



MARK PESTRELLA, Director

# COUNTY OF LOS ANGELES

## DEPARTMENT OF PUBLIC WORKS

*"To Enrich Lives Through Effective and Caring Service"*

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April 7, 2026

IN REPLY PLEASE  
REFER TO FILE:

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

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

Dear Supervisors:

**WATER RESOURCES CORE SERVICES AREA  
ISSUANCE AND SALE OF LOS ANGELES COUNTY PUBLIC WORKS  
FINANCING AUTHORITY REVENUE BONDS, SERIES 2026A  
LOS ANGELES COUNTY FLOOD CONTROL DISTRICT  
(ALL SUPERVISORIAL DISTRICTS)  
(4-VOTES)**

**SUBJECT**

Public Works is seeking approval to issue up to \$300 million in Los Angeles County Public Works Financing Authority Revenue Bonds, to be issued in multiple series. The first series, the Series 2026A Bonds, would have a principal amount not exceeding \$100 million. Proceeds from the sale of the Series 2026A Bonds will be used to finance the final year of construction for the San Gabriel Reservoir Post-Fire Emergency Restoration Project Part 2 in 2026, as well as the start of the San Gabriel Reservoir Restoration Project (Bridge Fire) in 2027.

**IT IS RECOMMENDED THAT THE BOARD:**

1. Find that the issuance and sale of bonds, along with the related actions herein, are within the scope of the Board's previous finding of exemption from the California Environmental Quality Act for the reasons stated in this Board letter and in the record of the proposed activities.

2. Adopt the resolution authorizing the issuance and sale of up to \$300 million in tax-exempt revenue bonds, to be issued in multiple series, to finance the final year of construction for the San Gabriel Reservoir Post-Fire Emergency Restoration Project Part 2 in 2026, as well as the start of the San Gabriel Reservoir Restoration Project (Bridge Fire) in 2027. The first series, the Series 2026A Bonds, shall not exceed a principal amount of \$100 million. This action also authorizes the execution and delivery of all legal documents required to issue the Series 2026A Bonds and complete the proposed transaction.
3. Ratify the public hearing held by the Treasurer and Tax Collector on March 24, 2026, regarding the issuance of the Series 2026A Bonds, in accordance with Section 6586.5 of the California Government Code.

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

1. Find that the issuance and sale of bonds, along with the related actions herein, are within the scope of the Board's previous finding of exemption from the California Environmental Quality Act for the reasons stated in this Board letter and in the record of the proposed activities.
2. Adopt the resolution authorizing the issuance and sale of up to \$300 million in tax-exempt revenue bonds, to be issued in multiple series, to finance the final year of construction for the San Gabriel Reservoir Post-Fire Emergency Restoration Project Part 2 in 2026, as well as the start of the San Gabriel Reservoir Restoration Project (Bridge Fire) in 2027. The first series, the Series 2026A Bonds, shall not exceed the principal amount of \$100 million. This action also authorizes the execution and delivery of all legal documents required to issue the Series 2026A Bonds and complete the proposed transaction.

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

1. Find that the issuance and sale of bonds, along with the related actions herein, are within the scope of the Board's previous finding of exemption from the California Environmental Quality Act for the reasons stated in this Board letter and in the record of the proposed activities.
2. Adopt the resolution authorizing the issuance and sale of up to \$300 million in tax-exempt revenue bonds, to be issued in multiple series, to finance the final year of

construction for the San Gabriel Reservoir Post-Fire Emergency Restoration Project Part 2 in 2026, as well as the start of the San Gabriel Reservoir Restoration Project (Bridge Fire) in 2027. The first series, the Series 2026A Bonds, shall not exceed a principal amount of \$100 million. This action also authorizes the execution and delivery of all legal documents required to issue the Series 2026A Bonds and complete the proposed transaction.

### **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

The purpose of the recommended actions is to find that the issuance and sale of the Series 2026A Bonds, along with the related actions, are within the scope of the Board of Supervisor's previous finding of exemption for the San Gabriel Reservoir Post-Fire Emergency Restoration Project Part 2 and the San Gabriel Reservoir Restoration Project (Bridge Fire); and authorize the issuance of up to \$300 million in revenue bonds, including the Series 2026A Bonds, and the execution and delivery of all related documents. Proceeds from the sale of the Series 2026A Bonds will finance the construction of the projects, which consist of the final year of the San Gabriel Reservoir Post-Fire Emergency Restoration Project Part 2 in 2026, as well as the start of the San Gabriel Reservoir Restoration Project (Bridge Fire) in 2027.

The San Gabriel Dam (Dam) was constructed in 1939 and is owned and operated by the Los Angeles County Flood Control District (District). The Dam is a vital anchor of the County's flood control system and its water-conservation efforts serve multiple beneficial purposes, including providing flood protection, increasing groundwater recharge, and generating hydroelectric energy. Sediment has been removed throughout the history of the San Gabriel Reservoir (Reservoir) to maintain the intended level of flood protection and capacity for water conservation and to prevent infrastructure damage at the Dam due to high levels of sediment deposition.

The current San Gabriel Reservoir Restoration Project, authorized by the North County Disaster Recovery motion on October 13, 2020, has been ongoing since 2021 and is expected to continue through 2026 in response to major sediment deposition from the 2020 Bobcat Fire. This project has occurred in two parts. Part one began construction in 2021 with W.A. Rasic Construction Company, Inc., but was terminated due to various contractor performance issues. Part two began construction in 2022 with Ames Construction, Inc., and was anticipated to end in 2025. The District has determined that part two must be extended for one additional year through 2026 to remove sediment impacting the reservoir from the Bobcat Fire.

The Bridge Fire, which occurred between September 8 and November 26, 2024, burned 56,030 acres of land in and around the San Gabriel Mountains of the Angeles National Forest, including approximately 37,940 acres of the watershed tributary to the Reservoir. The District estimates that the denuded watershed has increased the debris potential tributary to the Reservoir during significant storm events by an additional 6.6 million cubic yards of sediment. This significant volume of debris could severely reduce the Reservoir's capacity, bury the Dam's intakes, and damage the Dam's valves and/or render them inoperable. The potential debris flow hazard and its reduction in capacity, the inoperability of the Dam's inlet/outlet works, and the resultant uncontrolled spillway flows pose a significant flood risk to life and property in the downstream communities.

The District is undertaking the San Gabriel Reservoir Restoration Project (Bridge Fire), authorized by the October 8, 2024, Bridge Fire Disaster Recovery motion, to remove sediment and debris from the Reservoir over a 5-year period beginning in 2027. The project will mitigate the flood risk arising from the unexpected increased debris potential due to the Bridge Fire. The removal of sediment would also restore substantial capacity in the Reservoir to capture and store rainwater and stormwater flows for groundwater recharge. The District anticipates removing up to 6.6 million cubic yards of sediment from 2026 to 2032 with the two projects.

Construction costs for the projects are estimated to be \$243 million, with \$10 million in expenditures in Fiscal Year 2025-26. The Series 2026A Bonds of \$100 million will finance the final year of the San Gabriel Reservoir Post-Fire Emergency Restoration Project Part 2 in 2026 and the beginning of the San Gabriel Reservoir Restoration Project (Bridge Fire) starting in 2027. Subsequent bond series to fund the San Gabriel Reservoir Restoration Project (Bridge Fire) will be requested in future Board actions, up to \$300 million total to fund the remaining construction costs plus up to 20 percent in construction contingency.

### **Implementation of Strategic Plan Goals**

The recommendations support the County Strategic Plan: North Star 3, Realize Tomorrow's Government Today, Focus Area Goal F, Flexible and Efficient Infrastructure, Strategy ii, Modernize Infrastructure, and Focus Area Goal G, Internal Controls and Processes, Strategy ii, Manage and Maximize County Assets, by leveraging District revenue to construct projects at a critical flood control facility.

### **FISCAL IMPACT/FINANCING**

To date, the District has spent \$159.5 million on sediment removal to restore the Reservoir, in response to the Bobcat Fire, which was funded by the Flood Control District Fund's committed balances set aside for sediment removal. Since the District's committed balances have been fully committed as of Fiscal Year 2025-26, the District recommends the issuance and sale of revenue bonds to ensure regional water resilience by continuing to address post-fire sediment inflows into the Reservoir.

Based on current market conditions, the issuance of the Series 2026A Bonds is expected to generate approximately \$100.2 million in total proceeds that will be used to finance \$99.5 million in costs in connection with the final year of the San Gabriel Reservoir Post-Fire Emergency Restoration Project Part 2 in 2026 and the start of the San Gabriel Reservoir Restoration Project (Bridge Fire) in 2027, and an additional \$682,554 to pay the costs of issuance for this transaction. The Series 2026A Bonds will be secured by the District's share of ad valorem property taxes, the Flood Benefit Assessment, and the District's share of Statutory Pass-Through Amounts and Residual Taxes all levied and received by the Auditor-Controller, on behalf of the District. The District is recommending that the Series 2026A Bonds be structured with level debt service payments over a 30-year amortization period. Based on the District's strong credit profile and current market conditions, the proposed structure will result in average annual debt service payments of approximately \$5.9 million and total debt service of approximately \$178.1 million over the 30-year term to be paid by the District's ad valorem property taxes, Flood Benefit Assessment revenues, and the District's share of Statutory Pass-Through Amounts and Residual Taxes.

The enclosed resolutions (Enclosure A) require the Series 2026A Bonds to be issued at a true interest cost not to exceed 6 percent. Given the current interest rate environment, the actual borrowing costs should be significantly lower and result in a true interest cost to the District of approximately 4.50 percent.

There will be no impact to the County General Fund. Installment payments to the Authority will begin in Fiscal Year 2026-27 and appropriation for the installment payments will be requested through the annual budget process each year until the installment payments are completed.

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

The Series 2026A Bonds will be issued pursuant to the Marks-Roos Local Bond Pooling Act of 1985, constituting Section 6584 et seq. of the California Government Code, and an indenture (Enclosure B) that will set forth the terms of the Series 2026A Bonds.

The District intends to cause the issuance of the Series 2026A Bonds by the Los Angeles County Public Works Finance Authority (Authority) using a standard installment sale agreement structure. Under this structure, the District will sell the projects to the Authority, and the Authority will sell the projects back to the District pursuant to an Installment Purchase Agreement (Enclosure B). The Series 2026A Bonds will be payable from the annual installment payments to be made by the District, which is operated by Public Works, under the Installment Purchase Agreement, which is subject to annual appropriation by the Board.

Given the complexity of this financing, the District is recommending that the sale of the Series 2026A Bonds be conducted on a negotiated basis. Jeffries, LLC, was selected by the District from the County's prequalified Underwriter Pool to be the senior managing underwriter, with Montague DeRose and Associates, LLC, appointed as the Municipal Advisor for this transaction. Hawkins Delafield & Wood, LLP, was selected to serve as Bond Counsel and Disclosure Counsel. The financing team will serve to prepare disclosures on behalf of the District (Enclosure B) and secure a bond credit rating for the District. Based on the Moody's Ratings Aa2 rating for the District to execute a Water Infrastructure Finance and Innovation Act Loan, the financing team expects an Aa1 rating for the issuance and sale of the Series 2026A Bonds.

## **ENVIRONMENTAL DOCUMENTATION**

The recommended actions are within the scope of the Board's previous findings of exemption for the activities that were made on October 13, 2020, and October 8, 2024. On these dates, the Board determined that sediment removal in the Reservoir is statutorily exempt from the California Environmental Quality Act under Section 21080 (b) (2), (3), and (4) of the California Public Resources Code. The projects for which funding would be allocated, the San Gabriel Reservoir Post-Fire Emergency Restoration Project Part 2 and the San Gabriel Reservoir Restoration Project (Bridge Fire), are within the scope of the Board's previous findings of exemption. There are no changes that require further findings under the California Environmental Quality Act.

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

The issuance and sale of the Series 2026A Bonds will help finance the construction of essential flood protection and stormwater capture infrastructure, which will serve to protect vital resources and enhance water resiliency for our communities. Importantly, the projects are consistent with the Los Angeles County Water Plan and its sustainability vision, which aims to equitably provide safe, clean, and reliable water resources for the residents of Los Angeles County.

**CONCLUSION**

Upon approval of the resolutions, please return an adopted copy of this Board letter and each signed resolution to Public Works, Stormwater Planning Division. Also, please forward one adopted copy of this Board letter and each signed resolution to the Treasurer and Tax Collector.

Respectfully submitted,



MARK PESTRELLA, PE  
Director

RB:MJF:ts

Enclosures

c: Auditor-Controller  
Chief Executive Office (Christine Frias)  
County Counsel  
Executive Office, Board of Supervisors

**A RESOLUTION OF THE BOARD OF SUPERVISORS OF  
THE COUNTY OF LOS ANGELES APPROVING THE  
ISSUANCE OF REVENUE BONDS BY THE LOS ANGELES  
COUNTY PUBLIC WORKS FINANCING AUTHORITY TO  
FINANCE CERTAIN CAPITAL IMPROVEMENTS TO BE  
LOCATED WITHIN THE BOUNDARIES OF THE COUNTY  
OF LOS ANGELES**

WHEREAS, the Los Angeles County Flood Control District (the “District”), the Regional Park and Open Space District, the Community Facilities District No. 2 (Rowland Heights) and the County of Los Angeles (the “County”) formed the Los Angeles County Public Works Financing Authority (the “Authority”) pursuant to a Joint Exercise of Powers Agreement, dated May 18, 1993, pursuant to Articles 1 through 4, Chapter 5, Division 7, Title 1 of the California Government Code (commencing with Section 6500) (the “JPA Act”), for the purpose, among other things, of issuing its bonds to be used to provide financial assistance to the District and the County;

WHEREAS, the District desires to provide for the financing of the design, acquisition, construction, and installation of improvements to the San Gabriel Reservoir Post-Fire Emergency Restoration Project Part 2 and the San Gabriel Reservoir Restoration Project (Bridge Fire) (collectively, the “Project”), with the initial phase thereof being referred to herein as the 2026 component of the Project (the “2026 Component”), to the District’s property in furtherance of its purposes under the Los Angeles County Flood Control Act;

WHEREAS, in consideration for assistance in financing the Project, the District will sell to the Authority and the Authority will purchase from the District the Project pursuant to an Installment Purchase Agreement (the “Installment Purchase Agreement”), by and between the District and the Authority;

WHEREAS, to effect the financing of the Project, the Authority will sell to the District and the District will purchase from the Authority the Project pursuant to the Installment Purchase Agreement, pursuant to which the District will make installment payments (the “Installment Payments”) to the Authority as set forth therein;

WHEREAS, the District desires to provide for the issuance by the Authority of its Revenue Bonds (Los Angeles Flood Control District) (the “Bonds”), pursuant to Sections 6584 *et seq.* of the JPA Act and an Indenture (the “Indenture”), by and among the Authority, the District and a trustee to be selected by the District;

WHEREAS, the Bonds may be issued by the Authority in one or more series, with such changes in nomenclature as the District deems advisable, in an aggregate principal amount not to exceed \$300,000,000 for the Project, including the 2026 Component;

WHEREAS, the Bonds will be payable from Installment Payments and other funds and amounts as provided under the Indenture and the Installment Purchase Agreement (the issuance of the Bonds and related transactions described herein are referenced as the “Financing”);

WHEREAS, the Project, including the 2026 Component thereof, is to be located within the territorial limits and boundaries of the County;

WHEREAS, the Authority and the District have requested that this Board of Supervisors (the "Board") approve the Financing in order to satisfy the approval requirement of Section 6586.5 of JPA Act;

WHEREAS, on March 24, 2026, the Office of the Treasurer and Tax Collector, on behalf of the Board of Supervisors of the County (the "Board of Supervisors"), held a public hearing on the financing of the Project, including the 2026 Component, in accordance with Section 6586.5 of the JPA Act, which hearing commenced at 2:00 p.m. and was held at the Treasurer and Tax Collector Executive Conference Room, Room 437, located at the Kenneth Hahn Hall of Administration, 500 West Temple Street, Los Angeles, California, and all persons desiring to be heard have been heard;

WHEREAS, in accordance with Section 6586.5 of the JPA Act, notice of such hearing was published at least five (5) days prior to the hearing in the Los Angeles Daily Journal, a newspaper of general circulation in the County;

WHEREAS, the County desires to make a finding of significant public benefit in accordance with Section 6586(a)-(d), inclusive, of the JPA Act and approve the issuance of the Bonds by the Authority in satisfaction of the requirements of the JPA Act; 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 such financing authorized hereby do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the County is now duly authorized and empowered, pursuant to each and every requirement of law, to consummate such financing for the purpose, in the manner and upon the terms herein provided;

NOW, THEREFORE, THIS BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES DOES HEREBY FIND, RESOLVE, DETERMINE AND ORDER AS, FOLLOWS:

Section 1. The Board hereby finds that the Project, including the 2026 Component, will provide significant public benefits in accordance with the criteria specified in Section 6586 of the JPA Act. It is the purpose and intent of the Board that this Resolution constitute approval of, and the Board does hereby approve, the Financing for purposes of Section 6586.5 of the Code.

Section 2. The officers of the County are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents which they deem necessary or advisable in order to carry out, give effect to and comply with the terms and intent of this resolution and the Financing approved hereby.

Section 3. This Resolution shall take effect immediately upon its passage.

The foregoing Resolution was on the \_\_\_\_ day of \_\_\_\_\_, 2026, adopted by the Board of Supervisors of the County of Los Angeles and ex-officio the governing body of all other special assessment and taxing districts, agencies and authorities for which said Board so acts.

EDWARD YEN  
Executive Officer of the Board of Supervisors

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

Approved as to form:

DAWYN R. HARRISON,  
County Counsel

By:   
Senior Deputy County Counsel

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE  
LOS ANGELES COUNTY PUBLIC WORKS FINANCING  
AUTHORITY AUTHORIZING THE EXECUTION AND  
DELIVERY OF LEGAL DOCUMENTS RELATING TO THE  
ISSUANCE OF UP TO \$300,000,000 OF REVENUE BONDS  
AND RELATED MATTERS**

WHEREAS, the Los Angeles County Flood Control District (the “District”), the Regional Park and Open Space District, the Community Facilities District No. 2 (Rowland Heights) and the County of Los Angeles (the “County”) formed the Los Angeles County Public Works Financing Authority (the “Authority”) pursuant to a Joint Exercise of Powers Agreement, dated May 18, 1993 (the “JPA Agreement”), pursuant to Articles 1 through 4, Chapter 5, Division 7, Title 1 of the California Government Code (commencing with Section 6500) (the “JPA Act”), for the purpose, among other things, of issuing its bonds to be used to provide financial assistance to the District and the County;

WHEREAS, the District desires to provide for the financing of the design, acquisition, construction, installation of improvements to the San Gabriel Reservoir Post-Fire Emergency Restoration Project Part 2 and the San Gabriel Reservoir Restoration Project (Bridge Fire) (collectively, the “Project”), with the initial phase thereof being referred to herein as the 2026 component of the Project (the “2026 Component”), to the District’s property in furtherance of its purposes under the Los Angeles County Flood Control Act;

WHEREAS, in consideration for assistance in financing the Project, the District will sell to the Authority and the Authority will purchase from the District the Project pursuant to an Installment Purchase Agreement (the “Installment Purchase Agreement”), by and between the District and the Authority;

WHEREAS, to effect the financing of the Project, the Authority will sell to the District and the District will purchase from the Authority the Project pursuant to the Installment Purchase Agreement pursuant to which the District will make installment payments (the “Installment Payments”) to the Authority as set forth therein;

WHEREAS, the District and the Authority desire to provide for the issuance by the Authority of its Revenue Bonds (Los Angeles Flood Control District) (the “Bonds”), pursuant to Sections 6584 *et seq.* of the JPA Act and an Indenture (the “Indenture”), by and among the Authority, the District and a trustee to be selected by the District;

WHEREAS, the Bonds may be issued by the Authority in one or more series, with such changes in nomenclature as the District deems advisable, in an aggregate principal amount not to exceed \$300,000,000 for the Project, including the 2026 Component;

WHEREAS, the Bonds will be payable from Installment Payments and other funds and amounts as provided under the Indenture and the Installment Purchase Agreement (the issuance of the Bonds and related transactions described herein are referenced as the “Financing”);

WHEREAS, the District desires to provide for the sale of the Bonds on a negotiated basis as set forth in that certain bond purchase agreement (the “Bond Purchase Agreement”) to be

entered into by and among the Authority, the District and the underwriter or underwriters to be named therein;

WHEREAS, the District desires to provide for the preparation of a disclosure document in the form of the preliminary official statement (the “Preliminary Official Statement”) describing the Bonds and the District in connection with the offer of the Bonds;

WHEREAS, the Project, including the 2026 Component, is to be located within the territorial limits and boundaries of the County;

WHEREAS, on March 24, 2026, the Office of the Treasurer and Tax Collector, on behalf of the Board of Supervisors of the County, held a public hearing on the financing of the Project, including the 2026 Component, in accordance with Section 6586.5 of the JPA Act, which hearing commenced at 2:00 p.m. and was held at the Treasurer and Tax Collector Executive Conference Room, Room 437, located at the Kenneth Hahn Hall of Administration, 500 West Temple Street, Los Angeles, California, and all persons desiring to be heard have been heard;

WHEREAS, in accordance with Section 6586.5 of the JPA Act, notice of such hearing was published at least five (5) days prior to the hearing in the Los Angeles Daily Journal, a newspaper of general circulation in the County;

WHEREAS, following the public hearing, the County made a finding of significant public benefit in accordance with Section 6586(a)-(d), inclusive, of the JPA Act and approved the issuance of the Bonds by the Authority in satisfaction of the requirements of the JPA Act;

WHEREAS, there have been presented to this Board of Directors of the Authority (this “Board”) the form of each of the Installment Purchase Agreement, the Indenture, the Bond Purchase Agreement and the Preliminary Official Statement (collectively, the “Financing Documents”), and this Board has examined such documents and desires to approve such documents, and authorize and direct the execution and delivery of such documents, as applicable;

WHEREAS, the Authority is authorized to undertake all of the above pursuant to the JPA Agreement, the Act, the Bond Law and other applicable laws of the State of California; 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 such financing 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 financing for the purpose, in the manner and upon the terms herein provided;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE LOS ANGELES COUNTY PUBLIC WORKS FINANCING AUTHORITY, AS FOLLOWS:

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

Section 2. The acquisition of the Project, including the 2026 Component, from the District and the installment sale of the Project, including the 2026 Component, to the District are hereby authorized and approved.

Section 3. The Authority hereby authorizes and approves the issuance of the Bonds pursuant to the JPA Law in an aggregate principal amount not to exceed \$300,000,000 by negotiated sale to provide funds for the Project, including the 2026 Component, and pay costs of issuance incurred in connection with the issuance of any Bonds, through the issuance and sale by the Authority of one or more series of Bonds by public offering; provided that as to each such issuance the true interest cost with respect to the issuance and sale by the Authority of the Bonds does not to exceed 5%, the Bonds mature no later than 35 years from their date of issuance and the underwriting discount does not exceed 0.50% of the principal amount of the Bonds.

Section 4. The purchase of the Project, including the 2026 Component, by the Authority and the installment purchase of the Project, including the 2026 Component, from the Authority are hereby authorized and approved. The form and content of the Installment Purchase Agreement submitted to this meeting are hereby approved. The Chair of the Board of Directors of the Authority, and such other member of the Board of Directors as the Chair may designate, the Treasurer of the Authority (the "Treasurer") or deputy or assistant thereof, and such other officers of the Authority as the Treasurer of the Authority may designate (each an "Authorized Officer" and collectively the "Authorized Officers"), are each hereby authorized and directed for and in the name of, and on behalf of the Authority, to execute and to deliver the Installment Purchase Agreement, substantially in the form on file with this Board, with such additions, changes and amendments therein as any Authorized Officer shall determine are necessary or desirable and approve, in their discretion, as being in the best interests of the Authority, such approval to be evidenced conclusively by the execution and delivery thereof. The Authorized Officers are hereby further authorized and directed, jointly and severally, to execute and deliver any other documents as may be necessary or as they may approve, in their discretion, as being in the best interests of the Authority to effect conveyance of the Project, including the 2026 Component, such determination to be evidenced conclusively by the execution and delivery thereof.

Section 5. The form and content of the Indenture submitted to this meeting are hereby approved. The Authorized Officers are each hereby authorized and directed for and in the name of, and on behalf of the Authority, to execute and to deliver the Indenture, substantially in the form on file with this Board, with such additions, changes and amendments therein as any Authorized Officer shall determine are necessary or desirable and approve, in their discretion, as being in the best interests of the Authority, such approval to be evidenced conclusively by the execution and delivery thereof, subject to the limitations set forth in Section 3 hereof. The Bonds are authorized to be executed for and in the name and on behalf of the Authority by the manual or facsimile signature of the Chair of the Authority and attested to by the manual or facsimile signature of the Treasurer and his designee. The Bonds, when so executed and attested, are authorized to be delivered to the Trustee for authentication.

The Bonds shall be special limited obligations of the Authority payable solely from amounts received under the Installment Purchase Agreement, and the Authority shall not be obligated to pay the Bonds except from such amounts and certain amounts on hand under the Indenture.

Section 6. The form and content of the Bond Purchase Agreement submitted to this meeting are hereby approved. The Authorized Officers are each hereby authorized and directed for and in the name of, and on behalf of the Authority, to execute and to deliver the Bond Purchase Agreement, substantially in the form on file with this Board, with such additions, changes and amendments therein as any Authorized Officer shall determine are necessary or desirable and approve, in their discretion, as being in the best interests of the Authority, such approval to be evidenced conclusively by the execution and delivery thereof.

Section 7. The form and content of the Preliminary Official Statement submitted to this meeting are hereby approved, together with such additions thereto and changes therein as the Authorized Officers or any one of them acting alone shall deem necessary, desirable or appropriate. The Authorized Officers, and each of them acting alone, are hereby authorized and directed, or any one of them, as they deem appropriate, to deem final within the meaning of Rule 15c2-12 promulgated by the Securities and Exchange Commission, as amended, except for permitted omissions, the Preliminary Official Statement describing the Bonds. Distribution of such Preliminary Official Statement by the underwriter or underwriters described herein is hereby approved. The Authorized Officers, each acting alone, are hereby authorized to execute the final official statement ("Final Official Statement"), including as it may be modified by such additions thereto and changes therein as an Authorized Officer shall deem necessary, desirable or appropriate, and the execution of the Final Official Statement by the Authority shall be conclusive evidence of the approval of any such additions and changes. The Authority hereby authorizes the distribution of the Final Official Statement by the underwriter or underwriters. The Final Official Statement shall be executed in the name and on behalf of the Authority by an Authorized Officer.

Section 8. All actions heretofore taken by any officers, employees, agents or directors of the Authority, with respect to the issuance, delivery or sale of the Bonds, or in connection with or related to any of the agreements or documents referenced herein are hereby approved, confirmed and ratified.

Section 9. The Authorized Officers are hereby authorized and directed, jointly and severally, to do any and all things which 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, including, without limitation, signing additional agreements, certifications and/or instruments relating to the issuance of the Bonds, the financing of the Project, including the 2026 Component thereof, causing all or any portion of the Bonds to be sold with credit enhancement (such as a letter of credit or policy of municipal bond insurance) and funding a debt service reserve fund for all or a portion of the Bonds. The Authorized Officers are further authorized and directed, jointly and severally, to modify the list of capital improvement projects constituting the Projects and 2026 Component to be financed or refinanced using proceeds of the Bonds.

Section 10. Each Authorized Officer is hereby specifically authorized to approve additions, changes and amendments to the Financing Documents authorized by this Resolution (including, but not limited to, the timing of any sale of Bonds, the principal amount for each series of Bonds to be sold, the determination to sell any Bonds, the designation for any Bonds, and the establishment of the redemption provisions of each series of Bonds), as such Authorized Officer shall determine are necessary or desirable and shall require or approve and that such

Authorized Officer believes to be in the best interests of the Authority, such determination shall be conclusively evidenced by the execution and delivery of such Financing Documents by the Authority; and provided further that no such addition, change or amendment may be inconsistent with the limitations set forth in Section 3 hereof. Such other officials, employees, and agents of the Authority as may be authorized by any Authorized Officer are hereby each authorized, and directed, for and in the name and on behalf of the Authority, to do any and all things and take any and all actions and execute and deliver any and all certificates, agreements, and other documents which they, or any of them, may deem necessary or advisable in order to consummate the lawful issuance and delivery of the Bonds and the Financing Documents and other documents authorized by this Resolution, the transactions authorized hereby and by the Financing Documents and the disbursement of proceeds thereof.

Section 11. This Resolution shall take effect immediately upon its passage.

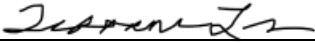
The foregoing Resolution was on the \_\_\_\_ day of \_\_\_\_\_, 2026, adopted by the Board of Directors of the Los Angeles County Public Works Financing Authority.

EDWARD YEN  
Executive Officer of the Board of Supervisors

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

Approved as to form:

DAWYN R. HARRISON,  
County Counsel

By:   
Senior Deputy County Counsel

**RESOLUTION OF THE BOARD OF SUPERVISORS OF THE  
COUNTY OF LOS ANGELES ACTING AS THE  
GOVERNING BODY OF THE LOS ANGELES COUNTY  
FLOOD CONTROL DISTRICT AUTHORIZING THE  
EXECUTION AND DELIVERY OF LEGAL DOCUMENTS  
RELATING TO THE ISSUANCE OF UP TO \$300,000,000 OF  
LOS ANGELES COUNTY PUBLIC WORKS FINANCING  
AUTHORITY REVENUE BONDS AND RELATED  
MATTERS**

WHEREAS, the Los Angeles County Flood Control District (the “District”), the Regional Park and Open Space District, the Community Facilities District No. 2 (Rowland Heights) and the County of Los Angeles (the “County”) formed the Los Angeles County Public Works Financing Authority (the “Authority”) pursuant to a Joint Exercise of Powers Agreement, dated May 18, 1993, pursuant to Articles 1 through 4, Chapter 5, Division 7, Title 1 of the California Government Code (commencing with Section 6500) (the “JPA Act”), for the purpose, among other things, of issuing its bonds to be used to provide financial assistance to the District and the County;

WHEREAS, the District desires to provide for the financing of the design, acquisition, construction, and installation of improvements to the San Gabriel Reservoir Post-Fire Emergency Restoration Project Part 2 and the San Gabriel Reservoir Restoration Project (Bridge Fire) (collectively, the “Project”), with the initial phase thereof being referred to herein as the 2026 component of the Project (the “2026 Component”), to the District’s property in furtherance of its purposes under the Los Angeles County Flood Control Act;

WHEREAS, in consideration for assistance in financing the Project, the District will sell to the Authority and the Authority will purchase from the District the Project pursuant to an Installment Purchase Agreement (the “Installment Purchase Agreement”), by and between the District and the Authority;

WHEREAS, to effect the financing of the Project, the Authority will sell to the District and the District will purchase from the Authority the Project pursuant to the Installment Purchase Agreement, pursuant to which the District will make installment payments (the “Installment Payments”) to the Authority as set forth therein;

WHEREAS, the District desires to provide for the issuance by the Authority of its Revenue Bonds (Los Angeles Flood Control District) (the “Bonds”), pursuant to Sections 6584 *et seq.* of the JPA Act and an Indenture (the “Indenture”), by and among the Authority, the District and a trustee to be selected by the District;

WHEREAS, the Bonds may be issued by the Authority in one or more series, with such changes in nomenclature as the District deems advisable, in an aggregate principal amount not to exceed \$300,000,000 for the Project, including the 2026 Component;

WHEREAS, the Bonds will be payable from Installment Payments and other funds and amounts as provided under the Indenture and the Installment Purchase Agreement (the issuance of the Bonds and related transactions described herein are referenced as the “Financing”);

WHEREAS, the District desires to provide for the sale of the Bonds on a negotiated basis as set forth in that certain bond purchase agreement (the “Bond Purchase Agreement”) to be entered into by and among the Authority, the District and the underwriter to be named therein;

WHEREAS, to assist the herein referenced underwriter with satisfaction of the provisions of Rule 15c2-12 promulgated by the Securities and Exchange Commission, as amended (the “Rule”), the District desires to enter into a Continuing Disclosure Certificate (the “Continuing Disclosure Certificate”) pursuant to which the District will undertake to provide certain annual reports and notices of certain events;

WHEREAS, the District desires to provide for the preparation of a disclosure document in the form of the preliminary official statement (the “Preliminary Official Statement”) describing the Bonds and the District in connection with the offer of the Bonds;

WHEREAS, there have been presented to this Board the form of each of the Installment Purchase Agreement, the Indenture, the Bond Purchase Agreement, the Preliminary Official Statement and the Continuing Disclosure Certificate (collectively, the “Financing Documents”), and this Board has examined such documents and desires to approve such documents, and authorize and direct the execution and delivery of such documents, as applicable; 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 such financing 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 financing for the purpose, in the manner and upon the terms herein provided;

NOW, THEREFORE, THIS GOVERNING BOARD OF THE LOS ANGELES COUNTY FLOOD CONTROL DISTRICT DOES HEREBY FIND, RESOLVE, DETERMINE AND ORDER AS, FOLLOWS:

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

Section 2. The Governing Board hereby finds that it is in the best interests of the District to finance the Project, including the 2026 Component, through one or more issuances by the Authority of one or more series of Bonds pursuant to the Indenture, including as such agreement may be supplemented, which Bonds will be payable from Installment Payments made by the District in accordance with the Installment Purchase Agreement.

Section 3. The District hereby authorizes and approves, and requests the Authority to authorize and approve, the issuance of its Bonds in an aggregate principal amount not to exceed \$300,000,000 by negotiated sale to provide funds for the Project, including the 2026

Component, and pay costs of issuance incurred in connection with the issuance of any Bonds, through the issuance and sale by the Authority of one or more series of Bonds by public offering; provided that as to each such issuance the true interest cost with respect to the issuance and sale by the Authority of the Bonds does not to exceed 5.00%, the Bonds mature no later than 35 years from their date of issuance and the underwriting discount does not exceed 0.50% of the principal amount of the Bonds.

Section 4. The sale of the Project, including the 2026 Component, to the Authority and the installment purchase of the Project, including the 2026 Component, from the Authority are hereby authorized and approved. The form and content of the Installment Purchase Agreement submitted to this meeting are hereby approved. The Director, Chief Deputy Director, and Deputy Directors of Los Angeles County Public Works, who also serve as officers of the District, and their authorized designees (each an “Authorized Officer” and collectively the “Authorized Officers”), are each hereby authorized and directed for and in the name of, and on behalf of the District, to execute and to deliver the Installment Purchase Agreement, substantially in the form on file with this Board, with such additions, changes and amendments therein as any Authorized Officer shall determine are necessary or desirable and approve, in their discretion, as being in the best interests of the District, such approval to be evidenced conclusively by the execution and delivery thereof. The Authorized Officers are hereby further authorized and directed, jointly and severally, to execute and deliver any other documents as may be necessary or as they may approve, in their discretion, as being in the best interests of the District to effect conveyance of the Project, including the 2026 Component, such determination to be evidenced conclusively by the execution and delivery thereof.

The Installment Payments securing the Bonds shall be special limited obligations of the District payable solely from Revenues (as defined in the Installment Purchase Agreement), and the District shall not be obligated to pay the Installment Payments except from such amounts. The District may pay the Installment Payments from such other available moneys of the District in accordance with the Installment Purchase Agreement.

Section 5. The form and content of the Indenture submitted to this meeting are hereby approved. The Authorized Officers are each hereby authorized and directed for and in the name of, and on behalf of the District, to execute and to deliver the Indenture, substantially in the form on file with this Board, with such additions, changes and amendments therein as any Authorized Officer shall determine are necessary or desirable and approve, in their discretion, as being in the best interests of the District, such approval to be evidenced conclusively by the execution and delivery thereof, subject to the limitations set forth in Section 3 hereof.

Section 6. The form and content of the Bond Purchase Agreement submitted to this meeting are hereby approved. The Authorized Officers are each hereby authorized and directed for and in the name of, and on behalf of the District, to execute and to deliver the Bond Purchase Agreement, substantially in the form on file with this Board, with such additions, changes and amendments therein as any Authorized Officer shall determine are necessary or desirable and approve, in their discretion, as being in the best interests of the District, such approval to be evidenced conclusively by the execution and delivery thereof.

Section 7. The form and content of the Preliminary Official Statement submitted to this meeting are hereby approved, together with such additions thereto and changes therein as the Authorized Officers or any one of them acting alone shall deem necessary, desirable or appropriate. The Authorized Officers, and each of them acting alone, are hereby authorized and directed, or any one of them, as they deem appropriate, to deem final within the meaning of Rule except for permitted omissions, the Preliminary Official Statement describing the Bonds. Distribution of such Preliminary Official Statement by the underwriter described herein is hereby approved. The Authorized Officers, each acting alone, are hereby authorized to execute the final official statement (the "Final Official Statement"), including as it may be modified by such additions thereto and changes therein as an Authorized Officer shall deem necessary, desirable or appropriate, and the execution of the Final Official Statement by the District shall be conclusive evidence of the approval of any such additions and changes. The District hereby authorizes the distribution of the Final Official Statement by the underwriter. The Final Official Statement shall be executed in the name and on behalf of the District by an Authorized Officer.

Section 8. The form and content of the Continuing Disclosure Certificate submitted to this meeting, are hereby approved. The Authorized Officers are each hereby authorized and directed for and in the name of, and on behalf of the District, to execute and to deliver the Continuing Disclosure Certificate, substantially in the form on file with this Board, with such additions, changes and amendments therein as any Authorized Officer shall determine are necessary or desirable and approve, in their discretion, as being in the best interests of the District, such approval to be evidenced conclusively by the execution and delivery thereof.

Section 9. All actions heretofore taken by any officers, employees, agents or directors of the District, with respect to the issuance, delivery or sale of the Bonds, or in connection with or related to any of the agreements or documents referenced herein are hereby approved, confirmed and ratified.

Section 10. The Authorized Officers are hereby authorized and directed, jointly and severally, to do any and all things which 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, including, without limitation, signing additional agreements, certifications and/or instruments relating to the issuance of the Bonds, the financing of the Project, including the 2026 Component thereof, causing all or any portion of the Bonds to be sold with credit enhancement (such as a letter of credit or policy of municipal bond insurance) and funding a debt service reserve fund for all or a portion of the Bonds. The Authorized Officers are further authorized and directed, jointly and severally, to modify the list of capital improvement projects constituting the Project and 2026 Component to be financed or refinanced using proceeds of the Bonds.

Section 11. Each Authorized Officer is hereby specifically authorized to approve additions, changes and amendments to the Financing Documents authorized by this Resolution (including, but not limited to, the timing of any sale of Bonds, the principal amount for each series of Bonds to be sold, the determination to sell any Bonds, the designation for any Bonds, and the establishment of the redemption provisions of each series of Bonds), as such Authorized Officer shall determine are necessary or desirable and shall require or approve and that such Authorized Officer believes to be in the best interests of the District, such determination shall be

conclusively evidenced by the execution and delivery of such Financing Documents by the District; and provided further that no such addition, change or amendment may be inconsistent with the limitations set forth in Section 3 hereof. Such other officials, employees, and agents of the District as may be authorized by any Authorized Officer are hereby each authorized, and directed, for and in the name and on behalf of the District, to do any and all things and take any and all actions and execute and deliver any and all certificates, agreements, and other documents which they, or any of them, may deem necessary or advisable in order to consummate the lawful issuance and delivery of the Bonds and the Financing Documents and other documents authorized by this Resolution, the transactions authorized hereby and by the Financings Documents and the disbursement of proceeds thereof.

Section 12. The Authorized Officers are each hereby authorized, and any one of the Authorized Officers is hereby directed, for and in the name and on behalf of the District, to take all actions and execute any and all documents necessary or advisable to identify components of the Project, and any other project or component thereof (to the extent contemplated by the Financing Documents), to be financed or refinanced, and to do any and all things and to execute and deliver any and all documents which they may deem necessary or advisable in order to consummate, carry out, give effect to and comply with the terms and intent of this Resolution and the consummation of the transactions contemplated hereby.

Section 13. In compliance with California Government Code Section 5852.1 (SB 450), the Governing Board has obtained from Montague DeRose and Associates, LLC, the District's municipal advisor, and the underwriter of the Bonds the required good faith estimates and such estimates are disclosed and set forth in Exhibit A attached hereto.

Section 14. This Resolution shall take effect immediately upon its passage.

The foregoing Resolution was on the \_\_\_\_ day of \_\_\_\_\_, 2026, adopted by the Board of Supervisors of the County of Los Angeles and ex-officio the governing body of all other special assessment and taxing districts, agencies and authorities for which said Board so acts.

EDWARD YEN  
Executive Officer of the Board of Supervisors

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

Approved as to form:

DAWYN R. HARRISON,  
County Counsel

By:  \_\_\_\_\_  
Senior Deputy County Counsel

## EXHIBIT A

### SB 450 GOOD FAITH ESTIMATES

The good faith estimates set forth herein are provided with respect to the Los Angeles County Public Works Financing Authority Revenue Bonds (Los Angeles County Flood Control District), Series 2026 (the “Bonds”) in accordance with California Government Code Section 5852.1. Such good faith estimates have been provided to the Los Angeles Flood Control District (the “District”), at the District’s request, by Montague DeRose and Associates, LLC, the District’s municipal advisor under Section 15B of the Securities Exchange Act of 1934 (the “Municipal Advisor”), and by Jefferies LLC, as the underwriter for the Bonds (the “Underwriter”).

Principal Amount. The Municipal Advisor and the Underwriter have informed the District that, based on the District’s financing plan and current market conditions, their good faith estimate of the aggregate principal amount of the Bonds to be sold in a public offering is \$91,615,000<sup>1</sup> (the “Estimated Principal Amount”).

True Interest Cost of the Bonds. The Municipal Advisor and the Underwriter have informed the District that, assuming that the Estimated Principal Amount of the Bonds is sold, and based on market conditions prevailing at the time of preparation of such estimate, their good faith estimate of the true interest cost of the Bonds, which means the rate necessary to discount the amounts payable on the respective principal and interest payment dates to the purchase price received for the Bonds, is 4.22%.

Finance Charge of the Bonds. The Municipal Advisor and the Underwriter have informed the District that, assuming that the Estimated Principal Amount of the Bonds is sold, and based on market conditions prevailing at the time of preparation of such estimate, their good faith estimate of the finance charge for the Bonds, which means the sum of all fees and charges paid to third parties, is \$627,000.

Amount of Proceeds to be Received. The Municipal Advisor and the Underwriter have informed the District that, assuming that the Estimated Principal Amount of the Bonds is sold, and based on market conditions prevailing at the time of preparation of such estimate, their good faith estimate of the amount of proceeds expected to be received by the District from the sale of the Bonds, less the finance charge of the Bonds, as estimated above, and any reserves or capitalized interest paid or funded with proceeds of the Bonds, is \$100,000,000.

Total Payment Amount. The Municipal Advisor and the Underwriter have informed the District that, assuming that the Estimated Principal Amount of the Bonds is sold, and based on market conditions prevailing at the time of preparation of such estimate, their good faith estimate of the total payment amount, which means the sum total of all principal and interest payments the District will make to pay debt service on the Bonds, plus the estimated finance charge for the Bonds, as described above, not paid with the respective proceeds of the Bonds, calculated to the final maturity of the Bonds, is \$178,604,956.

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<sup>1</sup> Based on the issuance of an initial series of Bonds in the principal amount of \$91,615,000.

The foregoing estimates constitute good faith estimates only and are based on market conditions prevailing at the time of preparation of such estimates. No representation or warranty is made by the Underwriter as to the achievability of any estimates contained herein. The actual principal amount of the Bonds issued and sold, the true interest cost thereof, the finance charges thereof, the amount of proceeds received therefrom and total payment amount with respect thereto may differ from such good faith estimates for a variety of reasons, including, without limitation, due to (a) the market conditions prevailing on the actual date of the sale of the Bonds being different than the market conditions prevailing at the time of preparation of the estimates contained herein, (b) the actual principal amount of Bonds sold being different from the Estimated Principal Amount, (c) the actual amortization of the Bonds being different than the amortization assumed for purposes of preparing the estimates contained herein, (d) the actual interest rates at which the Bonds are sold being different than those estimated for purposes of preparing the estimates contained herein, (e) other market conditions, or (f) alterations in the District's financing plan, or a combination of such factors. The actual date of sale of the Bonds and the actual principal amount of Bonds sold will be determined by the District based on various factors. The actual interest rates borne by the Bonds will depend on market conditions at the time of sale thereof. The actual amortization of the Bonds will also depend, in part, on market conditions at the time of sale thereof. Market conditions, including, without limitation, interest rates are affected by economic and other factors beyond the control of the District, the Municipal Advisor or the Underwriter. The good faith estimates contained herein were prepared exclusively for the information of the District in accordance with California Government Code Section 5852.1, and should not be used or relied on by the District or any other party or for any other purpose. The Underwriter shall not be liable to any person for information provided to the District in accordance with California Government Code Section 5852.1.

The Underwriter has been retained by the District solely as Underwriter for the offering of the Bonds, and not as advisers to or agents of the District or in any other capacity, including as a municipal advisor or fiduciary. The primary role of the Underwriter, as underwriter for the Bonds, is to purchase securities, for resale to investors, in an arm's-length commercial transaction between the District and the Underwriter, and the Underwriter has financial and other interests that differ from those of the District. The Underwriter is not acting as municipal advisors, financial advisors or fiduciaries to the District or any other person or entity in connection with the offering of the Bonds. The District should consult with its own financial and/or municipal, legal, accounting, tax and other advisors, as applicable, to the extent it deems appropriate. The District has informed the Underwriter that it is represented by, and will rely on the advice of, the Municipal Advisor in connection with the offering of the Bonds.

This is not a commitment, express or implied, on the part of the Underwriter to underwrite or purchase the Bonds or to commit any capital, nor does it obligate the Underwriter to enter into an underwriting agreement or similar commitment to finance.

**INDENTURE**

**Dated as of [As of Date]**

**by and among**

**U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION, as trustee,**

**LOS ANGELES COUNTY PUBLIC WORKS FINANCING AUTHORITY**

**and**

**LOS ANGELES COUNTY FLOOD CONTROL DISTRICT**

**relating to the**

**LOS ANGELES COUNTY PUBLIC WORKS  
FINANCING AUTHORITY  
REVENUE BONDS  
(LOS ANGELES COUNTY FLOOD CONTROL DISTRICT)**

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## INDENTURE

This Indenture (this “Indenture”), dated as of [As of Date], by and among U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION, a banking corporation duly organized and existing under and by virtue of the laws of the State of California, as trustee (the “Trustee”), LOS ANGELES COUNTY PUBLIC WORKS FINANCING AUTHORITY, a joint powers authority duly organized and existing under and by virtue of the laws of the State of California (the “Authority”), and LOS ANGELES COUNTY FLOOD CONTROL DISTRICT, a flood control district duly organized and existing under and by virtue of the laws of the State of California (the “District”);

### WITNESSETH:

WHEREAS, the District is authorized by the Los Angeles County Flood Control Act (California Water Code, Chapter 28) (the “Act”) to acquire or contract to acquire property and to contract to construct any and all works or improvements within or without the District necessary or proper to carry out any of the objects or purposes of the Act;

WHEREAS, the District proposes to undertake the design, acquisition, construction, and installation of improvements to its properties (as more fully described in Exhibit A to the herein described Installment Purchase Agreement and as modified from time to time, collectively, the “Project”);

WHEREAS, the Authority has agreed to assist the District in financing and refinancing the construction of the Project for the District;

WHEREAS, the District has determined that its purchase of improvements, through the undertaking of the Project, is in furtherance of the District’s purposes under the Act;

WHEREAS, in consideration for assistance in financing the Project, the District will sell to the Authority and the Authority will purchase from the District the Project pursuant to an Installment Purchase Agreement (the “Installment Purchase Agreement”), by and between the District and the Authority;

WHEREAS, the Authority proposes to sell the Project (including components thereof) from time to time to the District and the District desires to purchase components of the Project (including components thereof) from the Authority upon the terms and conditions set forth in the Installment Purchase Agreement;

WHEREAS, the Authority proposes to issue its Revenue Bonds (Los Angeles County Flood Control District) Series 2026A (the “Series 2026A Bonds”) pursuant to this Indenture for the purpose of assisting the District by acquiring the Project, pursuant to the Installment Purchase Agreement, and selling the Project to the District in exchange for installment purchase payments (the “Installment Payments”);

WHEREAS, the Authority will assign, without recourse, all its rights to receive the Installment Payments scheduled to be paid by the District under and pursuant to the Installment Purchase Agreement to the Trustee pursuant to this Indenture; and

WHEREAS, all acts, conditions and things required by law to exist, to have happened and to have been performed precedent to and in connection with the execution and entering into of this Indenture do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the parties hereto are now duly authorized to execute and enter into this Indenture;

NOW, THEREFORE, IN CONSIDERATION OF THE PREMISES AND OF THE MUTUAL AGREEMENTS AND COVENANTS CONTAINED HEREIN AND FOR OTHER VALUABLE CONSIDERATION, THE PARTIES HERETO DO HEREBY AGREE AS FOLLOWS:

## ARTICLE I

### DEFINITIONS; EQUAL SECURITY

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

“Act” means the Los Angeles County Flood Control Act (California Water Code, Chapter 28), as amended and supplemented.

“Additional Bonds” means those Bonds authorized and issued here under on a parity with the Series 2026A Bonds, in accordance with Section 9.05 hereof.

“Authority” means Los Angeles County Public Works Financing Authority, a joint powers authority duly organized and existing under and by virtue of the laws of the State of California.

“Authorized Denominations” means with respect to the Series 2026A Bonds, \$5,000 and any integral multiple thereof and, with respect to any Additional Bonds, the authorized denominations specified in a Supplemental Indenture related to such Additional Bonds.

“Book-Entry Bonds” means the Bonds of a Series registered in the name of the nominee of the Depository, or any successor securities depository for such Series of Bonds, as the registered owner thereof pursuant to the terms and provisions of Section 2.10 hereof.

“Business Day” means any day other than (i) a Saturday or a Sunday or (ii) any day on which a Bond Insurer or banks located in the cities in which the Principal Corporate Trust Office of the Trustee are located, are not required or authorized to be closed or (iii) any day on which the New York Stock Exchange is closed.

“Bond Insurer” means any issuer of a municipal bond insurance policy, if any, with respect to any Additional Bonds.

“Bonds” means the Series 2026A Bonds and any Additional Bonds authorized hereby and at any time Outstanding.

“Certificate,” “Certification” or “Written Request” means, with respect to the District, an instrument in writing signed on behalf of the District by the Director, Chief Deputy Director, and Deputy Directors of Los Angeles County Public Works, who also serve as officers of the District, and their authorized designees under or with respect to this Indenture or the Installment Purchase Agreement and all other agreements related thereto and, with respect to the Authority, an instrument in writing signed on behalf of the Authority by the Treasurer of the Authority or another official designated by the Treasurer of the Authority and authorized by such Treasurer to act on behalf of the Authority under or with respect to this Indenture or the Installment Purchase Agreement and all other agreements related thereto.

“Code” means the Internal Revenue Code of 1986, and the regulations thereunder, as amended, and any successor provisions of law.

“Construction Fund” means the fund by that name established pursuant to Section 3.03.

“Costs of Issuance” means all items of expense directly or indirectly payable by or reimbursable to the District or the Authority and related to the authorization, execution and delivery of the Installment Purchase Agreement and this Indenture and the related sale of the Bonds, including, but not limited to, costs of preparation and reproduction of documents, costs of rating agencies and costs to provide information required by rating agencies, filing and recording fees, initial fees and charges of the Trustee, legal fees and charges, fees and disbursements of consultants and professionals, fees and expenses of the financial advisor, fees and charges for preparation, execution and safekeeping of the Bonds and any other cost, charge or fee in connection with the original sale, execution and delivery of the Bonds.

“Costs of Issuance Fund” means the fund by that name established pursuant to Section 3.02.

“Defeasance Securities” means (a) non-callable direct obligations of the United States of America (“United States Treasury Obligations”), (b) evidences of ownership of proportionate interests in future interest and principal payments on United States Treasury Obligations held by a bank or trust company as custodian, under which the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor and the underlying United States Treasury Obligations are not available to any person claiming through the custodian or to whom the custodian may be obligated, (c) Permitted Investments described in clause (8) of the definition thereof, or (d) securities eligible for “AAA” defeasance under then existing criteria of S&P or Moody’s, or any combination thereof.

“District” means Los Angeles County Flood Control District, a flood control district duly organized and existing under and by virtue of the laws of the State of California.

“Depository” means The Depository Trust Company, including any successor thereto.

“Fitch” means Fitch Ratings, its successors and assigns, except that if such corporation shall no longer perform the function of a securities rating agency for any reason, the term “Fitch” shall be deemed to refer to any other nationally recognized securities rating agency (other than S&P or Moody’s) designated by the Authority, with the approval of the District, by notice to the Bond Insurers and the Trustee.

“Indenture” means this Indenture, dated as of [As of Date], by and among the Trustee, the Authority and the District, as originally executed and entered into and as it may from time to time be amended or supplemented in accordance herewith.

“Installment Payment Fund” means the fund by that name established pursuant to Section 5.01.

“Installment Payments” means all amounts payable by the District pursuant to Section 4.02 of the Installment Purchase Agreement.

“Installment Purchase Agreement” means the Installment Purchase Agreement, dated as of [As of Date], by and between the Authority and the District, as originally executed and entered into and as it may from time to time be amended or supplemented in accordance herewith and therewith.

“Interest Fund” means the fund by that name established pursuant to Section 5.02.

“Interest Payment Date” means a date on which interest on any Bonds becomes due and payable, including with respect to the Series 2026A Bonds, March 1 and September 1 of each year to which reference is made, commencing September 1, 2026.

“Moody’s” means Moody’s Investors Service, its successors and assigns, except that if such corporation shall no longer perform the function of a securities rating agency for any reason, the term “Moody’s” shall be deemed to refer to any other nationally recognized securities rating agency (other than Fitch or S&P) designated by the Authority, with the approval of the District, by notice to the Bond Insurers and the Trustee.

“Net Proceeds” shall have the meaning set forth for such term in the Installment Purchase Agreement.

“Nominee” means Cede & Co.

“Opinion of Counsel” means a written opinion of counsel of recognized national standing in the field of law relating to municipal bonds, retained by the District.

“Outstanding,” when used as of any particular time with reference to Bonds, means (subject to the provisions of Section 9.02) all Bonds except --

(1) Bonds cancelled by the Trustee or surrendered to the Trustee for cancellation;

(2) Bonds paid or deemed to have been paid within the meaning of Section 10.01; and

(3) Bonds in lieu of and in substitution for which other Bonds shall have been authenticated and delivered by the Trustee hereunder.

“Owner” means the registered owner of any Bond.

