



MARK PESTRELLA, Director

COUNTY OF LOS ANGELES
DEPARTMENT OF PUBLIC WORKS

"To Enrich Lives Through Effective and Caring Service"

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IN REPLY PLEASE
REFER TO FILE

May 12, 2026

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

Dear Supervisors:

WATER RESOURCES CORE SERVICE AREA
LOS ANGELES COUNTY WATERWORKS DISTRICT NO. 36, VAL VERDE
APPROVAL OF JOINT COMMUNITY FACILITIES AGREEMENT FOR
COMMUNITY FACILITIES DISTRICT NO. 2025-1
(WILLIAMS RANCH PUBLIC FACILITIES)
(SUPERVISORIAL DISTRICT 5)
(3-VOTES)

SUBJECT

Public Works is seeking Board approval to adopt a Resolution approving several agreements that will allow certain administrative costs and water facilities to be financed through the Castaic Union School District's Community Facilities District No. 2025-1. Once built, those water facilities would be transferred to and operated by Los Angeles County Waterworks District No. 36, Val Verde.

IT IS RECOMMENDED THAT THE BOARD ACTING AS THE GOVERNING BODY OF THE LOS ANGELES COUNTY WATERWORKS DISTRICT NO. 36, VAL VERDE:

1. Find that the actions set forth in this Board letter are not a project under the California Environmental Quality Act for the reasons stated in this Board letter. Alternatively, determine that the proposed activities are within the scope of the previously certified Environmental Impact Report and Addendum for the Williams Ranch Project for the reasons stated in this Board letter and in the record of the proposed activities.
2. Adopt the Resolution approving the Joint Community Facilities Agreement and the Funding and Acquisition Agreement between the Castaic Union School District, WH Castaic 497, LLC, and the Los Angeles County Waterworks District No. 36, Val Verde, as well as the Deposit Agreement

between WH Castaic 497, LLC and the Los Angeles County Waterworks District No. 36, Val Verde, for Community Facilities District No. 2025-1 of the Castaic Union School District. Further, delegate authority to the Director of Public Works or his designee to execute said agreements on behalf of the Los Angeles County Waterworks District No. 36, Val Verde, and any necessary additional transactional documents, subject to approval as to form by County Counsel, in furtherance of the agreements.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of the recommended actions is to make appropriate findings under the California Environmental Quality Act (CEQA), adopt a Resolution (Enclosure A) approving the Joint Community Facilities Agreement (JCFA), Funding and Acquisition Agreement (FAA), and Deposit Agreement (DA) (Exhibit A of the Resolution), and authorize the Director of Public Works or his designee to execute the JCFA, FAA, DA, and any necessary additional transactional documents needed to carry out these agreements on behalf of the Los Angeles County Waterworks District No. 36, Val Verde (District). This will allow Community Facilities District No. 2025-1 (CFD) of the Castaic Union School District to finance administrative costs and certain water system facilities that are proposed to ultimately be transferred to the District for ownership and operation.

Implementation of Strategic Plan Goals

These recommendations support the County Strategic Plan: North Star 2, Foster Vibrant and Resilient Communities, Focus Area Goal E, Economic Health, Strategy i, Community-Based Institutions & Organizations. The recommended actions promote partnerships that support housing, economic development, and help secure financing of certain public facilities of critical, high-priority County public services, enhancing the quality of life for County residents.

FISCAL IMPACT/FINANCING

There will be no impact to the County General Fund.

The agreements do not include any financial obligation for the County, the District General Fund (N46), or the District Accumulative Capital Outlay Funds (N47).

The JCFA considers the disposition of certain water system improvements, to be known as Acquisition Facilities, to be financed by the CFD. The District may accept ownership and assume operation of these Acquisition Facilities upon their completion in compliance with the District's requirements and only if they are constructed to the full and complete satisfaction of the District.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The enclosed Resolution, JCFA, FFA, and DA have been reviewed and approved as to form by County Counsel.

Castaic Union School District formed the CFD pursuant to the Mello-Roos Community Facilities Act of 1982 to provide financing for certain public facilities, including various water system improvements necessitated by the proposed Williams Ranch development by WH Castaic 497, LLC. The Williams Ranch development proposes to construct approximately 497 residential dwelling units with community amenities and related infrastructure.

The Mello-Roos Community Facilities Act of 1982 requires an agreement between any jurisdiction creating a Mello-Roos community facilities district and any other jurisdiction that will own or operate the improvements financed through the community facilities district. Approval of the JCFA will enable the CFD to finance water system facilities, through special tax bonds issued by the CFD, that are proposed to ultimately be owned and operated by the District. The FAA outlines responsibilities regarding the acquisition of the Acquisition Facilities and allows for reimbursement of administrative costs incurred in connection with the CFD. The DA outlines the terms and conditions by which WH Castaic 497, LLC, must deposit money with the District to cover any District costs in connection with the CFD.

Adoption of the Resolution to approve the JCFA, FAA, and DA will be beneficial to the residents of the District.

The District will have the authority to approve plans, inspect construction of the improvements, and require compliance with other conditions before the water facilities are accepted for District maintenance and operation.

ENVIRONMENTAL DOCUMENTATION

The proposed actions are not subject to CEQA because they are activities that are excluded from the definition of a project by Section 21065 of the California Public Resources Code and Section 15378(b) of the State CEQA Guidelines. The proposed action to approve the JCFA is to comply with a requirement of the Mello-Roos Community Facilities Act of 1982 that there be an agreement between any jurisdiction creating a Mello-Roos community facilities district and any other jurisdiction that will own or operate the improvements financed through the CFD, and is therefore an organizational or administrative activity of government, which will not result in direct or indirect physical changes in the environment.

On October 31, 2017, the Board, acting on behalf of the County as lead agency for the Williams Ranch Project, certified the Environmental Impact Report (EIR) for Revised Vesting Tentative Tract Map (VTTM) No. 52584-1, adopted the Findings of Fact and Statement of Overriding Considerations (SOC) and the Mitigation Monitoring and Reporting Program (MMRP), and approved Revised VTTM No. 52584-1, subject to the conditions of approval.

Subsequently, a hearing officer approved an amendment to the Revised VTTM No. 52584-1 on February 5, 2019, and certified an addendum to the Final EIR.

In the alternative, the recommended actions are within the scope of the project included in the previously certified EIR since the water system facilities proposed to be financed through the CFD, were identified, impacts considered, and maintenance by the water purveyor to serve all lots in the land division was required per the project conditions of approval. There have been no changes to the previously approved project, or to the circumstances under which it will be undertaken, with respect to activities related to District approvals that require further review under CEQA. The previously adopted MMRP and SOC continue to apply to the current actions, as applicable.

The previously certified EIR, addendum, and related documents are available and can be viewed at Los Angeles County Public Works, Waterworks Division, 1000 South Fremont Avenue, Building A9-East, 4th Floor, Alhambra, California 91803, as well as online at <https://pw.lacounty.gov/core-service-areas/water-resources/waterworks-districts/district-36/>.

Upon the Board's approval of the recommended actions, Public Works will file a Notice of Determination with the Registrar-Recorder/County Clerk and with the State Clearinghouse in the Office of Land Use and Climate Innovation in accordance with Section 21152 of the California Public Resources Code and will post the Notice to the District's website in accordance with Section 21092.2.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

There will be no negative impact on current County services or projects during the performance of these actions.

CONCLUSION

Please return one adopted copy of this Board letter and signed resolution to Public Works, Waterworks Division.

Respectfully submitted,



MARK PESTRELLA, PE

Director

MP:CH:jc

Enclosures

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

**RESOLUTION OF THE BOARD OF SUPERVISORS OF
THE COUNTY OF LOS ANGELES, ACTING ON BEHALF OF THE
LOS ANGELES COUNTY WATERWORKS DISTRICT NO. 36, VAL VERDE,
APPROVING A JOINT COMMUNITY FACILITIES AGREEMENT WITH
CASTAIC UNION SCHOOL DISTRICT AND WH CASTAIC 497, LLC AND
A RELATED FUNDING AND ACQUISITION AGREEMENT
AND DEPOSIT AGREEMENT**

WHEREAS, the Castaic Union School District (“School District”) is initiating proceedings to establish a community facilities district to be designated as “Community Facilities District No. 2025-1 of the Castaic Union School District” (the “Community Facilities District”), pursuant to Chapter 2.5 (commencing with Section 53311) of Part 1 of Division 2 of Title 5 of the California Government Code, commonly known as the “Mello-Roos Community Facilities Act of 1982” (the “Act”), for the formation of the Community Facilities District, for the purpose, among others, of financing through the sale of bonds or the levy of special taxes to pay for the design, construction, and acquisition of certain public facilities and land which are necessary to meet increased demands placed upon the School District and Los Angeles County Waterworks District No. 36, Val Verde (“Waterworks”) as a result of the development of the property within the Community Facilities District; and

WHEREAS, the Community Facilities District is proposed to encompass the property identified within recorded Tract Map Nos. 52584 and 52584-04 in the unincorporated territory of the County of Los Angeles, State of California, which is located within the boundaries of Waterworks and is being developed by WH Castaic 497, LLC (“Developer”); and

WHEREAS, pursuant to Sections 53316.2 through 53316.6 of the Act, a community facilities district may finance facilities to be owned or operated by an entity other than the agency that created the district pursuant to a joint community facilities agreement if the legislative body of each entity adopts a resolution declaring that such a joint agreement would be beneficial to the residents of that entity; and

WHEREAS, there has been presented to the County of Los Angeles Board of Supervisors (the “Board”) a form of joint community facilities agreement, funding and acquisition agreement and deposit agreement to be entered into by Waterworks; and

WHEREAS, the Board has determined that the proposed joint community facilities agreement, funding and acquisition agreement and deposit agreement will be beneficial to the residents of Waterworks.

NOW, THEREFORE, BE IT **RESOLVED** as follows:

1. The Board hereby determines that the joint community facilities agreement and funding and acquisition agreement, by and among the School District,

The foregoing resolution was adopted on the _____ day of _____, 2026, by the Board of Supervisors of the County of Los Angeles as the governing body of the Los Angeles County Waterworks District No. 36, Val Verde.

