



**JOSEPH KELLY**  
TREASURER AND TAX COLLECTOR

**COUNTY OF LOS ANGELES  
TREASURER AND TAX COLLECTOR**

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July 12, 2016

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, California 90012

The Board of Directors of the Los Angeles  
County Public Works Financing Authority  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, California 90012

The Board of Supervisors of  
Los Angeles County Flood Control District  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, California 90012

Dear Board Members:

**ADOPTED**

BOARD OF SUPERVISORS  
COUNTY OF LOS ANGELES

34 July 12, 2016

LORI GLASGOW  
EXECUTIVE OFFICER

**REDEMPTION OF OUTSTANDING  
LOS ANGELES COUNTY PUBLIC WORKS FINANCING AUTHORITY  
REVENUE BONDS SERIES 2003A AND 2005A  
(ALL DISTRICTS – 4 VOTES)**

**SUBJECT**

The Treasurer and Tax Collector (the “Treasurer”) and the Los Angeles County Flood Control District (the “District”) are requesting authorization to redeem \$12,630,000 of the remaining outstanding principal of the Los Angeles County Public Works Financing Authority Refunding Revenue Bonds Series 2003A (the “2003A Bonds”) and the Los Angeles County Public Works Financing Authority Revenue Bonds Series 2005A (the “2005A Bonds”).

**IT IS RECOMMENDED THAT THE BOARD:**

ACTING AS THE GOVERNING BODY OF THE LOS ANGELES COUNTY FLOOD CONTROL DISTRICT, IT IS RECOMMENDED THAT YOUR BOARD:

Adopt the resolution authorizing the redemption of \$12,630,000 of the remaining outstanding principal of the District's 2003A Bonds and 2005A Bonds.

ACTING AS THE BOARD OF DIRECTORS OF THE LOS ANGELES COUNTY PUBLIC WORKS FINANCING AUTHORITY, IT IS RECOMMENDED THAT YOUR BOARD:

Adopt the resolution authorizing the redemption of \$12,630,000 of the remaining outstanding principal of the District's 2003A Bonds and 2005A Bonds.

**PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

Approval of the recommended actions will authorize the redemption of the remaining outstanding principal of the District's 2003A Bonds and 2005A Bonds on the next interest payment date of September 1, 2016. The proposed redemption will result in gross interest savings of \$2,182,995 from Fiscal Year 2016-17 through Fiscal Year 2024-25.

In January 2003, the Los Angeles County Public Works Financing Authority (the "Authority") issued the 2003A Bonds in the principal amount of \$143,195,000 to refinance \$147,565,000 of outstanding principal from the District's 1993 Series A Certificates of Participation (the "1993 COPs"). Proceeds from the sale of the 1993 COPs were utilized to fund the acquisition of the current Public Works Headquarters and capital improvements to the District's storm drains, retention facilities, and pump stations. The 2003A Bonds have \$1,520,000 of remaining outstanding principal, with a final maturity on March 1, 2017.

In July 2005, the Authority issued the 2005A Bonds in the principal amount of \$20,540,000 to fund the seismic retrofit of the Public Works Headquarters. The 2005A Bonds have \$11,110,000 of remaining outstanding principal, with a final maturity on March 1, 2025.

The interest rates on the outstanding 2003A Bonds and 2005A Bonds range from 4.00% to 4.25%. By using available cash resources to fund the redemption, the District will generate \$256,755 of interest cost savings in Fiscal Year 2016-17 and total interest cost savings of \$2,182,995 through the final maturity of the 2005A Bonds in Fiscal Year 2024-25.

**Implementation of Strategic Plan Goals**

This action supports the County's Strategic Plan Goal #1: Operational Effectiveness/Fiscal Sustainability by utilizing available cash resources to redeem outstanding debt and generate interest cost savings.

### **FISCAL IMPACT/FINANCING**

There will be no impact to the County General Fund.

Sufficient funding is available in Fiscal Year 2016-17 Flood Control District Fund Budget to redeem \$12,630,000 of the remaining outstanding principal of the District's 2003A Bonds and 2005A Bonds.

### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

The 2003A Bonds have a final maturity of March 1, 2017, and are eligible for redemption, without premium, on any semi-annual interest payment date after March 1, 2014. The 2005A Bonds have a final maturity of March 1, 2025, and are eligible for redemption, without premium, on any semi-annual interest payment date after March 1, 2016. The next interest payment date for both the 2003A Bonds and the 2005A Bonds is September 1, 2016, which is the target date for the redemption.

In accordance with the provisions of the Trust Indentures for the 2003A Bonds and the 2005A Bonds, a Notice of Redemption must be delivered to the bondholders no later than 60 days and no less than 30 days prior to the redemption. Upon approval of the recommended action, the District will transfer \$12,630,000 to the Bank of New York Trust Company, N.A. (the trustee for the 2003A Bonds and the 2005A Bonds) to fund the redemption on or about August 30, 2016.

Stradling Yocca Carlson & Rauth, P.C. has been retained by County Counsel to serve as bond counsel for the redemption, and will provide an opinion attesting that the 2003A Bonds and the 2005A Bonds have been fully defeased in accordance with the provisions of the respective Trust Indentures.

### **IMPACT ON CURRENT SERVICES (OR PROJECTS)**

None.

### **CONCLUSION**

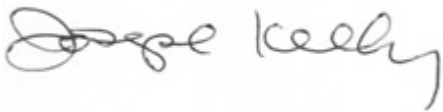
Upon approval of the Resolutions, it is requested that the Executive Officer-Clerk of the Board of Supervisors return two originally executed copies of the adopted Resolutions to the Treasurer and Tax Collector (Office of Public Finance).

The Honorable Board of Supervisors

7/12/2016

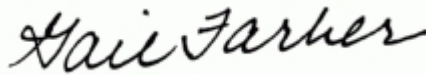
Page 4

Respectfully submitted,



Joseph Kelly

Treasurer and Tax Collector



GAIL FARBER

Director

JK:JP:pabPb/brdltr/

2016fcdbondredem

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Enclosures

c: Chief Executive Officer  
Auditor-Controller  
County Counsel  
Department of Public Works

**RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES, *EX OFFICIO* THE GOVERNING BODY OF THE LOS ANGELES COUNTY PUBLIC WORKS FINANCING AUTHORITY, APPROVING THE EXECUTION AND DELIVERY OF TWO ESCROW AGREEMENTS WITH RESPECT TO THE REFUNDING REVENUE BONDS (LOS ANGELES COUNTY FLOOD CONTROL DISTRICT) SERIES 2003A AND THE REVENUE BONDS (LOS ANGELES COUNTY FLOOD CONTROL DISTRICT) SERIES 2005A AND APPROVING CERTAIN ACTS IN CONNECTION THEREWITH AND CERTAIN OTHER MATTERS**