“Permitted Investments” means, if and to the extent permitted by law and by any policy guidelines promulgated by the Authority:

(1) (a) Direct obligations (other than an obligation subject to variation in principal repayment) of the United States of America (“United States Treasury Obligations”), (b) obligations fully and unconditionally guaranteed as to timely payment of principal and interest by the United States of America, (c) obligations fully and unconditionally guaranteed as to timely payment of principal and interest by any agency or instrumentality of the United States of America when such obligations are backed by the full faith and credit of the United States of America, or (d) evidences of ownership of proportionate interests in future interest and principal payments on obligations described above held by a bank or trust company as custodian, under which the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor and the underlying government obligations are not available to any person claiming through the custodian or to whom the custodian may be obligated (collectively “United States Obligations”). These include, but are not necessarily limited to:

- U.S. Treasury obligations  
All direct or fully guaranteed obligations
- Farmers Home Administration  
Certificates of beneficial ownership
- General Services Administration  
Participation certificates
- U.S. Maritime Administration  
Guaranteed Title XI financing
- Small Business Administration  
Guaranteed participation certificates
- Guaranteed pool certificates
- Government National Mortgage Association (GNMA)  
GNMA-guaranteed mortgage-backed securities  
GNMA-guaranteed participation certificates
- U.S. Department of Housing & Urban Development  
Local authority bonds

(2) Obligations of instrumentalities or agencies of the United States of America limited to the following: (a) the Federal Home Loan Bank Board (“FHLB”); (b) the Federal Home Loan Mortgage Corporation (“FHLMC”); (c) the Federal National Mortgage Association (FNMA); (d) Federal Farm Credit Bank (“FFCB”); (e) Government National Mortgage Association (“GNMA”); (f) Student Loan Marketing Association (“SLMA”); and (g) guaranteed portions of Small Business Administration (“SBA”) notes.

(3) Commercial Paper having original maturities of not more than 270 days, payable in the United States of America and issued by corporations that are organized and operating in the United States with total assets in excess of \$500 million and having “A” or better rating for the issuer’s long-term debt as provided by Moody’s, S&P, or Fitch and

“P-1”, “A-1”, “F1” or better rating for the issuer’s short-term debt as provided by Moody’s, S&P, or Fitch, respectively.

(4) The Los Angeles County Treasury Pool.

(5) Bills of exchange or time drafts drawn on and accepted by a commercial bank, otherwise known as “bankers’ acceptances,” having original maturities of not more than 180 days. The institution must have a minimum short-term debt rating of “A-1”, “P-1”, or “F1” by S&P, Moody’s, or Fitch, respectively, and a long-term debt rating of no less than “A” by S&P, Moody’s, or Fitch.

(6) Shares of beneficial interest issued by diversified management companies, known as money market funds, registered with the U.S. Securities and Exchange Commission under the Investment Company Act of 1940 (15 U.S.C. Sec. 80a-1 et seq.) and whose fund either (a) is restricted to obligations issued or guaranteed as to payment of principal and interest by the full faith and credit of the United States or (b) is rated in the highest rating category by either S&P or Moody’s.

(7) Certificates of deposit issued by a nationally- or state-chartered bank or a state or federal association (as defined by Section 5102 of the California Financial Code) or by a state-licensed branch of a foreign bank, in each case which has, or which is a subsidiary of a parent company which has, obligations outstanding having a rating in the “A” category or better from S&P, Moody’s, or Fitch.

(8) Pre-refunded municipal obligations meeting the following requirements:

(a) the municipal obligations are (i) not subject to redemption prior to maturity or (ii) the trustee for the municipal obligations has been given irrevocable instructions concerning their call and redemption and the issuer of the municipal obligations has covenanted not to redeem such municipal obligations other than as set forth in such instructions;

(b) the municipal obligations are secured by cash or United States Treasury Obligations which may be applied only to payment of the principal of, interest and premium on such municipal obligations;

(c) the principal of and interest on the United States Treasury Obligations (plus any cash in the escrow) has been verified by the report of independent certified public accountants to be sufficient to pay in full all principal of, interest, and premium, if any, due and to become due on the municipal obligations (“Verification”);

(d) the cash or United States Treasury Obligations serving as security for the municipal obligations are held by an escrow agent or trustee in trust for owners of the municipal obligations;

(e) no substitution of a United States Treasury Obligation shall be permitted except with another United States Treasury Obligation and upon delivery of a new Verification; and

(f) the cash or United States Treasury Obligations are not available to satisfy any other claims, including those by or against the trustee or escrow agent.

(9) Municipal obligations rated “Aaa/AAA” or general obligations of States with a rating of “A2/A” or higher by both Moody’s and S&P.

(10) Repurchase agreements which have a maximum maturity of 30 days and are fully secured at or greater than 102% of the market value plus accrued interest by obligations of the United States Government, its agencies and instrumentalities, in accordance with number (2) above.

(11) Investment agreements and guaranteed investment contracts with issuers having a long-term debt rating of at least “AA-” or “Aa3” by S&P or Moody’s, respectively.

“Principal Corporate Trust Office” means the corporate trust office of the Trustee in Los Angeles, California or such other place as the Trustee designates in writing to the Authority, the District and the Owners.

“Principal Fund” means the fund by that name established pursuant to Section 5.02.

“Principal Payment Date” means a date on which principal of any Bonds becomes due and payable.

“Project” means those certain additions, betterments, extensions or improvements to the Property, the design, acquisition, construction, and installation of which is to be paid for by the proceeds of the Series 2026A Bonds and the Additional Bonds, as set forth or as provided, respectively, in the Installment Purchase Agreement and any supplement to the Installment Purchase Agreement executed in connection with such Additional Bonds.

“Rating Agencies” means Fitch, Moody’s, S&P and any other nationally recognized rating agency selected by the District.

“Rebate Fund” means the fund by that name established pursuant to Section 6.04.

“Rebate Requirement” means the Rebate Requirement defined in the Series 2026A Tax Certificate.

“Record Date” means, the 15<sup>th</sup> calendar day of the month preceding each Interest Payment Date, whether or not such day is a Business Day.

“Redemption Fund” means the fund by that name established pursuant to Section 5.02.

“Registration Books” means those records described under Section 2.07 hereof.

“Representations Letter” means the letter of representations to The Depository Trust Company, of the Authority.

“S&P” means S&P Global Ratings, its successors and assigns, except that if such corporation shall no longer perform the function of a securities rating agency for any reason, the term “S&P” shall be deemed to refer to any other nationally recognized securities rating agency (other than Fitch or Moody’s) designated by the Authority, with the approval of the District, by notice to the Bond Insurers and the Trustee.

“Series 2026A Bonds” means the \$[2026A Par] aggregate principal amount of Los Angeles County Public Works Financing Authority Revenue Bonds (Los Angeles County Flood Control District) Series 2026A.

“Series 2026A Continuing Disclosure Certificate” means that certain Continuing Disclosure Certificate of the District delivered with respect to the Series 2026A Bonds.

“Series 2026A Tax Certificate” means that tax certificate and agreement executed by the Authority and the District at the time of the execution and delivery of the Series 2026A Bonds relating to the requirements of Section 148 of the Code, as such certificate may be amended or supplemented.

“State” means the State of California.

“Supplemental Indenture” means any supplement to this Indenture then in full force and effect which has been duly executed and delivered by the Authority, the District and the Trustee amendatory hereof or supplemental hereto; but only if and to the extent such Supplemental Indenture is specifically authorized hereunder.

“Trustee” means U.S. Bank Trust Company, National Association, a banking corporation duly organized and existing under and by virtue of the laws of the State of California, at its Principal Corporate Trust Office, or any other bank or trust company at its principal corporate trust office which may at any time be substituted in its place as provided in Section 8.02.

Section 1.02. Equal Security. In consideration of the acceptance of the Bonds by the Owners, this Indenture shall be deemed to be and shall constitute a contract between the Trustee and the Authority to secure the full and final payment of the interest on and principal of the Bonds, subject to the agreements, conditions, covenants and terms contained herein; and all agreements, conditions, covenants and terms contained herein required to be observed or performed by or on behalf of the Authority shall be for the equal and proportionate benefit, protection and security of all Owners without distinction, preference or priority as to benefit, protection or security of any Bonds over any other Bonds by reason of the number or date thereof or the time of execution or delivery thereof or otherwise for any cause whatsoever, except as expressly provided herein or therein.

## ARTICLE II

### CONDITIONS AND TERMS OF BONDS

Section 2.01. Preparation of Series 2026A Bonds. The Trustee is hereby authorized and directed to authenticate and deliver the Series 2026A Bonds in the aggregate principal amount of \$[2026A Par].

Section 2.02. Denominations, Medium, Method and Place of Payment and Dating of Bonds. (a) The Bonds shall be issued initially in the form of fully registered Bonds consistent with Section 2.10 hereof. The Bonds shall be issued in Authorized Denominations. Any Additional Bonds shall be issued as set forth in the Supplemental Indenture providing for such Additional Bonds. The interest on and principal of and premium, if any, on the Bonds shall be payable in lawful money of the United States of America. The interest on the Bonds shall be payable on their respective Interest Payment Dates by check mailed by first class mail on the date such interest is due by the Trustee to the respective Owners thereof as shown in the books required to be kept by the Trustee pursuant to the provisions of Section 2.07 on the Record Date (except that in the case of an Owner of \$1,000,000 or greater in aggregate principal amount of Outstanding Bonds, such payment may, at such Owner's written request, be made by wire transfer of immediately available funds in accordance with instructions provided by such Owner to an account at a financial institution in the United States of America), and the principal of the Bonds shall be payable on their respective maturity dates or upon redemption prior thereto upon surrender thereof by the respective Owners thereof at the Principal Corporate Trust Office of the Trustee. The Trustee may treat the Owner of any Bond as the absolute owner of such Bond for all purposes, whether or not such Bond shall be overdue, and the Trustee shall not be affected by any knowledge or notice to the contrary; and payment of the interest on and principal of such Bond shall be made only to such Owner as above provided, which payments shall be valid and effectual to satisfy and discharge the liability with respect to such Bond to the extent of the sum or sums so paid. All Bonds paid pursuant to the provisions of this section shall be cancelled by the Trustee and shall not be redelivered.

(b) The Series 2026A Bonds shall be dated their date of delivery, and shall bear interest from the Interest Payment Date next preceding the date of authentication thereof by the Trustee, unless such date of authentication is on or after the sixteenth (16th) day of the month next preceding an Interest Payment Date, in which case they shall bear interest from such Interest Payment Date, or unless such date of authentication is on or prior to [Closing Date], in which case they shall bear interest from their date of delivery.

Section 2.03. Payment Dates of Series 2026A Bonds. The Series 2026A Bonds shall have maturity dates of March 1 in the years and shall be in the principal amounts, with interest thereon at the rates, as follows:

| <u>Maturity Date</u><br><u>(March 1)</u> | <u>Principal</u><br><u>Amount</u> | <u>Interest</u><br><u>Rate</u> |
|------------------------------------------|-----------------------------------|--------------------------------|
|------------------------------------------|-----------------------------------|--------------------------------|

The interest on the Series 2026A Bonds shall become due and payable on their respective Interest Payment Dates, beginning on the Interest Payment Date following their date of issuance and continuing to and including their maturity dates or on redemption prior thereto, and shall accrue interest at the respective per annum rates set forth above. The interest on the Series 2026A Bonds shall be computed on the basis of a 360-day year of twelve 30-day months.

The principal of the Series 2026A Bonds shall become due and payable on their respective maturity dates or on redemption prior thereto.

Section 2.04. Form of Bonds. The Series 2026A Bonds and the assignment to appear thereon shall be in substantially the form set forth in Exhibit A hereto, respectively, with appropriate or necessary insertions, omissions and variations as permitted or required thereby. The Additional Bonds and the assignments to appear thereon shall be in the form set forth in the related Supplement.

Section 2.05. Execution of Bonds; Authentication of Bonds.

(a) The Bonds shall be executed in the name and on behalf of the Authority with the manual or facsimile signature of the Chair of the Board of Directors of the Authority and attested by the manual or facsimile signature of the Secretary of the Authority. The Bonds shall then be delivered to the Trustee for authentication by it. In case any of such officers of the Authority who shall have signed or attested any of the Bonds shall cease to be such officers before the Bonds so signed or attested shall have been authenticated or delivered by the Trustee, or issued by the Authority, such Bonds may nevertheless be authenticated, delivered and issued and, upon such authentication, delivery and issue, shall be as binding upon the Authority as though those who signed and attested the same had continued to be such officers, and also any Bonds may be signed and attested on behalf of the Authority by such Persons as at the actual date of execution of such Bonds shall be the proper officers of the Authority although at the nominal date of such Bonds any such Person shall not have been such officer of the Authority.

(b) Only such of the Bonds as shall bear thereon a certificate of authentication substantially in the form as that set forth in Exhibit A hereto for the Series 2026A Bonds, manually executed by the Trustee, shall be valid or obligatory for any purpose or entitled to the benefits of this Indenture, and such certificate of or on behalf of the Trustee shall be conclusive evidence that the Bonds so authenticated have been duly executed, authenticated and delivered hereunder and are entitled to the benefits of this Indenture.

Section 2.06. Transfer and Exchange of Bonds. Any Bond may, in accordance with its terms, be transferred upon the Registration Books by the Person in whose name it is registered, in person or by his duly authorized attorney, upon surrender of such Bond for cancellation, accompanied by delivery of a written instrument of transfer, duly executed in a form acceptable to the Trustee. Whenever any Bond or Bonds shall be surrendered for transfer, the Authority shall execute and the Trustee shall authenticate and shall deliver a new Bond or Bonds of the same Series and maturity in a like aggregate principal amount, in any Authorized Denomination. The Trustee shall require the Owner requesting such transfer to pay any tax or other governmental charge, required to be paid with respect to such transfer.

The Bonds may be exchanged at the Office of the Trustee for a like aggregate principal amount of Bonds of the same Series and maturity of other Authorized Denominations. The Trustee shall require the payment by the Owner requesting such exchange of any tax or other governmental charge required to be paid with respect to such exchange.

The Trustee shall not be obligated to make any transfer or exchange of Bonds of a Series pursuant to this Section during the period commencing on the date five days before the date of selection of Bonds of such Series for redemption and ending on the date of mailing notice of such redemption, or with respect to any Bonds of such Series selected for redemption.

The Trustee shall not be required to transfer or exchange any Bond selected for redemption in whole or in part from and after the date that such Bond has been selected for redemption in whole or in part under Article IV.

Section 2.07. Bond Registration Books. The Trustee shall keep or cause to be kept, at the Office of the Trustee, sufficient records for the registration and transfer of ownership of the Bonds, which shall be available for inspection and copying by the Authority and the District upon reasonable notice; and, upon presentation for such purpose, the Trustee shall, under such reasonable regulations as it may prescribe, register or transfer or cause to be registered or transferred, on such records, the ownership of the Bonds as herein provided.

Section 2.08. Temporary Bonds. The Bonds of a Series may be issued in temporary form exchangeable for definitive Bonds of such Series when ready for delivery. Any temporary Bonds may be printed, lithographed or typewritten, shall be of such Authorized Denominations as may be determined by the Authority, shall be in fully registered form without coupons and may contain such reference to any of the provisions of this Indenture as may be appropriate. Every temporary Bond shall be executed by the Authority and authenticated by the Trustee upon the same conditions and in substantially the same manner as the definitive Bonds. If the Authority issues temporary Bonds of a Series it shall execute and deliver definitive Bonds of such Series as promptly thereafter as practicable, and thereupon the temporary Bonds of such Series may be surrendered for cancellation at the Office of the Trustee and the Trustee shall authenticate and deliver in exchange for such temporary Bonds an equal aggregate principal amount of definitive Bonds of such Series and maturities in Authorized Denominations. Until so exchanged, the temporary Bonds of such Series shall be entitled to the same benefits under this Indenture as definitive Bonds of such Series authenticated and delivered hereunder.

Section 2.09. Bonds Mutilated, Destroyed, Lost or Stolen. If any Bond shall become mutilated, the Authority, at the expense of the Owner of said Bond, shall execute, and the Trustee shall thereupon authenticate and, deliver, a new Bond of the same Series and maturity in a like aggregate principal amount in exchange and substitution for the Bond so mutilated, but only upon surrender to the Trustee of the Bond so mutilated. Every mutilated Bond so surrendered to the Trustee shall, be canceled by it and delivered to, or upon the order of, the Authority. If any Bond shall be lost, destroyed or stolen, evidence of such loss, destruction or theft may be submitted to the Trustee and, if such evidence and indemnity satisfactory to the Trustee shall be given, the Authority, at the expense of the Owner, shall execute, and the Trustee shall thereupon authenticate and deliver, a new Bond of the same Series and maturity in a like aggregate principal amount in lieu of and in replacement for the Bond so lost, destroyed or stolen (or if any such Bond shall have matured or shall have been selected; for redemption, instead of issuing a replacement Bond, the Trustee may pay the same without surrender thereof). The Authority may require payment by the Owner of a sum not exceeding the actual cost of preparing each replacement Bond is issued under this Section and of the expenses which may be incurred by the Authority and the Trustee. Any Bond of a Series issued under the provisions of this Section in lieu of any Bond of such Series alleged to be lost, destroyed or stolen shall constitute an original additional contractual obligation on the part of the Authority whether or not the Bond so alleged to be lost, destroyed or stolen be at any time enforceable by anyone, and shall be entitled to the benefits of this Indenture with all other Bonds of such Series secured by this Indenture.

Section 2.10. Special Covenants as to Book-Entry Only System.

(a) Unless otherwise provided for in a Supplement, the Authority shall provide that the Bonds shall be initially executed and delivered as Book-Entry Bonds, and the Bonds shall be in the form of a single fully registered Bond for each maturity. Upon initial execution and delivery, the ownership of each such Bond shall be registered in the bond register in the name of the Nominee, as nominee of the Depository. Payment of principal or interest for any Book-Entry Bonds registered in the name of the Nominee shall be made on the payment date by wire transfer of New York clearing house or equivalent next day funds or by wire transfer of same day funds to the account of the Nominee. Such payments shall be made to the Nominee at the address which is, on the regular Record Date or special record date, as the case may be, shown for the Nominee in the bond register of the Trustee.

(b) With respect to Book-Entry Bonds, the District, the Authority and the Trustee shall have no duty, responsibility or obligation to any Participant, or to any person on behalf of which such a Participant holds an interest in such Book-Entry Bonds or to the Beneficial Owners of such Book-Entry Bonds. Without limiting the immediately preceding sentence, the District, the Authority and the Trustee shall have no responsibility or obligation with respect to: (i) the accuracy of the records of the Depository, the Nominee, or any Participant with respect to any ownership interest in Book-Entry Bonds; (ii) the delivery to any Participant or any other person, other than an Owner as shown in the bond register, of any notice with respect to Book-Entry Bonds, including any notice of redemption; (iii) the selection by the Depository and its Participants of the beneficial interests in Book-Entry Bonds to be redeemed in the event the Authority redeems the Bonds in part; (iv) the payment to any Participant or any other person, other than an Owner as shown in the bond register, of any amount with respect to principal of or interest on Book-Entry Bonds; or (v) any consent given or other action taken by the Depository as Owner.

(c) The District, the Authority and the Trustee may treat and consider the person in whose name each Book-Entry Bond is registered in the bond register as the absolute Owner of such Book-Entry Bond for the purpose of payment of principal and interest with respect to such Bond, for the purpose of selecting any Bonds, or portions thereof to be redeemed, for the purpose of giving notices of redemption and other matters with respect to such Bond, for the purpose of obtaining any consent or other action to be taken by Owners and for all other purposes whatsoever and the District, the Authority and the Trustee shall not be affected by any notice to the contrary.

(d) In the event of a redemption necessitating a reduction in aggregate principal amount of Bonds Outstanding, or a redemption of part of the Bonds Outstanding, the Depository, in its discretion, (i) may request the Trustee to execute and deliver a new Bond, or (ii) if the Depository is the sole Owner of the Bonds, shall make an appropriate notation on the Bond indicating the date and amounts of such reduction in principal except in the case of final maturity, in which case the Bond must be presented to the Trustee prior to payment.

(e) The Trustee shall pay all principal, premium, if any, and interest on the Bonds only to or “upon the order of (as that term is used in the Uniform Commercial Code as adopted in the State of California) the respective Owner, as shown in the bond register, or his respective attorney duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the District’s obligations with respect to payment of principal, premium, if any, and interest on the Bonds to the extent of the sum or sums so paid. No person other than an Owner, as shown in the bond register, shall receive a Bond evidencing the obligation to make payments of principal, premium, if any, and interest on the Bonds. Upon delivery by the Depository to the Owner, the Trustee, the Authority and the District of written notice to the effect that the Depository has determined to substitute a new nominee in place of the Nominee, such new nominee shall become the Nominee hereunder for all purposes, and upon receipt of such a notice, the Authority shall deliver a copy of the same to the Trustee.

To qualify the Book-Entry Bonds for the Depository’s book-entry system, the Authority shall, if necessary, execute and deliver to the Depository a Letter of Representations. The execution and delivery of a Letter of Representations shall not in any way impose upon the Authority, the District or the Trustee any obligation whatsoever with respect to persons having interests in such Book-Entry Bonds other than the Owners, as shown on the bond register of the Trustee. Such Letter of Representations may provide the time, form, content, and manner of transmission, of notices to the Depository. In addition to the execution and delivery of a Letter of Representations by the Trustee, the Authority and the Trustee shall take such other actions, not inconsistent with this Indenture, as are reasonably necessary to qualify Book-Entry Bonds for the Depository’s book-entry program.

(f) Notwithstanding any other provision of this Indenture to the contrary, so long as any Book-Entry Bond is registered in the name of the Depository, or its nominee, all payments with respect to principal, premium, if any, and interest on such Bond and all notices with respect to such Bonds shall be made and given, respectively, as provided in the Letter of Representations or as otherwise instructed by the Depository.

(g) In connection with any notice or other communication to be provided to Owners pursuant to this Indenture by the Authority or the Trustee, at the direction of the Authority, with

respect to any consent or other action to be taken by the Owners, the Authority or the Trustee, as the case may be, shall establish a record date for such consent or other action and give the Depository notice of such record date not less than 15 calendar days in advance of such record date to the extent possible. Notice to the Depository shall be given only when the Depository is the sole Owner of the Bonds.

(h) The Authority, with the consent of the District, may, and upon request of the District shall, terminate the services of the Depository with respect to the Bonds. The Depository may determine to discontinue providing its services with respect to the Bonds at any time by giving written notice and all known information on the Depository Participants and the Beneficial Owners having an interest in the Bonds to the Authority, the District and the Trustee and discharging its responsibilities with respect thereto under applicable law. Upon the discontinuance or termination of the services of the Depository with respect to the Bonds, unless a substitute securities depository is appointed by the Authority (with the consent, or at the request, of the District) to undertake the functions of the Depository hereunder, the Authority, at the expense of the District, is obligated to deliver Bond certificates to or upon the order of the Beneficial Owners of such Bonds, as described in this Indenture, and such Bonds shall no longer be restricted to being registered on the bond registration books in the name of the Nominee, but may be registered in whatever name or names Owners transferring or exchanging such Bonds shall designate, in accordance with the provisions of this Indenture.

So long as any Bond is registered in the name of the Nominee, all payments with respect to principal of, premium, if any, and interest on such Bond and all notices with respect to such Bond shall be made and given, respectively, in the manner provided in the Representation Letter. Owners shall have no lien or security interest in any rebate or refund paid by the Depository to the Trustee which arises from the payment by the Trustee of principal of, premium, if any, or interest on the Bonds in immediately available funds to the Depository.

### ARTICLE III

#### PROCEEDS OF SERIES 2026A BONDS

Section 3.01. Delivery of Series 2026A Bonds. The Trustee is hereby authorized to authenticate and deliver the Series 2026A Bonds to the purchaser thereof upon receipt of a Written Request of the Authority and the District and upon receipt of the proceeds of sale thereof.

Section 3.02. Establishment of Funds and Deposit and Use of Proceeds of Series 2026A Bonds. (a) The Trustee shall establish and maintain a separate fund designated the “Construction Fund” and a separate fund designated the “Costs of Issuance Fund”. Within the Construction Fund, the Trustee shall establish and maintain a separate account per Series of Bonds. The account within the Construction Fund relating to the Series 2026A Bonds shall be designated the “Series 2026A Bonds Project Account”. The Trustee may establish and maintain additional funds, accounts and subaccounts as is convenient or desirable or as directed by the District.

(b) Upon the receipt of payment for the Series 2026A Bonds in the amount of [Purchase Price] when the same shall have been duly authenticated and delivered, the Trustee shall, on behalf

and at the Written Request of the Authority, make deposits to the Construction Fund and the Costs of Issuance Fund as follows:

- i. Construction Fund. The Trustee shall transfer the amount of \$[Construction Fund Deposit] for deposit in the Construction Fund for application as set forth under Section 3.03 hereof.
- ii. The Trustee shall deposit the amount of \$[COI Deposit] in the Costs of Issuance Fund for application as set forth under Section 3.04 hereof.

Section 3.03. Construction Fund. (a) The Trustee shall maintain a Construction Fund and establish accounts and subaccounts for each Series of Bonds for the various components of the Project. On the date of issuance of a Series of Bonds, the Trustee shall deposit in each subaccount or account of the Construction Fund the amount required to be deposited therein pursuant to the Indenture.

(b) The moneys in each account and subaccount within the Construction Fund shall be used and withdrawn by the Trustee from time to time to pay Project Costs upon submission to the Trustee of a Written Request of the District substantially in the form attached as Exhibit B hereof. Upon receipt of each such Written Request of the District, the Trustee shall pay the amount set forth in such Written Request of the District as directed by the terms thereof.

(c) Moneys on deposit in any account or subaccount within the Construction Fund may be transferred (i) to any other account or subaccount within the Construction Fund established for the same Series of Bonds or (ii) to another account or subaccount within the Construction Fund established for a separate Series of Bonds so long as, if such separate Series of Bonds are Tax-Exempt Bonds, an Opinion of Counsel is delivered to the effect that such transfer will not, in and of itself, adversely affect the exclusion of interest on such Bonds from gross income for federal income tax purposes.

(d) When the design, acquisition, construction, and installation of all items constituting the Project or Component thereof to be funded by a Series of Bonds have been completed, the District shall deliver to the Trustee a Certification of the District stating the fact and date of the completion of such design, acquisition, construction, and installation of improvements and stating that all the costs of the design, acquisition, construction, and installation of improvements and the expenses incidental thereto have been determined and paid (or that all such costs and expenses have been paid less specified claims which are subject to dispute and for which a retention in the applicable account or subaccount of the Construction Fund is to be maintained in the full amount of such claim until such dispute is resolved as evidenced by a certification of the District).

The Trustee shall then transfer any remaining balance of money in the applicable account or subaccount of the Construction Fund (but less the amount of any such retention) to the Installment Payment Fund, unless the District provides an Opinion of Counsel to the effect that another use of such moneys will not cause the interest on the Bonds to be included in the gross income of the Owners thereof for federal income tax purposes, in which case, such moneys may be expended by the District as provided in such opinion.

(e) If the Construction Fund has been closed in accordance with subsection (d) of this Section, the Construction Fund shall be reopened and reestablished by the Trustee in connection with the issuance of any Additional Bonds, if so provided in the Supplemental Indenture pursuant to which such Additional Bonds are issued. There shall be deposited in the Construction Fund the portion, if any, of the proceeds of the sale of any Additional Bonds required to be deposited therein under the Supplemental Indenture pursuant to which such Additional Bonds are issued.

Section 3.04. Costs of Issuance Fund. (a) The Trustee shall establish and maintain a separate fund designated the "Costs of Issuance Fund." On the date of issuance of the Series 2026A Bonds, the Trustee shall deposit in the Costs of Issuance Fund the amount required to be deposited therein pursuant to section 3.02(b).

(b) The money in the Costs of Issuance Fund shall be used and withdrawn by the Trustee from time to time to pay Costs of Issuance upon submission to the Trustee of a Written Request of the District substantially in the form attached hereto as Exhibit C. Upon receipt of such Written Requests of the District, the Trustee shall pay the amount set forth in such Written Requests as directed by the terms thereof.

(c) On the date that is six months after the date of issuance of a Series of Bonds, the Trustee shall transfer any amount then remaining in the Costs of Issuance Fund to one or more accounts or subaccounts within the Construction Fund as directed in a Written Request of the District, and upon such transfer the Costs of Issuance Fund shall be closed.

(d) If the Costs of Issuance Fund has been closed in accordance with the provisions hereof, the Costs of Issuance Fund shall be reopened and reestablished by the Trustee in connection with the issuance of any Additional Bonds, if so provided in the Supplemental Indenture pursuant to which such Additional Bonds are issued. There shall be deposited in the Costs of Issuance Fund to the portion, if any, of the proceeds of the sale of any Additional Bonds required to be deposited therein under the Supplemental Indenture pursuant to which such Additional Bonds are issued

## ARTICLE IV

### REDEMPTION OF BONDS

#### Section 4.01. Terms of Redemption.

(a) Extraordinary Redemption. The Bonds are subject to redemption prior to their respective maturity dates, upon notice as hereinafter provided, as a whole or in part by lot within each maturity in integral multiples of \$5,000 of principal in such order of maturity as shall be selected by the District on any date, from payments made by the District from the Net Proceeds received by the District under the circumstances and upon the conditions and terms prescribed herein and in the Installment Purchase Agreement, at a redemption price equal to the sum of the principal amount or such part thereof evidenced and represented by the Bonds to be redeemed, without premium, plus accrued interest thereon to the date fixed for redemption.

(b) Optional Redemption. The Series 2026A Bonds maturing on or before March 1 20\_\_ are not subject to redemption prior to their respective maturity dates. The Series 2026A Bonds maturing on or after March 1, 20\_\_ are subject to optional redemption by the District prior

to their respective maturity dates, upon notice as hereinafter provided, as a whole or in part by lot within each maturity in integral multiples of \$5,000 of principal in such order of maturity as shall be selected by the District and designated in writing to the Trustee on any date on or after March 1, 20\_\_, from any source of available funds, at a redemption price equal to the sum of the principal amount or such part thereof of the Bonds to be redeemed plus accrued interest thereon to the date fixed for redemption.

(c) The Series 2026A Bonds maturing March 1, 20\_\_ shall be subject to mandatory sinking fund redemption, in part, on December 1 in each year, commencing March 1, 20\_\_, at a redemption price equal to the principal amount thereof, plus accrued interest thereon to the date fixed for redemption, without premium, in the aggregate respective principal amounts in the respective years as follows:

| Sinking Fund<br>Redemption Date<br>([March] 1) | Principal Amount<br>to be<br>Redeemed |
|------------------------------------------------|---------------------------------------|
| _____                                          | _____                                 |
| (Maturity)                                     |                                       |

If some but not all of the Series 2026A Term Bonds are redeemed pursuant to Section 4.01(a) hereof, the principal amount of such Bonds to be redeemed pursuant to this Section shall be reduced by the aggregate principal amount of the Series 2026A Term Bonds so redeemed pursuant to Section 4.01(a) hereof, such reduction to be allocated among redemption dates in Authorized Denominations as designated by the District in a Written Certificate of the District delivered to the Trustee. If some but not all of the Series 2026A Term Bonds are redeemed pursuant to Section 4.01(b) hereof, the principal amount of such Bonds to be redeemed pursuant to this Section shall be reduced by the aggregate principal amount of the Series 2026A Term Bonds so redeemed pursuant to Section 4.01(b) hereof, such reduction to be allocated among redemption dates in Authorized Denominations, as designated by the District in a Written Certificate of the District delivered to the Trustee.

Section 4.02. Selection of Series 2026A Bonds for Redemption. If some but not all of the Series 2026A Bonds are redeemed pursuant to Section 4.01(b) hereof, the Trustee shall select the Series 2026A Bonds to be redeemed as directed in a Written Certificate of the District.

Section 4.03. Notice of Redemption; Rescission.

In the case of any redemption of Bonds, the Trustee shall give notice (the "Redemption Notice"), at the expense of the District, of the redemption of the Bonds. Such Redemption Notice shall specify: (a) the Bonds or designated portions thereof (in the case of redemption of the Bonds in part but not in whole) which are to be redeemed; (b) the date of redemption; (c) the place or places where the redemption will be made, including the name and address of any paying agent; (d) the redemption price; (e) the CUSIP numbers (if any) assigned to the Bonds to be redeemed; (f) if less than all the Bonds of a maturity are to be redeemed, the certificate numbers of the Bonds to be redeemed and, in the case of any Bond to be redeemed in part only, the portion of the principal amount of such Bond to be redeemed; and (g) the original issue date, interest rate and stated

maturity date of each Bond to be redeemed in whole or in part. Such Redemption Notice shall further state that on the date specified for redemption there shall become due and payable upon each Bond or portion thereof being redeemed the redemption price, together with interest accrued to the date specified for redemption, and that from and after such date interest with respect thereto shall cease to accrue.

Subject to the provisions stated above, the Trustee shall take the following actions with respect to such Redemption Notice:

(a) (i) At least twenty (20), but not more than sixty (60), days prior to the redemption date or (ii) immediately upon receipt of Net Proceeds from insurance or condemnation awards which are to be used to redeem Bonds, the Trustee shall cause Redemption Notices to be given to the respective Owners of Bonds designated for redemption by first class mail, postage redeemed, at their addresses appearing on the Bond Register maintained by the Trustee.

(b) Each Redemption Notice shall be sent at least 20 days prior to redemption to the Municipal Securities Rulemaking Board's Electronic Municipal Market Access System at <http://emma.msrb.org/>.

Neither failure to receive any Redemption Notice nor any error in such Redemption Notice so given shall affect the sufficiency or validity of the proceedings for the redemption of such Bonds.

With respect to any Redemption Notice relating to an optional redemption of the Bonds, such Redemption Notice may state that such redemption shall be conditional upon the receipt by the Trustee, on or prior to the date fixed for such redemption of moneys sufficient to pay the principal of, premium if any, and interest on the Bonds to be redeemed and that, if such moneys shall not have been so received, said notice shall be of no force and effect and the Trustee shall not be required to redeem such Bonds or, alternatively, the District may direct the Trustee to mail a notice selecting a new redemption date not sooner than five Business Days after the originally scheduled date. In the event that the notice of redemption contains such a condition and such moneys are not so received, on the original redemption date or any new redemption dates selected as described in the previous sentence, the redemption shall not be made and the Trustee shall within a reasonable time thereafter give notice, in the manner in which the Redemption Notice was given, that such moneys were not so received and that the redemption is cancelled. Any such cancellation of an optional redemption shall not constitute an Event of Default under this Indenture. The District, the Authority and the Trustee shall have no liability to the Owners or any other party related to or arising from such cancellation.

Section 4.04. Partial Redemption of Bonds. Upon surrender of any Bond redeemed in part only, the Trustee shall authenticate and deliver to the Owner thereof a new Bond or Bonds representing the unredeemed principal amount of the Bond so surrendered.

Section 4.05. Effect of Redemption. If notice of redemption has been duly given to the Owners as aforesaid and money for the payment of the redemption price of the Bonds or parts thereof to be redeemed is held by the Trustee, then on the redemption date designated in such notice the Bonds or such parts thereof so called for redemption shall become payable at the

redemption price thereof as specified in such notice; and from and after the date so designated interest on the Bonds or such parts thereof so called for redemption shall cease to accrue, such Bonds or such parts thereof shall cease to be entitled to such benefit, protection or security hereunder and the Owners of such Bonds shall have no rights in respect thereof except to receive payment of the redemption price of the Bonds or such parts to be redeemed. The Trustee shall, upon surrender for redemption of any of the Bonds to be redeemed in whole or in part on their redemption dates, pay such Bonds or such parts thereof at the redemption price thereof.

All Bonds paid pursuant hereto shall be cancelled by the Trustee and shall not be redelivered.

## ARTICLE V

### INSTALLMENT PAYMENTS

Section 5.01. Assignment of Installment Payments. The Authority hereby assigns to the Trustee for the benefit of the owners of the Bonds, without recourse, all its right, title and interest in the Installment Purchase Agreement, including (i) all its rights to receive the Installment Payments and all other payments scheduled to be paid by the District under and pursuant to the Installment Purchase Agreement, (ii) the right to take all actions and give all consents under the Installment Purchase Agreement, (iii) the right of access more particularly described in the Installment Purchase Agreement and (iv) all right, title and interest of the Authority in the funds and accounts (and the money and other property held therein) established pursuant to this Indenture or the Installment Purchase Agreement; provided, however, that the Authority shall retain the rights to indemnification and to payment or Additional Payments under the Installment Purchase Agreement. The assignment hereunder is to the Trustee solely in its capacity as Trustee hereunder and is subject to the provisions of this Indenture, including, without limitation, the provisions of Article VIII hereof. The Trustee is not responsible for any representations, warranties or covenants of the Authority under the Installment Purchase Agreement.

All Installment Payments shall be paid directly by the District to the Trustee and if received by the Authority at any time shall be deposited by the Authority with the Trustee within one Business Day after the receipt thereof. All Installment Payments received by the Trustee shall be held in trust by the Trustee under the terms hereof and shall be deposited by it as and when received in the Installment Payment Fund, which fund the Trustee hereby agrees to establish and maintain so long as any Bonds are Outstanding, and all money in such fund shall be held in trust by the Trustee for the benefit of the District until deposited in the funds provided in Section 5.02, whereupon such money shall be held in trust in such funds by the Trustee for the benefit of the Owners. The District and the Authority hereby pledge and grant a lien on and a security interest in the Installment Payment Fund to the Trustee for the benefit of the Owners.

Section 5.02. Deposit of Money in the Installment Payment Fund. The Trustee shall deposit the money contained in the Installment Payment Fund at the following respective times in the following respective funds in the manner and in the priority hereinafter provided, each of which funds the Trustee hereby agrees to establish and maintain so long as any Bonds are Outstanding, and the money in each of such funds shall be disbursed only for the purposes and uses hereinafter authorized; provided, that any amounts in the Installment Payment Fund not required to pay the

principal of and interest on the Bonds shall be transferred on the Business Day immediately following each Interest Payment Date, if the District so directs, to the Rebate Fund, and after the above deposits are completed, to the District for use by the District for any lawful purpose:

(a) Interest Fund. The Trustee, on each Interest Payment Date, shall deposit in the Interest Fund that amount of money representing the portion of the Installment Payments constituting the interest components becoming due and payable to but not including such Interest Payment Date. All money in the Interest Fund shall be used and withdrawn by the Trustee solely for the purpose of paying the interest on the Bonds to but not including their respective Interest Payment Dates.

(b) Principal Fund. The Trustee, on each Principal Payment Date, shall deposit in the Principal Fund that amount of money representing the portion of the Installment Payments constituting the principal components becoming due and payable on such maturity date. All moneys in the Principal Fund shall be used and withdrawn by the Trustee solely for the purpose of paying the principal of the Bonds on their respective maturities.

(c) Redemption Fund. The Trustee, at the time that any redemption is paid to the Trustee pursuant to the Installment Purchase Agreement, shall deposit in the Redemption Fund the amount of such redemption. All money in the Redemption Fund shall be used and withdrawn by the Trustee solely for the purpose of paying the interest and principal and any applicable premium evidenced and represented by the Bonds to be redeemed on their respective redemption dates.

## ARTICLE VI

### COVENANTS

Section 6.01. Compliance with Indenture. The Trustee will not authenticate or deliver any Bonds in any manner other than in accordance with the provisions hereof; and neither the Authority nor the District will suffer or permit any default by them to occur hereunder, but each will faithfully observe and perform all the agreements, conditions, covenants and terms contained herein required to be observed and performed by them.

Section 6.02. Compliance with or Amendment of Installment Purchase Agreement. The Authority and the District will faithfully observe and perform all the agreements, conditions, covenants and terms contained in the Installment Purchase Agreement required to be observed and performed by them, and will enforce the Installment Purchase Agreement against the other party thereto in accordance with its terms.

The Authority and the District will not alter, amend or modify the Installment Purchase Agreement without the prior written consent of the Trustee. The Trustee shall give such consent only (i) to add to the covenants and agreements of any party, other covenants to be observed, or to surrender any right or power therein reserved to the District, (ii) to cure, correct or supplement any ambiguous or defective provision contained therein, (iii) to resolve questions arising thereunder as the parties thereto may deem necessary or desirable and which do not adversely affect the interests of the Owners of the Bonds, (iv) to modify the description of the Project to reflect accurately the Project as it may be amended in accordance with Section 3.02 of the Installment Purchase

Agreement, or (v) if the Trustee first obtains the written consents of the Owners of at least a majority in aggregate principal amount of the Bonds then Outstanding to such alterations, amendments or modifications; provided, that no such alteration, amendment or modification shall extend an Interest Payment Date, reduce the rate of interest represented by a Bond, extend the time of payment of the principal of or interest on a Bond or reduce the amount of principal of a Bond without the prior written consent of the Owner of any Bond so affected, nor shall any such alteration, amendment or modification reduce the percentage of Owners whose consent is required for the execution of any alteration, amendment or supplement.

Any supplement, amendment or modification entered into pursuant to clause (iii) of the immediately preceding paragraph shall not, for purposes of this Section 6.02, be deemed to adversely affect the interest of the Owners of a series of Bonds so long as (i) all Bonds of such series are insured by a bond insurance policy, (ii) the related Bond Insurer shall have given its written consent to such supplement, amendment or modification, and (iii) the related Bond Insurer shall at the time of such consent be rated at least in the second highest rating category by S&P and Moody's.

Section 6.03. Observance of Laws and Relations. The Authority, the District and the Trustee will faithfully observe and perform all lawful and valid obligations or regulations now or hereafter imposed on them by contract, or prescribed by any state or national law, or by any officer, board or commission having jurisdiction or control, as a condition of the continued enjoyment of each and every franchise, right or privilege now owned or hereafter acquired by them, including their right to exist and carry on their respective businesses, to the end that such franchises, rights and privileges shall be maintained and preserved and shall not be abandoned, forfeited or in any manner impaired.

Section 6.04. Tax Covenants.

(a) The Authority and the District shall not use or permit the use of any proceeds of a series of Bonds to acquire any securities or obligations that would cause the interest on such series of Bonds to become subject to federal income taxation, and shall not take or permit to be taken any other action or actions, which would cause any such Bond to be an "arbitrage bond" within the meaning of Section 148 of the Code or "federally guaranteed" within the meaning of Section 149(b) of the Code and any such applicable regulations promulgated from time to time thereunder. The Authority and the District covenant to comply with the provisions and procedures of the Tax Certificate.

(b) Notwithstanding any provisions of this Section 6.04 or any Tax Certificate, if the Authority or the District shall provide to the Trustee an opinion of Bond Counsel to the effect that any specified action required under this Section 6.04 is no longer required or that some further or different action is required to maintain the exclusion from gross income for federal income tax purposes of interest on any series of Bonds, the Trustee may conclusively rely on such opinion in complying with the requirements of this Section 6.04, and, notwithstanding any other provision of this Indenture or any Tax Certificate, the covenants hereunder shall be deemed to be modified to that extent.

(c) Within 55 days of the end of each fifth Bond Year (as such term is defined in the Tax Certificate), the District shall calculate or cause to be calculated the amount of rebatable arbitrage, in accordance with Section 148(f)(2) of the Code and Section 1.148-3 of the Treasury Regulations (taking into account any applicable exceptions with respect to the computation of the rebatable arbitrage, described, if applicable, in the Tax Certificate), for this purpose treating the last day of the applicable Bond Year as a computation date (the “Rebatable Arbitrage”). Within 55 days of the end of each fifth Bond Year, the District shall transfer to the Trustee an amount equal to the Rebatable Arbitrage so calculated. The Trustee shall pay the Rebatable Arbitrage, as directed by the District, to the United States Treasury, (i) not later than 60 days after the end of (X) the fifth Bond Year, and (Y) each applicable fifth Bond Year thereafter, an amount that, together with all previous rebate payments, is equal to at least 90% of the Rebatable Arbitrage calculated as of the end of such Bond Year; and (ii) not later than 60 days after the payment of all the Bonds, an amount equal to 100% of the Rebatable Arbitrage calculated as of the date of such payment and any income attributable to the Rebatable Arbitrage determined to be due and payable, computed in accordance with Section 1.148-3 of the Treasury Regulations. Each payment required to be made pursuant to this Section 6.04 shall be made to the Internal Revenue Service Center Ogden, Utah 84201 on or before the date on which such payment is due, and shall be accompanied by Internal Revenue Service Form 8038-T, or shall be made in such other manner as provided under the Code. Notwithstanding anything in this Section to the contrary, the obligation to comply with the requirements of this Subsection shall survive the defeasance or payment in full of the Bonds. The District shall retain records of all determinations made hereunder until six years after the complete retirement of the Bonds.

Section 6.05. Other Liens. The District will keep the Project and all parts thereof free from judgments and liens and free from all claims, demands or encumbrances of whatever nature or character, and free from any claim or liability which might interfere with the District in utilizing the Project or any portion thereof. The District will notify the Trustee within five (5) Business Days of receipt by the District of notice of any lien, claim or liability encompassed by this section. The Trustee at its option (after first giving the District ten (10) Business Days’ written notice to comply therewith and failure of the District to so comply within such period) may defend against any and all actions or proceedings in which the validity hereof is or might be questioned, or may pay or compromise any claim or demand asserted in any such actions or proceedings; provided that in defending against any such actions or proceedings or in paying or compromising any such claims or demands, the Trustee shall not in any event be deemed to have waived or released the District from liability for or on account of its failure to observe or perform any of the agreements, conditions, covenants or terms contained herein required to be observed or performed by it, or from its liability hereunder to defend the validity hereof and to observe and perform all such agreements, conditions, covenants and terms.

So long as any Bonds are Outstanding, the District will not create or suffer to be created any pledge of or lien on the Installment Payments other than the pledge and lien hereof.

Section 6.06. Prosecution and Defense of Suits. The District will promptly, upon request of the Trustee, the Authority or any Owner, take such action from time to time as may be necessary or proper to remedy or cure any cloud upon or defect in the title to the Property or any part thereof, whether now existing or hereafter developing, will prosecute all actions, suits or other proceedings as may be appropriate for such purpose and will indemnify and save the Trustee and every Owner

harmless from all cost, damage, expense or loss, including attorneys' fees, which they or any of them may incur by reason of any such cloud, defect, action, suit or other proceeding.

Section 6.07. Accounting Records and Statements; Presentation and Inspection of Documents. (a) The Trustee will keep proper accounting records in which complete and correct entries shall be made of all transactions relating to the receipt, deposit and disbursement of the Installment Payments, and such accounting records shall be available for inspection by the District or any Owner or his or her agent duly authorized in writing on any Business Day upon reasonable notice at reasonable hours and under reasonable conditions prescribed by the Trustee. Such records shall be kept for six (6) years after no Bonds are Outstanding hereunder (or such longer period as required by policies and procedures of the Trustee or by applicable law). So long as any Bonds are Outstanding, the Trustee will furnish each month to the District and any Owner who may so request in writing (at the expense of such Owner) a complete statement covering the receipts, deposits and disbursements of the Installment Payments for the preceding monthly period; provided, that the Trustee shall not be obligated to deliver an accounting for any fund or account that (i) has a balance of zero, or (ii) has not had any activity since the last reporting date.

(b) All documents received by the Trustee under the provisions of this Indenture shall be retained in its possession and shall be subject at all reasonable times to the inspection of the District and any Owner, and their agents and representatives duly authorized in writing, at reasonable hours and under reasonable conditions.

Section 6.08. Recordation and Filing. The District will file, record, register, renew, refile and rerecord all such documents, including financing statements (or continuation statements in connection therewith), as may be required by law in order to maintain at all times a security interest in the Installment Payments under and pursuant to this Indenture, all in such manner, at such times and in such places as may be required in order to fully perfect, preserve and protect the benefit, protection and security of the Owners and the rights of the Trustee hereunder, and the District will do whatever else may be necessary or be reasonably required in order to perfect and continue the pledge of and lien on the Installment Payments as provided herein.

Section 6.09. Continuing Disclosure. The District has undertaken all responsibility for compliance with continuing disclosure requirements, and accordingly the Authority shall have no liability to the Owners of the Bonds or any other person with respect to SEC. Rule 15c2-12, and the District shall comply with and carry out all of the provisions of each continuing disclosure certificate, each dated the date of the execution and delivery of each series of the Bonds, executed and delivered by the District (each, a "Continuing Disclosure Certificate"). Notwithstanding any other provision hereof, failure of the District to comply with a Continuing Disclosure Certificate shall not be considered an Event of Default hereunder or under the Installment Purchase Agreement; provided, that the Trustee may and, at the request of any participating underwriter or the Owners of at least twenty-five percent (25%) in aggregate principal amount of the Outstanding Bonds of any series, shall, or any Owner or Beneficial Owner of any of the Bonds may, take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the District to comply with its obligations under such Continuing Disclosure Certificate.

Section 6.10. Further Assurances. Whenever and so often as requested to do so by the Trustee or any Owner, the Authority and the District will promptly execute and deliver, or cause to be executed and delivered, all such other and further assurances, documents or instruments and promptly do or cause to be done all such other and further things as may be necessary or reasonably required in order to further and more fully vest in the Trustee and the Owners the benefit, protection and security conferred, or intended to be conferred, upon them hereby.

## ARTICLE VII

### DEFAULT AND LIMITATIONS OF LIABILITY

Section 7.01. Action on Default. If any Event of Default (as that term is defined in Section 7.01 of the Installment Purchase Agreement) shall happen, then such Event of Default shall constitute a default hereunder, and in each and every such case during the continuance of such Event of Default the Trustee, or the Owners of not less than a majority in aggregate principal amount of the Bonds at the time Outstanding shall be entitled, upon notice in writing to the District and to the Authority, to exercise the remedies provided to the Authority in the Installment Purchase Agreement; provided, that nothing contained herein shall affect or impair the right of action of any Owner to institute suit directly against the Authority to enforce payment of the obligation under such Owner's Bond.

Section 7.02. Other Remedies of the Trustee. Upon the occurrence and during the continuance of any Event of Default under this Indenture, the Trustee, at its option, may take such action as it deems necessary or appropriate including, without limitation, any of the following remedial steps:

(a) Declare all principal of and interest on the Bonds to be due and payable immediately.

(b) Exercise any or all rights and remedies given hereby or available hereunder or given by or available under any other instrument of any kind securing the Authority's or the District's performance hereunder.

(c) Take any action at law or in equity to collect the payments required hereunder then due, for damages or for specific performance or otherwise to enforce performance and observance of any obligations, agreement or covenant of the Authority or the District hereunder.

Any such action by the Trustee, however, is subject to the condition that if, at any time after such action and before any judgment or decree for the payment of the moneys due shall have been obtained or entered, there shall be deposited with the Trustee a sum sufficient to pay all principal of and interest on the Bonds, the payment of which is overdue, with interest on such overdue principal at the rate borne by the Bonds, and the reasonable charges and expenses of the Trustee, and any and all other defaults known to the Trustee with respect to the Bonds (other than in the payment of the principal and interest due and payable solely by reason of such action) shall have been made good or cured to the satisfaction of the Trustee or provisions deemed by the Trustee to be adequate shall have been made therefor, then, and in every such case, the Authority may, rescind and annul such action and its consequences and waive such default; but no such

rescission and annulment shall extend to or shall affect any subsequent default, or shall impair or exhaust any right or power consequent thereon.

Section 7.03. Non-Waiver. A waiver of any default hereunder or breach of any obligation by the Trustee hereunder or by the Authority under the Installment Purchase Agreement shall not affect any subsequent default hereunder or any subsequent breach of an obligation by the Trustee hereunder or impair any rights or remedies on any such subsequent default hereunder or on any such subsequent breach of an obligation by the Trustee hereunder. No delay or omission by the Trustee to exercise any right or remedy accruing upon any default hereunder shall impair any such right or remedy or shall be construed to be a waiver of any such default hereunder or an acquiescence therein, and every right or remedy conferred upon the Trustee by applicable law or by this article may be enforced and exercised from time to time and as often as shall be deemed expedient by the Trustee.

If any action, proceeding or suit to enforce any right or to exercise any remedy is abandoned or determined adversely to the Trustee or the District or the Authority, the Trustee, the District and the Authority shall be restored to their former positions, rights and remedies as if such action, proceeding or suit had not been brought or taken.

Section 7.04. Application of Funds. All moneys received by the Trustee pursuant to any right given or action taken under the provisions of this article or of Article VII of the Installment Purchase Agreement shall be deposited in a segregated account in the Installment Payment Fund and shall be applied by the Trustee (after payment of all amounts due and payable under Section 8.03) in the following order and upon presentation of the several Bonds, and the stamping thereon of the payment if only partially paid, or upon the surrender thereof if fully paid —

First: To the payment of the costs and expenses of the Trustee and then of the Owners in declaring such Event of Default, including reasonable compensation to its or their agents, accountants and counsel;

Second, unless the principal of all of the Outstanding Bonds shall be due and payable:

(a) To the payment of the Owners of all installments of interest then due on the Bonds, in the order of the maturity of the installments of such interest and, if the amount available shall not be sufficient to pay in full any particular installment, then to the payment ratably, according to the amounts due on such installment, to the Owners, without any discrimination or privilege;

(b) To the payment of the Owners of the unpaid principal of any of the Bonds that shall have become due (other than Bonds matured or called for redemption for the payment of which moneys are held pursuant to the provisions of this Indenture), in the order of their due dates and, if the amount available shall not be sufficient to pay in full the principal of and premium, if any, on such Bonds due on any particular date, then to the payment ratably, according to the amount due on such date, to the Owners without any discrimination; and

(c) To be held for the payment to the Owners as the same shall become due of the principal of and interest on the Bonds, that may thereafter become due either at maturity or upon call for redemption prior to maturity and, if the amount available shall not be sufficient to pay in full such principal and premium, if any, due on any particular date, together with interest then due

and owing thereon, payment shall be made in accordance with the First and Second paragraphs hereof.

Third, if the principal of all of the Outstanding Bonds shall be due and payable, to the payment of the principal and interest then due and unpaid upon the Outstanding Bonds without preference or priority of any of principal, or interest over the others or of any installment of interest, or of any Outstanding Bond over any other Outstanding Bond, ratably, according to the amounts due respectively for principal and interest, to the Owners without any discrimination or preference except as to any difference in the respective amounts of interest specified in the Outstanding Bonds.

Whenever moneys are to be applied pursuant to the provisions of this Section, such moneys shall be applied at such times, and from time to time, as the Trustee shall determine, having due regard to the amount of such moneys available for application and the likelihood of additional moneys becoming available for such application in the future. The Trustee shall give, by mailing by first-class mail as it may deem appropriate, such notice of the deposit with it of any such moneys.

Section 7.05. Remedies Not Exclusive. No remedy conferred herein upon or reserved herein to the Trustee is intended to be exclusive and all remedies shall be cumulative and each remedy shall be in addition to every other remedy given hereunder or now or hereafter existing under applicable law or equity or by statute or otherwise and may be exercised without exhausting and without regard to any other remedy conferred by any other applicable law.

Section 7.06. No Liability by the Authority to the Owners. Except as expressly provided herein, the Authority shall not have any obligation or liability to the Owners with respect to the payment when due of the Installment Payments by the District, or with respect to the observance or performance by the District of the other agreements, conditions, covenants and terms contained in the Installment Purchase Agreement or herein required to be observed or performed by it, or with respect to the performance by the Trustee of any obligation contained herein required to be performed by it. Notwithstanding anything contained herein, the Authority shall not be required to advance any money derived from any source of income other than the Installment Payments as provided herein for the payment of the principal, premium, if any, or interest on the Bonds or for the performance of any agreements or covenants herein and in the Installment Purchase Agreement contained. The Authority may, however, advance funds for any such purpose without incurring an indebtedness.

