar laws limiting interest rates. The Late Payment Rate shall be computed on the basis of the actual number of days elapsed over a year of 360 days. In the event JPMorgan Chase Bank ceases to announce its Prime Rate publicly, Prime Rate shall be the publicly announced prime or base lending rate of such national bank as Insurer shall specify.

Repayment of draws on the Reserve Facility and payment of expenses and accrued interest thereon at the Late Payment Rate (collectively, "**Policy Costs**") shall be made from delinquent lease payments when received and from other funds legally available to the Issuer for such purpose. Such repayments shall commence in the first month immediately following each draw, and each such monthly payment shall be in an amount at least equal to 1/12 of the aggregate of Policy Costs related to such draw.

Amounts in respect of Policy Costs paid to Insurer shall be credited first to interest due, then to the expenses due and then to principal due. As and to the extent that payments are made to Insurer on account of principal due, the coverage under the Reserve Facility will be increased by a like amount, subject to the terms of the Reserve Facility.

All cash and investments in the Reserve Fund shall be transferred to the Principal Fund, Interest Fund or Prepayment Fund, as applicable, before any drawing may be made on the Reserve Facility or any other credit facility credited to the Reserve Fund in lieu of cash ("**Credit Facility**"). Payment of any Policy Costs shall be made prior to replenishment of any such cash amounts. Draws on all Credit Facilities (including the Reserve Facility) on which there is available coverage shall be made on a pro-rata basis (calculated by reference to the coverage then available thereunder) after applying all available cash and investments in the Reserve Fund. Payment of Policy Costs and reimbursement of amounts with respect to other Credit Facilities shall be made on a pro-rata basis prior to replenishment of any cash drawn from the Reserve Fund.

(c) If the Issuer shall fail to pay any Policy Costs in accordance with the requirements of Section 13.03(b) hereof, Insurer shall be entitled to exercise any and all legal and equitable remedies available to it, including those provided under this Trust Agreement other than (i) acceleration of the maturity of the Series 2004A Certificates or (ii) remedies which would adversely affect owners of the Series 2004A Certificates.

(d) This Trust Agreement shall not be discharged until all Policy Costs owing to Insurer shall have been paid in full. The Issuer's obligation to pay the Policy Costs shall expressly survive payment in full of the Series 2004A Certificates.

(e) The Trustee shall ascertain the necessity for a claim upon the Reserve Facility and to provide notice to Insurer in accordance with the terms of the Reserve Facility at least five business days prior to each date upon which interest or principal is due on the Certificates.

Section 13.04 Reporting Requirements.

(a) The District shall deliver to Insurer, not more than 90 days after the end of each fiscal year, a Certificate of the District stating that no event of default (within the meaning of Article VI of the Lease Agreement) or noncompliance with the terms of the Lease Agreement has occurred, or if such an event of default has occurred, specifying the nature thereof and, if the District has a right to correct such default or noncompliance pursuant to subsection (a) of Section 6.01 of the Lease Agreement, stating in reasonable detail the steps, if any, being taken by the District to correct such default or noncompliance.

(b) The District agrees promptly to provide to Insurer (i) all budgets, budget amendments, reports, certificates and financial information required to be filed with the Trustee pursuant to the Trust Agreement or the Lease Agreement or available at the request of the Trustee or the Owners, (ii) all reports and certificates prepared by an Independent Insurance Consultant pursuant to the Trust Agreement or the Lease Agreement, (iii) audited financial statements for each fiscal year, to be submitted within 120 days of the end of such fiscal year, and (iv) each annual budget of the District, to be submitted within 30 days of the approval thereof.

(c) The District agrees that it will file or cause to be filed with Insurer any official statement issued by, or on behalf of, the District in connection with the incurrence by the District of any additional indebtedness within 30 days of the incurrence thereof.

(d) The District agrees promptly to provide or cause to be provided to Insurer such financial, statistical and other factual information as Insurer shall from time to time reasonably request regarding the District.

ARTICLE XIV
MISCELLANEOUS

Section 14.01 Benefits of Trust Agreement Limited to Parties. Nothing contained herein, expressed or implied, is intended to give to any person other than the Authority, the District, the Trustee, Insurer, the Bank, the Remarketing Agent and the Owners any claim, remedy or right under or pursuant hereto, and any agreement, condition, covenant or term required herein to be observed or performed by or on behalf of the Authority or the District shall be for the sole and exclusive benefit of the Trustee, Insurer, the Bank, the Remarketing Agent and the Owners.

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Section 14.02 Successor Deemed Included in all References to Predecessor. Whenever the Authority, the District or the Trustee, or any officer thereof, is named or referred to herein, such reference shall be deemed to include the successor to the powers, duties and functions that are presently vested in the Authority, the District or the Trustee, or such officer, and all agreements, conditions, covenants and terms required hereby to be observed or performed by or on behalf of the Authority, the District or the Trustee, or any officer thereof, shall bind and inure to the benefit of the respective successors thereof whether so expressed or not.

Section 14.03 Execution of Documents by Owners. Any declaration, request or other instrument which is permitted or required herein to be executed by Owners may be in one or more instruments of similar tenor and may be executed by Owners in person or by their attorneys appointed in writing The fact and date of the execution by any Owner or his attorney of any declaration, request or other instrument or of any writing appointing such attorney may be proved by the certificate of any notary public or other officer authorized to take acknowledgments of deeds to be recorded in the state or territory in which he purports to act that the person signing such declaration, request or other instrument or writing acknowledged to him the execution thereof, or by an affidavit of a witness of such execution duly sworn to before such notary public or other officer, or by such other proof as the Trustee may accept which it may deem sufficient.

The ownership of any Series 2004A Certificates and the amount, payment date, number and date of owning the same may be proved by the registration books maintained by the Trustee pursuant to the provisions of Section 2.07 hereof.

Any declaration, request or other instrument in writing of the Owner of any Certificate shall bind all future Owners of such Certificate with respect to anything done or suffered to be done by the Authority, the District or the Trustee in good faith and in accordance therewith.

Section 14.04 Waiver of Personal Liability. Notwithstanding anything contained herein to the contrary, no member, officer or employee of the District shall be individually or personally liable for the payment of any moneys, including without limitation, the interest or Principal represented by the Series 2004A Certificates, but nothing contained herein shall relieve any member, officer or employee of the District from the performance of any official duty provided by any applicable provisions of law, by the Lease Agreement or hereby.

Section 14.05 Acquisition of Series 2004A Certificates by District. All Series 2004A Certificates acquired by the District, whether by purchase or gift or otherwise, shall be surrendered to the Trustee for cancellation.

Section 14.06 Content of Certificates. Every Certificate of the District and every Certificate of the Authority with respect to compliance with any agreement, condition, covenant or term contained herein shall include (a) a statement that the person making or giving such certificate has read such agreement, condition, covenant or term and the definitions herein relating thereto, (b) a brief statement as to the nature

and scope of the examination or investigation upon which the statements contained in such certificate are based, (c) a statement that, in the opinion of the signer, the signer has made or caused to be made such examination or investigation as is necessary to enable the signer to express an informed opinion as to whether or not such agreement, condition, covenant or term has been complied with, and (d) a statement as to whether, in the opinion of the signer, such agreement, condition, covenant or term has been complied with.

Any Certificate of the District and any Certificate of the Authority may be based, insofar as it relates to legal matters, upon an Opinion of Counsel, unless the person making or giving such certificate knows that the Opinion of Counsel with respect to the matters upon which each person's certificate may be based, as aforesaid, is erroneous, or in the exercise of reasonable care should have known that the same was erroneous. Any Opinion of Counsel may be based, insofar as it relates to factual matters, upon information which is in the possession of the District or the Authority upon a representation by an officer or officers of the District or the Authority, as the case may be, unless the counsel executing such Opinion of Counsel knows that the representation with respect to the matters upon which each counsel's opinion may be based, as aforesaid, is erroneous, or in the exercise of reasonable care should have known that the same was erroneous.

Section 14.07 **Funds and Accounts**. Any fund or account required to be established and maintained herein by the Trustee may be established and maintained in the accounting records of the Trustee either as an account or a fund, and may, for the purposes of such accounting records, any audits thereof and any reports or statements with respect thereto, be treated either as an account or a fund, but all such records with respect to all such funds and accounts shall at all times be maintained in accordance with sound accounting practice and with due regard for the protection of the security of the Series 2004A Certificates and the rights of the Owners.

The Trustee may commingle any of the moneys held by it hereunder for investment purposes only; provided, however, that the Trustee shall account separately for the moneys in each fund or account established pursuant to this Trust Agreement. The Trustee may establish such funds and accounts as it deems necessary to perform its obligations hereunder.

Section 14.08 **Third-Party Beneficiaries**. Insurer and the Bank are third-party beneficiaries of this Trust Agreement.

Section 14.09 **Article and Section Headings, Gender and References**. The singular form of any word used herein, including the terms defined in Section 1 01 hereof, shall include the plural, and vice versa, unless the context otherwise requires The use herein of a pronoun of any gender shall include correlative words of the other genders. The headings or titles of {he several Articles and Sections hereof and the table of contents appended hereto shall be solely for convenience of reference and shall not affect the meaning, construction or effect hereof. All references herein to "Articles," "Sections," subsections or clauses are to the corresponding Articles, Sections,

subsections or clauses hereof, and the words "hereby," "herein," "hereof," "hereto;" "herewith," "hereunder" and other words of similar import refer to this Trust Agreement as a whole and not to any particular Article, Section, subsection or clause thereof.

Section 14.10 Partial Invalidity. If any one or more of the agreements, conditions, covenants or terms required herein to be observed or performed by or on the part of the Authority, the District or the Trustee shall be contrary to law, then such agreement or agreements, such condition or conditions, such covenant or covenants or such term or terms shall be null and void to the extent contrary to law and shall be deemed separable from the remaining agreements, conditions, covenants and terms hereof and shall in no way affect the validity hereof or of the Series 2004A Certificates, and the Owners shall retain all the benefit, protection and security afforded to them under any applicable provisions of law. The Authority, the District and the Trustee hereby declare that they would have executed this Trust Agreement, and each and every Article, Section, paragraph, subsection, sentence, clause and phrase hereof and would have authorized the execution and delivery of the Series 2004A Certificates pursuant hereto irrespective of the fact that any one or more Articles, Sections, paragraphs, subsections, sentences, clauses or phrases hereof or the application thereof to any person or circumstance may be held to be unconstitutional, unenforceable or invalid.

Section 14.11 California Law. This Trust Agreement shall be construed and governed in accordance with the laws of the State of California.

Section 14.12 Notices. All written notices to be given hereunder shall be given to the party entitled thereto at its address set forth below, or at such other address as such party may provide to the other parties in writing from time to time, namely:

If to the District:	Western Placer Unified School District 810 J Street Lincoln, CA 95648 Attn: Superintendent
If to the Authority:	California Public School District Financing Authority c/o Western Placer Unified School District 810 J Street Lincoln, CA 95648 Attn: Superintendent
If to the Trustee:	U.S. Bank National Association One California Street, Suite 2550 San Francisco, CA 94111 Attn: Corporate Trust Department
If to Moody's:	Moody's Investors Service 99 Church Street New York, New York 10007

Attention: Public Finance Dept.
Structured Finance Group

If to S&P: Standard & Poor's Ratings Services
25 Broadway
New York, New York 10004

If to Insurer: Financial Security Assurance Inc.
350 Park Avenue
New York New York 10022
Attention: Managing Director
Surveillance

If to the Bank: Dexia Credit Local
_____
_____
_____
Attn: _____

In each case in which notice or other communication refers to an event of default or with respect to which failure on the part of Insurer to respond shall be deemed to constitute consent or acceptance, then a copy of such notice or other communication shall also be sent to the attention of the General Counsel of Insurer and shall be marked to indicate URGENT MATERIAL ENCLOSED.

Each such notice, statement, demand, consent, approval, authorization, offer, designation, request or other communication hereunder shall be deemed delivered to the party to whom it is addressed (a) if personally served or delivered, upon delivery, (b) if given by electronic communication, whether by telex, telegram or telecopier, upon the sender's receipt of an appropriate answerback or other written acknowledgment, (c) if given by registered or certified mail, return receipt requested, deposited with the United States mail postage prepaid, 72 hours after such notice is deposited with the United States mail, (d) if given by overnight courier, with courier charges prepaid, 24 hours after delivery to said overnight courier, or (e) if given by any other means, upon delivery at the address specified in this Section.

Section 14.13 **Notice to Rating Agencies**. The Trustee shall provide Moody's, if the Series 2004A Certificates are then rated by Moody's, and S&P, if the Series 2004A Certificates are then rated by S&P, with prompt written notice of (a) the appointment of any successor Trustee or Remarketing Agent, (b) any material amendments to the Trust Agreement, the Lease Agreement, the Ground Lease, the Standby Agreement or the Facility (which notice shall be sent no later than 10 days prior to the effective date of such amendment), (c) any expiration, substitution, termination or extension of the Facility (d) a conversion from one Mode to another Mode, (e) a mandatory tender, redemption, defeasance or acceleration of the Series 2004A Certificates, or (f) the prepayment in whole of the Series 2004A Certificates.

Section 14.14 **New York Time**. Unless otherwise expressly stated, all times referred to in this Trust Agreement shall be New York City time.

Section 14.15 **References to Bank Ineffective**. If the Facility is no longer in effect, and all obligations to the Bank under the Standby Agreement have been paid in full, then all references in this Trust Agreement to the Bank, the Facility and the Standby Agreement shall be of no effect.

Section 14.16 **Effective Date**. This Trust Agreement shall become effective upon its execution and delivery.