WHEREAS, the Board of Supervisors of the County of Los Angeles (the “**Board**”), *ex officio* the governing body of the Los Angeles County Public Works Financing Authority (the “**Authority**”), has previously issued the Refunding Revenue Bonds (Los Angeles County Flood Control District) Series 2003A (the “**2003A Bonds**”) pursuant to an Indenture, dated as of January 1, 2003 (the “**Indenture**”), by and among the Authority, the Los Angeles County Flood Control District (the “**District**”) and The Bank of New York Mellon Trust Company, N.A. (formerly known as BNY Western Trust Company), as trustee;

WHEREAS, the Board, *ex officio* the governing body of the Authority, has previously issued the Revenue Bonds (Los Angeles County Flood Control District) Series 2005A (the “**2005A Bonds**”) and, together with the 2003A Bonds, the “**Bonds**”) pursuant to the Indenture, as supplemented by a First Supplemental Indenture, dated as of June 1, 2005 (the “**First Supplemental**”), by and among the Authority, the District and The Bank of New York Mellon Trust Company, N.A. (formerly known as The Bank of New York Trust Company, N.A.), as trustee;

WHEREAS, the Board has determined that it is in the best interest of the Authority to cause the defeasance of the outstanding Bonds;

WHEREAS, in order to effect the defeasance of the 2003A Bonds, the Authority desires to execute an Escrow Agreement (2003A Bonds) (the “**2003A Escrow Agreement**”) by and among the Authority, the District and The Bank of New York Mellon Trust Company, N.A., as escrow agent (the “**Escrow Agent**”) and as trustee under the Indenture (the “**Trustee**”);

WHEREAS, in order to effect the defeasance of the 2005A Bonds, the Authority desires to execute an Escrow Agreement (2005A Bonds) (the “**2005A Escrow Agreement**”) and, together with the 2003A Escrow Agreement, the “**Escrow Agreements**”) by and among the Authority, the District and The Bank of New York Mellon Trust Company, N.A., as Escrow Agent and as Trustee under the Indenture and the First Supplemental;

WHEREAS, the Board has been presented with the form of each Escrow Agreement to be entered into by the Authority referred to herein relating to the actions contemplated hereby, and the Board has examined and approved each Escrow Agreement and desires to authorize and direct the execution of the Escrow Agreements and the consummation of such actions; and

WHEREAS, all acts, conditions and things required by the Constitution and laws of the State of California to exist, to have happened and to have been performed precedent to and in connection with the consummation of the actions authorized hereby do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the Authority is now

duly authorized and empowered, pursuant to each and every requirement of law, to consummate such actions for the purpose, in the manner and upon the terms herein provided;

NOW, THEREFORE, this Board does find, resolve, determine and order as follows:

Section 1. Recitals. All of the recitals herein contained are true and correct and the Board so finds.

Section 2. Approval of Escrow Agreements. The form of each Escrow Agreement, submitted to and on file with the Secretary of the Authority, is hereby approved, and the Chair of the Board, and such other member of the Board as the Chair may designate, and the officers of the Authority (each, an “**Authorized Officer**” and collectively, the “**Authorized Officers**”), are each hereby authorized and directed, for and in the name and on behalf of the Authority, to execute and deliver each Escrow Agreement in substantially said form, with such changes therein as the Authorized Officer executing the same may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 3. Other Acts. The Authorized Officers, the Secretary and any Deputy Secretary of the Authority and other appropriate officers are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents, instruments and contracts that they may deem necessary or advisable in order to consummate the transactions herein authorized and otherwise to carry out, give effect to and comply with the terms and intent of this Resolution, the Indenture, the First Supplemental, the Escrow Agreements and the Bonds, as the Authorized Officer may require or approve, including but not limited to the delivery of an instruction to the Trustee to send notices of conditional redemption of the Bonds prior to the execution of the Escrow Agreements, and any such actions heretofore taken by such officers in connection therewith are hereby ratified, confirmed and approved.

Section 4. Severability. If any provision of this Resolution or the application of any such provision to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of this Resolution that can be given effect without the invalid provision or application, and to this end the provisions of this Resolution are severable. The Authority declares that the Authority would have adopted this Resolution irrespective of the invalidity of any particular portion of this Resolution.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]


Section 5. Effective Date. This Resolution shall take immediately upon its passage.

The foregoing Resolution was on the 12th day of July, 2016, adopted by the Board of Supervisors of the County of Los Angeles, *ex officio* the governing body of the Los Angeles County Public Works Financing Authority.

Executive Officer-Clerk of the Board of Supervisors

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

APPROVED AS TO FORM:  
MARY C. WICKHAM, County Counsel

By:  \_\_\_\_\_  
Principal Deputy County Counsel

**RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES, *EX OFFICIO* THE GOVERNING BODY OF THE LOS ANGELES COUNTY FLOOD CONTROL DISTRICT, APPROVING THE EXECUTION AND DELIVERY OF TWO ESCROW AGREEMENTS WITH RESPECT TO THE REFUNDING REVENUE BONDS (LOS ANGELES COUNTY FLOOD CONTROL DISTRICT) SERIES 2003A AND THE REVENUE BONDS (LOS ANGELES COUNTY FLOOD CONTROL DISTRICT) SERIES 2005A AND APPROVING CERTAIN ACTS IN CONNECTION THEREWITH AND CERTAIN OTHER MATTERS**

WHEREAS, the Board of Supervisors of the County of Los Angeles (the “**Board**”), *ex officio* the governing body of the Los Angeles County Public Works Financing Authority (the “**Authority**”), has previously issued the Refunding Revenue Bonds (Los Angeles County Flood Control District) Series 2003A (the “**2003A Bonds**”) pursuant to an Indenture, dated as of January 1, 2003 (the “**Indenture**”), by and among the Authority, the Los Angeles County Flood Control District (the “**District**”) and The Bank of New York Mellon Trust Company, N.A. (formerly known as BNY Western Trust Company), as trustee;

WHEREAS, the 2003A Bonds are secured by installment payments payable by the District under the Installment Purchase Agreement, dated as of January 1, 2003 (the “**Original Installment Purchase Agreement**”), by and between the Authority and the District;

WHEREAS, the Board, *ex officio* the governing body of the Authority, has previously issued the Revenue Bonds (Los Angeles County Flood Control District) Series 2005A (the “**2005A Bonds**” and, together with the 2003A Bonds, the “**Bonds**”) pursuant to the Indenture, as supplemented by a First Supplemental Indenture, dated as of June 1, 2005 (the “**First Supplemental**”), by and among the Authority, the District and The Bank of New York Mellon Trust Company, N.A. (formerly known as The Bank of New York Trust Company, N.A.), as trustee;

WHEREAS, the 2005A Bonds are secured by installment payments payable by the District under the Original Installment Purchase Agreement, as amended and supplemented by the 2005A Supplement to Installment Purchase Agreement, dated as of June 1, 2005 (the “**2005A Supplement**” and, together with the Original Installment Purchase Agreement, the “**Installment Purchase Agreement**”), by and between the Authority and the District;

WHEREAS, the Board, *ex officio* the governing body of the District, has determined that it is in the best interest of the District to cause the defeasance of the outstanding Bonds by prepaying the installment payments under the Installment Purchase Agreement;