EDWARD YEN
Executive Officer of the
Board of Supervisors of the
County of Los Angeles

By _____
Deputy

APPROVED AS TO FORM:

DAWYN R. HARRISON
County Counsel


By  _____
sr. Deputy

EXHIBIT A

**JOINT COMMUNITY FACILITIES AGREEMENT,
FUNDING AND ACQUISITION AGREEMENT, AND
DEPOSIT AGREEMENT**

JOINT COMMUNITY FACILITIES AGREEMENT

Relating to:

**Community Facilities District No. 2025-1
of the Castaic Union School District**

By and among

CASTAIC UNION SCHOOL DISTRICT

and

LOS ANGELES COUNTY WATERWORKS DISTRICT NO. 36, VAL VERDE

and

WH CASTAIC 497 LLC

Dated as of

_____, 2026

JOINT COMMUNITY FACILITIES AGREEMENT

This Joint Community Facilities Agreement (this “Agreement”), dated as of _____, 2026, is entered into by and among CASTAIC UNION SCHOOL DISTRICT, a public school district organized and operating pursuant to the laws of the State of California (“Agency”), LOS ANGELES COUNTY WATERWORKS DISTRICT NO. 36, VAL VERDE, a county waterworks district formed in accordance with Division 16, Sections 55000 through 55991 of the State Water Code (the “WWD”), and WH CASTAIC 497 LLC, a Delaware limited liability company (“Owner” and together with the Agency and WWD, the “Parties”).

RECITALS

WHEREAS, the Agency has conducted proceedings under the Mello-Roos Community Facilities Act of 1982 (California Government Code section 53311 *et seq.*) (the “Act”) to form a community facilities district (the “CFD”) encompassing properties located within the boundaries of WWD upon the request of the Owner as owner of such property, as more fully described in Exhibit “A” attached hereto and incorporated herein (the “Property”); and

WHEREAS, the Owner requested and proposed that the CFD and any improvement areas therein be formed for the purpose of providing the means of financing design, planning, engineering, installation and acquisition or construction of certain public facilities and improvements to be constructed by the Owner and, consisting of, among others: a pump station and water tanks (the “Acquisition Facilities”), which are more fully described in Exhibit “B” hereto and incorporated herein; and

WHEREAS, under Section 53316.2 of the Act, the Agency may form the CFD to, among other things, finance the Acquisition Facilities in connection with new development in the boundaries of WWD and issue bonds, the proceeds of which are used by WWD for the Acquisition Facilities, provided Agency and WWD enter into a joint community facilities agreement such as this Agreement; and

WHEREAS, Agency intends to utilize the proceeds of sale of special tax bonds (the “Bonds”) and special taxes of the CFD (the “Special Taxes”) to finance some or all of the Acquisition Facilities; and

WHEREAS, the Acquisition Facilities are to be owned, operated, and maintained by WWD upon the completion of the construction thereof by the Owner and the acceptance thereof by WWD; and

WHEREAS, WWD is willing to cooperate with Agency, as set forth herein, in accomplishing the financing of the Acquisition Facilities through CFD; and

WHEREAS, this Agreement is made under the authority of Section 53316.2 of the Act; and

WHEREAS, the Parties find that this Agreement provides a public benefit to the residents within the CFD.

NOW, THEREFORE, for and in consideration of the mutual undertakings and covenants of the Parties stated herein, the Parties agree as follows:

AGREEMENT

Section 1. Administration of CFD and Issuance of Bonds by Agency. The CFD shall be established and administered in accordance with Agency's Statement of Goals and Policies for Mello-Roos Community Facilities Districts. Agency shall administer the CFD, including employing and paying all consultants, annually levying the Special Taxes and paying and administering the Bonds, and complying with all State and federal requirements appertaining to the proceedings establishing the CFD and issuing and using the proceeds of the Bonds, including the requirements of the United States Internal Revenue Code of 1986, as amended (the "Code") with respect to the tax-exempt Bonds that are issued.

Should the formation of the CFD be approved, the Agency will use reasonable efforts to cause to be sold and issued, pursuant to the terms of the Act and any related indenture, the Bonds in one or more series and a portion of the proceeds of the Bonds are intended to provide funds that will allow the CFD to finance the acquisition of the Acquisition Facilities. Should the Agency not form the CFD and/or not sell and issue the Bonds within ten (10) years of the date hereof, the Agency, WWD, and the Owner will not be bound by the terms of this Agreement and it shall be considered null and void by the Parties to it.

The Owner acknowledges that the decision of the Agency to approve the formation of the CFD and to authorize the sale and issuance of the Bonds is an exercise of the legislative discretion of the legislative body of the CFD and that the Agency may not enter into a contract or obligate the legislative body of the CFD to exercise its legislative discretion in a particular manner. This Agreement does not, therefore, in any way create a contractual, legal or equitable obligation of or commitment by the Agency to approve the formation of the CFD or the legislative body of the CFD to authorize the sale and issuance of the Bonds.

Should the Owner elect to abandon the proceedings to form the CFD, the Owner shall provide written notification of such election to the Agency and WWD.

The legislative body of the CFD shall have the jurisdiction to and shall be solely responsible for undertaking the proceedings to form the CFD and issue Bonds consistent with the provisions of the Act.

Additionally, prior to the sale of any Bonds the proceeds of which are expected to fund Acquisition Facilities, Agency shall consult with WWD to determine if WWD can comply with federal tax requirements for the Bonds if issued on a tax-exempt basis. In no event shall the WWD or Owner have a right to compel the issuance of the Bonds or the disbursement of Bond proceeds to fund the Acquisition Facilities. With respect to the Acquisition Facilities, WWD shall execute

and deliver such certifications as may reasonably be required in order for bond counsel to the Agency to conclude that interest on any tax-exempt Bonds will be excluded from gross income under the Code, if applicable. To the extent such certifications cannot be executed, Bonds may be issued on a taxable basis, in Agency's sole discretion.

Section 2. Agreement to Hold Available Moneys. Agency shall hold or cause to be held within a separate fund (the "Project Fund") proceeds of each series of Bonds issued to finance the Acquisition Facilities, as well as proceeds of Special Taxes levied by the CFD for "pay-as-you-go" funding from Special Taxes collected in excess of the amounts needed for bond debt service and administration expenses (such bond proceeds and excess amounts are referred to as "Available Moneys"). The Project Fund shall be segregated from all other funds and, except for investment purposes, shall not be commingled with any other funds. The Project Fund may include separate accounts as necessary to separately account for the proceeds of tax-exempt and taxable Bonds (the "Tax-Exempt Account" and "Taxable Account," respectively). Investment earnings on amounts in each Tax-Exempt Account shall be retained in the Tax-Exempt Account, except to the extent a portion of such earnings are used to pay rebate or yield reduction payments to the U.S. Treasury pursuant to the Code. Subject to Section 14 of that certain School Facilities Funding and Mitigation Agreement, by and between Agency and Owner and entered into in connection with formation of the CFD, amounts on deposit in the Project Fund shall be disbursed in accordance with Section 3 of this Agreement and Agency agrees to disburse, or cause to be disbursed, moneys on deposit in the Project Fund as provided herein.

Section 3. Disbursements From Special Taxes and Bond Proceeds. Proceeds from all Bonds and Special Taxes shall be disbursed in accordance with the Funding and Acquisition Agreement to be entered into among WWD, Agency and Owner (the "Acquisition Agreement").

Section 4. Acquisition Facilities. The Acquisition Facilities shall be acquired by WWD as set forth in the Acquisition Agreement. Owner hereby agrees to transfer the Acquisition Facilities to WWD, and the purchase price for the Acquisition Facilities shall be paid solely through proceeds of the Bonds or Special Taxes collected to the extent available, subject to the terms and conditions hereof and of the Acquisition Agreement. Acceptable title to any parcels on which any Acquisition Facility is constructed and for which title is not presently held by WWD shall be transferred to WWD as of the date of acceptance by WWD.

The purchase price of the Acquisition Facilities is to be paid solely from the amount Special Taxes collected to the extent available and the amount of net Bond proceeds and earnings thereon held in the Project Fund, and the neither the CFD nor WWD shall be obligated to pay the purchase price of the Acquisition Facilities except from such amounts in the Project Fund. Neither the Agency, the CFD nor WWD make any warranty, either expressed or implied, that the amounts held in the Project Fund available for the payment of the purchase price of the Acquisition Facilities will be sufficient for such purpose.

Notwithstanding any other provision of this Agreement, the fact that there may not be sufficient funds available in the Project Fund to pay the purchase price for one or more Acquisition Facilities will not relieve the Owner from its obligation consistent with the conditions of approval for the Property to construct facilities.

Section 5. No Guarantee to Provide Service. The purpose of this Agreement is to authorize the Acquisition Facilities to be financed through the CFD, and is in no way intended to supplant, replace, or otherwise constitute a waiver of any conditions imposed by WWD on Owner relating to the provision of water service to properties within the CFD. As such, nothing contained herein shall constitute a requirement that WWD provide water service to the property owned by the Owner within the CFD. Provision of service is subject to fulfilling all requirements for service, including without limitation payment in full of all fees and obligations relating thereto, which exist independent of this Agreement. In the event that the proceeds of Special Taxes and Bonds are insufficient to pay for the costs of the Acquisition Facilities, WWD shall have no obligation to provide service to the property within the CFD until such shortfall is made up with other funds, in addition to all other conditions of provision of service being met.

Section 6. Indemnification. The Owner agrees to indemnify, defend and hold the Agency and the WWD, and their respective officers, legislative body, members, directors, employees, advisors, and agents, and each of them, harmless from and against any and all claims, losses, expenses, suits actions, decrees, judgments, awards, attorneys' fees and court costs that the Agency or the WWD, or their respective officers, legislative body, member, directors, employees, advisors, and agents, or any combination thereof, may suffer or that may be sought against or recovered or obtained from the Agency or the WWD, or their respective officers, legislative body, members, directors, employees, advisors, or agents, or any combination thereof, as a result of or by reason of or arising out of, in consequence of or with respect this Agreement, the formation of the CFD, the issuance of the Bonds, the design and construction of the Acquisition Facilities, or the financing of the Acquisition Facilities. If the Owner fails to do so, the Agency and the WWD shall have the right, but not the obligation, to defend the same and charge all of the direct and incidental costs of such defense, including any attorneys' fees or court costs, to and recover the same from the Owner.

Section 7. Owner as Independent Contractor. In performing under this Agreement, it is mutually understood that the Owner is acting as an independent contractor, and not as an agent of the CFD, the WWD or Agency. Neither the Agency nor WWD shall have any responsibility for payment to any contractor, subcontractor or supplier of the Owner. The Agency, acting for and on behalf of the CFD, shall not have any responsibility for payment to any contractor, subcontractor or supplier of the Owner, unless such entity or individual is specifically listed as a payee on the payment request submitted by Owner pursuant to this Agreement and the Acquisition Agreement in which case the Agency, acting for and on behalf of the CFD, shall be responsible for making such payment only if such payment request is approved pursuant to the provisions of this Agreement and the Acquisition Agreement and only from funds available in the Project Fund.

Section 8. Costs and Expenses. The Owner shall, upon demand therefor, pay, or reimburse the WWD and/or the Agency for the payment of (a) the fees and expenses of their respective attorneys incurred in connection with the discussion, negotiation, structuring and implementation of the matters covered hereby and the drafting, review and revision of this Agreement, and (b) the fees and expenses of the respective attorneys incurred in connection with the issuance of the Bonds. Such payments made by the Owner may be reimbursed from the proceeds of Bonds.