Section 14.17 **Execution in Counterparts**. This Trust Agreement may be simultaneously executed in several counterparts, each of which shall be deemed an original, and all of which shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have caused this Trust Agreement to be executed by their respective officers hereunto duly authorized, all as of the day and year first written above.

U.S. BANK NATIONAL ASSOCIATION

By: _____
Title: _____

WESTERN PLACER UNIFIED
SCHOOL DISTRICT

By:
_____
Title: _____

CALIFORNIA PUBLIC SCHOOL
DISTRICT FINANCING AUTHORITY

By:
_____
Title: _____

8.8.126

EXHIBIT A

FORM OF SERIES 2004A CERTIFICATE

No. R-A-1 [$_____]

CERTIFICATE OF PARTICIPATION
(School Facilities Project), Series 2004A

Evidencing a Direct, Fractional Undivided Interest of the Owner Hereof in Base Rental to be Made by the

WESTERN PLACER UNIFIED SCHOOL DISTRICT

to the

CALIFORNIA PUBLIC SCHOOL DISTRICT FINANCING AUTHORITY

MATURITY DATE	INTEREST RATE	DATED DATE	CUSIP NO.
[_____]	Weekly Rate	[_____]	[_____]

REGISTERED OWNER: Cede & Co.

PRINCIPAL AMOUNT: [$_____]

THIS IS TO CERTIFY that the Registered Owner of this Certificate of Participation (the "Certificate"), as identified above, is the owner of a direct, fractional undivided interest in certain base rental payments ("Base Rental") payable under and pursuant to the Lease Agreement, dated as of _____, 2004 (the "Lease Agreement"), by and between the Western Placer Unified School District (the "District"), a school district organized and existing under and by virtue of the laws of the State of California, as lessee, and the California Public School District Financing Authority (the "Authority"), a joint exercise of power authority organized and existing under and by virtue of the laws of the State of California, as lessor. Substantially all of the rights of the Authority under the Lease Agreement, including the right to receive the Base Rental, have been assigned without recourse by the Authority to U.S. Bank National Association, a national banking association organized and existing under and by virtue of the laws of the United States, as trustee (the "Trustee") under the Trust Agreement, dated as of _____, 2004 (the "Trust Agreement"), by and among the Trustee, the District and the Authority.

This Certificate is one of the duly authorized [$_____] Western Placer Unified School District Certificates of Participation (School Facilities Project), Series 2004A (the "Series 2004A Certificates") evidencing Principal in the aggregate amount of [$_____], executed pursuant to the terms of the Trust Agreement. The Series 2004A Certificates evidence direct, fractional undivided interests in Base Rental payable

8.8.127

under the Lease Agreement. The Series 2004A Certificates are being executed to finance the costs of acquiring, constructing and installing certain equipment and certain improvements to real property to be used for District purposes.

Reference is hereby made to the Trust Agreement and to any and all amendments thereof and supplements thereto for a description of the agreements, conditions, covenants and terms securing the Series 2004A Certificates, for the nature, extent and manner of enforcement of such agreements, conditions, covenants and terms, for the rights, duties and immunities of the Trustee, for the rights and remedies of the registered owners of the Series 2004A Certificates with respect thereto and for the other agreements, conditions, covenants and terms upon which the Series 2004A Certificates are executed and delivered thereunder, to all of which provisions the Registered Owner by acceptance hereof, assents and agrees. Capitalized undefined terms used herein shall have the meanings ascribed thereto in the Trust Agreement.

Insurer has delivered to the Trustee the Insurance Policy, which guarantees the scheduled payment of the interest and principal evidenced by the Series 2004A Certificates.

The Purchase Price of Series 2004A Certificates subject to mandatory or optional tender is payable from the proceeds of the remarketing of such Series 2004A Certificates or, if such proceeds are not sufficient therefor, from amounts available under the Facility established by the Bank under the Standby Agreement. Neither the District nor the Authority are obligated to pay the Purchase Price of Series 2004A Certificates subject to mandatory or optional tender for purchase. In accordance with the provisions of the Standby Agreement, upon the occurrence of certain events, including a default by Insurer in its obligation to make payments under the Insurance Policy, the insolvency or bankruptcy of Insurer, the repudiation by Insurer of its obligations under the Insurance Policy, the invalidity of the Insurance Policy and a default by Insurer in making any required payment under any other municipal insurance policy or financial guaranty delivered by Insurer and on a parity with the Insurance Policy, the Facility will immediately terminate automatically and will not be available to pay the Purchase Price of the Series 2004A Certificates.

The Registered Owner of this Certificate is entitled to receive, subject to the terms of the Trust Agreement and any right of prepayment as provided herein or therein, on the Payment Date set forth above, upon surrender of this Certificate at the Principal Office of the Trustee, the Principal Amount specified above, evidencing the Registered Owner's interest in the Base Rental designated as principal components coming due on the Payment Date, and to receive on each Interest Payment Date, interest accrued thereon at the Weekly Rate, until said Principal Amount is paid in full, evidencing the Registered Owner's interest in the Base Rental designated as interest components coming due on each of said dates.

Unless this Series 2004A Certificate is a Bank Certificate, this Certificate shall evidence interest from the Interest Payment Date next preceding its date of execution to which interest has been paid in full, unless: (i) it is executed as of an Interest Payment

Date, in which event interest represented thereby shall be payable from such Interest Payment Date; or (ii) it is executed before the close of business on the first Record Date with respect thereto, in which event interest with respect thereto shall be payable from the Delivery Date specified above. Notwithstanding the foregoing, if, as shown by the records of the Trustee, interest evidenced by the Series 2004A Certificates shall be in default, this Series 2004A Certificate shall evidence interest from the last Interest Payment Date to which interest has been paid in full or duly provided for. If this Series 2004A Certificate is a Bank Certificate, it shall evidence interest as provided above and from the date on which it became a Bank Certificate shall bear interest at the Bank Certificate Rate until such time as it is no longer a Bank Certificate.

Except as otherwise provided in the Letter of Representations, payments of interest evidenced by the Series 2004A Certificates shall be made to the Owners thereof (as determined at the close of business on the Record Date next preceding the related Interest Payment Date) by check of the Trustee mailed to the address of each such Owner as it appears on the registration books maintained by the Trustee pursuant to the Trust Agreement, or to such other address as may be furnished in writing to the Trustee by such Owner, except that in the case of an Owner of Series 2004A Certificates evidencing $1,000,000 or more in aggregate principal amount upon the written request of such Owner to the Trustee, received at least ten days prior to a Record Date, specifying the account or accounts in the United States of America to which such payment shall be made, payment of interest evidenced by such Series 2004A Certificates shall be made by wire transfer of immediately available funds on the following Interest Payment Date; provided, however, that if a Series 2004A Certificate becomes a Bank Certificate after a Record Date and on or before the next succeeding Interest Payment Date, the payment of interest evidenced by such Bank Certificate shall be made to the Bank on such Interest Payment Date. Any such request shall remain in effect until revoked or revised by such Owner by an instrument in writing delivered to the Trustee. Notwithstanding anything to the contrary contained herein or in the Trust Agreement, payments of interest evidenced by Bank Certificates shall be made to the Bank by wire transfer of immediately available funds to the account specified in the Standby Agreement. Payment of principal and prepayment premium, if any, evidenced by the Series 2004A Certificates, on their stated principal payment dates or on prepayment in whole or in part prior thereto, shall be made only upon presentation and surrender of the Series 2004A Certificates at the Principal Office of the Trustee. All such amounts are payable in lawful money of the United States of America.

The Series 2004A Certificates are authorized to be executed and delivered in the form of fully registered certificates in Authorized Denominations.

This Series 2004A Certificate may be transferred or exchanged by the Registered Owner hereof, in person or by his attorney duly authorized in writing, at the Principal Office of the Trustee, but only in the manner, subject to the limitations and upon payment of the charges provided in the Trust Agreement.

The Series 2004A Certificates shall be in the Weekly Rate Mode until all or a portion of the Series 2004A Certificates are converted to the Fixed Rate Mode as

provided in the Trust Agreement or until becoming Bank Certificates (at which time they shall evidence interest at the lesser of the Bank Certificate Rate or the Maximum Rate until such time as they are no longer Bank Certificates). The Remarketing Agent shall determine the Weekly Rate from time to time, and such determination by the Remarketing Agent shall be conclusive and binding. The Trust Agreement provides that if the Remarketing Agent fails to determine the Weekly Rate, the Weekly Rate will be determined as set forth therein.

While the Series 2004A Certificates evidence interest at the Weekly Rate, interest evidenced by the Series 2004A Certificates shall be computed on the basis of the actual days elapsed and a 365- or 366-day year, as applicable. While the Series 2004A Certificates evidence interest at the Fixed Rate, interest evidenced by the Series 2004A Certificates shall be computed on the basis of a 360-day year consisting of twelve 30-day months.

All or a portion of the Series 2004A Certificates in the Weekly Rate Mode may be converted to the Fixed Rate Mode at the option of the District on the terms set forth in the Trust Agreement.

Each Series 2004A Certificate in the Weekly Rate Mode (or any portion thereof in an amount equal to an Authorized Denomination) shall be subject to mandatory and optional tenders for purchase at the Purchase Price in accordance with the Trust Agreement.

Owners of Series 2004A Certificates in the Weekly Rate Mode (other than Bank Certificates) may elect to have their Series 2004A Certificates (or portions thereof in Authorized Denominations) purchased at the Purchase Price, on any Business Day upon delivery of a written notice of tender to the Trustee not later than 5:00 p.m. on a Business Day not less than seven days prior to the Purchase Date and upon the giving of the following telephonic or written notices meeting the further requirements of the Trust Agreement (all references to time are to New York City time).

Prior to conversion of a Series 2004A Certificate to the Fixed Rate Mode, such Series 2004A Certificate is subject to mandatory tender for purchase at the Purchase Price (a) on a Business Day which is at least five days prior to expiration of the Facility, or (b) on the fifth Business Day following the Trustee's receipt of a Notice of Mandatory Tender from the Bank, or (c) if the date of the substitution of a Substitute Facility for the Facility pursuant to the Trust Agreement is a Business Day, on that Business Day, and if the date of the substitution of a Substitute Facility for the Facility pursuant to the Trust Agreement is not a Business Day, then on the next succeeding Business Day, and if a rating or ratings on the Series 2004A Certificates shall be in effect on the date of such substitution and written evidence has not been received from Moody's and S&P, as applicable, to the effect that each such rating agency has reviewed the proposed Substitute Facility and that the substitution of the proposed substitute Facility for the existing Facility will not, in and of itself, result in a reduction, suspension or withdrawal of such rating agency's rating on the Series 2004A Certificates. Upon such mandatory

tender, the Owners of the Series 2004A Certificates may not elect to retain their Series 2004A Certificates.

Series 2004A Certificates being converted to the Fixed Rate Mode are subject to mandatory tender for purchase on the Series A Conversion Date, and the Owners thereof shall not be entitled to retain such Series 2004A Certificates.

All Series 2004A Certificates to be purchased on any date shall be required to be delivered to the Principal Office of the Trustee at or before 11:30 a.m. on the Purchase Date. If the Owner of any Series 2004A Certificate or portion thereof that is subject to purchase fails to surrender such Series 2004A Certificate to the Trustee for purchase on the Purchase Date, and if Trustee is in receipt of the Purchase Price therefor, such Series 2004A Certificate or portion thereof shall nevertheless be deemed purchased on the Purchase Date and ownership of such Series 2004A Certificate or portion thereof shall be transferred to the purchaser thereof. Any Owner who fails to deliver a Series 2004A Certificate for purchase as required above shall have no further rights with respect thereto except the right to receive the Purchase Price upon presentation and surrender of said Series 2004A Certificate to the Trustee.

The Purchase Price for this Series 2004A Certificate or any portion hereof shall be payable by the Trustee, in immediately available funds, at its Principal Office or by wire transfer on the Purchase Date; provided that no such payment shall be made unless sufficient funds are on deposit with the Trustee for the payment of the Purchase Price of all Series 2004A Certificates to be purchased on such date.

BY ACCEPTANCE OF THIS CERTIFICATE, EACH OWNER IRREVOCABLY AGREES THAT, IF THIS CERTIFICATE OR ANY PORTION HEREOF IS TO BE PURCHASED ON ANY DATE AND SUFFICIENT FUNDS ARE ON DEPOSIT WITH THE TRUSTEE FOR ALL PURCHASES TO BE MADE ON SUCH DATE, AS AFORESAID, THIS CERTIFICATE OR THE PORTION TO BE PURCHASED SHALL BE DEEMED TO HAVE BEEN PURCHASED FOR ALL PURPOSES HEREUNDER AND UNDER THE TRUST AGREEMENT AND, THEREAFTER, THE OWNER SHALL HAVE NO FURTHER RIGHTS HEREUNDER OR UNDER THE TRUST AGREEMENT WITH RESPECT TO THIS CERTIFICATE OR SUCH PORTION, EXCEPT TO RECEIVE THE PURCHASE PRICE FOR THIS CERTIFICATE OR SUCH PORTION FROM THE FUNDS SO DEPOSITED UPON SURRENDER HEREOF AS AFORESAID.

The Series 2004A Certificates (including Bank Certificates) are subject to prepayment, on any date prior to their stated Principal Payment Dates, in whole or in part, in Authorized Denominations, from and to the extent of any Net Proceeds received with respect to all or a portion of the Property deposited by the Trustee in the Prepayment Fund established under the Trust Agreement and not used to repair or replace the Property, at a prepayment price equal to the principal evidenced thereby, plus accrued interest evidenced thereby to the date fixed for prepayment, without premium.

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Series 2004A Certificates (including Bank Certificates) are subject to optional prepayment prior to maturity at the option of the District from amounts received from the proceeds of general obligation bonds of the District or from reimbursement moneys received by the District from the State on any Interest Payment Date, as a whole or in part, at a prepayment price equal to the Principal thereof without premium plus accrued but unpaid interest to the prepayment date.

