PLACE: West Sacramento Chamber of Commerce Meeting Room  
1420 Merkley Avenue, Suite 6  
West Sacramento, CA

DATE: Thursday, May 12, 2011

TIME: 10:30 AM

Meeting Agenda

1. Agenda Approval
2. Public Comment
3. April 14, 2011 Minutes and May 5, 2011 Minutes (special meeting)
5. Consideration of Approval of Resolution 11-05-02 Authorizing 1) The Execution and Delivery of a First Supplemental Fiscal Agent Agreement; 2) Authorizing the Issuance of Bonds; 3) Approving Form of the Official Statement and Distribution Thereof; and 4) Approving Other Related Actions
6. WSAFCA Project Updates
7. Informational Items  
   - Amendment to JPA Agreement per CVFPB for OMRR&R  
   - JPA Biennial Budget for Fiscal Years 2011-12 and 2012-13  
   - HDR Presentation – Southport Sacramento River EIP Task Order #2
8. Adjourn

** In accordance to the Brown Act, any documents related to agenda items that are made available to the Board before the meeting will be available for review by the public at 1420 Merkley Ave., Suite 4, West Sacramento, CA 95691, 8:00 am to 4:00 pm, Monday through Friday.
MEETING DATE: May 12, 2011  ITEM # 5

SUBJECT:
APPROVAL OF RESOLUTION 11-05-02 AUTHORIZING 1) THE EXECUTION AND DELIVERY OF A FIRST SUPPLEMENTAL FISCAL AGENT AGREEMENT; 2) AUTHORIZING THE ISSUANCE OF BONDS; 3) APPROVING FORM OF THE OFFICIAL STATEMENT AND DISTRIBUTION THEREOF; AND 4) APPROVING OTHER RELATED ACTIONS

INITIATED OR REQUESTED BY:  REPORT COORDINATED OR PREPARED BY:
[ ] JPA Board  [ X ] Staff
[ ] Other

[ ] Yes [ ] No

[ ] INFORMATION  [ ] DIRECTION  [ X ] ACTION

OBJECTIVE
To authorize various actions necessary to issue the West Sacramento Area Flood Control Agency (WSAFCA) assessment revenue bonds, Series 2011 (“2011 Bonds”) to fund flood improvements.

RECOMMENDED ACTION
It is respectfully recommended that the WSAFCA Board approve Resolution No. 11-05-02 (included as Attachment 1) which contains the following actions:
1. Approve the execution and delivery of the First Supplemental Fiscal Agent Agreement;
2. Approve the form of the Preliminary Official Statement and distribution of the document;
3. Approve Bond Purchase Agreement;
4. Authorize the issuance of the 2011 Bonds in an amount not to exceed $14 million; and
5. Approve other actions associated with the bond issuance.

BACKGROUND
Annually, the WSAFCA flood assessment district collects approximately $4.2 million for flood protection. A portion of the annual assessment revenue (approximately $561,000) goes toward maintenance and operation of the levee system, while the remainder is available to fund capital improvements.

In 2008, WSAFCA issued $10 million in assessment revenue bonds (“2008 Bonds”) secured by the flood assessments to fund a number of construction projects, including the I Street Early Implementation Project (EIP), funding for the Main Drain pump station, and preparation of planning, engineering and environmental studies associated with The Rivers and CHP Academy EIP projects as well as the Army Corps of Engineers General Reevaluation Report (GRR). The 2008 Bond proceeds have been fully utilized for the intended purposes and additional funding is now necessary for the next phase of flood protection engineering, environmental, and construction activities.

As presented to the Board on April 14, 2011, WSAFCA staff is recommending an additional bond issuance to fund construction of The Rivers and CHP Academy Early Implementation Projects (EIP), construction of WSLIP repair projects, and fund planning, environmental, and engineering program costs related to the Southport Sacramento River Levee EIP Project. The maximum amount of the bond issuance is $13,310,000 with approximately $12.0 million in net proceeds available for projects. The bond issuance process is currently on schedule with closing expected in mid-June 2011. In attached resolution 11-05-02, staff is requesting an authorization to issue bonds in amount not to exceed $14 million, to allow for flexibility in market conditions at the time the bonds are sold.
WSAFCA is supported by a finance team is composed of the following: Del Rio Advisors (financial advisor), Westoff Cone & Olmstead (Underwriter), Jones and Hall (Disclosure Counsel), and Kronick Moskowitz Tiedeman and Girard (Bond Counsel). A complete roster of finance team participants is included as Attachment 2.

Table 1 below summarizes the estimated bond size, the reserve requirements, cost of issuance, the net bond proceeds, and the estimated debt service on the bonds.

<table>
<thead>
<tr>
<th>Item</th>
<th>Amount</th>
<th>Note</th>
</tr>
</thead>
<tbody>
<tr>
<td>Estimated Bond Size (Par Amount) [1]</td>
<td>$13,310,000</td>
<td></td>
</tr>
<tr>
<td>(less) Original Issue Discount</td>
<td>( TBD )</td>
<td>Assumes a discounted sale. Amount goes to bond purchasers</td>
</tr>
<tr>
<td>(less) Cash Reserve Fund [2]</td>
<td>($984,986)</td>
<td>Approximately 1 year of max. debt service</td>
</tr>
<tr>
<td>(less) Estimated Cost of Issuance</td>
<td>($325,014)</td>
<td>Underwriter, bond counsel, disclosure counsel, etc.</td>
</tr>
<tr>
<td>Estimated Net Bond Proceeds</td>
<td>$12,000,000</td>
<td></td>
</tr>
<tr>
<td>Estimated Annual Debt Service</td>
<td>$670,000</td>
<td>Approximately 31% of available bonding capacity [3]</td>
</tr>
</tbody>
</table>

[1] Upper limit of the bond size is anticipated to be $13.3 million for analysis purposes. Ultimate bond size will be finalized prior to issuance, but shall not exceed $14 million as authorized by the Board.
[2] Assumes no bond insurance. Bond insurance may be purchased, which could reduce the cash reserve fund but could increase the cost of issuance due to the insurance costs.
[3] Bond capacity is based on annual assessment revenue less the O&M portion (i.e., 15% to City, RD900, & RD537).

As shown in Table 2 below, a majority of the net bond proceeds (78% of total) will go to fund construction of levee improvements. The Rivers and CHP Academy EIP projects are currently being advertised for construction bids, and WSAFCA Board is expected to approve construction contracts for these projects in June 2011. It is important to note that City staff have secured a significant State contribution to funding these construction projects, and the bond proceeds will provide the local share. While the State’s reimbursement for its share of the construction costs will be returned to WSAFCA, sufficient bond proceeds will be required to cash flow the projects until State reimbursements are received, as well as maintain a level of cash reserves, should there be any unforeseen delay in those reimbursements.

Both the Rivers and CHP Academy EIP projects will address levee deficiencies, including through-seepage, geometry, and under-seepage along short stretches of instability. A description of the construction projects is, as follows.

- **The Rivers EIP**: This project is located on the Sacramento River North Levee, just north of the confluence of the Sacramento and American rivers. The project calls for a combination of slurry cutoff wall and landside slope flattening along approximately 3,000 foot length of levee.
- **CHP Academy EIP**: This project is located on the Sacramento River Bypass Levee, and project site is approximately 6,000 feet in length. The improvements will include a combination of slurry cutoff wall and slope flattening.
- **WSLIP Repairs**: In addition, there are additional repairs and maintenance to various existing levees which are planned for 2011/12 construction seasons.

Approximately 22% of the net bond proceeds will be used for continued planning, engineering, design, and environmental analysis. A majority will go to the next phase of planning for the Sacramento Southport EIP project. These expenditures include the City’s expected share of the General Re-Evaluation Report (GRR), which will also be funded through the net bond proceeds. Completion of the GRR is critical to the City’s ability to secure a federal authorization and funding for levee improvements. Table 2 details the estimated use of the net bond proceeds.
Table 2 - Use of Net Bond Proceeds for Project Purposes

<table>
<thead>
<tr>
<th>Item</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construction</td>
<td>$9,263,993</td>
</tr>
<tr>
<td>The Rivers EIP</td>
<td>$5,628,767</td>
</tr>
<tr>
<td>CHP Academy EIP</td>
<td>$3,313,572</td>
</tr>
<tr>
<td>WSLIP Repairs</td>
<td>$121,654.</td>
</tr>
<tr>
<td>Subtotal Construction</td>
<td></td>
</tr>
<tr>
<td>Studies (Planning, Environmental, Design</td>
<td></td>
</tr>
<tr>
<td>Sacramento River Southport EIP</td>
<td>$2,414,839</td>
</tr>
<tr>
<td>GRR Study [1]</td>
<td>$321,168</td>
</tr>
<tr>
<td>Subtotal Planning</td>
<td>$2,736,007</td>
</tr>
<tr>
<td>Total Amount of Net Bond Proceeds</td>
<td>$12,000,000</td>
</tr>
</tbody>
</table>

[1] GRR is the General Reevaluation Report required by the USACE

On April 20, 2011, the West Sacramento City Council approved Resolution 11-22 which describes the purpose of finding of the project approved by the designated local agency in accordance with the Mark-Roos Act. As described in Table 2 above, the use of funds from the bond proceeds is for a public purpose and the project improvements will occur within the City of West Sacramento.

On March 10, 2011, the WSAFCA Board approved the West Sacramento Levee Improvement Program Permission Environmental Impact Statement/Environmental Impact Report ("EIR/EIS") for the CHP Academy and The Rivers EIP projects, and a Notice of Determination was filed on March 11, 2011 in compliance with the California Environmental Quality Act.

The opening of bids for the sale of bonds is anticipated to occur on May 26, 2011, and the close of escrow would be completed on June 9, 2011. Funds would be available after that date to fund flood improvement projects.

ANALYSIS

The action before the Board today will result in the approval of three documents that are required for the bond issuance to proceed. Please note that the resolution allows the Board to approve the documents substantially in the form presented and direct staff to proceed with execution. Some modifications to the documents are expected as additional information from the bond market becomes available. A summary of the documents is provided below:

1. **First Supplemental Fiscal Agent Agreement (FAA)** – The First Supplemental FAA (Attachment 3) establishes the legal contract between the Agency and the Fiscal Agent, in this case Union Bank of California, which is responsible for holding and investing Bond proceeds on behalf of the WSAFCA (a.k.a. the Agency). This document is a supplement to the approved 2008 FAA, associated with the 2008 WSAFCA series bonds.

2. **Preliminary Official Statement (POS)** – The POS (Attachment 4) is a disclosure document that describes to potential investors the terms, interest rates, prices, maturities, redemption provisions, payment provisions, purpose, and potential risk factors associated with the Bonds.