Section 9. Amendments. This Agreement may be amended only by a writing signed by the Parties, including any exhibit hereto.

Section 10. Term of this Agreement. This Agreement shall be in full force and effect from this date to and including its termination by mutual written agreement of the parties hereto prior to the formation of the CFD or as provided for herein.

Section 11. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original.

Section 12. Nature of Agreement; Allocation of Special Taxes. This Agreement shall constitute a joint community facilities agreement entered into pursuant to Sections 53316.2, 53316.4 and 53316.6 of the Act. The entire amount of the proceeds of the Special Taxes shall be allocated and distributed to the Agency.

Section 13. Third-Party Beneficiary. Except for the CFD, there shall be no third-party beneficiary of this Agreement.

Section 14. California Law. This Agreement shall be governed and construed in accordance with the laws of the State of California, without regard to any conflicts of laws principles or rules. Venue for any action brought to enforce or interpret any provision of this Agreement shall be the Los Angeles County Superior Court.

Section 15. Severability. If any part of this Agreement is held to be illegal or unenforceable by a court of competent jurisdiction, the remainder of this Agreement shall be given effect to the fullest extent reasonably possible.

Section 16. Binding on Successors and Assigns. The Owner may assign its duties and obligations pursuant to this Agreement to one or more purchasers of its Property, except the individual purchaser of a single-family residential unit, the owner of a multi-family residential complex or the end user of a non-residential parcel. Such a purchaser and assignee shall enter into an assignment agreement with the Owner, the Agency, WWD and the CFD, once formed, in a form acceptable to such parties, whereby such purchaser agrees, except as may be otherwise specifically provided therein, to assume the duties and obligations of the Owner pursuant to this Agreement and to be bound thereby. Neither this Agreement nor the duties and obligations of the Agency, WWD or the CFD hereunder may be assigned to any person or legal entity, without the written consent of the Owner, which consent shall not be unreasonably withheld or delayed. This Agreement shall be binding upon and inure to the benefit of the successors of the Parties hereto.

(Signature Page Follows)

IN WITNESS WHEREOF the Parties have caused this Agreement to be executed by their authorized representatives as of the effective date stated above.

CASTAIC UNION SCHOOL DISTRICT

By: _____
Authorized Officer

WH CASTAIC 497 LLC

By: Williams Communities, a California limited liability company, its Manager

By: _____
Anthony E. Bell
Secretary and General Counsel

LOS ANGELES COUNTY WATERWORKS
DISTRICT NO. 36, VAL VERDE:

By: _____
Director of Public Works

APPROVED AS TO FORM:

DAWYN R. HARRISON
County Counsel

By: _____
Senior Deputy

*-Signature Page-
Joint Community Facilities Agreement*

EXHIBIT A

DESCRIPTION OF THE PROPERTY

The Property is identified within recorded Tract Map Nos. 52584 and 52584-04 in the unincorporated territory of the County of Los Angeles, State of California.

EXHIBIT B

DESCRIPTION OF ACQUISITION FACILITIES

The immediately following table lists the Acquisition Facilities to be constructed by Owner, including the current cost estimates related thereto, which are subject to change.

<u>Acquisition Facilities</u>	<u>Estimated Costs</u>
1. Pump station consisting of two (2) GPM pumps, pressure regulating stations, and appurtenant improvements	\$3,549,948
2. One 318,000 gallon water tank and one 294,000 gallon water tank in pressure zone 1,620 and appurtenant improvements	\$4,251,202
GRAND TOTAL OF ESTIMATED ELIGIBLE ACQUISITION FACILITIES	<hr/> \$7,801,150

FUNDING AND ACQUISITION AGREEMENT

Relating to:

**Community Facilities District No. 2025-1
of the Castaic Union School District**

By and among

CASTAIC UNION SCHOOL DISTRICT

and

LOS ANGELES COUNTY WATERWORKS DISTRICT NO. 36, VAL VERDE

and

WH CASTAIC 497 LLC

_____, 2026

FUNDING AND ACQUISITION AGREEMENT

This FUNDING AND ACQUISITION AGREEMENT (the “Agreement”) dated as of _____, 2026, is entered into by and among CASTAIC UNION SCHOOL DISTRICT, a public school district organized and operating under the laws of the State of California (“Agency”), LOS ANGELES COUNTY WATERWORKS DISTRICT NO. 36, VAL VERDE, a county waterworks district formed in accordance with Division 16, Sections 55000 through 55991 of the State Water Code (the “WWD”), and WH CASTAIC 497 LLC, a Delaware limited liability company (“Owner” and together with the Agency and WWD, the “Parties”).

RECITALS

A. Owner owns certain real property within the Agency’s and WWD’s boundaries, as more specifically set forth in Exhibit “A” hereto and incorporated herein (the “Property”).

B. The Owner has applied to the Agency and WWD for the financing of, among other things, the design, planning, engineering, installation, and construction of certain public facilities and improvements, to be owned, operated or maintained by WWD (the “Acquisition Facilities”). The Acquisition Facilities are generally described in Exhibit “B” attached hereto, which Acquisition Facilities are necessary for the provision of water service to the Property. The financing is to be accomplished through a community facilities district, which will be administered by the Agency under and pursuant to the Mello-Roos Community Facilities Act of 1982 (California Government Code Sections 53311 and following) (the “Act”) for the purpose of levying special taxes (the “Special Taxes”) and selling bonds, in one or more series (the “Bonds”), in an amount sufficient to finance the acquisition by WWD of the Acquisition Facilities. Said community facilities district shall be known as “Community Facilities District No. 2025-1 of the Castaic Union School District” (the “District”).

C. The Agency intends to form the District and to levy Special Taxes and issue Bonds, in one or more series, to fund, among other things, all or a portion of the costs of the Acquisition Facilities.

D. The District will provide financing for the acquisition by WWD of the Acquisition Facilities and the payment of the Purchase Price (as defined herein) of the Acquisition Facilities.

E. Capitalized terms used herein and not otherwise defined shall have the meaning set forth in Exhibit “C” attached hereto and by this reference herein incorporated.

AGREEMENTS

NOW, THEREFORE, in consideration of the preceding recitals and the mutual covenants hereinafter contained, the parties agree as follows:

Section 1. Establishment of District. The Agency shall initiate proceedings pursuant to the Act for the establishment of the District by adopting resolutions of intention in accordance with Sections 53321 and 53345 of the Act and holding the public hearings described in Sections 53322 and 53345 of the Act. Such proceedings include elections pursuant to Sections 53326, 53350 and 53353.5 of the Act on (i) the question of the issuance of the Bonds of the District to,

among other things, finance the acquisition of the Acquisition Facilities, (ii) the question of the annual levy of the Special Taxes on those portions of the Property subject to the Special Taxes to pay for, among other things, the Acquisition Facilities, to pay the principal of and interest on the Bonds and the annual administrative expenses of Agency in levying and collecting such Special Taxes, paying the principal and interest on such Bonds and providing for the registration, exchange and transfer of such Bonds, including the fees of fiscal agents and paying agents, and any necessary replenishment of the reserve fund for such Bonds, and (iii) the question of the establishment of an appropriations limit for the District.

Section 2. Reserved.

Section 3. Sale of Bonds. Upon Owner's written request, Agency shall use reasonable efforts, as hereinafter provided, to issue and sell Bonds, in one or more series, in accordance with the provisions of this Agreement and Agency's CFD Goals & Policies. Each series of Bonds is expected to have a debt service amortization schedule matching the annual Special Taxes available for debt service pursuant to the Rate and Method and for a term of not more than forty (40) years, for the purpose of raising an amount sufficient to pay for the design, planning, engineering, construction management, financing, installation and construction or acquisition of the Acquisition Facilities. The timing of the issuance and sale of each series of Bonds, the aggregate principal amount thereof, and the terms and conditions upon which they shall be sold shall be as set forth in this Agreement and otherwise as determined by Agency in its sole reasonable discretion after consultation with Owner. Owner shall use its reasonable best efforts to cooperate with Agency in connection with any Bond sale.

Section 4. Advance of Certain Expenses. Owner shall pay and advance all of the costs reasonably associated with the establishment of the District in accordance with a separate deposit and reimbursement agreement between Agency and Owner (the "Deposit Agreement") and a separate deposit agreement between WWD and Owner. Owner shall deposit funds with Agency and WWD, as applicable, for Agency's and WWD's reasonable out-of-pocket expenses associated with the formation of the District and the sale of each series of Bonds, including, but not limited to, (i) the fees and expenses of any consultants and legal counsel to Agency employed in connection with the issuance of the Bonds, including an engineer, special tax consultant, municipal advisor, bond counsel and any other consultant deemed necessary or advisable by Agency, (ii) the costs of appraisals, market absorption and feasibility studies and other reports deemed necessary or advisable by Agency in connection with the issuance of the Bonds, (iii) the costs of publication of notices and other costs related to any proceeding undertaken in connection with the formation of the District and issuance of the Bonds, (iv) reasonable charges for Agency and WWD staff time incurred in connection with the issuance of the Bonds, including WWD consultants and/or legal counsel, and a reasonable allocation of Agency and WWD overhead expense, and (v) any and all other actual costs and expenses incurred by Agency and WWD in connection with the formation of the District and the issuance of the Bonds (together, the "Reimbursable Expenses"). If the Bonds are issued by the District, Agency shall reimburse Owner from proceeds of the Bonds in accordance with the Deposit Agreement, without interest, for the portion of the Reimbursable Expenses deposits that have been expended or encumbered, said reimbursement to be made from the proceeds of the Bonds on the date of issuance of the Bonds or as soon as reasonably possible thereafter and only to the extent otherwise permitted under the Act, and refund any unexpended or encumbered deposited amounts.

Agency shall keep records of all Reimbursable Expenses advanced by Agency pursuant to this Section 4, which records shall be available for inspection by Owner during regular business hours. The sole source of funds for reimbursement of any advance expenditure made by Agency or Owner shall be the uncommitted and unexpended payments made by Owner to Agency and the proceeds of the Bonds as determined by Agency.

In the event of any conflict between this Section 4 and the Deposit Agreement, the Deposit Agreement shall govern.

Section 5. Tax Requirements. The timing of the sale of each series of Bonds, the nature of the investments in which the proceeds of the Bonds shall be invested, the duration of such investments, and the timing of the expenditure of such proceeds shall be as set forth in this Agreement and the applicable indenture or fiscal agent agreement (the "Indenture"); provided, that in all such matters Agency shall comply with the requirements of and limitations prescribed by the provisions of Sections 103 and 141 through 150 of the Internal Revenue Code of 1986 (the "Code"), as amended, and the implementing regulations of the United States Department of the Treasury. Agency shall not be required to take any such action which in the opinion of Agency's bond counsel could result in the Bonds being classified by the United States Department of the Treasury as "arbitrage bonds" or which could otherwise result in the interest on the Bonds being included in gross income for purposes of Federal income taxation.