The Bonds are special limited obligations of the Authority and principal, premium, if any, and interest thereon are payable solely from the Installment Payments as provided herein, and the Authority is not obligated to pay such principal, premium or interest except from the Installment Payments. The Bonds are equally secured by a pledge of and charge and lien upon the Installment Payments, and the Installment Payments constitute a trust fund for the security and payment of the principal, premium, if any, or interest on the Bonds, as provided herein.

Section 7.07. No Liability by the District to the Owners. Except for the payment when due of the Installment Payments and the observance and performance of the other agreements, conditions, covenants and terms contained in the Installment Purchase Agreement or herein

required to be observed or performed by it, the District shall not have any obligation or liability to the Owners with respect to this Indenture or the preparation, execution, delivery, transfer, exchange or cancellation of the Bonds or the receipt, deposit or disbursement of the Installment Payments by the Trustee, or with respect to the performance by the Trustee of any obligation contained herein required to be performed by it.

Section 7.08. No Liability by the Trustee to the Owners. Except as expressly provided herein, the Trustee shall not have any obligation or liability to the Owners with respect to the payment when due of the Installment Payments by the District, or with respect to the observance or performance by the District of the other agreements, conditions, covenants and terms contained in the Installment Purchase Agreement or herein required to be observed and performed by it.

Section 7.09. Bond Insurers to Act Instead of Owners. Notwithstanding any other provision hereof, each Bond Insurer shall be deemed the Owner of the Bonds insured by the municipal bond insurance policy issued thereby for purposes of any provisions in this Indenture or the Installment Purchase Agreement requiring the consent or approval of the Owners of the Bonds with respect to rights of such Owners other than the right to receive payment of principal and interest under this Indenture, but only for so long as such Bond Insurer is in compliance with such municipal bond insurance policy, and if such Bond Insurer is in default under such municipal bond insurance policy, such Bond Insurer shall not have any rights granted to such Bond Insurer under this Indenture or under the Installment Purchase Agreement.

## ARTICLE VIII

### THE TRUSTEE

Section 8.01. Employment and Duties of the Trustee. The District and the Authority hereby appoint and employ the Trustee to perform such and only such duties as are specifically set forth in this Indenture. By executing and delivering this Indenture, the Trustee undertakes to perform such duties and only such duties as are specifically set forth herein, and no implied covenants or obligations shall be read herein against the Trustee.

Section 8.02. Removal and Resignation of the Trustee. The District and the Authority may at any time, provided that an Event of Default has not occurred and is continuing, remove the Trustee initially a party hereto and any successor thereto by giving written notice of such removal to the Trustee and by giving notice by mail in accordance with Section 11.07 of such removal to all Owners of Bonds, and the Trustee initially a party hereto and any successor thereto may at any time resign by giving written notice of such resignation to the District and the Authority and by giving notice by mail in accordance with Section 11.07 of such resignation to all Owners of Bonds. Upon giving any such notice of removal or upon receiving any such notice of resignation, the District and the Authority shall promptly appoint a successor Trustee by an instrument in writing; provided, that in the event the District and the Authority do not appoint a successor Trustee within sixty (60) days following the giving of any such notice of removal or the receipt of any such notice of resignation, the removed or resigning Trustee may petition any appropriate court having jurisdiction to appoint a successor Trustee. Any successor Trustee shall be a bank or trust company doing business and having a principal corporate trust office in Los Angeles, California, having a combined capital (exclusive of borrowed capital) and surplus of at least one hundred million

dollars (\$100,000,000) and subject to supervision or examination by state or national authorities. If such bank or trust company publishes a report of condition at least annually, pursuant to law or to the requirements of any supervising or examining authority above referred to, then for the purposes of this section the combined capital and surplus of such bank or trust company shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published.

Any company into which the Trustee may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which it shall be a party or any company to which the Trustee may sell or transfer all or substantially all of its corporate trust business; provided that such company shall be eligible under this section and then such company shall be the successor to the Trustee without the execution or filing of any paper or further act, anything herein to the contrary notwithstanding.

Any removal or resignation of a Trustee and appointment of a successor Trustee shall become effective only upon the acceptance of the appointment by the successor Trustee.

Section 8.03. Compensation and Indemnification of the Trustee. The District shall from time to time, subject to any agreement then in effect with the Trustee, pay the Trustee compensation for its services and reimburse the Trustee for all its advances and expenditures hereunder, including, but not limited to, advances to and fees and expenses of accountants, agents, appraisers, consultants, counsel or other experts employed by it in the observance and performance of its rights and obligations hereunder; provided that the Trustee shall not have any lien for such compensation or reimbursement against any money held by it in any of the funds established hereunder or under the Installment Purchase Agreement, except that upon an Event of Default the Trustee shall have a prior lien on all moneys received by the Trustee as provided in Section 7.05, and the Trustee may take whatever legal actions are available to it directly against the District to recover such compensation or reimbursement.

To the extent permitted by law, the District does hereby assume liability for, and agree to defend, indemnify, protect, save and keep harmless, the Trustee and its directors, officers and employees and its successors and assigns from and against any and all liabilities, obligations, losses, damages (including consequential damages incurred by others), taxes and impositions, penalties, fines, claims, actions, suits, costs and expenses and disbursements (including legal fees and expenses) of whatsoever kind and nature imposed in, asserted against or incurred or suffered by the Trustee or its directors, officers or employees or its successors and assigns in any way relating to or arising out of (i) the condition, management, maintenance or use of or from any work done in connection with the Property by the District, (ii) any act of negligence of the District or of any of its agents, contractors, directors, employees, invitees, licensees or officers in connection with the Property, (iii) the authorization of the payment of any costs or expenses of the acquisition, design, construction, improvement and installation of the Project, or (iv) the exercise of any rights or obligations of the Trustee hereunder; provided that no indemnification will be made for willful misconduct or negligence hereunder by the Trustee.

Section 8.04. Protection of the Trustee. The Trustee shall be protected and indemnified as stated herein by the District and shall incur no liability in acting or proceeding in good faith upon any affidavit, bond, certificate, consent, notice, request, requisition, resolution, statement,

telegram, voucher, waiver or other paper or document which it shall in good faith believe to be genuine and to have been adopted, executed or delivered by the proper party or pursuant to any of the provisions hereof, and the Trustee shall be under no duty to make any investigation or inquiry as to any statements contained or matters referred to in any such instrument, but may accept and rely upon the same as conclusive evidence of the truth and accuracy of such statements. The Trustee may consult with counsel, who may be counsel to the District, with regard to legal questions arising hereunder, and the opinion of such counsel shall be full and complete authorization and protection in respect to any action taken or suffered by it hereunder in good faith in accordance therewith.

The Trustee shall not be responsible for the sufficiency of the Installment Purchase Agreement or of the assignment made to it here of all rights to receive the Installment Payments under the Installment Purchase Agreement, or of the title or value of the Property, and shall not be deemed to have knowledge of any Event of Default (as that term is defined in Section 7.01 of the Installment Purchase Agreement) unless and until it shall have actual knowledge thereof or have received written notice thereof at its principal corporate trust office. All recitals, warranties or representations contained therein are statements of the District, and the Trustee assumes no responsibility for their correctness, and the Trustee shall not be accountable for the use or application by the District, or any other party, of any funds which the Trustee properly releases to the District or which the District may otherwise receive from time to time.

The Trustee makes no representation concerning, and has no responsibility for, the validity, genuineness, sufficiency, or performance by parties other than the Trustee of this Indenture, any Bond, or of any other paper or document, or for taking any action on them (except as specifically and expressly stated for the Trustee in this Indenture), or with respect to any obligation of the District or the Authority or for the sufficiency of any insurance on the Property. The Trustee makes no representation or warranty, express or implied, as to the title, value, design, compliance with specifications or legal requirements, quality, durability, operation, condition merchantability or fitness for any particular purpose or fitness for the use contemplated by the Authority or the District of the Project. In no event shall the Trustee be liable for special or consequential damages in connection with or arising from the existence, furnishing or use of the Project. The Trustee shall have no duty to see to the payment or discharge of any tax, assessment or other governmental charge or any line of any kind owing with respect to, assessed or levied against, the Property or any part thereof

Whenever in the observance or performance of its rights and obligations hereunder or under the Bonds the Trustee shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action hereunder, such matter (unless other evidence in respect thereof be herein specifically prescribed) may be deemed to be conclusively proved and established by a Certification of the District, and such certificate shall be full warrant to the Trustee for any action taken or suffered under the provisions hereof upon the faith thereof, but in its discretion the Trustee may, in lieu thereof accept other evidence of such matter or may require such additional evidence as to it may seem reasonable.

The Trustee may buy, sell, own, hold and deal in any of the Bonds and may join in any action which any Owner may be entitled to take with like effect as it were not a party hereto. The Trustee, either as principal or agent, may also engage in or be interested in any financial or other

transaction with the District or the Authority, and may act as agent, depository or trustee for any committee or body of Owners or of owners of obligations of the District or the Authority as freely as if it were not the Trustee hereunder.

The Trustee shall not be answerable for the exercise of any of its rights hereunder or for the performance of any of its obligations hereunder or for anything whatsoever in connection with the funds established hereunder, except only for its own willful misconduct or negligence.

No provision hereof shall require the Trustee to expend or risk its own funds or otherwise incur any financial or other liability or risk in the performance of any of its obligations hereunder, or in the exercise of any of its rights hereunder, and before taking any action hereunder the Trustee may require that indemnity satisfactory to it be furnished for all expenses to which it may be put and to protect it from all liability thereunder.

The Trustee shall, prior to an Event of Default, and after the curing of all Events of Default which may have occurred, perform such duties and only such duties as are specifically set forth in this Indenture. The Trustee shall, during the existence of any Event of Default (which has not been cured), exercise such of the rights and powers vested in it by this Indenture, and use the same degree of care and skill in their exercise, as a prudent person would exercise or use under the circumstances in the conduct of his or her own affairs.

The Trustee shall not be liable with respect to any action taken or not taken by it in accordance with the direction of the Owners of a majority (or other percentage provided for herein) in aggregate principal amount of Bonds at the time Outstanding relating to the exercise of any right or remedy available to the Trustee hereunder or under the Installment Purchase Agreement or any other trust or power conferred upon the Trustee.

In acting as Trustee hereunder, the Trustee acts solely in its capacity as Trustee hereunder and not in its individual or personal capacity, and all persons, including without limitation the Owners, the District and the Authority, having any claims against the Trustee shall look only to the funds and accounts held by the Trustee hereunder for payment, except as otherwise provided herein. Under no circumstances shall the Trustee be liable in its individual or personal capacity for the obligations evidenced by the Bonds.

The Trustee shall not be deemed to have knowledge of an Event of Default unless it shall have received actual notice of such Event of Default at its Principal Corporate Trust Office.

The Trustee may exercise any of its powers or duties hereunder through attorneys, agents and receivers and shall not be liable for the conduct of such attorneys, agents and receivers selected by it with due care.

The Trustee shall not be responsible for any information in any disclosure material or any official statement or other offering document prepared in connection with the Bonds.

The exemptions from liability extended to the Trustee hereunder shall extend to the Trustee's directors, officers, employees, attorney, agent and receivers.

From the effective date of this Indenture, the Trustee, or any successor in interest, shall not be considered in breach of or in default in its obligations with respect to any obligations created hereunder or progress in respect thereto, in the event of enforced delay (“unavoidable delay”) in the performance of such obligations due to unforeseeable causes beyond its control and without its fault or negligence, including, but not limited to, acts of God, or of the public enemy, acts of a government, acts of the other party, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, earthquakes, explosion, mob violence, riot, inability to procure or general sabotage or rationing of labor, equipment, facilities, sources of energy, material or supplies in the open market, litigation or arbitration involving a party or others relating to zoning or other governmental action or inaction pertaining to the project, malicious mischief, condemnation, and unusually severe weather or delays of suppliers or subcontractors due to such causes or any similar event and/or occurrences beyond the control of the Trustee.

## ARTICLE IX

### AMENDMENT OF OR SUPPLEMENT TO THE INDENTURE

Section 9.01. Amendment or Supplement by Consent of Owners. This Indenture and the rights and obligations of the District and the Authority and Owners and the Trustee hereunder may be amended or supplemented at any time by an amendment hereof or supplement hereto which shall become binding when the written consents of the Owners (or the Bond Insurers acting in their stead pursuant to Section 7.09) of a majority in aggregate principal amount of the Bonds then Outstanding, exclusive of Bonds disqualified as provided in Section 9.02, are filed with the Trustee. No such amendment or supplement shall (1) reduce the rate of interest evidenced and represented by any Bond or extend the time of payment thereof or reduce the amount of principal evidenced and represented by any Bond or extend the maturity date thereof without the prior written consent of the Owner of the Bond so affected, or (2) reduce the percentage of Owners whose consent is required for the execution of certain amendments hereof or supplements hereto, or (3) modify any of the rights or obligations of the Trustee without its prior written consent thereto.

This Indenture and the rights and obligations of the District and the Authority and the Owners and the Trustee hereunder may also be amended or supplemented at any time by an amendment hereof or supplement hereto which shall become binding upon execution without the written consents of any Owners, but only to the extent permitted by law and after receipt of an approving Opinion of Counsel and only for any one or more of the following purposes --

(a) to add to the agreements, conditions, covenants and terms contained herein required to be observed or performed by the District or the Authority, other agreements, conditions, covenants and terms thereafter to be observed or performed by the District or the Authority, or to surrender any right reserved herein to or conferred herein on the District or the Authority, and which in either case shall not materially adversely affect the interests of the Owners;

(b) to make such provisions for the purpose of curing any ambiguity or of correcting, curing or supplementing any defective provision contained herein or in regard to questions arising hereunder which the District or the Authority may deem desirable or necessary, and which shall not materially adversely affect the interests of the Owners;

(c) to provide for issuance of Additional Bonds pursuant to Section 9.05; or

(d) to make any modifications or changes necessary or appropriate in the Opinion of Counsel to preserve or protect the exclusion from gross income for federal income tax purposes of interest evidenced and represented by the Bonds.

Any Supplemental Indenture entered into pursuant to this Section shall be deemed not, for purposes of this Section, to materially adversely affect the interest of the Owners so long as (x) all Bonds are insured by a bond insurance policy, (y) the Bond Insurer shall have given its written consent to such Supplemental Indenture, and (z) the Bond Insurer shall at the time of such consent be rated in at least the second highest rating category by S&P and Moody's.

Any Supplemental Indenture entered into pursuant to this Section made solely to conform this Indenture to any final Official Statement provided to investors in connection with the initial offering of any Bonds shall be deemed not to materially adversely affect the interests of the Owners.

Section 9.02. Disqualified Bonds. Bonds held for the account of the District (but excluding Bonds held in any pension or retirement fund of the District) shall not be deemed Outstanding for the purpose of any consent or other action or any calculation of Outstanding Bonds provided herein, and shall not be entitled to consent to or take any other action provided herein, and the Trustee may adopt appropriate regulations to require each Owner, before his consent provided for herein shall be deemed effective, to reveal if the Bonds as to which such consent is given are disqualified as provided in this section.

Section 9.03. Endorsement or Replacement of Bonds After Amendment or Supplement. After the effective date of any action taken as hereinabove provided, the Trustee may determine that the Bonds may bear a notation by endorsement in form approved by the Trustee as to such action, and in that case upon demand of the Owner of any Outstanding Bond and presentation of the Bond for such purpose at the office of the Trustee a suitable notation as to such action shall be made on such Bond. If the Trustee shall so determine, new Bonds so modified as in the opinion of the Trustee shall be necessary to conform to such action shall be prepared, and in that case upon demand of the Owner of any Outstanding Bonds such new Bonds shall be exchanged without cost to each Owner for Bonds then Outstanding at the office of the Trustee upon surrender of such Outstanding Bonds. All Bonds surrendered to the Trustee pursuant to the provisions of this section shall be cancelled by the Trustee and shall not be redelivered.

Section 9.04. Amendment or Supplement by Mutual Consent. The provisions of this article shall not prevent any Owner from accepting any amendment or supplement as to the particular Bonds owned by him; provided, that due notation thereof is made on such Bonds.

Section 9.05. Additional Bonds. The Authority, from time to time, may with the prior written consent of the District and shall upon the request of the District, by a Supplemental Indenture, authorize one or more series of Additional Bonds, secured by Installment Payments under the Installment Purchase Agreement, on a parity with the Outstanding Bonds. The Trustee shall authenticate the Additional Bonds of any series only upon the receipt by the Trustee of:

(a) A copy of the Supplemental Indenture authorizing such series of Additional Bonds which shall, among other provisions, specify:

(i) the authorized principal amount (including the initial amounts for any Additional Bonds issued as capital appreciation bonds), designation and series of such Additional Bonds;

(ii) the purpose for which such Additional Bonds are to be issued;

(iii) the maturity date or dates of such Additional Bonds, provided that such maturity date or dates shall fall on a March 1.

(iv) the interest payment dates (which shall fall on an Interest Payment Date) for and the interest rate or rates or the maximum rate of interest payable with respect to the Additional Bonds of such series;

(v) the denominations of and the manner of dating and numbering such Additional Bonds;

(vi) the redemption provisions, the dates fixed for redemption and redemption prices for such Additional Bonds;

(vii) the form of such Additional Bonds;

(viii) the establishment of and provisions concerning additional accounts and subaccounts, if necessary or desirable, held by the Trustee under this Indenture to provide for the payment of principal of, premium, if any, and interest on such Additional Bonds;

(ix) the establishment of and provisions concerning additional accounts and subaccounts, if necessary or desirable, held by the Trustee hereunder so that such Additional Bonds are secured by a reserve requirement, if any; and

(x) the establishment of and provisions concerning such other funds, accounts and subaccounts as the Authority shall deem necessary or desirable for such Additional Bonds.

(b) A duly executed copy of an amendment or supplement to the Installment Purchase Agreement such that the Installment Payments payable under the Installment Purchase Agreement, as amended and supplemented, is sufficient to pay all principal of and interest on the Outstanding Bonds and Additional Bonds. If appropriate, such amendment or amendments shall contain any modifications necessary to add to the Property and the Project, financed with the proceed of such Additional Bonds.

(c) An Opinion of Counsel substantially to the effect that (i) the Supplemental Indenture and any amendments to the Installment Purchase Agreement executed in connection therewith are authorized or permitted by the Constitution and laws of the State and this Indenture and have been duly and validly authorized, executed and delivered by the Authority and the District and constitute the legally valid and binding obligations of the Authority and the District

enforceable in accordance with their respective terms, except as limited by bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles relating to or limiting creditors' rights generally and subject to such other exceptions as are acceptable to the Trustee, and (ii) the execution and delivery of such Additional Bonds will not in and of itself adversely affect the exclusion for federal income tax purposes of interest on any Bonds previously issued, the interest on which is exempt from taxation at issuance.

## ARTICLE X

### DEFEASANCE

#### Section 10.01. Discharge of Bonds and Indenture.

(a) If the Authority shall pay or cause to be paid or there shall otherwise be paid to the Owners of all Outstanding Bonds the interest on and principal of the Bonds at the times and in the manner provided herein and therein, then such Owners shall cease to be entitled to the pledge of and lien on the Installment Payments as provided herein, and all agreements and covenants of the Authority to such Owners hereunder shall thereupon cease, terminate and become void and shall be completely discharged and satisfied.

(b) Any Outstanding Bonds in integral multiples of \$5,000 shall on their maturity dates or their dates of redemption prior thereto be deemed to have been paid within the meaning of and with the effect expressed in subsection (a) of this section if there shall be on deposit with the Trustee money held in trust for the benefit of the Owners of such Bonds which is sufficient to pay the interest, redemption premiums, if any, and principal of such Bonds payable on such maturity dates or dates of redemption prior thereto.

Any Outstanding Bonds in integral multiples of \$5,000 shall prior to their maturity dates or their dates of redemption prior thereto be deemed to have been paid within the meaning of and with the effect expressed in subsection (a) of this section if (1) in case any of such Bonds are to be redeemed on any date prior to their maturity dates, the District shall have given to the Trustee in form satisfactory to it irrevocable instructions to give notice by mail in accordance with Section 11.07 to the Owners of such Bonds of the redemption of such Bonds on such redemption dates, (2) there shall have been deposited with the Trustee either money in an amount which shall be sufficient, or Defeasance Securities which are not subject to redemption except by the holder thereof prior to maturity (including any such securities issued or held in book-entry form), the interest on and principal of which when paid will provide money which, together with money, if any, deposited with the Trustee, shall be sufficient to pay when due the interest on such Bonds on and prior to their maturity dates or their dates of redemption prior thereto, as the case may be, and the principal on such Bonds, and the redemption premiums, if applicable, on such Bonds as verified by an independent accountant, (3) in the event such Bonds are not by their terms subject to redemption within the next succeeding sixty (60) days, the District shall have given the Trustee in form satisfactory to it irrevocable instructions to give notice by mail in accordance with Section 11.07 to the Owners of such Bonds that the deposit required by clause (2) above has been made with the Trustee and that such Bonds are deemed to have been paid in accordance with this section and stating their maturity dates or their dates of redemption prior thereto upon which money is to be available for the payment of the interest on and principal of such Bonds, and (4) an

opinion of nationally recognized bond counsel is filed with the Trustee and the applicable Bond Insurer to the effect that the action taken pursuant to this subsection (b) will not in and of themselves cause the interest paid on the Bonds to be includable in gross income for federal income tax purposes and that the Bonds to be discharged are no longer Outstanding.

(c) After the payment of the interest, redemption premiums, if any, and principal on all Outstanding Bonds as provided in this section and payment of the fees and expenses of the Trustee, the Trustee, upon request of the District, shall cause an accounting for such period or periods as may be requested by the District to be prepared and filed with the District and the Authority and shall execute and deliver to the District and the Authority all such instruments as may be necessary or desirable to evidence such total or partial discharge and satisfaction of this Indenture, as the case may be, and in the event of a total discharge and satisfaction of this Indenture the Trustee shall pay over or deliver to the District all money or Permitted Investments held by it pursuant hereto which are not required for the payment of the interest, redemption premiums, if any, and principal on such Bonds which moneys and Permitted Investments shall continue to be held by the Trustee in trust for the payment of the Bonds.

Section 10.02. Unclaimed Money. Anything contained herein to the contrary notwithstanding, any money held by the Trustee in trust for the payment and discharge of the interest on or principal of any Bonds which remains unclaimed for two (2) years after the date when the payments on such Bonds have become payable, if such money was held by the Trustee on such date, or for two (2) years after the date of deposit of such money if deposited with the Trustee after the date when the interest on and principal of such Bonds have become payable, shall be repaid by the Trustee to the District as its absolute property free from trust, and the Trustee shall thereupon be released and discharged with respect thereto and the Owners shall look only to the District for the payment of the interest on and principal of such Bonds; provided that before being required to make any such payment to the District, the Trustee shall, at the expense of the District, give notice by mail in accordance with Section 11.07 to Owners of Bonds with respect to which moneys remain unclaimed that such money remains unclaimed and that after a date named in such notice, which date shall not be less than sixty (60) days after the date of giving such notice, the balance of such money then unclaimed will be returned to the District.

## ARTICLE XI

### MISCELLANEOUS

Section 11.01. Benefits of the Indenture Limited to Parties. Nothing contained herein, expressed or implied, is intended to give to any person other than the District, the Authority, the Trustee and the Owners any claim, remedy or right under or pursuant hereto, and any agreement, condition, covenant or term contained herein required to be observed or performed by or on behalf of the Authority shall be for the sole and exclusive benefit of the Trustee and the Owners.

Section 11.02. Successor Deemed Included in All References to Predecessor. Whenever either the District or the Authority or the Trustee or any officer, director or employee thereof is named or referred to herein, such reference shall be deemed to include the successor to the powers, duties and functions that are presently vested in the District, the Authority or the Trustee or such officer, director or employee, and all agreements, conditions, covenants and terms contained herein

required to be observed or performed by or on behalf of the District, the Authority, or the Trustee or any officer, director or employee thereof shall bind and inure to the benefit of the respective successors thereof whether so expressed or not.

Section 11.03. Execution of Documents by Owners. Any declaration, request or other instrument which is permitted or required herein to be executed by Owners may be in one or more instruments of similar tenor and may be executed by Owners in person or by their attorneys appointed in writing. The fact and date of the execution by any Owner or his attorney of any declaration, request or other instrument or of any writing appointing such attorney may be proved by the certificate of any notary public or other officer authorized to take acknowledgments of deeds to be recorded in the state or territory in which he purports to act that the person signing such declaration, request or other instrument or writing acknowledged to him the execution thereof, or by an affidavit of a witness to such execution duly sworn to before such notary public or other officer, or by such other proof as the Trustee may accept which it may deem sufficient.

Any declaration, request or other instrument in writing of the Owner of any Bond shall bind all future Owners of such Bond with respect to anything done or suffered to be done by the District or the Authority or the Trustee in good faith and in accordance therewith.

Section 11.04. Waiver of Personal Liability. No officer, director or employee of the District shall be individually or personally liable for the payment of the interest on or principal of the Bonds, but nothing contained herein shall relieve any officer, director or employee of the District from the performance of any official duty provided by any applicable provisions of law or by the Installment Purchase Agreement or hereby.

Section 11.05. Acquisition of Bonds by District. Except as provided by Section 9.02, all Bonds acquired by the District, whether by purchase or gift or otherwise, shall be surrendered to the Trustee for cancellation.

Section 11.06. Content of Certificates. Every certificate with respect to compliance with any agreement, condition, covenant or term contained herein shall include (a) a statement that the person or persons executing such certificate have read such agreement, condition, covenant or term and the definitions herein relating thereto; (b) a brief statement as to the nature and scope of the examination or investigation upon which the statements contained in such certificate are based; (c) a statement that, in the opinion of the signers, they have made or caused to be made such examination or investigation as is necessary to enable them to express an informed opinion as to whether or not such agreement, condition, covenant or term has been complied with; and (d) a statement as to whether, in the opinion of the signers, such agreement, condition, covenant or term has been complied with.

Any certificate may be based, insofar as it relates to legal matters, upon an Opinion of Counsel unless the person or persons executing such certificate know that the Opinion of Counsel with respect to the matters upon which his or their certificate may be based, as aforesaid, is erroneous, or in the exercise of reasonable care should have known that the same was erroneous. Any Opinion of Counsel may be based, insofar as it relates to factual matters information with respect to which is in the possession of the District, upon a representation by an officer or officers of the District unless the counsel executing such Opinion of Counsel knows that the representation

with respect to the matters upon which his opinion may be based, as aforesaid, is erroneous, or in the exercise of reasonable care should have known that the same was erroneous.

Section 11.07. Notice by Mail. Any notice required to be given hereunder by mail to any Owners of Bonds shall be given by mailing a copy of such notice, first class postage prepaid, to the Owners of such Bonds at their addresses appearing in the books required to be kept by the Trustee pursuant to the provisions of Section 2.07 not less than thirty (30) days nor more than sixty (60) days following the action or prior to the event concerning which notice thereof is required to be given; provided, that receipt of any such notice shall not be a condition precedent to the effect of such notice and neither failure to receive any such notice nor any immaterial defect contained therein shall affect the validity of the proceedings taken in connection with the action or the event concerning which such notice was given.

Section 11.08. Accounts and Funds. Any account or fund required to be established and maintained herein by the Trustee may be established and maintained in the accounting records of the Trustee either as an account or a fund, and may, for the purpose of such accounting records, any audits thereof and any reports or statements with respect thereto, be treated either as an account or a fund; but all such records with respect to all such funds shall at all times be maintained in accordance with sound accounting practice and with due regard for the protection of the security of the Bonds and the rights of the Owners.

Section 11.09. Investments. My money held by the Trustee in any of the accounts or funds provided herein shall be invested as directed in writing by the District in Permitted Investments which will, as nearly as practicable, mature on or before the dates on which such money is anticipated to be needed for disbursement hereunder. The Trustee may act as principal or agent in the acquisition or disposition of any such deposit or investment and may, for the purpose of any such deposit or investment, commingle any of the money held by it hereunder (except for money held in the Rebate Fund). The Trustee shall not be liable or responsible for any loss suffered in connection with any such deposit or investment made by it under the terms of and in accordance with this section. The Trustee may present for redemption or sell any such deposit or investment whenever it shall be necessary in order to provide money to meet any payment of the money so deposited or invested, and the Trustee shall not be liable or responsible for any losses resulting from any such deposit or investment presented for redemption or sold. Any interest or profits on such deposits and investments (except for interest or profits earned on deposits and investments held in the Rebate Fund) received by the Trustee shall be deposited in the Installment Payment Fund semiannually on the fifth (5th) Business Day preceding each Interest Payment Date; provided that prior to completion of the Project all investment earnings on amounts in the Construction Fund shall be deposited into the Construction Fund.

The District acknowledges that to the extent regulations of the Comptroller of the Currency or other applicable regulatory entity grant the District the right to receive brokerage confirmations of security transactions as they occur, the District specifically waives receipt of such confirmations to the extent permitted by law. The Trustee will furnish the District periodic cash transaction statements which will include details of all investment transactions made by the Trustee hereunder.

The Trustee or any of its affiliates may provide administrative, advisory or other services in connection with any Permitted Investment.

Section 11.10. Article and Section Headings, Gender and References. The headings or titles of the several articles and sections hereof and the table of contents appended hereto shall be solely for convenience of reference and shall not affect the meaning, construction or effect hereof, and words of any gender shall be deemed and construed to include all genders. All references herein to “Articles,” “Sections” and other subdivisions or clauses are to the corresponding articles, sections; subdivisions or clauses hereof, and the words “hereby,” “herein,” “hereof,” “hereto,” “herewith,” “hereunder” and other words of similar import refer to this Indenture as a whole and not to any particular article, section, subdivision or clause thereof.

Section 11.11. Partial Invalidity. If any one or more of the agreements, conditions, covenants or terms contained herein required to be observed or performed by or on the part of the District or the Authority or the Trustee shall be contrary to law, then such agreement or agreements, such condition or conditions, such covenant or covenants or such term or terms shall be null and void and shall be deemed separable from the remaining agreements, conditions, covenants and terms hereof and shall in no way affect the validity hereof or of the Bonds, and the Owners shall retain all the benefit, protection and security afforded to them hereunder and under all provisions of applicable law. The District, the Authority and the Trustee hereby declare that they would have executed and entered into this Indenture and each and every other article, section, paragraph, subdivision, sentence, clause and phrase hereof and would have authorized the execution and delivery of the Bonds pursuant hereto irrespective of the fact that any one or more of the articles, sections, paragraphs, subdivisions, sentences, clauses or phrases hereof or the application thereof to any person or circumstance may be held to be unconstitutional, unenforceable or invalid.

Section 11.12. California Law. This Indenture shall be construed and governed in accordance with the laws of the State of California.

Section 11.13. Notices. All written notices to be given hereunder shall be given by first class mail or personal delivery to the party entitled thereto at its address set forth below, or at such other address as such party may provide to the other parties in writing from time to time, or by electronic transmission, which includes fax machine, email with an imaged or scanned attachment (such as a “.pdf”) or other similar electronic transmission, with confirmation of receipt of such transmission. Notice shall be effective upon deposit in the United States mail, postage prepaid or, in the case of electronic transmission, when actually received or, in the case of personal delivery, upon delivery to the addresses set forth below:

If to the Trustee:

U.S. Bank Trust Company, National Association  
[Trustee Address]  
Attention: Corporate Trust Department

If to the Authority:

Los Angeles County Public Works Financing Authority  
Kenneth Hahn Hall of Administration  
500 West Temple Street, Room 437

Los Angeles, California 90012  
Attention: Treasurer and Tax Collector

If to the District:

Los Angeles County Flood Control District  
900 South Fremont Avenue  
Alhambra, California 91803  
Attention: Director of Public Works

With a copy to:

Assistant Deputy Director, Finance, Public Works

Notwithstanding any other provision hereof, all written notices required to be delivered by the Authority to the Trustee shall also be delivered to the Bond Insurers.

Section 11.14. Facsimile Instruction. The Trustee agrees to accept and act upon facsimile transmission of written instructions and/or directions pursuant to this Indenture provided, however, that subsequent to such facsimile transmission of written instructions, originally executed instructions and/or directions shall be provided to the Trustee in a timely manner.

Section 11.15. Execution in Counterparts. This Indenture may be executed and entered into in several counterparts, each of which shall be deemed an original, and all of which shall constitute but one and the same instrument.

Section 11.16. Effective Date. This Indenture shall become effective upon its execution and delivery.

IN WITNESS WHEREOF, the parties hereto have executed and entered into this Indenture by their officers thereunto duly authorized as of the day and year first above written.

**LOS ANGELES COUNTY PUBLIC  
WORKS FINANCING AUTHORITY**

ATTEST:  
Secretary

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

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

**LOS ANGELES COUNTY FLOOD  
CONTROL DISTRICT**

ATTEST:  
EDWARD YEN  
Executive Officer – Clerk of the Board

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

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

**U.S. BANK TRUST COMPANY,  
NATIONAL ASSOCIATION, as Trustee**

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

EXHIBIT A

[FORM OF SERIES 2026A BOND]

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation (“DTC”), to the Los Angeles County Public Works Financing Authority or its agent for registration of transfer, exchange, or payment, and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof Cede & Co., has an interest herein.

R- \_\_\_\_\_

LOS ANGELES COUNTY PUBLIC WORKS FINANCING AUTHORITY  
REVENUE BONDS  
(LOS ANGELES COUNTY FLOOD CONTROL DISTRICT) SERIES 2026A

| <u>DATED DATE</u> | <u>MATURITY</u> | <u>INTEREST RATE</u> | <u>CUSIP</u> |
|-------------------|-----------------|----------------------|--------------|
| _____             | March 1, 20     |                      |              |

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: \_\_\_\_\_ DOLLARS

THE LOS ANGELES COUNTY PUBLIC WORKS FINANCING AUTHORITY, a joint exercise of powers authority and a public entity of the State of California (the “Authority”), for value received, hereby promises to pay (but only out of the Installment Payments and the other amounts pledged therefor under the Indenture (as hereinafter defined)) to the registered owner (the “Owner”) identified above or registered assigns, on the maturity date set forth above, the principal amount set forth above and to pay (but only out of the Installment Payments and the other finds pledged therefor under the Indenture) interest on the balance of said principal amount from time to time remaining unpaid until payment of said principal amount has been made or duly provided for on the due date thereof, at the rates and on the dates determined as described herein and in the Indenture, except as the provisions hereinafter set forth with respect to redemption or acceleration prior to maturity may become applicable hereto. Capitalized terms used but not defined herein shall have the meanings set forth ascribed to such terms in the Indenture.

The registered Owner of this Bond is entitled to receive, subject to the terms of the Indenture and any right of redemption prior thereto hereinafter provided for, on the maturity date set forth above, upon surrender of this Bond on such maturity date or on the date of redemption prior thereto at the office of the Trustee, the principal sum set forth above, and to receive interest on such principal at the rate per annum specified above on each March 1 and September 1, commencing September 1, 2026 (the “Interest Payment Dates”). The registered owner of this Bond

as shown in the registration books maintained by the Trustee on the Record Date next preceding each Interest Payment Date is entitled to receive such registered owner's accrued interest from the Interest Payment Date next preceding the date of authentication hereof by the Trustee (unless such date of authentication is on or after the sixteenth (16th) day of the month next preceding an Interest Payment Date, in which case from such interest Payment Date, or unless such date of execution is on or prior to August 15, 2026, in which case from [Closing Date]) to such maturity date or the date of redemption prior thereto, whichever is earlier, by check mailed by first class mail on such dates to such registered owner (except that in the case of a registered owner of one million dollars (\$1,000,000) or greater in principal amount of outstanding Bonds, such payment may, at such registered owner's written request, be made by wire transfer of immediately available funds in accordance with instructions provided by such registered owner). All such amounts are payable in lawful money of the United States of America.

This Bond is one of the duly authorized Los Angeles County Public Works Financing Authority Revenue Bonds (Los Angeles County Flood Control District) Series 2026A in the initial aggregate principal amount of \$[2026A Par] (the "Series 2026A Bonds") which have been issued under and pursuant to the terms of an Indenture (the "Indenture") dated as of [As of Date], by and among the Trustee, the Authority and the Los Angeles County Flood Control District (the "District"). The Series 2026A Bonds and any Additional Bonds issued pursuant to the Indenture are referred to herein as the "Bonds." Copies of the Indenture are on file at the office of the Trustee, and reference is hereby made to the Indenture and to any and all amendments thereof and supplements thereto for a description of the agreements, conditions, covenants and terms securing the Bonds, for the nature, extent and manner of enforcement of such agreements, conditions, covenants and terms, for the rights and remedies of the registered owners of the Bonds with respect thereto and for the other agreements, conditions, covenants and terms upon which the Bonds are issued thereunder.

To the extent and in the manner permitted by the terms of the Indenture, the provisions of the Indenture may be amended or supplemented by the parties thereto, but no such amendment or supplement shall (1) reduce the rate of interest borne hereby or extend the time of payment thereof or reduce the amount of principal amount hereof or extend the maturity date hereof without the prior written consent of the registered owner hereof, or (2) reduce the percentage of registered Owners of Bonds whose consent is required for the execution of certain amendments of or supplements to the Indenture, or (3) modify any rights or obligations of the Trustee without its prior written consent thereto.

The Series 2026A Bonds are authorized to be issued in the form of fully registered Bonds in denominations of \$5,000 or any integral multiple thereof.

This Series 2026A Bond may be transferred upon the Registration Books by the Person in whose name it is registered, in person or by his duly authorized attorney, upon surrender of such Bond for cancellation, accompanied by delivery of a written instrument of transfer, duly executed in a form acceptable to the Trustee. Whenever any Series 2026A Bond or Bonds shall be surrendered for transfer, the Authority shall execute and the Trustee shall authenticate and shall deliver a new Series 2026A Bond or Bonds of the same maturity in a like aggregate principal amount, in any Authorized Denomination. The Owner requesting such transfer shall pay to the Trustee any tax or other governmental charge, required to be paid with respect to such transfer.

This Series 2026A Bond is subject to redemption prior to its maturity as set forth in the Indenture. Notice of such redemption will be provided as set forth in the Indenture.

The Bonds enjoy the benefits of a security interest in the moneys held in the accounts and funds established pursuant to the Indenture (except for moneys held in any Rebate Fund established pursuant to the Indenture and the related Tax Certificate), subject to the provisions of the Indenture permitting the disbursement thereof for or to the purposes and on the conditions and terms set forth therein. The obligation of the District to make the Installment Payments does not constitute a debt of the District or the State of California or any political subdivision thereof within the meaning of any constitutional or statutory debt limitation or restriction, and does not constitute an obligation for which the District is obligated to levy any form of taxation or for which the District has levied any form of taxation.

The Trustee has no obligation or liability to the registered owners of the Bonds for the payment of the interest on or principal of the Bonds out of its own funds; but rather the Trustee's sole obligations are those stated in the Indenture. The Authority has no obligation or liability whatsoever to the registered owners of the Bonds. The Trustee has authenticated this Bond solely in its capacity as Trustee under the Indenture and is not in its individual or personal capacity. The Trustee is not responsible for the accuracy of the recitals of fact herein.

It is hereby certified that all of the conditions, things and acts required to exist, to have happened and to have been performed precedent to and in the issuance of this Bond do exist, have happened and have been performed in due time, form and manner as required by the Act and by the Constitution and statutes of the State of California and that the amount of this Bond, together with all other indebtedness of the Authority, does not exceed any limit prescribed by the Constitution or statutes of the State of California.

IN WITNESS WHEREOF, the Authority has caused this Bond to be executed in its name and on its behalf by the manual or facsimile signature of its Chair and attested by the manual or facsimile signature of its Treasurer.

**LOS ANGELES COUNTY PUBLIC  
FACILITIES FINANCING AUTHORITY**

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

Attest:

\_\_\_\_\_  
Treasurer

CERTIFICATE OF AUTHENTICATION

This Bond is one of the bonds delivered pursuant to the within-mentioned Indenture.

Date of Authentication: \_\_\_\_\_

**U.S. BANK TRUST COMPANY, NATIONAL  
ASSOCIATION**, as Trustee

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

[FORM OF ASSIGNMENT]

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

Dated: \_\_\_\_\_

SIGNATURE GUARANTEED BY:

\_\_\_\_\_

\_\_\_\_\_  
Note: The signature(s) to this Assignment must correspond with the name(s) as written on the face of the within Bond in every particular, without alteration or enlargement or any change whatsoever, and the signature(s) guarantee should be made by a guarantor institution participating in the Securities Transfer Agents Medallion Program or signature(s) guarantee must be made by an eligible guarantor institution (banks, stockbrokers, savings and loans association and credit unions with membership in an approved Signature Medallion program) pursuant to Securities and Exchange Commission Rule 17AD-15.

Social Security Number, Taxpayer  
Identification Number or other Identifying Number  
of Assignee:

\_\_\_\_\_

**EXHIBIT B**

**FORM OF REQUEST FOR DISBURSEMENT FROM  
CONSTRUCTION FUND**

The undersigned hereby states and certifies:

(i) that the undersigned is the duly appointed, qualified and acting officer of the Los Angeles County Flood Control District, a flood control district duly organized and existing under and by virtue of the laws of the State of California, and as such, is familiar with the facts herein certified and is authorized and qualified to certify the same;

(ii) that, U.S. Bank Trust Company, National Association, as trustee (the "Trustee"), is hereby requested to disburse from the Series \_\_\_\_\_ Account of the Construction Fund, established pursuant to the Indenture dated as of [As of Date] (the "Indenture"), by and among the Los Angeles County Public Works Financing Authority, the District and the Trustee, to the payees set forth on Attachment 1 attached hereto and by this reference incorporated herein, the amount set forth on Attachment 1 opposite each such payee, for payment of such costs identified on said Attachment 1;

(iii) that each item of cost identified on Attachment 1 has been properly incurred and the amounts to be disbursed to this Written Request are for Project Costs properly chargeable by the District to the Series \_\_\_\_\_ Account of the Construction Fund, and no amounts to be disbursed pursuant to this Written Request have been the subject of a previous Written Request for disbursement from said account; and

(iv) that there has not been filed with or served upon the District a stop notice or any other notice of any lien, right to lien or attachment upon, or claim affecting the right to receive payment of, any of the money payable to the person named in such Written Request of the District which has not been released or will not be released simultaneously with the payment of such obligation, other than liens accruing by mere operation of law.

Capitalized terms used herein and not otherwise defined shall have the meanings ascribed thereto in the Indenture.

Dated: \_\_\_\_\_

**LOS ANGELES COUNTY FLOOD  
CONTROL DISTRICT**

By \_\_\_\_\_

Authorized Signatory

**ATTACHMENT 1**  
**TO CONSTRUCTION FUND REQUEST**

**Payee**

**Purpose**

**Amount**

## EXHIBIT C

### FORM OF REQUEST FOR DISBURSEMENT FROM COSTS OF ISSUANCE FUND

The undersigned hereby states and certifies:

(i) that the undersigned is the duly appointed, qualified and acting officer of the Los Angeles County Flood Control District, a flood control district duly organized and existing under and by virtue of the laws of the State of California, and as such, is familiar with the facts herein certified and is authorized and qualified to certify the same;

(ii) that, U.S. Bank Trust Company, National Association, as trustee (the "Trustee"), is hereby requested to disburse from the Costs of Issuance Fund, established pursuant to the Indenture dated as of [As of Date] (the "Indenture"), by and among the Los Angeles County Public Works Financing Authority, the District and the Trustee, to the payees set forth on Attachment 1 attached hereto and by this reference incorporated herein, the amount set forth on Attachment 1 opposite each such payee, for payment of such costs identified on said Attachment 1;

(iii) that each item of cost identified on Attachment 1 has been properly incurred and the amounts to be disbursed to this Written Request are for Costs of Issuance properly chargeable to the Costs of Issuance Fund, and no amounts to be disbursed pursuant to this Written Request have been the subject of a previous Written Request for disbursement from said account; and

(iv) that an invoice, for each item of cost identified on Attachment 1 is attached hereto.

Capitalized terms used herein and not otherwise defined shall have the meanings ascribed thereto in the Indenture.

Dated: \_\_\_\_\_

**LOS ANGELES COUNTY FLOOD  
CONTROL DISTRICT**

By \_\_\_\_\_

Authorized Signatory

**ATTACHMENT 1**  
**TO COSTS OF ISSUANCE REQUEST**

**Payee**

**Purpose**

**Amount**

**INSTALLMENT PURCHASE AGREEMENT**

**Dated as of [As of Date]**

**by and between**

**LOS ANGELES COUNTY FLOOD CONTROL DISTRICT,  
as Purchaser**

**and**

**LOS ANGELES COUNTY PUBLIC WORKS FINANCING AUTHORITY,  
as Seller**

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Exhibit A – Description of the Project

Exhibit B – Installment Payment Schedule

## INSTALLMENT PURCHASE AGREEMENT

This INSTALLMENT PURCHASE AGREEMENT (the “Installment Purchase Agreement”), dated as of [As of Date], by and between the LOS ANGELES COUNTY FLOOD CONTROL DISTRICT, a flood control district duly organized and existing under and by virtue of the laws of the State of California (the “District”), and the LOS ANGELES COUNTY PUBLIC WORKS FINANCING AUTHORITY, a joint powers authority duly organized and existing under and by virtue of the laws of the State of California (the “Authority”);

### WITNESSETH:

WHEREAS, the District is authorized by the Los Angeles County Flood Control Act (California Water Code, Chapter 28) (the “Act”) to acquire or contract to acquire property and to contract to construct any and all works or improvements within or without the District necessary or proper to carry out any of the objects or purposes of the Act;

WHEREAS, the District proposes to undertake the design, acquisition, construction, and installation of improvements to its properties as more fully described in Exhibit A hereof and as modified from time to time (collectively, the “Project”);

WHEREAS, the Authority has agreed to assist the District in financing and refinancing of the Project for the District;

WHEREAS, the District has determined that its purchase of improvements, through the undertaking of the Project, is in furtherance of the District’s purposes under the Act;

WHEREAS, in consideration for assistance in financing the Project, the District will sell to the Authority and the Authority will purchase from the District the Project pursuant to an Installment Purchase Agreement (the “Installment Purchase Agreement”), by and between the District and the Authority;

WHEREAS, the Authority proposes to sell the Project (including components thereof) from time to time to the District and the District desires to purchase the Project (including components thereof) from the Authority upon the terms and conditions set forth herein;

WHEREAS, the District and the Authority have duly authorized the execution of this Installment Purchase Agreement; and

WHEREAS, all acts, conditions and things required by law to exist, to have happened and to have been performed precedent to and in connection with the execution and delivery of this Installment Purchase Agreement do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the parties hereto are now duly authorized to execute and enter into this Installment Purchase Agreement;

NOW, THEREFORE, IN CONSIDERATION OF THESE PREMISES AND OF THE MUTUAL AGREEMENTS AND COVENANTS CONTAINED HEREIN AND FOR OTHER VALUABLE CONSIDERATION, THE PARTIES HERETO DO HEREBY AGREE AS FOLLOWS:

## ARTICLE I

### DEFINITIONS

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

“Accountant’s Report” means a report signed by an Independent Certified Public Accountant.

“Act” means the Los Angeles County Flood Control Act (California Water Code, Chapter 28) and all laws amendatory thereof or supplemental thereto.

“Additional Bonds” has the meaning ascribed thereto in the Indenture.

“Additional Payments” means the payments to be made by the District pursuant to Section 4.06.

“Assessment Revenue” means the revenues derived from any benefit assessment imposed by the District.

“Authority” means the Los Angeles County Public Works Financing Authority, a joint powers authority duly organized and existing under and by virtue of the laws of the State of California.

“Authorized District Representative” means any of the Director, Chief Deputy Director, and Deputy Directors of Los Angeles County Public Works, who also serve as officers of the District, or any authorized deputy or designee thereof.

“Board” means the Board of Supervisors of the County of Los Angeles in its capacity as the ex-officio governing board of the District.

“Bonds” has the meaning set forth for such term in the Indenture.

“Certificate,” “Certification” or “Written Request” means, with respect to the District, an instrument in writing signed on behalf of the District by the Director, Chief Deputy Director, and Deputy Directors of Los Angeles County Public Works, who also serve as officers of the District, and their authorized designees under or with respect to this Indenture or the Installment Purchase Agreement and all other agreements related thereto and, with respect to the Authority, an instrument in writing signed on behalf of the Authority by the Treasurer of the Authority or another official designated by the Treasurer of the Authority and authorized by such Treasurer to act on behalf of the Authority under or with respect to this Indenture or the Installment Purchase Agreement and all other agreements related thereto.

“Code” means the Internal Revenue Code of 1986, and the regulations thereunder, as amended, and any successor provisions of law.

“Components” means components of the Project specified in Exhibit A hereto or in a Supplement.

“Construction Fund” means the fund by that name established pursuant to Section 3.03 of the Indenture.

“Contracts” means this Installment Purchase Agreement and all other installment or revenue payment contracts of the District previously or hereafter authorized and executed by the District under and pursuant to applicable law, the interest and principal and prepayment premium, if any, payments under and pursuant to which are payable from both Taxes and Assessment Revenue on a parity with the payment of the Installment Payments hereunder, including but not limited to any applicable WIFIA Loan and State Loan, but excluding contracts entered into for operation and maintenance of facilities of the District.

“Credit Provider” means any municipal bond insurance company, bank or other financial institution or organization that is performing in all material respects its obligations under any Credit Support Instrument for some or all of the Bonds.

“Credit Provider Reimbursement Obligations” means obligations of the District to repay, from Taxes and Assessment Revenue, amounts advanced by a Credit Provider as credit support or liquidity for Contracts, which obligations shall be on parity with or subordinate to, as determined by the District, the payment of the Installment Payments hereunder.

“Credit Support Instrument” means a policy of insurance, a letter of credit, a standby purchase agreement, revolving credit agreement or other credit arrangement pursuant to which a Credit Provider provides credit support or liquidity with respect to the payment of interest, principal or the purchase price of any Bonds.

“Defeasance Securities” has the meaning set forth in the Indenture.

“Deposit Date” means has the meaning ascribed thereto under Section 4.01(c) hereof.

“District” means Los Angeles County Flood Control District, a flood control district duly organized and existing under and by virtue of the laws of the State of California.

“District Budget Rate” means the assumed tax-exempt or taxable rate, as applicable, specified in the District’s adopted budget for the then-current Fiscal Year, as it may be amended from time to time during the then-current Fiscal Year (or any successor annual budget publication as may be published by the District).

“Event of Default” means an event described in Section 7.01.

“Financing Documents” means the Indenture and this Installment Purchase Agreement, including any amendments or supplements thereto.

“Fiscal Year” means the twelve-month period terminating on June 30 of each year, or any other annual accounting period hereafter selected and designated by the District as its Fiscal Year in accordance with applicable law; provided, however, that in the event that the District changes its Fiscal Year, the transitional period which is less than or greater than 12 months shall be considered a Fiscal Year.

“Generally Accepted Accounting Principles” means the uniform accounting and reporting procedures set forth in publications of the American Institute of Certified Public Accountants or its successor, or by any other generally accepted authority on such procedures, and includes, as applicable, the standards set forth by the Governmental Accounting Standards Board or its successor.

“Indenture” means that certain Indenture, dated as of [As of Date], by and between the Authority and U.S. Bank Trust Company, National Association, as trustee, as originally executed and as it may from time to time be amended or supplemented in accordance with its terms.

“Issuing Instrument” means any indenture, trust agreement, loan agreement, lease, installment purchase agreement, resolution or this Installment Purchase Agreement, including any supplement or other instrument under which Obligations of the District are issued or created.

“Independent Certified Public Accountant” means any firm of certified public accountants appointed by the District.

“Independent Insurance Consultant” means a nationally recognized independent actuary, insurance company or broker that has actuarial personnel experienced in the area of insurance for which the District is to be self-insured, as may from time to time be designated by the District.

“Installment Payment Obligations” means Obligations consisting of or which are supported in whole by Installment Payments.

“Installment Payments” means the Installment Payments scheduled to be paid by the District under and pursuant hereto.

“Installment Purchase Agreement” means this installment payment agreement by and between the District and the Authority, dated as of [As of Date], as originally executed and as it may from time to time be amended or supplemented in accordance herewith and with the Indenture.

“Interest Payment Date” means a date on which the interest component of the Installment Payments is due, being March 1 and September 1 of each year to which reference is made, commencing on September 1, 2026.

“Maximum Annual Parity Debt Service” means, with respect to Parity Obligations and Contracts, the greatest total Parity Debt Service payable in any Fiscal Year during the period commencing with the next ensuing Fiscal Year and terminating with the Fiscal Year in which payments are due under the last outstanding Parity Obligations and Contract.

“Net Proceeds” means the proceeds from insurance or from actual or threatened condemnation or eminent domain actions with respect to the Property or any part thereof, less any costs reasonably expended by the District to receive such proceeds.

“Obligations” means all Parity Obligations and Contracts.

“Outstanding” means, when used as of any particular time with respect to Obligations, means all Obligations theretofore or thereupon executed, authenticated and delivered by the District or any trustee or other fiduciary, except (a) Obligations theretofore cancelled or surrendered for cancellation, (b) Obligations paid or deemed to be paid within the meaning of any defeasance provisions thereof, (c) Obligations owned by the District and (d) Obligations in lieu of or in substitution for which other Obligations have been executed and delivered.

“Parity Debt Service” means, for any Fiscal Year, the sum of, without duplication, (1) the interest accruing during such Fiscal Year on all Outstanding Parity Obligations, assuming that all Outstanding serial Parity Obligations are retired as scheduled and that all Outstanding term Parity Obligations are redeemed or paid from sinking fund payments as scheduled (except to the extent that such interest is to be paid from the proceeds of sale of any Parity Obligations), (2) that portion of the principal amount of all Outstanding serial Parity Obligations maturing on the next succeeding principal payment date that would have accrued during such Fiscal Year if such principal amount were deemed to accrue monthly in equal amounts from the next preceding principal payment date or during the year preceding the first principal payment date, as the case may be, and (3) that portion of the principal amount of all Outstanding term Parity Obligations required to be redeemed or paid on the next succeeding redemption date (together with the redemption premiums, if any, thereon) that would have accrued during such Fiscal Year if such principal amount (and redemption premiums) were deemed to accrue monthly in equal amounts from the next preceding redemption date or during the year preceding the first redemption date, as the case may be, and (4) that portion of the Installment Payments required to be made at the times provided in the Contracts that would have accrued during such Fiscal Year if such Installment Payments were deemed to accrue monthly in equal amounts from, in each case, the next preceding payment date of interest or principal or the date of the pertinent Contract, as the case may be; provided, that if any of such Parity Obligations or if the Installment Payments due under any of such Contracts bear interest payable pursuant to a variable interest rate formula, the interest rate on such Parity Obligations or such Contracts, for periods when the actual interest rate cannot yet be determined, shall be assumed to be equal to the District Budget Rate determined for such Fiscal Year, as set forth in a Certificate of the District delivered to the Trustee, who may rely conclusively on such Certificate, and which Certificate shall be delivered to the Trustee promptly each year following the adoption of the District’s budget.