3. **Bond Purchase Agreement (BPA)** – The BPA (Attachment 5) establishes the legal contract between the Agency and the Underwriter, in this case Westhoff, Cone & Holmstedt. The Underwriter will buy the Bonds from the Agency at interest rates and prices agreed upon by the Agency, and then sell the Bonds to investors. The BPA also sets forth who is responsible for paying various, necessary expenses associated with the issuance of the Bonds.
Authorization of 2011 WSAFCA Series Bonds
May 12, 2011
P.4

Upon the Boards approval, the documents above will be finalized and executed and/or distributed to potential investors. For the most part, members of the Finance Team participated in the previous 2008 Bonds, and based on that experience the team anticipated that the negotiated sale will be well received by the market.

Staff has requested bond ratings from two rating agencies who were involved in the 2008 Bonds, Fitch Rating and Standard and Poors. Fitch has assigned an “AA-” rating for the 2011 bonds (see Attachment 6), which is an improvement over the rating given to the 2008 bonds. It is anticipated that S&P will have completed their evaluation and will have issued an opinion, which staff will present at the May 12th WSAFCA Board meeting.

Alternatives
The Board could:
   1) Approve the recommended action;
   2) Approve Resolution 11-05-02 but request modifications to the use and/or amount of the bond proceeds; or
   3) Delay the bond issuance until a later date.

Staff recommends Alternative 1, which includes approval of the recommended action. By approving Resolution 11-05-02, the Board is authorizing a bond sale and providing the necessary funding to continue with priority flood protection improvements. Staff is willing to proceed with Alternative 2 by considering an alternative bond amount and use of funds. Staff does not recommend Alternative 3 because delaying the bond issuance would negatively impact the EIP construction schedule and the receipt of bond proceeds prior to the WSAFCA’s anticipated award of a construction contract in June 2011.

Coordination and Review
This staff report was coordinated with, and reviewed by, the City of West Sacramento’s Finance Department, Public Works Department, the WSAFCA legal counsel, and WSAFCA’s consultants.

Budget/Cost Impact
The issuance of the Series 2011 WSAFCA bonds will result in approximately $12 million in net bond proceeds that will go directly toward furthering the flood protection program. The debt service repayment source for the bonds is the assessment district revenue that was approved in July of 2007 by West Sacramento property owners.

ATTACHMENTS
1) Resolution 11-05-02 WSAFCA Board - Approving Series 2011 Bonds
2) Finance Team Interested Parties
3) First Supplemental Fiscal Agent Agreement (FAA)
4) Preliminary Official Statement (POS)
5) Bond Purchase Agreement (BPA)
6) Fitch Rating press release
ATTACHMENT 1

RESOLUTION NO. 11-05-02

A RESOLUTION OF THE BOARD OF DIRECTORS OF
THE WEST SACRAMENTO AREA FLOOD CONTROL AGENCY
AUTHORIZING THE EXECUTION AND DELIVERY OF A FIRST SUPPLEMENTAL FISCAL
AGENT AGREEMENT AND A BOND PURCHASE CONTRACT; AUTHORIZING THE
ISSUANCE OF BONDS; APPROVING THE FORM OF THE OFFICIAL STATEMENT AND
THE DISTRIBUTION THEREOF, AND APPROVING OTHER ACTIONS RELATED THERETO

WHEREAS, the West Sacramento Area Flood Control Agency (the "Agency") is
authorized to issue bonds pursuant to Government Code section 6588 to finance the cost of
public capital improvements,

WHEREAS, the Agency issued its Assessment Revenue Bonds, Series 2008 in the
aggregate principal amount of $10,000,000 pursuant to that certain Fiscal Agent Agreement,
dated August 1, 2008 (the "Fiscal Agent Agreement") between Union Bank, N.A. (formerly,
Union Bank of California, N.A.), as fiscal agent (the "Fiscal Agent"), and the Agency,

WHEREAS, the Agency proposes to issue a second series of bonds secured by
revenues from the special benefit assessments for capital purpose that are levied by the Agency
(the "Series 2011 Assessment Revenue Bonds") to finance improvement to flood control
facilities;

WHEREAS, the City of West Sacramento (the "City") is a member agency of the Agency
and the public capital improvements that will be financed by the Agency's Series 2011
Assessment Revenue Bonds are located within the City's boundaries;

WHEREAS, on April 20, 2011, the City held a public hearing, following the required
notice by publication, and adopted a resolution approving the financing of the public capital
improvements to be financed by the Agency's Series 2011 Assessment Revenue Bonds and
making a finding of significant public benefits;

WHEREAS, the following documents and proposed agreements relating to the issuance,
sale and delivery of the Series 2011 Assessment Revenue Bonds by the Agency, which are
incorporated herein by reference, have been presented to the Agency for its review and
approval:

1. The First Supplemental Fiscal Agent Agreement (the "First Supplemental Fiscal
Agent Agreement") between the Fiscal Agent and the Agency, supplemental to
the Fiscal Agent Agreement, pursuant to which the Agency will specify the terms
of the Series 2011 Assessment Revenue Bonds;

2. The Official Statement relating to the Series 2011 Assessment Revenue Bonds;
and

3. A Bond Purchase Contract between the Agency and Westhoff, Cone &
Holmstedt (the "Underwriter"), pursuant to which the Agency sells the Series
2011 Assessment Revenue Bonds to the Underwriter; and
WHEREAS, it appears to the Board of Directors of the West Sacramento Area Flood Control Agency (the “Board of Directors”) that the authorization, approval, execution and delivery of the agreements and documents described above or contemplated thereby or incidental thereto and the issuance, sale, and delivery of the Series 2011 Assessment Revenue Bonds in accordance with the Fiscal Agent Agreement and the First Supplemental Fiscal Agent Agreement are desirable and in the best interests of the Agency.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Directors of the West Sacramento Area Flood Control Agency, as follows:

1. **Recitals.** The above recitals are true and correct.

2. **Authorization of Officers to Execute and Deliver Documents.** The Board of Directors hereby authorizes the President, , the General Manager, and the Treasurer of the Agency (the “Designated Officers”), and each of them individually, for and in the name of the and on behalf of the Agency, to approve, execute, and deliver the following agreements and documents:

   a. The First Supplemental Fiscal Agent Agreement;
   b. The Official Statement; and
   c. The Bond Purchase Contract,

in substantially the form presented to the Agency at this meeting, which agreements and documents are hereby approved, with such changes, insertions, revisions, corrections, or amendments as shall be approved by the officer or officers executing the agreement or document for the Agency. The execution of the foregoing by a Designated Officer or Officers shall constitute conclusive evidence of such officer’s or officers’ and the Board of Directors’ approval of any such changes, insertions, revisions, corrections, or amendments to the respective forms of agreements and documents presented to the Agency at this meeting. The date, respective principal amounts of each maturity, the interest rates, interest payment dates, denominations, forms, registration privileges, place or places of payment, terms of redemption, and other terms of the Series 2011 Assessment Revenue Bonds and provisions relating to municipal bond insurance (if any), shall be as provided in the Fiscal Agent Agreement and the First Supplemental Fiscal Agent Agreement as finally executed.

3. **Authorization to Issue Bonds.** The Board of Directors hereby authorizes the issuance of the Series 2011 Assessment Revenue Bonds in accordance with the terms of the Fiscal Agent Agreement and the First Supplemental Fiscal Agent Agreement as finally executed.

4. **Authorization of Sale.** The Board of Directors hereby authorizes the sale of not to exceed $14,000,000 principal amount of the Series 2011 Assessment Revenue Bonds to the Underwriter pursuant to the Bond Purchase Contract. The Designated Officers are hereby authorized and directed to negotiate with the Underwriter the final terms of the sale and its timing.

5. **Execution of Series 2011 Assessment Revenue Bonds.** The Designated Officers, and each of them individually, are hereby authorized and directed to execute each of the Series 2011 Assessment Revenue Bonds on behalf of the Agency.
6. Distribution of Official Statement. The Board of Directors hereby authorizes the Underwriter to distribute copies of the Official Statement in preliminary form to persons who may be interested in the purchase of the Series 2011 Assessment Revenue Bonds and authorizes and directs the Underwriter to deliver copies of the final Official Statement to all purchasers of the Series 2011 Assessment Revenue Bonds. The Board of Directors hereby authorizes and directs the Designated Officers, and each of them, to deliver to the Underwriter a certificate to the effect that the Agency deems the preliminary Official Statement, in the form approved by a Designated Officer to be final and complete as of its date, except for certain final pricing and related information that may be omitted pursuant to Rule 15c-12 of the Securities and Exchange Commission.

7. General Authorization. The Board of Directors hereby authorizes and directs the Designated Officers, and each of them, for and in the name of and on behalf of the Agency, to do any and all things and to execute and deliver any and all documents that they may deem necessary or advisable in order to complete the sale, issuance, and delivery of the Series 2011 Assessment Revenue Bonds and otherwise to carry out, give effect to, and comply with the terms and intent of this resolution. All actions heretofore taken by such officers and agents that are in conformity with the purposes and intent of this resolution are hereby ratified, confirmed and approved in all respects.

8. Effective Date. This resolution shall take effect immediately upon its passage.

PASSED AND ADOPTED by the Board of Directors of the West Sacramento Area Flood Control Agency on May 12, 2011.

AYES:
NOES:
ABSENT:

William E. Denton, President

ATTEST:

APPROVED AS TO FORM:

Kenneth A. Ruzich, General Manager

WSAFCA Attorney
James Day, Jr.
$13,310,000*
WEST SACRAMENTO AREA FLOOD CONTROL AGENCY
ASSESSMENT REVENUE BONDS, SERIES 2011
*Preliminary, Subject to Change

INTERESTED PARTIES LIST
(Updated April 4, 2011)

ISSUER

West Sacramento Area Flood Control Agency
C/O of Reclamation District No. 900
P.O. Box 673
1420 Merkley Avenue, Suite 4
West Sacramento, California 95691

Ken Ruzich, General Manager
wsrd@pacbell.net (916) 371-1483

AGENCY GENERAL COUNSEL

Day Carter & Murphy LLP
3620 American River Drive, Suite 205
Sacramento, California 95864

James M. Day, Esq.
jday@daycartermurphy.com (916) 570-2500 (x102)

ISSUER PARTNER

City of West Sacramento
1110 West Capitol Ave
West Sacramento, California 95691

Evelyne Hayden, Finance Director
evelyneh@cityofwestsacramento.org (916) 617-4575

Paul Blumberg, Public Finance Manager
paulb@cityofwestsacramento.org (916) 617-4572

Kryss Rankin, City Clerk
kryssr@cityofwestsacramento.org (916) 617-4500

Chelsea Grow, Administrative Aide
chelseag@cityofwestsacramento.org (916) 617-4850
$13,310,000*
WEST SACRAMENTO AREA FLOOD CONTROL AGENCY
ASSESSMENT REVENUE BONDS, SERIES 2011
*Preliminary, Subject to Change

INTERESTED PARTIES LIST
(Updated April 4, 2011)

FINANCIAL ADVISOR

Del Rio Advisors, LLC
1325 Country Club Drive
Modesto, California 95356-9630

Kenneth L. Dieker, Principal
kdieker@delrioadvisors.com
Mobile: (209) 543-8704

BOND COUNSEL/CITY ATTORNEY

Kronick, Moskovitz, Tiedemann & Girard
400 Capitol Mall, 27th Floor
Sacramento, California 95814-4417