Should any change in or regulatory interpretation of any such requirement or limitation which may occur after the date of this Agreement require or necessitate, in the reasonable opinion of such bond counsel, any action on the part of Agency in order to avoid such a classification or loss of tax exemption, Agency shall notwithstanding any provision of this Agreement, forthwith take such action. In the event Agency fails to comply with requirements set forth above in this Section 5, Agency's liability is limited to the Special Tax revenues generated by the District. Prior to the issuance of any Bonds, Agency shall consult with WWD to confirm the Bonds, the proceeds of which will be used to pay for the acquisition of the Acquisition Facilities, can be issued on a tax-exempt basis.

Section 6. Construction of Acquisition Facilities. The Acquisition Facilities for which Owner seeks reimbursement under this Agreement shall be constructed and completed by Owner, as determined by WWD pursuant to Section 53313.5 of the Act. Payment of the Purchase Price of the Acquisition Facilities shall be in the manner described in Section 7 hereof.

(a) *Preparation and Approval of Plans.* To the extent that the Owner has not already done so, it shall cause Plans to be prepared for the Acquisition Facilities. To the extent any Plans have not been completed and approved, the Owner shall obtain the written approval of such Plans from WWD. WWD and/or its engineers shall provide review and approval or written disapproval and comments to the Owner. WWD and/or its engineers shall provide review and approval or written disapproval and comments to the Owner after submission of such Plans and Specifications to WWD and/or its engineers. Should changes need to be made, WWD and/or its engineers will review any additional submissions of the Plans and Specifications and provide written approval or disapproval and comments thereon. The Owner shall provide a copy of all such Plans to WWD and/or its engineers. Once the Plans have been approved, no changes are to be made thereto without prior written consent of WWD and/or its engineers.

(b) *Duty of Owner to Construct.* The Owner shall construct or cause to be constructed the Acquisition Facilities in accordance with the Plans approved by WWD and/or its engineers. The Owner shall perform all of its obligations hereunder and shall conduct all operations with respect to the construction of the Acquisition Facilities in a good, workmanlike and commercially reasonable manner, with the standard of diligence and care normally employed by duly qualified persons utilizing commercially reasonable efforts in the performance of comparable work and in accordance with generally accepted practices appropriate to the activities undertaken.

(c) *Letting and Administering Design Contracts.* The Parties presently anticipate that the Owner has awarded and administered or will award and administer engineering design contracts for the Acquisition Facilities to be acquired from Owner. All eligible expenditures of the Owner for design, engineering, and related costs in connection with the Acquisition Facilities (whether as an advance to WWD or directly to the design consultant) shall be reimbursed at the time of acquisition of such Acquisition Facilities. The Owner shall be entitled to reimbursement for any design costs of the Acquisition Facilities only out of the Purchase Price and shall not be entitled to any payment for design costs independent of or prior to the acquisition of Acquisition Facilities.

(d) *Letting and Administration of Construction Contracts.* State law requires that all Acquisition Facilities not completed prior to the formation of the District shall be constructed as if they were constructed under the direction and supervision, or under the authority, of WWD. Those Acquisition Facilities completed prior to the formation of the District are specified in Exhibit "B" hereto. In order to assure compliance with those provisions, except with respect to the Acquisition Facilities completed prior to the formation of the District and any contracts entered into prior to the date hereof, which contracts are described in Exhibit "E" attached hereto, Owner agrees to comply with the requirements set forth in Exhibit "D" hereto with respect to the bidding and contracting for the construction of such Acquisition Facilities. The Owner's indemnification obligation set forth in this Agreement shall also apply to any alleged failure to comply with the requirements of this Section, and/or applicable State laws regarding public contracting and prevailing wages.

The Owner shall require, and the Plans and bid and contract documents shall require, all contractors, subcontractors, vendors, equipment operators and owner operators, in each such case to the extent such individuals or entities are engaged to perform work on Acquisition Facilities to pay not less than General Prevailing Wage Rates to all workers employed in the execution of the contract, to post a copy of the General Prevailing Wage Rates at the job-site in a conspicuous place available to all employees and applicants for employment, and to otherwise comply with applicable provisions of the California Labor Code, the Code and the California Public Contract Code relating to General Prevailing Wage Rates as required by the specifications approved by WWD's engineer. General Prevailing Wage Rates are available from the California Department of Industrial Relations (DIR).

The Owner shall require each principal contractor to provide proof of insurance coverage for commercial general liability, vehicle liability, and workers' compensation insurance, to the satisfaction of WWD, throughout the term of the construction of the Acquisition Facilities. Rather

than requiring its principal contractors to provide such insurance, the Owner may elect to provide the same for the benefit of its principal contractors.

Each principal contractor engaged to perform work on any of the Acquisition Facilities shall be required to furnish (i) labor and material payment bonds, and (ii) contract performance bonds, each in an amount equal to 100% of the contract price naming the Owner, the District, the WWD and the Agency as obligees and issued by a California admitted surety having a current A.M. Best A:VIII (A:8) rating or an admitted surety insurer which complies with the provisions of Section 995.660 of the California Code of Civil Procedure. The bonds tendered pursuant to this sub-section are to be accepted and held by WWD's engineer. Rather than requiring its principal contractors to provide such bonds, the Owner may elect to provide the same for the benefit of its principal contractors.

The Owner shall require, and the Plans and bid and contract documents shall require, all contractors, subcontractors, vendors, equipment operators and owner operators, in each such case to the extent such individuals or entities are engaged to perform work on the Acquisition Facilities to submit certified weekly payroll records or other proof of payment of General Prevailing Wage Rates to the Owner for inspection, and to furnish certified payroll records or such other proof of payment of General Prevailing Wage Rates to WWD's engineer promptly upon request.

The Owner shall provide proof to WWD's engineer, at such intervals and in such form as the engineer may require, that the foregoing requirements have been satisfied.

Section 7. Acquisition and Payment of Acquisition Facilities.

(a) *Inspection.* WWD agrees that the Acquisition Facilities are eligible for payment, provided that the timing and amount of such payment shall be determined by WWD pursuant to this Section 7 of this Agreement. No payment hereunder shall be made by WWD to Owner for an Acquisition Facility until such Acquisition Facility has been inspected by WWD or other applicable public entity or utility and found to be substantially completed in accordance with the approved Plans. An Acquisition Facility shall be considered "substantially complete" when it has been reasonably determined by WWD or other applicable public entity to be usable. For Acquisition Facilities to be acquired by WWD, Owner shall request inspection using applicable WWD procedures. For Acquisition Facilities to be acquired by other public entities or utilities, Owner shall be responsible for obtaining such inspections and providing written evidence thereof to such entity's engineer. Owner agrees to pay all inspection, permit and other similar fees of WWD applicable to construction of the Acquisition Facilities.

WWD's engineer shall have primary responsibility for providing inspection of the work of construction of the Acquisition Facilities to ensure that the work of construction is accomplished in accordance with the Plans. WWD's engineer, or his/her designee, shall have access to the construction site at all reasonable times for the purpose of accomplishing such inspection.

Upon completion of construction of an Acquisition Facility, the Owner is to provide WWD's engineer with written notice that it considers construction of said Acquisition Facility to have been completed consistent with the approved Plans and, upon receipt of said notice, WWD's engineer, or his/her designee, shall perform a final inspection of said Acquisition Facility. WWD's

engineer shall promptly inspect the Acquisition Facilities upon the delivery of such written notice. Upon finding that construction of said Acquisition Facility is completed substantially in accordance with the approved Plans and the provisions of this Agreement, WWD's engineer, or his/her designee, shall promptly provide written confirmation to the Owner that construction of said Acquisition Facility has been satisfactorily completed.

(b) *Maintenance of Facilities; Warranties.* The Owner shall maintain any Acquisition Facility in good and safe condition until the Acceptance Date of said Acquisition Facility. Prior to the Acceptance Date, the Owner shall be solely responsible for maintaining said Acquisition Facility in proper operating condition, and shall perform such maintenance on said Acquisition Facility as the WWD engineer reasonably determines to be necessary. As of the Acceptance Date, the performance bond provided by the Owner for said Acquisition Facility shall be reduced to an amount equal to 10% of the original amount thereof and shall serve as a warranty bond to guarantee that said Acquisition Facility will be free from defects due to faulty workmanship or materials for a period of 12 months from the Acceptance Date, or the Owner may elect to provide a new warranty bond or cash in such an amount, and said warranty bond will be discharged 12 months from the Acceptance Date. At the conclusion of said 12 month period, the Owner shall assign to WWD all of the Owner's rights in any warranties, guarantees, maintenance obligations or other evidence of contingent obligations of third persons with respect to said Acquisition Facility.

(c) *Agreement to Sell and Purchase Acquisition Facilities.* Owner hereby agrees to sell the Acquisition Facilities to WWD and WWD hereby agrees to use amounts available pursuant to the terms of this Agreement to pay the Purchase Price, as defined below, thereof to Owner, subject to the terms and conditions hereof. WWD shall not be obligated to pay the Purchase Price for the Acquisition Facilities except from the proceeds of the Bonds and proceeds of the Special Tax as provided herein.

(d) *Purchase Price.* The Purchase Price for an Acquisition Facility shall be equal to the Actual Cost of such Acquisition Facility, as approved in accordance with the procedure set forth in subsection (e) below but subject to the limitations of this Section 7.

(e) *Payment Requests.* In order to receive the Purchase Price for an Acquisition Facility, Owner shall deliver to the WWD's representative, or its designee (the "Authorized Representative") a "Payment Request" in the form of Exhibit "D" hereto, together with all attachments and exhibits required by this Section 7(e) to be included therewith. If the property on which the Acquisition Facility is located is not owned by WWD at the time of the request, Owner shall provide a copy of the recorded documents conveying to WWD Acceptable Title to the real property on, in or over which such Acquisition Facility is located, as described in Section 8(a) hereof.

(f) *Processing Payment Requests.* Upon receipt of a Payment Request (and all accompanying documents), the Authorized Representative shall conduct a review in order to confirm that such request is complete and to verify and approve the Actual Cost of the Acquisition Facility. The Authorized Representative shall also conduct such review as is required in his/her discretion to confirm the matters certified in the Payment Request. Owner agrees to cooperate with the Authorized Representative in conducting each such review and to provide the Authorized

Representative with such additional information and documentation as is reasonably necessary for the Authorized Representative to conclude each such review. Within twenty (20) business days of receipt of the Payment Request, the Authorized Representative expects to review the request for completeness and notify Owner whether such Payment Request is complete, and, if not, what additional documentation must be provided. If such Payment Request is complete, the Authorized Representative expects to provide a written approval or denial (specifying the reason for any denial) of the request within thirty (30) days of its submittal.