WHEREAS, in order to effect the defeasance of the 2003A Bonds, the District desires to execute an Escrow Agreement (2003A Bonds) (the “**2003A Escrow Agreement**”) by and among the Authority, the District and The Bank of New York Mellon Trust Company, N.A., as escrow agent (the “**Escrow Agent**”) and as trustee under the Indenture (the “**Trustee**”);

WHEREAS, in order to effect the defeasance of the 2005A Bonds, the District desires to execute an Escrow Agreement (2005A Bonds) (the “**2005A Escrow Agreement**” and, together with the 2003A Escrow Agreement, the “**Escrow Agreements**”) by and among the Authority, the District and The Bank of New York Mellon Trust Company, N.A., as Escrow Agent and as Trustee under the Indenture and the First Supplemental;



WHEREAS, the Board has been presented with the form of each Escrow Agreement to be entered into by the District referred to herein relating to the actions contemplated hereby, and the Board has examined and approved each Escrow Agreement and desires to authorize and direct the execution of the Escrow Agreements and the consummation of such actions; and

WHEREAS, all acts, conditions and things required by the Constitution and laws of the State of California to exist, to have happened and to have been performed precedent to and in connection with the consummation of the actions authorized hereby do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the District is now duly authorized and empowered, pursuant to each and every requirement of law, to consummate such actions for the purpose, in the manner and upon the terms herein provided;

NOW, THEREFORE, this Board does find, resolve, determine and order as follows:

Section 1. Recitals. All of the recitals herein contained are true and correct and the Board so finds.

Section 2. Approval of Escrow Agreements. The form of each Escrow Agreement, submitted to and on file with the Clerk of the Board, is hereby approved, and the Chair of the Board, and such other member of the Board as the Chair may designate, and the officers of the District (each, an “**Authorized Officer**” and collectively, the “**Authorized Officers**”), are each hereby authorized and directed, for and in the name and on behalf of the District, to execute and deliver each Escrow Agreement in substantially said form, with such changes therein as the Authorized Officer executing the same may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 3. Other Acts. The Authorized Officers, the Clerk and any Deputy Clerk of the Board and other appropriate officers are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents, instruments and contracts that they may deem necessary or advisable in order to consummate the transactions herein authorized and otherwise to carry out, give effect to and comply with the terms and intent of this Resolution, the Indenture, the First Supplemental, the Installment Purchase Agreement, the Escrow Agreements and the Bonds, as the Authorized Officer may require or approve, including but not limited to the delivery of an instruction to the Trustee to send notices of conditional redemption of the Bonds prior to the execution of the Escrow Agreements, and any such actions heretofore taken by such officers in connection therewith are hereby ratified, confirmed and approved.

Section 4. Severability. If any provision of this Resolution or the application of any such provision to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of this Resolution that can be given effect without the invalid provision or application, and to this end the provisions of this Resolution are severable. The District declares that the District would have adopted this Resolution irrespective of the invalidity of any particular portion of this Resolution.

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Section 5. Effective Date. This Resolution shall take immediately upon its passage.

The foregoing Resolution was on the 12th day of July, 2016, adopted by the Board of Supervisors of the County of Los Angeles, *ex officio* the governing body of the Los Angeles County Flood Control District.



**LORI GLASGOW**  
Executive Officer-Clerk of the Board of Supervisors

By: *Sachelle Smitherman*  
Deputy

APPROVED AS TO FORM:  
MARY C. WICKHAM, County Counsel

By: *[Signature]*  
Principal Deputy County Counsel

## ESCROW AGREEMENT (2003A BONDS)

THIS ESCROW AGREEMENT (2003A BONDS), dated as of August 1, 2016 (the “**Agreement**”), by and among The Bank of New York Mellon Trust Company, N.A., as escrow agent (the “**Escrow Agent**”) and as Trustee (as such term is defined herein), the Los Angeles County Public Works Financing Authority (the “**Authority**”) and the Los Angeles County Flood Control District (the “**District**”), is entered into in accordance with a resolution of the Authority adopted on July 12, 2016, a resolution of the District adopted on July 12, 2016 and an Indenture, dated as of January 1, 2003 (the “**Indenture**”), by and among The Bank of New York Mellon Trust Company, N.A. (formerly known as BNY Western Trust Company), as trustee (the “**Trustee**”), the Authority and the District, to refund the outstanding Los Angeles County Public Works Financing Authority Refunding Revenue Bonds (Los Angeles County Flood Control District) Series 2003A (the “**Bonds**”).

### RECITALS

A. Pursuant to the Indenture, the Authority has previously issued the Bonds in the aggregate principal amount of \$143,195,000, of which \$1,520,000 is currently outstanding.

B. The District has determined to provide moneys in an amount that is sufficient to provide a portion of the funds to pay on September 1, 2016: (i) the regularly scheduled payments of interest on the Bonds payable on September 1, 2016; and (ii) the principal of the Bonds maturing after September 1, 2016, plus interest thereon accrued to such date, without premium (the “**Redemption Price**”).

C. The District will irrevocably deposit moneys with the Escrow Agent (as permitted by, in the manner prescribed by and all in accordance with the Indenture), which moneys will be held uninvested as cash. Such moneys, together with the moneys transferred from the Trustee to the Escrow Agent at the same time pursuant to this Agreement, will be fully sufficient to pay and discharge the Bonds.

### AGREEMENT

1. Deposit of Moneys. The District and the Authority hereby instruct the Escrow Agent to deposit \$\_\_\_\_\_ received from the District in the Escrow Fund established hereunder. The District and the Authority hereby further instruct the Trustee to transfer to the Escrow Agent \$\_\_\_\_\_, constituting certain amounts on deposit in the funds and accounts established under the Indenture, which amount the District and the Authority instruct the Escrow Agent to deposit in the Escrow Fund.

The Escrow Agent shall hold all such amounts in irrevocable escrow separate and apart from other funds of the District, the Authority and the Escrow Agent in a fund hereby created and established to be known as the “**Escrow Fund**” and to be applied solely as provided in this Agreement.

2. Receipt of Moneys. The Escrow Agent acknowledges receipt of the moneys described in Section 1 and agrees to hold such moneys uninvested in the Escrow Fund. The Escrow Agent shall be entitled to rely upon the conclusion of \_\_\_\_\_ (the “**Verification Agent**”), that such

moneys will be sufficient to pay the regularly scheduled payments of interest on the Bonds payable on September 1, 2016, and to pay on September 1, 2016 the Redemption Price of the Bonds maturing after September 1, 2016.

3. [Reserved].

4. [Reserved].

5. Payment of Bonds.

(a) Payment. From the moneys on deposit in the Escrow Fund, the Escrow Agent shall, apply the amounts on deposit in the Escrow Fund to pay: (i) the regularly scheduled payments of interest on the Bonds payable on September 1, 2016; and (ii) the Redemption Price of the Bonds maturing after September 1, 2016.