“Parity Obligations” means all obligations of the District authorized, executed, issued and delivered by the District under and pursuant to applicable law, the interest and principal and redemption premium, if any, payments under and pursuant to which are payable from both Taxes and Assessment Revenue on a parity with the payment of the Installment Payments, including, without duplication, any Credit Provider Reimbursement Obligations payable on parity with the payment of the Installment Payments.

“Parity Payments” means the payments scheduled to be paid by the District under and pursuant to the Contracts.

“Permitted Investments” has the meaning set forth in the Indenture.

“Project” means those certain additions, betterments, extensions or improvements to the District’s Property described in Exhibit A hereto, as it may be modified from time to time in conformance with Section 3.04 hereof, the design, acquisition, construction, improvement and installation of which is to be paid for by the proceeds of the Bonds, including as set forth or as provided in a Supplement to the Installment Purchase Agreement executed in connection with such Additional Bonds.

“Property” means the real property of the District described in Section 1 of the Act, and the personal property located thereon and the Project.

“Purchase Price” means the principal amount plus interest thereon owed by the District to the Authority under the terms hereof as provided in Section 4.01.

“Rebate Fund” means the fund by that name established pursuant to the Indenture.

“Residual Taxes” means those tax revenues allocable to certain local agencies pursuant to Assembly Bill x1 26 after payment by the successors of abolished redevelopment agencies of enforceable legal obligations, pass-through payments and eligible administrative costs.

“Revenues” has the meaning ascribed thereunder under Section 4.03 hereof.

“Series” means Obligations issued at the same time or sharing some other common term or characteristic and designated as a separate Series.

“State Loan” means any loan to the District from the California State Water Resources Control Board, payable from Revenues on parity with the payment of the Installment Payments hereunder.

“Statutory Pass-Through Amounts” means the statutory pass-through amounts pursuant to a mandatory statutory formula for sharing tax increment revenues for redevelopment project areas pursuant to Health & Safety Code Sections 33607.5 and 33607.7 enacted by Assembly Bill 1290.

“Supplement” means a supplement to this Installment Purchase Agreement providing for the payment of specific Installment Payments as the Purchase Price for additional Components of the Project, executed and delivered by the District and the Authority.

“Tax Certificate” shall mean any certificate delivered with respect to the maintenance of the tax-exempt status of Tax-Exempt Installment Payment Obligations.

“Tax-Exempt Installment Payment Obligations” means Installment Payment Obligations of the District hereunder, the interest component of which is excluded from gross income pursuant to Section 103 of the Code.

“Taxes” means the aggregate of the following amounts received by the District (i) the District’s allocable portion of the 1% general *ad valorem* taxes, (ii) the District’s share of Statutory Pass-Through Amounts and (iii) the District’s share of certain Residual Taxes.

“Trustee” means U.S. Bank Trust Company, National Association, Los Angeles, California, acting in its capacity as Trustee under and pursuant to the Indenture, and its successors and assigns.

“WIFIA Loan” means any loan to the District from the United States Environmental Protection Agency, acting by and through the Administrator of the United States Environmental Protection Agency, or its assigns, pursuant to the Water Infrastructure Finance and Innovation Act, evidenced by a bond, note or other evidence of indebtedness of the District and payable from Revenues on parity with the payment of the Installment Payments hereunder.

Section 1.02. Terms defined in the Indenture. Capitalized terms not otherwise defined herein have the meanings set forth in the Indenture.

## ARTICLE II

### REPRESENTATIONS AND WARRANTIES

Section 2.01. Representations and Warranties by the District. The District makes the following representations:

(a) The District is a flood control district duly organized and existing under and by virtue of the laws of the State of California.

(b) The District has full legal right, power and authority to enter into this Installment Purchase Agreement and carry out its obligations hereunder, to carry out and consummate all other transactions contemplated by this Installment Purchase Agreement, and the District has complied with the provisions of the Act in all matters relating to such transactions.

(c) By proper action, the District has duly authorized the execution, delivery and due performance of this Installment Purchase Agreement.

(d) The District will not take or, to the extent within its power, permit any action to be taken which results in the interest paid for the installment purchase of the Project under the terms of this Installment Purchase Agreement being included in the gross income of the owners of the Bonds for purposes of federal or State of California income taxation.

(e) The District has determined that it is necessary and proper for District uses and purposes within the terms of the Act that the District design, acquire, construct, improve and install the Project in the manner provided for in this Installment Purchase Agreement.

Section 2.02. Representations and Warranties by the Authority. The Authority makes the following representations and warranties:

(a) The Authority is a joint powers authority duly organized and existing under the laws of the State of California, has full legal right, power and authority to enter into this Installment Purchase Agreement and to carry out and consummate all transactions contemplated by this Installment Purchase Agreement and by proper action has duly authorized the execution and delivery and due performance of this Installment Purchase Agreement.

(b) The execution and delivery of this Installment Purchase Agreement and the consummation of the transactions herein contemplated will not violate any provision of law, any order of any court or other agency of government, or any indenture, material agreement or other instrument to which the Authority is now a party or by which it or any of its properties or assets is bound, or be in conflict with, result in a breach of or constitute a default (with due notice or the passage of time or both) under any such indenture, agreement or other instrument, or result in the creation or imposition of any prohibited lien, charge or encumbrance of any nature whatsoever upon any of the properties or assets of the Authority.

(c) The Authority will not take or permit any action to be taken which results in interest paid for the installment purchase of the Property under the terms of this Installment Purchase Agreement being included in the gross income of the owners of the Bonds for purposes of federal or State of California income taxation.

### ARTICLE III

#### DESIGN, ACQUISITION, CONSTRUCTION, IMPROVEMENT AND INSTALLATION OF THE PROJECT

Section 3.01. Sale and Purchase of the Project. (a) In consideration for assistance in financing the Project, the District agrees to sell, and hereby sells, to the Authority and the Authority agrees to purchase, and hereby purchases from the District, the Project.

(b) The Authority agrees to sell to the District and the District agrees to purchase from the Authority, the Project at the Purchase Price set forth in Section 4.01 (payable in installments in accordance with Section 4.02) and otherwise in the manner and in accordance with the provisions of this Installment Purchase Agreement.

Section 3.02. Design, Acquisition, Construction, Improvement and Installation of the Project. The Authority hereby agrees to cause the Project to be designed, acquired, constructed, improved and installed by the District or its designee as its agent. The District shall enter into contracts and, as agent for the Authority, provide for the complete design, acquisition, construction, improvement and installation of the Project. The District hereby agrees that it will cause the design, acquisition, construction, improvement and installation of the Project to be diligently performed after the deposit of funds with the Trustee pursuant to Section 3.02 of the Indenture. It is hereby expressly understood and agreed that the Authority shall be under no liability of any kind or character whatsoever for the payment of any cost of the Project in excess of the amount deposited in the Construction Fund and that all such excess costs and expenses shall be paid by the District, regardless of whether the funds deposited in the Construction Fund are sufficient to cover all such costs and expenses.

Section 3.03. Title. All right, title and interest in the Project shall vest in the District immediately upon the acquisition or construction thereof. All right, title and interest in the Project refinanced with proceeds of Bonds shall vest in the District immediately upon the original execution and delivery of the related Bonds. Such vesting shall occur without further action by the Authority or the District and the Authority shall, if requested by the District or if necessary to assure such automatic vesting deliver any and all documents required to assure such vesting.

Section 3.04. Changes to the Project. (a) From time to time and at any time, subject to the restrictions set forth in subsection (b) below, the District may modify or amend the description of the Project, to eliminate any part thereof and/or to add or substitute another Component or Components, all without obtaining any consent, by filing an amended Exhibit A to this Installment Purchase Agreement with the Authority and the Trustee under the related Issuing Instrument; provided however, that no such amendment shall add or substitute a Component or Components which are not to be accounted for as an asset of the District or shall in any way impair the obligations of the District contained in any Supplement executed and delivered prior to any such amendment. The District may substitute other improvements for those listed as Components in any Supplement, but only if the District first files with the Authority and the Trustee a certificate of an Authorized District Representative:

(1) identifying the Components to be substituted and the Components they replace;

(2) stating that the substituted Components will be accounted for as an asset of the District; and

(3) stating that with respect to Components financed with Tax-Exempt Installment Payment Obligations, the estimated costs of design, acquisition, construction, and installation of the substituted improvements are not less than such costs for the improvements previously included in such Supplement, that any excess amounts will be applied to the payment of principal evidenced by the related Obligations or any additional Obligations, and that said substitution will not violate any provision of the related Tax Certificate.

(c) Substituted Components may include or consist of an undivided interest in such Components, in which event the costs associated with the substituted Components over and above the undivided interest need not be deposited in the Construction Fund (or otherwise appropriated and encumbered); provided, however, that the certificate of an Authorized District Representative specifies that the funds necessary to complete the substituted Components are on deposit in the Construction Fund or otherwise appropriated and encumbered.

## ARTICLE IV

### INSTALLMENT PAYMENTS; PLEDGE AND APPLICATION OF REVENUES; ADDITIONAL OBLIGATIONS

Section 4.01. Purchase Price.

(a) The District will pay the Purchase Price for the Project as provided herein and any Components to the Project being purchased as provided in a Supplement. The Purchase Price to be paid by the District to the Authority pursuant to this Installment Purchase Agreement (with respect to the Project) and any Supplement hereto (with respect to any Components to the Project), solely from Taxes and Assessment Revenue and from no other sources, is the sum of the principal amount of the District's obligations hereunder (with respect to the Project) and under the related Supplement (with respect to any subsequent Component to the Project) plus the interest to accrue on the unpaid balance of such principal amount from the effective date hereof and thereof over the term hereof and thereof, subject to prepayment as provided therein.

(b) The principal amount of the Installment Payments to be made by the District with respect to the Project is set forth in Exhibit B hereof. The principal amount of Installment Payments to be made by the District with respect to any subsequent Component of the Project, will be set forth under a Supplement. Such amounts shall be paid at least three Business Days prior to the date such Installment Payments are payable as specified herein and in such Supplement or at such other earlier time or times and in the manner or manners as specified herein and in such Supplement. In the event the principal amount of an Installment Payment is not paid by the date the same is due and payable as specified herein and in such Supplement, the District agrees to pay the same with interest accruing thereon at the rate or rates of interest then applicable to the remaining unpaid principal balance of the Installment Payments is paid in accordance with their terms. In each case, the amount payable by the District to the Authority with respect to each Installment Payment Date shall be reduced by the amount, if any, on deposit in the Installment Payment Fund for a Series of Bonds and available or to be available for the payment of principal of and interest on the such Series of Bonds on such Interest Payment Date as a result of prepayment in accordance with Article VI.

(c) The interest to accrue on the unpaid balance of such principal amount shall be paid at least three Business Days (together with the date of payment set forth in subsection (b) above, in each case prior to the date of an Installment Payment is payable hereunder or under the related Supplement, the "Deposit Date") prior to the date such interest is payable as specified herein and in a Supplement or at such other earlier time or times as specified herein and in such Supplement, and shall be paid by the District as and constitute interest paid on the principal amount of the District's obligations hereunder and thereunder. Interest shall be payable in an amount not exceeding the maximum rate at the time of incurring such obligation, at such intervals and according to such interest rate formulas as shall be specified herein and in a Supplement or by reference to any Issuing Instrument to which such Supplement relates, and shall be payable with such frequency as shall be specified herein and therein.

Section 4.02. Installment Payments. The District shall, subject to any rights of prepayment provided in Article VI, pay the Authority the Purchase Price, solely from Revenues, without offset or deduction of any kind, in installment payments with interest and principal thereon, over a period not to exceed the maximum period permitted by law, all as specified in Exhibit B hereof or in a Supplement, as applicable.

Notwithstanding anything contained herein, the District shall not be required to advance any moneys derived from any source of income other than the Revenues for the payment of the Installment Payments or for the performance of any agreements or covenants required to be

performed by it contained herein. The District may, however, advance moneys for any such purpose so long as such moneys are derived from a source legally available for such purpose and may be legally used by the District for such purpose.

The obligation of the District to make the Installment Payments is a special obligation of the District payable solely from the Revenues as provided herein, and does not constitute a debt of the District, the County or of the State of California or of any political subdivision thereof within the meaning of any constitutional or statutory debt limitation or restriction.

The obligation of the District to make the Installment Payments from Revenues is absolute and unconditional, and until such time as the Purchase Price shall have been paid in full (or provision for the payment thereof shall have been made pursuant to Article VIII). The District will not discontinue or suspend any Installment Payments required to be made by it under this Section when due, whether or not the Project or any part thereof is operating or operable or has been completed, or its use is suspended, interfered with, reduced or curtailed or terminated in whole or in part, and such payments shall not be subject to reduction whether by offset or otherwise and shall not be conditioned upon the performance or nonperformance by any party to any agreement for any cause whatsoever.

Section 4.03. Pledge of Revenues. The District agrees to pledge, and hereby pledges, for payment of the Installment Payments hereunder and the principal of and interest or redemption premium, if any, relating to any Contracts, in the following order of priority, (i) the Taxes, and (ii) to the extent the Taxes are insufficient to pay the Installment Payments and the principal of and interest or redemption premium, if any, relating to any Contracts in any Fiscal Year, the Assessment Revenue available for payment of the Installment Payments hereunder and the principal of and interest or redemption premium, if any, relating to any Contracts (collectively, the “Revenues”).

Section 4.04. Application of Revenues.

(a) The District agrees to pay the Purchase Price for the Project by making Installment Payments, which the District agrees to pay to the Trustee, for the benefit of the Authority, for deposit into the Installment Payment Fund held by the Trustee under the Indenture and which, in the aggregate, shall be in an amount sufficient for the payment in full of all obligations to the Owners of the Bonds from time to time Outstanding under the Indenture.

(b) The Installment Payments payable by the District hereunder shall be due as set forth in Exhibit B hereto and as set forth under a Supplement. In order to secure its obligation to make Installment Payments, the District agrees and covenants that it shall deposit the Installment Payment next coming due with the Trustee on or before each Deposit Date, for application to the Installment Payment Fund. The District’s obligation to make such deposits shall be discharged to the extent of amounts already on deposit in the Installment Payment Fund immediately prior to the deposit to be made on the Deposit Date and which are available to pay interest or principal, respectively, with respect to the Bonds on the next Interest Payment Date.

Section 4.05. Additional Obligations.

(a) The District shall not at any time issue any obligation the payments under and pursuant to which or execute any agreement the payments under which and pursuant to which, as the case may be, are secured from the Taxes or the Assessment Revenues on a basis senior to the payment by the District of the Installment Payments.

(b) The District may at any time issue any Parity Obligations the payments under and pursuant to which or execute any Contract the Parity Payments under and pursuant to which, as the case may be, are payable on a parity with the payment by the District of the Installment Payments as provided herein so long as there shall have not occurred and be continuing an Event of Default hereunder that will not be cured by the application of the proceeds of the Additional Bonds or the proceeds of the Contract; provided, that, the District provides a certificate showing that the Revenues as shown by the books of the District for any period of twelve (12) consecutive months within the eighteen (18) consecutive months ending immediately prior to the issuance of such additional Parity Obligations or execution any Contract the Parity Payments under and pursuant to which, as the case may be, are payable on a parity with the payment by the District of the Installment Payments shall have amounted to at least the Maximum Annual Parity Debt Service on all Bonds and Contracts to be Outstanding immediately after the issuance of the proposed Parity Obligations or the execution of such Contract, as the case may be.

(c) Notwithstanding the foregoing provisions, there shall be no limitations on the ability of the District to (i) execute any agreement evidencing any Parity Obligations or Contracts, Assessment Revenue Obligations or Tax Obligations at any time to refund any outstanding Parity Obligations or Contracts, as applicable, or (ii) execute any contract or issue any obligations which are payable from Taxes, Assessment Revenue, or both on a subordinate basis to the payment by the District of the Installment Payments.

Section 4.06. Additional Payments. In addition to the Installment Payments the District shall pay to the Authority, or the Trustee, as applicable, as Additional Payments hereunder such amounts in each year as shall be required by the Authority for the payment in full of all costs and expenses incurred by the Authority in connection with the execution, performance or enforcement hereof and of the Indenture, including but not limited to payment of all fees, costs and expenses and all administrative costs of the Authority in connection with this Installment Purchase Agreement and the Indenture, the fees, costs and expenses of the Trustee in connection with the Bonds, all expenses and interest payable by the Authority to the Bond Insurer or any other document to the extent not otherwise paid pursuant to Section 4.04(b) and all taxes, assessments and governmental charges of any nature whatsoever hereafter levied or imposed by any governmental authority against the Property or the Installment Payments and the other payments required to be made by the District hereunder. Such Additional Payments shall be billed to the District by the Authority or Trustee from time to time, together with a statement certifying that the amount so billed has been paid by the Authority for one or more of the items above described, or that such amount is then payable by the Authority for one or more of such items, and all amounts so billed shall be due and payable by the District to or upon the order of the Authority within thirty (30) days after receipt of the bill by the District. [The District hereby consents to and agrees to pay, as Additional Payments, directly to the Trustee, within thirty (30) days of a receipt of a bill therefore, the fees and expenses of the Trustee payable under the Indenture.]

## ARTICLE V

### COVENANTS OF THE DISTRICT

Section 5.01. Compliance with Installment Purchase Agreement and Ancillary Agreements. Subject to Section 4.02, the District will punctually pay the Installment Payments in strict conformity with the terms hereof, and will faithfully observe and perform all the agreements, conditions, covenants and terms contained herein required to be observed and performed by it, and will not terminate this Installment Purchase Agreement for any cause including, without limiting the generality of the foregoing, any acts or circumstances that may constitute failure of consideration, destruction of or damage to the Project, commercial frustration of purpose, any change in the tax or other laws of the United States of America or of the State of California or any political subdivision of either or any failure of the Authority to observe or perform any agreement, condition, covenant or term contained herein required to be observed and performed by it, whether express or implied, or any duty, liability or obligation arising out of or connected herewith or the insolvency, or deemed insolvency, or bankruptcy or liquidation of the Authority or any force majeure, including Acts of God, tempest, storm, earthquake, war, terrorism, rebellion, riot, civil disorder, acts of public enemies, blockade or embargo, strikes, industrial disputes, lockouts, lack of transportation facilities, fire, explosion, or acts or regulations of governmental authorities.

The District will faithfully observe and perform all the agreements, conditions, covenants and terms contained in the Indenture required to be observed and performed by it, and it is expressly understood and agreed by and among the parties to this Installment Purchase Agreement and the Indenture that, subject to Section 9.07, each of the agreements, conditions, covenants and terms contained in each such agreement is an essential and material term of the purchase of and payment for the Project by the District pursuant to, and in accordance with, and as authorized under the Act.

Section 5.02. Use of Proceeds of Bonds. The District and the Authority agree that the proceeds of the Bonds in an amount associated with the principal components of the Installment Payments payable hereunder will be used by the District, as agent for the Authority, as provided for in the Indenture, including any supplement thereto.

Section 5.03. Against Encumbrances. The District will not make any pledge of or place any lien on any of the Revenues, except as provided in Section 4.05.

The District will pay or cause to be paid when due all sums of money that may become due or purporting to be due for any labor, services, materials, supplies or equipment furnished or alleged to have been furnished to or for the District, in, upon, about or relating to the Project and will keep the Project free of any and all liens against any portion of the Project or the Authority's interest therein. In the event any such lien attaches to or is filed against any portion of the Project or the Authority's interest therein, the District will cause each such lien to be fully discharged and released at the time the performance of any obligation secured by any such lien matures or becomes due, except that if the District desires to contest any such lien it may do so. If any such lien shall be reduced to final judgment and such judgment or any process as may be issued for the enforcement thereof is not promptly stayed, or if so stayed and such stay thereafter expires, the District will forthwith pay or cause to be paid and discharged such judgment. The District will, to

the maximum extent permitted by law, indemnify and hold the Authority and its assignee harmless from, and defend each of them against, any claim, demand, loss, damage, liability or expense (including attorneys' fees) as a result of any such lien or claim of lien against any portion of the Project or the Authority's interest therein.

Section 5.04. Tax Covenants. The District and the Authority each hereby covenant that it shall comply with the covenants and agreements set forth in Section 6.04 of the Indenture as if such provisions were set forth at length herein.

Section 5.05. Prompt Design, Acquisition Construction, Improvement and Installation of the Project. The District will take all necessary and appropriate steps to design, acquire, construct, improve and install the Project, as agent of the Authority, with all practicable dispatch and in an expeditious manner and in conformity with law so as to complete the same as soon as possible.

Section 5.06. Maintenance and Operation of the Project; Rate Covenant; Budget; Insurance.

(a) The District will maintain and preserve the Project in good repair and working order at all times and will operate the Project in an efficient and economical manner and will pay all costs of maintaining and operating the Project as they become due and payable.

(b) The District shall determine annually the costs of the services that are financed by the benefit assessment imposed by the District and that it shall determine and impose assessments (taking into account the Taxes receivable and principal, interest and other obligations owed), subject to applicable law, in an amount that is sufficient to pay the maximum Installment Payments payable in any Fiscal Year plus, without duplication, Maximum Annual Parity Debt Service requirements for any indebtedness secured on a pari passu basis with the Installment Payments.

(c) The District shall take such actions as may be necessary to include all Installment Payments and Additional Payments due hereunder in its annual budgets and to make the necessary annual appropriations for all such Installment Payments and Additional Payments. The covenants on the part of the District herein contained shall be deemed to be and shall be construed to be ministerial duties imposed by law and it shall be the ministerial duty of each and every official of the Districts to take such action and do such things as are required by law in the performance of such official duty of such officials to enable the District to carry out and perform the covenants on the part of the District contained herein.

(d) The District agrees that it will secure and maintain insurance, including but not limited to casualty and title insurance, covering such risks and in such amounts as, in its judgment, are adequate to protect it and its properties and operations, including the Project. The District's obligations under this subsection may be satisfied by self-insurance. Insurance provided by a California joint powers authority of which the District is a member or with which the District contracts for insurance shall be deemed to be self-insurance. Any self-insurance maintained by the District pursuant to this subsection shall be approved in writing by an Independent Insurance Consultant or the County's Risk Manager. The District shall annually deliver to the Trustee a certificate to the effect that the insurance required pursuant to this Section is in effect.

Section 5.07. Compliance with Contracts. The District will comply with, keep, observe and perform all agreements, conditions, covenants and terms, express or implied, required to be performed by it contained in all contracts for the use of the Project and all other contracts affecting or involving the Project to the extent that the District is a party thereto.

Section 5.08. Accounting Records: Financial Statements and Other Reports.

(a) The District will keep appropriate accounting records in which complete and correct entries shall be made of all transactions relating to the Project, which records shall be available for inspection by the Authority and the Trustee (who shall have no duty to so inspect) at reasonable hours and under reasonable conditions.

(b) The District will prepare and file with the Trustee, as a supplement to the financial statements of the County, annually within ten (10) months after the close of each Fiscal Year (commencing with the Fiscal Year ending June 30, 2026), financial statements of the District for the preceding Fiscal Year prepared in accordance with Generally Accepted Accounting Principles, together with an Accountant's Report thereon. The Trustee shall have no duty to review such financial statements.

Section 5.09. Payment of Taxes and Compliance with Governmental Regulations. The District will pay and discharge all taxes, assessments and other governmental charges which may hereafter be lawfully imposed upon the Project or any part thereof when the same shall become due. The District will duly observe and conform with all valid regulations and requirements of any governmental authority relative to the operation of the Project or any part thereof, but the District shall not be required to comply with any regulations or requirements so long as the validity or application thereof shall be contested in good faith

Section 5.10. Insurance; Eminent Domain Proceeds. If all or any part of the Project shall be taken by eminent domain proceedings or the District shall receive proceeds of any insurance, including the proceeds of any self-insurance, received on account of any damage or destruction of the Project or a portion thereof, the Net Proceeds thereof shall be applied, at the option of the District, to the prepayment of the Installment Payments as provided in Article VI or shall be used to substitute other components for the condemned components of the Project pursuant to a supplement to the Installment Purchase Agreement.

Section 5.11. Acquisition of Bonds by District. All Bonds acquired by the District, whether by purchase or gift or otherwise, shall be surrendered by the District to the Trustee for cancellation pursuant to the Indenture.

Section 5.12. Further Assurances. The District will adopt, deliver, execute and make any and all further assurances, instruments and resolutions as may be reasonably necessary or proper to carry out the intention or to facilitate the performance hereof and for the better assuring and confirming unto the Authority of the rights and benefits provided to it herein.

## ARTICLE VI

### PREPAYMENT OF INSTALLMENT PAYMENTS

Section 6.01. Prepay. (a) The District may prepay, from the Net Proceeds as provided herein, all or any part (in integral multiples of \$5,000) of the principal components of the unpaid Installment Payments in such order of payment dates as shall be selected by the District on any date at a prepayment price equal to the sum of the principal components prepaid plus accrued interest thereon to the date of prepayment.

(b) The District may prepay, from any source of available funds, all or any portion of the principal components of the unpaid Installment Payments relating to a Series of Bonds as set forth in the Indenture, including any supplement thereto, in such order of payment dates as shall be selected by the District, at the prepayment price of the principal amount represented by the principal components of Installment Payments to be prepaid, together with accrued interest to the date of prepayment.

Notwithstanding any such prepayment, the District shall not be relieved of its obligations hereunder, including its obligations under Article IV, until the Purchase Price shall have been fully paid (or provision for payment thereof shall have been provided to the written satisfaction of the Authority).

Section 6.02. Method of Prepayment. Before making any prepayment pursuant to Section 6.01, the District shall give written notice to the Authority and the Trustee describing such event and specifying the date on which the prepayment will be paid, which date shall be not less than twenty (20) nor more than seventy-five (75) days from the date such notice is given.

## ARTICLE VII

### EVENTS OF DEFAULT AND REMEDIES OF THE AUTHORITY

Section 7.01. Events of Default. If one or more of the following Events of Default shall happen:

(1) if default shall be made in the due and punctual payment of any Installment Payment when and as the same shall become due and payable;

(2) if default shall be made by the District in the performance of any of the agreements or covenants required herein to be performed by it, and such default shall have continued for a period of sixty (60) days after the District shall have been given notice in writing of such default by the Authority or the Trustee; provided, however, if in the reasonable opinion of the District the failure stated in the notice can be corrected, but not within such sixty (60) day period, and corrective action is instituted by the District within such sixty (60) day period, and pursued diligently in good faith until the default is corrected, such default shall not constitute an Event of Default hereof; or

(3) if the District shall file a petition or answer seeking arrangement or reorganization under the federal bankruptcy laws or any other applicable law of the United

States of America or any state therein, or if a court of competent jurisdiction shall approve a petition filed with or without the consent of the District seeking arrangement or reorganization under the federal bankruptcy laws or any other applicable law of the United States of America or any state therein, or if under the provisions of any other law for the relief or aid of debtors any court of competent jurisdiction shall assume custody or control of the District or of the whole or any substantial part of its property.

Section 7.02. Remedies in General. Upon the occurrence and during the continuance of any Event of Default under this Installment Purchase Agreement, the Authority, at its option, may take such action as it deems necessary or appropriate including, without limitation, any of the following remedial steps:

- (a) Declare all Installment Payments to be due and payable immediately;
- (b) Exercise any or all rights and remedies given hereby or available hereunder or given by or available under any other instrument of any kind securing the District's performance hereunder; and
- (c) Take any action at law or in equity to collect the payments required hereunder then due, for damages or for specific performance or otherwise to enforce performance and observance of any obligations, agreement or covenant of the District hereunder.

Any such action by the Authority, however, is subject to the condition that if, at any time after such action and before any judgment or decree for the payment of the moneys due shall have been obtained or entered, there shall be deposited with the Trustee a sum sufficient to pay all Installment Payments, the payment of which is overdue, with interest on such overdue principal component of such overdue Installment Payments at the rate borne by the respective Bonds, and the reasonable charges and expenses of the Trustee, and any and all other defaults known to the Authority with respect to the Bonds (other than in the payment of the Installment Payments due and payable solely by reason of such action) shall have been made good or cured to the satisfaction of the Authority or provisions deemed by the Authority to be adequate shall have been made therefor, then, and in every such case, the Authority may, rescind and annul such action and its consequences and waive such default; but no such rescission and annulment shall extend to or shall affect any subsequent default, or shall impair or exhaust any right or power consequent thereon.

Section 7.03. Application of Funds Upon Acceleration. All moneys in the Installment Payment Fund upon the date of the declaration of acceleration by the Authority as provided in Section 7.02 and all moneys thereafter received shall be applied in the following order:

First, to the payment of the costs and expenses of the Authority if any, in carrying out the provisions of this article, including reasonable compensation to its agents, accountants and counsel and costs and expenses, including any indemnification expenses, of the Trustee;

Second, to the payment of the interest components on the entire principal components of the unpaid Installment Payments, and, if the amount available shall not be sufficient to pay in full any such interest components coming due on the same date, then to the payment thereof ratably, according to the amounts due thereon without any discrimination or preference; and

Third to the payment of the unpaid principal components of the Installment Payments which have become due, whether on the due date or upon prepayment, in the order of the due dates of each Installment Payment, with interest on the overdue principal and interest components of the unpaid Installment Payments to be paid at the rate or rates of interest then applicable to such Installment Payments if paid in accordance with their terms, and, if the amount available shall not be sufficient to pay in full all the amounts due with respect to the Installment Payments on any date, together with such interest, then to the payment thereof ratably, according to the principal component due on such date, without any discrimination or preference.

Section 7.04. Non-Waiver. Nothing in this article or in any other provision hereof shall affect or impair the obligation of the District, which is absolute and unconditional, to pay the Installment Payments to the Authority at the respective due dates or upon prepayment, or shall affect or impair the right of the Authority, which is also absolute and unconditional, to institute suit to enforce such payment by virtue of the contract embodied herein.

A waiver of any default or breach of duty or contract by the Authority shall not affect any subsequent default or breach of duty or contract or impair any rights or remedies on any such subsequent default or breach of duty or contract. No delay or omission by the Authority to exercise any right or remedy accruing upon any default or breach of duty or contract shall impair any such right or remedy or shall be construed to be a waiver of any such default or breach of duty or contract or an acquiescence therein, and every right or remedy conferred upon the Authority by the Act or by this article may be enforced and exercised from time to time and as often as shall be deemed expedient by the Authority.

If any action, proceeding or suit to enforce any right or exercise any remedy is abandoned or determined adversely to the Authority, the District and the Authority shall be restored to their former positions, rights and remedies as if such action, proceeding or suit had not been brought or taken.

Section 7.05. Remedies Not Exclusive. No remedy herein conferred upon or reserved to the Authority is intended to be exclusive of any other remedy, and each such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing in law or in equity or by statute or otherwise and may be exercised without exhausting and without regard to any other remedy conferred by the Act or any other law.

## ARTICLE VIII

### DISCHARGE OF OBLIGATIONS

#### Section 8.01. Discharge of Obligations.

(a) If the District shall pay or cause to be paid all the Installment Payments of a Series at the times and in the manner provided herein and in the related Supplement, the right, title and interest of the Authority herein and in the related Supplement and the obligations of the District as to any such Series hereunder and under the related Supplement shall thereupon cease, terminate, become void and be completely discharged and satisfied.

(b) Any unpaid principal components of Installment Payments of a Series in integral multiples of \$5,000 shall on their payment dates or dates of prepayment be deemed to have been paid within the meaning of and with the effect expressed in subsection (a) of this section if the District pays such Installment Payments and the prepayment premium, if applicable, in the manner provided herein and in the related Supplement.

(c) All or any portion of unpaid principal components of Installment Payments of a Series in integral multiples of \$5,000 shall, prior to their payment dates or dates of prepayment, be deemed to have been paid within the meaning of and with the effect expressed in subsection (a) of this Section if (i) notice is provided by the District to the Trustee as required by the Indenture, (ii) there shall have been deposited with the Trustee either money in an amount which shall be sufficient, or Defeasance Securities which are not subject to redemption except by the holder thereof prior to maturity (including any such securities issued or held in book-entry form), the interest on and principal of which when paid will provide money which, together with money, if any, deposited with the Trustee, shall be sufficient to pay when due the Installment Payments of such Series on and prior to their payment dates or their dates of prepayment, as the case may be and the accrued interest thereon and prepayment premiums, if applicable, on such Installment Payments, and (iii) an opinion of nationally recognized bond counsel is filed with the Trustee to the effect that the action taken pursuant to this subsection (c) will not cause the interest component on the Installment Payments of such Series so paid to be includable in gross income for federal income tax purposes.

(d) After the payment of all Installment Payments of a Series and any applicable prepayment premium as provided in this Section, and payment of the fees and expenses of the Trustee, the Trustee, upon request of the District, shall cause an accounting for such period or periods as may be requested by the District to be prepared and filed with the District and the Authority and shall execute and deliver to the District and the Authority all such instruments as may be necessary or desirable to evidence such total or partial discharge and satisfaction, as the case may be, and, in the event of a total discharge and satisfaction, the Trustee shall pay over and deliver to the District, as an overpayment of Installment Payments of a Series, all such moneys or such Permitted Investments held by it pursuant hereto other than such moneys and such Permitted Investments as are required for the payment or prepayment of such Installment Payments, which moneys and Permitted Investments shall continue to be held by the Trustee in trust for the payment of such Installment Payments and shall be applied by the Trustee pursuant to the Indenture.

## ARTICLE IX

### MISCELLANEOUS

#### Section 9.01. Amendments.

(a) This Installment Purchase Agreement, and the rights and obligations of the Authority and the District hereunder, may be amended with respect to a Series of Installment Payment Obligations at any time by an amendment hereto which shall become binding upon execution by the Authority and the District, but only with the prior written consent of any Credit Provider for such Installment Payment Obligations or, as to Installment Payment Obligations for which there is no Credit Support Instrument, the Owners of a majority of the principal evidenced

by the related Series of Bonds then Outstanding, provided that no such amendment shall (i) extend the payment date of any Installment Payments, reduce the interest component or principal component of any Installment Payments or change the prepayment terms and provisions, without the prior written consent of the Owner of each Bond so affected or, (ii) reduce the percentage of the principal evidenced by the Bonds of a Series the consent of the Owners of which is required for the execution of any amendment of this Installment Purchase Agreement.

(b) This Installment Purchase Agreement, and the rights and obligations of the District and the Authority hereunder, may also be amended at any time by an amendment hereto or thereto which shall become binding upon execution by the District and the Authority without the written consents of any Owners of a Series of Bonds then Outstanding or any related Credit Provider, but only to the extent permitted by law and only for any one or more of the following purposes:

(i) to add to the agreements, conditions, covenants and terms required by the Authority or the District to be observed or performed herein or therein other agreements, conditions, covenants and terms thereafter to be observed or performed by the Authority or the District, or to surrender any right or power reserved herein or therein to or conferred herein or therein on the Authority or the District, and which in either case shall not materially adversely affect the interests of the affected Credit Provider or the Owners, as applicable;

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

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

(iv) to provide for the execution and delivery of Additional Bonds in accordance with the provisions of Sections 9.05 of the Indenture or to provide for modification of the Project; or

(v) to make such other changes herein or therein or modifications hereto as the Authority or the District may deem desirable or necessary, and which shall not materially adversely affect the interests of the affected Credit Provider or the Owners, as applicable.

Section 9.02. Benefits of Installment Purchase Agreement Limited to Parties. Nothing contained herein, expressed or implied, is intended to give to any person other than the District, the Authority or the Trustee any right, remedy or claim under or pursuant hereto, and any agreement or covenant required herein to be performed by or on behalf of the District or the Authority shall be for the sole and exclusive benefit of the other party and the Trustee.

Section 9.03. Successor Is Deemed Included in all References to Predecessor. Whenever either the District or the Authority is named or referred to herein, such reference shall be deemed

to include the successor to the powers, duties and functions that are presently vested in the District or the Authority, and all agreements and covenants required hereby to be performed by or on behalf of the District or the Authority shall bind and inure to the benefit of the respective successors thereof whether so expressed or not.

Section 9.04. Waiver of Personal Liability. No director, officer or employee of the District shall be individually or personally liable for the payment of the Installment Payments, but nothing contained herein shall relieve any director, officer or employee of the District from the performance of any official duty provided by any applicable provisions of law or hereby.

Section 9.05. Article and Section Headings. Gender and References. The headings or titles of the several articles and sections hereof and the table of contents appended hereto shall be solely for convenience of reference and shall not affect the meaning, construction or effect hereof, and words of any gender shall be deemed and construed to include all genders. All references herein to “Articles,” “Sections,” “Exhibits” and other subdivisions or clauses are to the corresponding articles, sections, exhibits, subdivisions or clauses hereof; and the words “hereby,” “herein,” “hereof,” “hereto,” “herewith” and other words of similar import refer to this Installment Purchase Agreement as a whole and not to any particular article, section, exhibit, subdivision or clause hereof.

Section 9.06. Partial Invalidity. If any one or more of the agreements or covenants or portions thereof required hereby to be performed by or on the part of the District or the Authority shall be contrary to law, then such agreement or agreements, such covenant or covenants or such portions thereof shall be null and void and shall be deemed separable from the remaining agreements and covenants or portions thereof and shall in no way affect the validity hereof. The District and the Authority hereby declare that they would have executed this Installment Purchase Agreement, and each and every other article, section, paragraph, subdivision, sentence, clause and phrase hereof irrespective of the fact that any one or more articles, sections, paragraphs, subdivisions, sentences, clauses or phrases hereof or the application thereof to any person or circumstance may be held to be unconstitutional, unenforceable or invalid.

Section 9.07. Assignment. This Installment Purchase Agreement and any rights hereunder may be assigned by the Authority, as a whole or in part, without the necessity of obtaining the prior consent of the District.

Section 9.08. Net Contract. This Installment Purchase Agreement shall be deemed and construed to be a net contract, and the District shall pay absolutely net during the term hereof of the Installment Payments and all other payments required hereunder, free of any deductions and without abatement, diminution or set-off whatsoever.

Section 9.09. California Law. This Installment Purchase Agreement shall be construed and governed in accordance with the laws of the State of California.

Section 9.10. Notices. All written notices to be given hereunder shall be given by mail to the party entitled thereto at its address set forth below, or at such other address as such party may provide to the other party in writing from time to time, namely:

If to the District: Los Angeles County Flood Control District  
900 South Fremont Avenue  
Alhambra, California 91803  
Attention: Director of Public Works

with a copy to: Los Angeles County Flood Control District  
900 South Fremont Avenue  
Alhambra, California 91803  
Attention: Assistant Deputy Director, Finance, Public  
Works

If to the Authority: Los Angeles County Public Works  
Financing Authority  
Kenneth Hahn Hall of Administration  
500 West Temple Street, Room 437  
Los Angeles, California 90012  
Attention: Treasurer and Tax Collector

Section 9.11. Effective Date. This Installment Purchase Agreement shall become effective upon its execution and delivery, and shall terminate when the Purchase Price shall have been fully paid (or provision for the payment thereof shall have been made to the written satisfaction of the Authority).

Section 9.12. Execution in Counterparts. This Installment Purchase Agreement may be executed in several counterparts, each of which shall be deemed an original, and all of which shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have executed and this Installment Purchase Agreement by their officers thereunto duly authorized as of the day and year first above written.

**LOS ANGELES COUNTY FLOOD  
CONTROL DISTRICT**

ATTEST:  
EDWARD YEN  
Executive Officer – Clerk of the Board

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

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

**LOS ANGELES COUNTY PUBLIC  
WORKS FINANCING AUTHORITY**

ATTEST:  
Secretary

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

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

EXHIBIT A

DESCRIPTION OF THE PROJECT

[To come.]

EXHIBIT B

INSTALLMENT PAYMENT SCHEDULE

Los Angeles County Public Works Financing Authority  
Revenue Bonds  
(Los Angeles County Flood Control District) Series 2026[A]

Dated Date [Closing Date]  
Delivery Date [Closing Date]

| <u>Payment Date</u> | <u>Delivery Date</u> | <u>Semiannual<br/>Interest</u> | <u>Total Payment</u> |
|---------------------|----------------------|--------------------------------|----------------------|
|---------------------|----------------------|--------------------------------|----------------------|

\$[\_\_\_\_\_]  
**LOS ANGELES COUNTY PUBLIC WORKS FINANCING AUTHORITY**  
**Revenue Bonds**  
**(Los Angeles County Flood Control District) Series 2026A**

**BOND PURCHASE AGREEMENT**

[\_\_\_\_], 2026

Los Angeles County Public Works Financing Authority  
Los Angeles, California

Los Angeles County Flood Control District  
Los Angeles, California

Ladies and Gentlemen:

The undersigned, Jefferies LLC (the “Underwriter”), offers to enter into this Bond Purchase Agreement (the “Bond Purchase Agreement”) with the Los Angeles County Public Works Financing Authority (the “Authority”) and the Los Angeles County Flood Control District (the “District”), a flood control district duly organized and existing under and by virtue of the laws of the State of California (the “State”), which, upon acceptance of this offer by the Authority and the District, will be binding upon the Authority, the District and the Underwriter. This offer is made subject to written acceptance hereof by the Authority and the District at or before 8:00 p.m., California time, on the date first above written, and if not so accepted will be subject to withdrawal by the Underwriter upon notice delivered to the Authority and the District at any time prior to the acceptance hereof by the Authority and the District. Capitalized terms in this Bond Purchase Agreement that are not otherwise defined herein shall have the meanings given to such terms in the Indenture (as defined herein).

**1. Purchase and Sale.** Upon the terms and conditions and upon the basis of the representations, warranties, covenants and agreements hereinafter set forth, the Underwriter hereby agrees to purchase from the Authority to offer to the public, and the Authority hereby agrees to cause, U.S. Bank Trust Company, National Association, as trustee (the “Trustee”), to deliver to the Underwriter for such purpose, all (but not less than all), in the manner provided herein, of the Authority’s \$[\_\_\_\_\_] aggregate principal amount of Los Angeles County Public Works Financing Authority Revenue Bonds (Los Angeles County Flood Control District) Series 2026A (the “Series 2026A Bonds”). The Series 2026A Bonds are being issued pursuant to the Indenture, dated as of [\_\_\_\_\_] 1, 2026, by and among the Authority, the District and the Trustee (the “Indenture”).

The Series 2026A Bonds shall be delivered in fully registered form in denominations of \$5,000 or any integral multiple thereof. The Series 2026A Bonds shall be dated their date of delivery and mature on the dates and in the principal amounts, and shall be computed at the interest rates, all as shown in Exhibit A. Interest on the Series 2026A Bonds will be payable semiannually each March 1 and September 1, commencing on September 1, 2026. The Series 2026A Bonds

shall otherwise be as described in the Official Statement (as defined herein) and be subject to redemption as provided therein.

The aggregate purchase price of the Series 2026A Bonds shall be \$[\_\_\_\_\_] representing the aggregate principal amount of the Series 2026A Bonds, [plus/less] original issue [premium/discount] of \$[\_\_\_\_\_] and less underwriter's discount of \$[\_\_\_\_\_].

The Authority and the District acknowledge and agree that: (a) the purchase and sale of the Series 2026A Bonds pursuant to this Bond Purchase Agreement is an arm's-length commercial transaction between (i) the Authority and the District and (ii) the Underwriter; (b) the Underwriter is acting solely as underwriter and principal in connection with the matters contemplated by and all communications under this Bond Purchase Agreement, and is not acting as the agent or fiduciary or Municipal Advisor (as defined in Section 15B of the Securities and Exchange Act of 1934) of the Authority or the District and their advisors in connection with the matters contemplated by this Bond Purchase Agreement; (c) the Underwriter has financial and other interests that differ from those of the Authority and the District; and (d) in connection with the purchase and sale of the Series 2026A Bonds, the Authority and the District have consulted their own financial, legal and other advisors to the extent they have deemed appropriate. The Authority and the District also acknowledge that they previously received from the Underwriter a letter regarding Municipal Securities Rulemaking Board ("MSRB") Rule G-17 Disclosures, and that they have provided to the Underwriter an acknowledgement of such letter.

**2. The Series 2026A Bonds.** The Series 2026A Bonds shall be issued in accordance with Article 4 of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California, as amended (the "Act"), the Indenture, a Resolution of the Authority approving the issuance of the Series 2026A Bonds and certain matters relating thereto (the "Authority Resolution"), a Resolution of the County of Los Angeles (the "County Resolution"), and a Resolution of the District approving the issuance of the Series 2026A Bonds and certain matters relating thereto (the "District Resolution").

The Series 2026A Bonds are special obligations of the Authority that are secured solely by installment payments (the "Installment Payments") made pursuant to an Installment Purchase Agreement, dated as of [\_\_\_\_\_] 1, 2026 (the "Installment Purchase Agreement"), by and between the Authority and the District. The Installment Payments will be assigned to the Trustee by the Authority pursuant to the Indenture.

**3. Purpose of the Series 2026A Bonds.** The proceeds of the Series 2026A Bonds will be used to (i) finance the acquisition, construction and installation of the San Gabriel Reservoir Post-Fire Emergency Restoration Project Part 2 and the San Gabriel Reservoir Restoration Project (Bridge Fire) and (ii) pay certain costs of issuance incurred in connection with the Series 2026A Bonds.

**4. Offering.** (a) It shall be a condition to the Authority's obligation to sell and issue the Series 2026A Bonds to the Underwriter and to the Underwriter's obligation to purchase, to accept delivery of and to pay for the Series 2026A Bonds that the entire aggregate principal amount of the Series 2026A Bonds referred to in Section 1 shall be issued by the Authority and purchased, accepted and paid for by the Underwriter at Closing (as defined herein). The Underwriter agrees

to make an initial public offering of all of the Series 2026A Bonds at the public offering prices (or yields) set forth on Exhibit A attached hereto and incorporated herein by reference. Subject to the provisions set forth in Section 5 below, subsequent to the initial public offering, the Underwriter reserves the right to change the public offering prices (or yields) as the Underwriter deems necessary in connection with the marketing of the Series 2026A Bonds, provided that the Underwriter shall not change the interest rates set forth on Exhibit A. Subject to the provisions set forth in Section 5 below, the Series 2026A Bonds may be offered and sold to certain dealers (including dealers depositing the Series 2026A Bonds into investment trusts) at prices lower than such initial public offering prices. The District and the Authority hereby authorize the use by the Underwriter of this Bond Purchase Agreement, the Indenture, the Installment Purchase Agreement, the Authority Resolution, the District Resolution, the County Resolution, the Continuing Disclosure Certificate, dated the date of Closing (as defined herein) (the “Continuing Disclosure Certificate”) (collectively, the “Legal Documents”), the Official Statement (hereinafter defined), and any supplements or amendments thereto, and the information contained in each of such documents, in connection with the public offering and sale of the Series 2026A Bonds.

(b) The Underwriter agrees as follows:

(i) to file, on or before the date of Closing, a copy of the Official Statement, including any supplements thereto, with the MSRB through its Electronic Municipal Market Access system; and

(ii) to comply with rules of the Securities & Exchange Commission and the MSRB which are applicable to the Underwriter governing the offering, sale and delivery of the Series 2026A Bonds to the ultimate purchasers.

## **5. Establishment of Issue Price.**

(a) The Underwriter, agrees to assist the Authority in establishing the issue price of the Series 2026A Bonds and shall execute and deliver to the Authority at Closing an “issue price” or similar certificate substantially in the form attached hereto as Exhibit A, together with the supporting pricing wires or equivalent communications, with modifications to such certificate as may be deemed appropriate or necessary, in the reasonable judgment of the Underwriter, the Authority and Bond Counsel, to accurately reflect, as applicable, the sales price or prices or the initial offering price or prices to the public of the Series 2026A Bonds.

(b) Except for the maturities set forth in Exhibit A attached hereto, the Authority will treat the first price at which 10% of each maturity of the Series 2026A Bonds (the “10% test”) is sold to the public as the issue price of that maturity (if different interest rates apply within a maturity, each separate CUSIP number within that maturity will be subject to the 10% test).

(c) The Underwriter confirms that it has offered the Series 2026A Bonds to the public on or before the date of this Bond Purchase Agreement at the offering price or prices (the “initial offering price”), or at the corresponding yield or yields, set forth in the final official statement. Exhibit B sets forth, as of the date of this Bond Purchase Agreement, the maturities, if any, of the Series 2026A Bonds for which the 10% test has not been satisfied and for which the Authority and the Underwriter agree that the restrictions set forth in the next sentence shall apply (the “hold-the-

offering-price rule”). So long as the hold-the-offering-price rule remains applicable to any maturity of the Series 2026A Bonds, the Underwriter will neither offer nor sell unsold Series 2026A Bonds of that maturity to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

- (i) the close of the fifth (5<sup>th</sup>) business day after the sale date; or
- (ii) the date on which the Underwriter has sold at least 10% of that maturity of the Series 2026A Bonds to the public at a price that is no higher than the initial offering price to the public.

(d) The Authority acknowledges that, in making the representation set forth in this subsection, the Underwriter will rely on (i) in the event a selling group has been created in connection with the initial sale of the Series 2026A Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the requirements for establishing issue price of the Series 2026A Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Series 2026A Bonds, as set forth in a selling group agreement and the related pricing wires, and (ii) in the event that the Underwriter is a party to a third-party distribution agreement that was employed in connection with the initial sale of the Series 2026A Bonds to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the requirements for establishing issue price of the Series 2026A Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Series 2026A Bonds, as set forth in the third-party distribution agreement and the related pricing wires. The Authority further acknowledges that the Underwriter shall be solely liable for its failure to comply with its agreement to comply with the requirements for establishing issue price of the Series 2026A Bonds, including, but not limited to, its agreement to comply with the hold the offering price rule, if applicable to the Series 2026A Bonds and that the Underwriter shall not be liable for the failure of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a third-party distribution agreement to comply with its corresponding agreement to comply with the requirements for establishing issue price of the Series 2026A Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Series 2026A Bonds.

(e) The Underwriter confirms that:

- (i) any selling group agreement and each third-party distribution agreement (to which the Underwriter is a party) relating to the initial sale of the Series 2026A Bonds to the public, together with the related pricing wires, contains or will contain language obligating each dealer who is a member of the selling group, and each broker-dealer that is a party to such third-party distribution agreement, as applicable, to (A)(i) report the prices at which it sells to the public the unsold Series 2026A Bonds of each maturity allocated to it until either all Series 2026A Bonds of that maturity allocated to it have been sold or it is notified by the Underwriter that the 10% test has been satisfied as to the Series 2026A Bonds of that maturity and (ii) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the Underwriter and as set forth in the related pricing wires, and (B) promptly notify the Underwriter of any sales of Series 2026A Bonds that, to its knowledge, are made to a purchaser who is a related party to an underwriter

participating in the initial sale of the Series 2026A Bonds to the public (each such term being used as defined below), and (C) acknowledge that, unless otherwise advised by the dealer or broker-dealer, the Underwriter shall assume that each order submitted by the dealer or broker-dealer is a sale to the public.

(ii) any selling group agreement relating to the initial sale of the Series 2026A Bonds to the public, together with the related pricing wires, contains or will contain language obligating each dealer and broker-dealer that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the Series 2026A Bonds to the public to require each broker-dealer that is a party to such third-party distribution agreement to (A)(1) report the prices at which it sells to the public the unsold Series 2026A Bonds of each maturity allocated to it until either all Series 2026A Bonds of that maturity allocated to it have been sold or it is notified by the Underwriter that the 10% test has been satisfied as to the Series 2026A Bonds of that maturity and (2) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the Underwriter, the dealer and the broker-dealer and as set forth in the related pricing wires.

(f) The Underwriter acknowledges that sales of any Series 2026A Bonds to any person that is a related party to the Underwriter participating in the initial sale of the Series 2026A Bonds to the public (each such term being used as defined below) shall not constitute sales to the public for purposes of this section. Further, for purposes of this section:

(i) “public” means any person other than an underwriter or a related party to an underwriter,

(ii) “underwriter” means (A) any person that agrees pursuant to a written contract with the Authority (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Series 2026A Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Series 2026A 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 Series 2026A Bonds to the public),

(iii) a purchaser of any of the Series 2026A Bonds is a “related party” to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (i) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and

(iv) “sale date” means the date of execution of this Bond Purchase Agreement by all parties.

**6. Official Statement.** Upon the Authority's and the District's acceptance of this offer, the Authority and the District shall be deemed to have ratified, approved and confirmed the Preliminary Official Statement dated [\_\_\_\_], 2026 (together with any appendices thereto, any documents incorporated therein by reference and any supplements or amendments thereto and as disseminated in its printed physical form or in electronic form in all respects materially consistent with such physical form, the "Preliminary Official Statement") with respect to the Series 2026A Bonds, in connection with the public offering and sale of the Series 2026A Bonds by the Underwriter. The Authority shall deliver the Official Statement to the Underwriter in "designated electronic format" (as defined in Rule G-32 of the Municipal Securities Rulemaking Board) dated the date hereof, substantially in the form of the Preliminary Official Statement, with only such changes as shall have been accepted by the Underwriter (said document, including its cover page, inside cover page and appendices, as the same may be amended and supplemented in accordance with this Bond Purchase Agreement and as disseminated in its printed physical form or in electronic form in all respects materially consistent with such physical form, the "Official Statement"), approved for distribution pursuant to the Authority Resolution and the District Resolution. The Authority shall, as soon as practicable, but not later than seven (7) business days from the date hereof, deliver to the Underwriter in designated electronic format the Official Statement and, in the event the date of Closing is less than seven (7) business days after the date hereof, upon request of the Underwriter, in sufficient time to accompany any confirmation requesting payment from any customers of the Underwriter and not later than three (3) business days prior to Closing; provided, however, that the failure of the District to comply with this requirement due to any circumstance outside of the control of the District shall not constitute cause for a failure of or refusal by the Underwriter to accept delivery of, or pay for, the Series 2026A Bonds.