Jonathan P. Cristy, Esq.
jcristy@kmktg.com
(916) 321-4571

Deborah L. Fields, Bond Paralegal
dfields@kmktg.com
(916) 321-4512

UNDERWRITER

Westhoff, Cone & Holmstedt
1777 Botelho Drive, Suite 370
Walnut Creek, California 94596

Tom Westhoff
tom@wcah.com
westhoff40@comcast.net
(925) 472-8740

Robert Martz
ram@wcah.com
Fax: (925) 939-5099
$13,310,000*
WEST SACRAMENTO AREA FLOOD CONTROL AGENCY
ASSESSMENT REVENUE BONDS, SERIES 2011
*Preliminary, Subject to Change

INTERESTED PARTIES LIST
(Updated April 4, 2011)

DISCLOSURE COUNSEL

Jones Hall
650 California Street, 18th Floor
San Francisco, California 94108

Dave Fama, Esq.
dfama@joneshall.com (415) 391-5780

FISCAL AGENT

UNION BANK OF CALIFORNIA, N.A.
350 California Street, 11th Floor
San Francisco, CA 94104

Douglas J. Schlafer
douglas.schlafer@uboc.com (415) 273-2518
Fax: (415) 273-2492

FISCAL AGENT COUNSEL

UNION BANK OF CALIFORNIA, N.A.
445 S. Figueroa Street, 12th Floor
Los Angeles, CA 90071
(213) 236-7575 (Fax)

Janis Penton, Esq.
janis.penton@uboc.com (213) 236-5454
Fax: (213) 236-7575
$13,310,000*
WEST SACRAMENTO AREA FLOOD CONTROL AGENCY
ASSESSMENT REVENUE BONDS, SERIES 2011
*Preliminary, Subject to Change

INTERESTED PARTIES LIST
(Updated April 4, 2011)

RATING AGENCIES

Fitch Ratings
One State Street Plaza
New York, NY 10004

Barbara Ruth Rosenberg, Director
barbara.rosenberg@fitchratings.com
(212) 908-0731
Fax: (212) 480-4421

Alan Gibson, Director
alan.gibson@fitchratings.com
(415) 732-7577

Standard & Poor’s Corporation
US Public Finance
55 Water Street, 38th Floor
New York, NY 10041

Michael Stock, Senior Director
michael_stock@sandp.com
(212) 438-2611
Fax: (212) 438-2172
Cell: (646) 285-8839

EMAIL LIST

wsrd@pacbell.net; jday@daycartermurphy.com; evelynhe@cityofwestsacramento.org;
paulb@cityofwestsacramento.org; kryssr@cityofwestsacramento.org;
chelseag@cityofwestsacramento.org; kdieker@delrioadvisors.com; jcristy@kmtg.com;
dfields@kmtg.com; tom@wcah.com; weshoff40@comcast.net; ram@wcah.com;
dfama@joneshall.com; douglas.schlafer@uboc.com; janis.penton@uboc.com;
barbara.rosenberg@fitchratings.com; alan.gibson@fitchratings.com;
michael_stock@sandp.com;
FIRST SUPPLEMENTAL FISCAL AGENT AGREEMENT

between

UNION BANK, N.A.,
as Fiscal Agent

and the

WEST SACRAMENTO AREA FLOOD CONTROL AGENCY

Dated June 1, 2011

Authorizing the Issuance of
$[PAR AMOUNT] Aggregate Principal Amount of

WEST SACRAMENTO AREA FLOOD CONTROL AGENCY
ASSESSMENT REVENUE BONDS
SERIES 2011

(Supplemental to the Fiscal Agent Agreement dated August 1, 2008)
FIRST SUPPLEMENTAL FISCAL AGENT AGREEMENT
(Supplemental to the Fiscal Agent Agreement dated August 1, 2008)

Series 2011 Bonds

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Exhibit A - Form of Series 2011 Bond
FIRST SUPPLEMENTAL FISCAL AGENT AGREEMENT
(Supplemental to Fiscal Agent Agreement dated August 1, 2008)
Authorizing the Issuance of
the West Sacramento Area Flood Control Agency
Assessment Revenue Bonds, Series 2011

This First Supplemental Fiscal Agent Agreement, dated June 1, 2011 (the “First Supplemental Fiscal Agent Agreement”), between UNION BANK, N.A. (formerly Union Bank of California, N.A.), a national banking association duly organized and operating under the laws of the United States of America, as fiscal agent (the “Fiscal Agent”), and the WEST SACRAMENTO AREA FLOOD CONTROL AGENCY, a joint exercise of powers agency duly established and existing under the laws of the State of California (the “Agency”);

WITNESSETH:

WHEREAS, the Board of Directors of the Agency (the “Board”), following the completion of assessment proceedings duly conducted pursuant to the Benefit Assessment Act of 1982 (Sections 54703 et seq. of the Government Code of the State of California, as amended) and Article XIIIID, section 4, of the California Constitution, adopted its Resolution No. 07-05-02 on July 16, 2007, assessing all property within its boundaries to pay for the construction and maintenance of flood control improvements;

WHEREAS, the Agency is authorized pursuant to the Marks-Roos Local Bond Pooling Act of 1985 (Sections 6584 et seq. of the Government Code of the State of California, as amended) (the “Law”) to issue bonds secured by its flood control assessments (the “Bonds”);

WHEREAS, the Fiscal Agent and the Agency entered into a Fiscal Agent Agreement (the “Fiscal Agent Agreement”) dated August 1, 2008, in order to provide for the authentication and delivery of the Bonds, to establish and declare the terms and conditions upon which the Bonds shall be issued and secured, and to secure the payment of the principal thereof and premium (if any) and interest thereon;

WHEREAS, pursuant to such authority, the Agency previously issued its Assessment Revenue Bonds, Series 2008, in the aggregate principal amount of $10,000,000 to finance the construction and maintenance of flood control improvements;

WHEREAS, the Fiscal Agent Agreement provides that the Agency may issue additional Bonds from time to time as authorized by a supplemental agreement;

WHEREAS, the Board has determined to issue an additional series of Bonds pursuant to the authority of the Act and the Fiscal Agent Agreement, to be designated its Assessment Revenue Bonds, Series 2011 (the “Series 2011 Bonds”);

WHEREAS, the conditions of the Fiscal Agent Agreement for the issuance of the Series 2011 Bonds secured on parity with the previously issued Bonds have been satisfied;
WHEREAS, to secure the Series 2011 Bonds and to provide for their authentication and delivery by the Fiscal Agent, the Board has authorized the execution and delivery of this First Supplemental Fiscal Agent Agreement;

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 the entering into of the First Supplemental Fiscal Agent Agreement do exist, have happened, and have been performed in regular and due time, form, and manner as required by law, and the Agency is now duly authorized to execute this First Supplemental Fiscal Agent Agreement;

NOW, THEREFORE, the Agency hereby provides as follows:

I. Definitions. Capitalized terms used herein and not defined herein shall have the definitions ascribed to such terms by the Fiscal Agent Agreement. As used in this First Supplemental Fiscal Agent Agreement, unless the context otherwise requires, the following words and phrases shall have the following meanings:


II. Supplemental Provisions. The following Article and Sections are hereby added to the Fiscal Agent Agreement:

ARTICLE 12
THE SERIES 2011 BONDS

SECTION 12.1. Terms and Form of Series 2011 Bonds. (A) Authorization and Title of Series 2011 Bonds. The Agency hereby creates an additional series of bonds and designates them “West Sacramento Area Flood Control Agency Assessment Revenue Bonds, Series 2011” (the “Series 2011 Bonds”). At any time after the execution and delivery of this First Supplemental Fiscal Agent Agreement, the Agency may execute and the Fiscal Agent shall authenticate and deliver the Series 2011 Bonds in an aggregate principal amount of $[PAR AMOUNT] upon the Order of the Agency.

(B) Form of Series 2011 Bonds. The form of the Series 2011 Bonds shall be substantially as set forth in Exhibit A with such insertions, omissions, substitutions, and variations as may be determined by the officers executing the same, as evidenced by their execution thereof, to reflect the applicable terms of the Series 2011 Bonds established by this Article.

(C) Registration; Denominations. The Series 2011 Bonds shall be issued in fully registered form, in denominations of $5,000 or any integral multiple thereof, and shall be initially issued registered in the name of “Cede & Co.,” as nominee of The Depository Trust Company. The Series 2011 Bonds shall be evidenced by one Series 2011 Bond maturing on each of the maturity dates as set forth below in this Section in a denomination corresponding to the total principal amount of the Series 2011 Bonds to mature on such date. Registered ownership of the Series 2011 Bonds, or any portion thereof, may not thereafter be transferred except as set forth in Section 2.5 (Registration, Transfer and Exchange). The Series 2011 Bonds shall bear such distinguishing numbers and letters as may be specified by the Fiscal Agent.
(D) **Date; Interest Accrual; Maturity Dates; Interest Rates.** The Series 2011 Bonds shall be dated their date of delivery, shall bear interest from their date at the following rates per annum, and shall mature on September 1 in the following years in the following amounts:

<table>
<thead>
<tr>
<th>Maturity Date</th>
<th>Principal</th>
<th>Interest</th>
</tr>
</thead>
</table>

* Term Bonds

Interest on the Series 2011 Bonds shall be calculated on the basis of a 360-day year comprising twelve 30-day months.

(E) **Interest Payments.** Interest on the Series 2011 Bonds shall be payable on September 1, 2011, and thereafter semiannually on March 1 and September 1 of each year by check mailed by first class mail on each Interest Payment Date or, as provided in Section 2.10(E) (**Payments to Depository**) and upon the written request of any Owner of $1,000,000 or more in aggregate principal amount of Bonds who has provided the Fiscal Agent with wire transfer instructions on or before the applicable Regular Record Date, by wire transfer on each Interest Payment Date to the Owner thereof as of the close of business on the Regular Record Date. The Regular Record Date for the Series 2011 Bonds shall be the fifteenth (15th) day of the calendar month immediately preceding the relevant payment date.

(F) **Cessation of Interest Accrual.** Interest on any Series 2011 Bond shall cease to accrue (i) on the maturity date thereof, provided that there has been irrevocably deposited with
the Fiscal Agent an amount sufficient to pay the principal amount thereof, plus interest accrued thereon to such date; or (ii) on the redemption date thereof, provided there has been irrevocably deposited with the Fiscal Agent an amount sufficient to pay the Redemption Price thereof, plus interest accrued thereon to such date. The Owner of such Bond shall not be entitled to any other payment, and such Bond shall no longer be Outstanding and entitled to the benefits of this Fiscal Agent Agreement, except for the payment of the principal amount or Redemption Price, as appropriate, of such Bond and interest accrued thereon from moneys held by the Fiscal Agent for such payment.

SECTION 12.2. Redemption of Series 2011 Bonds. (A) General. The Series 2011 Bonds shall be subject to redemption as provided in Article 5 of the Fiscal Agent Agreement.