(g) *Payment.* Upon approval of the Payment Request by the Authorized Representative, the Authorized Representative shall sign the Payment Request and forward the same to Agency. Upon receipt of the reviewed and fully signed Payment Request, Agency shall cause the same to be paid by the Trustee under the applicable provisions of the Indenture, to the extent of funds then on deposit in the appropriate account.

The Purchase Price paid hereunder for the Acquisition Facilities shall constitute payment in full for the Acquisition Facilities, including, without limitation, payment for all labor, materials, equipment, tools and services used or incorporated in the work, supervision, administration, overhead, expenses and any and all other things required, furnished or incurred for completion of the Acquisition Facilities.

(h) *Timing of Requisitions.* WWD and Owner acknowledge that (i) Owner may submit a Payment Request for an Acquisition Facility to WWD in advance of when sufficient, if any, funds are available for payment of the Purchase Price; (ii) the Payment Request submitted when there are insufficient proceeds available will be reviewed by WWD as set forth in this Agreement and, if appropriate, approved for payment when such funds are available and (iii) the payment approved in the preceding manner will be deferred until the date, if any, on which there are proceeds of Special Taxes or Bonds available to make all or part of such payment, at which time WWD will pay from the Special Fund or direct the Trustee to wire transfer (or pay in another mutually acceptable manner) from Bond proceeds the funds available to the payee identified in such Payment Request.

(i) *Restrictions on Payments.* Notwithstanding any other provisions of this Agreement, the following restrictions shall apply to any payments made to Owner under Sections 8(b) and 8(f) hereof:

(1) *Amounts of Payments.* Subject to the following paragraphs of this Section 7(i), payments for the Acquisition Facilities will be made only in the amount of the Purchase Price for the Acquisition Facilities.

Nothing herein shall require WWD in any event (i) to pay more than the Actual Cost of the Acquisition Facilities, or (ii) to make any payment beyond the available funds in the Special Fund or the applicable accounts identified in the Indenture. The parties hereto acknowledge and agree that all payments to Owner for the Purchase Price of the Acquisition Facilities are intended to be reimbursements to Owner for monies already expended or for immediate payment by Owner (or directly by WWD) to third parties in respect of the Acquisition Facilities.

(2) Joint or Third Party Payments. Agency may make any payment jointly to Owner and any mortgagee or trust deed beneficiary, contractor or supplier of materials, as their interests may appear, or solely to any such third party, if Owner so requests the same in writing or as Agency otherwise determines such joint or third party payment is necessary to obtain lien releases.

(3) Withholding Payments. Agency shall be entitled, but shall not be required, to withhold any payment hereunder for the Acquisition Facilities if Owner or any Affiliate is delinquent in the payment of *ad valorem* real property taxes, special assessments or taxes, or Special Taxes levied in the District. In the event of any such delinquency, Agency shall only make payments hereunder directly to contractors or other third parties employed in connection with the construction of the Acquisition Facilities or to any assignee of Owner's interests in this Agreement (and not to Owner or any Affiliate), until such time as Owner provides the Authorized Representative with evidence that all such delinquent taxes and assessments have been paid.

Agency shall withhold final payment for an Acquisition Facility constructed on land until Acceptable Title to such land is conveyed to WWD, as described in Section 8 hereof.

Nothing in this Agreement shall be deemed to prohibit Owner from contesting in good faith the validity or amount of any mechanics or materialman's lien nor limit the remedies available to Owner with respect thereto so long as such delay in performance shall not subject the Acquisition Facility to foreclosure, forfeiture or sale. In the event that any such lien is contested, Owner shall only be required to post or cause the delivery of a bond in an amount equal to the amount in dispute with respect to any such contested lien, so long as such bond is drawn on an obligor and is otherwise in a form acceptable to the Authorized Representative.

(j) Modification of Acquisition Facilities. The descriptions of the Acquisition Facilities in Exhibit "B" may be modified, or new Acquisition Facilities may be added to Exhibit "B," through a Supplement executed by the Parties hereto provided the modifications or new Acquisition Facilities are consistent with the facilities and costs authorized to be funded by the District pursuant to the formation proceedings and the Act.

Section 8. Ownership and Transfer of Acquisition Facilities.

(a) Conveyance of Land and Easements to WWD. Acceptable Title to all property on, in, or over which the Acquisition Facilities will be located, shall be deeded over to WWD by way of grant deed, quitclaim, or dedication of such property, or easement thereon, if such conveyance of interest is approved by WWD as being a sufficient interest therein to permit WWD to properly own, operate and maintain the Acquisition Facilities located therein, thereon or thereover, and to permit Owner to perform its obligations as set forth in this Agreement. Owner agrees to assist WWD in obtaining such documents as are required to obtain Acceptable Title. Completion of the transfer of title to land shall be accomplished prior to the payment of the Purchase Price for an Acquisition Facility and shall be evidenced by an irrevocable offer of dedication or recordation of the acceptance thereof by WWD.

(b) *Facilities to be Owned by WWD – Title Evidence.* Owner shall furnish to WWD a preliminary title report for land with respect to the Acquisition Facilities that have not previously been dedicated or otherwise conveyed to WWD, for review and approval at least fifteen (15) calendar days prior to the transfer of Acceptable Title of the Acquisition Facilities to WWD. WWD shall approve the preliminary title report unless it reveals a matter which, in the judgment of WWD, could materially affect WWD’s use and enjoyment of any part of the property or easement covered by the preliminary title report. In the event WWD does not approve the preliminary title report, WWD shall not be obligated to accept title to such Acquisition Facility or pay the Purchase Price for the Acquisition Facility until Owner has cured such objections to title to the satisfaction of WWD.

(c) *Facilities Constructed on Private Lands.* If any portion of an Acquisition Facility is located on privately-owned land, the owner thereof shall retain title to the land and the completed Acquisition Facility until the Acquisition Facility is accepted by WWD and transferred to WWD pursuant to this Section 8. Pending the completion of such transfer, Owner shall not be entitled to receive any payment for the Acquisition Facility. Owner shall, however, be entitled to receive payments pursuant to Section 7 of the Acquisition Facility upon making an irrevocable offer of dedication of such land in form and substance acceptable to the Authorized Representative.

(d) *Facilities Constructed on WWD Land.* If any portion of an Acquisition Facility to be acquired is on land owned by WWD, WWD hereby grants to Owner a license to enter upon such land for purposes related to the construction (and maintenance pending acquisition) of the Acquisition Facility. The provisions for inspection and acceptance of the Acquisition Facilities otherwise provided herein shall apply.

Section 9. Indemnification.

Owner shall promptly defend, indemnify and hold harmless WWD, Agency, the District, and its officers, employees and agents, and each and every one of them, from any and all claims, actions, liability, damages, losses, expenses and costs arising out of (i) Owner’s performance of, or failure to perform, its duties hereunder or by reason of, or arising out of, this Agreement, (ii) the design, acquisition, construction, or installation of any Acquisition Facility, (iii) the untruth or inaccuracy of any representation or warranty made by the Owner in this Agreement, or any related agreement, or in any certifications delivered by the Owner hereunder, or (iv) any act or omission of the Owner or any of its contractors, subcontractors, or their respective officers, employees or agents, in connection with the design and/or construction of the Acquisition Facilities. WWD reserves the right, as respects to future developers of the Property, to require the future developers to assume by contract with WWD any portion or all of this responsibility. If the Owner fails to do so, WWD, the Agency and the District shall have the right, but not the obligation, to defend the same and charge all of the direct or incidental costs of such defense, including reasonable attorney’s fees or court costs, to and recover the same from the Owner. The provisions of this Section shall survive the discharge or other termination of this Agreement.

In no event shall WWD be held liable for any damages or liability resulting from the formation of the District or issuance of Bonds, including with respect to tax liability on the Bonds.

In no event shall Agency be held liable for any damages or liability resulting from payment of a Payment Request or WWD's ownership or operation of the Acquisition Facilities.

Section 10. Agency Goals & Policies. The Rate and Method, the sale of the Bonds, and the ratio of the appraised market value or assessed value of all parcels of property within the District to the total amount of the assessment and special tax obligation thereof after the issuance and sale of the Bonds (the "Value-to-Lien Ratio") shall comply with the CFD Goals & Policies of Agency, unless otherwise waived by Agency in accordance with the Act.

Section 11. Representations, Covenants and Warranties of Owner. Owner represents and warrants for the benefit of Agency and WWD as follows:

(a) *Organization.* Owner is duly organized, validly existing and in good standing under the laws of the State of Delaware, is duly qualified to conduct business as a limited liability company, and is in good standing to do business in the State of California and has the power and authority to own its properties and assets and to carry on its business as now being conducted and as now contemplated.

(b) *Authority.* Owner has the power and authority to enter into this Agreement, and has taken all action necessary to cause this Agreement to be executed and delivered by Owner, and this Agreement has been duly and validly executed and delivered by Owner.

(c) *Binding Obligation.* This Agreement is a legal, valid and binding obligation of Owner, enforceable against Owner in accordance with its terms, subject to bankruptcy and other equitable principles.

(d) *Compliance with Laws.* Owner shall not with knowledge commit, suffer or permit any act to be done in, upon or to the lands of Owner in the District in violation of any law, ordinance, rule, regulation or order of any governmental authority or any covenant, condition or restriction now or hereafter affecting the lands in the District or the Acquisition Facilities.

(e) *Requests for Payment.* Owner represents and warrants that (i) it will not request payment from Agency out of the Special Taxes or proceeds of the Bonds for the acquisition of any improvements other than the Acquisition Facilities, and (ii) it will diligently follow all procedures set forth in this Agreement with respect to the Payment Request for the Acquisition Facilities.

(f) *Additional Information.* Owner agrees to cooperate with all reasonable written requests for nonproprietary information by the original purchasers of the Bonds or Agency related to the status of construction of improvements within the District, the anticipated completion dates for future improvements, and any other matter material to the investment quality of the Bonds.

(g) *Financial Records.* Until the determination of the Purchase Price of all Acquisition Facilities to be financed by the District, the Owner covenants to maintain proper books of record and account for the Acquisition Facilities and all costs related thereto. The Owner covenants that such accounting books will be maintained in accordance with generally accepted accounting principles, and will be available for inspection by the District, the Agency and WWD,

and their respective agents, at any reasonable time during regular business hours on two (2) Business Days' prior written notice, subject to mutually acceptable arrangements regarding the confidentiality of proprietary data.

(h) *Hazardous Materials.* The Owner represents and warrants that neither the Owner, nor any subcontractor, agent or employee thereof will use, generate, manufacture, procure, store, release, discharge or dispose of any Hazardous Material on, under or about the Construction Site or the Acquisition Facilities or transport any Hazardous Material to or from the Construction Site or the Acquisition Facilities in violation of any federal, state or local law, ordinance, regulation, rule, decision or policy statement regulating Hazardous Material.