**7. Representations, Warranties and Agreements of the District.** The District hereby represents, warrants and agrees with the Underwriter as follows:

(a) the District is, and will be on the date of Closing, a flood control district duly organized and existing under and by virtue of the laws of the State with the full power and authority to execute and deliver the Official Statement and the Legal Documents to be executed by it and to own its properties and to carry on its business as presently conducted;

(b) by official action of the District, prior to or concurrently with the acceptance hereof, the District has duly authorized and approved the execution and delivery of, and the performance by the District of the obligations on its part contained in, the Legal Documents to be executed by it and the consummation by it of all other transactions contemplated by the Legal Documents;

(c) this Bond Purchase Agreement has been, as of the date hereof, and the other Legal Documents will be as of the date of Closing, duly authorized, executed and delivered by the District, and upon due execution by the other parties thereto, will constitute the legal, valid and binding agreements of the District, enforceable in accordance with their respective terms, except as enforcement thereof may be limited by bankruptcy, insolvency or other laws affecting enforcement of creditors' rights generally and by the application of equitable principles if equitable remedies are sought;

(d) the Operating Agreement between the District and the County of Los Angeles (the “Operating Agreement”) is in full force and effect;

(e) the Preliminary Official Statement and the Official Statement, as of their respective dates, have been duly authorized by the District;

(f) to the best knowledge of the District, the execution and delivery of the Legal Documents by the District and compliance with the provisions on the District’s part contained herein and therein, will not in any material respect conflict with or constitute a breach of or default under any law, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the District is a party or to which the District or any of its assets is otherwise subject, nor will any such execution, delivery, adoption or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the properties or assets of the District under the terms of any such law, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement or other instrument, except as provided in the Legal Documents executed by the District;

(g) to the best knowledge of the District, the District is not in breach of or default under any applicable law or administrative regulation of the State or any applicable judgment or decree or any loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the District is a party or is otherwise subject, which breach or default would materially adversely affect the District ability to enter into or perform its obligations under the Legal Documents to be executed by it, and, no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute such a breach or default;

(h) to the best knowledge of the District, and except as disclosed in the Preliminary Official Statement and in the Official Statement, there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, governmental agency, public board or body, pending in which service of process has been completed against the District or threatened against the District in any material respect affecting the existence of the District or the titles of its officers to their respective offices or seeking to prohibit, restrain or enjoin the adoption of the District Resolution or the payment of Installment Payments as required under the Installment Purchase Agreement or in any way contesting or affecting the validity or enforceability of the Act, the Operating Agreement or the Legal Documents or contesting the powers of the District or its authority to enter into, adopt or perform its obligations under any of the foregoing, or contesting in any way the completeness or accuracy of the Preliminary Official Statement or the Official Statement, or any amendment or supplement thereto, wherein an unfavorable decision, ruling or finding would materially adversely affect the validity or enforceability of the Legal Documents to be executed by the District or this Bond Purchase Agreement or the Operating Agreement or that could have a material adverse impact upon the ability of the District to enter into or perform its obligations under such documents or that may result in any material adverse change in the business, properties, assets or the financial condition of the District or in any way contesting the existence or powers of the District;

(i) the District will furnish such information, execute such instruments and take such other actions in cooperation with the Underwriter as the Underwriter may reasonably request in

order (i) to qualify the Series 2026A Bonds for offer and sale under the blue sky or other securities laws and regulations of such states and other jurisdictions of the United States as the Underwriter may designate and (ii) to determine the eligibility of the Series 2026A Bonds for investment under the laws of such states and other jurisdictions, and will use its best efforts to continue such qualification in effect so long as required for distribution of the Series 2026A Bonds; provided, however, that in no event shall the District be required to qualify to do business or consent to service of process in any jurisdiction without its approval;

(j) the information contained in the Preliminary Official Statement was, as of the date thereof, and is, as of the date hereof (excluding any information permitted to be omitted pursuant to Rule 15c2-12 of the Securities and Exchange Commission (“Rule 15c2-12”)), the information contained in the Official Statement is and will be, as of the date hereof and as of the date of Closing, true and correct in all material respects and such information did not, does not and will not, as applicable, contain any untrue or misleading statement of a material fact or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(k) if between the date hereof and the date which is 25 days after the End of the Underwriting Period for the Series 2026A Bonds, an event occurs which might or would cause the information contained in the Official Statement, as then supplemented or amended, to contain an untrue statement of a material fact or to omit to state a material fact necessary to make such information therein, in the light of the circumstances under which it was presented, not misleading, the District will notify the Underwriter, and, if in the reasonable opinion of the Underwriter, such event requires the preparation and publication of a supplement or amendment to the Official Statement, the District shall cooperate with the Authority in preparing and furnishing to the Underwriter (at the expense of the District) a reasonable number of copies of an amendment or supplement to the Official Statement (in form and substance satisfactory to counsel for the Underwriter) that will amend or supplement the Official Statement so that it will not contain an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances existing at the time the Official Statement is delivered to prospective purchasers, not misleading; provided that, for the purposes of this subsection, between the date hereof and the date that is 25 days after the End of the Underwriting Period for the Series 2026A Bonds, the District will furnish such information with respect to itself as the Underwriter may from time to time reasonably request; provided, further, as used in this Bond Purchase Agreement, the term “End of the Underwriting Period” for the Series 2026A Bonds shall mean the earlier of (i) the date of Closing unless the District and the Authority shall have been notified in writing to the contrary by the Underwriter on or prior to said date or (ii) the date on which the End of the Underwriting Period for the Series 2026A Bonds has occurred under Rule 15c2-12, provided, however, that the District and the Authority may treat as the End of the Underwriting Period for the Series 2026A Bonds as the date specified as such in a notice from the Underwriter stating the date that is the End of the Underwriting Period;

(l) if the information contained in the Official Statement is amended or supplemented pursuant to the terms hereof, at the time of each supplement or amendment thereto and (unless subsequently again supplemented or amended pursuant to such subparagraph) at all times subsequent thereto up to and including the date which is 25 days after the End of the Underwriting Period for the Series 2026A Bonds, the District will further amend or supplement the Official

Statement so that the Official Statement, as supplemented or amended (including any financial and statistical data contained therein), will not contain any untrue statement of a material fact or omit to state a material fact necessary to make such information therein, in the light of the circumstances under which it was presented, not misleading;

(m) except as may be required under blue sky or other securities laws of any state, no consent, approval, authorization or order of any State court or governmental body is required for the consummation by the District of the transactions contemplated by the Official Statement, except such as have been obtained and except such as may be required under state securities or blue sky laws in connection with the purchase and distribution of the Series 2026A Bonds by the Underwriter;

(n) after the date of Closing, the District will not participate in the issuance of any amendment of or supplement to the Official Statement to which, after being furnished with a copy, the Underwriter shall reasonably object in writing or which shall be disapproved by counsel for the Underwriter;

(o) except as set forth in the Official Statement, the District has not within the last five years failed to comply in any material respect with any continuing disclosure undertakings with regard to Rule 15c2-12;

(p) the financial statements of, and other financial information regarding, the District contained in the Official Statement fairly present the financial position and results of the operations of the District as of the dates and for the periods therein set forth, and, to the best of the District's knowledge, (i) the audited financial statements have been prepared in accordance with generally accepted accounting principles consistently applied, and (ii) the other financial information has been determined on a basis substantially consistent with that of the District's audited financial statements included in the Official Statement; and

(q) any certificate signed by an Authorized District Representative and delivered to the Underwriter pursuant to this Bond Purchase Agreement shall be deemed a representation and warranty by the District to the Underwriter as to the truth of the statements therein made; and

**8. Representations, Warranties and Agreements of the Authority.** The Authority represents, warrants and agrees with the Underwriter as follows:

(a) the Authority is, and will be on the date of Closing, a joint exercise of powers authority duly organized and operating pursuant to Chapter 5, Division 7, Title 1 of the California Government Code with the full power and authority to issue the Series 2026A Bonds, execute and deliver the Legal Documents to be executed by it and own its properties and carry on its business as presently conducted;

(b) by official action of the Authority prior to or concurrently with the acceptance hereof, the Authority has duly authorized and approved the execution and delivery of, and the performance by the Authority of the obligations on its part contained in the Legal Documents to be executed by it and the consummation by it of all other transactions contemplated by the Legal Documents;

(c) this Bond Purchase Agreement has been, as of the date hereof, and the other Legal Documents will be as of the date of Closing, duly authorized, executed and delivered by the Authority, and upon due execution by the other parties thereto, will constitute the legal, valid and binding agreements of the Authority, enforceable in accordance with their respective terms, except as enforcement thereof may be limited by bankruptcy, insolvency or other laws affecting enforcement of creditors' rights generally and by the application of equitable principles if equitable remedies are sought;

(d) The Preliminary Official Statement and the Official Statement, as of their respective dates, have been duly authorized by the Authority;

(e) to the best knowledge of the Authority, the issuance of the Series 2026A Bonds and the execution and delivery of the Legal Documents by the Authority and compliance with the provisions on the Authority's part contained herein and therein, will not in any material respect conflict with or constitute a breach of or default under any law, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the Authority is a party or is otherwise subject, nor will any such execution, delivery, adoption or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the properties or assets of the Authority under the terms of any such law, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement or other instrument, except as provided in the Series 2026A Bonds or the Legal Documents executed by the Authority;

(f) to the best knowledge of the Authority, the Authority is not in breach of or default under any applicable law or administrative regulation of the State or any applicable judgment or decree or any loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the Authority is a party or is otherwise subject, which breach or default would materially adversely affect the Authority's ability to issue the Series 2026A Bonds or enter into or perform its obligations under the Legal Documents to be executed by it, and, no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute such a breach or default;

(g) to the best knowledge of the Authority, there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, governmental agency, public board or body, pending in which service of process has been completed against the Authority or threatened against the Authority in any material respect affecting the existence of the Authority or the titles of its officers to their respective offices or seeking to prohibit, restrain or enjoin the adoption of the Authority Resolution or the sale, execution or delivery of the Series 2026A Bonds or the payment of principal and interest on the Series 2026A Bonds or in any way contesting or affecting the validity or enforceability of the Series 2026A Bonds, the Legal Documents or contesting the powers of the Authority or its authority to enter into, adopt or perform its obligations under any of the foregoing, or contesting in any way the completeness or accuracy of the Preliminary Official Statement or the Official Statement, or any amendment or supplement thereto, wherein an unfavorable decision, ruling or finding would materially adversely affect the validity or enforceability of the Legal Documents to be executed by the Authority or this Bond Purchase Agreement or that could have a material adverse impact upon the ability of the Authority to issue the Series 2026A Bonds or enter into or perform its obligations under such documents or that may

result in any material adverse change in the business, properties, assets or the financial condition of the Authority or in any way contesting the existence or powers of the Authority;

(h) the Authority will furnish such information, execute such instruments and take such other actions in cooperation with the Underwriter as the Underwriter may reasonably request in order (i) to qualify the Series 2026A Bonds for offer and sale under the blue sky or other securities laws and regulations of such states and other jurisdictions of the United States as the Underwriter may designate and (ii) to determine the eligibility of the Series 2026A Bonds for investment under the laws of such states and other jurisdictions, and will use its best efforts to continue such qualification in effect so long as required for distribution of the Series 2026A Bonds; provided, however, that in no event shall the Authority be required to qualify to do business or consent to service of process in any jurisdiction without its approval;

(i) the information contained in the Preliminary Official Statement was, as of the date thereof, and is, as of the date hereof (excluding any information permitted to be omitted pursuant to Rule 15c2-12), the information contained in the Official Statement is and will be, as of the date hereof and as of the date of Closing, true and correct in all material respects and such information did not, does not and will not, as applicable, contain any untrue or misleading statement of a material fact or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(j) if between the date hereof and the date which is 25 days after the End of the Underwriting Period for the Series 2026A Bonds, an event occurs which might or would cause the information contained in the Official Statement, as then supplemented or amended, to contain an untrue statement of a material fact or to omit to state a material fact necessary to make such information therein, in the light of the circumstances under which it was presented, not misleading, the Authority will notify the Underwriter, and, if in the reasonable opinion of the Underwriter, such event requires the preparation and publication of a supplement or amendment to the Official Statement, the Authority shall forthwith prepare and furnish to the Underwriter (at the expense of the District) a reasonable number of copies of an amendment of or supplement to the Official Statement (in form and substance satisfactory to counsel for the Underwriter) that will amend or supplement the Official Statement so that it will not contain an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances existing at the time the Official Statement is delivered to prospective purchasers, not misleading; provided that, for the purposes of this subsection, between the date hereof and the date that is 25 days after the End of the Underwriting Period for the Series 2026A Bonds, the Authority will furnish such information with respect to itself as the Underwriter may from time to time reasonably request;

(k) if the information contained in the Official Statement is amended or supplemented pursuant to the terms hereof, at the time of each supplement or amendment thereto and (unless subsequently again supplemented or amended pursuant to such subparagraph) at all times subsequent thereto up to and including the date which is 25 days after the End of the Underwriting Period for the Series 2026A Bonds, the Authority will further amend or supplement the Official Statement so that the Official Statement, as supplemented or amended (including any financial and statistical data contained therein), will not contain any untrue statement of a material fact or omit

to state a material fact necessary to make such information therein, in the light of the circumstances under which it was presented, not misleading;

(l) except as may be required under blue sky or other securities laws of any state, no consent, approval, authorization or order of any State court or governmental body is required for the consummation by the Authority of the transactions contemplated by the Official Statement, except such as have been obtained and except such as may be required under state securities or blue sky laws in connection with the purchase and distribution of the by the Underwriter;

(m) after the date of Closing, the Authority will not participate in the issuance of any amendment of or supplement to the Official Statement to which, after being furnished with a copy, the Underwriter shall reasonably object in writing or which shall be disapproved by counsel for the Underwriter; and

(n) any certificate signed by an Authorized Authority Representative and delivered to the Underwriter pursuant to this Bond Purchase Agreement shall be deemed a representation and warranty by the Authority to the Underwriter as to the truth of the statements therein made.

**9. Closing Date.** At 9:00 a.m., California time, on [\_\_\_\_], 2026 or at such other date and time as shall have been mutually agreed upon by the Authority, the District, and the Underwriter, subject to the terms and conditions of this Bond Purchase Agreement, the Authority will deliver or cause to be delivered to the Underwriter at the office of Hawkins Delafield & Wood LLP, Los Angeles, California (“Bond Counsel”), or such other place or delivered in such other manner as shall have been mutually agreed upon by the Authority, the District, and the Underwriter, the documents required to be delivered pursuant to Section 10(f) of this Bond Purchase Agreement and, the Underwriter will accept delivery of such documents (such delivery and acceptance of documents are herein called the “Closing”).

If the Closing is completed in accordance with the provisions of this Bond Purchase Agreement, or at such other date and time as shall have been mutually agreed upon by the Authority, the District and the Underwriter, the Authority will issue or cause to be issued to the Underwriter the Series 2026A Bonds in definite form duly executed and authenticated by the Trustee in book-entry form through the facilities of The Depository Trust Company, New York, New York (“DTC”) as described below, or at such other place upon which the Underwriter, the Authority and the District may mutually agree, and the other documents hereinafter mentioned in Section 10(e) shall be delivered at the office of Bond Counsel, or at such other place as shall have been mutually agreed upon by the Authority, the District and the Underwriter. Subject to the terms and conditions hereof, the Underwriter will accept delivery of the Series 2026A Bonds and pay the purchase price thereof as set forth herein in federal or other immediately available funds (such delivery of and payment for the Series 2026A Bonds is herein called the “Closing”). The Series 2026A Bonds shall be prepared and delivered to the Underwriter on the date of Closing in the form of one bond for each maturity of the Series 2026A Bonds, fully registered in the name of Cede & Co., as nominee of DTC. The Series 2026A Bonds shall be made available to the Underwriter at least one (1) business day before the date of Closing for purposes of inspection.

**10. Closing Conditions.** The Underwriter has entered into this Bond Purchase Agreement in reliance upon the representations, warranties and agreements of the Authority and

the District contained herein, the representations, warranties and agreements to be contained in the documents and instruments to be delivered at Closing, as applicable and upon the performance by the Authority and the District of their respective obligations herein, both as of the date hereof, as of the date of Closing. Accordingly, the Underwriter's obligations under this Bond Purchase Agreement to purchase, accept issuance of, and pay for the Series 2026A Bonds shall be conditioned upon the performance by the Authority and the District of their obligations to be performed herein and the accuracy and delivery of the documents and instruments required to be delivered hereby at or prior to the date of Closing, and shall also be subject to the following additional conditions:

(a) the representations and warranties of the Authority and the District contained or incorporated herein shall be true, complete and correct in all material respects at the date hereof, on and as of the date of Closing, as if made on such dates;

(b) at the time of Closing, this Bond Purchase Agreement, the Operating Agreement and the other Legal Documents shall be in full force and effect as valid and binding agreements between the various parties thereto, and the Legal Documents and the Official Statement, shall not have been amended, modified or supplemented after the date thereof, except as may have been agreed to in writing by the Underwriter, there shall be in full force and effect such resolutions as, in the opinion of Bond Counsel, shall be necessary in connection with the transactions contemplated hereby and by the Legal Documents and the District and the Authority shall have performed their obligations required under or specified in the Bond Purchase Agreement and the Legal Documents to be performed at or prior to Closing;

(c) at the time of Closing, all official actions of the Authority, the County of Los Angeles and the District relating to the Legal Documents and the Series 2026A Bonds shall be in full force and effect in accordance with their respective terms and shall not have been amended, modified or supplemented in any material respect from the date hereof except as may have been agreed to in writing by the Underwriter;

(d) at the time of Closing, the Official Statement (as amended and supplemented) shall be true and correct in all material respects, and shall not omit any statement or information necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(e) at or prior to the time of Closing, the Underwriter shall receive the following documents, in each case reasonably satisfactory in form and substance to the Underwriter:

(i) the Official Statement and each supplement or amendment thereto, if any;

(ii) executed copies of the Legal Documents and the Operating Agreement;

(iii) an opinion of Hawkins Delafield & Wood LLP, Bond Counsel, dated the date of the Closing and addressed to the District and the Authority, in substantially the form attached as Appendix F to the Official Statement together with a letter of such counsel, dated the date of Closing and addressed to the Underwriter, to the effect that the foregoing approving legal opinion addressed to the Authority may be relied upon by the Underwriter to the same extent as if such letter were addressed to them;

(iv) a supplemental opinion of Bond Counsel dated the date of Closing and addressed to the Underwriter in substantially the form attached hereto as Exhibit D;

(v) an opinion of Hawkins, Delafield & Wood LLP, as Disclosure Counsel (“Disclosure Counsel”), addressed to the Authority and the District, together with a reliance letter with respect thereto addressed to the Underwriter, in substantially the form of Exhibit C hereto;

(vi) an opinion of County Counsel, as counsel to the District, dated the date of Closing and addressed to the Underwriter to the effect that:

(A) the District is a flood control district duly organized and existing under and by virtue of the laws of the State, and has full legal right, power and authority to execute and deliver, and to perform its obligations under, the Legal Documents to which it is a party;

(B) the District Resolution was duly adopted at a meeting of the Board of Supervisors of the County, as the governing board of the District, which was called and held pursuant to law and with all public notice required by law and at which a quorum was present and acting at the time of adoption;

(C) the Legal Documents to which the District is a party have been duly authorized, executed and delivered by the District, and, assuming due authorization, execution and delivery by the other respective parties thereto, constitute the legal, valid and binding obligations of the District, enforceable against the District in accordance with their respective terms;

(D) to the best of County Counsel’s knowledge, the District is not in breach of or default under any applicable law or administrative regulation of the State or any applicable judgment or decree or any loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the District is a party or is otherwise subject, which breach or default would materially adversely affect the District’s ability to enter into or perform its obligations under the Legal Documents to be executed by it, and, to the best of District Counsel’s knowledge, no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute such a breach or default; and the execution and delivery of the Legal Documents by the District and compliance with the provisions on the District’s part contained herein and therein, will not in any material respect conflict with or constitute a breach of or default under any law, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement or other instrument known to District Counsel after reasonable inquiry to which the District is a party or to which the District or its assets is otherwise subject, nor will any such execution, delivery, adoption or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the properties or assets of the District under the terms of any such law, administrative regulation, judgment, decree, loan agreement,

indenture, bond, note, resolution, agreement or other instrument, except as provided in the Legal Documents executed by the District;

(E) to the best of County Counsel's knowledge, and except as disclosed in the Official Statement, there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, government agency, public board or body, pending in which service of process has been completed against the District or threatened against the District affecting the corporate existence of the District or the titles of its officers to their respective offices, or affecting or seeking to prohibit, restrain or enjoin the District's covenant to make the Installment Payments as required under the Installment Purchase Agreement or contesting or affecting as to the District the validity or enforceability of the Act or the Legal Documents, or contesting the tax exempt status of payment and interest as would be received by the Owners of the Series 2026A Bonds, or contesting the completeness or accuracy of the Official Statement or any supplement or amendment thereto, or contesting the powers of the District or any authorization in connection with the adoption of the District Resolution, or the execution and delivery by the District of the Legal Documents to which the District is party wherein an unfavorable decision, ruling or finding which would materially adversely affect the validity or enforceability of the Act as to the District or the performance by the District of its obligations under and in connection with the Legal Documents to which the District is a party; and

(F) the preparation and distribution of the Official Statement have been duly authorized by the Board of Supervisors of the County, as the governing board of the District;

(vii) an opinion of County Counsel, as counsel to the Authority, dated the date of Closing and addressed to the Underwriter to the effect that:

(A) the Authority is a joint exercise of powers authority duly organized and operating pursuant to Chapter 5, Division 7, Title 1 of the California Government Code, and has full legal right, power and authority to execute and deliver, and to perform its obligations under the Legal Documents to which it is a party and the Series 2026A Bonds;

(B) the Authority Resolution was duly adopted at a meeting of the Board of Directors of the Authority, which was called and held pursuant to law and with all public notice required by law and at which a quorum was present and acting at the time of adoption;

(C) the Legal Documents and the Series 2026A Bonds have been duly authorized, executed and delivered by the Authority and, assuming the due authorization, execution and delivery by the other respective parties thereto, constitute legal, valid and binding obligations of the Authority, enforceable against the Authority in accordance with their respective terms;

(D) to the best of County Counsel's knowledge, the Authority is not in breach of or default under any applicable law or administrative regulation of the State or any applicable judgment or decree or any loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the Authority is a party or is otherwise subject, which breach or default would materially adversely affect the Authority's ability to issue the Series 2026A Bonds or enter into or perform its obligations under the Legal Documents to be executed by it, and, to the best of County Counsel's knowledge, no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute such a breach or default; the issuance of the Series 2026A Bonds and the execution and delivery of the Legal Documents by the Authority and compliance with the provisions on the Authority's part contained herein and therein, will not in any material respect conflict with or constitute a breach of or default under any law, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement or other instrument known to County Counsel after reasonable inquiry to which the Authority is a party or is otherwise subject, nor will any such execution, delivery, adoption or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the properties or assets of the Authority under the terms of any such law, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement or other instrument, except as provided in the Series 2026A Bonds, or the Legal Documents executed by the Authority; and the issuance of the Series 2026A Bonds and the execution and delivery of the Legal Documents, and compliance with the provisions on the Authority's part contained therein will not conflict with or constitute a material breach of or default under any constitutional provision, law, administrative regulation, judgment or decree or any provision of any loan agreement, indenture, bond, note, resolution, agreement or other instrument known to us after reasonable inquiry to which the Authority is a party or to which the Authority, the assets of the Authority is otherwise subject, nor will any such execution, delivery, adoption or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the assets of the Authority or under the terms of any such law, regulation or instrument, except as expressly provided by the Series 2026A Bonds (as set forth in the Indenture), the Authority Resolution, or the Bond Purchase Agreement; and

(E) to the best of County Counsel's knowledge, and except as disclosed in the Official Statement, there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, government agency, public board or body, pending in which service of process has been completed against the Authority or threatened against the Authority affecting the corporate existence of the Authority or the titles of its officers to their respective offices, or affecting or seeking to prohibit, restrain or enjoin the issuance or sale of the Series 2026A Bonds or the Districts' covenant to make the Installment Payments as required under the Installment Purchase Agreement or contesting or affecting as to the Authority the validity or enforceability of the Act, the Series 2026A Bonds or the Legal Documents, or contesting the tax exempt status of payment and interest as would

be received by the Owners of the Series 2026A Bonds, or contesting the completeness or accuracy of the Official Statement or any supplement or amendment thereto, or contesting the powers of the Authority or any authorization in connection with the issuance of the Series 2026A Bonds, the adoption of the Authority Resolution, or the execution and delivery by the Authority of the Series 2026A Bonds, or the Legal Documents to which the Authority is a party wherein an unfavorable decision, ruling or finding which would materially adversely affect the validity or enforceability of the Act as to the Authority or the performance by the Authority of its obligations under and in connection with the Series 2026A Bonds, or the Legal Documents; and

(F) the preparation and distribution of the Official Statement have been duly authorized by the Board of Directors of the Authority;

(viii) [an opinion of County Counsel, as counsel to the County of Los Angeles, dated the date of Closing and addressed to the Underwriter to the effect that the County Resolution was duly adopted at a meeting of the Board of Supervisors of the County of Los Angeles, as the governing board of the County of Los Angeles, which was called and held pursuant to law and with all public notice required by law and at which a quorum was present and acting at the time of adoption;]

(ix) [a certificate of an authorized County of Los Angeles representative dated the date of Closing to the effect that the Operating Agreement has been duly authorized, executed and delivered by the County of Los Angeles and is in full force and effect;]

(x) a certificate of an Authorized District Representative (as defined in the District Resolution) dated the date of Closing to the effect that:

(A) the representations and warranties of the District contained herein are true and correct in all material respects on and as of the date of Closing as if made on the date of Closing, except that all references herein to the Preliminary Official Statement shall be deemed to be references to the Official Statement;

(B) to the best of his or her knowledge, no event affecting the District has occurred since the date of the Official Statement which should be disclosed in the Official Statement, as the same may be supplemented or amended, in order that the Official Statement not contain an untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they are made, not misleading;

(C) to the best knowledge of the Authorized District Representative, there does not exist any action, suit, proceeding or investigation pending in which service of process has been completed against the District, or threatened against the District which if adversely determined, could materially adversely affect the financial position of the District;

(D) the District has complied with all of the agreements and satisfied all of the conditions on its part to be performed or satisfied pursuant to the Legal Documents to which it is a party at or prior to the time of District;

(xi) a certificate of an Authorized Authority Representative (as defined in the Authority Resolution) dated the date of Closing to the effect that:

(A) the representations and warranties of the Authority contained herein are true and correct in all material respects on and as of the date of Closing as if made on the date of Closing, except that all references therein to the Preliminary Official Statement shall be deemed to be references to the Official Statement;

(B) to the best of his or her knowledge, no event affecting the Authority has occurred since the date of the Official Statement which should be disclosed in the Official Statement, as the same may be supplemented or amended, in order that the Official Statement not contain an untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they are made, not misleading; and

(C) to the best knowledge of the Authorized Authority Representative, there does not exist any action, suit, proceeding or investigation pending in which service of process has been completed against the Authority, or threatened against the Authority which if adversely determined, could materially adversely affect the financial position of the Authority;

(D) the Authority has complied with all of the agreements and satisfied all of the conditions on its part to be performed or satisfied pursuant to the Legal Documents to which it is a party at or prior to the time of Closing;

(xii) an opinion of Katten Muchin Rosenman LLP, as counsel to the Underwriter, dated the date of Closing and addressed to the Underwriter in form reasonably satisfactory to the Underwriter;

(xiii) a copy of the Authority Resolution certified by the Clerk of the Board of Directors of the Authority authorizing the execution and delivery of the Official Statement and the Legal Documents to which the Authority is a party;

(xiv) a copy of the District Resolution certified by the Clerk of the Board of Supervisors of the County of Los Angeles authorizing the execution and delivery of the Official Statement and the Legal Documents to which the District is a party;

(xv) a copy of the County Resolution certified by the Clerk of the Board of Supervisors of the County of Los Angeles authorizing the execution and delivery of the Official Statement and the Legal Documents;

(xvi) the preliminary and final Notice of Sale required to be delivered to the California Debt and Investment Advisory Commission pursuant to Section 53583 of the California Government Code and Section 8855(g) of the California Government Code;

(xvii) evidence that the ratings on the Series 2026A Bonds are as described in the Official Statement;

(xviii) a certificate of the Trustee dated the date of Closing to the effect that:

(A) the Trustee is duly organized and existing as a national banking association organized and existing under the laws of the United States of America, having the full power and authority to enter into and perform its duties under the Indenture and to authenticate and deliver the Series 2026A Bonds;

(B) the Trustee is duly authorized to enter into the Indenture, and, assuming the due authorization, execution and delivery of the Indenture by the other parties thereto, to deliver the Series 2026A Bonds to the Underwriter pursuant to the terms of the Indenture;

(C) the execution and delivery by the Trustee of the Indenture and the Series 2026A Bonds, and compliance with the terms thereof, will not conflict with, or result in a violation or breach of, or constitute a default under, any loan agreement, indenture, bond, note, resolution or any other agreement or instrument to which the Trustee is a party or by which it is bound, or, to its best knowledge, any law or any rule, regulation, order or decree of any court or governmental agency or body having jurisdiction over the Trustee or any of its activities or properties (except that no representation, warranty or agreement is made by the Trustee with respect to any federal or state securities or blue sky laws or regulations);

(D) no authorization, approval, consent or order of any governmental agency or any other person is required for the valid authorization, execution and delivery of the Indenture by the Trustee or the delivery of the Series 2026A Bonds by the Trustee;

(E) there is no action, suit, proceeding or investigation at law or in equity before or by any court, public board or body, that has been served on, or, to the best of the knowledge of the Trustee, threatened against or affecting the existence of the Trustee or in any way contesting or affecting the validity or enforceability of the Series 2026A Bonds or the Indenture, or contesting the powers of the Trustee or its authority to enter into and perform its obligations under any of the foregoing, or wherein an unfavorable decision, ruling or finding would adversely affect the Trustee or the transactions contemplated in connection with the delivery of the Series 2026A Bonds, or which, in any way, would adversely affect the validity of the Series 2026A Bonds or the Indenture or any agreement or instrument to which the Trustee is a party and which is used or contemplated for use in the Indenture, or the consummation of the transactions contemplated in connection with the issuance of the Series 2026A Bonds; and

(F) subject to the provisions of the Indenture, the Trustee will apply the proceeds from the Series 2026A Bonds to the purposes specified in the Indenture;

(xix) an opinion of counsel to the Trustee dated the date of Closing addressed to the District, the Authority and the Underwriter to the effect that:

(A) the Trustee is a national banking association organized and existing under the laws of the United States, having full power and being qualified to enter, accept and administer the trust created under the Indenture and to deliver the Series 2026A Bonds; and

(B) the Series 2026A Bonds have been duly delivered by the Trustee in accordance with the Indenture, and the Indenture has been duly authorized, executed and delivered by the Trustee and, assuming due authorization, execution and delivery thereof by the other parties thereto, constitutes the legal, valid and binding obligations of the Trustee enforceable in accordance with its terms, except as the enforcement thereof may be limited by bankruptcy, insolvency, or other laws affecting the enforcement of creditors' rights generally and by the application of equitable principles if equitable remedies are sought;

(xx) certified copies of the general resolution of the Trustee authorizing the execution and delivery of certain documents by certain officers of the Trustee, which resolution authorizes the execution and delivery of the Indenture;

(xxi) the Tax Certificate for the Series 2026A Bonds, in form and substance acceptable to Bond Counsel;

(xxii) executed copy of the DTC Issuer Blanket Letter of Representations;

(xxiii) such additional legal opinions, certificates, instruments and other documents as Bond Counsel or the Underwriter may reasonably request to evidence compliance by the Trustee, the District and the Authority with legal requirements, the truth and accuracy, as of the time of Closing, of the representations contained herein and in the Official Statement, the lack of any material adverse litigation or proceeding and the due performance or satisfaction by the Trustee, the Authority and the District, at or prior to such time of all agreements then to be performed and all conditions then to be satisfied.

**11. Termination.** The Underwriter shall have the right to terminate in its discretion the Underwriter's obligations under this Bond Purchase Agreement to purchase, to accept delivery of and to pay for the Series 2026A Bonds by notifying the District or Authority of its election to do so:

(a) if, after the execution hereof and prior to Closing:

(i) legislation shall be enacted by the Congress of the United States or favorably reported out for passage to either House of Congress by any committee of such House, or passed by either House of Congress, or a decision shall have been rendered by a court of the United States or the United States Tax Court, or a ruling shall have been made or a regulation shall have been proposed or made by the Treasury Department of the United States or the Internal Revenue Service, with respect to the federal taxation of interest received on or evidenced by obligations of the general character of the Series 2026A

Bonds, which, in the opinion of Bond Counsel has, or will have, the effect of making such interest subject to inclusion in gross income for purposes of federal income taxation, except to the extent such interest shall be includable in such gross income as of the date hereof;

(ii) any action shall have been taken by the Securities and Exchange Commission or by a court which would require registration of any security under the Securities Act of 1933, as amended, or qualification of any indenture under the Trust Indenture Act of 1939, as amended, in connection with the public offering of the Series 2026A Bonds, or any action shall have been taken by any court or by any government authority suspending the use of the Official Statement or any amendment or supplement thereto, or any proceeding for that purpose shall have been initiated or threatened in any such court or by any such authority;

(iii) (i) the Constitution of the State shall be amended or an amendment shall qualify for the ballot, or (ii) legislation shall be enacted, or (iii) a decision shall have been rendered as to matters of State law, or (iv) any order, ruling or regulation shall have been issued or proposed by or on behalf of the State by an official, agency or department thereof, affecting the tax status of the District or Authority, its property or income, its bonds or notes (including the Series 2026A Bonds) or the interest thereon, which in the reasonable judgment of the Underwriter would materially adversely affect the market price or marketability of the Series 2026A Bonds or make it impracticable to market the Series 2026A Bonds on the terms and in the manner contemplated in the Official Statement;

(iv) (i) trading of any securities of the District or Authority shall have been suspended on any exchange or in any over-the-counter market, (ii) a general banking moratorium by Federal, New York or California authorities or a general suspension of trading on any national securities exchange shall have been declared or a material disruption in commercial banking or securities settlement or clearances services affecting the Series 2026A Bonds shall have occurred, or (iii) a national emergency or war or other crisis shall have been declared by the United States or there shall have occurred an outbreak or escalation in major military hostilities by the United States or any calamity relating to the effective operation of the government or the financial community in the United States which, in the case of any of the events specified in clauses (i) through (iii), either singly or together with any other such event, makes it, in the reasonable judgment of the Underwriter, impracticable to market the Series 2026A Bonds on the terms and in the manner contemplated in the Official Statement or materially adversely affects the market price or marketability of the Series 2026A Bonds;

(v) there shall have occurred any downgrading, or any notice shall have been given of any downgrading, in the rating accorded the Series 2026A Bonds or other debt securities issued by the Authority for the benefit of the District and secured by or payable from the general fund of the District by any “nationally recognized statistical rating organization,” as such term is defined for purposes of Rule 436(g)(2) under the Securities Act of 1933, as amended;

(vi) the New York Stock Exchange or other national securities exchange, or any governmental authority shall have: (i) imposed additional material restrictions not in force

as of the date hereof with respect to trading in the Series 2026A Bonds; or (ii) materially increased restrictions now in force with respect to the extension of credit by or the charge to the net capital requirements of underwriters or broker-dealers, which, in the case any of the events specified in clauses (i) or (ii), either singly or together with any other such event, makes it, in the reasonable judgment of the Underwriter, impracticable to market the Series 2026A Bonds on the terms and in the manner contemplated in the Official Statement, including any supplements or amendments thereto or materially adversely affects the market price or marketability of the Series 2026A Bonds;

(vii) the purchase of and payment for the Series 2026A Bonds by the Underwriter, or the resale of the Series 2026A Bonds by the Underwriter, on the terms and conditions herein provided shall be prohibited by any applicable law, governmental authority, board, agency or commission;

(viii) any event or circumstance shall exist that either makes untrue or incorrect in any material respect any statement or information in the Official Statement (other than any statement provided by the Underwriter or pertaining to DTC) or is not reflected in the Official Statement but should be reflected therein in order to make the statements therein, in the light of the circumstances under which they were made, not misleading and, in either such event, the District refuses a reasonable request to supplement the Official Statement to supply such statement or information or the effect of the amendment to the Official Statement is to materially and adversely affect the market price of the Series 2026A Bonds or the ability of the Underwriter to enforce contracts for the sale of the Series 2026A Bonds; or

(ix) an event of default shall have occurred and be continuing as of the date of Closing under the Legal Documents.

**12. Expenses.** (a) The Underwriter shall be under no obligation to pay and the Authority and the District shall pay or cause to be paid the expenses incident to the performance of their obligations hereunder including, but not limited to, (i) the cost of preparation, printing and delivery of the Indenture, the Installment Purchase Agreement and the other Legal Documents; (ii) the costs of preparation, printing and delivery of the Preliminary Official Statement and the Official Statement and any supplements and amendments thereto; (iii) the cost of preparation and printing of the Series 2026A Bonds; (iv) the fees and disbursements of Bond Counsel, Disclosure Counsel and County Counsel; (v) the fees and disbursements of Montague DeRose and Associates, L.L.C. for its services as municipal advisor to the Authority or the District; (vi) the fees and disbursements of any other engineers, accountants, and other experts, consultants or advisers retained by the Authority or the District; (vii) the fees, if any, for bond ratings; (viii) the fees and disbursements of the Trustee, and (ix) the fees and disbursements of independent certified public accountants and any other independent auditor of the Authority or the District.

(b) The Underwriter shall pay only: (i) the cost of preparing the Blue Sky Memorandum; (ii) all advertising expenses and blue sky filing fees in connection with the public offering of the Series 2026A Bonds; (iii) the fees and disbursements of Katten Muchin Rosenman LLP, as counsel to the Underwriter; (iv) all California Debt and Investment Advisory Commission fees, and (v) all other expenses incurred by the Underwriter in connection with the public offering

of the Series 2026A Bonds, including the fees and disbursements of any other counsel retained by them and the fees of Digital Assurance Certification, L.L.C. for a continuing disclosure compliance review. Some or all of the expenses to be paid by the Underwriter may be included as part of the expense component of the underwriting discount or may be reimbursed to the Underwriter as out-of-pocket expenses.

**13. Notices.** Any notice or other communication (other than the acceptance hereof as specified in the first paragraph hereof) to be given under this Bond Purchase Agreement may be given by delivering the same in writing:

to the District:

Los Angeles County Flood Control District  
900 South Fremont Avenue  
Alhambra, California 91803  
Attention: Director of Public Works

to the Authority:

Los Angeles County Public Works  
Financing Authority  
Kenneth Hahn Hall of Administration  
500 West Temple Street, Room 437  
Los Angeles, California 90012  
Attention: Treasurer and Tax Collector

and to the Underwriter:

Jefferies LLC  
520 Madison Avenue, Floor 7,  
New York, NY 10022  
Attention: [\_\_\_\_\_]

**14. Parties in Interest; Survivability of Representations, Warranties and Agreements.** This Bond Purchase Agreement is made solely for the benefit of the Authority, the District and the Underwriter and no other person shall acquire or have any right hereunder or by virtue hereof. All of the Authority's and the District's representations, warranties and agreements contained in this Bond Purchase Agreement shall remain operative and in full force and effect, regardless of: (i) any investigations made by or on behalf of the Underwriter; (ii) issuance of and payment for the Series 2026A Bonds pursuant to this Bond Purchase Agreement; and (iii) any termination of this Bond Purchase Agreement.

**15. Governing Law.** The laws of the State shall govern the validity, interpretation and performance of this Bond Purchase Agreement.

**16. Entire Agreement.** This Bond Purchase Agreement, when accepted by the Authority and the District in writing as heretofore specified, shall constitute the entire agreement among the Authority, the District and the Underwriter.

**17. Headings.** The headings of the paragraphs of this Bond Purchase Agreement are inserted for convenience of reference only and shall not be deemed to be a part hereof.

**18. Effectiveness.** This Bond Purchase Agreement shall become effective upon the execution of the acceptance hereof by an Authorized District Representative and an Authorized Authority Representative and shall be valid and enforceable at the time of such acceptance.

[Remainder of page left intentionally blank.]

**19. Counterparts.** This Bond Purchase Agreement may be executed in several counterparts, which together shall constitute one and the same instrument.

Very truly yours,

**JEFFERIES LLC**, as Underwriter

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

ACCEPTED:

This \_\_\_\_ day of \_\_\_\_\_, 2026.

**LOS ANGELES COUNTY FLOOD CONTROL  
DISTRICT**

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

**LOS ANGELES COUNTY PUBLIC WORKS  
FINANCING AUTHORITY**

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

Approved as to Form:

**DAWYN R. HARRISON**  
County Counsel

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

## EXHIBIT A

### MATURITY SCHEDULE\*

\$\_\_\_\_\_ Serial Bonds

| <u>Year<br/>(March 1)</u> | <u>Principal<br/>Amount</u> | <u>Interest<br/>Rate</u> | <u>Price or<br/>Yield</u> |
|---------------------------|-----------------------------|--------------------------|---------------------------|
|---------------------------|-----------------------------|--------------------------|---------------------------|

\$\_\_\_\_\_ % Term Bond Due March 1, 20\_\_; Yield: \_\_\_\_%; Price: \_\_\_\_%

\$\_\_\_\_\_ % Term Bond Due March 1, 20\_\_; Yield: \_\_\_\_%; Price: \_\_\_\_%

\* [All of the Series 2026A Bonds are 10% Test Maturities.]

<sup>C</sup> Priced at the stated yield to the March 1, 20[\_\_], optional redemption date at par.

### TERMS OF REDEMPTION

***Extraordinary Redemption.*** The Series 2026A Bonds are subject to redemption prior to their respective maturity dates, upon notice as hereinafter provided, as a whole or in part by lot within each maturity in integral multiples of \$5,000 of principal in such order of maturity as will be selected by the District on any date, from payments made by the District from the proceeds from insurance, condemnation or eminent domain awards with respect to the Property or any part thereof, less any costs reasonably expended by the District to receive such proceeds under the circumstances and upon the conditions and terms prescribed in the Indenture and in the Installment Purchase Agreement, at a redemption price equal to the sum of the principal amount or such part thereof evidenced and represented by the Series 2026A Bonds to be redeemed, without premium, plus accrued interest thereon to the date fixed for redemption.

***Optional Redemption.*** The Series 2026A Bonds maturing on or before March 1 20\_\_ are not subject to redemption prior to their respective maturity dates. The Series 2026A Bonds maturing on or after March 1, 20\_\_ are subject to optional redemption by the District prior to their respective maturity dates, upon notice as provided in the Indenture, as a whole or in part by lot within each maturity in integral multiples of \$5,000 of principal in such order of maturity as shall

be selected by the District and designated in writing to the Trustee on any date on or after March 1, 20\_\_, from any source of available funds, at a redemption price equal to the sum of the principal amount or such part thereof of the Bonds to be redeemed plus accrued interest thereon to the date fixed for redemption.

***Mandatory Sinking Fund Redemption of the Series 2026A Term Bonds.*** The Series 2026A Bonds maturing on March 1, 20\_\_ shall be subject to mandatory sinking fund redemption, in part, on March 1 in each year, commencing March 1, 20\_\_, at a redemption price equal to the principal amount thereof, plus accrued interest thereon to the date fixed for redemption, without premium, in the aggregate respective principal amounts in the respective years as follows:

| Sinking Fund<br>Redemption Date<br>(March 1) | Principal Amount<br>to be<br>Redeemed |
|----------------------------------------------|---------------------------------------|
| <hr/>                                        | <hr/>                                 |

(Maturity)

The Series 2026A Bonds maturing March 1, 20\_\_ shall be subject to mandatory sinking fund redemption, in part, on March 1 in each year, commencing March 1, 20\_\_, at a redemption price equal to the principal amount thereof, plus accrued interest thereon to the date fixed for redemption, without premium, in the aggregate respective principal amounts in the respective years as follows:

| Sinking Fund<br>Redemption Date<br>(March 1) | Principal Amount<br>to be<br>Redeemed |
|----------------------------------------------|---------------------------------------|
| <hr/>                                        | <hr/>                                 |

(Maturity)

If some but not all of the Series 2026A Term Bonds are redeemed pursuant to the extraordinary redemption provisions as described above, the principal amount of such Series 2026A Term Bonds to be redeemed pursuant to the mandatory sinking fund redemption provisions shall be reduced by the aggregate principal amount of the respective Series 2026A Term Bonds so redeemed pursuant to the extraordinary redemption provisions, such reduction to be allocated among sinking fund redemption dates in Authorized Denominations as designated by the District. If some but not all of the respective Series 2026A Term Bonds are redeemed pursuant to the optional redemption provisions as described above, the principal amount of such Bonds to be redeemed pursuant to the mandatory sinking fund redemption provisions shall be reduced by the aggregate principal amount of the respective Series 2026A Term Bonds so redeemed pursuant to

the optional redemption provisions, such reduction to be allocated among redemption dates in Authorized Denominations, as designated by the District.

## **EXHIBIT B**

### **FORM OF ISSUE PRICE CERTIFICATE OF THE UNDERWRITER**

**Los Angeles County Public Works Financing Authority  
Revenue Bonds  
(Los Angeles County Flood Control District) Series 2026A**

#### **FORM OF ISSUE PRICE CERTIFICATE**

The undersigned, on behalf of Jefferies LLC (the “Underwriter”), hereby certifies as set forth below with respect to the sale and delivery of the above-captioned obligations (the “Bonds”).

1. ***Sale of the Bonds.*** As of the date of this certificate, for each Maturity of the Bonds, the first price at which at least 10% of such Maturity was sold to the Public is the respective price listed in Schedule A. A copy of the pricing wire or equivalent communication for the Bonds is attached to this certificate as Schedule B.

2. ***Defined Terms.***

(a) *Issuer* means the Los Angeles County Public Works Financing Authority.

(b) *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.

(c) *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 generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(d) *Underwriter* means: (i) any person that agrees pursuant to a written contract with the Issuer and the Los Angeles County Flood Control District (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).

3. ***Arbitrage Yield.*** We have provided the attached Schedule C to the Issuer with respect to the yield on the Bonds being \_\_\_\_\_. We have calculated the yield on the Bonds as the discount rate that, when used in computing the present value of all principal and interest payments to be made under each applicable Maturity of the Bonds from the date of issuance, to Maturity, produces an amount equal to the sum of the price of each Maturity of the Bonds listed in Schedule A of this Certificate (the “Issue Price”); provided that the Issuer is assumed to exercise or not exercise an option or combination of options (including an optional redemption provision) in a manner that minimizes yield on the debt instrument and a holder is assumed to exercise or not

exercise an option or combination of options in a manner that maximizes yield on a debt instrument. 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 1 above. To the extent that we provided the Issuer and Bond Counsel with certain computations that show a bond yield, issue price, weighted average maturity and certain other information with respect to the Bonds, these computations are based on our understanding of directions that we have received from Bond Counsel regarding their interpretation of the applicable law. However, notwithstanding the foregoing, we remind you that we are not accountants or actuaries, nor are we engaged in the practice of law. Accordingly, while we believe the calculations described above to be correct, we do not warrant them to be so. We express no view regarding the legal sufficiency of any such computations or the correctness of any legal interpretation made by Bond Counsel.

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents the Underwriter'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 and the Los Angeles County Flood Control District 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 Hawkins Delafield & Wood LLP, Los Angeles, California, 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 or the Los Angeles County Flood Control District from time to time relating to the Bonds. The certifications contained herein are not necessarily based on personal knowledge, but may instead be based on either inquiry deemed adequate by the undersigned or institutional knowledge (or both) regarding the matters set forth herein.

**Jefferies LLC**

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

Name: \_\_\_\_\_

Dated: [\_\_\_\_], 2026

**SCHEDULE A**  
**SALE PRICES OF THE BONDS**

\$\_\_\_\_\_ Serial Bonds

| Year<br>(March 1) | Principal<br>Amount | Interest<br>Rate | Price or<br>Yield |
|-------------------|---------------------|------------------|-------------------|
| _____             | _____               | _____            | _____             |

\$\_\_\_\_\_ % Term Bond Due March 1, 20\_\_\_; Yield: \_\_\_\_%; Price: \_\_\_\_%

\$\_\_\_\_\_ % Term Bond Due March 1, 20\_\_\_; Yield: \_\_\_\_%; Price: \_\_\_\_%

\* [All of the Series 2026A Bonds are 10% Test Maturities.]

<sup>C</sup> Priced at the stated yield to the March 1, 20[\_], optional redemption date at par.

**SCHEDULE B**

**PRICING WIRE OR EQUIVALENT COMMUNICATION**

*(Attached)*

**SCHEDULE C**  
**PROOF OF ARBITRAGE YIELD**  
*(Attached)*

## **EXHIBIT C**

### **FORM OF DISCLOSURE COUNSEL OPINION**

[Closing Date]

Los Angeles County Public Works Financing Authority  
Los Angeles, California

Los Angeles County Flood Control District  
Los Angeles, California

Ladies and Gentlemen:

We have acted as Disclosure Counsel to Los Angeles County Public Works Financing Authority (the “Authority”) and the Los Angeles County Flood Control District (the “District”) in connection with the Preliminary Official Statement dated [POS Date] (the “Preliminary Official Statement”) and the [Official Statement dated [Sale Date] (the “Official Statement”)], each relating to the \$[PA] aggregate principal amount of Los Angeles County Public Works Financing Authority Revenue Bonds (Los Angeles County Flood Control District) Series 2026A (the “Bonds”). The Bonds are being issued under and pursuant to an Indenture (the “Indenture”), dated as of \_\_\_\_\_ 1, 2026, by and among the Authority, the District and U.S. Bank Trust Company, National Association, as trustee (the “Trustee”). Capitalized terms used in this letter and not otherwise defined herein shall have the meanings provided by the [Official Statement].

The Preliminary Official Statement and the Official Statement are the Authority’s and the District’s document[s] and as such the Authority and the District are responsible for their content. The purpose of our engagement was not to independently establish, confirm, or verify the factual matters set forth in the Preliminary Official Statement and the Official Statement and we have not done so. Moreover, many of the determinations required to be made in the preparation of the Preliminary Official Statement and the Official Statement involve wholly or partially matters of a non-legal character. We do not, therefore, take any responsibility for the factual matters set forth in the Preliminary Official Statement and the Official Statement and we undertake herein only to express certain limited negative assurances regarding the same.

The purpose of our engagement by you was to provide certain limited negative assurances to Jefferies LLC (the “Underwriter”). In separately requesting and accepting this letter, the Authority and the District acknowledge that (i) the scope of those activities performed by us were inherently limited and do not encompass all activities that the Authority as the issuer of the Bonds may be responsible to undertake in preparing the Preliminary Official Statement and the Official Statement, (ii) those activities performed by us relied substantially on representations, warranties, certifications and opinions made by representatives of the Authority and the District and others, and are otherwise subject to the matters set forth in this letter, and (iii) while such statements of negative assurance are customarily given to underwriters of municipal securities to assist them in discharging their responsibilities under the federal securities laws, the responsibilities of the

Authority and the District under those laws may differ from those of Underwriter in material respects, and this letter may not serve the same purpose or provide the same utility to you as it would to the Underwriter.

In giving the limited assurances hereinafter expressed, we are not expressing any opinion or view on, but have ourselves assumed and relied upon, the validity, accuracy and sufficiency of the records, documents, certificates and opinions executed and delivered in connection with the issuance of the Bonds. Without limiting the foregoing statement, we have relied, without independently opining upon the legal conclusions expressed and without independently verifying the factual matters represented, on the legal opinions that we have reviewed. Also, we have not conducted an independent diligence regarding the District's compliance with its continuing disclosure undertakings and express no view regarding the District's compliance with any obligation to provide annual reports or notices of events in accordance with its continuing disclosure undertakings.

This letter does not address (i) CUSIP numbers, (ii) any financial statements contained or incorporated by reference in the Preliminary Official Statement and the Official Statement, (iii) any financial, demographic, statistical or economic data, estimates, projections, numbers, assumptions, charts, graphs, tables, or expressions of opinion contained in the Preliminary Official Statement and the Official Statement, (iv) the section entitled "Tax Matters", and (v) information relating to the book-entry-only system, including information in Appendix D – "Book-Entry Only System."

In our capacity as Disclosure Counsel, we participated in meetings and conference calls with representatives of the Authority and the District, Bond Counsel, the Underwriter, Katten Muchin Rosenman LLP, as Underwriter's Counsel, Montague DeRose and Associates, L.L.C., as Municipal Advisor to the District, and other parties, during which the contents of the Preliminary Official Statement and the Official Statement were discussed and reviewed. Based upon such participation, and information disclosed to us in the course of our representation as Disclosure Counsel, considered in light of our understanding of the applicable law and the experience we have gained through our practice of law, and subject to all of the foregoing in this letter including the qualifications respecting the scope and nature of our engagement, we advise you, as a matter of fact but not opinion, that, during the course of our engagement as Disclosure Counsel with respect to the Preliminary Official Statement and the Official Statement, no facts came to the attention of the attorneys of our firm rendering legal services in connection with this matter that caused them to believe that the Preliminary Official Statement as of the date of the Preliminary Official Statement and as of [Sale Date] or the Official Statement as of the date of the Official Statement and as of the date hereof contained or contains any untrue statement of a material fact or omitted or omits to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

We assume no obligation to update, revise or supplement this letter to reflect any action hereafter taken or not taken, or any facts or circumstances that may hereafter come to our attention, or for any other reason.

We are not expressing any opinion with respect to the authorization, execution, delivery, issuance or validity of the Bonds, or the exclusion from gross income for federal income tax purposes of interest on the Bonds.

This letter is furnished by us solely for your benefit and may not be relied upon by any other person or entity, except as may be expressly authorized by us in writing. This letter is not to be used, circulated, quoted or otherwise referred to in connection with the offering of the Bonds, except that reference may be made in any list of closing documents pertaining to the issuance of the Bonds.

Very truly yours,

[Closing Date]

Jefferies LLC,  
as underwriter for the herein described Bonds

Ladies and Gentlemen:

We deliver to you herewith a copy of our opinion as Disclosure Counsel to Los Angeles County Public Works Financing Authority (the “Authority”) and the Los Angeles County Flood Control District (the “District”) dated the date hereof relating to the Preliminary Official Statement dated [POS Date] and the Official Statement dated [Sale Date], each relating to the \$\_\_\_\_\_ aggregate principal amount of Los Angeles County Public Works Financing Authority Revenue Bonds (Los Angeles County Flood Control District) Series 2026A. You are entitled to rely on such opinion as if the same were addressed to you.

Very truly yours,

## **EXHIBIT D**

### **FORM OF SUPPLEMENTAL OPINION**

\_\_\_\_\_, 2026

Jefferies LLC,  
as the Underwriter

*Re:     \$[Par Amount] Los Angeles County Public Works Financing Authority Revenue  
      Bonds (Los Angeles County Flood Control District) Series 2026A*

Ladies and Gentlemen:

Acting in our capacity as Bond Counsel for the Los Angeles County Public Works Financing Authority (the “Authority”), we have examined certified copies of proceedings taken for the sale and issuance of the above-referenced bonds (the “Bonds”), and we have rendered our opinion to the Authority this day regarding the validity and enforceability of such Bonds (the “Approving Opinion”). The Bonds have been issued pursuant to the Indenture (the “Indenture”), dated as of \_\_\_\_\_ 1, 2026, by and among the Authority, the Los Angeles County Flood Control District (the “District”) and U.S. Bank Trust Company, National Association, as trustee. Capitalized terms used herein and not otherwise defined shall have the meanings given such terms in the Bond Purchase Agreement dated \_\_\_\_\_, 2026 (the “Bond Purchase Agreement”), by and among the Authority, the District, and Jefferies LLC, as underwriter. You are authorized to rely on the Approving Opinion as if it were addressed to you.

In connection with rendering the Approving Opinion, we have examined the record of proceedings submitted to us relative to the execution and delivery of the Bonds and originals or copies certified or otherwise identified to our satisfaction of (i) the Bond Purchase Agreement, the Indenture, the Installment Purchase Agreement, and the Continuing Disclosure Certificate (collectively, the “Legal Documents”), (ii) the Preliminary Official Statement dated \_\_\_\_\_, 2026 and Official Statement dated \_\_\_\_\_, 2026 (collectively, the “Official Statement”), and (iii) such other documents, certificates, opinions of counsel, instructions and records as we have considered necessary or appropriate as a basis for our opinion.