Series 2004A Certificates in the Weekly Mode and Bank Certificates are subject to prepayment on any Interest Payment Date prior to their stated Principal Payment Dates, at the option of the District, as a whole or in part in Authorized Denominations, from and to the extent of prepaid Base Rental paid by the District from any source of available funds, at a prepayment price equal to the Principal evidenced thereby, plus accrued interest evidenced thereby to the date fixed for prepayment, without premium.

Series 2004A Certificates in the Fixed Rate Mode are subject to prepayment on any date during the periods indicated in the following table prior to their stated Principal Payment Dates, at the option of the District, as a whole or in part in Authorized Denominations, from and to the extent of prepaid Base Rental paid by the District from any source of available funds (other than from amounts received from the proceeds of general obligation bonds of the District or from reimbursement moneys received by the District from the State), at the prepayment prices set forth below for the periods indicated plus interest evidenced thereby to the date fixed for prepayment.

The Series 2004A Certificates are subject to prepayment prior to maturity, in part, from Mandatory Sinking Account Payments, on August 1 of each year, commencing [_____, 200_], at a prepayment price equal to the principal evidenced thereby, plus accrued interest evidenced thereby to the date fixed for prepayment, without premium, in the amounts and on the dates set forth below:

Payment Date (August 1)	Principal Amount	Payment Date (August 1)	Principal Amount

As provided in the Trust Agreement, at least 30 but not more than 60 days prior to any prepayment date, notice of prepayment shall be given to the respective Owners of Series 2004A Certificates designated for prepayment by first class mail, postage prepaid, at their addresses appearing on the registration books maintained the Trustee as of the close of business on the day before such notice of prepayment is given. The actual receipt by the Owner of any Certificate of any notice of such prepayment shall not be a condition precedent to prepayment, and neither failure to receive such notice nor any defect therein shall affect the validity of the proceedings for the prepayment of such Series 2004A Certificates or the cessation of interest evidenced thereby on the date fixed for prepayment.

If this Certificate is selected for prepayment, notice of prepayment has been duly given as provided in the Trust Agreement and moneys for the prepayment price are held by the Trustee, then on the prepayment date designated in such notice, this Certificate shall become payable at the prepayment price specified in such notice; and from and after the date so designated, the interest evidenced hereby shall cease to accrue, this Certificate shall cease to be entitled to any benefit or security under the Trust Agreement and the Registered Owner hereof shall have no rights in respect hereof except to receive payment of such prepayment price.

To the extent and in the manner permitted by the terms of the Trust Agreement, the provisions of the Trust Agreement may be amended or supplemented by the parties thereto with the prior written consent of Insurer (so long as Insurer is not in default in its payment obligations under the Insurance Policy), but no such amendment or supplement shall (a) extend the stated principal payment date of any Series 2004A Certificate or reduce the rate of interest evidenced thereby or extend the time of payment of such interest or reduce the amount of Principal evidenced thereby or reduce the amount of any Mandatory Sinking Account Payment or change the prepayment terms and provisions or the provisions regarding notice of prepayment or diminish the security afforded by the Insurance Policy issued by Insurer without the prior written consent of the Owner of each Certificate so affected and Insurer (so long as Insurer is not in default in its payment obligations under the Insurance Policy), (b) reduce the percentage of Owners whose consent is required for the execution of any amendment of or supplement to the Trust Agreement without the prior written consent of the Owners of all Series 2004A Certificates then outstanding and Insurer (so long as Insurer is not in default in its payment obligations under the Insurance Policy), (c) modify any of the rights or obligations of the Trustee without the prior written consent of the Trustee, or (d) amend the amendment provisions of the Trust Agreement without the prior written consent of the Owners of all Series 2004A Certificates then outstanding and Insurer (so long as Insurer is not in default in its payment obligations under the Insurance Policy).

Unless this Certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation ("**DTC**"), to the Trustee for registration of transfer, exchange or payment, and any Certificate issued is registered in the name of Cede & Co. or such other name as requested by an authorized representative of DTC and any payment is made to Cede & Co. (or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the Registered Owner hereof, Cede & Co., has an interest herein.

THE LEASE AGREEMENT HAS BEEN DESIGNATED AS "QUALIFIED TAX EXEMPT OBLIGATIONS" FOR PURPOSES OF SECTION 265(b) OF THE INTERNAL REVENUE CODE OF 1986.

THE DISTRICT HAS CERTIFIED that all acts, conditions and things required by the statutes of the State of California and by the Trust Agreement to exist, to have happened and to have been performed precedent to and in connection with the

execution and delivery of this Certificate do exist, have happened and have been performed in regular and due time, form and manner as required by law, and that the Trustee is duly authorized to execute and deliver this Certificate.

IN WITNESS WHEREOF, this Certificate has been executed by the manual signature of an authorized signatory of the Trustee as of the date set forth below.

Date: [_____]

U.S. BANK NATIONAL ASSOCIATION,
as Trustee

By:_____
Authorized Signatory

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STATEMENT OF INSURANCE

Financial Security Assurance Inc. ("Insurer"), New York, New York, has delivered its municipal bond insurance policy with respect to the scheduled payments when due of principal and interest evidenced by this Certificate to U.S. Bank National Association, Los Angeles, California, or its successor, as trustee for the Series 2004A Certificates (the "Trustee"). Said Policy is on file and available for inspection at the principal office of the Trustee and a copy thereof may be obtained from Insurer or the Trustee.

8.8.135

ASSIGNMENT

For value received, the undersigned dotes) hereby sell, assign and transfer unto

_____

_____

_____ the within-mentioned Certificate and hereby irrevocably constitute(s) and appoint(s) _____ attorney,

to transfer the same on the books of the Trustee with full power of substitution in the premises.

Dated: _____, ____.

_____

Note: The signature(s) on this Assignment must correspond with the name(s) as written on the face of the within registered Certificate in every particular, without alteration or enlargement or any change whatsoever.

Tax I.D. #: _____

Signature Guaranteed: _____

4.8-136

EXHIBIT B

FORM OF PAYMENT REQUEST

[Letterhead of Western Placer Unified School District]

PAYMENT
REQUEST NO. _____

U.S. Bank National Association
Corporate Trust Department
633 W. 5th Street, 12th Floor
Los Angeles, California 90071
Attn: Corporate Trust Department

Re: $_____ Western Placer Unified School District Certificates of Participation 2003 Series A

Attention:

Pursuant to Section 3.02 of the Trust Agreement (the "Trust Agreement"), dated as of _____, 2004, between Western Placer Unified School District, California Public School District Financing Authority and you, as Trustee, you are hereby instructed to disburse the sum of $_____ from the [Costs of Issuance Account] [General Account] in the Construction and Acquisition Fund established under the Trust Agreement. You are instructed to pay such disbursement to the order of the following payee, and for the following cost(s) and/or expense(s).

Payee: _____

Cost(s) and/or expense(s) for which disbursement is requested:

_____:

Dated: _____.

WESTERN PLACER UNIFIED
SCHOOL DISTRICT

By _____

8.8.137

TO BE RECORDED AND WHEN RECORDED
RETURN TO:
O'Melveny & Myers LLP
400 S. Hope Street
Los Angeles, CA 90071
Attn: Kristina Cheh, Esq.

THIS TRANSACTION IS EXEMPT FROM CALIFORNIA DOCUMENTARY TRANSFER TAX PURSUANT TO SECTION 11929 OF THE CALIFORNIA REVENUE AND TAXATION CODE. THIS DOCUMENT IS EXEMPT FROM RECORDING FEES PURSUANT TO SECTION 27383 OF THE CALIFORNIA GOVERNMENT CODE.

ASSIGNMENT AGREEMENT

by and between

CALIFORNIA PUBLIC SCHOOL DISTRICT FINANCING AUTHORITY

and

U.S. BANK NATIONAL ASSOCIATION,

as Trustee

Dated as of _____, 2004

8.8.138

ASSIGNMENT AGREEMENT

THIS ASSIGNMENT AGREEMENT (the "Assignment Agreement") executed and entered into as of _____, 2004, is by and between the **CALIFORNIA PUBLIC SCHOOL DISTRICT FINANCING AUTHORITY**, a joint powers authority formed under the laws of the State of California (the "Authority"), and **U.S. BANK NATIONAL ASSOCIATION**, a national banking association organized and existing under the laws of the United States of America, as Trustee (the "Trustee");

W I T N E S S E T H:

WHEREAS, pursuant to a Ground Lease, dated as of the date hereof (the "Ground Lease"), the Western Placer Unified School District (the "District") has leased to the Authority certain real property owned by the District, and the improvements thereon (the "Property");

WHEREAS, the Property is more particularly described in Exhibit A hereto;

WHEREAS, pursuant to a Lease Agreement, dated as of the date hereof (the "Lease Agreement"), the Authority has leased the Property back to the District;

WHEREAS, under the Lease Agreement, the District is obligated to pay Base Rental (as defined in the Lease Agreement) to the Authority for the lease of the Property;

WHEREAS, the Authority desires to assign without recourse certain of its rights in the Ground Lease and the Lease Agreement, including its rights to receive the Base Rental under the Lease Agreement, to the Trustee for the benefit of the owners of certificates of participation (the "Series 2004 A Certificates") to be executed and delivered under the Trust Agreement, dated as of the date hereof (the "Trust Agreement"), by and among the Trustee, the Authority and the District;

WHEREAS, in consideration of such assignment and the execution of the Trust Agreement, the Trustee has agreed to execute and deliver the Series 2004 A Certificates, each evidencing a direct, fractional undivided interest in the Base Rental to be made by the District under the Lease Agreement; and

WHEREAS, all acts, conditions and things required by law to exist, to have happened and to have been performed precedent to and in connection with the execution and entering into of this Assignment Agreement do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the parties hereto are now duly authorized to execute and enter into this Assignment Agreement;

NOW, THEREFORE, in consideration of the premises and of the mutual agreements and covenants contained herein and for other valuable consideration, the parties hereto do hereby agree as follows:

Section 1. **Assignment.** The Authority, for good and valuable consideration, the receipt of which is hereby acknowledged, does hereby sell, assign and transfer to the Trustee, irrevocably and absolutely, without recourse, for the benefit of the owners of the Series 2004 A Certificates, all of its right, title and interest in and to the Ground Lease and the Lease Agreement, including, without limitation, its right to receive the Base Rental to be paid by the District under and pursuant to the Lease Agreement; provided, however, that the Authority shall

8.8.139

retain the rights to indemnification, to receive certain notices and to payment or reimbursement of its reasonable costs and expenses under the Lease Agreement.

Section 2. **Acceptance.** The Trustee hereby accepts the foregoing assignment, subject to the terms and provisions of the Trust Agreement, and all such Base Rental shall be applied and the rights so assigned shall be exercised by the Trustee as provided in the Lease Agreement and the Trust Agreement.

Section 3. **Conditions.** Excepting only the sale, assignment and transfer to the Trustee of the Authority's right, title and interest in and to the Ground Lease and the Lease Agreement pursuant to Section 1 hereof, this Assignment Agreement shall impose no obligations upon the Trustee beyond those expressly provided in the Lease Agreement and the Trust Agreement.

Section 4. **Further Assurances.** The Authority shall make, execute and deliver any and all such further resolutions, instruments and assurances as may be reasonably necessary or proper to carry out the intention or to facilitate the performance of this Assignment Agreement, and for the better assuring and confirming to the Trustee, for the benefit of the owners of the Series 2004 A Certificates, the right, title and interest intended to be sold, assigned and transferred pursuant hereto.

Section 5. **Governing Law.** This Assignment Agreement shall be governed by and construed in accordance with the laws of the State of California.

Section 6. **Execution in Counterparts.** This Assignment Agreement may be simultaneously executed in several counterparts, each of which shall be deemed to be an original and all of which shall constitute one and the same instrument.

Section 7. **Captions.** The captions or headings in this Assignment Agreement are for convenience only and in no way define or limit the scope or intent of any provision of this Assignment Agreement.

Section 8. **Amendment.** This Assignment Agreement shall not be amended or supplemented without the prior written consent of Financial Security Assurance Inc.

Section 9. **Definitions.** All capitalized terms used herein without definition shall have the meanings given to such terms in the Trust Agreement and the Lease Agreement.

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IN WITNESS WHEREOF, the parties hereto have caused this Assignment Agreement to be executed by their respective officers thereunto duly authorized, all as of the day and year first written above.

CALIFORNIA PUBLIC SCHOOL DISTRICT FINANCING AUTHORITY

By: _____
Title: _____

U.S. BANK NATIONAL ASSOCIATION, as Trustee

By: _____
Title: _____

STATE OF CALIFORNIA)
) ss
COUNTY OF _____)

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

WITNESS my hand and official seal

_____

[SEAL]

My Commission Expires on:

_____

8.8.142

Exhibit A

Description of the Property

9.8.143

$_____
Western Placer Unified School District
ADJUSTABLE RATE CERTIFICATES OF PARTICIPATION
(School Facilities Project), Series 2004A
Representing Undivided Proportionate Interests in
Base Rental Payments to be Made by the

WESTERN PLACER UNIFIED SCHOOL DISTRICT
to the
CALIFORNIA PUBLIC SCHOOL DISTRICT FINANCING AUTHORITY

CERTIFICATE PURCHASE AGREEMENT

_____, 2004

Western Placer Unified School District
810 J Street
Lincoln, CA 95648

Ladies and Gentlemen:

The undersigned, Banc of America Securities LLC (the "Underwriter"), hereby offers to enter into this Certificate Purchase Agreement (this "Purchase Agreement") with the Western Placer Unified School District (the "District"), for the purchase by the Underwriter of the District's Adjustable Rate Certificates of Participation (School Facilities Project), Series 2004A (the "Certificates"). This offer is made subject to written acceptance by the District at or prior to 5:00 p.m., California time, on the date set forth above and, if not so accepted, will be subject to withdrawal by the Underwriter upon notice delivered to the District at any time prior to the acceptance hereof by the District. Upon the District's written acceptance of this offer, the Purchase Agreement shall be in full force and effect in accordance with its terms and shall be binding upon the District and the Underwriter. The Underwriter has been authorized to execute this Purchase Agreement and to take any action hereunder by and on behalf of the Underwriter. All capitalized terms used herein not otherwise defined herein shall have the respective meanings ascribed thereto in the Trust Agreement hereinafter described.