(b) Irrevocable Instruction to Provide Notice. The form of the notice required to be mailed pursuant to Section 10.01 of the Indenture is substantially in the form attached hereto as Exhibit A. The District and the Authority hereby irrevocably instruct the Escrow Agent to mail a notice of defeasance of the Bonds in accordance with Section 10.01 of the Indenture to the owners of the Bonds and the Series 2003A Bond Insurer (as such term is defined in the Indenture), as required to provide for the defeasance of the Bonds in accordance with this Section 5.

(c) Unclaimed Moneys. Any moneys in the Escrow Fund which remain unclaimed for two years after September 1, 2016 shall be repaid by the Escrow Agent to the District.

(d) Priority of Payments. The owners of the Bonds shall have a first and exclusive lien on all of the moneys and securities in the Escrow Fund until such moneys and such securities are used and applied as provided in this Agreement.

(e) Termination of Obligations. As provided in the Indenture, upon the deposit of moneys with the Escrow Agent in the Escrow Fund as set forth in Section 1: (i) the Bonds will be deemed to have been paid in accordance with Section 10.01 of the Indenture; (ii) all agreements and covenants of the Authority to the owners of the Bonds under the Indenture will cease, terminate, become void and be completely discharged and satisfied; and (iii) the right, title and interest of the Authority in and the obligations of the District under the Installment Purchase Agreement, dated as of January 1, 2003, by and between the District and the Authority, will cease, terminate, become void and be completely discharged and satisfied.

6. Application of Certain Terms of the Indenture. All of the terms of the Indenture relating to the making of payments of principal and interest with respect to the Bonds and relating to the exchange or transfer of the Bonds are incorporated in this Agreement as if set forth in full herein. The procedures set forth in Article VIII of the Indenture relating to the resignation, removal and merger of the Trustee under the Indenture are also incorporated in this Agreement as if set forth in full herein and shall be the procedures to be followed with respect to any resignation or removal of the Escrow Agent hereunder.

7. Performance of Duties. The Escrow Agent agrees to perform only the duties set forth herein and shall have no responsibility to take any action or omit to take any action not set forth herein.

8. Escrow Agent's Authority to Make Investments. Unless otherwise provided in Section 2, the Escrow Agent shall have no power or duty to invest any funds held under this Agreement or to sell, transfer or otherwise dispose of the moneys held hereunder.

9. Indemnity. The District and the Authority hereby assume liability for, and hereby agree (whether or not any of the transactions contemplated hereby are consummated) to indemnify, protect, save and keep harmless the Escrow Agent and its respective successors, assigns, agents, employees and servants, from and against any and all liabilities, obligations, losses, damages, penalties, claims, actions, suits, costs, expenses and disbursements (including reasonable legal fees and disbursements) of whatsoever kind and nature that may be imposed on, incurred by or asserted against the Escrow Agent at any time (whether or not also indemnified against the same by the District or the Authority or any other person under any other agreement or instrument, but without double indemnity) in any way relating to or arising out of the execution, delivery and performance of this Agreement, the establishment hereunder of the Escrow Fund, the acceptance of the funds and securities deposited therein, the retention of the proceeds thereof and any payment, transfer or other application of moneys or securities by the Escrow Agent in accordance with the provisions of this Agreement; provided, however, that the District and the Authority shall not be required to indemnify the Escrow Agent against the Escrow Agent's own negligence or willful misconduct, the negligence or willful misconduct of the Escrow Agent's respective employees or the willful breach by the Escrow Agent of the terms of this Agreement. In no event shall the District, the Authority or the Escrow Agent be liable to any person by reason of the transactions contemplated hereby other than to each other as set forth in this Section. The indemnities contained in this Section shall survive the termination of this Agreement.

10. Responsibilities of Escrow Agent. The Escrow Agent and its agents and servants shall not be held to any personal liability whatsoever, in tort, contract, or otherwise, in connection with the execution and delivery of this Agreement, the establishment of the Escrow Fund, the acceptance of the moneys or securities deposited therein or any payment, transfer or other application of moneys or obligations by the Escrow Agent in accordance with the provisions of this Agreement or by reason of any non-negligent act, non-negligent omission or non-negligent error of the Escrow Agent made in good faith in the conduct of its duties. The recitals of fact contained herein shall be taken as the statements of the District and the Authority, and the Escrow Agent assumes no responsibility for the correctness thereof. The Escrow Agent makes no representation as to the sufficiency of the proceeds to accomplish the refunding of the Bonds or to the validity of this Agreement as to the District and the Authority and, except as otherwise provided herein, the Escrow Agent shall incur no liability in respect thereof. The Escrow Agent shall not be liable in connection with the performance of its duties under this Agreement except for its own negligence, willful misconduct or default, and the duties and obligations of the Escrow Agent shall be determined by the express provisions of this Agreement. The Escrow Agent may consult with counsel, who may or may not be counsel to the District or the Authority, and in reliance upon the written opinion of such counsel shall have full and complete authorization and protection in respect of any action taken, suffered or omitted by it in good faith in accordance therewith. Whenever the Escrow Agent shall deem it necessary or desirable that a matter be proved or established prior to taking, suffering, or omitting any action under this Agreement, such matter may be deemed to be conclusively established by a certificate signed by an officer of the District or the Authority.

The District and the Authority acknowledge that to the extent that regulations of the Comptroller of the Currency or other applicable regulatory entity grant the District or the Authority the right to receive brokerage confirmations of security transactions as they occur, the District and

the Authority specifically waive receipt of such confirmations to the extent permitted by law. The Escrow Agent will furnish the District and the Authority with periodic transaction statements which include detail for any investment transactions made by the Escrow Agent hereunder; provided that the Escrow Agent is not obligated to provide an accounting for any fund or account that: (a) has a balance of \$0.00; and (b) has not had any activity since the last reporting date.

The Escrow Agent may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or through agents, attorneys, custodians or nominees appointed with due care.

If the Escrow Agent learns that the Department of the Treasury or the Bureau of Public Debt will not, for any reason, accept a subscription of federal securities that is to be submitted pursuant to this Agreement, if any, the Escrow Agent shall promptly request alternative written investment instructions from the District and the Authority with respect to escrowed funds which were to be invested in federal securities. The Escrow Agent shall follow such instructions and, upon the maturity of any such alternative investment, the Escrow Agent shall hold funds uninvested and without liability for interest until receipt of further written instructions from the District or the Authority. In the absence of investment instructions from the District or the Authority, the Escrow Agent shall not be responsible for the investment of such funds or interest thereon. The Escrow Agent may conclusively rely upon the District's or the Authority's selection of an alternative investment as a determination of the alternative investment's legality and suitability and shall not be liable for any losses related to the alternative investments or for compliance with any yield restriction applicable thereto.