(B) Optional Redemption of Series 2011 Bonds. The Series 2011 Bonds are subject to redemption prior to their respective stated maturities at the option of the Agency, from moneys deposited by the Agency from any source of available funds, as a whole or in part (in such maturities as may be specified by the Agency and at random within a maturity) on any date on or after September 1, 20__, at a redemption price equal to the principal amount of Series 2011 Bonds called for redemption, plus interest accrued to the date fixed for redemption, without premium.

(C) Mandatory Sinking Fund Redemption. (1) ____ Term Series 2011 Bonds. The Series 2011 Term Bonds maturing on September 1, 20__, are subject to redemption prior to their stated maturity, in part, at random from amounts deposited into the ____ Series 2011 Sinking Account in the following amounts and on the following dates, at the principal amount thereof on the date fixed for redemption, without premium, but which amounts will be proportionately reduced by the principal amount of all ____ Term Series 2011 Bonds optionally redeemed:

<table>
<thead>
<tr>
<th>Term Bonds</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mandatory Redemption Dates</td>
</tr>
<tr>
<td>(September 1)</td>
</tr>
<tr>
<td>Principal Amount</td>
</tr>
</tbody>
</table>

* Maturity

(2) ____ Term Series 2011 Bonds. The Series 2011 Term Bonds maturing on September 1, 20__, are subject to redemption prior to their stated maturity, in part, at random from amounts deposited into the ____ Series 2011 Sinking Account in the following amounts and on the following dates, at the principal amount thereof on the date fixed for redemption, without premium, but which amounts will be proportionately reduced by the principal amount of all ____ Term Series 2011 Bonds optionally redeemed:
**Term Bonds**

Mandatory Redemption Dates | Principal
--- | ---
(September 1) | Amount

* Maturity

SECTION 12.3. Application of Proceeds of Series 2011 Bonds. The Agency shall cause the proceeds of the sale of the Series 2011 Bonds to be set aside as follows:

(A) $__________ in the Bond Reserve Fund (created by Section 7.4 (Allocation of Moneys));

(B) $__________ in the Series 2011 Costs of Issuance Account, which the Agency hereby instructs the Fiscal Agent to establish and maintain pursuant to Section 3.4 (Establishment and Application of Costs of Issuance Fund); and

(C) $__________ in the Series 2011 Acquisition and Construction Account, which the Agency hereby instructs the Fiscal Agent to establish and maintain pursuant to Section 3.5 (Establishment and Application of Acquisition and Construction Fund).

The Fiscal Agent may, in its discretion, establish a temporary fund or account to facilitate the foregoing transfers.

III. Provisions of the Fiscal Agent Agreement. Except as in this First Supplemental Fiscal Agent Agreement expressly provided, every term and condition contained in the Fiscal Agent Agreement shall apply to this First Supplemental Fiscal Agent Agreement and to the Series 2011 Bonds with the same force and effect as if the same were herein set forth at length, with such omissions, variations and modifications thereof as may be appropriate to make the same conform to this First Supplemental Fiscal Agent Agreement.

This First Supplemental Fiscal Agent Agreement and all the terms and provisions herein contained shall form part of the Fiscal Agent Agreement as fully and with the same effect as if all such terms and provisions had been set forth in the Fiscal Agent Agreement. The Fiscal Agent Agreement is hereby ratified and confirmed and shall continue in full force and effect in accordance with the terms and provisions thereof, as supplemented and amended hereby.

IV. Separability of Invalid Provisions. If any one or more of the provisions contained in this First Supplemental Fiscal Agent Agreement or in the Series 2011 Bonds shall for any reason be held to be invalid, illegal, or unenforceable in any respect, then such provision or provisions shall be deemed severable from the remaining provisions contained in this First Supplemental Fiscal Agent Agreement and such invalidity, illegality, or unenforceability shall not affect any
other provision of this First Supplemental Fiscal Agent Agreement, and this First Supplemental Fiscal Agent Agreement shall be construed as if such invalid or illegal or unenforceable provision had never been contained herein. The Agency hereby declares that it would have adopted this First Supplemental Fiscal Agent Agreement and each and every other Section, paragraph, sentence, clause, or phrase hereof and authorized the issuance of the Series 2011 Bonds pursuant thereto irrespective of the fact that any one or more Sections, paragraphs, sentences, clauses, or phrases of this First Supplemental Fiscal Agent Agreement may be held illegal, invalid, or unenforceable.

V. **Effect of Headings and Table of Contents.** The headings or titles of the several Sections hereof, and any table of contents appended to copies hereof, shall be solely for convenience of reference and shall not affect the meaning, construction, or effect of this First Supplemental Fiscal Agent Agreement.

VI. **Execution in Counterparts.** This First Supplemental Fiscal Agent Agreement may be 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 executed this First Supplemental Fiscal Agent Agreement by their officers thereunto duly authorized as of the day and year first written above.

**UNION BANK, N.A.,**

as Fiscal Agent

By: ______________________________________

Authorized Officer

**WEST SACRAMENTO AREA**

**FLOOD CONTROL AGENCY**

By: ______________________________________

Chairman

**ATTEST:**

_____________________________________

Secretary

**APPROVED AS TO FORM:**

_____________________________________

Agency Counsel
EXHIBIT A
[FORM OF SERIES 2011 BOND]

WEST SACRAMENTO AREA FLOOD CONTROL AGENCY
ASSESSMENT REVENUE BONDS, SERIES 2011

<table>
<thead>
<tr>
<th>MATURITY DATE</th>
<th>INTEREST RATE PER ANNUM</th>
<th>DATE</th>
<th>CUSIP:</th>
</tr>
</thead>
<tbody>
<tr>
<td>September 1, 20__</td>
<td></td>
<td>June __, 2011</td>
<td>955627</td>
</tr>
</tbody>
</table>

REGISTERED OWNER: CEDE & CO.

PRINCIPAL SUM: ___________________ DOLLARS

The West Sacramento Area Flood Control Agency, a joint exercise of powers agency duly organized and existing under and pursuant to the laws of the State of California (the “Agency”), for value received, hereby promises to pay (but only out of the Assessments hereinafter referred to) to the registered owner named above or registered assigns, on the maturity date specified above, the principal sum specified above together with interest thereon from the date hereof until the principal hereof shall have been paid, at the interest rate per annum specified above, payable on September 1, 2011, and semiannually thereafter on March 1 and September 1 in each year. Interest hereon is payable in lawful money of the United States of America by check mailed on each Interest Payment date or, upon the written request of any Owner of $1,000,000 or more in aggregate principal amount of Bonds who has provided the Fiscal Agent with wire transfer instructions, by wire transfer on each interest payment date to the registered owner as of the close of business on the 15th day of the calendar month immediately preceding such interest payment date. The principal hereof and premium, if any, hereon are payable at the corporate trust office of Union Bank, N.A., as fiscal agent (together with any successor as fiscal agent under the hereinafter mentioned Fiscal Agent Agreement, the “Fiscal Agent”), in Los Angeles, California, in lawful money of the United States of America. Notwithstanding the foregoing, so long as this Bond is registered in the name of Cede & Co., principal of and redemption premium, if any, and interest on this Bond shall be payable by wire transfer to the registered owner.

This bond is one of a duly authorized issue of West Sacramento Area Flood Control Agency Assessment Revenue Bonds (the “Bonds”), unlimited in aggregate principal amount, which issue consists or may consist of one or more series of varying denominations, dates, maturities, interest rates and other provisions, as provided in the Fiscal Agent Agreement (as defined below), all issued and to be issued pursuant to the provisions of the Marks-Roos Local Bond Pooling Act of 1985 (Sections 6584 et seq. of the Government Code of the State of California, as amended) (the “Law”) and pursuant to a fiscal agent agreement dated August 1, 2008, between the Fiscal Agent and the Agency and a First Supplemental Fiscal Agent Agreement dated June 1, 2011, between the Fiscal Agent and the Agency (the fiscal agent agreement, as so amended and supplemented, the “Fiscal Agent Agreement”). This Bond is also one of a duly authorized series of Bonds additionally designated “Series 2011,” issued in the aggregate principal amount of $[PAR AMOUNT].
Reference is hereby made to the Fiscal Agent Agreement and to the Law for a description of the terms on which the Bonds are issued and to be issued, the provisions with regard to the nature and extent of the Assessments (as that term is defined in the Fiscal Agent Agreement), and the rights of the registered owners of the Bonds. All the terms of the Fiscal Agent Agreement and the Law are hereby incorporated herein and constitute a contract between the Agency and the registered owner from time to time of this Bond. The registered owner of this Bond, by its acceptance hereof, consents and agrees to all the provisions of the Fiscal Agent Agreement. Additional Bonds may be issued on a parity with the Bonds of this authorized issue, but only subject to the conditions and limitations contained in the Fiscal Agent Agreement.

The Bonds and the interest thereon (to the extent set forth in the Fiscal Agent Agreement) are payable from, and are secured by a charge and lien on, the proceeds derived by the Agency from the Assessments imposed pursuant to the Benefit Assessment Act of 1982 (Sections 54703 et seq. of the Government Code of the State of California, as amended) within the Agency’s boundaries (as more particularly defined in the Fiscal Agent Agreement, the “Assessments”). All of the Bonds are equally secured by a pledge of, and charge and lien upon, all of the Assessments. The Assessments constitute a trust fund for the security and payment of the interest on and principal of the Bonds; but nevertheless out of Assessments certain amounts may be applied for other purposes as provided in the Fiscal Agent Agreement.

The Bonds are limited obligations of the Agency and are payable, both as to principal and interest, and as to any premiums upon the redemption thereof, out of the Assessments and certain funds held by the Fiscal Agent under the Fiscal Agent Agreement. The general fund of the Agency is not liable, and the credit of the Agency is not pledged, for the payment of the Bonds or their interest. The Bonds are not secured by a legal or equitable pledge of, or charge, lien or encumbrance upon, any of the property of the Agency or any of its income or receipts, except the Assessments. The Agency has no taxing power.

The Series 2011 Bonds maturing on or after September 1, 20__, are subject to redemption prior to their respective stated maturities, at the option of the Agency, from any source of available funds, as a whole or in part (in such maturities as may be specified by the Agency and at random within a maturity) on any date on or after September 1, 20__, at a redemption price equal to the principal amount of the Series 2011 Bonds called for redemption, plus interest accrued to the dated fixed for redemption, without premium.

Series 2011 Term Bonds maturing on September 1, 20__, and September 1, 20__, shall also be subject to redemption prior to their respective stated maturities, in part, at random, on each September 1 commencing September 1, 20__, and September 1, 20__, respectively, from amounts deposited into their respective Sinking Accounts in the amounts specified in the Fiscal Agent Agreement at the principal amount thereof, without premium.

