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(v) no authorization, approval, consent or other order of the United States of America, the State of California, or other governmental authority or agency within the State of California having jurisdiction over such Member is required for the performance by such Member of the Authority Agreement or the Franchise Agreement;

(vi) the notice and hearing requirements of the "Right to Vote on Taxes Act" ("Proposition 218") are not applicable to the imposition of rate and charges for collection waste collection service of such Member or such Member has complied with the applicable notice and protest procedures for all existing rates and charges for solid waste collection services in accordance with Proposition 218, and such Member believes that it is in compliance with the requirements of Proposition 218, and there have been no legal challenges to increases in the rates and charges for solid waste collection services implemented by such Member pursuant to Proposition 218 or otherwise; and

(vii) (a) the information relating to such Member in the Preliminary Official Statement under the captions "The Enterprise – The Authority," "– Waste Collection Practices of the Members; Exclusive Franchise Arrangements" and "– Components of the Enterprise" is true and accurate in all material respects and (b) the information relating to such Member in the Official Statement under the captions "The Enterprise – The Authority," "– Waste Collection Practices of the Members; Exclusive Franchise Arrangements" and "– Components of the Enterprise" is true and accurate in all material respects;

(10) Opinions of Counsels of the Member Agencies. Opinions of the counsels to each Member of the Authority dated the Closing Date and addressed to the Underwriter substantially to the effect that:

(i) such Member is a general law city or charter city, county, or district, as applicable, of the State of California, duly organized and existing and the laws of the State of California;

(ii) the Authority Agreement and the Franchise Agreement were duly authorized, executed and delivered by such Member and, assuming due authorization, execution and delivery by the other parties thereto, constitute



legal, valid and binding obligations of such Member, enforceable against such Member in accordance with their respective terms, subject to bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance and other laws relating to or affecting creditors' rights generally, to the exercise of judicial discretion in appropriate cases, to the limitations on legal remedies against political subdivisions in the State of California and to the application of equitable principles if equitable remedies are sought;

(iii) no action, suit, proceeding, or investigation at law or in equity before or by any court, public board or body is pending in which service of process has been completed, or to our knowledge is threatened against or affecting such Member (a) to restrain or enjoin the performance of the Authority Agreement or the Franchise Agreement; or (b) the payment or collection of revenues from which such Member will pay amounts due under the Authority Agreement; or (c) in any way contesting or materially affecting the validity or enforceability of the Authority Agreement and the Franchise Agreement; or (d) contesting the completeness or accuracy of the information relating to such Member in the Preliminary Official Statement or the Official Statement or any supplement or amendment thereto or asserting that the information relating to such Member in the Preliminary Official Statement or the Official Statement contained any untrue statement of a material fact or omitted to state any material fact necessary in order to make the statements made therein, in the light of the circumstances in which they were made, not misleading;

(iv) the performance of the Authority Agreement and the Franchise Agreement, and compliance by such Member with the provisions of the Authority Agreement and the Franchise Agreement do not and will not in any material respect conflict with or constitute on the part of such Member a violation or breach of, or constitute a default under (a) any agreement or other instrument to which such Member is a party or by which it is bound and with respect to such conflict, violation, breach or default would materially adversely affect the ability of such Member to perform its obligations under Authority Agreement and the Franchise Agreement or (b) any existing law, regulation, court order or consent decree to which such Member is subject;

(v) no authorization, approval, consent or other order of the United States of America, the State of California, or other governmental authority or agency within the State of California having jurisdiction over such Member is required for the performance by such Member of the Authority Agreement or the Franchise Agreement;

(vi) the notice and hearing requirements of Proposition 218 are not applicable to the imposition of rate and charges for collection waste collection service of such Member or such Member has complied with the applicable notice and protest procedures for all existing rates and charges for solid waste collection services in accordance with Proposition 218, and such Member believes that it is in compliance with the requirements of Proposition 218 and that it will continue to comply with its covenant to impose rates and charges,

including any increases to existing rates and charges, for solid waste collection services within its jurisdiction in conformity with the provisions of Proposition 218, and there have been no legal challenges to increases in the rates and charges for solid waste collection services implemented by such Member pursuant to Proposition 218 or otherwise; and

(vii) the information relating to such Member in the Preliminary Official Statement under the captions “The Enterprise – The Authority,” “– Waste Collection Practices of the Members; Exclusive Franchise Arrangements” and “– Components of the Enterprise” is true and accurate in all material respects and (b) the information relating to such Member in the Official Statement under the captions “The Enterprise – The Authority,” “– Waste Collection Practices of the Members; Exclusive Franchise Arrangements” and “– Components of the Enterprise” is true and accurate in all material respects.