Section 1. Purchase and Sale. (a) Upon the terms and conditions and in reliance on the representations, warranties and agreements set forth herein, the Underwriter hereby agrees to purchase from the District, and the District hereby agrees to cause the Trustee (as hereinafter defined) to execute and deliver to the Underwriter, all

(but not less than all) of the Certificates in the aggregate principal amount of $_____ at a purchase price of $_____ (representing the initial principal amount of such Certificates, less an underwriter's discount [and certain reimbursable expenses] of $_____, less fees to the municipal bond insurer in the amount of $_____, less fees to the liquidity provider in the amount of $_____).

(b) The date of payment for and delivery of the Certificates and the other actions contemplated hereby to take place at the time of such payment and delivery, shall hereinafter be called the "Closing".

(c) The Certificates evidence fractional undivided interests in Base Rental payments ("Base Rental payments") to be made by the District pursuant to a Lease Agreement, dated as of _____ 1, 2004 (the "Lease Agreement"), by and between the District and the California Public School District Financing Authority (the "Authority"). The Lease Agreement relates to certain land and improvements of the District (the "Property"). The District will lease the Property to the Authority, pursuant to a Ground Lease, executed and entered into as of _____ 1, 2004 (the "Ground Lease"), by and between the District and the Authority.

Section 2. The Certificates. The Certificates will be described in and will be executed, delivered and secured under and pursuant to a Trust Agreement, dated as of _____ 1, 2004 (the "Trust Agreement"), by and among the District, the Authority and U.S. Bank National Association, as trustee (the "Trustee"). The Authority will assign all of its rights, title and interest in and to the Ground Lease and the Lease Agreement, including the right to receive Base Rental payments to be made by the District under the Lease Agreement, to the Trustee pursuant to an Assignment Agreement, dated as of _____ 1, 2004 (the "Assignment Agreement"), by and between the Authority and the Trustee.

The Certificates shall be dated the date of delivery thereof, shall mature on [August] 1, _____ and shall accrue interest as described in the Trust Agreement and accrue interest from the Closing (as described below) to _____, 2004 at _____%. Thereafter, the Certificates will accrued interest at the Weekly Rate Mode. The Certificates are subject to mandatory tender upon conversion from one interest rate period to another, among other events. In connection with the execution and delivery of the Certificates, the District is also entering into a Standby Purchase Agreement, dated as of _____ 1, 2004 (the "Standby Purchase Agreement") with Dexia Credit Local, New York Agency (the "Liquidity Provider") under which the Liquidity Provider will agree to provide the purchase price of the Certificates in certain circumstances as provided in the Trust Agreement and the Standby Purchase Agreement. To secure the payment of principal and interest represented by the Certificates, Financial Security Assurance Inc. (the "Insurer") has agreed to issue a municipal insurance policy (the "Policy"). In addition, the Insurer has further agreed to issue a reserve fund surety policy (the "Reserve Fund Surety") to assist the District fulfilling a condition provided in the Trust Agreement relating to the Reserve Fund requirement. The District is also entering into a Remarketing Agreement, dated as of _____ 1, 2004 (the "Remarketing Agreement")

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with Banc of America Securities LLC (the "Remarketing Agent") in order to provide for the remarketing of any Certificates repurchased pursuant to a mandatory or optional tender as provided under the Trust Agreement.

The execution and delivery of the Certificates, the Lease Agreement, the Ground Lease, the Trust Agreement, the Assignment Agreement, the Standby Purchase Agreement and the Remarketing Agreement have been authorized by certain resolution of the District (the "District Resolution") and a certain resolution of the Authority (the "Authority Resolution"). The Certificates shall be payable and shall be subject to prepayment as provided in the Trust Agreement.

The Lease Agreement, the Ground Lease, the Trust Agreement, the Assignment Agreement, the District Resolution, the Authority Resolution, the Standby Purchase Agreement, the Remarketing Agreement and this Purchase Agreement are collectively referred to herein as the "Legal Documents."

Section 3. Official Statement and Other Documents.

(a) The District has delivered to the Underwriter, at such addresses as the Underwriter shall have specified, as many copies of the Official Statement dated _____, 2004, relating to the Certificates (as supplemented and amended from time to time, the "Official Statement") as the Underwriter shall have reasonably requested as necessary to comply with the obligations of the Underwriter pursuant to the rules of the Municipal Securities Rulemaking Board.

(b) The District has authorized the approval of the Official Statement by execution thereof by a duly authorized officer of the District.

(c) The District hereby authorizes the use by the Underwriter of the Legal Documents and the Official Statement, including any supplements or amendments thereto, and the information contained in each of such documents, and all other documents, certificates and statements furnished by the District and the Underwriter, in connection with the public offering and sale of the Certificates. The District consents to the use by the Underwriter prior to the date hereof of the Official Statement in connection with the public offering of the Certificates.

Section 4. Closing. At 8:00 a.m., California time, on _____, 2004, or at such other time or on such earlier or later date as may be mutually agreed upon by the District and the Underwriter (the "Closing Date"), the District will, subject to the terms and conditions hereof, deliver or cause to be delivered to the Underwriter the duly executed Certificates in book-entry form through the facilities of The Depository Trust Company and the other documents hereinafter mentioned. The Underwriter will accept the delivery of the Certificates and pay the purchase price of the Certificates as set forth in Section 1 hereof by check payable in clearinghouse funds to the order of the Trustee. Delivery and payment as aforesaid shall be made at the offices of O'Melveny & Myers LLP ("Special Counsel") in Los Angeles, California, or such other place as shall have been mutually agreed upon by the District and the Underwriter.

Section 5. Public Offering. It shall be a condition to the District's obligations to sell and deliver the Certificates to the Underwriter and to the Underwriter's obligations to purchase, to accept delivery of and to pay for the Certificates that the entire principal amount of the Certificates shall be executed by the Trustee, sold and delivered by the District and purchased, accepted and paid for by the Underwriter at the Closing. Subject to the terms and conditions hereof, the Underwriter agrees to make a bona fide public offering of all of the Certificates at prices not in excess of the initial public offering prices set forth on the cover page of the Official Statement. The Underwriter reserves the right to change such initial public offering prices or yields as the Underwriter deems necessary following the initial public offering period in connection with the marketing of the Certificates and to offer and sell the Certificates to certain dealers (including dealers depositing such Certificates into investment trusts) and others at prices lower than the initial offering price set forth on the cover page of the Official Statement. The Underwriter also reserves the right to (i) overallot or effect transactions which stabilize or maintain the market prices of the Certificates at levels above those which might otherwise prevail in the open market and (ii) discontinue such stabilizing, if commenced, at any time.

Section 6. Representations, Warranties and Agreements of the District. The District hereby represents, warrants and agrees as follows:

(a) Due Organization and Authority; Legal, Valid and Binding Obligations. The District is and will be on the Closing Date an unified school district duly organized and existing pursuant to the Constitution and laws of the State of California, and has all necessary power and authority to adopt the District Resolution and enter into and perform its duties under the Legal Documents to which the District is a party, and, when executed and delivered by the respective parties thereto, such Legal Documents will constitute legal, valid and binding obligations of the District enforceable in accordance with their respective terms, except as enforcement may be limited by bankruptcy, insolvency, moratorium or other similar laws or equitable principles relating to or limiting creditors' right generally.

(b) No Conflict. The execution and delivery of the Legal Documents to which the District is a party, and compliance with the provisions thereof, have been duly authorized by all necessary official action on the part of the District and will not conflict with or constitute a breach of or default under any law, administrative regulation, court decree, resolution, charter, bylaw or any agreement to which the District is subject or by which it is bound or by which its properties may be affected, a consequence of which could be to materially and adversely affect the ability of the District to perform its obligations under the Legal Documents to which it is a party.

(c) No Litigation. To the best knowledge of the District, except as disclosed in the Official Statement, no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, regulatory agency, or public board or body is pending or threatened against the District, or seeking to restrain or to enjoin the execution, sale or delivery of the Certificates, the payments to be made pursuant to the Lease Agreement, the application of the proceeds thereof in accordance with the Trust Agreement, or in any way contesting or affecting the validity or enforceability of the Certificates, the Legal Documents, any other applicable agreements, or any action of the District contemplated by any of said documents, or in any way contesting the completeness or accuracy of the Official Statement or the powers of the District or its authority with respect to the Certificates, the Legal Documents, any other applicable agreements, or any action of the District contemplated by any of said documents, or which would adversely affect the exclusion of interest paid with respect to the Certificates from gross income for purposes of federal income taxation, or which if determined adversely to the District would have a material and adverse effect upon the District's ability to make the Base Rental payments.

(d) Official Statement Correct and Complete. The Official Statement pertaining to the Certificates has been duly authorized by the District. The information contained in the Official Statement is true and correct in all material respects and such information (including any financial and statistical data) does not contain any untrue or misleading statement of a material fact or omit to state any material fact necessary to make the statements therein, in light of the circumstances under they were made, not misleading.

(e) Due Approval of Official Statement Distribution. By official action of the District prior to or concurrently with the execution hereof, the District has duly approved the distribution of the Official Statement, and has duly authorized and approved the execution and delivery of, and the performance by the District of the obligations on its part contained in the Legal Documents to which the District is a party and the consummation by it of all other transactions contemplated by the Official Statement and the Legal Documents to which the District is a party, including this Purchase Agreement.

(f) Agreement to Notify Underwriter Regarding Official Statement. The District will advise the Underwriter promptly of any proposal to amend or supplement the Official Statement and will not effect any such amendment or supplement without the consent of the Underwriter, which consent shall not be unreasonably withheld. The District will advise the Underwriter promptly of the institution of any proceedings known to it

seeking to prohibit or otherwise affect the use of the Official Statement in connection with the offering, sale or distribution of the Certificates.

(g) Agreement to Amend Official Statement. If at any time between the date of this Purchase Agreement and up to twenty-five (25) days following the "end of the underwriting period" (as defined in Section 14 hereof) an event occurs, of which the District has knowledge, which might or would cause the information relating to the District, its functions, duties and responsibilities contained in the Official Statement, as then supplemented or amended, to contain an untrue statement of a material fact or to omit to state a material fact required to be stated therein or necessary to make the information therein, in the light of the circumstances under which it was presented, not misleading, the District will notify the Underwriter, and, if in the reasonable opinion of the Underwriter, such event requires the preparation and publication of a supplement or amendment to the Official Statement, the District will cooperate with the Underwriter in the preparation of an amendment or supplement to the Official Statement in a form and in a manner approved by the Underwriter, provided all expenses thereby incurred will be paid for by the District.

(h) Amendments to Official Statement Correct and Complete. If the information relating to the District, its functions, duties and responsibilities contained in the Official Statement is amended or supplemented pursuant to the immediately preceding paragraph, at the time of each supplement or amendment thereto and (unless subsequently supplemented or amended pursuant to such paragraph) at all times subsequent thereto up to and including the date twenty-five (25) days after the end of the underwriting period, the portions of the Official Statement so supplemented or amended (including any financial and statistical date contained therein) will be true and correct in all material respects and, such information will not contain any untrue or misleading statement of a material fact or omit to state a material fact required to be stated therein or necessary to make such information therein, in the light of the circumstances under which it was presented, not misleading.

(i) Blue Sky Cooperation. The District will furnish such information, execute such instruments and take such other action in cooperation with the Underwriter as the Underwriter may reasonably request in order (1) to qualify the Certificates for offer and sale under the Blue Sky or other securities laws and regulations of such states and other jurisdictions of the United States as the Underwriter may designate and (2) to determine the eligibility of the Certificates for investment under the laws of such states and other jurisdictions, and will use its best efforts to continue such qualification in effect so long as required for distribution of the Certificates; provided, however, that the District shall not be required to

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execute a special or general consent to service of process in any jurisdiction in which it is not now so subject or to qualify to do business in any jurisdiction where it is not now so qualified.

(j) No Breach or Default. To the knowledge of the District, the District is not, and at the Closing Date will not be, in breach of or default under any law or administrative rule or regulation of the State of California, the United States of America, or of any department, division, agency or instrumentality of either thereof, or any applicable court or administrative decree or order or any loan agreement, note, bond, resolution, indenture, contract, agreement or other instrument to which the District is a party or is otherwise subject or bound and which would materially impair the ability of the District to perform its obligations under the Legal Documents to which the District is a party.

(k) Approvals and Authorization. To the knowledge of the District, all approvals, consents, authorizations, elections and orders of or filings or registrations with any governmental authority, board, agency or commission having jurisdiction which would constitute a condition precedent to, or the absence of which would materially adversely affect, the performance by the District of its obligations hereunder and under the Legal Documents to which the District is a party and any other applicable agreements, have been obtained and are in full force and effect.

(l) No Action. The District will take no action and will cause no action to be taken that would cause the interest with respect to the Certificates to be includable in gross income for federal income tax purposes.

(m) No Violation of Debt Limitations. The District has not been, is not presently and as a result of the sale and delivery of the Certificates will not be in violation of any debt limitation, appropriation limitation or any other provision of the California Constitution.