(i) *Continuing Disclosure.* Owner agrees to comply with all of its obligations under any continuing disclosure agreement executed by it in connection with the offering and sale of any of the Bonds.

Section 12. Independent Contractor. Owner is an independent contractor and not the agent of Agency, WWD or the District. This Agreement shall not and does not create a joint venture or partnership between Agency and Owner. Neither Agency nor WWD shall have no responsibility or liability for the payment of any amount to any employee or subcontractor of Owner.

Section 13. Special Taxes. The parties are entering into this Agreement and establishing the District for the purpose of creating a stream of Special Tax revenues that will be available to the District to pay directly the costs of, among other things, the acquisition, construction and/or equipping the Acquisition Facilities and to pay debt service on the Bonds, the proceeds of which will be used to, among other things, pay the costs of acquisition, construction and/or equipping of the Acquisition Facilities. Owner and Agency hereby acknowledge and agree (i) that any reduction or termination of the Special Taxes by exercise of the initiative power or other action would constitute a substantial impairment of the Special Tax revenue stream that Owner and Agency intend to create for the purpose of providing an assured source of funding for construction, acquisition and/or equipping of the Acquisition Facilities, and (ii) that this Agreement is being entered into, and the Special Taxes are being imposed upon the Property pursuant to the Rate and Method, in accordance with existing laws relating to the imposition of fees and charges as a condition of development of the Property and such Special Taxes are being incurred as an incident of the voluntary act of development of the Property. To the fullest extent permitted by law, Owner, for itself and for each of its successors and assigns as owners or lessees of all or any portion of the Property included in the District hereby waives any right to exercise the initiative power that may be authorized in California Constitution Article XIII C, Section 3, to reduce or appeal the Special Taxes.

Section 14. Disclosure of Special Taxes.

(a) From and after the date of this Agreement, Owner shall provide a "Notice of Special Tax" (as defined in Section 15(b) below) to each prospective purchaser of a home in the District prior to the execution by the home buyer of the sale contract for such home. Owner shall (i) maintain records of each Notice of Special Tax for a period of five (5) years, and (ii) shall provide copies of each notice to Agency promptly following the giving of such notice. Owner

shall include the Notice of Special Tax in all Owner's applications for Final Subdivision Reports required by the Department of Real Estate ("DRE"), which are filed after the effective date of this Agreement.

Owner shall require of a builder acquiring lots within the Property (a "Residential Builder"), prior to the close of escrow on any residential lot, to (i) maintain records of each Notice of Special Tax for a period of five (5) years, (ii) provide copies of each notice to Agency promptly following the giving of such notice, and (iii) include the Notice of Special Tax in all of such Residential Builder's applications for Final Subdivision Reports required by DRE.

(b) With respect to any parcel, the term "Notice of Special Tax" means a notice in the form prescribed by California Government Code Section 53341.5 which is calculated to disclose to the purchaser thereof (i) that the property being purchased is subject to the Special Taxes and other special taxes of the District; (ii) the classification of such property; (iii) the maximum annual amount of the Special Taxes and other special taxes of the District and the number of years for which they are authorized to be levied; and (iv) the types of facilities and services to be paid with the proceeds of the Special Taxes and other special taxes of the District.

(c) Agency will file with the Los Angeles County Recorder's office a notice of special tax lien that gives notice of the existence of the District and the levy of the Special Tax on property within the District for the benefit of subsequent property owners, pursuant to requirements of Section 3114.5 of the Streets and Highways Code.

(d) Owner and its successors and assigns shall prepare and have available in its sales office, copies of either a sample property tax bill in a form reasonably acceptable for Agency or special tax information sheet (the "Special Tax Information Sheet"), which shows the assigned annual Special Taxes and other special taxes authorized to be levied within the District under the Rate and Method. Owner and its successors and assigns shall make available to prospective homebuyers to take with them, copies of such sample property tax bill or Special Tax Information Sheet at the time written information regarding the base home price and property tax information for a specific home site is requested by and provided to such homebuyers. Owner intends to comply with this requirement by providing prospective homebuyers who request such additional written information, with the sample property tax bill in Owner's Master Property Disclosure Report, a copy of which has presented to and approved by Agency.

Section 15. Termination and Dissolution. Prior to the issuance of Bonds, Owner may elect to terminate this Agreement and request that Agency cancel the Special Taxes by providing written notice to Agency. Within thirty (30) days of such written notice, Agency shall record a notice of cancellation of the Special Taxes with respect to each parcel. Owner shall be responsible for reasonable Agency costs incurred relating to the cancellation of the Special Taxes and recordation of such notice; provided, however, that Agency shall not terminate the Special Taxes for any lot for which a building permit has been issued, unless Owner pays all WWD Fees or posts separate security therefore. Such termination of this Agreement and cancellation of Special Taxes shall have no effect on Owner's obligations to pay WWD's Fees and meet all other conditions of approval or for utility service upon issuance of a building permit.

Section 16. Binding on Community Facilities District. The District shall automatically become a party to this Agreement, and all provisions hereof which apply to Agency shall also apply to the District. The Governing Body of Agency, acting as the legislative body of the District, shall perform all parts of this Agreement which require performance on the part of the District.

Section 17. Assignment. Upon the successful formation of the District, this Agreement shall be binding upon and inure to the benefit of the successors and assigns of the parties hereto and shall run with the land without any further action of WWD, Agency or Owner unless terminated in writing pursuant to Section 15; provided, however, Owner may elect to retain all rights to the payment of all or any portion of the Purchase Price of the Acquisition Facilities in connection with the sale or transfer of all or any portion of the Property.

Section 18. Prompt Action. All consents, approvals and determinations required of either WWD, Agency or Owner pursuant to this Agreement shall be promptly given or made, and shall not be unreasonably withheld or conditioned.

Section 19. General. This Agreement and the Joint Community Facilities Agreement contain the entire agreement between the parties with respect to the matters herein provided for. This Agreement may only be amended by a subsequent written agreement signed on behalf of the parties. This Agreement shall inure to the benefit of and be binding upon the successors and assigns of the parties. This Agreement shall be construed and governed by the Constitution and laws of the State of California. The captions of the sections of this Agreement are provided for convenience only, and shall not have any bearing on the interpretation of any section hereof. This Agreement may be executed in several counterparts, each of which shall be an original of the same agreement.

(signature page follows)

IN WITNESS WHEREOF, the parties have caused this agreement to be signed as of the date first above written.

WH CASTAIC 497 LLC

By: Williams Communities, a California limited liability company, its Manager

By: _____
Anthony E. Bell
Secretary and General Counsel

CASTAIC UNION SCHOOL DISTRICT

By: _____
Authorized Officer

APPROVED AS TO FORM:

LOS ANGELES COUNTY
WATERWORKS DISTRICT NO. 36, VAL
VERDE

DAWYN R. HARRISON
County Counsel

By: _____
Senior Deputy

By: _____
Director of Public Works

*-Signature Page-
Funding and Acquisition Agreement*

EXHIBIT A

DESCRIPTION OF PROPERTY

The Property is identified within recorded Tract Map Nos. 52584 and 52584-04 in the unincorporated territory of the County of Los Angeles, State of California.

EXHIBIT B

ACQUISITION FACILITIES AND PUBLIC FACILITIES

The immediately following table lists the Acquisition Facilities to be constructed by Owner and to be owned, operated and maintained by WWD, including the current cost estimates related thereto, which are subject to change.

<u>Acquisition Facilities</u>	<u>Estimated Costs</u>
1. Pump station consisting of two (2) GPM pumps, pressure regulating stations, and appurtenant improvements.	\$3,549,948
2. One 318,000 gallon water tank and one 294,000 gallon water tank in pressure zone 1,620 and appurtenant improvements. ¹	\$4,251,202
GRAND TOTAL ELIGIBLE ACQUISITION FACILITIES AND PUBLIC FACILITIES	<hr/> \$7,801,150

¹ Completed December 2025, prior to the date of formation of the District.

EXHIBIT C

DEFINITIONS

The following terms shall have the meanings ascribed to them for purposes of this Agreement. Unless otherwise indicated, any other terms, capitalized or not, when used herein shall have the meanings ascribed to them in the Indenture (as hereinafter defined).

“Acceptable Title” means title to land or interest therein, in form acceptable to the Authorized Representative, free and clear of all liens, taxes, assessments, leases, easements and encumbrances, whether or not recorded, but subject to any exceptions determined by the Authorized Representative as not interfering with the actual or intended use of the land or interest therein. Notwithstanding the foregoing, an irrevocable offer of dedication may constitute land with an “Acceptable Title” if: (i) such offer is necessary to satisfy a condition to a tentative or final parcel map, (ii) such offer is in a form acceptable to the Authorized Representative, (iii) the Authorized Representative has no reason to believe that such offer of dedication will not be accepted by the applicable WWD, and (iv) the Owner commits in writing not to allow any liens to be imposed on such property prior to its acceptance.

“Acceptance Date” means the date WWD takes final action to accept dedication of or transfer of title to the Acquisition Facilities.

“Acquisition Facilities” means the facilities described as such in Exhibit B to the Agreement.

“Additional Bonds” means any series of Bonds issued by or on behalf of the District after the first series of Bonds, in each case in compliance with and under supplements to the Indenture, which Additional Bonds shall be secured on a parity lien or subordinate lien position with other Bonds previously issued.

“Affiliate” mean, with respect to the Owner, any other Person who controls, is controlled by or is under common control with the Owner, for purposes hereof, control means the power to exercise a controlling influence over the management or policies of a person, unless such power is solely the result of an official position with such person.

“Agreement” means this Agreement, together with any Supplement hereto.

“Act” means the Mello-Roos Community Facilities Act of 1982, Sections 53311 *et seq.* of the California Government Code, as amended.

“Actual Cost” means the substantiated cost of the Acquisition Facilities, which costs may include: (i) the costs incurred by the Owner for the construction of the Acquisition Facilities, including labor, material and equipment costs; (ii) the costs incurred by the Owner in preparing the Plans for the Acquisition Facilities and the related costs of environmental evaluations of the Acquisition Facilities; (iii) the fees paid to governmental agencies for obtaining permits, licenses or other governmental approvals for the Acquisition Facilities; (iv) a construction and project management fee of five percent (5%) of the costs described in clause (i) above incurred for the construction of the Acquisition Facilities; (v) professional costs incurred by the Owner, WWD or

Agency associated with the Acquisition Facilities, such as engineering, legal, accounting, inspection, construction staking, materials testing and similar professional services; (vi) costs directly related to the construction and/or acquisition of the Acquisition Facilities, such as costs of payment, performance and/or maintenance bonds, and insurance costs (including costs of any title insurance required hereunder); and (vii) costs of any real property or interest therein acquired from a third party, which real property or interest therein is either necessary for the construction of such Acquisition Facility (e.g., temporary construction easements, haul roads, etc.) or is required to be conveyed with such Acquisition Facility in order to convey Acceptable Title thereto to WWD. Actual Cost shall not include any cost of carry or interest expense with respect to any construction loan obtained by the Owner with respect to the Acquisition Facilities.