(11) Trustee and Escrow Agent Resolution. A certified copy of the general resolution of the Trustee and the Escrow Agent authorizing the execution and delivery of certain documents by certain officers of the Trustee and the Escrow Agent, which resolution authorizes the execution and delivery of the Indenture and the Escrow Agreement.

(12) Trustee’s and Escrow Agent’s Representations, Warranties and Agreements. At the time of and as a condition to Closing, the Trustee and the Escrow Agent, subject to the limitations provided herein, will represent, warrant to and agree with the Underwriter pursuant to a certificate, dated the date of Closing, that as of the date of Closing:

(i) Due Organization and Existence. The Trustee and the Escrow Agent is duly organized and existing as a national banking association in good standing under the laws of United States having the full power and authority to enter into and perform its duties under the Indenture and the Escrow Agreement and the Trustee is authorized to authenticate the 2019 Bonds as provided in the Indenture;

(ii) No Conflict. The execution and delivery by the Trustee of the Indenture and by the Escrow Agent of the Escrow Agreement and compliance with the terms thereof will not, in any material respect, conflict with, or result in a violation or breach of, or constitute a default under, any material agreement or material instrument or any other agreement or instrument to which the Trustee is a party or by which it is bound, or any law or any rule, regulation, order or decree of any court or governmental agency or body having jurisdiction over the Trustee or the Escrow Agent or any of its activities or properties, or (except with respect to the lien of the Indenture) result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the property or assets of the Trustee; and

(iii) No Litigation. To the knowledge of the Trustee and the Escrow Agent, there is no litigation pending or threatened against or affecting the Trustee to restrain or enjoin the Trustee's and the Escrow Agent's participation in, or in any way contesting the powers of the Trustee with respect to the transactions contemplated by the Indenture and of the Escrow Agent with respect to the transactions contemplated by the Escrow Agreement.

(13) Authority Resolution. A copy of the Authority Resolution certified by the Clerk of the Authority Board of Directors.

(14) Resolution of the City of San Carlos. A certified copy of the resolution adopted by the City of San Carlos approving the issuance of the 2019 Bonds.

(15) Authority Bring-Down and Permit Certificate. A certificate of an authorized officer of the Authority dated the date of closing confirming as of such date the representations and warranties of the Authority contained in this Purchase Contract.

(16) Tax Certificate. A Tax Certificate of the Authority in form and substance acceptable to Bond Counsel.

(17) Ratings. Evidence from Standard & Poor's Ratings Services that the 2019 Bonds have been rated "\_\_\_" by such agency.

(18) Verification Report. A verification report by [Verification Agent] (the "Verification Agent"), dated the Closing Date, in form and substance satisfactory to Bond Counsel and the Underwriter.

(19) Miscellaneous. Such additional legal opinions, certificates, proceedings, instruments and other documents as Bond Counsel and counsel for the Underwriter may reasonably request to evidence compliance with legal requirements, the truth and accuracy, as of the time of Closing, of the representations and warranties contained herein, in the Official Statement and the due performance or satisfaction by the Trustee and the Authority at or prior to such time of all agreements then to be performed and all conditions then to be satisfied.

(20) Underwriter Approval. All matters relating to this Purchase Contract, the 2019 Bonds and the sale thereof, the Official Statement, the Legal Documents and the consummation of the transactions contemplated by this Purchase Contract shall have been approved by the Underwriter and counsel for the Underwriter, such approval not to be unreasonably withheld.

If the conditions to the Underwriter's obligations contained in this Purchase Contract are not satisfied or if the Underwriter's obligations shall be terminated for any reason permitted by this Purchase Contract, this Purchase Contract shall terminate and neither the Underwriter nor the Authority shall have any further obligations hereunder except that the respective obligations of the Authority and the Underwriter set forth in Paragraph 7 hereof (relating to expenses) shall continue in full force and effect.

8. Expenses. The Authority shall pay or cause to be paid from the proceeds of the 2019 Bonds or other funds available to it the expenses incident to the performance of its obligations hereunder, including but not limited to: (a) the cost of preparing, printing and distribution of the Preliminary Official Statement and the Final Official Statement in reasonable quantities and all other documents (other than as set forth in the next succeeding paragraph) prepared in connection with the transactions contemplated hereby, including distribution costs and all mailing, including overnight and express delivery, costs; (b) the fees and disbursements of the Trustee in connection with the execution and delivery of the 2019 Bonds; (c) the fees and disbursements of Bond Counsel, Disclosure Counsel, the Verification Agent, the Municipal Advisor and any other experts or consultants retained by the Authority in connection with the transactions contemplated hereby; and (d) the costs related to obtaining ratings; (e) the cost of mailing or delivering the definitive Bonds.