(n) No Issuance of Obligations. Between the date hereof and the Closing Date, without the prior written consent of the Underwriter, the District will not have issued any bonds, notes or other obligations for borrowed money on behalf of the District except for such borrowings as may be described in or contemplated by the Official Statement.

(o) No Listing as Bond Issuer. The District has not been notified of any listing or proposed listing by the Internal Revenue Service to the effect that the District is a bond issuer whose non-arbitrage certificates may not be relied upon.

(p) Certificates of District Officers. Any certificate signed by any authorized officer of the District and delivered to the Underwriter on or

prior to the Closing in connection with the execution, sale and delivery of the Certificates and the execution and delivery of the Legal Documents shall be deemed a representation and warranty by the District to the Underwriter as to the statements made therein but not of the person signing the same.

Section 7. Closing Conditions. The Underwriter has entered into this Purchase Agreement in reliance upon the representations and warranties of the District contained herein, the representations, warranties and agreements to be contained in the documents and instruments to be delivered at the Closing, the performance by the District of its obligations hereunder, and the opinions of Special Counsel, counsel to the Trustee, counsel to the District, counsel to the Authority, counsel to the Liquidity Provider, [counsel to the Insurer] and counsel to the Underwriter, described hereafter. Accordingly, the Underwriter's obligations under this Purchase Agreement to purchase, to accept delivery of and to pay for the Certificates shall be conditioned upon and subject to (i) the performance by the District, the Authority, the Liquidity Provider, the Insurer and the Trustee of their obligations to be performed hereunder and under such documents and instruments at or prior to the Closing, (ii) the accuracy in all material respects, in the reasonable judgment of the Underwriter, of the representations and warranties of the District herein as of the date hereof and of the time of the Closing and the accuracy in all material respects of the representations, warranties and agreements to be contained in the documents and instruments to be delivered at the Closing as of the time of the Closing, and (iii) shall also be subject to the following additional conditions:

(a) Bring-down of Representations. The representations and warranties of the District contained herein shall be true, complete and correct on the date hereof and on and as of the Closing Date, as if made on the Closing Date.

(b) Authorization, Execution and Delivery of Documents. As of the Closing Date, the Certificates, the Legal Documents and the Official Statement shall have been duly authorized, executed and delivered by the respective parties thereto, in substantially the forms heretofore submitted to the Underwriter with only such changes as shall have been agreed to in writing by the Underwriter, and said agreements shall be in full force and effect and not have been amended, modified or supplemented, except as may have been agreed to in writing by the Underwriter, and there shall have been taken in connection therewith, with the execution and delivery of the Certificates and with the transactions contemplated thereby and by this Purchase Agreement, all such actions as Special Counsel shall deem to be necessary and appropriate to render the opinion set forth in Appendix [C] to the Official Statement.

(c) No Amendment of Official Statement. At the Closing, the Official Statement shall not have been amended, modified or supplemented, except as may have been agreed in writing by the Underwriter.

(d) Closing Documents. On or prior to the Closing Date, the Underwriter shall have received copies of the following documents, in each case satisfactory in form and substance to the Underwriter and its counsel:

(1) Agreements. The Legal Documents, each duly executed and delivered by the respective parties thereto, with such amendments, qualifications or supplements as may have been agreed to in writing by the Underwriter;

(2) Official Statement. The Official Statement duly executed and delivered on behalf of the District by the District Superintendent, with such amendments, qualifications or supplements as may have been agreed to in writing by the Underwriter;

(3) Opinion of Special Counsel. An approving opinion satisfactory to the Underwriter, dated the Closing Date and addressed to the District, of Special Counsel, in substantially the form attached as Appendix [C] to the Official Statement, together with an opinion of such Special Counsel satisfactory in form and substance to the Underwriter, dated the Closing Date and addressed to the Authority, the Liquidity Provider, the Insurer, the Trustee and the Underwriter, to the effect that such opinion addressed to the District may be relied upon by them to the same extent as if such opinion was addressed to them.

(4) Supplemental Opinion of Special Counsel. A supplemental opinion of Special Counsel in form and substance satisfactory to the Underwriter, dated the Closing Date, addressed to the District, the Authority, the Trustee, the Liquidity Provider, the Insurer and the Underwriter to the effect that:

(i) Specified Sections of Official Statement Correct and Complete - The statements set forth in the Official Statement under the captions ["INTRODUCTION," "THE CERTIFICATES," "SECURITY AND SOURCES OF PAYMENT OF THE CERTIFICATES," "TAX EXEMPTION" and "Appendix B - Definitions and Summary of Principal Legal Documents"] insofar as such statements purport to summarize certain provisions of the Certificates, the Trust Agreement, the Lease Agreement, the Ground Lease, the Assignment Agreement, the Remarketing Agreement and the Standby Purchase Agreement and such counsel's opinion concerning certain federal tax matters relating to the Certificates, are accurate in all material respects; and

(ii) Due Authorization, Execution and Delivery; Legal Valid and Binding Agreement - The Legal Documents, including this Purchase Agreement have been duly authorized,

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executed and delivered by the District and, assuming due authorization and execution thereof by the other parties thereto, constitute legal, valid and binding obligations of the District, enforceable against the District, in accordance with their terms, except as limited by bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles relating to or limiting creditors' rights generally and that the enforceability of the Legal Documents, including the Purchase Agreement, is subject to the effect of general principles of equity including, without limitation, concepts of materiality, reasonableness, good faith and fair dealing and the possible unavailability of specific performance or injunctive relief, regardless of whether considered a proceeding in equity or at law.

(iii) Securities Registration Exemption - under existing laws and regulations, the Certificates are not subject to the registration requirements of the Securities Act of 1933, as amended, and the Trust Agreement is exempt from qualification under the Trust Indenture Act of 1939, as amended; provided that no opinion need be expressed with respect to the Standby Purchase Agreement.

(5) Opinion of Counsel to the District. An opinion O'Melveny & Myers LLP, Special Counsel to the District, dated the Closing Date and addressed to the District, the Authority, the Liquidity Provider, the Insurer, the Trustee and the Underwriter, to the effect that:

(i) Due Organization and Existence - the District is a unified school district, duly organized and validly existing under the Constitution and the laws of the State of California;

(ii) Due Adoption - the District Resolutions approving and authorizing the execution and delivery of the Legal Documents to which the District is a party and approving the Official Statement was duly adopted at a meeting of the Board of Trustees of the District which was called and held pursuant to law and with all public notice required by law and at which a quorum was present and acting throughout;

(iii) No Litigation - except as disclosed in the Official Statement, no action, suit, proceeding or investigation at law or in equity before or by any court, public board or body, pending or threatened against the District has come to the counsel's attention, which would materially and adversely impact the District's ability to complete the transactions described in and contemplated by the Official Statement, would restrain or enjoin

the payments under the Lease Agreement or would in any way contest or affect the validity of the Legal Documents to which the District is a party, the District Resolutions or the Certificates;

(iv) No Conflict - to the best of the counsel's knowledge, the execution and delivery of the Legal Documents to which the District is a party, the adoption of the District Resolutions and the approval of the Official Statement, and compliance with the provisions thereof and hereof, under the circumstances contemplated thereby, do not and will not in any material respect conflict with or constitute on the part of the District a breach of or default under any agreement or other instrument to which the District is a party or by which it is bound or any existing law, regulation, court order or consent decree to which the District is subject;

(v) Due Authorization, Execution and Delivery; Legal, Valid and Binding Agreements - the Legal Documents to which the District is a party have been duly authorized, executed and delivered by the District, and, assuming due authorization, execution and delivery by the other parties thereto constitute legal, valid and binding agreements of the District enforceable in accordance with their respective terms, except as enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles relating to or limiting creditors' rights generally and by the application of equitable principles if equitable remedies are sought and by the limitations on legal remedies imposed on actions against unified school districts in the State of California;

(vi) No Consents Required - Official Statement, Legal Documents - no authorization, approval, consent, or other order of the State of California or any other governmental authority or agency within the State of California, other than the Board of Trustees, is required for the valid authorization, execution and delivery of the Legal Documents to which the District is a party and the approval of the Official Statement; and

(vii) Official Statement - based solely on participation in conferences (which did not extend beyond the date of the Official Statement) in connection with the preparation of the Official Statement and review of information made available to the counsel in the course of the foregoing conferences (without having independently verified the accuracy, completeness or fairness of the statements contained in the Official Statement), the counsel does not believe that, as of the date of the Official Statement, the

Official Statement contained any untrue statement of a material fact or omitted to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, and the counsel does not believe that, on the date hereof, the Official Statement contains any untrue statement of a material fact or omits to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading. However, the counsel may express no opinion or belief as to any information concerning the Liquidity Provider or the Insurer and its Policy or the Reserve Fund Surety; information concerning The Depository Trust Company or its book-entry system; any information provided by the Underwriter for inclusion in the Official Statement or any financial statements or other financial or statistical information included or referred to in the Official Statement, or the tax exempt status of interest on the Certificates. The limitations inherent in such participation and review, and the knowledge available to the counsel, are such that the counsel is unable to assume, and the counsel does not assume, any responsibility for such accuracy, completeness or fairness of the statements contained in the Official Statement.

(6) Opinion of Counsel to the Authority. An opinion of O'Melveny & Myers LLP, special counsel to the Authority, dated the Closing Date and addressed to the Authority, the District, the Underwriter, the Liquidity Provider, the Insurer and the Trustee, dated the Closing Date to the effect that:

(i) Due Organization and Existence – The Authority is duly organized and validly existing as a joint powers authority under the laws of the State of California with organizational powers to enter into the Legal Documents, and to perform its obligations under Legal Documents as appropriate;

(ii) Full Right and Lawful Authority - The Legal Documents have been duly authorized, executed and delivered by and on behalf of the Authority and are legally valid and binding obligations of the Authority enforceable in accordance with their respective terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium, or similar laws relating to or limiting creditors' rights generally (including, without limitation, fraudulent conveyance laws) and by general principles of equity, including, without limitation, concepts of materiality, reasonableness, good faith and fair dealing and the possible unavailability of specific performance or injunctive relief,

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regardless of whether considered in a proceeding in equity or at law.

(7) Opinion of Counsel to Trustee. An opinion, satisfactory in form and substance to the Underwriter, of counsel to the Trustee, dated the Closing Date and addressed to the Underwriter, the Liquidity Provider, the Insurer, the Trustee, the District and the Authority, to the effect that:

(i) Due Organization and Existence - The Trustee is a duly organized and validly existing national banking association in good standing under the laws of the United States and has full power and authority to undertake the trust of the Trust Agreement and enter into the Assignment Agreement;

(ii) Corporate Action - The Trustee has duly authorized, executed and delivered the Trust Agreement and the Assignment Agreement and by all proper corporate action has authorized acceptance of the duties of the Trustee under of the Trust Agreement and the Assignment Agreement and has authorized in such capacity the execution and delivery of the Certificates;

(iii) Due Authorization, Execution and Delivery - Assuming the corporate power and legal authority of, and the due authorization, execution and delivery by the other parties to the Trust Agreement and the Assignment Agreement, such agreements are valid, legal and binding obligations of the Trustee, enforceable against the Trustee in accordance with their terms, except as enforcement may be limited by bankruptcy, insolvency, moratorium, reorganization or other similar laws or equitable principles relating to or limiting creditors' rights generally;

(iv) Execution and Delivery of Certificates - The Certificates have been validly authorized, executed and delivered by the Trustee pursuant to direction from the District;

(8) District Certificate. A certificate, dated the Closing Date and signed by the Superintendent of the District or such other director or officer of the District as the Underwriter may approve, to the effect that:

(i) Representations and Warranties – To the best knowledge of such person, the representations and warranties of the District contained herein are true and correct in all material respects on and as of the Closing Date with the same effect as if made on the Closing Date;

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(ii) Official Statement -- To the best knowledge of said individual, no event has occurred since the date of the Official Statement affecting the District which should be disclosed in the Official Statement for the purpose for which it is to be used or which it is necessary to be disclosed therein in order to make the statements made, in light of the circumstances under which they were made, not misleading in any material respect;

(iii) Complied with All Agreements - The District has complied with all agreements and satisfied all the conditions on its part to be performed or satisfied at or prior to the Closing Date under this Purchase Agreement, the District Resolutions, the Legal Documents and the Official Statement;

(iv) No Litigation - To the best of such official's knowledge, no litigation is pending or threatened (either in state or federal courts): (a) seeking to restrain or enjoin the execution, sale or delivery of any of the Certificates, (b) in any way contesting or affecting the authority for the execution, sale or delivery of the Certificates or execution and delivery of the Legal Documents, or this Purchase Agreement, or (c) in any way contesting the existence or powers of the District; and

(v) No Untrue or Misleading Statements - The information contained in the Official Statement pertaining to the District is true and correct and does not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made therein, in light of the circumstances under which they were made, not misleading in any material respect.

(9) Authority Certificate. A certificate of the Authority, dated the Closing Date and signed by a duly authorized official of the Authority, to the effect that:

(i) Complied with All Agreements - The Authority has complied with all agreements, including the Joint Powers Agreement, and satisfied all the conditions on its part to be performed or satisfied at or prior to the Closing Date under the Authority Resolution and the Legal Documents to which it is a party; and

(ii) No Litigation - To the best of such official's knowledge, no litigation is pending or threatened (either in state of federal courts): (a) seeking to restrain or enjoin the execution, sale or delivery of any of the Certificates, (b) in any way contesting or affecting the authority for the execution, sale or delivery of the

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Certificates or execution and delivery of the Legal Documents, including this Purchase Agreement, or (c) in any way contesting the existence or powers of the Authority.