This Bond is transferable or exchangeable for other authorized denominations by the registered owner hereof, in person or by its attorney duly authorized in writing, at the corporate trust office of the Fiscal Agent in Los Angeles, California, but only in the manner, subject to the limitations and upon payment of the charges provided in the Fiscal Agent Agreement, and upon surrender and cancellation of this Bond. Upon such transfer a new fully registered Bond or Bonds without coupons, of authorized denomination or denominations, of the same series, tenor,
and maturity for the same aggregate principal amount will be issued to the transferee in exchange herefor.

Unless this Bond is presented by an authorized representative of The Depository Trust Company to the Fiscal Agent for registration of transfer, exchange or payment, and any Bond issued is registered in the name of Cede & Co. or such other name as requested by an authorized representative of The Depository Trust Company and any payment is made to Cede & Co., ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL since the registered owner hereof, Cede & Co., has an interest herein.

The Agency, the Fiscal Agent, and any paying agent may deem and treat the registered owner hereof as the absolute owner hereof for all purposes, and the Agency, the Fiscal Agent, and any paying agent shall not be affected by any notice to the contrary.

The rights and obligations of the Agency and of the registered owners of the Bonds may be modified amended at any time in the manner, to the extent, and upon terms provided in the Fiscal Agent Agreement, which provide, in certain circumstances, for modifications and amendments without the consent of or notice to the registered owners of Bonds.

The Agency hereby certifies and recites that any and all acts, conditions, and things required to exist, to happen, and to be performed, precedent to and in the incurring of the indebtedness evidenced by this Bond, and in the issuing of this Bond, do exist, have happened, and have been performed in due time, form and manner, as required by the Constitution and statutes of the State of California, and that this Bond, together with all other indebtedness of the Agency pertaining to the Assessments, is within every debt and other limit prescribed by the Constitution and the statutes of the State of California, and is not in excess of the amount of Bonds permitted to be issued under the Fiscal Agent Agreement or the Law.

This Bond shall not be entitled to any benefit under the Fiscal Agent Agreement, or become valid or obligatory for any purpose, until the certificate of authentication hereon endorsed shall have been signed by the Fiscal Agent.

IN WITNESS WHEREOF, the West Sacramento Area Flood Control Agency has caused this Bond to be executed in its name and on its behalf by its Chairman and countersigned by its Treasurer, all as of the date stated above.

WEST SACRAMENTO AREA
FLOOD CONTROL AGENCY

By: ____________________________

Chairman

Countersigned:_____________________

Treasurer
CERTIFICATE OF AUTHENTICATION

This is one of the Bonds described in the within-mentioned Fiscal Agent Agreement, which has been authenticated on the date set forth below.

Dated: [closing date]                        UNION BANK, N.A.,
as Fiscal Agent

By: ________________________________
    Authorized Officer

[FORM OF ASSIGNMENT]

For value received the undersigned do(es) hereby sell, assign and transfer unto __________________________ the within Bond and do(es) hereby irrevocably constitute and appoint __________________________ attorney, to transfer the same on the bond register of the Fiscal Agent, with full power of substitution in the premises.

NOTE: The signature(s) to this Assignment must correspond with the name(s) on the face of the within Bond in every particular, without alteration or enlargement or any change whatsoever.

Dated: ______________________________

Signature(s) Guaranteed by:

Note: Signature must be guaranteed by an eligible guarantor institution (banks, securities brokers, savings associations, credit unions, or other institutions with membership in an approved signature guarantee medallion program) pursuant to Securities and Exchange Commission Rule 17A(d)15.

Social Security Number, Tax Identification Number, or other identifying number of Assignee:

____________________________
CERTIFICATE

I hereby certify that the following is a true and correct copy of the legal opinion relating to the Bonds described therein that was manually signed by Kronick, Moskovitz, Tiedemann & Girard and was dated the date of delivery and payment of the Bonds.

Secretary

KRONICK, MOSKOVITZ, TIEDEMANN & GIRARD
A Professional Corporation
400 Capitol Mall, 27th Floor
Sacramento, CA  95814

Board of Directors
West Sacramento Area Flood Control Agency

Re:  West Sacramento Area Flood Control Agency
    Assessment Revenue Bonds, Series 2011

Dear Members of the Board:

We have acted as bond counsel in connection with the issuance by the West Sacramento Area Flood Control Agency (the “Agency”) of $____________ aggregate principal amount of West Sacramento Area Flood Control Agency Assessment Revenue Bonds, Series 2011 (the “Bonds”), under and pursuant to the provisions of the Marks-Roos Local Bond Pooling Act of 1985 (Sections 6584 et seq. of the California Government Code) and pursuant to the provisions of the Fiscal Agent Agreement dated August 1, 2008, as supplemented by the First Supplemental Fiscal Agent Agreement dated June 1, 2011 (as so supplemented, the “Fiscal Agent Agreement”), between Union Bank, N.A. (formerly Union Bank of California, N.A.), as fiscal agent, and the Agency. In such capacity, we have examined such law and such certified proceedings and other documents as we have deemed necessary to render this opinion.

Regarding questions of fact material to our opinion, we have relied upon the representations of the Agency contained in the Fiscal Agent Agreement and in the certified proceedings and other certifications of public officials and others furnished to us without undertaking to verify the same by independent investigation.

Based upon the foregoing, we are of the opinion that, under existing law:

1. The Agency has duly authorized, executed and delivered the Bonds. The Bonds are valid and binding limited obligations of the Agency, payable solely from the proceeds of the Assessments (as that term is defined in the Fiscal Agent Agreement) and certain funds held under the Fiscal Agent Agreement to the extent specified therein.
2. The Fiscal Agent Agreement constitutes a valid and binding obligation of the Agency. The Fiscal Agent Agreement creates a valid lien on the Assessments and other funds pledged by the Fiscal Agent Agreement for the security of the Bonds.

3. Interest on the Bonds is excludable from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations; however, such interest is taken into account in determining adjusted current earnings for the purpose of computing the alternative minimum tax imposed on certain corporations. The opinion set forth in the preceding sentence is subject to the condition that the Agency comply with all requirements of the Internal Revenue Code of 1986, as amended, that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be, and continue to be, excludable from gross income for federal income tax purposes. The Agency has covenanted to comply with all such requirements. Failure to comply with certain of such requirements may cause interest on the Bonds to be included in gross income for federal income tax purposes retroactively to the date of issuance of the Bonds.

4. Interest on the Bonds is exempt from present State of California personal income taxes.

We express no opinion on the plans, specifications, maps, and other engineering details of the proceedings, or upon the validity of the individual separate assessments securing the Bonds, the validity of which depends upon the accuracy of certain of the engineering details in addition to the required legal proceedings.

The rights of the owners of the Bonds and the enforceability of the Bonds and the Fiscal Agent Agreement are limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors’ rights generally and by equitable principles, whether considered at law or in equity.

We express no opinion regarding the accuracy, adequacy or completeness of the Official Statement or other offering materials relating to the Bonds. Further, we express no opinion regarding tax consequences arising with respect to the Bonds other than as expressly set forth herein.

This opinion is given as of the date hereof, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

Very truly yours,

KRONICK, MOSKOVITZ, TIEDEMANN & GIRARD
A Professional Corporation
THIS ITEM WILL BE PROVIDED UNDER SEPARATE COVER.
BOND PURCHASE CONTRACT

WEST SACRAMENTO AREA FLOOD CONTROL AGENCY
ASSESSMENT REVENUE BONDS

__________________, 2011

West Sacramento Area Flood Control Agency
c/o Reclamation District #900
1420 Merkley Avenue, Suite 4
West Sacramento, CA 95691

Ladies and Gentlemen:

Westhoff, Cone & Holmstedt (the "Underwriter") offers to enter into this Bond Purchase Contract (this "Purchase Contract") with the West Sacramento Area Flood Control Agency (the "Agency"), which, upon your acceptance of this offer, will be binding upon the Agency and the Underwriter. Terms not otherwise defined herein shall have the same meanings as set forth in the Fiscal Agent Agreement described below.

This offer is made subject to the acceptance by the Agency of this Purchase Contract on or before 5:00 p.m. on the date set forth above.

1. Upon the terms and conditions and in reliance upon the respective representations, warranties and covenants herein, the Underwriter hereby agrees to purchase from the Agency, and the Agency hereby agrees to sell to the Underwriter, all (but not less than all) of the above-captioned bonds (the "Bonds") at a purchase price (the "Purchase Price") of $_____________ (equal to the par amount of the Bonds ($_____________) less original issue discount of $_____________), less an Underwriter's discount of $_____________).

The Bonds are being issued by the Agency under Article 4 of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California, commencing with Section 6584 (the "Bond Law"), a resolution adopted by the Board of Directors (the "Board") of the Agency on July 10, 2011 (the "Agency Resolution"), and a Fiscal Agent Agreement dated as of August 1, 2008, as supplemented by a First Supplemental Fiscal Agent Agreement dated as of April 1, 2011 (together, the "Fiscal Agent Agreement"), between the Agency and Union Bank of California, N.A., as trustee (the "Trustee").

The Bonds are payable from annual assessments ("Assessments") as described herein and in the Fiscal Agent Agreement, levied by the Agency upon property in the City of West Sacramento (the "City"). The Assessments are levied in accordance with the provisions of the Benefit Assessment Act of 1982, California Government Code Section 54703 et seq. (the "1982 Act"). The procedure under which the Assessments are authorized to be levied was initiated by the Agency and included a ballot procedure whereby owners of property in the City elected to
incur an Assessment obligation secured by a lien upon their property for the purpose of financing flood protection capital improvements of benefit to property in the City.

2. The Bonds will mature on the dates and in the principal amounts, and will bear interest at the rates, as set forth in Exhibit A hereto. The Underwriter agrees to make a bona fide public offering of all of the Bonds at the offering prices set forth on the cover of the Final Official Statement described below.

3. (a) The Agency agrees to deliver to the Underwriter as many copies of the Official Statement dated the date hereof, relating to the Bonds (as supplemented and amended from time to time, the "Final Official Statement") as the Underwriter shall reasonably request as necessary to comply with paragraph (b)(4) of Rule 15c2-12 of the Securities and Exchange Commission under the Securities Exchange Act of 1934 (the "Rule"). The Agency agrees to deliver such Final Official Statements within seven (7) business days after the execution hereof, or such earlier date identified by the Underwriter to be necessary to allow the Underwriter to meet its obligations under the Rule and Rule G-32 of the Municipal Securities Rulemaking Board. The Underwriter agrees to deposit the Final Official Statement with a qualified national registered municipal securities information repository on or as soon as practicable after the Closing Date (defined below). The Underwriter agrees to deliver a copy of the Final Official Statement to each of its customers purchasing Bonds no later than the settlement date of the transaction.

(b) The Agency has authorized and approved the Preliminary Official Statement dated August 6, 2011 (the "Preliminary Official Statement") and the Final Official Statement and consents to their distribution and use by the Underwriter and the execution and approval of the Final Official Statement by a duly authorized officer of the Agency. The Agency deems such Preliminary Official Statement final as of its date for purposes of the Rule, except for information allowed by the Rule to be omitted, and has executed a certificate to that effect.