The Underwriter shall pay: (a) all advertising expenses in connection with the public offering of the 2019 Bonds; (b) the fees and expenses of counsel to the Underwriter, including their fees in connection with the qualification of the 2019 Bonds for sale under the Blue Sky or other securities laws and regulations of various jurisdictions; (c) California Debt Investment and Advisory Commission fees; and (d) all other expenses incurred by it in connection with its public offering and distribution of the 2019 Bonds.

9. Notices.

(a) Underwriter. Any notice or other communication to be given to the Underwriter may be given by delivering the same to Raymond James & Associates, Inc., One Embarcadero Center, Suite 650, San Francisco, California 94111, Attention: Rob Larkins.

The approval of the Underwriter when required hereunder or the determination of satisfaction as to any document referred to herein shall be in writing signed by Raymond James & Associates, Inc., and delivered to you.

(b) Authority. Any notice or communication to be given the Authority under this Purchase Contract may be given by delivering the same to the South Bayside Waste Management Authority, c/o City of San Carlos, 600 Elm Street, Suite 202, San Carlos, California 94070, Attention: Executive Director.

All notices or communications hereunder by any party shall be given and served upon each other party.

10. Arm's-Length Transaction. The Authority acknowledges and agrees that (i) the purchase and sale of the 2019 Bonds pursuant to this Purchase Contract is an arm's-length commercial transaction between the Authority and the Underwriter; (ii) in connection with such transaction, the Underwriter is acting solely as a principal and not as an agent or a fiduciary of the Authority; (iii) the Underwriter has not assumed a fiduciary responsibility in favor of the Authority with respect to the offering of the 2019 Bonds or the process leading thereto (whether or not the Underwriter, or any affiliate of the Underwriter, has advised or is currently advising the Authority on other matters) nor has it assumed any other obligation to the Authority except the obligations expressly set forth in this Purchase Contract, (iv) the Underwriter has financial and other interests that differ from those of the Authority; and (v) the Authority has consulted with its own legal and financial advisors to the extent it deemed appropriate in connection with the offering of the 2019 Bonds.

11. Parties in Interest; Force and Effect. This Purchase Contract is made solely for the benefit of the Authority and the Underwriter (including the successors or assigns thereof) and no other person shall acquire or have any right hereunder or by virtue hereof.

All representations, warranties and agreements of the Authority or the Trustee pursuant to this Purchase Contract, shall remain operative and in full force and effect regardless of (i) any investigation made by or on behalf of the Underwriter; (ii) delivery of and payment for the 2019 Bonds pursuant to this Purchase Contract; or (iii) termination of this Purchase Contract but only to the extent provided by the last paragraph of Section 7 hereof, regarding preconditions of Closing.

12. Counterparts. This Purchase Contract may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument.

13. Governing Law. This Purchase Contract shall be governed by the laws of the State of California.

14. Entire Agreement. This Purchase Contract when accepted by you in writing as heretofore specified shall constitute the entire agreement between us and is made solely for the benefit of the Authority and the Underwriter (including the successors or assigns thereof). No other person shall acquire or have any right hereunder or by virtue hereof.

15. Headings. The headings of the paragraphs of this Purchase Contract are inserted for convenience only and shall not be deemed to be a part hereof.

16. Unenforceable Provisions. If any provision of this Purchase Contract shall be held or deemed to be or shall, in fact, be invalid, inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdiction's, or in all jurisdictions because it conflicts with any provisions of any constitution, statute, rule of public policy, or any other reason, such circumstances shall not have the effect of rendering the provision in question invalid, inoperative or unenforceable in any other case or circumstance, or of rendering any other provision or provisions of this Purchase Contract invalid, inoperative or unenforceable to any extent whatsoever.

17. Effectiveness. This Purchase Contract shall become effective upon the execution of the acceptance hereof by the Authority and shall be valid and enforceable at the time of such acceptance and acknowledgment.

RAYMOND JAMES & ASSOCIATES, INC.