We have assumed, but not independently verified, that the signatures on all documents, letters, opinions and certificates which we have examined are genuine, that all documents submitted to us are authentic and were duly and properly executed by the parties thereto (other than the District and the Authority with respect to the Bond Purchase Agreement), and that all representations made in the documents that we have reviewed are true and accurate.

We express no opinion herein with respect to any indemnification, contribution, choice of law, choice of forum, penalty or waiver provisions contained in the Bonds or the Legal Documents, nor do we express any opinion with respect to the state or quality of title to any of the real or

personal property described in the Installment Sale Agreement or the Indenture, or the accuracy or sufficiency of the description of any such property contained therein.

Based upon the foregoing and such other information and documents as we consider necessary to render this opinion, we are of the opinion that:

1. The Bond Purchase Agreement has been duly authorized, executed and delivered by the Authority and the District and, assuming due authorization, execution and delivery by the other parties thereto, constitutes the legal, valid and binding obligation of the Authority and the District, enforceable in accordance with its terms.

2. The Continuing Disclosure Certificate has been duly authorized, executed and delivered by the District and constitutes the legal, valid and binding obligation of the District, enforceable in accordance with its terms.

3. The statements contained in the Official Statement on the cover and under the captions "THE SERIES 2026A BONDS," "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2026A BONDS" and "TAX MATTERS" and in "APPENDIX C – SUMMARY OF PRINCIPAL LEGAL DOCUMENTS," excluding any material that may be treated as included under such captions and appendices by any cross-reference, insofar as such statements expressly summarize provisions of the Bonds, the Installment Purchase Agreement and the Indenture, and applicable federal and state tax law, are accurate in all material respects as of the date hereof, provided that we do not express any opinion with respect to any financial or statistical data contained therein or with respect to the book-entry system in which the Bonds are initially delivered.

4. The Bonds are not subject to the registration requirements of the Securities Act of 1933, as amended, and the Indenture is exempt from qualification under the Trust Indenture Act of 1939, as amended.

The foregoing opinions are based upon our analysis and interpretation of existing statutes, regulations, rulings and judicial decisions and cover certain matters not directly addressed by such authorities. In rendering these opinions, we have relied upon certain representations of fact and certifications made by the Authority, the District and others. We have not undertaken to verify through independent investigation the accuracy of the representations and certifications relied upon by us. The foregoing opinions are limited to matters governed by the laws of the State of California and federal securities laws, and we assume no responsibility with respect to the applicability or the effect of the laws of any other jurisdiction.

We call attention to the fact that the rights and obligations under the Bond Purchase Agreement and Continuing Disclosure Certificate are subject to bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance or transfer and other similar laws affecting creditors' rights, to the application of equitable principles if equitable remedies are sought, to the exercise of judicial discretion in appropriate cases and to limitations on legal remedies against public agencies in the State of California.

Except as expressly set forth in the Approving Opinion, we express no opinion regarding any tax consequences with respect to the Bonds. No opinion is expressed herein with respect to

the compliance with, or applicability of, any “blue sky” laws of any state as they relate to the offer or sale of the Bonds.

This letter is furnished by us as Bond Counsel to the Authority. No attorney-client relationship has existed or exists between our firm and you in connection with the Bonds or by virtue of this letter. This letter is delivered to you as the Underwriter of the Bonds, is solely for your benefit as the Underwriter, and is not to be used, circulated, quoted or otherwise referred to or relied upon for any other purpose or by any other person. This letter is not intended to be relied upon by holders of Bonds or the owners of any beneficial ownership interest in the Bonds nor is it intended to be relied upon by the Authority or its representatives as a basis for making the representations made by the Authority in any documents executed by the Authority in connection with the delivery of the Bonds.

We call attention to the fact that the foregoing opinions may be affected by actions taken (or not taken) or events occurring (or not occurring) after the date hereof. We have not undertaken to determine, or to inform any person, whether such actions or events are taken (or not taken) or occur (or do not occur). Our engagement with respect to the Bonds terminates as of the date hereof, and we have not undertaken any duty, and expressly disclaim any responsibility, to advise you as to events occurring after the date hereof with respect to the Bonds or other matters discussed herein or in the Official Statement.

Respectfully submitted,

## CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (the “Disclosure Certificate”) is executed and delivered by the Los Angeles County Flood Control District (the “District”) in connection with the issuance of the Los Angeles County Public Works Financing Authority Revenue Bonds (Los Angeles County Flood Control District) Series 2026A (the “Bonds”). The Bonds are being issued pursuant to the Marks-Roos Local Bond Pooling Act of 1985, constituting Section 6584 *et seq.* of the California Government Code and the Indenture, dated as of [As of Date] (the “Indenture”), by and among the District, the Los Angeles County Public Works Financing Authority (the “Authority”) and U.S. Bank Trust Company, National Association, as trustee (the “Trustee”). The District covenants and agrees as follows:

SECTION 1. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the District for the benefit of the Holders and Beneficial Owners of the Bonds and in order to assist the Participating Underwriters in complying with Securities and Exchange Commission (“S.E.C.”) Rule 15c2-12(b)(5).

SECTION 2. Definitions. In addition to the definitions set forth in the Indenture, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

“Annual Report” shall mean any Annual Report provided by the District pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

“Beneficial Owner” shall mean any person which has or shares the power, directly or indirectly, to make investment decisions concerning ownership of any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries).

“Dissemination Agent” shall mean the District, or any successor Dissemination Agent designated in writing by the District and which has filed with the District a written acceptance of such designation.

“Financial Obligation” means “financial obligation” as such term is defined in the Rule.

“Holder” shall mean the person in whose name any Bond shall be registered.

“Listed Events” shall mean any of the events listed in Section 5(a) or (b) of this Disclosure Certificate.

“MSRB” shall mean the Municipal Securities Rulemaking Board or any other entity designated or authorized by the Securities and Exchange Commission to receive reports pursuant to the Rule. Until otherwise designated by the MSRB or the Securities and Exchange Commission, filings with the MSRB are to be made through the Electronic Municipal Market Access (EMMA) website of the MSRB, currently located at <http://emma.msrb.org>.

“Participating Underwriter” shall mean any of the original underwriter of the Bonds required to comply with the Rule in connection with the offering of the Bonds.

“Rule” shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

### SECTION 3. Provision of Annual Reports.

(a) The District shall, or shall cause the Dissemination Agent to, not later than April 1 after the end of the District’s fiscal year, commencing with the report for the District’s June 30, 2026 fiscal year, provide to the MSRB an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Certificate. The Annual Report may cross-reference other information as provided in Section 4 of this Disclosure Certificate; provided, that the audited financial statements of the District may be submitted separately from the balance of the Annual Report and later than the date required above for the filing of the Annual Report if they are not available by that date. If the District’s fiscal year changes, it shall give notice of such change in a filing with the MSRB. The Annual Report shall be submitted on a standard form in use by industry participants or other appropriate form and shall identify the Bonds by name and CUSIP number.

(b) Not later than 15 business days prior to said date, the District shall provide the Annual Report to the Dissemination Agent (if other than the District). If the District is unable to provide to the MSRB an Annual Report by the date required in subsection (a), the District shall, in a timely manner, send or cause to be sent notice of such failure to the MSRB.

(c) The Dissemination Agent shall (if the Dissemination Agent is other than the District) file a report with the District certifying that the Annual Report has been provided pursuant to this Disclosure Certificate, stating the date it was provided to the MSRB.

SECTION 4. Content of Annual Reports. The District’s Annual Report shall contain or include by reference the following:

(a) Audited financial statements of the District for the preceding fiscal year, prepared in accordance with (1) generally accepted accounting principles as promulgated to apply to governmental entities from time to time by the Governmental Accounting Standards Board and (2) reporting standards as set forth by the State Controller, as applicable to the District. If the District’s audited financial statements are not available by the time the Annual Report is required to be provided to the MSRB pursuant to Section 3(a), the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the final Official Statement, and the audited financial statements shall be provided to the MSRB in the same manner as the Annual Report when they become available.

(b) To the extent not included in the audited financial statements of the District, the Annual Report shall also include the following:

(1) [TBD]

Any or all of the items listed above may be set forth in one or a set of documents or may be included by specific reference to other documents, including official statements of debt issues of the District or related public entities, which have been made available to the public on the MSRB’s website. The District shall clearly identify each such other document so included by reference.

## SECTION 5. Reporting of Significant Events.

(a) The District shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Bonds in a timely manner not later than ten business days after the occurrence of the event:

1. principal and interest payment delinquencies;
2. non-payment related defaults, if material;
3. unscheduled draws on debt service reserves reflecting financial difficulties of the District;
4. unscheduled draws on any credit enhancement reflecting financial difficulties of the District;
5. substitution of credit or liquidity providers or failure of a credit or liquidity provider to perform its obligations with respect to the Bonds;
6. adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices of determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
7. modifications to rights of Holders of the Bonds, if material;
8. redemption or call of the Bonds, if material, and tender offers;
9. defeasances;
10. release, substitution or sale of property securing repayment of the Bonds, if material;
11. rating changes;
12. bankruptcy, insolvency, receivership or similar event of the District; provided that for the purposes of the events described in this clause, such an event is considered to occur upon: the appointment of a receiver, fiscal agent or similar officer for the District in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or government authority has assumed jurisdiction over substantially all of the assets or business of the District, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or

governmental authority having supervision or jurisdiction over substantially all of the assets or business of the District;

13. the consummation of a merger, consolidation, or acquisition involving the District or the sale of all or substantially all of the assets of the District, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
14. appointment of a successor or additional trustee or the change of name of the trustee, if material;
15. incurrence of a Financial Obligation of the District, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the District, any of which affect security holders, if material; and
16. default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the District, any of which reflect financial difficulties.

(b) Upon the occurrence of a Listed Event described in Section 5(a), the District shall within ten business days of occurrence file a notice of such occurrence with the MSRB. Notwithstanding the foregoing, notice of the Listed Event described in subsection (a)(8) need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to Holders of affected Bonds pursuant to the Indenture.

SECTION 6. Format for Filings with MSRB. Any report or filing with the MSRB pursuant to this Disclosure Certificate must be submitted in electronic format, accompanied by such identifying information as is prescribed by the MSRB.

SECTION 7. Termination of Reporting Obligation. The District's obligations under this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds. If such termination occurs prior to the final maturity of the Bonds, the District shall give notice of such termination in a filing with the MSRB.

SECTION 8. Dissemination Agent. The District may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report prepared by the District pursuant to this Disclosure Certificate. The initial Dissemination Agent shall be the District.

SECTION 9. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the District may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, provided that the following conditions are satisfied:

(a) If the amendment or waiver relates to the provisions of Sections 3(a), 4, or 5(a) or (b), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of an obligated person with respect to the Bonds, or the type of business conducted;

(b) The undertaking, as amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the original issuance of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The amendment or waiver does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the Holders or Beneficial Owners of the Bonds.

In the event of any amendment or waiver of a provision of this Disclosure Certificate, the District shall describe such amendment in the next Annual Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the District. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (i) notice of such change shall be given in a filing with the MSRB, and (ii) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

SECTION 10. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the District from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice required to be filed pursuant to this Disclosure Certificate, in addition to that which is required by this Disclosure Certificate. If the District chooses to include any information in any Annual Report or notice in addition to that which is specifically required by this Disclosure Certificate, the District shall have no obligation under this Disclosure Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event or any other event required to be reported.

SECTION 11. Default. In the event of a failure of the District to comply with any provision of this Disclosure Certificate, any Holder or Beneficial Owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the District to comply with its obligations under this Disclosure Certificate; provided, that any such action may be instituted only in Superior Court of the State of California in and for the District of Los Angeles or in U.S. District Court in or nearest to the District of Los Angeles. The sole remedy under this Disclosure Certificate in the event of any failure of the District to comply with this Disclosure Certificate shall be an action to compel performance.

SECTION 12. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the District, the Dissemination Agent, the Participating Underwriters and Holders and Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

Date: \_\_\_\_\_.

LOS ANGELES COUNTY  
FLOOD CONTROL DISTRICT

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

Name:

Title:

**PRELIMINARY OFFICIAL STATEMENT DATED \_\_\_\_\_, 2026****NEW ISSUE – BOOK-ENTRY ONLY****RATINGS:**  
**(See “Ratings” herein)**

*In the opinion of Hawkins Delafield & Wood LLP, Bond Counsel to the District, (i) under existing statutes and court decisions and assuming continuing compliance with certain tax covenants described herein, interest on the Series 2026A Bonds is excluded from gross income for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the “Code”), and (ii) interest on the Series 2026A Bonds is not treated as a preference item in calculating the alternative minimum tax under the Code, however, interest on the Series 2026A Bonds is included in the “adjusted financial statement income” of certain corporations that are subject to the alternative minimum tax under Section 55 of the Code. In addition, in the opinion of Bond Counsel to the District, under existing statutes, interest on Series 2026A Bonds is exempt from personal income taxes imposed by the State of California. See “TAX MATTERS” herein.*

**\$100,000,000\***  
**Los Angeles County Public Works Financing Authority**  
**Revenue Bonds**  
**(Los Angeles County Flood Control District) Series 2026A**

Dated: Date of Delivery

Due: as shown on the inside cover page

The \$100,000,000\* Los Angeles County Public Works Financing Authority Revenue Bonds (Los Angeles County Flood Control District) Series 2026A (the “Series 2026A Bonds”) are being issued by the Los Angeles County Public Works Financing Authority (the “Authority”) under the provisions of Article 4 of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California, as amended, and the Indenture (the “Indenture”), dated as of \_\_\_\_\_ 1, 2026, by and among the Authority, the Los Angeles County Flood Control District (the “District”) and U.S. Bank Trust Company, National Association, as trustee (the “Trustee”). The Series 2026A Bonds are secured by payments (the “Installment Payments”) made pursuant to an Installment Purchase Agreement, dated as of \_\_\_\_\_ 1, 2026 (the “Installment Purchase Agreement”), by and between the Authority and the District. The Series 2026A Bonds are the initial Series of Bonds (as defined herein) issued under the Indenture. Subject to certain conditions precedent, the District may at any time issue any Parity Obligations the payments under and pursuant to which or execute any Contract the Parity Payments (each as defined in the Installment Purchase Agreement) under and pursuant to which, as the case may be, are payable on a parity with the payment by the District of the Installment Payments. See “Security and Sources of Payment for the Series 2026A Bonds – Additional Bonds; Additional Obligations” herein. The Series 2026A Bonds are being issued to finance the design, acquisition, construction and installation of improvements to the San Gabriel Reservoir Restoration Project and to pay certain costs of issuance incurred in connection with the Series 2026A Bonds. See “Estimated Sources and Uses of Funds” herein.

The Series 2026A Bonds are secured solely by the Installment Payments assigned to the Trustee by the Authority pursuant to the Indenture of the Installment Payments and other amounts available under the Installment Purchase Agreement. The District has pledged, under the Installment Purchase Agreement, for the payment of the Installment Payments thereunder, certain Taxes (as hereinafter defined) and, to the extent that such Taxes are insufficient to pay the Installment Payments in any fiscal year, the revenues derived from any benefit assessments imposed by the District. The obligation of the District to make the Installment Payments is absolute and unconditional. See “Security and Sources of Payment for the Series 2026A Bonds” herein.

The Series 2026A Bonds will be delivered in book-entry form only, in denominations of \$5,000 or any integral multiple thereof, and, when issued and authenticated, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company (“DTC”), which will act as securities depository for the Series 2026A Bonds. Individual purchases of the Series 2026A Bonds will be made in book-entry form only. Purchasers of the Series 2026A Bonds will not receive Bonds representing their ownership interests in the Series 2026A Bonds purchased. Principal of and interest on the Series 2026A Bonds are payable directly to DTC by the Trustee. Upon receipt of payments of principal and interest, DTC will in turn distribute such payments to the beneficial owners of the Series 2026A Bonds. See “The Series 2026A Bonds – Book-Entry Only System” herein and Appendix D – “Book-Entry Only System” attached hereto. Interest on the Series 2026A Bonds will be payable on each March 1 and September 1, commencing on September 1, 2026.

The Series 2026A Bonds are subject to optional, mandatory and extraordinary redemption prior to their maturity as described herein. See “The Series 2026A Bonds – Redemption” herein.

THE SERIES 2026A BONDS ARE SPECIAL LIMITED OBLIGATIONS OF THE AUTHORITY, AND PRINCIPAL, PREMIUM, IF ANY, AND INTEREST THEREON ARE PAYABLE SOLELY FROM THE INSTALLMENT PAYMENTS RECEIVED FROM THE DISTRICT BY THE AUTHORITY AS PROVIDED IN THE INDENTURE, AND THE AUTHORITY IS NOT OBLIGATED TO PAY SUCH PRINCIPAL, PREMIUM OR INTEREST EXCEPT FROM THE INSTALLMENT PAYMENTS.

THE OBLIGATION OF THE DISTRICT TO MAKE THE INSTALLMENT PAYMENTS IS A SPECIAL OBLIGATION OF THE DISTRICT PAYABLE SOLELY FROM THE REVENUES AS PROVIDED IN THE INSTALLMENT PURCHASE AGREEMENT, AND DOES NOT CONSTITUTE A DEBT OF THE DISTRICT, THE COUNTY OR OF THE STATE OF CALIFORNIA OR OF ANY POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY DEBT LIMITATION OR RESTRICTION.

**This cover page contains information for quick reference only. It is not a summary of this issue. Potential purchasers must read the entire Official Statement to obtain information essential to making an informed investment decision.**

The Series 2026A Bonds are offered when, as and if issued, delivered and received by the Underwriter, subject to the approval as to their validity and enforceability by Hawkins Delafield & Wood LLP, Los Angeles, California, Bond Counsel to the District, and certain other conditions. Certain legal matters will be passed upon for the Authority and the District by their counsel, Hawkins Delafield & Wood LLP, Los Angeles, California, Disclosure Counsel to the District, and by County Counsel of the County of Los Angeles. Certain legal matters will be passed upon for the Underwriter[s] by Katten Muchin Rosenman LLP, New York, New York. It is anticipated that the Series 2026A Bonds will be available for delivery in New York, New York, through the facilities of DTC on or about \_\_\_\_\_, 2026.

**Jefferies**

Dated: \_\_\_\_\_, 2026

\_\_\_\_\_  
 \*Preliminary, subject to change.

This Preliminary Official Statement and the information contained herein are subject to completion or amendment without notice. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of these securities, in any jurisdiction in which such offer, solicitation, or sale would be unlawful prior to registration or qualification under the securities laws of such jurisdiction.

**MATURITY SCHEDULE**  
**(Base CUSIP Number: 544738<sup>†</sup>)**

\$ \_\_\_\_\_ \* Serial Bonds

| <b>Year<br/>(March 1)</b> | <b>Principal<br/>Amount</b> | <b>Interest<br/>Rate</b> | <b>Price or<br/>Yield</b> | <b>CUSIP<sup>†</sup></b> |
|---------------------------|-----------------------------|--------------------------|---------------------------|--------------------------|
|---------------------------|-----------------------------|--------------------------|---------------------------|--------------------------|

[\$ \_\_\_\_\_ \* \_\_\_\_% Term Bond Due March 1, 20\_\_; Yield: \_\_\_\_%; Price: \_\_\_\_%; CUSIP<sup>†</sup>:]

[\$ \_\_\_\_\_ \* \_\_\_\_% Term Bond Due March 1, 20\_\_; Yield: \_\_\_\_%; Price: \_\_\_\_%; CUSIP<sup>†</sup>:]

<sup>\*\*</sup> Priced to the optional call date of \_\_\_\_\_.

<sup>†</sup> Registered trademark of American Bankers Association. CUSIP numbers are provided by FactSet Research Systems Inc. The CUSIP numbers listed above are being provided solely for the convenience of Bondholders only at the time issuance of the Series 2026A Bonds and neither the District, the County nor the Underwriters makes any representation with respect to such numbers or undertake any responsibility for their accuracy now or at any time in the future. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Series 2026A Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part of such maturity or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Series 2026A Bonds.

\* Preliminary, subject to change.

# LOS ANGELES COUNTY FLOOD CONTROL DISTRICT

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## LOS ANGELES COUNTY PUBLIC WORKS FINANCING AUTHORITY REVENUE BONDS (LOS ANGELES COUNTY FLOOD CONTROL DISTRICT) SERIES 2026A

### Board of Supervisors

Hilda L. Solis  
*First District, Chair*

Holly J. Mitchell  
*Second District*

Lindsey P. Horvath  
*Third District*

Janice Hahn  
*Fourth District*

Kathryn Barger  
*Fifth District*

Edward Yen  
*Executive Officer-Clerk –Board of Supervisors*

### County Officials

Joseph M. Nicchitta  
*Acting Chief Executive Officer*

Dawyn R. Harrison  
*County Counsel*

Oscar Valdez  
*Auditor-Controller*

Elizabeth Buenrostro Ginsberg  
*Treasurer and Tax Collector*

---

### District Official

Mark Pestrella  
*Director of Public Works*

---

Hawkins Delafield & Wood LLP  
*Bond Counsel and Disclosure Counsel*

---

Montague DeRose and Associates, L.L.C.  
*Municipal Advisor*

---

U.S. Bank Trust Company, National Association  
*Trustee*

No dealer, broker, salesperson or other person has been authorized to give any information or to make any representations other than those contained herein. If given or made, such other information or representations must not be relied upon as having been authorized by the District or the Authority. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the Series 2026A Bonds by any person in any jurisdiction in which it is unlawful for such person to make such an offer, solicitation or sale.

This Official Statement is not to be construed as a contract with the purchasers of the Series 2026A Bonds. Statements contained herein which involve estimates, projections, forecasts or matters of opinion, whether or not expressly so described herein, are intended solely as such and are not to be construed as representations of facts.

The information set forth herein has been obtained from the Authority and the District, and other sources that are believed by the Authority and the District to be reliable. The information and expressions of opinion herein are subject to change without notice and neither delivery of this Official Statement nor any sale of the Series 2026A Bonds made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the District or the Authority since the date hereof. All summaries of the documents and laws are made subject to the provisions thereof and do not purport to be complete statements of any or all such provisions. Preparation of this Official Statement and its distribution have been duly authorized and approved by the District and the Authority.

The Underwriter has provided the following sentence for inclusion herein. The Underwriter has reviewed the information herein in accordance with, and as part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

Certain statements included or incorporated by reference herein constitute “forward-looking statements.” Such statements are generally identifiable by the terminology used, such as “plan,” “expect,” “estimate,” “budget” or other similar words. The achievement of certain results or other expectations contained in such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause actual results, performance or achievements described to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Although such expectations reflected in such forward-looking statements are believed to be reasonable, there can be no assurance that such expectations will prove to be correct. Neither the District nor the Authority plans to issue any updates or revisions to those forward-looking statements if or when their expectations, or events, conditions or circumstances on which such statements are based, occur.

THE UNDERWRITER[S] MAY OFFER AND SELL THE SERIES 2026A BONDS TO CERTAIN DEALERS, INSTITUTIONAL INVESTORS AND OTHERS AT PRICES LOWER THAN THE PUBLIC OFFERING PRICES STATED ON THE INSIDE COVER PAGE HEREOF AND SUCH PUBLIC OFFERING PRICES MAY BE CHANGED FROM TIME TO TIME BY THE UNDERWRITERS.

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**\$100,000,000\***  
**Los Angeles County Public Works Financing Authority**  
**Revenue Bonds**  
**(Los Angeles County Flood Control District) Series 2026A**

**INTRODUCTION**

*This introduction is not a summary of this Official Statement. It is only a brief description of and guide to, and is qualified by, more complete and detailed information contained in the entire Official Statement, including the cover page and appendices hereto, and the documents described herein. All statements contained in this introduction are qualified in their entirety by reference to the entire Official Statement. References to, and summaries of, provisions of the Constitution and laws of the State of California and any documents referred to herein do not purport to be complete and such references are qualified in their entirety by reference to the complete provisions.*

**General**

This Official Statement, including the cover page and the Appendices attached hereto (the “Official Statement”), provides certain information concerning the issuance by the Los Angeles County Public Works Financing Authority (the “Authority”) of its \$100,000,000\* Revenue Bonds (Los Angeles County Flood Control District) Series 2026A (the “Series 2026A Bonds”). The Series 2026A Bonds will be issued under the provisions of Article 4 of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California, as amended, and the Indenture dated as of \_\_\_\_\_ 1, 2026 (the “Indenture”), by and among the Authority, the Los Angeles County Flood Control District (the “District”) and U.S. Bank Trust Company, National Association, trustee (the “Trustee”). The Series 2026A Bonds are secured by installment payments (the “Installment Payments”) made pursuant to an Installment Purchase Agreement, dated as of \_\_\_\_\_ 1, 2026 (the “Installment Purchase Agreement”), by and between the Authority and the District. See “SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2026A BONDS” herein.

The Series 2026A Bonds are the initial series of Bonds (as defined herein) issued under the Indenture and secured on a parity with certain District obligations to be issued or incurred in the future, including the District’s Revenue Bond (the “WIFIA Bond”) expected to be issued as a draw down loan in the maximum principal amount of [\$300,000,000] for the benefit of the United States Environmental Protection Agency, acting by and through the Administrator of the United States Environmental Protection Agency, in connection with the Water Infrastructure Finance and Innovation Act (“WIFIA”) Program and an installment sale agreement with the California State Water Resources Control Board in the currently estimated amount of \$50,000,000. See “ – Additional Parity Bonds and Parity Obligations.” See also “SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2026A BONDS – Additional Bonds; Additional Obligations” herein.

The Series 2026A Bonds are being issued to finance the acquisition, construction and installation of the San Gabriel Reservoir Post-Fire Emergency Restoration Project Part 2 and the San Gabriel Reservoir Restoration Project (Bridge Fire) (collectively, the “Project”) and pay certain costs of issuance incurred in connection with the Series 2026A Bonds. See “ESTIMATED SOURCES AND USES OF FUNDS” and “THE PROJECT” herein.

**The Series 2026A Bonds**

The Series 2026A Bonds will be delivered in book-entry form only, in denominations of \$5,000 or any integral multiple thereof, and, when issued and authenticated, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company (“DTC”), which will act as securities depository for the Series 2026A Bonds. Individual purchases of the Series 2026A Bonds will be made in book-entry form only. Purchasers of the Series 2026A Bonds will not receive Bonds representing their ownership interests in the Series 2026A

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\* Preliminary, subject to change.

Bonds purchased. Principal of and interest on the Series 2026A Bonds are payable directly to DTC by the Trustee. Upon receipt of payments of principal and interest, DTC will in turn distribute such payments to the beneficial owners of the Series 2026A Bonds. See “The Series 2026A Bonds – Book-Entry Only System” herein. The interest on the Series 2026A Bonds will be payable on each March 1 and September 1, commencing on \_\_\_\_\_ 1, 202\_\_ (each an “Interest Payment Date”).

### **Security and Sources of Payment for the Series 2026A Bonds**

The Series 2026A Bonds are secured for the benefit of the Owners of the Series 2026A Bonds and all other Bonds issued under the Indenture by all of the Authority’s right, title and interest in the Installment Purchase Agreement, including (i) all its rights to receive the Installment Payments and all other payments scheduled to be paid by the District under and pursuant to the Installment Purchase Agreement, (ii) the right to take all actions and give all consents under the Installment Purchase Agreement, (iii) the right of access more particularly described in the Installment Purchase Agreement, and (iv) all right, title and interest of the Authority in certain funds and accounts (and the money and other property held therein) established pursuant to the Indenture or the Installment Purchase Agreement; provided, however, that the Authority shall retain the rights to indemnification and to payment or Additional Payments under the Installment Purchase Agreement. “Installment Payments” mean the installment payments made by the District pursuant to the Installment Purchase Agreement.

The District has pledged, under the Installment Purchase Agreement, for the payment of the Installment Payments thereunder, the aggregate of the following amounts received by the District of (i) the District’s allocable portion of the 1% general ad valorem taxes (the “1% ad valorem Tax”), (ii) the District’s share of the statutory pass-through amounts pursuant to a mandatory statutory formula for sharing tax increment revenues for redevelopment project areas pursuant to Health & Safety Code Sections 33607.5 and 33607.7 enacted by Assembly Bill 1290 (the “Statutory Pass-Through Amounts”) and (iii) those tax revenues allocable to certain local agencies pursuant to Assembly Bill x1 26 after payment by the successors of abolished redevelopment agencies of enforceable legal obligations, pass-through payments and eligible administrative costs (the “Residual Taxes”) (the 1% ad valorem Tax, the Statutory Pass-Through Amounts and the Residual Taxes are herein referred to collectively as the “Taxes”) and, to the extent that such Taxes are insufficient to pay the Installment Payments in any fiscal year, the revenues derived from any benefit assessments imposed by the District (the “Assessment Revenue”). The obligation of the District to make the Installment Payments is absolute and unconditional, and until such time as the Purchase Price (as defined in the Installment Purchase Agreement) shall have been paid in full or provision for the payment thereof shall have been made pursuant to the Installment Purchase Agreement, the District will not discontinue or suspend any Installment Payments required to be made by it under the Installment Purchase Agreement when due, whether or not the Project or any part thereof is operating or operable or has been completed, or its use is suspended, interfered with, reduced or curtailed or terminated in whole or in part, and such payments shall not be subject to reduction whether by offset or otherwise and shall not be conditioned upon the performance or nonperformance by any party to any agreement for any cause whatsoever. See “Security and Sources of Payment for the Series 2026A Bonds” herein and “SCHEDULE OF INSTALLMENT PAYMENTS”.

The District has covenanted under the Installment Purchase Agreement that it will not at any time issue any obligation or execute any agreement the payments under which and pursuant to which are payable from the Taxes or the Assessment Revenues senior to the payment by the District of the Installment Payments. The District may incur obligations payable on a parity with the Installment Payments from Taxes and Assessment Revenue or solely from either Taxes or Assessment Revenue in accordance with the terms of the Installment Purchase Agreement. See Appendix C – “SUMMARY OF CERTAIN PROVISIONS OF THE PRINCIPAL LEGAL DOCUMENTS” attached hereto.

Certain other revenues of the District are not pledged for the payment of the Installment Payments. See Appendix A – “LOS ANGELES COUNTY FLOOD CONTROL DISTRICT – District Revenues; *Other District Revenues, Measure W*” attached hereto.

## **Additional Parity Bonds and Parity Obligations**

The Series 2026A Bonds are the first Series of Bonds issued under the Indenture. The District expects to issue Additional Bonds through the Authority in an amount not to exceed \$200,000,000 to finance the Project and other flood, storm and waste water control and conservation projects on a parity with the Series 2026A Bonds.

The District expects to enter into a WIFIA Loan Agreement in \_\_\_\_\_, 2026 with the United States Environmental Protection Agency, acting by and through the Administrator of the United States Environmental Protection Agency, providing for a draw down loan to finance other District projects (the “Additional Obligations”). The Additional Obligations will be evidenced by the WIFIA Bond and payable from Taxes and Assessment Revenue on a parity with the Series 2026A Bonds.

The District also expects to enter into an installment sale agreement with the California State Water Resources Control Board in \_\_\_\_\_, 2026 providing for a loan (the “State Loan”) to finance other District projects, which loan will be payable from Taxes and Assessment Revenue on a parity with the Series 2026A Bonds.

In addition to the foregoing, the District anticipates incurring approximately \$65.3 million of indebtedness in connection with the restoration of the Big Tujunga and Pacoima Reservoirs and approximately \$51.7 million of other obligations to be issued or incurred in FY 2027, in each case payable from Taxes and Assessment Revenue on a parity with the Series 2026A Bonds.

## **The District**

The District was established in 1915 pursuant to the Los Angeles County Flood Control Act (California Water Code, Chapter 28) (the “Act”) and encompasses approximately 2,760 square miles within the County of Los Angeles (the “County”). The Board of Supervisors of the County acts as the governing body of the District (the “Board of the District”).

In 1984, the District entered into an Operating Agreement (the “Operating Agreement”) with the County pursuant to which the County provides all services, labor, equipment, property, facilities and supplies in the performance of District functions in accordance with a budget approved by the Board of the District. Except for the Chief Engineer\_ of the District, all employees of the District were transferred to the County in 1984 under the Operating Agreement. Employees of the Department of Public Works (“Public Works”) of the County serve as staff for the District under the Operating Agreement. Under the Operating Agreement the District pays the County for the cost of services rendered by the County utilizing rates developed by the Auditor-Controller and the County makes payments to the District for County use of District equipment and property. Notwithstanding the provisions of the Operating Agreement, the County has caused the District to directly incur or enter into substantial costs or obligations. See Appendix A – “LOS ANGELES COUNTY FLOOD CONTROL DISTRICT” attached hereto.

Pursuant to the Act, the District may, among other things, (i) provide for the control and conservation of flood, storm and other waste waters, and for the protection of harbors, waterways, public highways and property in the District from damage from such waters, and for the construction of works and the acquisition of property therefor, and (ii) authorize the incurring of indebtedness, and the voting, issuing and selling of bonds, and the levying and collecting of taxes by the District. In furtherance of its powers under the Act, the District may acquire or contract to acquire lands, rights of way, easements, privileges and property of every kind and to construct, improve, maintain, repair and operate any and all improvements within or without the District related to its mandate. The District has implemented a range of flood control, water conservation and soil conservation and stabilization solutions throughout the jurisdiction of the District.

## **The Authority**

The Authority was formed pursuant to a Joint Exercise of Powers Agreement, dated May 18, 1993 (as amended by a Certificate of Amendment dated April 26, 1994, and a Certificate of Amendment dated October 22, 1996, and as further amended from time to time, the “JPA Agreement”), to provide financial assistance from time to time to the County, the District, the Los Angeles County Regional Park and Open Space District, the Community Facilities District No. 2 (Rowland Heights Area) of the County of Los Angeles and any entity that becomes a party to the JPA Agreement in accordance with its terms. The Authority has previously issued obligations secured by certain revenues of and rental payments from certain contracting parties and may issue additional obligations in the future. These other obligations of the Authority are not secured by the Installment Payments, and the Series 2026A Bonds and any other Additional Bonds (each as defined herein) are not secured by any other assets or property of the Authority other than the Installment Payments and the other assets pledged to the payment of the Series 2026A Bonds under the Indenture. Certain other revenues of the District are not pledged for the payment of the Installment Payments. See Appendix A – “LOS ANGELES COUNTY FLOOD CONTROL DISTRICT – District Revenues; *Other District Revenues, Measure W*” attached hereto.

## **Continuing Disclosure**

The Authority has determined that no financial or operating data concerning the Authority is material to any decision to purchase, hold or sell the Series 2026A Bonds and the Authority will not provide any such information and the Authority shall have no liability to the Owners of the Series 2026A Bonds or any other person with respect to any such information. The District has undertaken the responsibility for the continuing disclosure of certain information to Owners of the Series 2026A Bonds as described herein. See “Continuing Disclosure” herein.

The District has covenanted to provide, or cause to be provided, to the Municipal Securities Rulemaking Board, in accordance with Rule 15c2-12(b)(5) promulgated by the Securities and Exchange Commission (the “Rule”), certain annual financial information and operating data and, in a timely manner, notice of certain events. These covenants have been made in order to assist the Underwriter of the Series 2026A Bonds in complying with the Rule. See “Continuing Disclosure” herein and Appendix F – “FORM OF CONTINUING DISCLOSURE CERTIFICATE” attached hereto.

## **Forward-Looking Statements**

Certain statements included or incorporated by reference in the Official Statement constitute “forward-looking statements.” Such statements are generally identifiable by the terminology used such as “plan,” “expect,” “estimate,” “budget” or other similar words. The achievement of certain results or other expectations contained in such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause actual results, performance or achievements described to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Although such expectations reflected in such forward-looking statements are reasonable, there can be no assurance that the expectations will prove to be correct. The Authority and the District are not obligated to issue any updates or revisions to the forward-looking statements if or when its expectations, or events, conditions or circumstances on which such statements are based occur.

## **THE PROJECT**

**General.** The Project consists of the design, acquisition, construction and installation of the San Gabriel Reservoir Post-Fire Emergency Restoration Project Part 2 (the “2020 Fire Restoration Project Component”) and the San Gabriel Reservoir Restoration Project (Bridge Fire) (the “2024 Fire Restoration Project Component”) and, together with the 2020 Fire Restoration Project Component, the “Project”).

**2020 Fire Restoration Project Component.** In 2020, several wildfires occurred within the jurisdiction of the District. The Bobcat Fire burned 115,796 acres and destroyed over 200 structures across the San Gabriel Mountains from September through October 2020. The Bobcat Fire impacted the communities of Big Rock Springs, Juniper Hills, Llano, Pearblossom, and Valyermo along the northern foothills, and approached the areas of Arcadia, Azusa, Duarte, Monrovia, Pasadena, and Sierra Madre in the southern foothills. Post-fire debris flow hazards are an ongoing concern for much of the Bobcat Fire burn areas and downstream communities. Public Works continues to engage in activities to protect communities from debris flows in burn areas and repair critical Public Works infrastructure.

The 2020 Fire Restoration Project Component will remove up to 4.9 million cubic yards of sediment relating to the Bobcat Fire. Approximately 3.2 million cubic yards (“MCY”) of sediment have been removed to date. The 2020 Fire Restoration Project Component will conclude with its final year of construction in 2026 and is expected to remove approximately 1.0 MCY of sediment from the San Gabriel Reservoir.

**2024 Fire Restoration Project Component.** In 2024, the Bridge Fire ignited in the Sheep Mountain Wilderness area of the Angeles National Forest and rapidly spread to surrounding areas in the County. The Bridge Fire burned 56,030 acres of land in and around the San Gabriel Mountains of the Angeles National Forest, including approximately 37,940 acres of the watershed tributary to the San Gabriel Reservoir. The District estimates that the denuded watershed has increased the debris potential tributary to the San Gabriel Reservoir during a significant storm event by an additional 6.6 MCY. This significant volume of debris flows could severely reduce the capacity of the San Gabriel Reservoir, bury the dam’s intakes, and damage the dam’s valves and/or render them inoperable. The reduction in capacity, inoperability of the dam’s inlet/outlet works, and the resultant uncontrolled spillway flows is expected to pose a significant flood risk to life and property to the downstream communities.

The 2024 Fire Restoration Project Component is located within the Angeles National Forest in the San Gabriel Canyon, approximately 8 miles north of the City of Azusa, and is being undertaken as part of the County’s efforts to repair and restore the facilities damaged and impaired as a result of the Bridge Fire, including the repair and restoration of flood control facilities, and the removal of sediment from debris basins and debris dams at the San Gabriel Reservoir. The 2024 Fire Restoration Project Component consists of: (i) site preparation, (ii) reconstruction of the existing San Gabriel Reservoir access ramp to permit construction access and sediment transport to the Burro Canyon Sediment Placement Site (the “SPS”) from the San Gabriel Reservoir, (iii) drawdown of the San Gabriel Reservoir pool and diversion of surface water flows, and (iv) emergency removal of up to 6.6 MCY of sediment and debris from the San Gabriel Reservoir to mitigate the risk of flooding resulting from the increased debris potential in the tributary watershed caused by the Bridge Fire and placement of sediment on graded access roads to the associated SPS. The 2024 Fire Restoration Project Component is anticipated to begin Spring 2027, following the 2026 conclusion of ongoing activities relating to the 2020 Fire Restoration Project Component, and is expected to conclude in Spring 2032.

Approximately, \$50 million of the proceeds of the Series 2026A Bonds can be used to finance a portion of the 2020 Fire Restoration Project Component, the 2024 Fire Restoration Project Component or other flood, storm and waste water control and conservation projects. The remaining costs of the 2024 Fire Restoration Project Component are expected to be financed primarily with Additional Bonds.

## ESTIMATED SOURCES AND USES OF FUNDS

The proceeds of the Series 2026A Bonds are expected to be applied as follows:

### SOURCES:

|                                            |              |
|--------------------------------------------|--------------|
| Principal Amount of the Series 2026A Bonds |              |
| [Net] Original Issue Premium               | \$ _____     |
| <br>Total Sources                          | <br>\$ _____ |

|                                  |       |
|----------------------------------|-------|
| USES:                            | \$    |
| Deposit to the Construction Fund |       |
| Costs of Issuance <sup>(1)</sup> |       |
| Underwriter's Discount           | \$    |
|                                  | <hr/> |
| Total Uses                       | \$    |
|                                  | <hr/> |

<sup>(1)</sup> Includes legal, municipal advisor and trustee fees, printing costs, and other costs of issuance.

## THE SERIES 2026A BONDS

### General

The Series 2026A Bonds will be issued in the form of fully registered bonds in denominations of \$5,000 or any integral multiple thereof. The principal of the Series 2026A Bonds will be payable on their respective maturity dates, as shown on the inside cover page hereof, and interest on the Series 2026A Bonds will be payable on each Interest Payment Date commencing September 1, 2026 to the respective Owners thereof as shown in the books required to be kept by the Trustee on the fifteenth day of the calendar month prior to the applicable Interest Payment Date (the "Record Date"). The interest evidenced and represented by the Series 2026A Bonds will be computed on the basis of a 360-day year of twelve 30-day months.

### Book-Entry Only System

The Series 2026A Bonds will be delivered in book-entry form only, in denominations of \$5,000 or any integral multiple thereof, and, when issued and authenticated, will be registered in the name of Cede & Co., as nominee of DTC, which will act as securities depository for the Series 2026A Bonds. Individual purchases of the Series 2026A Bonds will be made in book-entry form only. Purchasers of the Series 2026A Bonds will not receive Bonds representing their ownership interests in the Series 2026A Bonds purchased. Principal of and interest on the Series 2026A Bonds are payable directly to DTC by the Trustee. Upon receipt of payments of principal and interest, DTC will in turn distribute such payments to the beneficial owners of the Series 2026A Bonds. See Appendix D – "BOOK-ENTRY ONLY SYSTEM" attached hereto.

### Redemption\*

**Extraordinary Redemption.** The Series 2026A Bonds are subject to redemption prior to their respective maturity dates, upon notice as hereinafter provided, as a whole or in part by lot within each maturity in integral multiples of \$5,000 of principal in such order of maturity as will be selected by the District on any date, from payments made by the District from the proceeds from insurance, condemnation or eminent domain awards with respect to the Property or any part thereof, less any costs reasonably expended by the District to receive such proceeds under the circumstances and upon the conditions and terms prescribed in the Indenture and in the Installment Purchase Agreement, at a redemption price equal to the sum of the principal amount or such part thereof evidenced and represented by the Series 2026A Bonds to be redeemed, without premium, plus accrued interest thereon to the date fixed for redemption.

**Optional Redemption.** The Series 2026A Bonds maturing on or before [March 1] 20\_\_ are not subject to redemption prior to their respective maturity dates. The Series 2026A Bonds maturing on or after [March 1], 20\_\_ are subject to optional redemption by the District prior to their respective maturity dates, upon notice as hereinafter provided, as a whole or in part by lot within each maturity in integral multiples of \$5,000 of principal in such order of maturity as shall be selected by the District and designated in writing to the Trustee on any date on or after [March 1], 20\_\_, from any source of available funds, at a redemption price equal to the sum of the

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\* Preliminary, subject to change.

principal amount or such part thereof of the Bonds to be redeemed plus accrued interest thereon to the date fixed for redemption.

**Mandatory Sinking Fund Redemption of the Series 2026A Term Bonds.** The Series 2026A Bonds maturing on March 1, 20\_\_ shall be subject to mandatory sinking fund redemption, in part, on March 1 in each year, commencing March 1, 20\_\_, at a redemption price equal to the principal amount thereof, plus accrued interest thereon to the date fixed for redemption, without premium, in the aggregate respective principal amounts in the respective years as follows:

| Sinking Fund<br>Redemption Date<br>(March 1) | Principal Amount<br>to be<br>Redeemed |
|----------------------------------------------|---------------------------------------|
|----------------------------------------------|---------------------------------------|

(Maturity)

The Series 2026A Bonds maturing March 1, 20\_\_ shall be subject to mandatory sinking fund redemption, in part, on March 1 in each year, commencing March 1, 20\_\_, at a redemption price equal to the principal amount thereof, plus accrued interest thereon to the date fixed for redemption, without premium, in the aggregate respective principal amounts in the respective years as follows:

| Sinking Fund<br>Redemption Date<br>(March 1) | Principal Amount<br>to be<br>Redeemed |
|----------------------------------------------|---------------------------------------|
|----------------------------------------------|---------------------------------------|

(Maturity)

If some but not all of the Series 2026A Term Bonds are redeemed pursuant to the extraordinary redemption provisions as described herein under the caption “ – Extraordinary Redemption,” the principal amount of such Series 2026A Term Bonds to be redeemed pursuant to the mandatory sinking fund redemption provisions shall be reduced by the aggregate principal amount of the respective Series 2026A Term Bonds so redeemed pursuant to the extraordinary redemption provisions, such reduction to be allocated among sinking fund redemption dates in Authorized Denominations as designated by the District. If some but not all of the respective Series 2026A Term Bonds are redeemed pursuant to the optional redemption provisions as described herein under the caption “– Optional Redemption,” the principal amount of such Bonds to be redeemed pursuant to the mandatory sinking fund redemption provisions shall be reduced by the aggregate principal amount of the respective Series 2026A Term Bonds so redeemed pursuant to the optional redemption provisions, such reduction to be allocated among redemption dates in Authorized Denominations, as designated by the District.

**Selection of Bonds for Redemption.** If some but not all of the Series 2026A Bonds are redeemed as described in the caption “Optional Redemption” above, the Trustee shall select the Series 2026A Bonds to be redeemed as directed in a Written Certificate of the District.

**Notice of Redemption.** In the case of any redemption of Bonds, the Trustee will give notice (the “Redemption Notice”) of the redemption of the Bonds. Such Redemption Notice will specify: (a) the Bonds or designated portions thereof (in the case of redemption of the Bonds in part but not in whole) which are to be redeemed; (b) the date of redemption; (c) the place or places where the redemption will be made, including the

name and address of any paying agent; (d) the redemption price; (e) the CUSIP numbers (if any) assigned to the Bonds to be redeemed; (f) if less than all the Bonds of a maturity are to be redeemed, the certificate numbers of the Bonds to be redeemed and, in the case of any Bond to be redeemed in part only, the portion of the principal amount of such Bond to be redeemed; and (g) the original issue date, interest rate and stated maturity date of each Bond to be redeemed in whole or in part. Such Redemption Notice will further state that on the date specified for redemption there will become due and payable upon each Bond or portion thereof being redeemed the redemption price, together with interest accrued to the date specified for redemption, and that from and after such date interest with respect thereto will cease to accrue.

Subject to the provisions stated above, the Trustee will take the following actions with respect to such Redemption Notice: (a) (i) At least twenty (20), but not more than sixty (60), days prior to the redemption date or (ii) immediately upon receipt of Net Proceeds from insurance or condemnation awards which are to be used to redeem Bonds, the Trustee will cause Redemption Notices to be given to the respective Owners of Bonds designated for redemption by first class mail, postage redeemed, at their addresses appearing on the Bond Register maintained by the Trustee and (b) each Redemption Notice will be sent at least 20 days prior to redemption to the Municipal Securities Rulemaking Board's Electronic Municipal Market Access System at <http://emma.msrb.org/>. Neither failure to receive any Redemption Notice nor any error in such Redemption Notice so given will affect the sufficiency or validity of the proceedings for the redemption of such Bonds.

With respect to any Redemption Notice relating to an optional redemption of the Bonds, such Redemption Notice may state that such redemption will be conditional upon the receipt by the Trustee, on or prior to the date fixed for such redemption of moneys sufficient to pay the principal of, premium if any, and interest on the Bonds to be redeemed and that, if such moneys will not have been so received, said notice will be of no force and effect and the Trustee will not be required to redeem such Bonds or, alternatively, the District may direct the Trustee to mail a notice selecting a new redemption date not sooner than five Business Days after the originally scheduled date. In the event that the notice of redemption contains such a condition and such moneys are not so received, on the original redemption date or any new redemption dates selected as described in the previous sentence, the redemption will not be made and the Trustee will within a reasonable time thereafter give notice, in the manner in which the Redemption Notice was given, that such moneys were not so received and that the redemption is cancelled. Any such cancellation of an optional redemption will not constitute an Event of Default under this Indenture. The District, the Authority and the Trustee will have no liability to the Owners or any other party related to or arising from such cancellation.

***Effect of Redemption.*** If notice of redemption has been duly given to the Owners as provided in the Indenture and money for the payment of the redemption price of the Series 2026A Bonds or parts thereof to be redeemed is held by the Trustee, then on the redemption date designated in such notice the Series 2026A Bonds or such parts thereof so called for redemption will become payable at the redemption price thereof as specified in such notice; and from and after the date so designated interest on the Series 2026A Bonds or such parts thereof so called for redemption will cease to accrue, such Series 2026A Bonds or such parts thereof will cease to be entitled to such benefit, protection or security hereunder and the Owners of such Series 2026A Bonds will have no rights in respect thereof except to receive payment of the redemption price of the Series 2026A Bonds or such parts to be redeemed. The Trustee will, upon surrender for redemption of any of the Series 2026A Bonds to be redeemed in whole or in part on their redemption dates, pay such Series 2026A Bonds or such parts thereof at the redemption price thereof.

## **SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2026A BONDS**

### **General**

The Series 2026A Bonds are secured for the benefit of the Owners of the Series 2026A Bonds and all other Bonds issued under the Indenture by all of the Authority's right, title and interest in the Installment Purchase Agreement, including (i) all its rights to receive the Installment Payments and all other payments scheduled to be paid by the District under and pursuant to the Installment Purchase Agreement, (ii) the right to

take all actions and give all consents under the Installment Purchase Agreement, (iii) the right of access more particularly described in the Installment Purchase Agreement, and (iv) all right, title and interest of the Authority in certain funds and accounts (and the money and other property held therein) established pursuant to the Indenture or the Installment Purchase Agreement; provided, however, that the Authority shall retain the rights to indemnification and to payment of Additional Payments under the Installment Purchase Agreement. "Installment Payments" mean the installment payments made by the District pursuant to the Installment Purchase Agreement. See "SCHEDULE OF INSTALLMENT PAYMENTS". The Series 2026A Bonds are the initial series of Bonds issued under the Indenture. For a discussion of future parity obligations and the provisions applicable thereto see "INTRODUCTION – Additional Parity Bonds and Parity Obligations" and " – Additional Bonds; Additional Obligations" herein.

### **Installment Payments**

Under the Installment Purchase Agreement, the District has pledged, for the payment of the Installment Payments, certain Revenues of the District. "Revenues" mean Taxes and, to the extent the Taxes are insufficient to pay the Installment Payments in any fiscal year, Assessment Revenue. The District has covenanted in the Installment Purchase Agreement that, with respect to Assessment Revenue it will determine annually the costs of the services that are financed by the benefit assessment imposed by the District and determine and impose the assessments (taking into account principal, interest and other obligations owed by the District) in an amount that is sufficient to pay the maximum Installment Payments payable in any fiscal year plus Maximum Annual Debt service (as defined herein) requirements for any indebtedness secured on a *pari passu* basis with the Installment Payments. Assessment Revenue may be limited by the requirements of Proposition 218; see Appendix A – "LOS ANGELES COUNTY FLOOD CONTROL DISTRICT – District Revenues" attached hereto.

The District has also covenanted in the Installment Purchase Agreement to take such action as may be necessary to include all Installment Payments and Additional Payments in its annual budgets and to make the necessary annual appropriations for all such Installment Payments and Additional Payments. Installment Payments are scheduled to be paid as set forth under "SCHEDULE OF INSTALLMENT PAYMENTS". The Installment Payments are designed to be sufficient to pay principal of and interest on the Series 2026A Bonds when due.

Certain other revenues of the District are not pledged for the payment of the Installment Payments. See Appendix A – "LOS ANGELES COUNTY FLOOD CONTROL DISTRICT – District Revenues; *Other District Revenues, Measure W*" attached hereto.

**THE SERIES 2026A BONDS ARE SPECIAL LIMITED OBLIGATIONS OF THE AUTHORITY AND PRINCIPAL AND INTEREST THEREON ARE PAYABLE SOLELY FROM THE INSTALLMENT PAYMENTS RECEIVED FROM THE DISTRICT BY THE AUTHORITY AS PROVIDED IN THE INDENTURE, AND THE AUTHORITY IS NOT OBLIGATED TO PAY SUCH PRINCIPAL OR INTEREST EXCEPT FROM THE INSTALLMENT PAYMENTS.**

**THE OBLIGATION OF THE DISTRICT TO MAKE THE INSTALLMENT PAYMENTS IS A SPECIAL OBLIGATION OF THE DISTRICT PAYABLE SOLELY FROM THE REVENUES AS PROVIDED IN THE INSTALLMENT PURCHASE AGREEMENT, AND DOES NOT CONSTITUTE A DEBT OF THE DISTRICT, THE COUNTY OR OF THE STATE OF CALIFORNIA OR OF ANY POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY DEBT LIMITATION OR RESTRICTION.**

The obligation of the District to make the Installment Payments from Revenues is absolute and unconditional, and until such time as the Purchase Price (as defined in the Installment Purchase Agreement) shall have been paid in full or provision for the payment thereof shall have been made pursuant to the Installment Purchase Agreement, the District will not discontinue or suspend any Installment Payments required to be made by it when due, whether or not the Property or any part thereof is operating or operable or has been completed, or its use is suspended, interfered with, reduced or curtailed or terminated in whole or in part, and such payments

shall not be subject to reduction whether by offset or otherwise and shall not be conditioned upon the performance or nonperformance by any party to any agreement for any cause whatsoever.

### **Additional Bonds**

In accordance with the Indenture, the Authority, from time to time, may with the prior written consent of the District and shall upon the request of the District, by a Supplemental Indenture, authorize one or more series of Additional Bonds, secured by Installment Payments under the Installment Purchase Agreement, on parity with the Outstanding Bonds. Any Additional Bonds shall be issued as set forth in the Supplemental Indenture providing for such Additional Bonds. The Series 2026A Bonds are the first series of Bonds issued under the Indenture. For a discussion of future parity obligations, see “INTRODUCTION – Additional Parity Bonds and Parity Obligations”

### **Additional Obligations**

***No Senior Obligations.*** The District has covenanted under the Installment Purchase Agreement that it will not at any time issue any obligation or execute any agreement the payments under which and pursuant to which are secured from the Taxes or the Assessment Revenues on a basis senior to the payment by the District of the Installment Payments.

***Additional Obligations Payable from Taxes and Assessment Revenue.*** Under the Installment Purchase Agreement, the District may at any time issue any Parity Obligations the payments under and pursuant to which or execute any Contract the Parity Payments under and pursuant to which, as the case may be, are payable on a parity with the payment by the District of the Installment Payments as provided herein so long as there shall have not occurred and be continuing an Event of Default hereunder that will not be cured by the application of the proceeds of the Additional Bonds or the proceeds of the Contract; provided, that, the District provides a certificate showing that the Revenues as shown by the books of the District for any period of twelve (12) consecutive months within the eighteen (18) consecutive months ending immediately prior to the issuance of such additional Parity Obligations or execution any Contract the Parity Payments under and pursuant to which, as the case may be, are payable on a parity with the payment by the District of the Installment Payments shall have amounted at least the Maximum Annual Parity Debt Service on all Bonds and Contracts to be Outstanding immediately after the issuance of the proposed Parity Obligations or the execution of such Contract, as the case may be.