In connection with issuance of the Bonds, and in order to assist the Underwriter in complying with the Rule, the Agency will execute a Continuing Disclosure Agreement, dated the date of issuance of the Bonds (the "Continuing Disclosure Agreement"). The form of the Continuing Disclosure Agreement is attached as Appendix F to the Final Official Statement.

4. The Agency represents and warrants to the Underwriter that:

(a) The Agency is duly organized and validly existing under the laws of the State of California (the "State"), has the full legal right, power and authority, among other things, (i) upon satisfaction of the conditions in this Purchase Contract and the Fiscal Agent Agreement, to issue the Bonds, and (ii) to secure the Bonds in the manner contemplated in the Fiscal Agent Agreement.

(b) The Governing Board has the full legal right, power and authority to adopt the Agency Resolution, and the Agency has the full legal right, power and authority (i) to enter into this Purchase Contract, the Fiscal Agent Agreement and the Continuing Disclosure Agreement, (ii) to issue, sell and deliver the Bonds to the Underwriter as provided herein, and (iii) to carry out and consummate all other transactions on its part contemplated by each of the aforesaid documents (such documents together with the Final Official Statement are collectively referred to herein as the "Agency Documents"), and the Agency and the Governing Board have complied with all provisions of applicable law, including the Bond Law, in all matters relating to such transactions.
(c) The Agency has duly authorized (i) the execution and delivery of the Bonds and the execution, delivery and due performance by the Agency of its obligations under the Agency Documents, (ii) the distribution and use of the Preliminary Official Statement and execution, delivery and distribution of the Final Official Statement, and (iii) the taking of any and all such action as may be required on the part of the Agency to carry out, give effect to and consummate the transactions on its part contemplated by such instruments. All consents or approvals necessary to be obtained by the Agency in connection with the foregoing have been received, and the consents or approvals so received are still in full force and effect.

(d) The Fiscal Agent Agreement, when executed and delivered by the Agency and the other party thereto, will constitute legal, valid and binding obligations of the Agency enforceable against the Agency in accordance with their terms, except as enforceability thereof may be limited by bankruptcy, insolvency or other laws affecting creditors' rights generally.

(e) When delivered to the Underwriter, the Bonds will have been duly authorized by the Governing Board and duly executed, issued and delivered by the Agency and will constitute legal, valid and binding obligations of the Agency enforceable against the Agency in accordance with their respective terms, except as enforceability thereof may be limited by bankruptcy, insolvency or other laws affecting creditors' rights generally, and will be entitled to the benefit and security of the Fiscal Agent Agreement.

(f) The information relating to the Agency and the District contained in the Preliminary Official Statement is, and as of the Closing Date such information in the Final Official Statement will be true and correct in all material respects, and the Preliminary Official Statement does not as of its date and the Final Official Statement will not as of the Closing Date contain any untrue or misleading statement of a material fact relating to the Agency or the District or omit to state any material fact relating to the Agency or the District necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(g) If, at any time prior to the earlier of (i) receipt of notice from the Underwriter that the Final Official Statement is no longer required to be delivered under the Rule or (ii) the Closing (as described in Section 6 below), any event known to the officers of the Agency participating in the issuance of the Bonds occurs with respect to the Agency or the District as a result of which the Final Official Statement as then amended or supplemented might include an untrue statement of a material fact, or omit to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, the Agency shall promptly notify the Underwriter in writing of such event. Any information supplied by the Agency for inclusion in any amendments or supplements to the Final Official Statement will not contain any untrue or misleading statement of a material fact relating to the Agency or the District or omit to state any material fact relating to the Agency or the District necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(h) Neither the adoption of the Agency Resolution, the execution and delivery of the Agency Documents, nor the consummation of the transactions on the part of the Agency contemplated herein or therein or the compliance by the Agency with the provisions hereof or thereof will conflict with, or constitute on the part of the Agency, a violation of, or a breach of or default under, (i) any material indenture, mortgage,
commitment, note or other agreement or instrument to which the Agency is a party or by which it is bound, (ii) any provision of the State Constitution or (iii) any existing law, rule, regulation, ordinance, judgment, order or decree to which the Agency (or the members of the Governing Board or any of its officers in their respective capacities as such) is subject, that would have a material adverse affect on the ability of the Agency to perform its obligations under the Agency Documents.

(i) The Agency has never been in default at any time, as to principal of or interest on any obligation which it has issued, including those which it has issued as a conduit for another entity, which default may have an adverse effect on the ability of the Agency to consummate the transactions on its part under the Agency Documents, except as specifically disclosed in the Final Official Statement; and other than the Fiscal Agent Agreement, the Agency has not entered into any contract or arrangement of any kind which might give rise to any lien or encumbrance on the Assessments.

(j) Except as is specifically disclosed in the Final Official Statement, to the best knowledge of the Agency, there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, public board or body, pending with respect to which the Agency or the District has been served with process or threatened, which in any way questions the powers of the Governing Board or the Agency referred to in paragraph (b) above, or the validity of any proceeding taken by the Governing Board in connection with the issuance of the Bonds, or wherein an unfavorable decision, ruling or finding could materially adversely affect the transactions contemplated by this Purchase Contract, or of any other Agency Document, or which, in any way, could adversely affect the validity or enforceability of the Agency Resolution, the Fiscal Agent Agreement, the Bonds or this Purchase Contract or, to the knowledge of the Agency, which in any way questions the exclusion from gross income of the recipients thereof of the interest on the Bonds for federal income tax purposes or in any other way questions the status of the Bonds under State tax laws or regulations.

(k) Any certificate signed by an official of the Agency authorized to execute such certificate and delivered to the Underwriter in connection with the transactions contemplated by the Agency Documents shall be deemed a representation and warranty by the Agency to the Underwriter as to the truth of the statements therein contained.

(l) The Agency has not been notified of any listing or proposed listing by the Internal Revenue Service to the effect that it is a bond Agency whose arbitrage certifications may not be relied upon.

(m) The Bonds will be paid from the Assessments (as defined in the Fiscal Agent Agreement) received by the Agency and moneys held in certain funds and accounts established under the Fiscal Agent Agreement.

(n) The Assessments may lawfully be levied in accordance with the Bond Law and the 1982 Act, and, when levied, will be secured by a lien on the property on which they are levied.

(o) The Fiscal Agent Agreement creates a valid pledge of, and first lien upon the Assessments deposited thereunder, and the moneys in certain funds and accounts established pursuant to the Fiscal Agent Agreement, subject in all cases to the provisions of the Fiscal Agent Agreement permitting the application thereof for the purposes and on the terms and conditions set forth therein.
(p) The Agency has not failed to comply with any undertaking of the Agency under Rule 15c2-12(b)(5) of the Securities and Exchange Commission.

5. The Agency covenants with the Underwriter that the Agency will cooperate with the Underwriter (at the cost of the Underwriter), in qualifying the Bonds for offer and sale under the securities or Blue Sky laws of such jurisdictions of the United States as the Underwriter may reasonably request; provided, however, that the Agency shall not be required to consent to suit or to service of process, or to qualify to do business, in any jurisdiction. The Agency consents to the use by the Underwriter of the Agency Documents in the course of its compliance with the securities or Blue Sky laws of the various jurisdictions.

6. At 9:00 a.m. on ___________ , 2011 (the "Closing Date") or at such other time and/or date as shall have been mutually agreed upon by the Agency and the Underwriter, the Agency will deliver or cause to be delivered to the Underwriter the Bonds in definitive form duly executed and authenticated by the Trustee together with the other documents mentioned in Section 8 hereof; and the Underwriter will accept such delivery and pay the Purchase Price of the Bonds by delivering to the Trustee for the account of the Agency a check payable in federal funds or making a wire transfer in federal funds payable to the order of the Trustee.

The activities relating to the final execution and delivery of the Bonds and the Fiscal Agent Agreement and the payment therefor and the delivery of the certificates, opinions and other instruments as described in Section 8 of this Purchase Contract shall occur at the offices of Kronick, Moskovitz, Tiedemann & Girard, a Professional Corporation, Sacramento, California ("Bond Counsel"). The payment for the Bonds and simultaneous delivery of the Bonds to the Underwriter is herein referred to as the "Closing." The Bonds will be delivered as fully registered Bonds initially in denominations of $5,000 each and any integral multiple thereof. The Bonds will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, and will be made available for checking by the Underwriter at such place as the Underwriter and the Trustee shall agree not less than 24 hours prior to the Closing.

7. The Underwriter shall have the right to cancel its obligations to purchase the Bonds if between the date hereof and the date of Closing:

(a) the House of Representatives or the Senate of the Congress of the United States, or a committee of either, shall have pending before it, or shall have passed or recommended favorably, legislation introduced previous to the date hereof, which legislation, if enacted in its form as introduced or as amended, would have the purpose or effect of imposing federal income taxation upon revenues or other income of the general character to be derived by the Agency or by any similar body under the Fiscal Agent Agreement or upon interest received on obligations of the general character of the Bonds, or of causing interest on obligations of the general character of the Bonds, to be includable in gross income for purposes of federal income taxation, and such legislation, in the Underwriter's opinion, materially adversely affects the market price of the Bonds; or

(b) a tentative decision with respect to legislation shall be reached by a committee of the House of Representatives or the Senate of the Congress of the United States, or legislation shall be favorably reported or re-reported by such a committee or be introduced, by amendment or otherwise, in or be passed by the House of Representatives or the Senate, or recommended to the Congress of the United States for passage by the President of the United States, or be enacted or a decision by a
federal court of the United States or the United States Tax Court shall have been rendered, or a ruling, release, order, circular, regulation or official statement by or on behalf of the United States Treasury Department, the Internal Revenue Service or other governmental agency shall have been made or proposed to be made having the purpose or effect, or any other action or event shall have occurred which has the purpose or effect, directly or indirectly, of adversely affecting the federal income tax consequences of owning the Bonds, including causing interest on the Bonds to be included in gross income for purposes of federal income taxation, or imposing federal income taxation upon revenues or other income of the general character to be derived by the Agency under the Fiscal Agent Agreement or upon interest received on obligations of the general character of the Bonds, or the Bonds and also including adversely affecting the tax-exempt status of the Agency under the Code, which, in the opinion of the Underwriter, materially adversely affects the market price of or market for the Bonds; or

(c) legislation shall have been enacted, or actively considered for enactment with an effective date prior to the Closing, or a decision by a court of the United States shall have been rendered, the effect of which is that the Bonds, including any underlying obligations, or the Fiscal Agent Agreement, as the case may be, is not exempt from the registration, qualification or other requirements of the Securities Act of 1933, as amended and as then in effect, the Securities Exchange Act of 1934, as amended and as then in effect, or the Trust Indenture Act of 1939, as amended and as then in effect; or

(d) a stay order, ruling, regulation or official statement by the Securities and Exchange Commission or any other governmental agency having jurisdiction of the subject matter shall have been issued or made or any other event occurs, the effect of which is that the issuance, offering or sale of the Bonds, including any underlying obligations, or the execution and delivery of the Fiscal Agent Agreement as contemplated hereby or by the Final Official Statement, is or would be in violation of any provision of the federal securities laws, including the Securities Act of 1933, as amended and as then in effect, the Securities Exchange Act of 1934, as amended and as then in effect, or the Trust Indenture Act of 1939, as amended and as then in effect; or