By: \_\_\_\_\_  
Authorized Officer

Accepted:

SOUTH BAYSIDE WASTE MANAGEMENT  
AUTHORITY

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

SCHEDULE I

MATURITY SCHEDULES

\$ \_\_\_\_\_ 2019A Serial Bonds

<u>Maturity</u> <u>(September 1)</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>Yield</u>	<u>Price</u>
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\$ \_\_\_\_\_ % Term Bonds due September 1, 20\_\_ — Yield: \_\_\_\_\_% -- Price \_\_\_\_\_

\$ \_\_\_\_\_ % Term Bonds due September 1, 20\_\_ — Yield: \_\_\_\_\_% -- Price \_\_\_\_\_

\$ \_\_\_\_\_ 2019B Serial Bonds

<u>Maturity</u> <u>(September 1)</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>Yield</u>	<u>Price</u>
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\$ \_\_\_\_\_ % Term Bonds due September 1, 20\_\_ — Yield: \_\_\_\_\_% -- Price \_\_\_\_\_

- <sup>c</sup> Priced to \_\_\_\_\_ par call.
- \* 10% Test Maturities (Sale Date).
- \*\* 10% Test Maturities (Closing Date).
- \*\*\* Hold-the-Price Maturities.

**REDEMPTION PROVISIONS**

Optional Redemption. The 2019 Bonds maturing on or before September 1, 20\_\_ are not subject to optional redemption prior to their respective stated maturities. The 2019 Bonds maturing on or after September 1, 20\_\_ are subject to optional redemption on any date on or after September 1, 20\_\_, in whole or in part, at a redemption price equal to the principal amount thereof to be redeemed together with accrued interest to the redemption date, without a premium..

Mandatory Sinking Fund Redemption of Bonds. The 2019A Bonds maturing September 1, 20\_\_ shall be subject to mandatory sinking fund redemption in part, by lot, commencing on September 1, 20\_\_, from mandatory sinking fund payments set aside in the Payment Fund, at a redemption price equal to the principal amount thereof to be redeemed, together with accrued interest to the date fixed for redemption, without premium, in the aggregate respective principal amounts and on the dates set forth below:

**2019A Term Bonds**

<b><u>Redemption Date</u></b> <b><u>(September 1)</u></b>	<b><u>Redemption</u></b> <b><u>Amount</u></b>
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\*

\*Final Maturity

The 2019B Bonds maturing September 1, 20\_\_ shall be subject to mandatory sinking fund redemption in part, by lot, commencing on September 1, 20\_\_, from mandatory sinking fund payments set aside in the Payment Fund, at a redemption price equal to the principal amount thereof to be redeemed, together with accrued interest to the date fixed for redemption, without premium, in the aggregate respective principal amounts and on the dates set forth below:

**2019B Term Bonds**

<b><u>Redemption Date</u></b> <b><u>(September 1)</u></b>	<b><u>Redemption</u></b> <b><u>Amount</u></b>
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\*

\*Final Maturity

If some but not all of such Term Bonds have been redeemed pursuant to the optional or extraordinary redemption provisions, the total amount of all related future sinking fund payments shall be reduced by the aggregate principal amount of such Term Bonds so redeemed, to be allocated among such sinking fund payments on a pro rata basis as determined by the Authority (notice of which determination shall be given by the Authority to the Trustee).



SCHEDULE II

FORM OF ISSUE PRICE CERTIFICATE

**[\$Series A Principal Amount]  
South Bayside Waste Management Authority  
Solid Waste Enterprise  
Refunding Revenue Bonds  
Series 2019A (Non-AMT)**

**[\$Series B Principal Amount]  
South Bayside Waste Management Authority  
Solid Waste Enterprise  
Revenue Bonds  
Series 2019B (AMT)**

The undersigned, on behalf of Raymond James & Associates, Inc. (the “Underwriter”), hereby certifies as set forth below with respect to the sale and issuance of the \$[Series A Principal Amount] South Bayside Waste Management Authority Solid Waste Enterprise Refunding Revenue Bonds, Series 2019A (Non-AMT) (the “2019A Bonds”) and the \$[Series B Principal Amount] South Bayside Waste Management Authority Solid Waste Enterprise Revenue Bonds, Series 2019B (AMT) (the “2019B Bonds” and, together with the 2019A Bonds, the “Bonds”). Capitalized terms used but not otherwise defined herein shall have the meanings ascribed thereto in the Tax Certificate relating to the Bonds, to which this certificate is attached.

A. Issue Price.

1. ***Sale of the General Rule Maturities.*** As of the date of this certificate, for each Maturity of the [Bonds][General Rule Maturities], the first price at which at least 10% of such Maturity was sold to the Public is the respective price listed in Schedule A.