The Escrow Agent shall have the right to accept and act upon instructions, including funds transfer instructions ("**Instructions**") given pursuant to this Agreement and delivered using Electronic Means. ("**Electronic Means**" shall mean the following communications methods: S.W.I.F.T., e-mail, facsimile transmission, secure electronic transmission containing applicable authorization codes, passwords and/or authentication keys issued by the Escrow Agent, or another method or system specified by the Escrow Agent as available for use in connection with its services hereunder). The District and the Authority shall provide to the Escrow Agent an incumbency certificate listing officers with the authority to provide such Instructions ("**Authorized Officers**") and containing specimen signatures of such Authorized Officers, which incumbency certificate shall be amended by the District or the Authority whenever a person is to be added or deleted from the listing. If the District or the Authority elect to give the Escrow Agent Instructions using Electronic Means and the Escrow Agent in its discretion elects to act upon such Instructions, the Escrow Agent's understanding of such Instructions shall be deemed controlling. The District and the Authority understand and agree that the Escrow Agent cannot determine the identity of the actual sender of such Instructions and that the Escrow Agent shall conclusively presume that directions that purport to have been sent by an Authorized Officer listed on the incumbency certificate provided to the Escrow Agent have been sent by such Authorized Officer. The District and the Authority shall be responsible for ensuring that only Authorized Officers transmit such Instructions to the Escrow Agent and that the District, the Authority and all Authorized Officers are solely responsible to safeguard the use and confidentiality of applicable user and authorization codes, passwords and/or authentication keys upon receipt by the District or the Authority. The Escrow Agent shall not be liable for any losses, costs or expenses arising directly or indirectly from the Escrow Agent's reliance upon and compliance with such Instructions notwithstanding such directions conflict or are inconsistent with a subsequent written instruction. The District and the Authority agree: (i) to assume all risks arising out of the use of Electronic Means to submit Instructions to the Escrow

Agent, including without limitation the risk of the Escrow Agent acting on unauthorized Instructions, and the risk of interception and misuse by third parties; (ii) that it is fully informed of the protections and risks associated with the various methods of transmitting Instructions to the Escrow Agent and that there may be more secure methods of transmitting Instructions than the method(s) selected by the District or the Authority; (iii) that the security procedures (if any) to be followed in connection with its transmission of Instructions provide to it a commercially reasonable degree of protection in light of its particular needs and circumstances; and (iv) to notify the Escrow Agent immediately upon learning of any compromise or unauthorized use of the security procedures.

11. Amendments. This Agreement is made for the benefit of the District, the Authority and the owners from time to time of the Bonds and it shall not be repealed, revoked, altered or amended without the written consent of all such owners, the Escrow Agent, the District and the Authority; provided, however, that the District, the Authority and the Escrow Agent may, without the consent of, or notice to, such owners, amend this Agreement or enter into such agreements supplemental to this Agreement as shall not adversely affect the rights of such owners and as shall not be inconsistent with the terms and provisions of this Agreement or the Indenture, for any one or more of the following purposes: (i) to cure any ambiguity or formal defect or omission in this Agreement; (ii) to grant to, or confer upon, the Escrow Agent for the benefit of the owners of the Bonds any additional rights, remedies, powers or authority that may lawfully be granted to, or conferred upon, such owners or the Escrow Agent; and (iii) to include under this Agreement additional funds. The Escrow Agent shall be entitled to rely conclusively upon an unqualified opinion of Stradling Yocca Carlson & Rauth, A Professional Corporation, with respect to compliance with this Section, including the extent, if any, to which any change, modification, addition or elimination affects the rights of the owners of the various Bonds or that any instrument executed hereunder complies with the conditions and provisions of this Section.

12. Notice to Rating Agencies. In the event that this agreement or any provision thereof is severed, amended or revoked, the Escrow Agent shall provide written notice of such severance, amendment or revocation to the rating agencies then rating the Bonds.

13. Term. This Agreement shall commence upon its execution and delivery and shall terminate on the later to occur of either: (i) the date upon which the Bonds have been paid in accordance with this Agreement; or (ii) the date upon which no unclaimed moneys remain on deposit with the Escrow Agent pursuant to Section 5(c) of this Agreement.

14. Compensation. The Escrow Agent shall receive its reasonable fees and expenses as previously agreed to by the Escrow Agent, the Authority and the District and any other reasonable fees and expenses of the Escrow Agent approved by the Authority or the District; provided, however, that under no circumstances shall the Escrow Agent be entitled to any lien or assert any lien whatsoever on any moneys or obligations in the Escrow Fund for the payment of fees and expenses for services rendered or expenses incurred by the Escrow Agent under this Agreement.

15. Severability. If any one or more of the covenants or agreements provided in this Agreement on the part of the District, the Authority or the Escrow Agent to be performed should be determined by a court of competent jurisdiction to be contrary to law, such covenants or agreements shall be null and void and shall be deemed separate from the remaining covenants and agreements contained herein and shall in no way affect the validity of the remaining provisions of this Agreement.

16. Counterparts. This Agreement may be executed in several counterparts, all or any of which shall be regarded for all purposes as an original but all of which shall constitute and be but one and the same instrument.

17. Governing Law. THIS AGREEMENT SHALL BE CONSTRUED UNDER THE LAWS OF THE STATE OF CALIFORNIA.

18. Notice to District and Escrow Agent. Any notice to or demand upon the Escrow Agent may be served or presented, and such demand may be made, at the principal corporate trust office of the Escrow Agent at 400 South Hope Street, Suite 400, Los Angeles, California 90071, Attention: Corporate Trust Department. Any notice to or demand upon the District or the Authority shall be deemed to have been sufficiently given or served for all purposes by being mailed by registered or certified mail, and deposited, postage prepaid, in a post office letter box, addressed to the District or the Authority at 500 West Temple Street, Room 432, Los Angeles, California 90012, Attention: Public Finance Office (or such other address as may have been filed in writing by the District or the Authority with the Escrow Agent).

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]



*[SIGNATURE PAGE TO ESCROW AGREEMENT (2003A BONDS)]*

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized officers as of the date first above written.

LOS ANGELES COUNTY PUBLIC WORKS  
FINANCING AUTHORITY

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

ATTEST:  
Secretary

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

LOS ANGELES COUNTY FLOOD CONTROL  
DISTRICT

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

ATTEST:  
Executive Officer – Clerk of the Board

By: \_\_\_\_\_  
Clerk of the Board

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.,  
as Trustee

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

**EXHIBIT A**

**NOTICE OF DEFEASANCE**

\$143,195,000  
LOS ANGELES COUNTY PUBLIC WORKS FINANCING AUTHORITY  
REFUNDING REVENUE BONDS  
(LOS ANGELES COUNTY FLOOD CONTROL DISTRICT)  
SERIES 2003A

BASE CUSIP 544738

NOTICE IS HEREBY GIVEN to the owners of the above-captioned bonds (as further defined below, the “**Bonds**”), of the Los Angeles County Public Works Financing Authority (the “**Authority**”), that the Authority has caused to be deposited with The Bank of New York Mellon Trust Company, N.A., as trustee (the “**Trustee**”) under the Indenture, dated as of January 1, 2003 (the “**Indenture**”), by and among the Trustee, the Authority and the Los Angeles County Flood Control District (the “**District**”), cash in an amount that is sufficient to pay on September 1, 2016: (i) the regularly scheduled payments of interest on the Bonds payable on September 1, 2016; and (ii) the principal of the Bonds maturing after September 1, 2016, plus interest thereon accrued to such date, without premium.