(10) Trustee Certificate. A certificate of the Trustee dated the Closing Date, signed by a duly authorized officer of the Trustee, in form and substance satisfactory to the Underwriter, to the effect that:

(i) Due Organization and Existence - The Trustee is a national banking association duly organized and in good standing under the laws of the United States of America and has all necessary power and authority to enter into and perform its duties under the Trust Agreement and the Assignment Agreement;

(ii) Corporate Action - The Trustee is duly authorized to enter into the Trust Agreement and the Assignment Agreement and to execute and deliver the Certificates to the Underwriter pursuant to the terms of the Trust Agreement and, when executed by the other parties thereto, the Trust Agreement and the Assignment Agreement will constitute legal, valid and binding obligations of the Trustee enforceable in accordance with their terms;

(iii) Execution and Delivery of Certificates - The Certificates have been duly executed and delivered to the Underwriter pursuant to direction from the District;

(iv) No Breach or Default - The Trustee is not in breach of or default under any law or administrative rule or regulation of the United States of America or of any department, division, agency or instrumentality thereof, or any applicable court or administrative decree or order, or any other instrument to which the Trustee is a party or is otherwise subject or bound and which would materially impair the ability of the Trustee to perform its obligations under the Trust Agreement and the Assignment Agreement; provided, however, that the Trustee need not certify to compliance with any federal or state securities laws;

(v) No Litigation - No action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, regulatory agency, public board or body, is pending or, to the best of its knowledge, threatened in any way affecting the existence of the Trustee or the titles of its directors or officers to their respective offices, or seeking to restrain or enjoin the execution, sale or delivery of the Certificates, the application of the proceeds thereof in accordance with the Trust Agreement, or in any way

contesting or affecting the validity or enforceability of the Certificates; and

(vi) No Conflict - The execution and delivery by the Trustee of Trust Agreement and the Assignment Agreement, and compliance with the terms thereof will not, in any material respect, conflict with, or result in a violation or breach of, or constitute a default under, any loan agreement, indenture, bond, note, resolution or any other agreement or instrument to which the Trustee is a party or by which it is bound, or any law or any rule, regulation, order or decree of any court or governmental agency or body having jurisdiction over the Trustee or any of its activities or properties, or (except with respect to the lien of the Trust Agreement) result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the property or assets of the Trustee.

(11) Trustee Resolution. Certified copies of the general resolution of the Trustee authorizing the execution and delivery of certain documents by certain officers of the Trustee, which resolution authorizes the execution and delivery of the Certificates and the Trust Agreement;

(12) District Resolution. Certified copies of the District Resolution;

(13) Authority Resolution. Certified copies of the Authority Resolution;

(14) JPA Documents. The Joint Powers Agreement duly executed and delivered by the parties thereto, with such amendments, qualifications or supplements as may have been agreed to in writing by the parties thereto, from time to time;

(15) Insurer Documents. An executed copy of the Policy, the Reserve Fund Policy and such appropriate certificate of the Insurer and an opinion of counsel to the Insurer in form and substance satisfactory to Special Counsel and the Underwriter;

(16) Certificate of Liquidity Provider. A certificate of the Liquidity Provider in form and substance satisfactory to Special Counsel and the Underwriter;

(17) Opinion of Liquidity Provider Counsel. An opinion of counsel to the Liquidity Provider addressed to the District, the Authority, the Liquidity Provider, the Trustee and the Underwriter in form and substance satisfactory to Special Counsel and the Underwriter;

(18) Nonarbitrage Certificate. A nonarbitrage certificate in form satisfactory to Special Counsel;

(19) IRS Form 8038-G. Internal Revenue Service Form 8038-G, executed by an authorized officer of the District;

(20) Rating. Evidence from [Fitch, Inc.] that the Certificates have been rated "_____";

(21) Insurance. Evidence that the insurance required by the Lease Agreement is in full force and effect;

(22) Title Insurance. Evidence that First American Title Company is prepared to issue an CLTA policy insuring the District and Authority's respective interests in the Property; and

(23) Miscellaneous. Such additional legal opinions, certificates, proceedings, instruments and other documents as Special Counsel or counsel for the Underwriter may reasonably request to evidence compliance with legal requirements, the truth and accuracy, as of the time of Closing, of the representations and warranties contained herein, in the Legal Documents and in the Official Statement and the due performance or satisfaction by the Trustee, the Liquidity Provider, the Insurer, the Authority and the District at or prior to such time of all agreements then to be performed and all conditions then to be satisfied.

(e) All matters relating to this Purchase Agreement, the Certificates and the sale thereof, the Official Statement, the Legal Documents and the consummation of the transactions contemplated by this Purchase Agreement shall have been approved by the Underwriter and counsel for the Underwriter, such approval not to be unreasonably withheld.

If the District and the Authority shall be unable to satisfy the conditions to the obligations of the Underwriter to purchase, to accept delivery of and to pay for the Certificates contained in this Purchase Agreement, or if the obligations of the Underwriter to purchase, to accept delivery of and to pay for the Certificates shall be terminated for any reason permitted by this Purchase Agreement, this Purchase Agreement shall terminate and neither the Underwriter, the District nor the Authority shall be under any further obligation hereunder, except that the respective obligations of the District, the Authority and the Underwriter set forth in Sections 9 and 11 hereof shall continue in full force and effect.

Section 8. Termination. The Underwriter shall have the right to terminate their obligations under this Purchase Agreement to purchase, to accept delivery of and to pay for the Certificates by notifying the District of their election to do so if, between the date hereof and the Closing Date, the market price or marketability, at the initial offering prices set forth in the Official Statement, of the Certificates has been

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materially adversely affected in the reasonable judgment of the Underwriter by reason of any of the following:

(a) Legislation, Judicial Decisions or Rulings. An amendment to the Constitution of the United States or the constitution of the State of California shall have been passed or legislation enacted or introduced in the Congress or recommended for passage by the President of the United States, or a decision rendered by a court established under Article III of the Constitution of the United States or by the United States Tax Court with any of the effects listed in clauses (i), (ii), (iii) or (iv) below, or an order, ruling, regulation (final, temporary or proposed) or official statement issued or made:

(i) by or on behalf of the United States Treasury Department, or by or on behalf of the Internal Revenue Service, with the purpose or effect, directly or indirectly, of imposing federal income taxation upon payments of the general character of the Base Rental payments as would be received by the Authority or the Trustee or upon such interest as would be received by the Owners of the Certificates; or

(ii) by or on behalf of the State of California or the California Franchise Tax Board, with the purpose or effect, directly or indirectly, of imposing California personal income taxation upon payments of the general character of the Base Rental payments as would be received by the Authority or the Trustee or upon such interest as would be received by the Owners of the Certificates; or

(iii) by or on behalf of the Treasury Department of the United States or the Internal Revenue Service or by or on behalf of the State of California or the California Franchise Tax Board, with the purpose or effect, directly or indirectly, of changing the federal or State of California income tax rates, respectively; or

(iv) by or on behalf of the Securities and Exchange Commission, or any other governmental agency having jurisdiction over the subject matter thereof, to the effect that the Certificates, or obligations of the general character of the Certificates, including any and all underlying arrangements, are not exempt from registration under the Securities Act of 1933, as amended, or the Trust Agreement is not exempt from qualifications under the Trust Indenture Act of 1939, as amended.

(b) War. The declaration of war or engagement in or escalation of major military hostilities by the United States or the occurrence of any other national emergency or calamity relating to the effective operation of the government or the financial community in the United States;

(c) Banking Moratorium. The declaration of a general banking moratorium by federal, New York or California authorities, or the general suspension of trading on any national securities exchange;

(d) Securities Exchange Restrictions. The imposition by the New York Stock Exchange, other national securities exchange, or any governmental authority, of any material restrictions not now in force with respect to the Certificates, or obligations of the general character of the Certificates or the material increase of any such restrictions now in force, including those relating to the extension of credit by, or the charge to the net capital requirements of, underwriters;

(e) Changes to Federal Securities Law. An order, decree or injunction of any court of competent jurisdiction, or order, filing, regulation or official statement by the Securities and Exchange Commission, or any other governmental agency having jurisdiction over the subject matter thereof, issued or made to the effect that the issuance, offering or sale of obligations of the general character of the Certificates, including any or all underlying obligations, as contemplated hereby or by the Official Statement, is or would be in violation of any federal securities law as amended and then in effect;

(f) Amendment to Federal or State Constitution. Any amendment to the federal or California Constitution or action by any federal or California court, legislative body, regulatory body or other authority materially adversely affecting the tax status of the District, its property, income, securities (or interest thereon) or the validity or enforceability of the Certificates;

(g) Official Statement Untrue or Incomplete. Any event occurring, or information becoming known which, in the reasonable judgment of the Underwriter, makes untrue in any material adverse respect any statement or information contained in the Official Statement, or has the effect that the Official Statement contains any untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading;

(h) Certain Amendments to the Official Statement. An event described in Section 6(h) hereof occurs prior to the Closing which, in the reasonable judgment of the Underwriter, requires or has required a supplement or amendment to the Official Statement; or

(i) Action by Rating Agencies. Any downgrading, suspension or withdrawal, or any official statement as to a possible downgrading, suspension or withdrawal, of any rating by Moody's Investors Service or Standard & Poor's Ratings Group or Fitch Investors Service of any

obligations of the District (excluding obligations for which the District acts merely as a conduit issuer), including the Certificates.

Section 9. Expenses. All expenses and costs of the District incident to the performance of its obligations in connection with the authorization, execution, sale and delivery of the Certificates to the Underwriter, including, but not limited to, printing costs, fees of the Trustee and the Liquidity Provider, the Insurer, fees and expenses of the consultants, fees and expenses of Special Counsel and costs relating to obtaining ratings shall be paid by the District, and the Underwriter shall have no liability for the payment of such amounts whether or not the Certificates are executed and delivered. All out-of-pocket expenses of the Underwriter, including the California Debt and Investment Advisory Commission fee, fees of its counsel, travel and other expenses (including travel expenses incurred in connection with securing ratings and/or bond insurance for the Certificates), shall be paid by the Underwriter and the District shall reimburse the Underwriter for the payment of such amounts whether or not the Certificates are executed and delivered.

Section 10. Notices. Any notice or other communication to be given to a party under this Purchase Agreement may be given by delivering the same in writing by mail to the party entitled thereto at its address set forth below, or at such other address as such party may provide to the other parties in writing from time to time, namely:

(a) If to the District: Western Placer Unified School District
810 J Street
Lincoln, California 95648
Attention: Superintendent

(b) If to the Authority: California Public School District Financing Authority
810 J Street
Lincoln, California 95648

(c) If to the Liquidity Provider: Dexia Credit Local,
New York Agency
445 Park Avenue, 7th Floor
New York, New York 10041
Attention: Vice President

(d) If to the Trustee: U.S. Bank National Association
550 South Hope Street, Suite 500
Los Angeles, California 90071
Attention: Corporate Trust Department

(e) If to the Insurer: Financial Security Assurance Inc.
350 Park Avenue
New York, New York 10022
Attention: _____

(f) If to the Underwriter: Banc of America Securities LLC
300 South Grand Avenue, CA9-704-19-19
Los Angeles, California 90071
Attention: Scott Gorzeman

Section 11. Parties in Interest. This Purchase Agreement is made solely for the benefit of the District, the Authority and the Underwriter (including successors or assigns of the Underwriter) and no other person shall acquire or have any right hereunder or by virtue hereof.

Section 12. Governing Law. This Purchase Agreement shall be governed by the laws of the State of California.

Section 13. Entire Agreement. This Purchase Agreement when accepted by you in writing as heretofore specified shall constitute the entire agreement between us and is made solely for the benefit of the District and the Underwriter (including the successors or assigns thereof). No other person shall acquire or have any right hereunder or by virtue hereof.

Section 14. Determination of Underwriting Period. The term "end of the underwriting period" means such time as the Underwriter no longer retain, directly or as a member or an underwriting syndicate, an unsold balance of the Certificates for sale to the public. Unless the Underwriter gives notice to the contrary, the "end of the underwriting period" shall be deemed the date of the Closing. Any notice delivered pursuant to this Section shall be written notice, delivered to the District and the Authority at or prior to the Closing, and shall specify a date, other than the date of the Closing (or other date specified by notice delivered pursuant to this section), to be deemed the "end of the underwriting period."

Section 15. Counterparts. This Purchase Agreement may be executed in any number of counter parts, and all of said counterparts taken together shall be deemed to constitute one and the same instrument.

Section 16. Headings. The headings of the sections of this Purchase Agreement are inserted for convenience only and shall not be deemed to be a part hereof.

[Remainder of Page Intentionally Left Blank]

Section 17. Effectiveness. This Purchase Agreement shall become effective upon the acceptance hereof by the authorized officer, the District or his or her designee and shall be valid and enforceable at the time of such acceptance and acknowledgment.