2. ***[Initial Offering Price of the Hold-the-Offering-Price Maturities.***

The Underwriter offered the Hold-the-Offering Price Maturities to the Public for purchase at the respective initial offering prices listed in Schedule A (the “Initial Offering Prices”) on or before the Sale Date. A copy of the pricing wire or equivalent communication for the Hold-the-Offering Price Maturities is attached to this certificate as Schedule B.

As set forth in the Purchase Contract the Underwriter has agreed in writing that, (i) for each Maturity of the Hold-the-Offering-Price Maturities, it would neither offer nor sell any of the unsold Bonds of such Maturity to any person at a price that is higher than the Initial Offering Price for such Maturity during the Holding Period for such Maturity (the “hold-the-offering-price rule”), and (ii) any selling group agreement shall contain the agreement of each dealer who is a member of the selling group, and any third-party distribution agreement shall contain the agreement of each broker-dealer who is a party to the third-party distribution agreement, to comply with the hold-the-offering-price rule. Pursuant to such agreement, no Underwriter has offered or sold any Maturity of the Hold-the-Offering-Price Maturities at a price that is higher than the respective Initial Offering Price for that Maturity of the Bonds during the Holding Period.]

3. Defined Terms.

*General Rule Maturities* means those Maturities of the Bonds listed in Schedule A hereto as the “General Rule Maturities.”

*Hold-the-Offering-Price Maturities* means those Maturities of the Bonds listed in Schedule A hereto as the “Hold-the-Offering-Price Maturities.”

*Holding Period* means, with respect to a Hold-the-Offering-Price Maturity, the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date, or (ii) the date on which the Underwriter has sold at least 10% of such Hold-the-Offering-Price Maturity to the Public at prices that are no higher than the Initial Offering Price for such Hold the Offering Price Maturity.

*Issuer* means the South Bayside Waste Management Authority.

*Maturity* means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate maturities.

*Public* means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term “related party” for purposes of this certificate means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

*Sale Date* means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is [Sale Date].

*Underwriter* means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Bonds to the Public).

B. Reserve Fund.

The establishment of the Reserve Fund in the amount of the Reserve Requirement was vital to the marketing of the Bonds and reasonably required to assure the payment of debt service on the Bonds.

C. Arbitrage Yield.

We have calculated the arbitrage yields with respect to the Bonds to be \_\_\_\_\_% (with respect to the 2019A Bonds), \_\_\_\_\_% (with respect to the 2019B Bonds, and \_\_\_\_\_% (with respect to a composite of the 2019A Bonds and 2019B Bonds), in accordance with the following instructions provided by Bond Counsel. Bond Counsel has advised that yield on the applicable Bonds is the discount rate that, when used in computing the present value as of the issue date of all unconditionally payable payments of principal and interest on the applicable Bonds, produces an amount equal to the present value, using the same discount rate, of the aggregate issue price of bonds of the issue as of the issue date. Bond Counsel has advised that the issue price is determined based on the prices of each maturity of the Bonds listed in Schedule A as described in paragraph A. above. The proofs of arbitrage yield are attached in Schedule C.

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents the Representative’s interpretation of any laws, including specifically

Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Tax Certificate and with respect to compliance with the federal income tax rules affecting the Bonds, and by Stradling Yocca Carlson & Rauth, a Professional Corporation in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Bonds.

RAYMOND JAMES & ASSOCIATES, INC.

By: \_\_\_\_\_

Authorized Representative

Dated: [Closing Date]

**SCHEDULE A**

**SALE PRICES OF THE GENERAL RULE MATURITIES AND INITIAL OFFERING  
PRICES OF THE HOLD-THE-OFFERING-PRICE MATURITIES**

**General Rule Maturities**

<b><u>Maturity Date (September 1)</u></b>	<b><u>Principal Amount</u></b>	<b><u>Interest Rate</u></b>	<b><u>Yield</u></b>	<b><u>Initial Offering and Actual Sales Price</u></b>
	\$	%	%	

**Hold-the-Offering-Price Maturities**

<b><u>Maturity Date (September 1)</u></b>	<b><u>Principal Amount</u></b>	<b><u>Interest Rate</u></b>	<b><u>Yield</u></b>	<b><u>Initial Offering Price</u></b>
	\$	%	%	

**SCHEDULE B**

PRICING WIRE OR EQUIVALENT COMMUNICATION

[see attached]

**SCHEDULE C**

YIELD PROOFS

[see attached]

**EXHIBIT A**

FORM OF DISCLOSURE COUNSEL LETTER