“Parity Obligations” means all obligations of the District authorized, executed, issued and delivered by the District under and pursuant to applicable law, the interest and principal and redemption premium, if any, payments under and pursuant to which are payable from both Taxes and Assessment Revenue on a parity with the payment of the Installment Payments, including, without duplication. “Contracts” means the Installment Purchase Agreement and all other installment or revenue payment contracts of the District previously or hereafter authorized and executed by the District under and pursuant to applicable law, the interest and principal and prepayment premium, if any, payments under and pursuant to which are payable from both Taxes and Assessment Revenue on a parity with the payment of the Installment Payments hereunder, including but not limited to any applicable WIFIA Loan and State Loan, but excluding contracts entered into for operation and maintenance of facilities of the District. “Parity Payments” means the payments scheduled to be paid by the District under and pursuant to the Contracts. “Maximum Annual Parity Debt Service” means, with respect to Parity Obligations and Contracts, Assessment Obligations (herein defined) or Tax Obligations (herein defined), the greatest total Parity Debt Service, Assessment Debt Service or Tax Debt Service, as applicable, payable in any Fiscal Year during the period commencing with the next ensuing Fiscal Year and terminating with the Fiscal Year in which payments are due under the last outstanding Parity Obligations and Contract, Assessment Obligation or Tax Obligation, as applicable. “Parity Debt Service” means, for any Fiscal Year, with respect to all Obligations, the sum of (1) the interest accruing during such Fiscal Year on all outstanding Obligations, assuming that all outstanding serial Obligations are retired as scheduled and that all outstanding term Obligations are redeemed or paid from sinking fund payments as scheduled (except to the extent that such interest is to be

paid from the proceeds of sale of any Obligations), (2) that portion of the principal amount of all outstanding serial Obligations maturing on the next succeeding principal payment date that would have accrued during such Fiscal Year if such principal amount were deemed to accrue monthly in equal amounts from the next preceding principal payment date or during the year preceding the first principal payment date, as the case may be, and (3) that portion of the principal amount of all outstanding term Obligations required to be redeemed or paid on the next succeeding redemption date (together with the redemption premiums, if any, thereon) that would have accrued during such Fiscal Year if such principal amount (and redemption premiums) were deemed to accrue monthly in equal amounts from the next preceding redemption date or during the year preceding the first redemption date, as the case may be; provided, that if any of such Obligations bear interest payable pursuant to a variable interest rate formula, the interest rate on such Obligations, for periods when the actual interest rate cannot yet be determined, shall be assumed to be equal to the District Budget Rate (being the assumed tax-exempt or taxable rate, as applicable, specified in the District's adopted budget for the then-current Fiscal Year, as it may be amended from time to time during the then-current Fiscal Year (or any successor annual budget publication as may be published by the District) determined for such Fiscal Year, as set forth in a Certificate of the District delivered to the Trustee, who may rely conclusively on such Certificate, and which Certificate shall be delivered to the Trustee promptly each year following the adoption of the District's budget.

***Additional Obligations Payable from Assessment Revenue.*** The District may at any time issue any obligations the payments under and pursuant to which or execute any installment sale or purchase agreement the payments under and pursuant to which, as the case may be, are secured by a pledge of the Assessment Revenue ("Assessment Revenue Obligations") on a parity with the pledge by the District of the Assessment Revenue to the payment of the Installment Payments as provided herein so long as there shall have not occurred and be continuing an Event of Default hereunder that will not be cured by the application of the proceeds of the Additional Bonds or the proceeds of the Contract; provided, that, the District provides a certificate showing that the Assessment Revenue as shown by the books of the District for any period of twelve (12) consecutive months within the eighteen (18) consecutive months ending immediately prior to the issuance of such Assessment Revenue Obligations shall have amounted to at least the Maximum Annual Assessment Debt Service on all Assessment Revenue Obligations, Parity Obligations and Contracts outstanding after the issuance of such Assessment Revenue Obligations. "Maximum Annual Assessment Debt Service" means, with respect to Assessment Obligations, the greatest total Assessment Debt Service, payable in any Fiscal Year during the period commencing with the next ensuing Fiscal Year and terminating with the Fiscal Year in which payments are due under the last outstanding Assessment Obligation.

***Additional Obligations Payable from Taxes.*** The District may at any time issue any obligations the payments under and pursuant to which or execute any installment sale or purchase agreement the payments under and pursuant to which, as the case may be, are secured by a pledge of the Taxes ("Tax Obligations") on a parity with the pledge by the District of the Taxes to the payment of the Installment Payments as provided herein so long as there shall have not occurred and be continuing an Event of Default hereunder that will not be cured by the application of the proceeds of the Additional Bonds or the proceeds of the Contract; provided, that, the District provides a certificate showing that the Taxes as shown by the books of the District any period of twelve (12) consecutive months within the eighteen (18) consecutive months ending immediately prior to the issuance of such Tax Obligations shall have amounted to at least the Maximum Annual Tax Debt Service on all Tax Obligations, Parity Obligations and Contracts Outstanding after the issuance of such Tax Obligation. "Maximum Annual Tax Debt Service" means, with respect to Tax Obligations, the greatest total Tax Debt Service payable in any Fiscal Year during the period commencing with the next ensuing Fiscal Year and terminating with the Fiscal Year in which payments are due under the last outstanding Tax Obligation.

***Refunding and Subordinate Obligations.*** Notwithstanding the foregoing provisions, there will be no limitations on the ability of the District to (i) execute any agreement evidencing any Parity Obligations or Contracts, Assessment Revenue Obligations or Tax Obligations at any time to refund any outstanding Parity Obligations or Contracts, Assessment Revenue Obligations or Tax Obligations, as applicable, so long as the applicable maximum annual debt service is not increased thereby, or (ii) execute any contract or issue any

obligations which are payable from Taxes, Assessment Revenue, or both on a subordinate basis to the payment by the District of the Installment Payments.

### **Additional Payments**

In addition to the Installment Payments the District will pay to the Authority, or the Trustee, as applicable, as Additional Payments under the Installment Purchase Agreement such amounts in each year as will be required by the Authority for the payment in full of all costs and expenses incurred by the Authority in connection with the execution, performance or enforcement of the Installment Purchase Agreement and of the Indenture, including but not limited to payment of all fees, costs and expenses and all administrative costs of the Authority in connection with the Installment Purchase Agreement and the Indenture, the fees, costs and expenses of the Trustee in connection with the Series 2026A Bonds, or any other document to the extent not otherwise paid pursuant to the Installment Purchase Agreement and all taxes, assessments and governmental charges of any nature whatsoever hereafter levied or imposed by any governmental authority against the Property or the Installment Payments and the other payments required to be made by the District under the Installment Purchase Agreement.

### **Rate Covenant**

The District has covenanted in the Installment Purchase Agreement that it will determine annually the costs of the services that are financed by the benefit assessment imposed by the District and that it will determine and impose assessments (taking into account principal, interest and other obligations owed) in an amount that is sufficient to pay the maximum Installment Payments payable in any fiscal year plus maximum annual debt service requirements for any indebtedness secured on a *pari passu* basis with the Installment Payments.

### **No Reserve Fund**

No reserve fund will be established in connection with the Series 2026A Bonds, the WIFIA Bonds or any Additional Bonds. The installment sale agreement with the California State Water Resources Control Board requires the District to establish and maintain a reserve that will not be available to pay the Series 2026A Bonds, the WIFIA Bonds or other parity obligations of the District.

### **SCHEDULE OF INSTALLMENT PAYMENTS**

| <b>Payment<br/>Date</b> | <b>Principal</b> | <b>Interest</b> | <b>Total</b> |
|-------------------------|------------------|-----------------|--------------|
|-------------------------|------------------|-----------------|--------------|

## **RISK FACTORS**

*Prospective purchasers of the Series 2026A Bonds should consider the matters set forth below as well as other information contained in this Official Statement in evaluating an investment in the Series 2026A Bonds. This section is provided for convenience and does not purport to be a comprehensive list or description of all potential risks which, if realized, could adversely affect the payment or the value of the Series 2026A Bonds. The order of presentation of these factors below is not intended to create any implication as to the relative importance of any one risk factor over another. Any one or more of the risk factors discussed below, among others, could lead to a decrease in the market value and/or in the marketability of the Series 2026A Bonds or adversely affect the ability of the District to make timely payments of the Installment Payments. There can be no assurance that other risk factors not discussed herein will not become material in the future.*

### **Special Obligation of the Authority**

The Series 2026A Bonds shall be special obligations of the Authority, payable solely from the Installment Payments and the other assets pledged therefor under the Indenture. Neither the faith and credit nor the taxing power of the Authority, the District or the State, or any political subdivision thereof, is pledged to the payment of the Series 2026A Bonds. The Authority has no taxing power and has no obligation to pay Installment Payments. The obligation of the District to pay the Installment Payments does not constitute a debt of the District or of the State or of any political subdivision thereof in contravention of any constitutional or statutory debt limit or restriction, and does not constitute an obligation for which the District or the State is obligated to levy or pledge any form of taxation or for which the District or the State has levied or pledged any form of taxation.

The District is obligated under the Installment Payment Agreement to pay the Installment Payments from legally available funds, and the District has covenanted in the Installment Payment Agreement take such actions as may be necessary to include all Installment Payments and Additional Payments due under the Installment Purchase Agreement in its annual budgets and to make the necessary annual appropriations for all such Installment Payments and Additional Payments. The covenants on the part of the District contained in the Installment Purchase Agreement shall be deemed to be and shall be construed to be ministerial duties imposed by law and it shall be the ministerial duty of each and every official of the Districts to take such action and do such things as are required by law in the performance of such official duty of such officials to enable the District to carry out and perform the covenants on the part of the District contained in the Installment Purchase Agreement.

### **Additional Obligations of the District Payable from the Revenues**

In addition to the provisions under the Indenture which permit the Authority to issue Additional Bonds payable from Installment Payments on a parity with all other Bonds issued under the Indenture, the District is authorized to enter into other obligations which may constitute additional charges against its Revenues. To the extent that additional obligations are incurred by the District, the funds available to make Installment Payments may be decreased.

The Installment Payments and other payments due under the Installment Payment Agreement are payable from funds lawfully available to the District. In the event that the amounts which the District is obligated to pay in a Fiscal Year exceed the District's revenues for such year, the District may choose to make some payments rather than making other payments, including Installment Payments, based on the perceived needs of the District. The same result could occur if, because of California constitutional limits on expenditures, the District is not permitted to appropriate and spend all of its available revenues. In such event, the District may not have sufficient funds available to pay the Installment Payments when due.

## **Remedies; Acceleration at Trustee's Discretion**

The Installment Purchase Agreement provides that if the District defaults under the Installment Purchase Agreement the Trustee may exercise any and all rights and remedies available under the Installment Purchase Agreement, including the right to declare all Installment Payments immediately due and payable. The Trustee may also accelerate the obligation of the Authority to pay the principal and interest owed on the Series 2026A Bonds in the event of a default under the Indenture.

## **Projections and Forecasts**

The projections and forecasts regarding the future Revenues of the District contained in this Official Statement and the Appendices hereto are estimates, which have been prepared on the basis of certain assumptions and hypotheses. The Authority and the District make no representation or warranty of any kind with respect to the accuracy or completeness of these projections and forecasts. The projections and forecasts contained herein are based upon assumptions as to future events and, accordingly, are subject to varying degrees of uncertainty. Some assumptions inevitably will not materialize and, additionally, unanticipated events and circumstances may occur. The projections and forecasts included in this Official Statement and the Appendices hereto may vary from actual results in material and adverse respects.

## **Legislation; Initiative Measures**

Legislation or initiative measures impacting property, property tax allocation or the rate or rates of assessment may affect the security of the Series 2026A Bonds. The implementation of any constitutional or legislative property tax decrease could reduce taxes or assessments, and accordingly, have an adverse impact on the ability of the District to make timely Installment Payments. There is no assurance that the California electorate or Legislature will not at some future time approve additional limitations which could adversely affect the security of the Series 2026A Bonds. In addition, delinquencies in the payment of property taxes could have an adverse effect on the District's ability to make timely Installment Payments. The Authority has no power to levy and collect property taxes. See Appendix A – "LOS ANGELES COUNTY FLOOD CONTROL DISTRICT" attached hereto.

## **Reduction in Property Values**

A reduction in land use or improvement value of property in the County caused by economic factors beyond the District and the Authority's control, such as the complete or partial destruction of such property caused by, among other unforeseen events, an earthquake, other natural disaster or civil unrest, could cause a reduction in Revenues. Such a reduction in Revenues could have an adverse effect on the District's ability to make timely Installment Payments.

## **District Costs and Obligations**

The District has no staff and no independent governing body. The Board of Supervisors of the County acts as the governing body of the District. The activities of the District are controlled by Public Works. The District has no independent means of evaluating costs or contractual arrangements that the County proposes or causes the District to enter into under the Operating Agreement. There are no limitations or conditions in the Operating Agreement regarding the imposition of costs, obligations or liabilities under the Operating Agreement. Notwithstanding the provisions of the Operating Agreement, the County has caused or may cause the District to directly incur or enter into substantial costs or obligations. The District has no policies or procedures regarding incurring or entering into such direct costs and obligations. The County is not a party to any agreement with respect to the Series 2026A Bonds and has no obligation to or covenants with bondholders regarding the level or types of costs or obligations passed on by the County to the District under the Operating Agreement or otherwise. No reserve fund will be established in connection with the Series 2026A Bonds, the WIFIA Bonds or any Additional Bonds and the District is not required to maintain reserves or fund balances in connection with

the Series 2026A Bonds or any other parity obligations. While there are limitations on the District incurring, entering into or issuing parity obligations such as Additional Bonds, Contracts, Tax Obligations, Assessment Revenue Obligations, there are no limitations on contracts to fund capital improvements on a pay-as-you-go basis or for substantial equipment purchases or similar arrangements. No assurance can be given that the County will not substantially increase costs or obligations payable directly by the District or by the District pursuant to the Operating Agreement or substantially reduce the District fund balance to pay capital and other costs.

### **Seismic Events and Other Natural Disasters; Force Majeure**

The District, like most regions in the State, and the Project, are located in an area of seismic activity from movements along active fault zones and, therefore, could be subject to potentially destructive earthquakes. Known major faults running through the District include the Chatsworth, the Newport-Inglewood, the San Andreas, the Santa Monica, the Santa Susana, the Sierra Madre, and the Whittier faults. Additionally, numerous minor faults transect the area. Seismic hazards encompass both potential surface rupture and ground shaking. The occurrence of severe seismic activity in the area of the District could result in substantial damage and interference with the Project.

Additionally, many areas of California, including areas within the District, have suffered from severe wildfires in recent years, resulting in thousands of acres being burned and the destruction of homes and other structures. In January 2025, the District experienced multiple wildfires, including the Eaton Fire and the Palisades Fire. Then-existing drought conditions, low humidity, and hurricane-force Santa Ana winds contributed to the magnitude and extent of the fires. The fires destroyed more than 16,000 homes and structures, burned over 57,000 acres of land, and resulted in the evacuation of over 200,000 people. The District had minimal direct facility impact from the Eaton and Palisades Fires, however, a related risk is major sediment deposition in District reservoirs resulting from the denuding of the surrounding watershed by wildfires and the District could experience sediment/debris impacts from storms following the Eaton and Palisades Fires.

The District projects that the fires will result in decreases in certain locally generated revenues, including decreases in property tax revenues from the full or partial loss of properties in the affected areas due to the loss and closure of businesses. In addition, the deadline for payment of property taxes, without penalty, was extended by a year (to April 2026) for property owners in fire-impacted areas. County expenditures will also be adversely affected for multiple years as the County provides essential aid to impacted residents and invests in clean-up and rebuilding efforts. Based on current estimates, the County expects to expend over \$800 million in response to the wildfires and to facilitate the recovery effort, with a majority of the costs potentially eligible for reimbursement from the Federal Emergency Management Agency (“FEMA”). The County’s experience from prior disasters has been that FEMA does not cover all claimed costs and reimbursements may take years.

Operation of the Property may be at risk from other events of force majeure, such as damaging storms, floods, fires and explosions, strikes, sabotage, and riots, among other events. If a natural disaster were to damage or destroy a substantial portion of taxable property within the District, the assessed valuation of the real property in the District could be reduced, which could result in a reduction of property tax revenues that are used to pay Installment Payments under the Installment Purchase Agreement. In addition, substantial financial and operational resources of the District could be required during a significant natural disaster or other event and thereafter to repair damage to District infrastructure which could also reduce amounts available in the District’s General Fund. The District cannot predict what force majeure events may occur in the future.

FEMA produces Flood Insurance Rate Maps which identify 100-year floodplain areas. A 100-year floodplain is an area expected to be inundated during a flood event of the magnitude for which there is a 1-in-100 probability of occurrence in any year. Some District [managed] property is located within a FEMA 100-year flood plain area while other District [managed] property is located outside any FEMA 100-year flood plain area. Neither the Installment Purchase Agreement nor the Indenture requires the County to obtain earthquake, terrorism, flood or mold insurance coverage for the Property.

## **Public Health Emergencies**

There can be no assurance that the spread of an epidemic or a pandemic, including a surge in COVID-19 cases, will not materially impact both local and national economies and, accordingly, have a materially adverse impact on the source of repayment for Installment Payments under the Installment Payment Agreement. No assurance can be given that the District would receive federal aid akin to the aid it received in 2020 and 2021 if another pandemic or similar public health emergency were to occur.

## **Cybersecurity**

The District relies on a complex technology environment to conduct its operations, including that of the County. As a recipient and provider of personal, private and sensitive information, the District faces multiple cyber threats including, but not limited to, hacking, viruses, malware and other attacks on computers and other sensitive digital networks and systems. Since all personnel and equipment employed in connection with the District's activities are County employees and equipment, all County breaches could affect District employees and equipment. In May 2016, a phishing email attack occurred in which the perpetrator accessed usernames and passwords of County employees and caused a breach of information for over 750,000 individuals. The County's District Attorney Cyber Investigative Response Team found the perpetrator and criminal charges were filed. After the incident, the County created the Office of Privacy within the Chief Executive Office, Risk Management Branch. In collaboration with the Chief Information Security Officer, the Office of Privacy oversees and coordinates the privacy, security, and policies of the County that relate to personally identifiable and protected health information. The Office of Privacy works with other County offices and officials, including information security and law enforcement personnel and data experts, to protect confidential information from unauthorized disclosures and to comply with Federal and State privacy and information technology security regulations and best practices.

In November 2018, the Board of Supervisors of the County adopted revised Information Technology and Security Board of Supervisors Policies which set forth directives on best practices for use of the County's computer systems. These policies include an Information Security Policy, an Information Classification Policy, a Use of County Information Assets Policy, an Information Security Incident Reporting and Response Policy and an Information Technology Audit and Risk Assessment Policy. The County uses a risk-based approach (which involves creating controls for managing risks based on prioritizing the severity of damage posed by those risks and helps focus efforts based on the level of risk involved) to manage cybersecurity threats, which allows the County to continuously evaluate the vulnerabilities of its systems and the threats posed thereto so that the County may timely react to and address each situation. The County also conducts ongoing cybersecurity awareness training for County employees as a component of its cyber liability insurance policy.

No assurances can be given that the District's security and operational control measures will be successful in guarding against any and each cyber threat and attack. The results of any attack on the District's computer and information technology systems could impact its operations and damage the District's digital networks and systems, and the costs of remedying any such damage could be substantial.

## **Climate Change**

The change in the Earth's average atmospheric temperature, generally referred to as "climate change," is expected to, among other things, increase the frequency and severity of extreme weather events. Climate change may also be a factor in the increased incidence of wildfires in the jurisdiction of the District (which spans the County) and elsewhere in the State. As greenhouse gas emissions continue to accumulate, climate change will intensify and increase the frequency of extreme weather events such as coastal storm surges, drought, wildfires, floods, landslides and heat waves; and raise sea levels along the coast.

Among the actions taken by the County to address climate change are the establishment of a Chief Sustainability Office and the adoption of the "OurCounty Sustainability Plan." The Chief Sustainability Office

provides comprehensive and coordinated policy support and guidance for the Board of Supervisors, County departments, the unincorporated areas and the region to assist in making communities in the County more sustainable. The OurCounty Sustainability Plan, adopted in August 2019, identifies actions local governments and stakeholders can take to enhance the well-being of all communities in the County while reducing damage to the natural environment and adapting to the changing climate. Ongoing priorities under the OurCounty Sustainability Plan include programs designed to improve the health of community environments, funding buildings and infrastructure that support human health and resilience, programs that support equitable and sustainable land use and development without displacement of existing users, programs that support the transition to a green economy and a fossil fuel free economy in the County, and the sustainable production and consumption of resources. The County's Chief Sustainability Office and County departments work with partners and stakeholders to monitor and report on the implementation of the OurCounty Sustainability Plan.

In 2015, the County adopted the Unincorporated Los Angeles County Community Climate Action Plan 2020 (the "2020 CCAP"), as a component of the Air Quality Element of the Los Angeles County General Plan 2035, and set a target to reduce emissions in unincorporated Los Angeles County by 11% by 2020. The 2045 Los Angeles County Climate Action Plan (the "2045 CAP"), adopted on April 16, 2024, builds upon the County's existing and ongoing efforts under the 2020 CCAP and focuses on actions to reduce greenhouse gas emissions associated with community activities in unincorporated Los Angeles County. The 2045 CAP sets new greenhouse gas emissions reductions targets beyond the 2020 timeframe in the 2020 CCAP, which are consistent with State goals. Through the 2045 CAP, the County has set a target of 2045 for achieving carbon neutrality in the County's unincorporated areas and maintaining net negative greenhouse gas emissions thereafter in accordance with statewide goals established in 2018.

The District cannot predict the timing, extent, or severity of climate change and its impact on the District's operations and finances. However, over time the costs could be significant and could have a material adverse effect on the District's finances by requiring greater expenditures to respond to the effects of climate change. Also, additional actions to address climate change may be necessary and the District can give no assurances regarding the impact of such actions on the District's operations and finances.

### **Loss of Tax Exemption**

As described under the caption "TAX MATTERS," in order to maintain the exclusion from gross income for federal income tax purposes of the interest (and original issue discount) on the Series 2026A Bonds, the Authority and the District have covenanted [in the Indenture] not to take any action, or fail to take any action, if such action or failure to take such action would adversely affect the exclusion from gross income of interest (and original issue discount) on the Series 2026A Bonds under Section 103 of the Code. Interest (and original issue discount) on the Series 2026A Bonds could become includable in gross income for purposes of federal income taxation retroactive to the date the Series 2026A Bonds were issued, as a result of acts or omissions of the Authority or the District in violation of the Code. Should such an event of taxability occur, the Series 2026A Bonds are not subject to early redemption and will remain outstanding to maturity or until prepaid under the optional redemption provisions of the Indenture.

### **No Liability of Authority to Owners**

Except as expressly provided in the Indenture, the Authority will not have any obligation or liability to the owners of the Series 2026A Bonds with respect to the payment when due of the Installment Payments by the District, or with respect to the performance by the District of other agreements and covenants required to be performed by it contained in the Installment Purchase Agreement or the Indenture, or with respect to the performance by the Trustee of any right or obligation required to be performed by it contained in the Indenture.

## **Impact of Local, State and National Economies and Policies**

The financial condition of the District can be significantly affected by generally prevailing financial conditions in the local, State and national economies or changes in State or federal policies. The District must pay the County for services under the Operating Agreement. The County receives a significant portion of its funding from the State. Decreases in the State's General Fund revenues may significantly affect appropriations made by the State to public agencies, including the County, thereby increasing the cost of services to the District. There can be no assurances that the occurrence of a recession or otherwise declining conditions in the local, State or national economies, or any changes in State or federal policies, will not materially adversely affect the financial condition of the District and the County in the future.

Changes in federal policies could impact the availability of FEMA reimbursements, WIFIA loans, requiring the District to rely on other funding sources, including Additional Bonds, and other federal funding sources. Further, unfunded mandates imposed on the District could substantially increase the District's costs without offsetting sources of income. Such unfunded mandates could include shifting of control from the United States Army Corps of Engineers (the "Corps") to the District of all operation, maintenance and deferred maintenance of and capital improvements to the Los Angeles County Drainage Area system (the "LACDA System") consisting of four major dams, 33 debris basins, and 350 miles of flood levees and channels currently jointly operated/maintained by the District and the Corps. Unfunded mandates associated with assuming control of the LACDA System could include assumption by the District of approximately \$1.7 billion in necessary capital improvements, \$300 million in deferred maintenance and \$60 million in annual operation and maintenance costs.

## **TAX MATTERS**

### **Federal Tax Exemption**

In the opinion of Hawkins Delafield & Wood LLP, Bond Counsel to the District, (i) under existing statutes and court decisions and assuming continuing compliance with certain tax covenants described herein, interest on the Series 2026A Bonds is excluded from gross income for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), and (ii) interest on the Series 2026A is not treated as a preference item in calculating the alternative minimum tax under the Code, however, interest on the Series 2026A is included in the "adjusted financial statement income" of certain corporations that are subject to the alternative minimum tax under Section 55 of the Code. In rendering its opinion, Bond Counsel has relied on certain representations, certifications of fact, and statements of reasonable expectations made by the Authority in connection with the Series 2026A Bonds, and Bond Counsel has assumed compliance by the Authority with certain ongoing covenants to comply with applicable requirements of the Code to assure the exclusion of interest on the Series 2026A Bonds from gross income under Section 103 of the Code.

In addition, in the opinion of Bond Counsel to the District, under existing statutes, interest on the Series 2026A Bonds is exempt from personal income taxes imposed by the State of California.

Bond Counsel expresses no opinion as to any other federal, state or local tax consequences arising with respect to the Series 2026A Bonds, or the ownership or disposition thereof, except as stated above. Bond Counsel renders its opinion under existing statutes and court decisions as of the issue date, and assumes no obligation to update, revise or supplement its opinion to reflect any action thereafter taken or not taken, any fact or circumstance that may thereafter come to its attention, any change in law or interpretation thereof that may thereafter occur, or for any other reason. Bond Counsel expresses no opinion as to the consequence of any of the events described in the preceding sentence or the likelihood of their occurrence. In addition, Bond Counsel expresses no opinion on the effect of any action taken or not taken in reliance upon an opinion of other counsel regarding federal, state or local tax matters, including, without limitation, exclusion from gross income for federal income tax purposes of interest on the Series 2026A Bonds.

## **Certain Ongoing Federal Tax Requirements and Covenants**

The Code establishes certain ongoing requirements that must be met subsequent to the issuance and delivery of the Series 2026A Bonds in order that interest on the Series 2026A Bonds be and remain excluded from gross income under Section 103 of the Code. These requirements include, but are not limited to, requirements relating to use and expenditure of gross proceeds of the Series 2026A Bonds, yield and other restrictions on investments of gross proceeds, and the arbitrage rebate requirement that certain excess earnings on gross proceeds be rebated to the federal government. Noncompliance with such requirements may cause interest on the Series 2026A Bonds to become included in gross income for federal income tax purposes retroactive to their issue date, irrespective of the date on which such noncompliance occurs or is discovered. The Authority has covenanted to comply with certain applicable requirements of the Code to assure the exclusion of interest on the Series 2026A Bonds from gross income under Section 103 of the Code.

## **Certain Collateral Federal Tax Consequences**

The following is a brief discussion of certain collateral federal income tax matters with respect to the Series 2026A Bonds. It does not purport to address all aspects of federal taxation that may be relevant to a particular owner of a Series 2026A Bond. Prospective investors, particularly those who may be subject to special rules, are advised to consult their own tax advisors regarding the federal tax consequences of owning and disposing of the Series 2026A Bonds.

Prospective owners of the Series 2026A Bonds should be aware that the ownership of such obligations may result in collateral federal income tax consequences to various categories of persons, such as corporations (including S corporations and foreign corporations), financial institutions, property and casualty and life insurance companies, individual recipients of Social Security and railroad retirement benefits, individuals otherwise eligible for the earned income tax credit, and taxpayers deemed to have incurred or continued indebtedness to purchase or carry obligations the interest on which is excluded from gross income for federal income tax purposes. Interest on the Series 2026A Bonds may be taken into account in determining the tax liability of foreign corporations subject to the branch profits tax imposed by Section 884 of the Code.

## **Original Issue Discount**

“Original issue discount” (“OID”) is the excess of the sum of all amounts payable at the stated maturity of a Series 2026A Bond (excluding certain “qualified stated interest” that is unconditionally payable at least annually at prescribed rates) over the issue price of that maturity. In general, the “issue price” of a maturity (a bond with the same maturity date, interest rate, and credit terms) means the first price at which at least 10 percent of such maturity was sold to the public, i.e., a purchaser who is not, directly or indirectly, a signatory to a written contract to participate in the initial sale of the Series 2026A Bonds. In general, the issue price for each maturity of Series 2026A Bonds is expected to be the initial public offering price set forth on the cover page of the Official Statement. Bond Counsel further is of the opinion that, for any Series 2026A Bonds having OID (a “Discount Bond”), OID that has accrued and is properly allocable to the owners of the Discount Bonds under Section 1288 of the Code is excludable from gross income for federal income tax purposes to the same extent as other interest on the Series 2026A Bonds.

In general, under Section 1288 of the Code, OID on a Discount Bond accrues under a constant yield method, based on periodic compounding of interest over prescribed accrual periods using a compounding rate determined by reference to the yield on that Discount Bond. An owner’s adjusted basis in a Discount Bond is increased by accrued OID for purposes of determining gain or loss on sale, exchange, or other disposition of such Series 2026A Bond. Accrued OID may be taken into account as an increase in the amount of tax-exempt income received or deemed to have been received for purposes of determining various other tax consequences of owning a Discount Bond even though there will not be a corresponding cash payment.

Owners of Discount Bonds should consult their own tax advisors with respect to the treatment of original issue discount for federal income tax purposes, including various special rules relating thereto, and the state and local tax consequences of acquiring, holding, and disposing of Discount Bonds.

## **Bond Premium**

In general, if an owner acquires a Series 2026A Bond for a purchase price (excluding accrued interest) or otherwise at a tax basis that reflects a premium over the sum of all amounts payable on the Series 2026A Bond after the acquisition date (excluding certain “qualified stated interest” that is unconditionally payable at least annually at prescribed rates), that premium constitutes “bond premium” on that Series 2026A Bond (a “Premium Bond”). In general, under Section 171 of the Code, an owner of a Premium Bond must amortize the bond premium over the remaining term of the Premium Bond, based on the owner’s yield over the remaining term of the Premium Bond determined based on constant yield principles (in certain cases involving a Premium Bond callable prior to its stated maturity date, the amortization period and yield may be required to be determined on the basis of an earlier call date that results in the lowest yield on such Premium Bond). An owner of a Premium Bond must amortize the bond premium by offsetting the qualified stated interest allocable to each interest accrual period under the owner’s regular method of accounting against the bond premium allocable to that period. In the case of a tax-exempt Premium Bond, if the bond premium allocable to an accrual period exceeds the qualified stated interest allocable to that accrual period, the excess is a nondeductible loss. Under certain circumstances, the owner of a Premium Bond may realize a taxable gain upon disposition of the Premium Bond even though it is sold or redeemed for an amount less than or equal to the owner’s original acquisition cost. Owners of any Premium Bonds should consult their own tax advisors regarding the treatment of bond premium for federal income tax purposes, including various special rules relating thereto, and state and local tax consequences, in connection with the acquisition, ownership, amortization of bond premium on, sale, exchange, or other disposition of Premium Bonds.

## **Information Reporting and Backup Withholding**

Information reporting requirements apply to interest paid on tax-exempt obligations, including the Series 2026A Bonds. In general, such requirements are satisfied if the interest recipient completes, and provides the payor with, a Form W-9, “Request for Taxpayer Identification Number and Certification,” or if the recipient is one of a limited class of exempt recipients. A recipient not otherwise exempt from information reporting who fails to satisfy the information reporting requirements will be subject to “backup withholding,” which means that the payor is required to deduct and withhold a tax from the interest payment, calculated in the manner set forth in the Code. For the foregoing purpose, a “payor” generally refers to the person or entity from whom a recipient receives its payments of interest or who collects such payments on behalf of the recipient.

If an owner purchasing a Series 2026A Bond through a brokerage account has executed a Form W-9 in connection with the establishment of such account, as generally can be expected, no backup withholding should occur. In any event, backup withholding does not affect the excludability of the interest on the Series 2026A Bonds from gross income for federal income tax purposes. Any amounts withheld pursuant to backup withholding would be allowed as a refund or a credit against the owner’s federal income tax once the required information is furnished to the Internal Revenue Service.

## **Miscellaneous**

Tax legislation, administrative actions taken by tax authorities, or court decisions, whether at the federal or state level, may adversely affect the tax-exempt status of interest on the Series 2026A Bonds under federal or state law or otherwise prevent beneficial owners of the Series 2026A Bonds from realizing the full current benefit of the tax status of such interest. In addition, such legislation or actions (whether currently proposed, proposed in the future, or enacted) and such decisions could affect the market price or marketability of the Series 2026A Bonds.

Prospective purchasers of the Series 2026A Bonds should consult their own tax advisors regarding the foregoing matters.

### **CONTINUING DISCLOSURE**

The Authority has determined that no financial or operating data concerning the Authority is material to any decision to purchase, hold or sell the Series 2026A Bonds and the Authority will not provide any such information and the Authority shall have no liability to the Owners of the Series 2026A Bonds or any other person with respect to any such information. The District has undertaken the responsibility for the continuing disclosure of information to Owners of the Series 2026A Bonds.

The District has covenanted for the benefit of the Owners and beneficial owners of the Series 2026A Bonds to cause to be provided Annual Reports to the Electronic Municipal Market Access (“EMMA”) website, including its audited financial statements and certain operating and other information as described in the Continuing Disclosure Certificate, dated as of [\_\_\_\_, 2026] (the “Continuing Disclosure Certificate”), of the District. The District will, or will upon written direction cause to, not later than [60 days] after the District normally receives its audited financial statements from its auditors in each year but in no event later than February 1, commencing with the report for fiscal year 2025-26, provide to each Repository an Annual Report pursuant to the requirements of the Continuing Disclosure Certificate.

The District has covenanted to provide, or cause to be provided, to EMMA in a timely manner notice of the following “Listed Events” if determined by the District to be material: (1) principal and interest payment delinquencies, (2) non-payment related defaults, (3) unscheduled draws on the debt service reserves reflecting financial difficulties, (4) unscheduled draws on credit enhancements reflecting financial difficulties, (5) substitution of credit or liquidity providers, or their failure to perform, (6) adverse tax opinions or events adversely affecting the tax-exempt status of the Series 2026A Bonds, (7) modifications to rights of Owners, (8) contingent or unscheduled bond calls, (9) defeasances, (10) release, substitution or sale of property securing repayment of the Series 2026A Bonds, (11) rating changes, (12) incurrence of any Financial Obligation by the District, and (13) default under a Financial Obligation. These covenants have been made in order to assist the Underwriter in complying with the Rule. See Appendix F – “FORM OF CONTINUING DISCLOSURE CERTIFICATE” attached hereto.

### **LITIGATION**

To the best of their knowledge, neither the Authority nor the District is aware of any pending or threatened litigation concerning the validity of the Series 2026A Bonds or challenging any action taken by the Authority or District in connection with the authorization of the Indenture or any other documents relating to the Series 2026A Bonds to which the Authority or District is or is to become a party or relating to the performance by the Authority or District of any of their respective obligations under any of the foregoing.

There are a number of lawsuits and claims pending against the District seeking damages. Included in these are a number of property damage and personal injury actions and other actions requiring the District to assume financial liability for damage to private property incurred during storm seasons. In the opinion of the County Counsel, such suits and claims as are presently pending will not impair the ability of the District to make the Installment Payments or otherwise meet its obligations under the Installment Purchase Agreement. See Appendix A – “LOS ANGELES COUNTY FLOOD CONTROL DISTRICT” attached hereto.

### **RATINGS**

[Moody's Investors Service Inc. (“Moody's”) and Fitch Ratings (“Fitch”) have assigned ratings of “\_\_\_” and “\_\_\_,” respectively, to the Series 2026A Bonds.] Such ratings reflect only the views of such organizations and an explanation of the significance of such ratings may be obtained from the respective agencies at the following addresses: Moody's Investors Service Inc., 99 Church Street, New York, New York 10007 and Fitch

Ratings, One State Street Plaza, New York, New York 10004. There is no assurance that such ratings will continue for any given period of time or that they will not be revised downward or withdrawn entirely by and of the rating agencies, if, in the judgment of such rating agency, circumstances so warrant. Any such downward revision or withdrawal of such ratings may have an adverse effect on the market price of the Series 2026A Bonds.

### **CERTAIN LEGAL MATTERS**

The validity of the Series 2026A Bonds and certain other legal matters are subject to the approving opinion of Hawkins Delafield & Wood LLP, Bond Counsel to the District. The proposed form of Bond Counsel's opinion is contained in Appendix E attached hereto. Certain legal matters will be passed upon for the Authority and the District by their counsel, Hawkins Delafield & Wood LLP, Los Angeles, California, Disclosure Counsel to the District, and by County Counsel of the County of Los Angeles. Certain legal matters will be passed upon for the Underwriter[s] by Katten Muchin Rosenman LLP, New York, New York.

### **FINANCIAL STATEMENTS**

The Authority's annual comprehensive financial report for the fiscal year ended June 30, 2025 included as APPENDIX B to this Official Statement have been audited by Moss, Levy & Hartzheim LLP, independent auditors, as stated in their report appearing therein. Moss, Levy & Hartzheim LLP, the District's independent auditor, has not been engaged to perform and has not performed, since the date of its report included herein, any procedures on the financial statements addressed in that report. Moss, Levy & Hartzheim LLP also has not performed any procedures relating to this Official Statement.

### **MUNICIPAL ADVISOR**

Montague DeRose and Associates, L.L.C. served as Municipal Advisor in connection with the issuance of the Series 2026A Bonds. The Financial Advisor has not been engaged, nor have they undertaken, to make an independent verification or assume responsibility for the accuracy, completeness, or fairness of the information contained in this Official Statement.

### **UNDERWRITING**

The Series 2026A Bonds are being purchased by Jefferies LLC (the "Underwriter"). The Underwriter has agreed to purchase the Series 2026A Bonds from the District and the Authority at an aggregate purchase price of \$\_\_\_\_\_ (consisting of the aggregate principal amount of the Series 2026A Bonds, plus an original issue premium of \$\_\_\_\_\_ and less Underwriter's discount of \$\_\_\_\_\_), pursuant to the terms of the Bond Purchase Agreement among the District, the Authority and the Underwriter (the "Bond Purchase Agreement"). The Bond Purchase Agreement provides that the obligations of the Underwriter are subject to certain conditions precedent and that the Underwriter will be obligated to purchase all of the Series 2026A Bonds offered under the Bond Purchase Agreement if any of the Series 2026A Bonds offered thereunder are purchased.

### **MISCELLANEOUS**

Included herein are brief summaries of certain documents and reports, which summaries do not purport to be complete or definitive, and reference is made to such documents and reports for full and complete statements of the contents thereof. Any statements in this Official Statement involving matters of opinion, whether or not expressly so stated, are intended as such and not as representations of fact. This Official Statement is not to be construed as a contract or agreement between the District, the County or the Authority and the purchasers or Owners of any of the Series 2026A Bonds.

This Official Statement and its distribution have been duly authorized by the Authority and the District.

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**APPENDIX A**

**LOS ANGELES COUNTY FLOOD CONTROL DISTRICT**

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## LOS ANGELES COUNTY FLOOD CONTROL DISTRICT

### General

The Los Angeles County Flood Control District (the “District”) was established in 1915 and encompasses approximately 2,760 square miles within the County of Los Angeles (the “County”). Employees of the Department of Public Works (“Public Works”) of the County serve as staff for the District. The District is separate from the Public Works and funds of each entity remain in separate accounts. Public Works pays the District for the use of District equipment, materials and property used for County purposes.

The District’s topography is dominated by a broad flood plain lying between the Pacific Ocean and extending approximately twenty-five miles to the San Gabriel Mountains. A significant amount of precipitation is deposited along this mountain range during the fall and winter months of most years. The resulting runoff of water from the mountains onto the flood plain presents a danger to life and property in the area. Substantially all of the County’s population resides, and its assessed valuation is generated within, the District’s boundaries.

The District is empowered by the Los Angeles County Flood Control Act 1915, California Water Code, Appendix, Chapter 28 (the “Act”) to may, among other things, (i) provide for the control and conservation of flood, storm and other waste waters, and for the protection of harbors, waterways, public highways and property in the District from damage from such waters, and for the construction of works and the acquisition of property therefor, and (ii) authorize the incurring of indebtedness, and the voting, issuing and selling of bonds, and the levying and collecting of taxes by the District. In furtherance of its powers under the Act, the District may acquire or contract to acquire lands, rights of way, easements, privileges and property of every kind and to construct, improve, maintain, repair and operate any and all improvements within or without the District necessary to carry out the objectives and purposes of the Act. Pursuant to this authority, the District has implemented a range of solutions to the various flood control, water and soil conservation, watershed management, and stabilization problems throughout the District.

### District Operations

**General.** In 1984, the District entered into an Operating Agreement (the “Operating Agreement”) with the County pursuant to which the County provides all services, labor, equipment, property, facilities and supplies in the performance of District functions in accordance with a budget approved by the Board of the District. Accordingly, the District has no direct liability for supplies inventory, or employee-related costs (e.g., pension, other post-employment benefits (“OPEB”), compensated absences, and workers’ compensation).

Costs related to County employees who provide services to the District are billed to the District based on actual time spent providing services to the District. Actual salaries of County employees who provide services to the District are billed based on the costing of the hours by Project code entered on the timesheet. This is done each pay period through a labor costing process where the District is billed for the labor costs incurred by Public Works’ Internal Service Fund (“ISF”) for Public Works employees providing services to the District. These employees track their time by “project code” on their timesheet which is costed through the process mentioned above and billed to the District’s funds based on the project codes entered on the timesheet. Hours are tracked in the County’s electronic Human Resources (“eHR”) system and, during the labor costing process, are interfaced into the electronic Countywide Accounting and Purchasing System (“eCAPS”) to determine the labor cost.

The County also charges the District for Employee Benefits (“EB”), such as OPEB, pension, health insurance, and workers’ compensation using EB rates set each Fiscal Year (“FY”) by the County Public Works’ Fiscal Division. EB rates are applied by eCAPS during the labor costing process and billed to the District in addition to salary cost. The EB rates are designed to recover the cost of employee benefits incurred by the ISF in providing services to the District. EB costs are billed using the EB rates which are set by Fiscal Division based on projections at the start of the FY. During FY end, over or under recovery of the EB costs are distributed to Public Works Funds including the District.

Supplies and equipment costs are billed based on actual usage by the District. When County staff obtains stock items from the County warehouse, they provide a project code which is used to charge the associated District fund for the cost of the item plus a markup to recover the cost of warehouse operations. The markup is set by Fiscal Division. Equipment usage is entered in a dedicated section of the operator's timesheet, or by staff directly into eCAPS and tied to a project code. The District fund is charged for usage by multiplying the equipment usage unit-of-measure (i.e., miles or hours) by the applicable equipment usage rate. Equipment usage rates are set by Fiscal Division for each class of equipment and are designed to recover the cost of fleet services. Recovery of warehouse and equipment costs are charged on a projected basis subject to year-end true-up.

Set forth in the table below is a breakdown of the payments made by the District to the County under the Operating Agreement for the last five fiscal years.

**LOS ANGELES COUNTY FLOOD CONTROL DISTRICT**  
**Allocation of District Payments to County**  
**(unaudited)**

|                            | Actual<br>FY 2021    | Actual<br>FY 2022    | Actual<br>FY 2023    | Actual<br>FY 2024    | Actual<br>FY 2025    |
|----------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| <b>Payments to County</b>  |                      |                      |                      |                      |                      |
| Materials and Supplies     | \$ 1,936,824         | \$ 1,963,667         | \$ 1,953,942         | \$ 1,867,845         | \$ 1,843,214         |
| Salaries                   | 60,506,117           | 71,593,351           | 64,418,885           | 67,181,247           | 70,425,956           |
| Pension                    | 12,405,560           | 13,133,439           | 14,256,378           | 14,741,114           | 16,355,627           |
| OPEB                       | 6,803,786            | 7,152,234            | 8,141,031            | 8,516,232            | 9,750,656            |
| Other <sup>(1)</sup>       | 81,031,040           | 87,151,685           | 89,051,143           | 91,573,636           | 101,754,722          |
| Total Payments to County   | <u>\$162,683,327</u> | <u>\$180,994,376</u> | <u>\$177,821,379</u> | <u>\$183,880,074</u> | <u>\$200,130,175</u> |
| Total Capital Assets       | 4,694                | -                    | 62,907               | -                    | -                    |
| Grand Total <sup>(2)</sup> | <u>\$162,688,021</u> | <u>\$180,994,376</u> | <u>\$177,884,286</u> | <u>\$183,880,074</u> | <u>\$200,130,175</u> |

<sup>(1)</sup> Includes Overhead (61.4%), Other Paid Employee Benefits (22.7%), and Equipment Usage (15.4%). Other Paid Employee Benefits include, but are not limited to, Cafeteria Benefits, Health Insurance, Dental Insurance, Workers' Compensation.

<sup>(2)</sup> The District also incurs expenditures for services and supplies that are directly charged to the Flood Control District General Fund that are the direct obligations of the District. These included expenditures for equipment rentals, materials, service contracts, and other miscellaneous items.

The District's administrative activities are directed by the Director of Public Works, who serves concurrently as the Chief Engineer of the District. The District presently spends approximately \$370 million annually for operation, maintenance, repair, and improvement of existing facilities, which include 14 major dams and reservoirs, 491 miles of concrete and soft-bottom channels, 3,400 miles of underground storm drain conduits, 97,466 catch basins, 61 pump stations, 189 debris basins, 181 crib dams, 37 sediment placement sites, 27 spreading grounds, 21 low-flow diversion structures, 315 seawater barrier injection wells, 1 constructed wetland, and 1 mitigation bank area.

**Development Regulations.** The District establishes design standards for the development of new projects. Such standards govern the preparation of plans, specifications, hydraulic and structural analyses, engineering reviews, geological and mechanical recommendations and construction cost estimates.

**Flood Control and Drainage.** The District is responsible for the operations of the County's dams which includes the keeping of historical records, the physical maintenance and upkeep of the dams, debris basins, flood control channels, storm drains, spreading grounds, pumping plants and sea water barriers as well as the construction and maintenance of stream gauging stations, wells, access roads and trails. In addition to detailed dam information, the District analyzes and reports weather data and performs flood forecasting, rainfall, evaporation, hydrologic and hydraulic studies and sedimentation management.

During a storm event certain employees are assigned to special storm duties, including protection of life and property and the collection of hydrological data for use in planning operations. A coordinated system of reservoir discharges from the District's dams is established at the beginning of a storm to provide flood control.

Critical sections of the principal channels are patrolled by personnel during storms and standby employees are strategically located throughout the District to render emergency assistance.

**Property Management.** The District controls the development of flood plain maps and ordinances, manages a number of benefit assessment programs and reviews new land developments, building permits and drainage plans. The District also performs maintenance management studies, coordinates disaster reimbursements from State and/or federal agencies and is responsible for the appraisal, acquisition, leasing, or disposal of real estate, the processing of damage claims and the performance of engineering, title, permit and planning activities on rights of way to be acquired.

**Services to Others.** The District provides reimbursable and nonreimbursable services to the federal, State and local governments and private individuals. These services include construction of new projects in local areas, cooperative agreements with governmental agencies such as the Corps of Engineers, the State Water Resources Board or the California Department of Transportation and emergency flood and fire services.

**Water Conservation.** The District's water conservation program includes plans and provides technical supervision of the operation of water conservation facilities and barriers to sea water intrusion, studies of ground water hydrology and record of data, surveillance of water quality and the monitoring of continual testing and engineering.

**Water Resiliency Strategic Planning.** The District is a regional leader in complex, strategic planning and programs to promote water resiliency. The District has led the development and/or administration of the following key initiatives:

- County Water Plan – Recognizing the impacts of climate change and the need to be thoughtful stewards of our water, Los Angeles County Public Works, together with water management organizations and a diverse array of interested parties, developed the Los Angeles County Water Plan, focused on achieving countywide water resilience through collaborative Strategies.
- Safe, Clean Water Program – As accelerating cycles of extreme drought, wildfire, and flooding began to challenge the sustainability of our way of life, County residents recognized an opportunity to make better use of our own local resources. In 2018, a super majority of voters passed Measure W to create the Safe, Clean Water Program that has since generated over \$670 million for more than 100 projects that increase water supply, improve water quality, and provide community benefits.
- Integrated Regional Water Management (“IRWM”) – Public Works leads the Greater Los Angeles County IRWM, the largest regional water management group in the State involving 30 regional water management agencies.

The IRWM planning process successfully brings together and prioritizes water-related efforts in the region in a systematic way to ensure sustainable water uses, reliable water supplies, higher water quality, environmental stewardship, efficient urban development, protection of agriculture, and a strong economy. Through IRWM, Public Works partners with regional and local water stakeholders and agencies to implement regional solutions through open and collaborative stakeholder processes to promote sustainable water use in the Los Angeles region.

Since its inception in 2008, the Greater Los Angeles County IRWM has successfully secured more than \$165 million in water resource grants for 103 projects.

**Watershed Health Program.** Public Works is responsible for planning and implementing projects and programs to improve surface water quality in unincorporated County areas and is the lead agency for the Los Angeles County Municipal Stormwater (“MS4”) Permit issued by the Regional Water Quality Control Board to

the County of Los Angeles (unincorporated areas) and to the Los Angeles County Flood Control District (jurisdictional areas).

A new MS4 Permit was adopted in 2021 and includes the County, the District, and 85 municipalities in Los Angeles County. In addition, the 2021 MS4 Permit includes 10 cities within Ventura County and the Ventura County Watershed Protection District as permittees. The MS4 Permit requires permittees to collectively control pollutant discharges into the municipal stormwater system and to meet total maximum daily loads requirements. The MS4 Permit requires a regional collaboration and Public Works is participating in 18 Watershed groups that were formed to complete watershed management plans to collectively develop and implement projects/programs to meet MS4 Permit requirements and to identify opportunities for water quality projects that will also increase stormwater reuse and augment local water supply. These watershed groups have developed detailed plans that were approved by the Los Angeles Regional Water Quality Control Board.

To date, the County has invested over \$917 million Countywide towards the construction of stormwater quality improvement projects (\$729 million through the Safe, Clean Water Program, and \$188 million through the unincorporated County’s stormwater program).

### **Employee Relations and Collective Bargaining**

Pursuant to the Operating Agreement, the employees of the District were transferred to the Public Works in 1984. All County employees working for the District are subject to the County Employee Relations Ordinance. Approximately 401 administrative employees serving the District are not represented by labor organizations. Most of the remaining employees serving the District are represented by bargaining units of labor organizations. The District has experienced no major stoppages by County employees.

### **Retirement and OPEB**

All employees necessary for purposes of performing District functions are provided to the District by the County. Accordingly, the District has no direct pension or OPEB obligations. Charges payable by the District under the Operating Agreement include County payments to the Los Angeles County Employees Retirement Association (“LACERA”), which are calculated based on the actual time spent by County employees providing services to the District.

Set forth in the table below is that portion of the District’s payment to the County under the Operating Agreement allocable to pension and OPEB, stated as a percentage of the County’s pension and OPEB contributions.

#### **LOS ANGELES COUNTY FLOOD CONTROL DISTRICT District Payments Allocated to Pension and OPEB As a Percentage of County Contributions**

|         | <b>Fiscal Year<br/>2020-21</b> | <b>Fiscal Year<br/>2021-22</b> | <b>Fiscal Year<br/>2022-23</b> | <b>Fiscal Year<br/>2023-24</b> | <b>Fiscal Year<br/>2024-25</b> |
|---------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
| Pension | 18.45%                         | 19.28%                         | 17.93%                         | 17.56%                         | 17.86%                         |
| OPEB    | 18.45%                         | 19.28%                         | 17.93%                         | 17.56%                         | 17.86%                         |

Information regarding LACERA and the retirement system, including information pertaining to annual contributions, is available in the official statement of the County of Los Angeles relating to its [citation] on pages \_\_\_\_ through \_\_\_\_, which is available from [add EMMA citation]. In addition, information regarding LACERA and the retirement system is available in the County’s Annual Comprehensive Financial Report for fiscal year [2024-2025] on pages [177 and 178]. which is available at <https://auditor.lacounty.gov/annual-comprehensive-financial-report/>. References to such information on such websites is presented herein for informational purposes only and the information or links contained therein are not incorporated by reference into, and are not part of, this Official Statement. Neither the District, the Authority nor the Underwriter makes any representation as to

the accuracy of such information. Neither the District nor the Authority have an obligation to update such information, including as part of the District’s continuing disclosure undertaking with respect to the Series 2026A Bonds.

## Budget Process

The District’s Budget is prepared and submitted in accordance with the instructions and proceedings developed by the County Chief Executive Officer. The Chief Executive Officer presents the Proposed County and District Budgets to the Board of Supervisors, the governing body of the District. The Board of Supervisors is required by law to adopt a Proposed Budget no later than June 30 of each year. Absent the adoption of a Final Budget by June 30, the appropriations approved in the Proposed budget become effective for the new fiscal year until a Final Budget is adopted. After conducting public hearings and deliberating the details of the Budget, the Board of Supervisors adopts the final County and District Budgets. Public Works and the Chief Executive Office monitor actual expenditures and revenue receipts on a monthly basis to ensure that the Budget remains in balance throughout the fiscal year.

## Assessed Valuation

The following table sets forth the changes in assessed valuation for the Los Angeles County Flood Control District from fiscal years 2020-21 through 2025-26.

### CHANGE IN ASSESSED VALUATION (unaudited)

| <u>Fiscal Year</u> | <u>Secured<br/>Valuation</u> | <u>Net Change<br/>from Prior Fiscal Year</u> | <u>Percent Change</u> |
|--------------------|------------------------------|----------------------------------------------|-----------------------|
| 2020-21            | \$1,619,448,094,984          | \$92,533,924,046                             | 6.06%                 |
| 2021-22            | 1,682,548,760,891            | 63,100,665,907                               | 3.90                  |
| 2022-23            | 1,797,932,729,395            | 115,383,968,504                              | 6.86                  |
| 2023-24            | 1,901,041,832,725            | 103,109,103,330                              | 5.73                  |
| 2024-25            | 1,992,830,510,776            | 91,788,678,051                               | 4.83                  |
| 2025-26            | 00                           | 00                                           | 00                    |

Source: County of Los Angeles Auditor-Controller.

## District Revenues

**General.** The District presently has two primary sources of revenue. The District receives a share of the ad valorem property taxes collected by the County and a benefit assessment placed on the property tax roll.