Very truly yours,

BANC OF AMERICA SECURITIES LLC,
as Underwriter

By_____
Title: Principal

Accepted this _____ day of _____, 2004
WESTERN PLACER UNIFIED SCHOOL DISTRICT

By _____
Title: Superintendent

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$_____
Western Placer Unified School District
Adjustable Rate Certificates of Participation
(School Facilities Project), Series 2004A

REMARKETING AGREEMENT

This Remarketing Agreement is made and entered into as of _____ 1, 2004 (this "Remarketing Agreement"), by and between the Western Placer Unified School District (the "District") and Banc of America Securities LLC (the "Remarketing Agent"), whereby the Remarketing Agent will act as exclusive sales agent with respect to the subsequent placement, if required, of the Adjustable Rate Certificates of Participation (School Facilities Project), Series 2004A (the "Certificates") executed and delivered in the aggregate principal amount of $_____ pursuant to a Trust Agreement, dated as of _____ 1, 2004 (the "Trust Agreement"), by and among the District, California Public School District Financing Authority (the "Authority") and U.S. Bank National Association, as trustee (the "Trustee"). In connection with the execution and delivery of the Certificates, the District has entered into a Standby Purchase Agreement, dated as of _____ 1, 2004 (the "Standby Purchase Agreement"), by and between the District and Dexia Credit Local, New York Agency (the "Liquidity Provider"), under which the Liquidity Provider will provide the purchase price of the Certificates subject to mandatory or optional tender for purchase, as further provided therein. The payment of principal and interest represented by the Certificates are further secured by a municipal bond insurance policy to be issued by Financial Security Assurance Inc. (the "Insurer"). The Certificates were sold pursuant to a Certificate Purchase Agreement, dated _____, 2004 (the "Purchase Agreement"), by and between Banc of America Securities LLC and the District.

WITNESSETH:

SECTION 1. Definitions. Unless a different meaning clearly appears from the context, the capitalized words and terms used herein shall have the meanings set forth in the Trust Agreement.

SECTION 2. Appointment of Remarketing Agent. Subject to the terms and conditions contained herein and in the Trust Agreement, the District hereby appoints Banc of America Securities LLC as Remarketing Agent and the Remarketing Agent hereby accepts such appointment herein and under the Trust Agreement as exclusive Remarketing Agent, subject to Section 4 herein, in connection with the remarketing of the Certificates from time to time in the secondary market subsequent to the initial offering, issuance and sale of the Certificates.

SECTION 3. Interest Rate Periods; Remarketing of Certificates; Principal Office. (a) In accordance with the Trust Agreement, the Remarketing Agent's responsibilities hereunder for each remarketing of the Certificates shall include (i) determining and announcing the interest rates applicable to the Certificates, (ii) using its best efforts to remarket the Certificates (including, without limitation, Bank Certificates) at a price of 100% of the principal amount thereof plus accrued interest, if any, which have been tendered or deemed tendered by the holders thereof pursuant to the Trust Agreement and to perform the other obligations of the Remarketing Agent as set forth in the Trust Agreement; provided, that the Remarketing Agent shall use its best efforts to solicit offers to purchase Bank Certificates, if any, before other Certificates tendered or deemed tendered, and if less than all Bank Certificates are remarketed on any date, the Bank Certificates having the highest aggregate amount of interest payable shall be remarketed first, and (iii) performing such other related functions and complying with the provisions as are set forth in the Trust Agreement relating to the Remarketing Agent.

(b) The Remarketing Agent shall keep such books and records as shall be consistent with prudent industry practice and shall make such books and records available for inspection by the District, the Trustee, the Tender Agent (as described in the Master Trust Agreement) and the Liquidity Provider at all reasonable times.

(c) The Remarketing Agent hereby designates its principal office as the address set forth in the Trust Agreement.

(d) The Remarketing Agent shall take all actions and do all things as Remarketing Agent required or permitted to be taken and done under the terms of this Remarketing Agreement and the Trust Agreement.

SECTION 4. Exclusive Agent; Resignation and Removal of Remarketing Agent; Successor Agent. Unless this Remarketing Agreement has been previously terminated pursuant to the terms hereof, the Remarketing Agent shall act as exclusive Remarketing Agent with respect to the Certificates on the terms and conditions herein contained at all times. Subject to the provision in the following paragraph, the Remarketing Agent may at any time resign and be discharged of the duties and obligations created by this Remarketing Agreement by giving at least thirty (30) days' prior written notice to the District, the Liquidity Provider, the Insurer and the Trustee. The Remarketing Agent may be removed at any time by the District upon thirty (30) days' notice to the Remarketing Agent by an instrument, signed by the District and filed with the Remarketing Agent, the Liquidity Provider, the Insurer and the Trustee.

In the event the Remarketing Agent shall resign or be removed, or be dissolved, or if its property or affairs shall be taken under the control of any state or federal court or administrative body because of bankruptcy or insolvency, or for any other reason, such Remarketing Agent shall immediately pay over, assign and deliver any moneys and Certificates held by it in such capacity to that successor remarketing agent to be appointed by the District meeting the requirements set forth in the Trust Agreement and the Standby Purchase Agreement.

If the Remarketing Agent consolidates with, merges or converts into, or transfers all or substantially all its assets to, another corporation, the resulting, surviving or transferee corporation without any further act shall be the successor Remarketing Agent hereunder, provided that such corporation shall otherwise be eligible to serve in such capacity under the Trust Agreement.

Unless the District shall be in default hereunder or under any of the Financing Documents (as hereinafter defined), no resignation or removal of the Remarketing Agent shall be effective until a successor shall have been appointed and shall have accepted its duties; provided, however, that the District shall be obligated to use its best efforts to timely appoint a successor Remarketing Agent.

SECTION 5. Furnishing of Offering Materials. (a) The District has furnished the Remarketing Agent with sufficient copies of the Official Statement, dated _____, 2004, with respect to the Certificates (together with any documents incorporated therein and any other disclosure documents or information provided pursuant to this Agreement as it shall be amended or supplemented from time to time) for the Remarketing Agent to comply with applicable securities laws and will furnish such other information and materials with respect to the District and the Certificates as the Remarketing Agent shall reasonably request from time to time in connection with the remarketing of the Certificates. Any additional copies of the Official Statement requested by the Remarketing Agent will be provided at the expense of the Remarketing Agent.

(b) The District agrees to immediately notify the Remarketing Agent if (i) any event shall have occurred, to the actual knowledge of the District, as a result of which the Official Statement, including as then amended or supplemented, would include an untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading and (ii) there is any material adverse change that may affect the remarketing of the Certificates or any fact or circumstances which constitute, or with the passage of time would constitute, an event of default under the Financing Documents (as hereinafter defined).

(c) The District will cooperate with the Remarketing Agent in the preparation, at the District's expense, of the additional marketing and disclosure materials that the Remarketing Agent reasonably determines are necessary or required in connection with the reoffering and sale of the Certificates or which the Remarketing Agent reasonably determines should be provided to owners of the Certificates.

SECTION 6. Term and Termination of Remarketing Agreement. This Remarketing Agreement shall become effective upon execution by the Remarketing Agent and the District and shall continue in full force and effect until the earlier of the conversion date on which all Outstanding Certificates are converted to a Fixed Rate (as described in the Master Trust Agreement) or the payment in full of the Certificates (including, without limitation, Bank Certificates) in accordance with the Trust Agreement, subject to the right of the Remarketing Agent or the District to terminate this Remarketing Agreement, as provided herein.

SECTION 7. Representations Warranties, Covenants and Agreements of the District. The District represents, warrants, covenants and agrees with the Remarketing Agent as follows:

(a) It is a school district duly organized and validly existing pursuant to the Constitution and the laws of the State of California.

(b) It has full power and authority to take all actions required or permitted to be taken by it by or under and to perform and observe the covenants and agreements on its part contained in this Remarketing Agreement, the Purchase Agreement, the Standby Purchase Agreement, the Lease Agreement, the Sublease and the Trust Agreement (collectively, the "Financing Documents").

(c) It has, on or before the date hereof, duly taken all actions necessary to be taken by it prior to such date for: (i) the execution, delivery and performance of the Financing Documents, and (ii) the carrying out, giving effect to, consummation and performance of the transactions and obligations contemplated hereby and by the Official Statement.

(d) The Financing Documents, when executed and delivered by the parties thereto, will constitute valid and binding obligations, enforceable against the District in accordance with their respective terms, except as the binding effect and enforceability thereof may be limited by moratorium, bankruptcy, insolvency or other applicable laws in effect from time to time affecting the rights of creditors generally and except to the extent that the enforceability thereof may be limited by the application of general principles of equity, judicial discretion and the limitation on legal remedies against public entities in California.

(e) The execution and delivery of the Financing Documents which have been or will be executed in connection with the consummation of the transactions contemplated hereby and by the Official Statement, the compliance with the terms, conditions or provisions thereof, and the consummation of the transactions therein contemplated, do not and will not, to the knowledge of the

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undersigned officer, violate any material law, regulation, order, writ, injunction or decree of any court or governmental body applicable to it or result in a material breach of any of the terms, conditions or provisions of, or constitute a default under, or result in the creation or imposition of any mortgage, lien, charge or encumbrance of any nature whatsoever upon any of the properties or assets of the District pursuant to any mortgage, resolution, agreement or instrument to which the District is a party or by which it or any of its properties is bound other than those provided for in or contemplated by the Financing Documents.

(f) All authorizations, consents and approvals of, notices to, registrations or filings with, or actions in respect of any governmental body, agency or other instrumentality or court required in connection with the execution, delivery and performance by the District of the Financing Documents have been obtained, given or taken and are in full force and effect; provided, however, the District makes no representation with respect to compliance with any blue sky or state or federal securities laws.

(g) Except as described in the Official Statement, to the knowledge of the undersigned officer, there is no action, suit, proceeding, inquiry or investigation before or by any court, public board or body pending or threatened against or affecting the District wherein an unfavorable decision, ruling or finding is likely to have a material adverse effect on the financial condition or solvency of the District, or to affect the validity or enforceability of the Financing Documents, or the District's ability to perform its obligations under the Financing Documents.

(h) At no expense to the District, it will cooperate with the Remarketing Agent in the qualification of the Certificates for offering and sale and the determination of the eligibility of the Certificates for investment under the laws of such jurisdictions as the Remarketing Agent shall designate and will use its best efforts to continue any such qualification in effect so long as required for the distribution of the Certificates by the Remarketing Agent, provided that the District shall not be required to qualify to do business in any jurisdiction where it is not now qualified or subject itself to service of process in any jurisdiction in which it is not now so subject.

(i) The information contained in the Official Statement does not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made therein, in light of the circumstances under which they were made, not misleading. No representation is made in this paragraph, however, with respect to any information in the Official Statement with respect to DTC, the Liquidity Provider, the Insurer, the Underwriter for the Certificates (as defined in the Official Statement) or the Remarketing Agent or information provided by them specifically for inclusion in the Official Statement.

SECTION 8. Representations, Warranties, Covenants and Agreements of the Remarketing Agent. The Remarketing Agent, by its acceptance hereof, represents, warrants and covenants to and with the District as follows:

(a) that it satisfies the requirements for "Remarketing Agent" set forth in the Trust Agreement and is authorized by law to perform all the duties imposed upon it by the Trust Agreement and this Remarketing Agreement and that it is a member of the National Association of Securities Dealers, Inc.

(b) that the execution and delivery of this Remarketing Agreement and the consummation of the transactions contemplated herein and in the Trust Agreement will not conflict with or constitute on the part of the Remarketing Agent a breach of or a default under its charter documents, its By-Laws, or any statute, indenture, mortgage, deed of trust, leasehold, note agreement or other agreement or instrument to which the Remarketing Agent is a party or by which it or its properties are bound, or any

order, rule or regulation of any court or governmental agency or body having jurisdiction over the Remarketing Agent or any of its activities or properties.

(c) that this Remarketing Agreement has been duly authorized, executed and delivered by the Remarketing Agent and constitutes the legal, valid and binding obligation of the Remarketing Agent enforceable in accordance with its terms, except as enforcement may be limited by moratorium, bankruptcy, insolvency or other laws affecting the rights of creditors generally and except to the extent that the enforceability hereof may be limited by the application of general principles of equity.

SECTION 9. Conditions to Remarketing Agent's Obligations. The obligations of the Remarketing Agent under this Remarketing Agreement have been undertaken in reliance on, and shall be subject to, the due performance by the District of its obligations and agreements to be performed hereunder and to the accuracy of and compliance with the representations, warranties, covenants and agreements contained herein, on and as of each date on which Certificates are to be offered and sold pursuant to this Remarketing Agreement. The obligations of the Remarketing Agent hereunder with respect to each date on which Certificates are to be offered and sold pursuant to this Remarketing Agreement are also subject, in the discretion of the Remarketing Agent, to the following further conditions:

(a) Each of the Financing Documents shall be in full force and effect and shall not have been amended, modified or supplemented in any way which would materially and adversely affect the duties of the Remarketing Agent, except as may have been agreed to in writing by the Remarketing Agent, and there shall be in full force and effect such additional resolutions, agreements, certificates (including such certificates as may be required by regulations of the Internal Revenue Service or Special Counsel in order to establish the tax-exempt character of interest with respect to the Certificates) and opinions as shall be necessary to effect a secondary remarketing of the Certificates in the manner contemplated by this Remarketing Agreement, which resolutions, agreements, certificates and opinions shall be satisfactory in form and substance to the Remarketing Agent;

[(b) The Standby Purchase Agreement shall be in full force and effect;][to be discussed by LP counsel]

(c) The rating assigned to the Certificates shall not be reduced below ["A" by Fitch, Inc.];

(d) No "Event of Default" (as such term is defined in the Trust Agreement) shall have occurred and be continuing and no event shall have occurred and be continuing which, with the passage of time or giving of notice or both, would constitute such an "Event of Default";

(e) At or prior to the Closing Date (as defined in the Purchase Agreement), the Remarketing Agent shall have received all documents required by, and delivered pursuant to, the Purchase Agreement;

(f) The availability of current information on the District in the form of a revised Official Statement or such other documents or information as shall be reasonably requested by the Remarketing Agent;

(g) In the event that the Certificates shall be or become subject to registration under the Securities Act of 1933, as amended, there shall be in full force and effect all such registration statements, offering materials, opinions and other filings or documents as may be necessary in the

reasonable opinion of the Remarketing Agent to remarket the Certificates in the manner contemplated by this Remarketing Agreement;