“Assessor’s Parcel” shall have the meaning ascribed to it in the Rate and Method.

“Bonds” means any series of bonds issued by or on behalf of the District.

“CFD Goals & Policies” means the Agency’s Goals and Policies for Mello-Roos Community Facilities Districts, as further amended from time to time.

“Deposit Agreement” means the Deposit Agreement between Agency and the Owner.

“Indenture” means, collectively, any agreement or agreements by that or similar name to be executed by the Agency, including, for and on behalf of the District, and the Trustee, which will provide for, among other matters, the issuance of the Bonds and the establishment of an “Improvement Fund” as originally executed by Agency and the trustee and as it may be amended from time to time.

“Owner” means WH Castaic 497 LLC, as the owner of the Property, and its successors and assigns, other than individual homebuyers.

“Person” means an individual, a corporation, a partnership, an association, a limited liability company, a joint stock company, a trust, any unincorporated organization or a government or political subdivision thereof.

“Plans” means the plans, specifications, schedules and related construction contracts for the Acquisition Facilities approved pursuant to the applicable standards of WWD or other entity that will own, operate or maintain the Acquisition Facilities when completed and acquired.

“WWD” means Los Angeles County Waterworks District No. 36, Val Verde.

“WWD Fees” means any fees imposed by WWD as a condition of connecting to the WWD utility system, including connection fees and capacity fees.

“Purchase Price” means the amount paid by WWD for the Acquisition Facilities determined in accordance with Section 7 hereof, being an amount equal to the Actual Cost of such Acquisition Facilities, but subject to the limitations and reductions provided for in Section 7.

“Rate and Method” means the rate and method of apportionment of special taxes approved for the District in accordance with the Act.

“Special Fund” means a discrete, interest-bearing special fund of Agency to be established for the financing of the Acquisition Facilities and Public Facilities and administered pursuant to this Agreement.

“Special Tax or Special Taxes” means the special tax designated in the Rate and Method.

“Trustee” means the financial institution or other entity that enters into an Indenture with Agency with respect to the Bonds.

EXHIBIT D

FORM OF PAYMENT REQUEST

Community Facilities District No. 2025-1 of the Castaic Union School District

The undersigned, _____, a duly authorized representative of Owner, hereby requests payment of the Purchase Price of the Acquisition Facilities described in Attachment A attached hereto. Capitalized undefined terms shall have the meanings ascribed thereto in that certain Funding and Acquisition Agreement, dated as of _____, 2026 (the "Agreement"), by and between Los Angeles County Waterworks District No. 36, Val Verde ("WWD"), Castaic Union School District ("Agency"), and WH Castaic 497 LLC ("Owner"). In connection with this Payment Request, the undersigned hereby represents and warrants to the Agency and WWD as follows:

1. He or she is a duly authorized representative of Owner, qualified to execute this request for payment on behalf of Owner and knowledgeable as to the matters set forth herein.
2. The Acquisition Facilities for which payment is being sought under this payment request have been substantially completed in accordance with the Agreement, and Attachment B hereto, if applicable.
3. The true and correct Actual Cost of the Acquisition Facilities is set forth in Attachment A.
4. Attached hereto are invoices, receipts, worksheets and other evidence of costs which are in sufficient detail to allow WWD to verify the Actual Cost of the Acquisition Facilities.
5. There has not been filed with or served upon Owner notice of any lien, right to lien or attachment upon, or claim affecting the right to receive the payment requested herein which has not been released or will not be released simultaneously with the payment of such obligation, other than materialmen's or mechanics' liens accruing by operation of law. Copies of lien releases for all work for which payment is requested hereunder are attached hereto.
6. Owner is in compliance with the terms and provisions of the Agreement.

The Purchase Price for the Acquisition Facilities shall be payable from the appropriate account created pursuant to the Indenture or the Special Fund established pursuant to the Indenture.

I hereby certify that the above representations and warranties are true and correct.

Dated: _____

OWNER

By: _____

Name: _____

Title: _____

By execution of this Payment Request, WWD does hereby approve of the payment as described in this Payment Request and directs the Trustee to pay such amounts, first, from bond proceeds held in the designated account pursuant to the Indenture and, second from any surplus Special Taxes held by Agency as applicable, to the payee listed above and/or WWD shall pay all or a portion thereof from funds designated by WWD for such purpose.

**LOS ANGELES COUNTY
WATERWORKS DISTRICT NO. 36,
VAL VERDE**

By: _____

Director of Public Works

ATTACHMENT A

Acquisition Facility	Estimated Cost	Actual Cost	Purchase Price
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Total Purchase Price to be Paid \$

ATTACHMENT B

Public Works Bidding Requirements

Contract Bidding by Owner

Public funding reimbursement or approval by Los Angeles County Waterworks District No. 36, Val Verde (“WWD”) requires the following, in addition to any additional requirements of State and federal law:

- 10 consecutive day advertisement in a newspaper of general circulation (This generally requires a minimum bid period of 14 days to achieve. A three week bid period is recommended). Proof of publication should be submitted to WWD for verification of advertisement as required. (Pub. Cont. Code §20125). Failure to advertise the project in a newspaper of general circulation will disqualify the developer from receiving reimbursement from public funds.
- Requirement for contractors and subcontractors to be registered with the State of California Department of Industrial Relations (DIR) in order to be qualified to bid on, be listed in a bid proposal, or to perform public work (Labor Code §1725.5). Online application for registration with DIR can be found at the following website: <http://www.dir.ca.gov/Public-Works/PublicWorksContractorsAndSubcontractors.html>. Failure to comply with this requirement will disqualify the developer from receiving reimbursement from public funds.
- Requirement for payment of general prevailing wages and certified payroll (Labor Code §1770-§1774). General prevailing wage rates are available from the Department of Industrial Relations website at: <http://www.dir.ca.gov/OPRL/DPreWageDetermination.htm>. Failure to comply with this requirement will disqualify the developer from receiving reimbursement from public funds.
- Bonds
 - Bid Bond 10% (recommended)
 - Performance Bond 100% (mandatory) (Pub. Cont. Code §20129).
 - Payment Bond 100% (mandatory) (Civil Code §9550).
 - Surety to be required to be an admitted surety in the State of California
 - The bonds shall include WWD as co-beneficiary.
- Required State Contractor’s license shall be specified in the notice inviting bids (Pub. Cont. Code §3300). License shall be verified before award. (Pub. Cont. Code §6100).
- Proprietary and brand specific items shall not be specified (Pub. Cont. Code §3400).
- Standard WWD bid items and units of measurement should be utilized. Failure to do so will delay reimbursements authorized by WWD.
- Sufficient liability insurance, naming WWD as additional insured for both General and Automobile liability policies. Insurance company to be required to be an admitted insurance company in the State of California and to have a Best Guide rating of A with a financial size of VIII or greater. General liability insurance coverage to be at least \$2 Million Aggregate and \$2 Million per occurrence (or higher if exposure is great).
- Hold Harmless Clause (Specifically naming WWD).

- The bid items should be only for the public works improvements. On site work should not be included in the scope of work.
- Construction plans and specifications shall be signed and stamped by a duly registered engineer prior to advertisement (Bus. & Prof. Code §6735).
- Construction plans shall be signed as approved by WWD, as appropriate, prior to advertisement.
- Bid exclusions are not allowed. Bids must be required for all items of work in order for a proper, legal and fair determination of who is the lowest responsive bidder.
- Time and place of bid opening must be made known to the bidders. Sealed bids shall be opened in a public forum and read aloud. (Pub. Cont. Code §20393)
- Working days and liquidated damages should be clearly noted in the Notice Inviting Bids and/or other prominent location in the general conditions. Liquidated damages should be calculated using Caltrans methodology, or other industry standard means.
- Non-collusion affidavit shall be required of each bidder. (Pub. Cont. Code §7106).
- Advertisement in trade Journals (F.W. Dodge, CMD, etc.). A listing of plan rooms is available upon request.
- All sub-contractors shall be listed. (Pub. Cont. Code §4104)
- Bids shall be required to be prepared in ink, signed, with the name, address, phone number and contractor's license number provided.
- Addenda should be reviewed and approved by WWD for all addenda that either modify any bidding requirements or modify any item addressed herein. Addenda shall be signed and stamped by a Civil Engineer duly registered in the State of California.
- Addenda issued within 72 hours of bid closing, and which contain material changes, shall extend the bidding period by at least 72 hours. (Pub. Cont. Code §4104.5).
- A summary of bids is to be prepared, summarizing each bid item, the unit price bid and the total price bid for each bid item, as well as the total sum bid. The bid summary should include the engineer's estimate of unit prices. The bid summary shall include a summary of alternate bid schedules, if applicable.
- Award to the lowest responsive and responsible bidder. (Pub. Cont. Code §20128 and §6100 *et seq.*) Contract to be kept on file by the Owner, and provided to WWD upon request.

Additional Information and Requirements

- WWD review and approval are required prior to advertisement, and, separately, prior to award.
- Submission of an Engineer's Estimate of quantities, unit costs and extended totals should be made with the Owner's first request for review of the bid documents.
- All work shall be coordinated with WWD's Engineer. WWD's Engineer, or their respective

designated subordinates, will provide oversight inspection. Approval of the final quantities shall be obtained from WWD's Engineer prior to final payment. Contract Change Orders shall be reviewed and approved by WWD's Engineer prior to execution.

- Bidding and contract records shall be maintained for a period of not less than three years, and shall be made available upon request to WWD. Documents to be retained shall include:
 1. Bid documents
 2. Addenda issued
 3. Bidders list, including date and time of bid submissions
 4. Each bid received
 5. Summary of bids
 6. Executed contracts
 7. Certified payroll records
 8. Other pertinent documents.

The following items shall be provided to WWD after bid opening:

1. Proof of Publication - Advertisement.
2. Developer's written certification of Public Bid Opening.
3. Log of bids received including date/time of receipt.
4. Tabulated Bid Summary.
5. Copy of low-bidder's proposal.

The following items shall be provided to WWD after award:

1. Copy of Insurance Certificate, meeting the above requirements, and naming WWD as additional insured.
2. Copy of contract, performance bond and payment bond.