(e) any event shall have occurred or any information shall have become known to the Underwriter which causes the Underwriter to reasonably believe that the Final Official Statement as then amended or supplemented includes an 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, and the Agency fails to amend or supplement such Final Official Statement to cure such omission or misstatement pursuant to Section 4(g); or

(f) there shall have occurred any outbreak of hostilities or any national or international calamity or crisis, including a financial crisis, the effect of which on the financial markets of the United States is such as, in the reasonable judgment of the Underwriter, would materially adversely affect the market for or market price of the Bonds; or

(g) there shall be in force a general suspension of trading on the New York Stock Exchange, the effect of which on the financial markets of the United States is such as, in the reasonable judgment of the Underwriter, would materially adversely affect the market for or market price of the Bonds; or
(h) a general banking moratorium shall have been declared by federal, New York or State authorities; or

(i) any proceeding shall be pending or threatened by the Securities and Exchange Commission against the Agency or the District; or

(j) additional material restrictions not in force as of the date hereof shall have been imposed upon trading in securities generally by any governmental authority or by any national securities exchange which adversely affects the Underwriter's ability to sell the Bonds;

(k) the New York Stock Exchange or other national securities exchange, or any governmental authority, shall impose, as to the Bonds or obligations of the general character of the Bonds, any material restrictions not now in force, or increase materially those now in force, with respect to the extension of credit by, or the charge to the net capital requirements of, the Underwriter;

(l) an amendment to the federal or State constitution shall be enacted or action taken by any federal or State court, legislative body, regulatory body or other authority materially adversely affecting the tax status of the Agency, its property, income or securities (or interest thereon), the validity or enforceability of the Assessment or the ability of the Agency to issue the Bonds and levy the Assessment as contemplated by the Fiscal Agent Agreement, the Assessment methodology and the Final Official Statement; or

(m) the entry of any order by a court of competent jurisdiction which enjoins or restrains the Agency from issuing permits, licenses or entitlements within the District or which order, in the reasonable opinion of the Underwriter, otherwise materially and adversely affects development of the real property located in the District.

8. The obligation of the Underwriter to purchase the Bonds shall be subject (a) to the performance by the Agency of its obligations to be performed by it hereunder at and prior to the Closing, (b) to the accuracy as of the date hereof and as of the time of the Closing of the representations and warranties of the Agency herein, and (c) to the following conditions, including the delivery by the Agency of such documents as are enumerated herein in form and substance satisfactory to the Underwriter:

(a) At the time of Closing, (i) the Official Statement, this Purchase Contract, the Continuing Disclosure Agreement and the Fiscal Agent Agreement shall be in full force and effect and shall not have been amended, modified or supplemented except as may have been agreed to by the Underwriter, and (ii) the Agency shall have duly adopted and there shall be in full force and effect such resolutions and ordinances (including, but not limited to, the bond resolutions and the resolutions for levying the Assessment) as, in the opinion of Bond Counsel, shall be necessary in connection with the transactions contemplated hereby.

(b) Receipt of the Bonds, executed by the Agency and authenticated by the Trustee, at or prior to the Closing. The terms of the Bonds, when delivered, shall in all instances be as described in Final Official Statement.
(c) At or prior to the Closing, the Underwriter shall receive the following documents in such number of counterparts as shall be mutually agreeable to the Underwriter and the Agency:

(i) A final approving opinion of Bond Counsel dated the date of Closing in the form attached to the Final Official Statement as Appendix E.

(ii) A letter or letters of Bond Counsel addressed to the Agency providing substantially as follows:

(A) the statements contained in the Official Statement on the cover page and under the captions "INTRODUCTION," "THE BONDS" (other than information relating to DTC and its book-entry only system, as to which no opinion need be expressed), "THE BONDS," "SECURITY FOR THE BONDS," and "LEGAL MATTERS – Tax Matters," and in Appendix A thereto, are accurate insofar as such statements expressly summarize certain provisions of the Bonds, the Fiscal Agent Agreement and Bond Counsel's opinion concerning certain federal tax matters relating to the Bonds;

(B) the Bonds are not subject to the registration requirements of the Securities Act of 1933, as amended, and the Fiscal Agent Agreement is exempt from qualification pursuant to the Trust Indenture Act of 1939, as amended.

(iii) An opinion of Jones Hall, A Professional Law Corporation, addressed to the Agency ("Disclosure Counsel"), to the effect that during the course of serving as Disclosure Counsel in connection with the issuance of the Bonds and without having undertaken to determine independently or assuming any responsibility for the accuracy, completeness or fairness of the statements contained in the Final Official Statement, no information came to the attention of the attorneys in such firm rendering legal services in connection with the issuance of the Bonds that would lead them to believe that the Final Official Statement (excluding therefrom the financial statements, any financial or statistical data, or forecasts, charts, numbers, estimates, projections, assumptions or expressions of opinion included in the Official Statement, information regarding DTC, and the appendices to the Official Statement, as to which no opinion need be expressed), as of the date thereof or the Closing Date, contains any untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(iv) The Final Official Statement executed on behalf of the Agency by a duly authorized officer.

(v) Certified copy of the Agency Resolution.

(vi) A certificate, in form and substance as set forth in Exhibit B hereto, of the Agency, dated as of the Closing Date.
(vii) Evidence that Federal Form 8038 has been executed by the Agency and will be filed with the Internal Revenue Service.

(viii) Executed copies of the Fiscal Agent Agreement and the Continuing Disclosure Agreement.

(ix) A non-arbitrage certificate executed by the Agency in form and substance satisfactory to Bond Counsel.

(x) An opinion, dated the Closing Date and addressed to the Underwriter, of the Counsel to the Agency, to the effect that:

(A) the Agency is duly organized and validly existing as a municipal corporation under and by virtue of the Constitution and laws of the State, with full legal right, power and authority to adopt the Agency Resolution;

(B) the Agency Resolution is in full force and effect and has not been amended or repealed;

(C) to the best of our knowledge, 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 with respect to which the Agency has been served with process or to the knowledge of the Agency Attorney, threatened, in any way affecting the existence of the Agency or the titles of the Agency’s officials to their respective offices, or seeking to restrain or to enjoin the issuance, sale or delivery of the Bonds or the application of the proceeds thereof in accordance with the Fiscal Agent Agreement, or the collection or application of the Assessments to pay the principal of and interest on the Bonds, or in any way contesting or affecting the validity or enforceability of the Bonds, the Agency Documents or any action of the Agency contemplated by any of said documents, or in any way contesting the completeness or accuracy of the Official Statement or the powers of the Agency or its authority with respect to the Bonds, the Agency Documents or any action on the part of the Agency contemplated by any of said documents, wherein an unfavorable decision, ruling, or finding could materially adversely affect the validity or enforceability of the Bonds or the Agency Documents;

(D) to the best of our knowledge, the execution and delivery of the Bonds and the Agency Documents, and compliance with the provisions of each, will not conflict with or constitute a breach of or default under any loan agreement, note, ordinance, resolution, indenture, contract, agreement or other instrument of which the Agency is a party or is otherwise subject or bound, a consequence of which could be to materially and adversely affect the ability of the Agency to perform its obligations under the Bonds or the Agency Documents; and

(E) all approvals, consents, authorization, 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 ability of the Agency, to perform its obligations under the Bonds or the
Agency Documents, have been obtained or made, as the case may be, and are in full force and effect, except no opinion is given with respect to the applicability of federal or state securities laws;

(x) In connection with printing and distribution of the Preliminary Official Statement, an executed certificate of the Agency in the form attached hereto as Exhibit C;

(xi) Such additional legal opinions, certificates, proceedings, instruments and other documents as the Underwriter or Bond Counsel may reasonably request to evidence compliance by the Agency with legal requirements, the truth and accuracy, as of the time of Closing, of the respective representations of the Agency herein contained and the due performance or satisfaction by the Agency at or prior to such time of all agreements then to be performed and all conditions then to be satisfied.

If the Agency shall be unable to satisfy the conditions to the obligations of the Underwriter contained in this Purchase Contract, or if the obligations of the Underwriter to purchase and accept delivery of the Bonds shall be terminated for any reason permitted by this Purchase Contract, this Purchase Contract shall terminate and neither the Underwriter nor the Agency shall be under further obligation hereunder; except that the respective obligations to pay expenses, as provided in Section 11 hereof shall continue in full force and effect.

9. The obligations of the Agency to issue and deliver the Bonds on the Closing Date shall be subject, at the option of the Agency, to the performance by the Underwriter of its obligations to be performed hereunder at or prior to the Closing Date.

10. All representations, warranties and agreements of the Agency hereunder shall remain operative and in full force and effect, regardless of any investigations made by or on behalf of the Underwriter, the Agency or the District and shall survive the Closing.

11. The Agency shall pay or cause to be paid all reasonable expenses incident to the performance of its obligations under this Purchase Contract, including, but not limited to, delivery of the Bonds, costs of printing the Bonds, the Preliminary Official Statement and the Final Official Statement, any amendment or supplement to the Preliminary Official Statement or Final Official Statement and this Purchase Contract, fees and disbursements of Bond Counsel and Disclosure Counsel, any financial advisor and other consultants engaged by the Agency, including the fees and expenses of the California Debt Investment and Advisory Commission fee, fees of the Trustee, CUSIP fees, overlapping debt statement charges.

The Underwriter shall pay all advertising expenses in connection with the public offering of the Bonds, and all other expenses incurred by it in connection with its public offering and distribution of the Bonds, including fees and expenses of its counsel, if any.

12. Any notice or other communication to be given to the Agency under this Purchase Contract may be given by delivering the same in writing at its address set forth above, and any notice or other communication to be given to the Underwriter under this Purchase Contract may be given by delivering the same in writing to the following: Westhoff, Cone & Holmstedt, Attn: Mr. R. Thomas Westhoff, 1777 Botelho Drive, Suite 370, Walnut Creek, California 94596.
13. This Purchase Contract is made solely for the benefit of the Agency and the Underwriter (including the successors or assigns of the Underwriter) and no other person, including any purchaser of the Bonds, shall acquire or have any right hereunder or by virtue hereof.

14. This Purchase Contract shall be governed by and construed in accordance with the laws of the State of California.

15. This Purchase Contract shall become effective upon acceptance hereof by the Agency.

WESTHOFF, CONE & HOLMSTEDT

By: ____________________________
    Authorized Representative

Accepted and agreed to as of the date first above written:

WEST SACRAMENTO AREA FLOOD CONTROL AGENCY

By: ____________________________
    Authorized Representative
EXHIBIT A

WEST SACRAMENTO AREA FLOOD CONTROL AGENCY
Assessment Revenue Bonds

<table>
<thead>
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<th>Maturity Date</th>
<th>Principal Amount</th>
<th>Interest Rate</th>
<th>Yield</th>
<th>Price</th>
</tr>
</thead>
</table>
EXHIBIT B

WEST SACRAMENTO AREA FLOOD CONTROL AGENCY
Assessment Revenue Bonds

AGENCY CLOSING CERTIFICATE

I, the undersigned, hereby certify that I am the ______ of the West Sacramento Area Flood Control Agency and that as such, I am authorized to execute this Certificate on behalf of the Agency in connection with the issuance of the above-referenced Assessment Revenue Bonds (the "Bonds").