The Bonds to be defeased are as follows:

<i>CUSIP</i>	<i>Maturity (March 1)</i>	<i>Rate</i>	<i>Amount</i>	<i>Price</i>
FF9	2017	4.250%	\$1,520,000	100%

In accordance with the Indenture, and notwithstanding the fact that any Bonds are not surrendered for payment: (i) the Bonds are deemed to have been paid in accordance with Section 10.01 thereof; (ii) all agreements and covenants of the Authority to the owners of the Bonds under the Indenture have ceased, terminated, become void and been completely discharged and satisfied; (iii) the right, title and interest of the Authority in and the obligations of the District under the Installment Purchase Agreement, dated as of January 1, 2003, by and between the District and the Authority, have ceased, terminated, become void and been completely discharged and satisfied; and (iv) the obligations of the District under the Continuing Disclosure Agreement, dated as of January 1, 2003, by and between the District and the Trustee, have ceased and terminated.

No representation is made as to the correctness of the CUSIP number either as printed on any Bond or as contained herein and any error in the CUSIP number shall not affect the validity of the proceedings for prepayment of the Bonds.

THE BANK OF NEW YORK MELLON TRUST  
COMPANY, N.A., as Trustee

DATED August \_\_, 2016.

## ESCROW AGREEMENT (2005A BONDS)

THIS ESCROW AGREEMENT (2005A BONDS), dated as of August 1, 2016 (the “**Agreement**”), by and among The Bank of New York Mellon Trust Company, N.A., as escrow agent (the “**Escrow Agent**”) and as Trustee (as such term is defined herein), the Los Angeles County Public Works Financing Authority (the “**Authority**”) and the Los Angeles County Flood Control District (the “**District**”), is entered into in accordance with a resolution of the Authority adopted on July 12, 2016, a resolution of the District adopted on July 12, 2016 and an Indenture, dated as of January 1, 2003 (the “**Original Indenture**”), by and among The Bank of New York Mellon Trust Company, N.A. (formerly known as BNY Western Trust Company), as trustee (the “**Trustee**”), the Authority and the District, as amended and supplemented by the First Supplemental Indenture, dated as of June 1, 2005 (the “**First Supplemental**” and, together with the Original Indenture, the “**Indenture**”), by and among the Authority, the District and the Trustee, formerly known as The Bank of New York Trust Company, N.A., to refund the outstanding Los Angeles County Public Works Financing Authority Revenue Bonds (Los Angeles County Flood Control District) Series 2005A (the “**Bonds**”).

### RECITALS

A. Pursuant to the Indenture, the Authority has previously issued the Bonds in the aggregate principal amount of \$20,540,000, of which \$11,110,000 is currently outstanding.

B. The District has determined to provide moneys in an amount that is sufficient to provide a portion of the funds to pay on September 1, 2016: (i) the regularly scheduled payments of interest on the Bonds payable on September 1, 2016; and (ii) the principal of the Bonds maturing after September 1, 2016, plus interest thereon accrued to such date, without premium (the “**Redemption Price**”).

C. The District will irrevocably deposit moneys with the Escrow Agent (as permitted by, in the manner prescribed by and all in accordance with the Indenture), which moneys will be held uninvested as cash. Such moneys, together with the moneys transferred from the Trustee to the Escrow Agent at the same time pursuant to this Agreement, will be fully sufficient to pay and discharge the Bonds.

### AGREEMENT

1. Deposit of Moneys. The District and the Authority hereby instruct the Escrow Agent to deposit \$\_\_\_\_\_ received from the District in the Escrow Fund established hereunder. The District and the Authority hereby further instruct the Trustee to transfer to the Escrow Agent \$\_\_\_\_\_, constituting certain amounts on deposit in the funds and accounts established under the Indenture, which amount the District and the Authority instruct the Escrow Agent to deposit in the Escrow Fund.

The Escrow Agent shall hold all such amounts in irrevocable escrow separate and apart from other funds of the District, the Authority and the Escrow Agent in a fund hereby created and established to be known as the “**Escrow Fund**” and to be applied solely as provided in this Agreement.

2. Receipt of Moneys. The Escrow Agent acknowledges receipt of the moneys described in Section 1 and agrees to hold such moneys uninvested in the Escrow Fund. The Escrow Agent shall be entitled to rely upon the conclusion of \_\_\_\_\_ (the “**Verification Agent**”), that such moneys will be sufficient to pay the regularly scheduled payments of interest on the Bonds payable on September 1, 2016, and to pay on September 1, 2016 the Redemption Price of the Bonds maturing after September 1, 2016.

3. [Reserved].

4. [Reserved].

5. Payment of Bonds.

(a) Payment. From the moneys on deposit in the Escrow Fund, the Escrow Agent shall, apply the amounts on deposit in the Escrow Fund to pay: (i) the regularly scheduled payments of interest on the Bonds payable on September 1, 2016; and (ii) the Redemption Price of the Bonds maturing after September 1, 2016.

(b) Irrevocable Instruction to Provide Notice. The form of the notice required to be mailed pursuant to Section 10.01 of the Indenture is substantially in the form attached hereto as Exhibit A. The District and the Authority hereby irrevocably instruct the Escrow Agent to mail a notice of defeasance of the Bonds in accordance with Section 10.01 of the Indenture, as required to provide for the defeasance of the Bonds in accordance with this Section 5.

(c) Unclaimed Moneys. Any moneys in the Escrow Fund which remain unclaimed for two years after September 1, 2016 shall be repaid by the Escrow Agent to the District.

(d) Priority of Payments. The owners of the Bonds shall have a first and exclusive lien on all of the moneys and securities in the Escrow Fund until such moneys and such securities are used and applied as provided in this Agreement.

(e) Termination of Obligations. As provided in the Indenture, upon the deposit of moneys with the Escrow Agent in the Escrow Fund as set forth in Section 1: (i) the Bonds will be deemed to have been paid in accordance with Section 10.01 of the Indenture; (ii) all agreements and covenants of the Authority to the owners of the Bonds under the Indenture will cease, terminate, become void and be completely discharged and satisfied; and (iii) the right, title and interest of the Authority in and the obligations of the District under the Installment Purchase Agreement, dated as of January 1, 2003, by and between the District and the Authority, as amended and supplemented by the 2005A Supplement to Installment Purchase Agreement, dated as of June 1, 2005, by and between the Authority and the District, will cease, terminate, become void and be completely discharged and satisfied.

6. Application of Certain Terms of the Indenture. All of the terms of the Indenture relating to the making of payments of principal and interest with respect to the Bonds and relating to the exchange or transfer of the Bonds are incorporated in this Agreement as if set forth in full herein. The procedures set forth in Article VIII of the Indenture relating to the resignation, removal and merger of the Trustee under the Indenture are also incorporated in this Agreement as if set forth in full herein and shall be the procedures to be followed with respect to any resignation or removal of the Escrow Agent hereunder.

7. Performance of Duties. The Escrow Agent agrees to perform only the duties set forth herein and shall have no responsibility to take any action or omit to take any action not set forth herein.