EXHIBIT E

CONTRACTS FOR ACQUISITION FACILITIES AWARDED PRIOR TO FORMATION OF DISTRICT

1. The Pump Station rough grading contract was awarded to R&R Pipeline and executed on August 29, 2022 and the construction contract was awarded to Mesa Engineering and entered into 01/08/24.
2. The construction contracts for the Water Tanks were awarded as follows:
 - (a) Electrical – Awarded to Coleman Pacific and entered into 02/21/24.
 - (b) Grading – Awarded to M Maintenance and entered into 04/03/24.
 - (c) Tanks– Awarded to Paso Robles Tanks and entered into 08/06/24.
 - (d) Wet Utilities – Awarded to Mesa Engineering and entered into 04/29/24.
 - (e) Fencing – Awarded to Fence Factory and entered into 06/18/24.

DEPOSIT AGREEMENT

Relating to:

**Community Facilities District No. 2025-1
of the Castaic Union School District**

By and among

LOS ANGELES COUNTY WATERWORKS DISTRICT NO. 36, VAL VERDE

and

WH CASTAIC 497 LLC

Dated as of

February 1, 2026

This DEPOSIT AGREEMENT (the “Agreement”), dated as of February 1, 2026, is by and between the LOS ANGELES COUNTY WATERWORKS DISTRICT NO. 36, VAL VERDE, a county waterworks district formed in accordance with Division 16, Sections 55000 through 55991 of the State Water Code (the “WWD”), and WH CASTAIC 497 LLC, a Delaware limited liability company (“Owner” and together with WWD, the “Parties”).

RECITALS

WHEREAS, the Developer is the owner of approximately 163.981 acres of real property located in the City of Castaic, California, as more particularly described and/or depicted on Exhibit A (the “Property”); and

WHEREAS, the Developer has requested that Castaic Union School District form a community facilities district to include the Property and which plans to issue bonds or other obligations for the purposes of paying for the construction of certain public facilities (the “Project”), including facilities to be owned by WWD (the “WWD Facilities”); and

WHEREAS, the WWD will incur costs in connection with the execution and delivery of this Agreement and in connection with the issuance of such bonds; and

WHEREAS, Developer has agreed to advance certain costs related to the proceedings, as set forth herein.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual promises and covenants set forth herein, the parties hereto agree as follows:

Section 1. Recitals. Each of the above recitals is true and correct and is incorporated herein.

Section 2. Deposit Fee. The WWD has incurred, and will incur, costs related to the proceedings described herein and the delivery of this Agreement (the “Deposit Costs”). Developer agrees to pay all Deposit Costs incurred by the WWD.

Developer shall initially pay to the WWD the amount of \$10,000 as the deposit fee (the “Deposit Fee”). The Deposit Fee shall cover all costs of the WWD related to the Deposit Costs. If the Deposit Costs exceed \$10,000, Developer shall pay additional fees to the WWD in order to pay the full amount of the Deposit Costs (the “Additional Fees”). Any Additional Fees shall be paid by Developer within ten (10) days of a written request from the WWD notifying Developer of such Additional Fees.

The WWD may draw upon the Deposit Fee from time to time to pay the Deposit Costs. If, at any time, the amount of available Deposit Fee funds falls below \$1,000 and the WWD reasonably determines that the then-remaining Deposit Costs will exceed the then-remaining amount of Deposit Fee, the WWD shall notify the Developer in writing of that determination and of the additional amount which Developer must pay to the WWD to cover the estimated remaining

Deposit Costs. Upon receipt of such notification, Developer shall pay the amount specified therein to the WWD within ten (10) business days of the date thereof. If Developer fails to pay any such amounts to the WWD, the WWD may suspend or terminate the issuance of bonds for or its participation in the proceedings.

Section 3. Reimbursement. If the proceedings are not completed or are abandoned for any reason at any time prior to the completion of the Project, there shall be no obligation on the part of the WWD to reimburse the Developer for any monies previously paid by the Developer to the WWD and expended to pay Deposit Costs; provided, however, the WWD agrees to return to Developer, without interest, any amounts previously paid by Developer which remain on deposit with the WWD which the WWD determines are in excess of the amount necessary to pay for any then-remaining Deposit Costs. The amount of the Deposit Fee and any Additional Fee(s) expended for Deposit Costs may be reimbursed to the Developer from proceeds of bonds of the community facilities district.

Section 4. Unused Advances. Within sixty (60) days after the acceptance of the WWD Facilities, the WWD shall return any funds which have been advanced by the Developer which are not expended on Deposit Costs (the "Unused Advances"). Such returned funds shall be without interest.

Section 5. Right to Abandon Proceedings. Developer acknowledges that the WWD's participation in the proceedings, including the issuance of bonds or other obligations, are an exercise of the legislative authority of the WWD, and as such, this Agreement does not in any way create a contractual, legal, or equitable obligation of or commitment by the WWD to participate in the proceedings or the Project or issue bonds or other obligations to pay for the Project. The WWD expressly reserves the right to abandon its participation in the proceedings and Project for any reason at any time prior to the completion thereof.

Section 6. Termination. Prior to the issuance of bonds or other obligations for the Project, either party may terminate this Agreement by giving the other party fifteen (15) days prior written notice; and in the case of the Developer, by also paying to the WWD an amount which, together with any amount of Deposit Fee already paid by Developer, will be sufficient to pay all Deposit Costs occurred to the date of termination.

Sixty (60) days after the successful completion of the Project, as evidenced by the acceptance of the WWD Facilities, and provided that all obligations of the parties pursuant to this Agreement have been met, this Agreement shall terminate.

Section 7. Assignment. This Agreement or any right or duty hereunder may be assigned by the Developer with prior written notice to and written approval of the WWD.

Section 8. Mutual Assistance and Cooperation. The WWD and Developer shall mutually assist one another in otherwise undertaking and furthering the goals and objectives set forth in this Agreement.

Section 9. Notice. Any notice, payment, or instrument required or permitted by this Agreement to be given or delivered to either party shall be deemed to have been received when (a)

personally delivered, (b) if given by electronic communication, whether by email or telecopier upon the sender's receipt of an appropriate answer back or other written acknowledgment, (c) if given by registered or certified mail, return receipt requested, deposited with the United States mail postage prepaid, 72 hours after such notice is deposited with the United States mail, (d) if given by overnight courier, with courier charges prepaid, 24 hours after delivery to said overnight courier, or (e) if given by any other means, upon delivery at the address specified in this Section, addressed as follows:

Developer: WH Castaic 497 LLC
Attn: Jeff Farrington
24911 Avenue Stanford
Santa Clarita, CA 91355
Email: jfarrington@williamshomes.com

With a copy to: John Yeager
19800 Mac Arthur Blvd., Suite 650
Irvine, CA 92612
Email: jyeager@oneil-llp.com

WWD: Los Angeles County Waterworks District No.
36, Val Verde
900 South Fremont Avenue
Alhambra, CA 91803
Email: rgindi@dpw.lacounty.gov

With a copy to: Lutfi Kharuf
Best Best & Krieger LLP
655 West Broadway, 15th Floor
San Diego, CA 90071
Email: lutfi.kharuf@bbklaw.com

And

Office of the County Counsel
County of Los Angeles
Attn: Public Works Division
500 West Temple Street, 6th Floor
Los Angeles, CA 90012

Each party can change its address for delivery of notice by delivering written notice of such change of address to the other party within twenty (20) days of such change.

Section 10. Severability. If any part of this Agreement is held to be illegal or unenforceable by a court of competent jurisdiction, the remainder of this Agreement shall be given effect to the fullest extent reasonably possible.

Section 11. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the heirs, successors, and assigns of the parties hereto.

Section 12. Entire Agreement. This Agreement contains the entire agreement between the parties with respect to the matters provided for herein. There are no oral or written representations, understandings, undertakings, or agreements which are not expressly referred to or contained herein, and any such representations, understandings, undertakings, or agreements are superseded by this Agreement. No evidence of any such representations, understandings, undertakings, or agreements shall be admissible and any proceeding of any kind or nature relating to the terms and conditions of this Agreement shall be limited to the premises and agreements set forth herein.

Section 13. Amendments. This Agreement may be amended or modified only in writing signed by all parties hereto.

Section 14. Governing Law and Venue. This Agreement and any dispute arising hereunder shall be governed by and interpreted in accordance with the laws of the State of California. Any action at law or in equity arising under this Agreement brought by any party hereto for the purpose of enforcing, construing or determining the validity of any provision of this Agreement shall be filed and tried in the Superior Court of the County of Los Angeles, State of California, and the parties waive all provisions of law providing for the filing, removal or change of venue to any other Court.

Section 15. Singular and Plural; Gender. Whenever used herein, the singular of any word includes the plural and the plural shall include the singular, and terms in the masculine, feminine, or neuter gender shall include the others whenever the context of the Agreement so indicates.

Section 16. No Third Party Beneficiaries. Except as may be specifically provided herein to the contrary, no third party shall be the express or implied beneficiary of this Agreement or any of its provisions, no such third party may bring action at law or in equity with respect thereto.

Section 17. Counterparts. This Agreement and any exhibits, amendments or renewals hereto may be executed in a number of counterparts, and each counterpart signature, when taken with the other counterpart signatures, is treated as if executed upon one original of this Agreement or any amendment or renewal. A signature by any party to this Agreement provided by facsimile or electronic mail (including scanned signatures) is binding upon that party as if it were the original.

Section 18. Time is of the Essence. Time is of the essence in the performance of the parties respective obligations contained herein.

Section 19. Force Majeure. No party shall be deemed to be in default where failure or delay in the performance of any of its obligations under this Agreement is caused by natural disasters or other acts of God, wars, terrorism, riots or similar hostilities, strikes or other labor difficulties, shortage of materials, prohibitory court actions, or other causes beyond a party's

control. If any such events shall occur, the time for performance by any party of its obligations hereunder shall be extended for the period of time that such events prevented such performance.

Section 20. Waiver. The waiver by one party of the performance of any covenant, condition, or promise shall not invalidate this Agreement, nor shall it be considered a waiver by such party of any other covenant, condition, or promise. The waiver by either or both parties of the time for performing any act shall not constitute a waiver of the time for performing any other act or an identical act required to be performed at a later time. The exercise of any remedy provided in this Agreement shall not be a waiver of any consistent remedy provided by law, and any provision of this Agreement for any remedy shall not exclude other consistent remedies unless they are expressly excluded.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year written below:

**LOS ANGELES COUNTY WATERWORKS
DISTRICT NO. 36, VAL VERDE**

By: _____
Director of Public Works

APPROVED AS TO FORM:

DAWYN R. HARRISON
County Counsel

By: _____
Senior Deputy

WH CASTAIC 497 LLC

By: Williams Communities, a California limited liability company, its Manager

By: _____
Anthony E. Bell
Secretary and General Counsel

*-Signature Page-
Deposit Agreement*

EXHIBIT A

DESCRIPTION OR DEPICTION OF PROPERTY

The Property is identified within recorded Tract Map Nos. 52584 and 52584-04 in the unincorporated territory of the County of Los Angeles, State of California.