(h) The Remarketing Agent may suspend its obligations under this Remarketing Agreement at any time by notifying the District in writing or by telegram, telex, telecopy, or other electronic communication of its election so to do, if:

(i) legislation is enacted by the State of California or the United States or favorably reported to either the United States House of Representatives or the United States Senate or a decision by the United States Tax Court is rendered, or a ruling or regulation (final, temporary or proposed) is made by or on behalf of the Treasury Department of the United States or the Internal Revenue Service, or a release or official statement is issued by the President, the Treasury Department or the Internal Revenue Service of the United States, affecting the federal or California tax status of the District, its property or income, or the interest on its outstanding obligations, bonds or notes (including the Certificates);

(ii) legislation is favorably reported by committee, by amendment or otherwise, in, or is enacted by, the House of Representatives or the Senate of the Congress of the United States, or a decision by a court of the United States is rendered, or a stop order, ruling, regulation or official statement by, or on behalf of, the United States Securities and Exchange Commission or other federal governmental agency is made or proposed, to the effect that the offering or sale of obligations of the general character of the Certificates, as contemplated hereby, is or would be in violation of any provision of the Securities Act of 1933, as amended and as then in effect (the "Securities Act"), or the Trust Indenture Act of 1939, as amended, or with the purpose or effect of otherwise prohibiting the offering or sale of obligations of the general character of the Certificates, or the Certificates as contemplated hereby; provided, however, that in the case of legislation favorably reported by committee, by amendment or otherwise, in the House of Representatives or the Senate of the Congress of the United States but not yet enacted, or in the case of a stop order, ruling, regulation or official statement of the United States Securities and Exchange Commission or other federal governmental agency proposed but not yet adopted or promulgated, such event shall only give rise to a right in the Remarketing Agent to suspend its obligations under this Remarketing Agreement if, in the opinion of counsel to the Remarketing Agent, such counsel being acceptable to the District, which acceptance shall not be unreasonably withheld, the introduced legislation or proposed stop order, ruling, regulation or official statement, if enacted, adopted or promulgated in its then current form, would apply retroactively to the date as of which the Remarketing Agent seeks to suspend its obligations hereunder;

(iii) any information becomes known or an event occurs which, in the Remarketing Agent's reasonable opinion, makes untrue, incorrect or misleading in any material respect any statement or information contained in the Official Statement, as the information contained therein has been supplemented or amended by other information, as of the date furnished to the Remarketing Agent or supplemented in accordance with Section 5 hereof, or causes the Official Statement, as so supplemented or amended, to contain an untrue, incorrect or misleading statement of a material fact or to omit to state a material fact required to be stated therein or necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading;

(iv) except as provided in clauses (i) and (ii) of this subparagraph (f), any legislation, resolution, ordinance, rule or regulation is introduced in or is enacted by any governmental body, department or agency of the United States, the State of New York, or the State of California, or a decision by any court of competent jurisdiction within the United States, the State of New York, the State of California is rendered which, in the opinion of counsel to the Remarketing Agent, such counsel being acceptable to the District, which acceptance shall not be unreasonably withheld, precludes the remarketing of the Certificates;

(v) additional material restrictions not in force as of the date hereof are imposed upon trading in securities generally by any governmental authority or by any national securities exchange which, in the opinion of counsel to the Remarketing Agent, such counsel being acceptable to the District, which acceptance shall not be unreasonably withheld, preclude the remarketing of the Certificates;

(vi) Any governmental authority imposes, as to the Certificates, or obligations of the general character of the Certificates, any material restrictions not now in force, or materially increases those now in force, which, in the opinion of counsel to, the Remarketing Agent, such counsel being acceptable to the District, which acceptance shall not be unreasonably withheld, preclude the remarketing of the Certificates;

(vii) A general banking moratorium is established by federal, New York or California authorities which precludes the remarketing of the Certificates;

(viii) the United States engages in hostilities the effect of which in the Remarketing Agent's judgment makes it impracticable or impossible to proceed with the solicitation of offers to purchase the Certificates;

(ix) The Remarketing Agent may suspend its remarketing efforts upon receipt of notice of the occurrence of any "Event of Default" under the Trust Agreement; or

(x) The Remarketing Agent will suspend remarketing of any Certificates upon receipt of written notice from the Liquidity Provider of an Event of Default under Section 8.1(b) or (q)(ii) under the Standby Purchase Agreement until such time as the Liquidity Provider notifies the Remarketing Agent that such Event of Default has been cured of waived.

SECTION 10. Payment of Fees and Expense. The District agrees to pay to the Remarketing Agent a fee from Additional Payments (as provided in the Sublease) computed as 0.10% per annum of the average daily outstanding principal amount of the Certificates during any quarter, payable in quarterly installments in arrears; such payment shall be billed in March, June, September and December, commencing on September 1, 2004; provided, however, that such fee to be paid to the Remarketing Agent shall not be less than $1,250 in any quarter and prorated as applicable. In the event that the interest rate on the Certificates is converted to a Fixed Rate, the fee and the procedure for payment will be an amount as shall be agreed to by the District and the Remarketing Agent. The Remarketing Agent will not be entitled to compensation for any period during which its obligations are suspended and after this Remarketing Agreement shall be terminated except for a pro rata portion of the fee in respect of the quarter in which such termination occurs.

SECTION 11. Dealing in Certificates by the Remarketing Agent. The Remarketing Agent, in its individual capacity, may, in good faith, buy, sell, own, hold and deal in any of the Certificates offered and sold by it pursuant to this Remarketing Agreement, and may join in any action which any Certificateholder may be entitled to take with like effect as if it did not act in any capacity hereunder. The Remarketing Agent, in its individual capacity, either as principal or agent, may also engage in or be interested in any financial or other transaction with the District, and may act as depository, trustee, or agent for any committee or body of owners of Certificates secured hereby or other obligations of the District as freely as if it did not act in any capacity hereunder.

SECTION 12. Intention of Parties. It is the express intention of the parties hereto that any purchase, sale or transfer of any Certificates, as herein provided, shall not constitute or be construed to be the extinguishment of any Certificates or the indebtedness represented thereby or the reissuance of any Certificates.

SECTION 13. Indemnification and Contribution.

(a) **District Indemnification of the Remarketing Agent.** The District shall, to the extent permitted by law, indemnify and hold harmless the Remarketing Agent, each of its directors, officers and employees and each person who controls the Remarketing Agent within the meaning of Section 15 of the Securities Act (any such person being herein sometimes called an "Indemnified Party"), against any and all losses, claims, damages or liabilities, joint or several, to which such Indemnified Party may become subject under any statute or at law or in equity or otherwise, and shall reimburse any such Indemnified Party for any reasonable legal or other expenses incurred by it in connection with investigating any claims against it and defending any actions, but only to the extent that such losses, claims, damages, liabilities or actions arise out of or are based upon (i) an allegation or determination that the Certificates, or the obligations of the District under the Trust Agreement or the Lease Agreement, should have been registered under the Securities Act or the Securities Exchange Act of 1934, as amended, or the Trust Agreement should have been qualified under the Trust Indenture Act of 1939, as amended, or (ii) any untrue statement or alleged untrue statement of a material fact contained in the Official Statement or any amendment thereof or supplement thereto, or the omission or alleged omission to state therein a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; provided, however, that the District shall not be liable in any such case to the extent that any such loss, claim, damage, liability or action arises out of, or is based upon, any untrue statement or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact necessary to make the statements in the Official Statement, in light of the circumstances under which they were made, not misleading, or any amendment thereof or supplement thereto, made in reliance on and in conformity with written information provided by the Remarketing Agent specifically for use therein the Liquidity Provider, the Insurer or DTC. Except as specifically limited above, this indemnity agreement shall not be construed as a limitation on any other liability which the District may otherwise have to any Indemnified Party provided that in no event shall the District be obligated for double indemnification.

Notwithstanding the foregoing, in no event shall Indemnified Party be entitled to indemnification pursuant to this Section 13 for any action resulting from the Remarketing Agent's negligence or misconduct.

(b) **Indemnification Procedure.** An Indemnified Party (as defined in paragraph (a) of this Section 13) shall, promptly after the receipt of notice of the commencement of any action against such Indemnified Party in respect of which indemnification may be sought against the District, notify the Indemnifying Party in writing of the commencement thereof. Failure to give such notice shall not relieve the Indemnifying Party from any liability it may have to the Indemnified Party. In case any such action shall be brought against an Indemnified Party and such Indemnified Party shall notify the Indemnifying Party of the commencement thereof, the Indemnifying Party may, or if so requested by such Indemnified Party shall, participate therein or assume the defense thereof, with counsel reasonably satisfactory to such Indemnified Party, and after notice from the Indemnifying Party to such Indemnified Party of an election so to assume the defense thereof, such Indemnified Party shall reasonably cooperate in the defense thereof, including, without limitation the settlement of outstanding claims, and the Indemnifying Party will not be liable to such Indemnified Party under this Section 13 for any legal or other expenses subsequently incurred by such Indemnified Party in connection with the defense thereof other than reasonable costs of investigation incurred with the consent of the Indemnifying Party, which consent shall not be unreasonably withheld; provided, however, that unless and until the Indemnifying Party assumes the defense of any such action at the request of such Indemnified Party, the Indemnified Party shall have the right to participate at its own expense in the defense of any action. If the Indemnifying Party shall not have employed counsel to take charge of the defense of any such action or if any Indemnified Party shall have reasonably concluded that there may be defenses available to it or them which are different from or

additional to those available to the Indemnifying Party (in which case the Indemnifying Party shall not have the right to direct the defense of such action on behalf of such Indemnified Party), reasonable legal and other expenses incurred by such Indemnified Party shall be borne by the Indemnifying Party. Notwithstanding the foregoing, the Indemnifying Party shall not be liable for any settlement of any action or claim initiated without its consent.

(c) **Contribution.** In order to provide for just and equitable contribution in circumstances in which the indemnification provided for in paragraph (a) of this Section 13 is due in accordance with its terms but is for any reason held by a court to be unavailable from the District on grounds of policy or otherwise, the District and the Remarketing Agent shall, to the extent permitted by law, contribute to the aggregate losses, claims, damages and liabilities (including legal or other expenses reasonably incurred in connection with investigating or defending same) to which the District and the Remarketing Agent may be subject in such proportion so that the Remarketing Agent is responsible for that portion represented by the percentage that the Remarketing Agent's fee paid pursuant to Section 10 hereof with respect to such remarketing bears to the aggregate principal amount of such Certificates being remarketed and the District is responsible for the balance; provided, however, that no person guilty of fraudulent misrepresentation within the meaning of Section 11(f) of the Securities Act shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation within the meaning of Section 11(f) of the Securities Act. For purposes of this Section 13, each person who controls the Remarketing Agent within the meaning of Section 15 of the Act shall have the same rights as the Remarketing Agent. Any party entitled to contribution shall, promptly after receipt of notice of commencement of any action, suit or proceeding in respect of which a claim for contribution may be made against another party or parties under this paragraph (c), notify such party or parties from whom contribution may be sought, but the omission so to notify such party or parties shall not relieve the party or parties from whom contribution may be sought from any other obligation it or they may have hereunder or otherwise than under this paragraph (c).

SECTION 14. Miscellaneous. (a) Except as otherwise specifically provided in this Remarketing Agreement, all notices, demands and formal actions under this Remarketing Agreement shall be in writing and mailed, telegraphed or delivered to the Remarketing Agent, the District, the Liquidity Provider, the Insurer and the Trustee at their respective addresses set forth in the Trust Agreement. The Remarketing Agent, the District, the Liquidity Provider, the Insurer and the Trustee may, by notice given under this Remarketing Agreement, designate other addresses to which subsequent notices, requests, reports or other communications shall be directed.

In addition, the Remarketing Agent shall provide periodic reportings of trading activity, the rate of interest and tenders with respect to the Certificates to the District as the District reasonably requests.

(b) This Remarketing Agreement will inure to the benefit of and be binding upon the Remarketing Agent and the District and their respective successors and assigns. The terms "successors" and "assigns" shall not include any purchaser of any of the Certificates solely because of such purchase.

(c) This Remarketing Agreement and each provision hereof may be amended, changed, waived, discharged or terminated only by an instrument in writing signed by the parties hereto (with a copy of any such amendment sent by mail to the parties at the addresses referenced in Section 14(a) above).

(d) Section headings have been inserted in this Remarketing Agreement only as a matter of convenience of reference, and it is agreed that such section headings are not a part of this Remarketing Agreement and will not be used in the interpretation of any provisions of this Remarketing Agreement.

(e) If any provision of this Remarketing Agreement shall be held or deemed to be or shall, in fact, be invalid, inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions, or in all jurisdictions, because it conflicts with any provisions of any constitution, statute, rule of public policy, or any other reason, such circumstances shall not have the effect of rendering the provision in question invalid, inoperative or unenforceable in any other case or circumstance, or of rendering any other provision or provisions of this Remarketing Agent invalid, inoperative or unenforceable to any extent whatever.

(f) This Remarketing Agreement may be executed in several counterparts, each of which shall be regarded as an original and all of which shall constitute one and the same document.

(g) The Remarketing Agent agrees that, with the cooperation of the District, it will, at least 120 days prior to the expiration of the Standby Purchase Agreement, commence reasonable actions to assist the District in obtaining an extension of the existing Standby Purchase Agreement prior to its expiration. The Remarketing Agent shall be paid a reasonable fee for its efforts and shall receive reimbursement of its reasonable expenses (at cost) incurred in connection therewith.

(h) This Remarketing Agreement shall be interpreted and construed under the provisions of the laws of the State of California.

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

BANC OF AMERICA SECURITIES LLC

By _____
Title: Principal

WESTERN PLACER UNIFIED SCHOOL DISTRICT

By _____
Title: Authorized Officer

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