8. Escrow Agent's Authority to Make Investments. Unless otherwise provided in Section 2, the Escrow Agent shall have no power or duty to invest any funds held under this Agreement or to sell, transfer or otherwise dispose of the moneys held hereunder.

9. Indemnity. The District and the Authority hereby assume liability for, and hereby agree (whether or not any of the transactions contemplated hereby are consummated) to indemnify, protect, save and keep harmless the Escrow Agent and its respective successors, assigns, agents, employees and servants, from and against any and all liabilities, obligations, losses, damages, penalties, claims, actions, suits, costs, expenses and disbursements (including reasonable legal fees and disbursements) of whatsoever kind and nature that may be imposed on, incurred by or asserted against the Escrow Agent at any time (whether or not also indemnified against the same by the District or the Authority or any other person under any other agreement or instrument, but without double indemnity) in any way relating to or arising out of the execution, delivery and performance of this Agreement, the establishment hereunder of the Escrow Fund, the acceptance of the funds and securities deposited therein, the retention of the proceeds thereof and any payment, transfer or other application of moneys or securities by the Escrow Agent in accordance with the provisions of this Agreement; provided, however, that the District and the Authority shall not be required to indemnify the Escrow Agent against the Escrow Agent's own negligence or willful misconduct, the negligence or willful misconduct of the Escrow Agent's respective employees or the willful breach by the Escrow Agent of the terms of this Agreement. In no event shall the District, the Authority or the Escrow Agent be liable to any person by reason of the transactions contemplated hereby other than to each other as set forth in this Section. The indemnities contained in this Section shall survive the termination of this Agreement.

10. Responsibilities of Escrow Agent. The Escrow Agent and its agents and servants shall not be held to any personal liability whatsoever, in tort, contract, or otherwise, in connection with the execution and delivery of this Agreement, the establishment of the Escrow Fund, the acceptance of the moneys or securities deposited therein or any payment, transfer or other application of moneys or obligations by the Escrow Agent in accordance with the provisions of this Agreement or by reason of any non-negligent act, non-negligent omission or non-negligent error of the Escrow Agent made in good faith in the conduct of its duties. The recitals of fact contained herein shall be taken as the statements of the District and the Authority, and the Escrow Agent assumes no responsibility for the correctness thereof. The Escrow Agent makes no representation as to the sufficiency of the proceeds to accomplish the refunding of the Bonds or to the validity of this Agreement as to the District and the Authority and, except as otherwise provided herein, the Escrow Agent shall incur no liability in respect thereof. The Escrow Agent shall not be liable in connection with the performance of its duties under this Agreement except for its own negligence, willful misconduct or default, and the duties and obligations of the Escrow Agent shall be determined by the express provisions of this Agreement. The Escrow Agent may consult with counsel, who may or may not be counsel to the District or the Authority, and in reliance upon the written opinion of such counsel shall have full and complete authorization and protection in respect of any action taken, suffered or omitted by it in good faith in accordance therewith. Whenever the Escrow Agent shall deem it necessary or desirable that a matter be proved or established prior to taking, suffering, or omitting any action under this Agreement, such matter may be deemed to be conclusively established by a certificate signed by an officer of the District or the Authority.

The District and the Authority acknowledge that to the extent that regulations of the Comptroller of the Currency or other applicable regulatory entity grant the District or the Authority the right to receive brokerage confirmations of security transactions as they occur, the District and the Authority specifically waive receipt of such confirmations to the extent permitted by law. The Escrow Agent will furnish the District and the Authority with periodic transaction statements which include detail for any investment transactions made by the Escrow Agent hereunder; provided that the Escrow Agent is not obligated to provide an accounting for any fund or account that: (a) has a balance of \$0.00; and (b) has not had any activity since the last reporting date.

The Escrow Agent may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or through agents, attorneys, custodians or nominees appointed with due care.

If the Escrow Agent learns that the Department of the Treasury or the Bureau of Public Debt will not, for any reason, accept a subscription of federal securities that is to be submitted pursuant to this Agreement, if any, the Escrow Agent shall promptly request alternative written investment instructions from the District and the Authority with respect to escrowed funds which were to be invested in federal securities. The Escrow Agent shall follow such instructions and, upon the maturity of any such alternative investment, the Escrow Agent shall hold funds uninvested and without liability for interest until receipt of further written instructions from the District or the Authority. In the absence of investment instructions from the District or the Authority, the Escrow Agent shall not be responsible for the investment of such funds or interest thereon. The Escrow Agent may conclusively rely upon the District's or the Authority's selection of an alternative investment as a determination of the alternative investment's legality and suitability and shall not be liable for any losses related to the alternative investments or for compliance with any yield restriction applicable thereto.

The Escrow Agent shall have the right to accept and act upon instructions, including funds transfer instructions ("**Instructions**") given pursuant to this Agreement and delivered using Electronic Means. ("**Electronic Means**" shall mean the following communications methods: S.W.I.F.T., e-mail, facsimile transmission, secure electronic transmission containing applicable authorization codes, passwords and/or authentication keys issued by the Escrow Agent, or another method or system specified by the Escrow Agent as available for use in connection with its services hereunder). The District and the Authority shall provide to the Escrow Agent an incumbency certificate listing officers with the authority to provide such Instructions ("**Authorized Officers**") and containing specimen signatures of such Authorized Officers, which incumbency certificate shall be amended by the District or the Authority whenever a person is to be added or deleted from the listing. If the District or the Authority elect to give the Escrow Agent Instructions using Electronic Means and the Escrow Agent in its discretion elects to act upon such Instructions, the Escrow Agent's understanding of such Instructions shall be deemed controlling. The District and the Authority understand and agree that the Escrow Agent cannot determine the identity of the actual sender of such Instructions and that the Escrow Agent shall conclusively presume that directions that purport to have been sent by an Authorized Officer listed on the incumbency certificate provided to the Escrow Agent have been sent by such Authorized Officer. The District and the Authority shall be responsible for ensuring that only Authorized Officers transmit such Instructions to the Escrow Agent and that the District, the Authority and all Authorized Officers are solely responsible to safeguard the use and confidentiality of applicable user and authorization codes, passwords and/or authentication keys upon receipt by the District or the Authority. The Escrow Agent shall not be liable for any losses, costs or expenses arising directly or indirectly from the Escrow Agent's reliance

upon and compliance with such Instructions notwithstanding such directions conflict or are inconsistent with a subsequent written instruction. The District and the Authority agree: (i) to assume all risks arising out of the use of Electronic Means to submit Instructions to the Escrow Agent, including without limitation the risk of the Escrow Agent acting on unauthorized Instructions, and the risk of interception and misuse by third parties; (ii) that it is fully informed of the protections and risks associated with the various methods of transmitting Instructions to the Escrow Agent and that there may be more secure methods of transmitting Instructions than the method(s) selected by the District or the Authority; (iii) that the security procedures (if any) to be followed in connection with its transmission of Instructions provide to it a commercially reasonable degree of protection in light of its particular needs and circumstances; and (iv) to notify the Escrow Agent immediately upon learning of any compromise or unauthorized use of the security procedures.