All of the Taxes and Assessments, together with the Other District Revenues as defined below, are deposited in the District’s General Fund. The General Fund establishes no priority of payments from the General Fund. Taxes and Assessments are not segregated in the General Fund or segregated as to required payment.

**Other District Revenues.** Other revenues of the District consist of fees for licenses and permits, fines, forfeitures and penalties, investment income, including investment income on the proceeds of the Series 2026A Bonds which are retained in the Construction Fund, rents and royalties, lease Revenues, intergovernmental revenues, and charges for services to other governmental agencies including municipalities (“Other District Revenues”). Other District Revenues **are not pledged to the payment of the Installment Payments.**

**Measure W.** On November 6, 2018, Los Angeles County voters passed Measure W (Safe, Clean Water Program) authorizing the County to levy a two and one-half (2.5) cent special parcel tax per square foot of impermeable area. This levy is deposited in twelve Safe, Clean Water Program Measure W Funds (the “Measure W Funds”). Amounts on deposit in the Measure W Funds are restricted to funding qualifying stormwater projects and programs and **are not pledged to the payment of the Installment Payments.**

**Property Taxes.** Taxes are levied for each fiscal year on taxable real and personal property which is situated in the County as of the preceding January 1. However, upon a change in ownership of property or completion of new construction, State law permits an accelerated recognition and taxation of increases in real property assessed valuation (known as a “floating lien date”). For assessment and collection purposes, property is classified either as “secured” or “unsecured” and is listed accordingly on separate parts of the assessment roll. The “secured roll” is that part of the assessment roll containing State assessed property and property secured by a lien on real property which is sufficient, in the opinion of the Assessor, to secure payment of the taxes. Other property is assessed on the “unsecured roll.”

The County levies a one-percent property tax on behalf of all taxing agencies in the County. The taxes collected are allocated based on a formula established by State law enacted in 1979 and amended periodically. Under this formula, the County and all other taxing entities receive a base year allocation plus an allocation on the basis of “situs” growth in assessed value (new constructions, change of ownership, and inflation) prorated among the jurisdictions which serve the tax rate areas within which the growth occurs. Tax rate areas are specifically defined geographic areas, which were developed to permit the levying of taxes for less than County-wide or less than citywide special districts.

In addition to the one percent property tax levied by the County, the District is empowered to levy a tax each year upon the taxable real property in the District sufficient to pay the interest on outstanding voter approved bonds and the portion of the principal that is due, and the portion of principal and interest which will become due before the time for the next general tax levy. Such tax is levied and collected on real property at the same time and in the same manner as the general tax levy for County purposes and, when collected, is paid into the County Treasury to the credit of the District. The District does not currently anticipate the issuance of voter approved bonds.

Property taxes on the secured roll are due in two installments, on November 1 and February 1 of the fiscal year. If unpaid, such taxes become delinquent on December 10 and April 10, respectively, and a 10 percent penalty attaches to any delinquent payment. In addition, property on the secured roll with respect to which taxes are delinquent is declared tax-defaulted on or about June 30. Such property may thereafter be redeemed by payment of the delinquent taxes and the delinquency penalty, plus a redemption penalty of one and one-half percent per month to the time of redemption. If taxes are unpaid for a period of five years or more, the property is subject to sale by the County Tax Collector.

Property taxes on the unsecured roll are due as of the January 1 lien date and become delinquent, if unpaid, on August 31, a 10 percent penalty attaches to delinquent taxes on property on the unsecured roll, and an additional penalty of one and one-half percent per month begins to accrue on November 1 of the fiscal year. The taxing authority has four ways of collecting unsecured personal taxes: (1) a civil action against the taxpayer, (2) filing a certificate in the office of the County Clerk specifying certain facts in order to obtain a judgment lien on certain property of the taxpayer, (3) filing a certificate of delinquency for recording in the County Recorder's office in order to obtain a lien on certain property of the taxpayer, and (4) seizure and sale of personal property, improvements or possessory interests, belonging or assessed to the assessee.

The following table provides a summary of the District's share of the one percent property tax levy during the past five fiscal years.

**FLOOD CONTROL GENERAL FUND SHARE OF  
COUNTY ONE PERCENT TAX LEVY  
Fiscal Year 2020-21 through Fiscal Year 2024-25  
(unaudited)**

| <b>Fiscal Year</b> | <b>Total<br/>Tax Levy</b> | <b>Taxes Collected<br/>Through June 30<sup>(1)</sup></b> | <b>Percent Collected</b> |
|--------------------|---------------------------|----------------------------------------------------------|--------------------------|
| 2020-21            | \$168,246,057.49          | \$158,778,623.48                                         | 94.37%                   |
| 2021-22            | 175,964,355.83            | 166,117,093.73                                           | 94.40                    |
| 2022-23            | 186,596,200.45            | 176,300,645.82                                           | 94.48                    |
| 2023-24            | 197,399,221.56            | 185,757,401.30                                           | 94.10                    |
| 2024-25            | 206,427,980.42            | 192,466,593.68                                           | 93.24                    |

Source: County of Los Angeles Auditor-Controller.

<sup>(1)</sup> Does not include the collection of delinquencies from prior years or any accruals in anticipation of such collections.

**Benefit Assessment.** The benefit assessment is authorized by Chapter 6.4 (commencing with Section 54703), Part 1, Division 2, Title 5 of the California Government Code. At the November 6, 1979 election, a majority of those voting approved a ballot measure which authorized a benefit assessment in future years to supplement other revenues sufficient to keep the existing flood protection system in a safe and effective condition, to respond to emergencies and to finance the construction of urgently needed flood control improvements.

The benefit assessment is levied and collected at the same time and in the same manner as the general tax levy for County purposes. The benefit assessment is calculated each year by the District based on the location, use, type of improvement and assessment rate of each parcel within the District and has no maximum limit. However, Proposition 218 (as defined below) limits the District's ability to levy additional property related benefit assessments or to increase existing benefit assessments without voter approval. The average benefit assessment for a single family residence is presently \$30 annually.

The benefit assessment levy provided 30 percent for FY 2025 of the District's funding for operations and maintenance expenses and none of the District's funding for debt service on outstanding obligations. The following table sets forth the benefit assessment levies and collections during the past five fiscal years.

**BENEFIT ASSESSMENT LEVIES AND COLLECTIONS  
(unaudited)**

| <b>Fiscal<br/>Year</b> | <b>Levy</b>      | <b>Amount Collected<sup>(1)</sup></b> | <b>Percent<br/>Collected</b> |
|------------------------|------------------|---------------------------------------|------------------------------|
| 2020-21                | \$120,499,138.81 | \$114,268,244.75                      | 94.83%                       |
| 2021-22                | 121,308,785.71   | 114,898,172.55                        | 94.72                        |
| 2022-23                | 121,651,136.68   | 117,794,398.40                        | 96.83                        |
| 2023-24                | 117,741,836.20   | 114,044,066.15                        | 96.86                        |
| 2024-25                | 118,220,987.40   | 114,115,243.12                        | 96.53                        |

Source: County of Los Angeles Auditor-Controller

<sup>(1)</sup> Does not include the collection of delinquencies from prior years or any accruals in anticipation of such collections.

**Statutory Pass-Through Amounts and Residual Taxes.**

**Statutory Pass-Through Amounts.** The District receives a share of statutory pass-through amounts pursuant to a mandatory statutory formula for sharing tax increment revenues for redevelopment project areas

pursuant to Health & Safety Code Sections 33607.5 and 33607.7 enacted by Assembly Bill 1290 (the “Statutory Pass-Through Amounts”).

*Residual Taxes.* The District also receives a share of certain “residual taxes” to be distributed to the appropriate local taxing entities as property tax revenue pursuant to Assembly Bill x1 26 after payment by the successors of abolished redevelopment agencies of enforceable legal obligations, pass-through payments and eligible administrative costs (the “Residual Taxes”).

The Statutory Pass-Through Amounts and Residual Taxes are included in the definition of Taxes pledged under the Installment Purchase Agreement. The Statutory Pass-Through Amounts and Residual Taxes are included in “Property Taxes” in the Projected Operating Results and “Taxes” in the Financial Statements and account for the difference between those amounts and the amounts of the District's share of the one percent property tax levy set forth in the table entitled “FLOOD CONTROL GENERAL FUND SHARE OF COUNTY ONE PERCENT TAX LEVY Fiscal Year 2020-21through Fiscal Year 2024-25.”

***Right to Vote on Taxes Initiative-Proposition 218.*** On November 5, 1996, the voters of the State approved Proposition 218, a constitutional initiative, entitled the “Right to Vote on Taxes Act” (“Proposition 218”). Proposition 218 adds Articles XIIC and XIID to the California Constitution and contains a number of interrelated provisions affecting the ability of local governments, including the County and the District, to levy and collect existing and future taxes, assessments, fees and charges. Proposition 218 became effective on November 6, 1996. Senate Bill 919 was enacted to provide certain implementing provisions for Proposition 218 and became effective on July 1, 1997.

Proposition 218 provides for broad initiative powers to reduce or repeal taxes, assessments, fees and charges. This initiative power is not limited by the terms of Proposition 218 to taxes, assessments or fees and charges imposed after November 6, 1996 and absent other legal authority could result in retroactive reduction in any existing taxes, assessments or fees and charges. However, other than any impact resulting from the exercise of this initiative power, presently the Authority does not believe that Proposition 218’s potential impact on the financial condition of the District will adversely affect the Authority’s ability to pay the principal of and interest with respect to Bonds as and when due.

Article XIID of Proposition 218 added several new requirements making it generally more difficult for local agencies to levy “assessments” for municipal services and programs. “Assessment” is defined in Proposition 218 and SB 919 to mean any levy or charge upon real property for a special benefit conferred upon the real property. This includes maintenance assessments imposed in County service areas and in special districts. The District’s existing benefit assessments are not subject to property owner approval under Proposition 218 because they were imposed prior to Proposition 218. Proposition 218 limits the District’s ability, however, to levy additional property related benefit assessments or to increase existing benefit assessments without voter approval.

Additional implementing legislation pertaining to Proposition 218 may be introduced in the State legislature from time to time. In addition, other initiative measures relating to assessments may be approved by the voters. No assurance can be given regarding the terms any such legislation or initiative measures or their potential impact on the District.

## **Operating Agreement**

Under the Operating Agreement the County provides the District with all necessary employees, equipment, property, and facilities necessary to carry out its functions. The District pays the County for the cost of services rendered by the County utilizing rates developed by the County Auditor-Controller. The District is required to provide the County with an annual District budget to be incorporated in the County’s Public Works budget and to utilize County furnished services, labor, equipment, property, facilities and supplies in the performance of District functions, in accordance with said approved District budget. No service, labor,

equipment, property, facilities or supplies may be performed for or supplied to the District unless the District shall have available funds previously appropriated to cover the cost thereof. Every County officer and employee engaged in performing any such service or function shall be deemed to be an officer or employee of the District while performing services for the District. The District is required to indemnify the County from and against any and all liability and claims for damages of any nature whatsoever arising from or connected with District's operations. The County and the District may mutually agree to terminate the Operating Agreement at any time.

## Financial Statements

The following table sets forth the revenues, expenditures and changes in fund balances for the District for the past five fiscal years.

**LOS ANGELES COUNTY FLOOD CONTROL DISTRICT**  
**Combined Statement of Revenues, Expenditures and Changes in Fund Balances**  
**General Fund for the Fiscal Years 2020-21 through 2024-25**  
**(in thousands)**

|                                                         | <u>Fiscal Year<br/>2020-21</u> | <u>Fiscal Year<br/>2021-22</u> | <u>Fiscal Year<br/>2022-23</u> | <u>Fiscal Year<br/>2023-24</u> | <u>Fiscal Year<br/>2024-25</u> |
|---------------------------------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
| REVENUES:                                               |                                |                                |                                |                                |                                |
| Taxes                                                   | \$182,391                      | \$187,588                      | \$203,064                      | \$212,445                      | \$221,399                      |
| Licenses and permits                                    | 1,454                          | 1,473                          | 1,670                          | 1,779                          | 1,983                          |
| Fines, forfeitures and penalties                        | 1,022                          | 1,170                          | 2,304                          | 1,071                          | 1,238                          |
| Investment Income                                       | (1,875)                        | (15,050)                       | 13,138                         | 23,007                         | 17,923                         |
| Rents and royalties                                     | 6,671                          | 6,122                          | 5,932                          | 7,493                          | 6,592                          |
| Lease Revenues                                          | -                              | 1,349                          | 1,349                          | 1,360                          | 1,370                          |
| Intergovernmental revenues:                             |                                |                                |                                |                                |                                |
| Federal                                                 | 55                             | 42                             | -                              | 5,425                          | -                              |
| State                                                   | 11,743                         | 27,270                         | 17,631                         | 7,163                          | 34,761                         |
| Other                                                   | 258                            | 283                            | 105                            | 1,563                          | 1,986                          |
| Charges for services                                    | 124,604                        | 119,846                        | 134,264                        | 119,528                        | 118,502                        |
| Miscellaneous                                           | <u>81</u>                      | <u>1,767</u>                   | <u>7,704</u>                   | <u>404</u>                     | <u>243</u>                     |
| TOTAL REVENUES                                          | \$326,404                      | \$331,860                      | \$387,161                      | \$381,238                      | \$405,997                      |
| EXPENDITURES:                                           |                                |                                |                                |                                |                                |
| Current:                                                |                                |                                |                                |                                |                                |
| Services and supplies                                   | \$281,134                      | \$371,326                      | \$365,660                      | \$436,357                      | \$532,808                      |
| Debt Service <sup>(1)</sup>                             |                                |                                | 1,394                          | 1,432                          | 1,443                          |
| Debt service – Principal                                |                                | 1,262                          |                                |                                |                                |
| Debt service - Interest                                 |                                | 94                             |                                |                                | 30                             |
| Capital Outlay                                          | 30,275                         | 65,464                         | 61,146                         | 42,792                         | 31,849                         |
| TOTAL EXPENDITURES                                      | \$311,409                      | \$438,146                      | \$428,200                      | \$480,581                      | \$566,130                      |
| EXCESS (DEFICIENCY) OF<br>REVENUES OVER<br>EXPENDITURES | \$14,995                       | (\$106,286)                    | (\$41,039)                     | (\$99,343)                     | (\$160,133)                    |
| OTHER FINANCING SOURCES<br>(USES):                      |                                |                                |                                |                                |                                |
| Sales of fixed assets                                   | \$104                          | \$ 186                         | \$268                          | \$71                           | \$2,886                        |
| Operating transfers from other<br>funds                 | -                              | 7,770                          | -                              | -                              | 55,000                         |
| Operating transfers to other funds                      | -                              | -                              | -                              | -                              | -                              |
| OTHER FINANCING SOURCES<br>(USES) NET                   | \$104                          | \$7,956                        | \$268                          | \$71                           | -                              |
| NET CHANGES IN FUND<br>BALANCE <sup>(2)</sup>           | \$15,099                       | (\$98,330)                     | (\$40,771)                     | (\$99,272)                     | (\$102,247)                    |

|                                   | <u>Fiscal Year<br/>2020-21</u> | <u>Fiscal Year<br/>2021-22</u> | <u>Fiscal Year<br/>2022-23</u> | <u>Fiscal Year<br/>2023-24</u> | <u>Fiscal Year<br/>2024-25</u> |
|-----------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
| BEGINNING FUND BALANCE,<br>JULY 1 | \$478,234                      | \$493,333                      | \$395,003                      | \$354,232                      | \$254,960                      |
| FUND BALANCE, JUNE 30             | \$493,333                      | \$395,003                      | \$354,232                      | \$254,960                      | \$152,713                      |

Source: Annual Comprehensive Financial Reports

- (1) Under GASB 87, lease liabilities are treated as similar to debt and that lease payments are required to be separated into principal and interest. The principal portion represents the repayment of the lease liability whereas the interest represents the financing cost/interest expense.
- (2) The District expects a continuing drawdown of fund balance but has also projected replenishment of such balance over time due to several factors including limiting capital expenditures and continued projected revenue growth. See “–Management Discussion” and “–Projected Operating Results; Debt Service Coverage” below.

## Management Discussion

The issuance of the Series 2026A Bonds represents a change in approach by the District in financing its capital program that is intended to rationalize the funding of the District’s long-term capital improvements and stabilize the District’s general fund balance. Until FY 2025 the District financed its capital programs on a pay-as-you-go basis, resulting in a decrease in its fund balance over the last five fiscal years from approximately \$493,333,000 in FY 2021 to approximately \$152,713,000 in FY 2025. See Appendix A – “LOS ANGELES COUNTY FLOOD CONTROL DISTRICT – Financial Statements – Combined Statement of Revenues, Expenditures and Changes in Fund Balances General Fund for the Fiscal Years 2020-21 through 2024-25” (the “Financial Statements”).

Commencing with the issuance of the Series 2026A Bonds, the District anticipates issuing or incurring obligations of approximately \$660.5 million during FY 2026 and 2027 (the “Debt Plan”). See “INTRODUCTION –Additional Parity Bonds and Parity Obligations” and “SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2026A BONDS – Debt Service Coverage; Projected Operating Results – Projected Operating Results” (the “Projected Operating Results”).

The Projected Operating Results are not stated on the same basis as the Financial Statements. The Financial Statements generally do not distinguish between payments for services and supplies payable to County under the Operating Agreement and direct obligations incurred by the District at the direction of the County. The Projected Operating Results include a line item entitled “Contract Payments” which includes the District’s direct contractual obligations for capital improvements but otherwise the Projected Operating Results likewise do not distinguish between payments for services and supplies payable to County under the Operating Agreement and direct obligations incurred by the District and set forth different line items from the Financial Statements. The District’s obligations to the County under the Operating Agreement are broken out on an unaudited basis under Appendix A – “Los Angeles County Flood Control District – District Operations – General – Allocation of District Payments to County.”

As a result of the District’s implementations of the Debt Plan, it is anticipated that the District’s Contract Payments, almost all of which are for pay-as-you-go capital expenditures, will be reduced from \$214,169,100 in FY 2025 to approximately \$70,000,000 in FY 2026 and are expected to result, together with a reduction in other related costs such as a reduction in direct equipment purchases, in a net operating revenue increasing from a deficit of \$160,133,000 as reported in the FY 2025 Financial Statements to positive net operating revenues of approximately \$62,359,000 as projected in the FY 2026 Projected Operating Results and is further expected to result in a stabilization of the District’s fund balance over the projection period.

The District anticipates that some portion of its capital program will continue to be funded on a pay-as-you-go basis over the projection period with direct contractual obligations of the District.

## **Projected Operating Results; Debt Service Coverage**

The District expects to make payments of Installment Payments and other parity obligations from Taxes and Assessment Revenue first and then apply the remaining amount of Taxes and Assessment Revenue in amounts sufficient to pay the District's operating and maintenance expenses, obligations to the County and pay-as-you-go capital expenditures. The District may use amounts received from the Assessment Revenue to pay debt service on outstanding obligations, including the Series 2026A Bonds, if necessary. The Assessment Revenue may only be increased by the District pursuant to voter approval. See Appendix A – "Los Angeles County Flood Control District – District Revenues" attached hereto.

The following table sets forth the projected operating results, including debt service coverage, for fiscal years 2026 through 2035. See "MANAGEMENT DISCUSSION" for a discussion of the important distinctions the projected operating results and the District's historical approach and financial reporting format.

**Projected Operating Results**  
**(excluding all Measure W results)**  
**(in thousands)**

|                                                                                        | Projected<br>FY 2026 | Projected<br>FY 2027 | Projected<br>FY 2028 | Projected<br>FY 2029 | Projected<br>FY 2030 | Projected<br>FY 2031 | Projected<br>FY 2032 | Projected<br>FY 2033 | Projected<br>FY 2034 | Projected<br>FY 2035 |
|----------------------------------------------------------------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| <b>OPERATING REVENUES</b>                                                              |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| Property Taxes <sup>(1)</sup>                                                          | \$228,427            | \$236,414            | \$244,824            | \$253,792            | \$263,538            | \$273,708            | \$284,317            | \$295,387            | \$306,938            | \$318,990            |
| Special Assessments <sup>(2)</sup>                                                     | 113,763              | 113,763              | 113,763              | 113,763              | 113,763              | 113,763              | 113,763              | 113,763              | 113,763              | 113,763              |
| Use of Money & Property (Treasury Pool Interest) <sup>(3)</sup>                        | 6,399                | 5,706                | 5,950                | 6,124                | 7,069                | 8,702                | 10,331               | 11,774               | 13,233               | 14,912               |
| Use of Money & Property (Rents, Concessions, Royalties) <sup>(4, 5)</sup>              | 7,400                | 8,932                | 8,683                | 8,815                | 8,950                | 9,090                | 9,233                | 9,381                | 9,533                | 9,690                |
| Charges for Services and Licenses Permits & Franchises <sup>(6)</sup>                  | 5,339                | 5,411                | 5,484                | 5,558                | 5,632                | 5,708                | 5,786                | 5,866                | 5,948                | 6,031                |
| Fines, Forfeitures & Penalties and Intergovernmental Revenue <sup>(7)</sup>            | 2,213                | 2,213                | 2,213                | 2,213                | 2,213                | 2,213                | 2,213                | 2,213                | 2,213                | 2,213                |
| Miscellaneous & Non-Fixed Revenues <sup>(8)</sup>                                      | 10,043               | -                    | -                    | -                    | -                    | -                    | -                    | -                    | -                    | -                    |
| Other Financing Sources <sup>(9)</sup>                                                 | 20,667               | -                    | -                    | -                    | -                    | -                    | -                    | -                    | -                    | -                    |
| <b>TOTAL OPERATING REVENUES</b>                                                        | <b>\$394,251</b>     | <b>\$372,439</b>     | <b>\$380,917</b>     | <b>\$390,265</b>     | <b>\$401,165</b>     | <b>\$413,184</b>     | <b>\$425,643</b>     | <b>\$438,384</b>     | <b>\$451,628</b>     | <b>\$465,599</b>     |
| <b>OPERATING EXPENDITURES</b>                                                          |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| Labor <sup>(10, 11)</sup>                                                              | \$183,784            | \$193,520            | \$201,115            | \$205,165            | \$201,355            | \$205,382            | \$209,490            | \$213,680            | \$217,954            | \$222,313            |
| Equipment & Materials <sup>(12)</sup>                                                  | 26,427               | 27,034               | 27,628               | 28,181               | 28,745               | 29,320               | 29,906               | 30,504               | 31,114               | 31,737               |
| Contract Payments <sup>(13)</sup>                                                      | 70,000               | 71,400               | 72,828               | 74,285               | 75,771               | 77,286               | 78,832               | 80,409               | 82,017               | 83,657               |
| Miscellaneous Charges <sup>(14)</sup>                                                  | 24,783               | 24,509               | 25,048               | 25,549               | 26,060               | 26,581               | 27,113               | 27,655               | 28,208               | 28,772               |
| Indirect Expenditures and Other Financing Uses <sup>(15)</sup>                         | 14,287               | 4,458                | 4,458                | 4,458                | 4,458                | 4,458                | 4,458                | 4,458                | 4,458                | 4,458                |
| Other Charges (16)                                                                     | 12,611               | 514                  | 527                  | 542                  | 557                  | 572                  | 588                  | 604                  | 620                  | 637                  |
| <b>TOTAL OPERATING EXPENDITURES</b>                                                    | <b>\$331,892</b>     | <b>\$321,435</b>     | <b>\$331,604</b>     | <b>\$338,180</b>     | <b>\$336,946</b>     | <b>\$343,599</b>     | <b>\$350,387</b>     | <b>\$357,310</b>     | <b>\$364,371</b>     | <b>\$371,574</b>     |
| <b>NET OPERATING REVENUES</b>                                                          | <b>\$62,359</b>      | <b>\$51,004</b>      | <b>\$49,313</b>      | <b>\$52,085</b>      | <b>\$64,219</b>      | <b>\$69,585</b>      | <b>\$75,256</b>      | <b>\$81,074</b>      | <b>\$87,257</b>      | <b>\$94,025</b>      |
| <b>DEBT SERVICE ON LOANS &amp; BONDS</b>                                               |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| Federal WIFIA Loans                                                                    |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| Rory M. Shaw Wetlands Park Project <sup>(17)</sup>                                     | -                    | -                    | -                    | -                    | -                    | -                    | -                    | \$8,663              | \$8,663              | \$8,663              |
| Restoration of Big Tujunga and Pacoima Reservoirs <sup>(18)</sup>                      | -                    | -                    | -                    | -                    | -                    | -                    | \$7,075              | \$7,075              | \$7,075              | \$7,075              |
| State of CA Water Resources Control Board Loans                                        |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| Rory M. Shaw Wetlands Park Project <sup>(19)</sup>                                     | -                    | -                    | -                    | -                    | -                    | -                    | -                    | 2,418                | 2,418                | 2,418                |
| Revenue Bonds                                                                          |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| San Gabriel Reservoir Postfire Emergency Restoration Project (FY 2026) <sup>(20)</sup> | -                    | 5,925                | 5,926                | 5,926                | 5,926                | 5,926                | 5,926                | 5,926                | 5,926                | 5,926                |
| Other Capital Expenditures (FY 2027) <sup>(21)</sup>                                   | -                    | -                    | 3,340                | 3,340                | 3,340                | 3,340                | 3,340                | 3,340                | 3,340                | 3,340                |
| San Gabriel Reservoir Postfire Emergency Restoration Project (FY 2029) <sup>(22)</sup> | -                    | -                    | -                    | -                    | 9,606                | 9,605                | 9,605                | 9,605                | 9,605                | 9,605                |
| Restoration of Big Tujunga and Pacoima Reservoirs (FY 2031) <sup>(23)</sup>            | -                    | -                    | -                    | -                    | -                    | -                    | 4,224                | 4,223                | 4,223                | 4,223                |
| <b>TOTAL DEBT SERVICE</b>                                                              | <b>-</b>             | <b>\$5,925</b>       | <b>\$9,266</b>       | <b>\$9,266</b>       | <b>\$18,872</b>      | <b>\$18,872</b>      | <b>\$30,170</b>      | <b>\$41,251</b>      | <b>\$41,251</b>      | <b>\$41,251</b>      |
| <b>NET OPERATING REVENUES LESS DEBT SERVICE</b>                                        | <b>\$62,359</b>      | <b>\$45,079</b>      | <b>\$40,047</b>      | <b>\$42,819</b>      | <b>\$45,347</b>      | <b>\$50,713</b>      | <b>\$45,086</b>      | <b>\$39,823</b>      | <b>\$46,006</b>      | <b>\$52,774</b>      |
| <b>CAPITAL EXPENDITURES</b>                                                            |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |

|                                                                 | Projected<br>FY 2026 | Projected<br>FY 2027 | Projected<br>FY 2028 | Projected<br>FY 2029 | Projected<br>FY 2030 | Projected<br>FY 2031 | Projected<br>FY 2032 | Projected<br>FY 2033 | Projected<br>FY 2034 | Projected<br>FY 2035 |
|-----------------------------------------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Buildings and Improvements                                      | \$1,486              | -                    | -                    | -                    | -                    | -                    | -                    | -                    | -                    | -                    |
| Equipment                                                       | 1,580                | -                    | -                    | -                    | -                    | -                    | -                    | -                    | -                    | -                    |
| Other Infrastructure                                            | 43,210               | -                    | -                    | -                    | -                    | -                    | -                    | -                    | -                    | -                    |
| Rory M. Shaw Wetlands Park Project                              | -                    | -                    | 38,662               | 53,000               | 53,000               | 53,000               | 53,000               | -                    | -                    | -                    |
| Restoration of Big Tujunga and Pacoima<br>Reservoirs Project    | -                    | 52,591               | 11,200               | 20,000               | 35,000               | 35,000               | 30,000               | 15,000               | -                    | -                    |
| San Gabriel Reservoir Postfire Emergency<br>Restoration Project | 10,500               | 48,800               | 40,700               | 40,700               | 40,700               | 40,700               | 40,200               | -                    | -                    | -                    |
| Other Capital Infrastructure Projects                           | 51,835               | 64,894               | 78,215               | 36,563               | 7,020                | -                    | -                    | 11,700               | 11,700               | 11,700               |
| Other Stormwater & Sediment Projects                            | 63,569               | 31,549               | 16,866               | 11,269               | 10,169               | 9,069                | 9,069                | 8,776                | 8,776                | 8,776                |
| <b>TOTAL CAPITAL EXPENDITURES</b>                               | <b>\$172,179</b>     | <b>\$197,833</b>     | <b>\$185,643</b>     | <b>\$161,531</b>     | <b>\$145,889</b>     | <b>\$137,769</b>     | <b>\$132,269</b>     | <b>\$35,476</b>      | <b>\$20,476</b>      | <b>\$20,476</b>      |
| <b>CAPITAL SOURCES</b>                                          |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| Carryforward of any Capital Funding Surplus                     | -                    | -                    | -                    | -                    | -                    | \$312                | \$26,243             | \$37,175             | \$51,699             | \$56,223             |
| Grants                                                          | 22,750               | 12,178               | 3,250                | 9,150                | 11,400               | 10,000               | 10,000               | 10,000               | 10,000               | 10,000               |
| Federal and State Loans                                         | -                    | 42,291               | 29,164               | 49,100               | 64,100               | 47,247               | 38,330               | -                    | -                    | -                    |
| Revenue Bonds                                                   | 10,500               | 53,225               | 92,386               | 40,700               | 40,700               | 66,783               | 70,200               | 15,000               | -                    | -                    |
| LACDA Subvention Funds                                          | 1,500                | 3,600                | -                    | -                    | -                    | -                    | -                    | -                    | -                    | -                    |
| SCWP District & Regional Funds                                  | 20,000               | 55,800               | 15,000               | 20,000               | 20,000               | 29,670               | 14,670               | 15,000               | 15,000               | 15,000               |
| Partnerships                                                    | -                    | -                    | 5,796                | 10,000               | 10,000               | 10,000               | 10,000               | 10,000               | -                    | -                    |
| Free Cash Flow <sup>(24)</sup>                                  | 117,429              | 30,739               | 40,047               | 32,581               | -                    | -                    | -                    | -                    | -                    | -                    |
| <b>TOTAL CAPITAL SOURCES</b>                                    | <b>\$172,179</b>     | <b>\$197,833</b>     | <b>\$185,643</b>     | <b>\$161,531</b>     | <b>\$146,200</b>     | <b>\$164,012</b>     | <b>\$169,443</b>     | <b>\$87,175</b>      | <b>\$76,699</b>      | <b>\$81,223</b>      |
| <b>ANNUAL CAPITAL FUNDING SURPLUS<br/>(DEFICIT)</b>             | <b>-</b>             | <b>-</b>             | <b>-</b>             | <b>-</b>             | <b>\$312</b>         | <b>\$26,243</b>      | <b>\$37,175</b>      | <b>\$51,699</b>      | <b>\$56,223</b>      | <b>\$60,747</b>      |
| <b>POOLED CASH AND INVESTMENTS</b>                              |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| Beginning Balance                                               | \$215,730            | \$160,660            | \$175,000            | \$175,000            | \$185,238            | \$230,585            | \$281,299            | \$326,385            | \$366,208            | \$412,214            |
| plus Net Operating Revenues                                     | 62,359               | 51,004               | 49,313               | 52,085               | 64,219               | 69,585               | 75,256               | 81,074               | 87,257               | 94,025               |
| less Total Debt Service                                         | -                    | (5,925)              | (9,266)              | (9,266)              | (18,872)             | (18,872)             | (30,170)             | (41,251)             | (41,251)             | (41,251)             |
| less Capital Expenditure from District Free<br>Cash Flow        | (117,429)            | (30,739)             | (40,047)             | (32,581)             | -                    | -                    | -                    | -                    | -                    | -                    |
| plus change in Balance Sheet Items                              | -                    | -                    | -                    | -                    | -                    | -                    | -                    | -                    | -                    | -                    |
| <b>Ending Balance</b>                                           | <b>\$160,660</b>     | <b>\$175,000</b>     | <b>\$175,000</b>     | <b>\$185,238</b>     | <b>\$230,585</b>     | <b>\$281,299</b>     | <b>\$326,385</b>     | <b>\$366,208</b>     | <b>\$412,214</b>     | <b>\$464,989</b>     |
| <b>DEBT SERVICE COVERAGE (DSC) ON<br/>LOANS &amp; BONDS</b>     |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| DSC from Property Taxes and Special<br>Assessments              |                      | 59.1                 | 38.7                 | 39.7                 | 20.0                 | 20.5                 | 13.2                 | 9.9                  | 10.2                 | 10.5                 |

Footnotes:

- (1) Property tax estimates based on FY 2025 actuals times inflators of 2.82% for FY 2026, 3.50% for FY 2027, 3.56% for FY 2028, 3.66% for FY 2029, 3.88% average for FY 2030 - FY 2035 and 4.00% for FY 2036 onward.
- (2) Benefit Assessments of \$28 per parcel are based on FY 2025 actuals; no inflation.
- (3) Ending cash balance for FY 2025 was \$215,729,768. Includes interest earnings projected at 3.4% for FY 2026, 3.2% for FY 2027, and 3.0% for FY 2028 onward.
- (4) Includes headquarters' rent reimbursement for building maintenance expenditures paid from other funds. Lease payment expenditures under Other Charges are distributed directly to other funds. From 2036 onward, revenue from leases include annual inflator of 2.0%.
- (5) Includes Leases/Royalties with projections based on FY 2025 actuals times annual inflator of 2.0%. From 2036 onward, projections include annual inflator of 2.0%.
- (6) These revenues are authorized to increase based on annual CPI. Projections are based on FY 2026 amount times annual inflator of 2.0%.
- (7) Revenues based on FY 2025 actuals; no inflation.
- (8) Primarily includes state and federal disaster aid and non-recurring intergovernmental revenues.
- (9) Primarily includes transfers in from other funds and periodic sales of capital assets.
- (10) Projected increases in labor salaries are 2.0% in FY 2026 due to one-time bonus; 2.0% in FY 2027 due to COLA increase and one-time bonus in October 2026, 5.0% increase in FY 2028 due to COLA increase in October 2027, and 2.0% in FY 2029 and thereafter. Benefits costs are not escalated.
- (11) Includes CEO's cost projections for refunding the Retiree Healthcare Benefits FY 2027 through FY 2029.
- (12) Equipment and materials expenditures include inflationary increases of 2.6% for FY 2026, 2.3% for FY 2027, 2.2% for FY 2028 and 2.0% for FY 2029 onward. Projection does not account for disasters.

- (13) Contracts Payments for FY 2026 at \$70,000,000 with annual 2.0% increases onward. Contracts considered as fixed costs include Public Works infrastructure maintenance, aerial photography, environmental services and security guard contracts.
- (14) Miscellaneous charges include inflationary increases of 2.6% for FY 2026, 2.3% for FY 2027, 2.2% for FY 2028 and 2.0% for FY 2029 onward. Projection does not account for disasters.
- (15) Indirect Expenditures based on FY 2025 actuals; no inflation. Other Financing Uses based on FY 2025 actuals net of one-time operating transfer of \$9.829 million; no inflation.
- (16) Other Charges projections include inflationary increases of 2.5%.
- (17) Federal WIFIA Loan funding project cost of \$122.8 million, capitalized interest of \$14.4 million and issuance costs. Principal of \$137.7 million repaid over 30 years at all-in borrowing rate of 4.74%
- (18) Federal WIFIA Loan funding project cost of \$97.4 million, capitalized interest of \$14.5 million and issuance costs. Principal of \$112.4 million repaid over 30 years at all-in borrowing rate of 4.75%.
- (19) State of CA Water Resources Control Board Loan funding project cost of \$50.0 million, capitalized interest of \$2.4 million and issuance costs. Principal of \$52.7 million repaid over 30 years at all-in borrowing rate of 2.24%
- (20) Tax-exempt revenue bonds funding project cost of \$100.0 million and issuance costs. Principal of \$91.8 million repaid over 30 years at all-in borrowing rate of 4.26%.
- (21) Tax-exempt revenue bonds funding project cost of \$56.1 million and issuance costs. Principal of \$51.8 million repaid over 30 years at all-in borrowing rate of 4.30%.
- (22) Tax-exempt revenue bonds funding project cost of \$162.3 million and issuance costs. Principal of \$148.8 million repaid over 30 years at all-in borrowing rate of 4.25%.
- (23) Tax-exempt revenue bonds funding project cost of \$71.1 million and issuance costs. Principal of \$65.4 million repaid over 30 years at all-in borrowing rate of 4.29%.
- (24) Annual expenditure of Free Cash Flow for Capital Outlay subject to minimum FYE June 30 cash balance of \$160,000,000 in FY 2026 and \$175,000,000 commencing FY 2027.

## Investments

The Treasurer and Tax Collector (the “Treasurer”) of Los Angeles County has the delegated authority to invest funds on deposit in the County Treasury, including funds of the District (the “Treasury Pool”).

As of September 30, 2025, investments in the Treasury Pool were held for local agencies including school districts, community college districts, special districts and discretionary depositors such as cities and independent districts in the following amounts:

| <u>Invested Funds</u>                       | <u>Invested Funds<br/>(in billions)</u> |
|---------------------------------------------|-----------------------------------------|
| County of Los Angeles and Special Districts | \$20.867                                |
| Schools and Community Colleges              | 26.669                                  |
| Discretionary Participants                  | 3.532                                   |
| Total                                       | <u>\$51.068</u>                         |

The Treasury Pool participation composition is as follows:

|                                          |                |
|------------------------------------------|----------------|
| Non-discretionary Participants           | 93.09%         |
| Discretionary Participants:              |                |
| Independent Public Agencies              | 6.77%          |
| County Bond Proceeds and Repayment Funds | 0.14%          |
| Total                                    | <u>100.00%</u> |

Decisions on the investment of funds in the Treasury Pool are made by the County Investment Officer in accordance with established policy, with certain transactions requiring the Treasurer's prior approval. In Los Angeles County, investment decisions are governed by Chapter 4 (commencing with Section 53600) of Part 1 of Division 2 of Title 5 of the California Government Code, which governs legal investments by local agencies in the State of California, and by a more restrictive Investment Policy developed by the Treasurer and adopted by the Los Angeles County Board of Supervisors on an annual basis. The Investment Policy adopted on March 11, 2025, reaffirmed the following criteria and order of priority for selecting investments:

1. Safety of Principal
2. Liquidity
3. Return on Investment

The Treasurer prepares a monthly Report of Investments summarizing the status of the Treasury Pool, including the current market value of all investments. This report is submitted monthly to the Board of Supervisors. According to the Report of Investments dated October 31, 2025, the September 30, 2025, book value of the Treasury Pool was approximately \$51.068 billion, and the corresponding market value was approximately \$49.775 billion.

An internal controls system for monitoring cash accounting and investment practices is in place. The Treasurer's Compliance Auditor, who operates independently from the Investment Officer, reconciles cash and investments to fund balances daily. The Compliance Auditor's staff also reviews each investment trade for accuracy and compliance with the Board adopted Investment Policy. On a quarterly basis, the County's outside independent auditor (External Auditor) reviews the cash and investment reconciliations for completeness and accuracy. Additionally, the External Auditor reviews investment transactions on a quarterly basis for conformance with the approved Investment Policy and annually accounts for all investments.

The following table identifies the types of securities held by the Treasury Pool as of September 30, 2025:

| <u>Type of Investment</u>              | <u>% of Pool</u> |
|----------------------------------------|------------------|
| Certificates of Deposit                | 4.11             |
| U.S. Government and Agency Obligations | 65.63            |
| Bank Acceptances                       | 0.00             |
| Commercial Paper                       | 30.23            |
| Municipal Obligations                  | 0.03             |
| Corporate Notes & Deposit Notes        | 0.00             |
| Repurchase Agreements                  | 0.00             |
| Asset Backed Instruments               | 0.00             |
| Other                                  | 0.00             |
|                                        | <u>100.00</u>    |

The Treasury Pool is highly liquid. As of September 30, 2025, approximately 42.57 % of the investments mature within 60 days, with an average of 516 days to maturity for the entire portfolio.

#### **Outstanding Indebtedness**

The District has no outstanding indebtedness.

#### **Overlapping Debt**

Set forth below is an estimated direct and overlapping debt report prepared by California Municipal Statistics Inc., dated January 1, 2026. The report is included for general informational purposes only. The District has not reviewed the report for completeness or accuracy and makes no representations in connection therewith.

#### **ESTIMATED DIRECT AND OVERLAPPING BONDED DEBT (as of January 1, 2026)**

2025-26 Assessed Valuation: \$2,156,087,198,184 (land and improvements)

| <u>DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT:</u> | <u>% Applicable</u> | <u>Debt 4/1/26</u> |
|--------------------------------------------------------|---------------------|--------------------|
| Metropolitan Water District                            | 47.720%             | \$ 7,656,674       |
| <b>Los Angeles County Flood Control District</b>       | <b>100.</b>         | <b>0</b>           |
| Los Angeles Community College District                 | 99.977              | 4,702,668,138      |
| Other Community College Districts                      | Various             | 5,345,381,015      |
| Arcadia Unified School District                        | 99.999              | 314,716,853        |
| Beverly Hills Unified School District                  | 100.                | 564,167,909        |
| Glendale Unified School District                       | 99.996              | 325,606,975        |
| Long Beach Unified School District                     | 98.561              | 1,484,987,320      |
| Los Angeles Unified School District                    | 99.974              | 10,578,703,822     |
| Pasadena Unified School District                       | 99.991              | 606,185,438        |
| Pomona Unified School District                         | 100.                | 514,913,407        |
| Redondo Beach Unified School District                  | 99.993              | 254,078,489        |
| Santa Monica-Malibu Unified School District            | 100.                | 1,348,403,845      |
| Torrance Unified School District                       | 100.                | 367,690,583        |
| Other Unified School Districts                         | Various             | 5,443,888,407      |
| High School and School Districts                       | Various             | 2,445,554,400      |
| City of Los Angeles                                    | 99.987              | 1,035,955,308      |
| City of Industry                                       | 99.745              | 6,578,183          |

|                                                                                          |        |                         |
|------------------------------------------------------------------------------------------|--------|-------------------------|
| City of Pasadena                                                                         | 99.995 | 194,990,250             |
| Other Cities                                                                             | 100.   | 61,571,570              |
| Community Facilities Districts                                                           | 100.   | 624,651,419             |
| 1915 Act and Benefit Assessment Bonds - Estimate                                         | 100.   | 64,087,966              |
| <b>TOTAL GROSS DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT</b>                        |        | <b>\$36,292,437,971</b> |
| Less: Los Angeles Unified School District economically defeased general obligation bonds |        | 229,505,313             |
| <b>TOTAL NET DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT</b>                          |        | <b>\$36,062,932,658</b> |

|                                                                      |                            |                           |
|----------------------------------------------------------------------|----------------------------|---------------------------|
| <b><u>OVERLAPPING GENERAL FUND DEBT:</u></b>                         | <b><u>% Applicable</u></b> | <b><u>Debt 4/1/26</u></b> |
| Los Angeles County General Fund Obligations                          | 98.020%                    | \$ 3,688,256,571          |
| Los Angeles County Office of Education Certificates of Participation | 98.020                     | 1,788,018                 |
| Community College District Certificates of Participation             | Various                    | 32,591,974                |
| Baldwin Park Unified School District Certificates of Participation   | 99.977                     | 27,623,645                |
| Compton Unified School District Certificates of Participation        | 99.981                     | 19,261,340                |
| Los Angeles Unified School District Certificates of Participation    | 99.974                     | 206,146,388               |
| Paramount Unified School District Certificates of Participation      | 99.934                     | 17,246,610                |
| Other Unified School District Certificates of Participation          | Various                    | 506,513,842               |
| High School and Elementary School District General Fund Obligations  | Various                    | 120,770,314               |
| City of Beverly Hills General Fund Obligations                       | 100.                       | 51,915,000                |
| City of Los Angeles General Fund                                     | 99.987                     | 2,072,778,356             |
| City of Long Beach General Fund Obligations                          | 99.992                     | 114,340,852               |
| City of Pasadena General Fund Obligations                            | 99.995                     | 325,298,976               |
| City of Pasadena Pension Obligation Bonds                            | 99.995                     | 124,898,755               |
| Other Cities' General Fund Obligations                               | 100.                       | 4,081,802,659             |
| <b>TOTAL GROSS OVERLAPPING GENERAL FUND DEBT</b>                     |                            | <b>\$11,391,233,300</b>   |
| Less: Cities supported obligations                                   |                            | 371,198,851               |
| <b>TOTAL NET OVERLAPPING GENERAL FUND DEBT</b>                       |                            | <b>\$11,020,034,449</b>   |

**OVERLAPPING TAX INCREMENT DEBT (Successor Agencies):** **\$1,051,467,874**

**GROSS COMBINED TOTAL DEBT** **\$48,735,139,145<sup>(1)</sup>**  
**NET COMBINED TOTAL DEBT** **\$48,134,434,981**

(1) Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and non-bonded capital lease obligations. Except for Los Angeles Unified School District Qualified Zone Academy Bonds (QZABs) are included based on principal due at maturity.

**Ratios to 2025-26 Assessed Valuation:**

Total Gross Overlapping Tax and Assessment Debt.....1.68%  
Total Net Overlapping Tax and Assessment Debt .....1.67%  
Gross Combined Total Debt.....2.26%  
Net Combined Total Debt .....2.23%

**Ratios to Redevelopment Successor Agency Incremental Valuation (\$300,398,183,063):**

Total Overlapping Tax Increment Debt.....0.35%

KD:(\$1,000)

Source: California Municipal Statistics, Inc.

**Additional Financial Information**

Information is available in the [official statement of the County of Los Angeles referred to above in Appendix A on pages A-34 and A-35], regarding the County property tax rate, valuation, levy, payment dates and liens; largest taxpayers and County property tax and collections. References to such information on such websites is presented herein for informational purposes only and the information or links contained therein are not incorporated by reference into, and are not part of, this Official Statement. Neither the District, the Authority

nor the underwriters make any representation as to the accuracy of such information. Neither the District nor the Authority have an obligation to update such information, including as part of the District's continuing disclosure undertaking with respect to the Series 2026A Bonds.

### **General Litigation**

There are a number of lawsuits and claims pending against the District. Included in these are a number of property damage, personal injury and environment-related actions. In the opinion of the County Counsel, such suits and claims as are presently pending will not impair the ability of the District to make Installment Payments or otherwise meet its outstanding debt obligations. In the case of any combination of liabilities impacting the District budget in any given future fiscal year, the District would prioritize Installment Payments and debt service payments and defer capital improvements as necessary. The larger pending litigation and potential liability for the District is described in further detail below.

*Faramarzi v. County of Los Angeles* – 24CHCV02837 - (Ranica/Sakaida Lawsuit): \$500,000 potential liability. In August 2024, two private property owners with land adjacent to the Pacoima Dam and Reservoir (the site of the Pacoima Reservoir Restoration Project) filed a complaint against the County and the District. Plaintiffs allege that actions by the County impaired access to their properties, and that the County's and the District's failure, since 1983, to maintain the dam and reservoir created excessive sedimentary build-up that impaired Plaintiffs' properties. Plaintiffs further allege that the proposed Pacoima Reservoir Restoration Project to address sedimentary build-up will impair access to and burden their properties through air and noise pollution and other impacts. The Plaintiffs seek to: (1) recover relief for any damages (no amount or range specified), (2) obtain rights to use District property on both sides of Pacoima Dam for access to their own properties, and (3) recover litigation costs.

*Monique Alvarez, et al. vs. Prologis, Inc., et al.* - 21STCV38929 [and related case numbers] - (Dominguez Channel Odor Incident): \$6 million potential liability. This is a mass tort action filed against individuals, corporations, and certain government entities, including the County and the District. Plaintiffs allege property damage and personal injuries as a result of noxious odors from the Dominguez Channel ("Channel"), an estuary owned and operated by the District, following a fire that occurred at an industrial warehouse in Carson, where massive amounts of "hand sanitizer" containing toxic chemicals was stored. Following the fire, these toxic chemicals entered the District's storm drain system and the Channel, where they caused biological processes resulting in the noxious odors. Plaintiffs allege that the District and the County, among others, are liable for personal injury damages (based on tort and public nuisance theories), and for property damage (based on tort and inverse condemnation theories).

*Zee v. City of Rolling Hills Estates, et al.* – 24STCV22092 [and related case numbers] - (RPV Landslide): \$35 million potential liability. In July 2023, earth movement of a slope resulted in damage to Plaintiff's homes. Plaintiffs allege that infrastructure owned and maintained by the District and other Defendants caused the earth movement. Causes of action alleged against the District include inverse condemnation, dangerous condition of public property, public nuisance, private nuisance, trespass, and negligence.

*Andersen, et al. v. California Water Service, et al.* – 24STCV20953 [and related case numbers] – (Portuguese Bend Landslide): \$50 million potential liability. Plaintiffs own homes located in the City of Rancho Palos Verdes in an area affected by ancient landslides, including the Klondike Canyon Landslide. Around mid-2023, the ancient landslides allegedly caused damage to Plaintiffs' homes. Plaintiffs allege that infrastructure owned and maintained by the District, the County, and other entities contributed to the landslide movement.

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**APPENDIX B**

**FINANCIAL STATEMENTS OF THE LOS ANGELES COUNTY  
FLOOD CONTROL DISTRICT FOR THE FISCAL YEAR ENDED  
JUNE 30, 2025**

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## **APPENDIX C**

### **SUMMARY OF CERTAIN PROVISIONS OF THE PRINCIPAL LEGAL DOCUMENTS**

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## **APPENDIX C**

### **SUMMARY OF CERTAIN PROVISIONS OF THE PRINCIPAL LEGAL DOCUMENTS**

*The following summary discussion of selected provisions of the Installment Purchase Agreement and the Indenture are made subject to all of the provisions of such documents. This summary discussion does not purport to be a complete statement of said provisions and prospective purchasers of the Series 2026A Bonds are referred to the complete texts of said documents, copies of which are available upon request sent to the Trustee.*

**[TO COME]**

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**APPENDIX D**

**BOOK-ENTRY ONLY SYSTEM**

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## APPENDIX D

### BOOK-ENTRY ONLY SYSTEM

*The information in this Appendix D concerning The Depository Trust Company (“DTC”) and DTC’s book entry system has been obtained from DTC, and the Authority, the District and the Underwriters take no responsibility for the completeness or accuracy thereof. The Authority, the District and the Underwriters cannot and do not give any assurances that DTC, DTC Participants or Indirect Participants will distribute to the Beneficial Owners (a) payments of interest, principal or premium, if any, with respect to the Series 2026A Bonds, (b) certificates representing ownership interest in or other confirmation or ownership interest in the Series 2026A Bonds, or (c) redemption or other notices sent to DTC or Cede & Co., its nominee, as the registered owner of the Series 2026A Bonds, or that they will do so on a timely basis, or that DTC, DTC Participants or DTC Indirect Participants will act in the manner described in this Appendix D. The current “Rules” applicable to DTC are on file with the Securities and Exchange Commission and the current “Procedures” of DTC to be followed in dealing with DTC Participants are on file with DTC.*

DTC will act as securities depository for the Series 2026A Bonds. The Series 2026A Bonds will be issued as fully registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully registered security certificate will be issued for each series and maturity of the Series 2026A Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world’s largest securities depository is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). DTC has a Standard & Poor’s rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at its website.

Purchases of the Series 2026A Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2026A Bonds on DTC’s records. The ownership interest of each actual purchaser of each Series 2026A Bond (“Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series 2026A Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the

Series 2026A Bonds, except in the event that use of the book-entry system for the Series 2026A Bonds is discontinued.

To facilitate subsequent transfers, all Series 2026A Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of the Series 2026A Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2026A Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2026A Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of the Series 2026A Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2026A Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Series 2026A Bond documents. For example, Beneficial Owners of the Series 2026A Bonds may wish to ascertain that the nominee holding the Series 2026A Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

While the Series 2026A Bonds are in the book-entry only system, redemption notices shall be sent to DTC. If less than all of the Series 2026A Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Series 2026A Bonds unless authorized by a Direct Participant in accordance with DTC's Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Authority as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Series 2026A Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal, interest and redemption proceeds on the Series 2026A Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Authority or the Trustee, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Trustee, or the Authority, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal, interest and redemption proceeds to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Authority or the Trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Series 2026A Bonds at any time by giving reasonable notice to the Authority or the Trustee. Under such circumstances, in the event that a successor depository is not obtained, the Series 2026A Bonds certificates are required to be printed and delivered.

The Authority may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Series 2026A Bond certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that District and the Authority believe to be reliable, but the District and the Authority takes no responsibility for the accuracy thereof.

NONE OF THE AUTHORITY, THE COUNTY, THE UNDERWRITERS OR THE TRUSTEE WILL HAVE ANY RESPONSIBILITY OR OBLIGATION TO DTC PARTICIPANTS, INDIRECT PARTICIPANTS OR BENEFICIAL OWNERS WITH RESPECT TO THE PAYMENTS OR THE PROVIDING OF NOTICE TO DTC PARTICIPANTS, INDIRECT PARTICIPANTS OR BENEFICIAL OWNERS OR THE SELECTION OF SERIES 2026A BONDS FOR PREPAYMENT.

None of the Authority, the District or the Trustee can give any assurances that DTC, DTC Participants, Indirect Participants or others will distribute payments of principal of, premium, if any, and interest on the Series 2026A Bonds paid to DTC or its nominee, as the registered Owner, or any redemption or other notice, to the Beneficial Owners or that they will do so on a timely basis or that DTC will serve and act in a manner described herein.

DTC may discontinue providing its services as depository with respect to the Series 2026A Bonds at any time by giving reasonable notice to the Authority or the Trustee. Under such circumstances, in the event that a successor depository is not obtained, bond certificates are required to be printed and delivered. The Authority may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, Series 2026A Bonds certificates will be printed and delivered. In the event that the book-entry system is discontinued as described above, the requirements of the Indenture will apply.

Beneficial Owners of the Series 2026A Bonds may experience some delay in their receipt of distributions of principal of, redemption proceeds, if any, and interest on, the Series 2026A Bonds, as applicable, since such distributions will be forwarded by the Authority or the trustee, as applicable, to DTC and DTC will credit such distributions to the accounts of the Direct Participants which will thereafter credit them to the accounts of the Beneficial Owners either directly or through Indirect Participants.

Since transactions in the Series 2026A Bonds can be effected only through DTC, Direct Participants, Indirect Participants and certain banks, the ability of a Beneficial Owner to pledge Series 2026A Bonds to persons or entities that do not participate in the DTC system, or otherwise to take actions in respect of such Series 2026A Bonds, as applicable, may be limited due to lack of a physical certificate. Beneficial Owners will not be recognized by the Trustee as registered owners of the Series 2026A Bonds and Beneficial Owners will only be permitted to exercise the rights of registered owners indirectly through DTC and its Participants.

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**APPENDIX E**

**FORM OF APPROVING OPINION OF BOND COUNSEL**

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**APPENDIX E**

**FORM OF APPROVING OPINION OF BOND COUNSEL**

**[TO COME]**

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**APPENDIX F**

**FORM OF CONTINUING DISCLOSURE CERTIFICATE**

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**APPENDIX F**

**FORM OF CONTINUING DISCLOSURE CERTIFICATE**

**[TO COME]**