I hereby further certify on behalf of the Agency that:

(A) to my best knowledge, after reasonable inquiry, no litigation is pending with respect to which the Agency has been served with process or threatened (1) to restrain or enjoin the issuance of any of the Bonds or the collection of Assessments pledged under the Fiscal Agent Agreement; (2) in any way contesting or affecting the authority for the issuance of the Bonds or the validity or enforceability of the Bonds, the Fiscal Agent Agreement, the Continuing Disclosure Agreement or the Purchase Contract; or (3) in any way contesting the existence or powers of the Agency;

(B) the representations and warranties made by the Agency in the Agency Documents are true and correct in all material respects on the Closing Date, with the same effect as if made on the Closing Date;

(C) no event affecting the Agency has occurred since the date of the Official Statement that, as of the Closing Date, would cause any statement or information contained in the Final Official Statement under the captions "FINANCING PLAN AND THE PROJECT," "THE ASSESSMENTS", "THE AGENCY" and "LEGAL MATTERS – Absence of Litigation" to be incorrect or incomplete in any material respect or would cause the information contained under such captions in the Final Official Statement to contain an untrue statement of a material fact or omit to state a material fact necessary in order to make such statements therein, in the light of the circumstances under which they were made, not misleading; and

(D) as of the date hereof, the Fiscal Agent Agreement is in full force and effect in accordance with its terms and has not been amended, modified or supplemented except in such case as may have been agreed to by the Underwriter; and

(E) the Agency has complied with all the agreements and satisfied all the conditions on its part to be performed or satisfied under the Agency Documents prior to issuance of the Bonds.

Capitalized terms not defined herein shall have the same meaning set forth in the Purchase Contract dated _____________, 2011, between the Agency and Westhoff, Cone & Holmstedt.
IN WITNESS WHEREOF, the undersigned has executed this certificate as of the date herein below set forth.

Dated: ____________, 2011

WEST SACRAMENTO AREA FLOOD CONTROL AGENCY

By: ____________________________

Title: ____________________________
EXHIBIT C

RULE 15c2-12 CERTIFICATE

The undersigned hereby certifies and represents that he is a duly appointed and acting authorized officer of the West Sacramento Area Flood Control Agency (the "Agency"), and as such is duly authorized to execute and deliver this Certificate and further hereby certifies and reconfirms on behalf of the Agency as follows:

(1) This Certificate is delivered in connection with the offering and sale of the West Sacramento Area Flood Control Agency Assessment Revenue Bonds (the "Bonds") in order to enable the underwriter of the Bonds to comply with Securities and Exchange Commission Rule 15c2-12 under the Securities Exchange Act of 1934 (the "Rule").

(2) In connection with the offering and sale of the Bonds, there has been prepared a Preliminary Official Statement (the "Preliminary Official Statement").

(3) As used herein, "Permitted Omissions" shall mean the offering price(s), interest rate(s), selling compensation, aggregate principal amount, principal amount per maturity, delivery dates, ratings and other terms of the Bonds depending on such matters, all with respect to the Bonds.

(4) The Preliminary Official Statement is, except for the Permitted Omissions, deemed final within the meaning of the Rule.

IN WITNESS WHEREOF, the undersigned has executed this Certificate as of __________, 2011.

WEST SACRAMENTO AREA FLOOD CONTROL AGENCY

By: ________________________________

Title: ________________________________
Fitch Ratings-New York-26 April 2011: Fitch Ratings has assigned an 'AA-' rating to the following West Sacramento Area Flood Control Agency, California's (the agency) bonds:

--$13.3 million assessment revenue bonds, series 2011.

The bonds are expected to price via negotiation on May 24, 2011.

In addition, Fitch affirms the following ratings:

--$9.5 million in outstanding assessment revenue bonds at 'AA-'.

The Rating Outlook is Stable.

RATING RATIONALE:
--Since the entire city of West Sacramento occupies reclaimed land on the Sacramento River flood plain and is surrounded by water on three sides, the agency's flood protection improvement program is essential.

--Security is provided by a dedicated property assessment that is supported primarily by property owners. Projected assessment revenues provide solid debt service coverage levels, well in excess of the minimal 1.10 times (x) annual debt service (ADS) coverage requirement.

--By sizing the debt service coverage solely on the assessment revenues from privately owned parcels, a coverage cushion is provided by the assessment revenues from publicly owned parcels.

--With an open lien, minimal 1.10x ADS coverage requirement, and slow amortization, assessment revenues have the potential to be highly leveraged. The actual federal and state funding available for the flood protection improvement program could affect the ultimate leverage beyond current expectations.

--The overall $460 million flood protection improvement program will be funded from a variety of sources, including the dedicated property assessment, and its component projects can be phased and sized in line with the funding available.

KEY RATING DRIVERS:
--Maintenance of debt service coverage well above the 1.1x minimum requirement.

SECURITY:
The bonds are secured by citywide assessments on property parcels net of a 15.52% operations and maintenance set aside.

CREDIT SUMMARY:
The agency was created in 1994 as a joint powers authority comprising the city of West Sacramento and two reclamation districts responsible for maintaining the city's levees. The city's flood protection improvement program is intended to fund levee improvements that will provide the city with 200 year flood protection. Current cost estimates total $460 million, $60 million above the 2008 projection. Although project costs have escalated, the agency's share decreased from the earlier $84 million estimate due to the increased availability of intergovernmental funds. The agency projects its $46 million contribution to be comprised of debt issuances, dedicated assessment revenues, in-lieu developer fees, and revenues generated by a recent extension of the measure K sales tax. Federal funds are expected to total $299 million, although the agency does not
anticipate congressional funding authorization until 2014; should federal funds fail to materialize, the agency will scale back plans and provide 100 year flood protection. The state share is anticipated at $115 million. A limited amount has been secured, and negotiations are underway to execute a $49 million funding agreement.

The voter-approved assessment on each parcel is calculated based on a formula that assesses the total relative flood damage reduction benefit each parcel receives from levee improvements. The assessment rate can be increased by up to 2% per year if justified by flood protection improvement program cost increases. Any change to the assessment formula or rate structure would require a vote of property owners in accordance with California's Proposition 218. Assessment revenues are collected by Yolo County on the regular property tax bills. Nonpayment is subject to the same remedies allowed to be taken by the county for nonpayment of ad valorem property taxes and could result in proceedings to foreclose title to delinquent properties. Assessment fees have been steady since fiscal 2008. In contrast, in lieu development fees are volatile, payable when developers choose to build new structures without 200-year flood protection measures.

ADS coverage is set at a minimum of 1.10x. While the assessments on both privately owned and publicly owned parcels are pledged to bond repayment, the 1.10x minimum bond debt service coverage requirement is structured on the basis of the approximately 15,200 privately owned parcels only. This ensures that a coverage cushion is provided from the assessment revenues from the approximately 500 publicly owned parcels. The non-inclusion of publicly owned parcels in the debt service coverage calculations recognizes that publicly owned parcels are not subject to enforcement of a lien for payment of an assessed amount. While the additional bonds test requires only a low 1.10x coverage ratio, this is based solely on private parcel assessment revenues. The bond reserve fund requirement is based on the standard three-prong test, and the bond reserve fund balance would have to be increased commensurate with any future bond issuances.

A conservative projection of flat revenues, excluding the available 2% escalation on the assessments, indicates coverage on combined maximum annual debt service (MADS) will equal a sound 1.9x based on assessments from private parcels. When including assessments from public parcels, coverage rises to 2.1x. Annual projected coverage is constant during the life of the bonds, due to the flat debt service schedule. A stress test based on the loss of the top 25 assessments (approximately $600,000) results in sufficient coverage at 1.5x (private parcels only) and 1.8x (both private and public). The agency's direct debt is a low $476 per capita, or 0.5% of total taxable assessed valuation (TAV). Due to debt incurred by overlapping entities, including the city of West Sacramento and the Washington Unified School District, overall net debt is much higher at $9,664 per capita, or 9.6% of total TAV. Debt amortization is very slow at 5.4% in five years and 17.7% in 10 years.

The levy has increased each year from fiscal 2007 to fiscal 2011, totalling $4.2 million in fiscal 2011 (projected). A majority of the levy is derived from private parcels, thus providing ample revenue stability due to the Teeter plan, which guarantees 100% of the tax levy in any given year. Additional financial flexibility is available until 2028 from the anticipated $1.2 million in collections resulting from a 2008 extension of the Measure K sales tax, although these funds are not legally pledged for debt service. The agency's reserves at the end of fiscal 2010, equal to $5.2 million, is above the informal $3 million target to prudently address cash flow needs that could potentially arise from the timing of governmental reimbursements.

The agency and city boundaries are co-terminus. West Sacramento benefits from its transportation network, including the port of Sacramento, which provides direct shipping access to the San Francisco Bay and the Pacific Ocean. The city is proximate to the state capitol as well as Sacramento's tourist areas. The city as well as the Sacramento metropolitan statistical area (MSA) has faced many challenges in the economic downturn, with stresses visible in the housing market and unemployment rate. Fitch views any potential recovery as inevitably slow given the MSA's large shadow inventory of residential properties which needs to be absorbed first before there will be sufficient demand for new residential development. The relative affordability of West Sacramento houses might offer the city a competitive advantage, if flood plain issues do not act as a countervailing purchase deterrent. Unemployment rates, which have historically been above state and national averages, have escalated to extremely high levels, with a January 2011 rate of 23%,
well above the state's 12.3%. Wealth levels are below state and national averages.

Contact:

Primary Analyst
Barbara Ruth Rosenberg
Director
+1-212-908-0731
Fitch, Inc.
One State Street Plaza
New York, NY 10004

Secondary Analyst
Alan Gibson
Director
+1-415-732-7577

Committee Chairperson
Adrienne Booker
Senior Director
+1-312-368-5471

Media Relations: Cindy Stoller, New York, Tel: +1 212 908 0526, Email: cindy.stoller@fitchratings.com.

Additional information is available at 'www.fitchratings.com'

In addition to the sources of information identified in Fitch's Tax-Supported Rating Criteria, this action was additionally informed by information from CreditScope, University Financial Associates, LoanPerformance, Inc., and IHS Global Insight.

Applicable Criteria and Related Research:
--'Tax-Supported Rating Criteria', dated Aug. 16, 2010;

For information on Build America Bonds, visit www.fitchratings.com/BABs

Applicable Criteria and Related Research:
Tax-Supported Rating Criteria
U.S. Local Government Tax-Supported Rating Criteria

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