11. Amendments. This Agreement is made for the benefit of the District, the Authority and the owners from time to time of the Bonds and it shall not be repealed, revoked, altered or amended without the written consent of all such owners, the Escrow Agent, the District and the Authority; provided, however, that the District, the Authority and the Escrow Agent may, without the consent of, or notice to, such owners, amend this Agreement or enter into such agreements supplemental to this Agreement as shall not adversely affect the rights of such owners and as shall not be inconsistent with the terms and provisions of this Agreement or the Indenture, for any one or more of the following purposes: (i) to cure any ambiguity or formal defect or omission in this Agreement; (ii) to grant to, or confer upon, the Escrow Agent for the benefit of the owners of the Bonds any additional rights, remedies, powers or authority that may lawfully be granted to, or conferred upon, such owners or the Escrow Agent; and (iii) to include under this Agreement additional funds. The Escrow Agent shall be entitled to rely conclusively upon an unqualified opinion of Stradling Yocca Carlson & Rauth, A Professional Corporation, with respect to compliance with this Section, including the extent, if any, to which any change, modification, addition or elimination affects the rights of the owners of the various Bonds or that any instrument executed hereunder complies with the conditions and provisions of this Section.

12. Notice to Rating Agencies. In the event that this agreement or any provision thereof is severed, amended or revoked, the Escrow Agent shall provide written notice of such severance, amendment or revocation to the rating agencies then rating the Bonds.

13. Term. This Agreement shall commence upon its execution and delivery and shall terminate on the later to occur of either: (i) the date upon which the Bonds have been paid in accordance with this Agreement; or (ii) the date upon which no unclaimed moneys remain on deposit with the Escrow Agent pursuant to Section 5(c) of this Agreement.

14. Compensation. The Escrow Agent shall receive its reasonable fees and expenses as previously agreed to by the Escrow Agent, the Authority and the District and any other reasonable fees and expenses of the Escrow Agent approved by the Authority or the District; provided, however, that under no circumstances shall the Escrow Agent be entitled to any lien or assert any lien whatsoever on any moneys or obligations in the Escrow Fund for the payment of fees and expenses for services rendered or expenses incurred by the Escrow Agent under this Agreement.

15. Severability. If any one or more of the covenants or agreements provided in this Agreement on the part of the District, the Authority or the Escrow Agent to be performed should be determined by a court of competent jurisdiction to be contrary to law, such covenants or agreements shall be null and void and shall be deemed separate from the remaining covenants and agreements



contained herein and shall in no way affect the validity of the remaining provisions of this Agreement.

16. Counterparts. This Agreement may be executed in several counterparts, all or any of which shall be regarded for all purposes as an original but all of which shall constitute and be but one and the same instrument.

17. Governing Law. THIS AGREEMENT SHALL BE CONSTRUED UNDER THE LAWS OF THE STATE OF CALIFORNIA.

18. Notice to District and Escrow Agent. Any notice to or demand upon the Escrow Agent may be served or presented, and such demand may be made, at the principal corporate trust office of the Escrow Agent at 400 South Hope Street, Suite 400, Los Angeles, California 90071, Attention: Corporate Trust Department. Any notice to or demand upon the District or the Authority shall be deemed to have been sufficiently given or served for all purposes by being mailed by registered or certified mail, and deposited, postage prepaid, in a post office letter box, addressed to the District or the Authority at 500 West Temple Street, Room 432, Los Angeles, California 90012, Attention: Public Finance Office (or such other address as may have been filed in writing by the District or the Authority with the Escrow Agent).

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

*[SIGNATURE PAGE TO ESCROW AGREEMENT (2005A BONDS)]*

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized officers as of the date first above written.

LOS ANGELES COUNTY PUBLIC WORKS  
FINANCING AUTHORITY

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

ATTEST:  
Secretary

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

LOS ANGELES COUNTY FLOOD CONTROL  
DISTRICT

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

ATTEST:  
Executive Officer – Clerk of the Board

By: \_\_\_\_\_  
Clerk of the Board

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.,  
as Trustee

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

**EXHIBIT A**

**NOTICE OF DEFEASANCE**

\$20,540,000  
LOS ANGELES COUNTY PUBLIC WORKS FINANCING AUTHORITY  
REVENUE BONDS  
(LOS ANGELES COUNTY FLOOD CONTROL DISTRICT)  
SERIES 2005A

BASE CUSIP 544738

NOTICE IS HEREBY GIVEN to the owners of the above-captioned bonds (as further defined below, the “**Bonds**”), of the Los Angeles County Public Works Financing Authority (the “**Authority**”), that the Authority has caused to be deposited with The Bank of New York Mellon Trust Company, N.A., as trustee (the “**Trustee**”) under the Indenture, dated as of January 1, 2003 (the “**Original Indenture**”), by and among the Trustee, the Authority and the Los Angeles County Flood Control District (the “**District**”), as amended and supplemented by the First Supplemental Indenture, dated as of June 1, 2005 (the “**First Supplemental**” and, together with the Original Indenture, the “**Indenture**”), by and among the Authority, the District and the Trustee, formerly known as The Bank of New York Trust Company, N.A., cash in an amount that is sufficient to pay on September 1, 2016: (i) the regularly scheduled payments of interest on the Bonds payable on September 1, 2016; and (ii) the principal of the Bonds maturing after September 1, 2016, plus interest thereon accrued to such date, without premium.

The Bonds to be defeased are as follows:

<i>CUSIP</i>	<i>Maturity (March 1)</i>	<i>Rate</i>	<i>Amount</i>	<i>Price</i>
JA6	2017	4.000%	\$1,050,000	100%
JB4	2018	4.000	1,090,000	100
JC2	2019	4.000	1,135,000	100
JD0	2020	4.000	1,180,000	100
JE8	2021	4.000	1,230,000	100
JF5	2022	4.000	1,275,000	100
JG3	2023	4.100	1,330,000	100
JH1	2024	4.100	1,380,000	100
JJ7	2025	4.125	1,440,000	100

In accordance with the Indenture, and notwithstanding the fact that any Bonds are not surrendered for payment: (i) the Bonds are deemed to have been paid in accordance with Section 10.01 thereof; (ii) all agreements and covenants of the Authority to the owners of the Bonds under the Indenture have ceased, terminated, become void and been completely discharged and satisfied; (iii) the right, title and interest of the Authority in and the obligations of the District under the Installment Purchase Agreement, dated as of January 1, 2003, by and between the District and the Authority, as amended and supplemented by the 2005A Supplement to Installment Purchase Agreement, dated as of June 1, 2005, by and between the Authority and the District, have ceased, terminated, become void and been completely discharged and satisfied; and (iv) the obligations of the

District under the Continuing Disclosure Agreement, dated as of June 1, 2005, by and between the District and the Authority, have ceased and terminated.

No representation is made as to the correctness of the CUSIP number either as printed on any Bond or as contained herein and any error in the CUSIP number shall not affect the validity of the proceedings for prepayment of the Bonds.

THE BANK OF NEW YORK MELLON TRUST  
COMPANY, N.A., as Trustee

DATED August \_\_, 2016.