

INSTALLMENT PURCHASE AGREEMENT

by and between

ORANGE COUNTY SANITATION DISTRICT

and

ORANGE COUNTY SANITATION DISTRICT
FINANCING CORPORATION

Dated as of February 1, 2022

Relating to

[\$[PAR AMOUNT]]
Orange County Sanitation District
Wastewater Refunding Revenue Obligations
Series 2022A

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INSTALLMENT PURCHASE AGREEMENT

THIS INSTALLMENT PURCHASE AGREEMENT (this “Installment Purchase Agreement”), dated as of February 1, 2022, is by and between the ORANGE COUNTY SANITATION DISTRICT, a county sanitation district organized and existing under the laws of the State of California (the “District”), and the ORANGE COUNTY SANITATION DISTRICT FINANCING CORPORATION, a nonprofit public benefit corporation organized and existing under the laws of the State of California (the “Corporation”).

WITNESSETH:

WHEREAS, to refinance the acquisition, construction and installation of certain improvements to its wastewater system (the “2012A Prior Project”), the District has heretofore purchased the 2012A Prior Project from the Corporation, and the Corporation has heretofore sold the 2012A Prior Project to the District, for the installment payments (the “2012A Prior Installment Payments”) made by the District pursuant to the Installment Purchase Agreement, dated as of March 1, 2012, by and between the District and the Corporation;

WHEREAS, to provide the funds necessary to refinance the 2012A Prior Project, the District caused the execution and delivery of the Orange County Sanitation District Wastewater Refunding Revenue Obligations, Series 2012A, maturing on February 1, 2023 through 2026, inclusive (the “2012A Prior Obligations”), evidencing direct, undivided fractional interests in the 2012A Prior Installment Payments;

WHEREAS, the District has determined to further refinance the 2012A Prior Project by prepaying the principal components of the 2012A Prior Installment Payments (the “2012A Refunded Installment Payments”), and the interest components thereof to the date of prepayment, thereby causing to be prepaid the outstanding 2012A Prior Obligations in the aggregate principal amount of \$100,645,000 (the “2012A Refunded Obligations”);

WHEREAS, to refinance the acquisition, construction and installation of certain improvements to its wastewater system (the “2012B Prior Project” and, together with the 2012A Prior Project, the “Prior Projects”), the District has heretofore purchased the 2012B Prior Project from the Corporation, and the Corporation has heretofore sold the 2012B Prior Project to the District, for the installment payments (the “2012B Prior Installment Payments” and, together with the 2012A Prior Installment Payments, the “Prior Installment Payments”) made by the District pursuant to the Installment Purchase Agreement, dated as of August 1, 2012, by and between the District and the Corporation;

WHEREAS, to provide the funds necessary to refinance the 2012B Prior Project, the District caused the execution and delivery of the Orange County Sanitation District Wastewater Refunding Revenue Obligations, Series 2012B (the “2012B Prior Obligations”), evidencing direct, undivided fractional interests in the 2012B Prior Installment Payments;

WHEREAS, the District has determined to further refinance a portion of the 2012B Prior Project by prepaying a portion of the remaining principal components of the 2012B Prior

Installment Payments due on February 1, 2023 through 2026, inclusive (the “2012B Refunded Installment Payments”), and the interest components thereof to the date of prepayment, thereby causing to be prepaid a portion of the outstanding 2012B Prior Obligations maturing on February 1 in the years 2023 through 2026, inclusive, in the aggregate principal amount of \$6,670,000 (the “2012B Refunded Obligations”);

WHEREAS, to provide the funds necessary to prepay a portion of the remaining Prior Installment Payments, the District and the Corporation desire that the Corporation purchase the Project from the District and the District sell the Project to the Corporation, and that the District then purchase the Project from the Corporation and the Corporation sell the Project to the District, for the installment payments (the “Installment Payments”) to be made by the District pursuant to this Installment Purchase Agreement;

WHEREAS, pursuant to the Master Agreement for District Obligations, dated as of August 1, 2000, by and between the District and the Corporation, the District has established and declared the conditions and terms upon which obligations such as this Installment Purchase Agreement, and the Installment Payments, and the interest thereon, are to be incurred and secured;

WHEREAS, the Corporation proposes to assign without recourse certain of its rights under and pursuant to this Installment Purchase Agreement to U.S. Bank National Association, as trustee (the “Trustee”);

WHEREAS, in consideration of such assignment and the execution and delivery of the Trust Agreement, dated as of the date hereof, by and among the Trustee, the Corporation and the District, the Trustee has agreed to execute and deliver the Orange County Sanitation District Wastewater Refunding Revenue Obligations, Series 2022A (the “Revenue Obligations”), evidencing direct, undivided fractional interests in the Installment Payments, and the interest thereon, payable hereunder;

WHEREAS, a portion of the proceeds of the Revenue Obligations will be used to prepay a the Refunded Installment Payments; and

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

NOW, THEREFORE, in consideration of the covenants and provisions herein set forth and for other good and valuable consideration the receipt and sufficiency of which is hereby acknowledged, the parties hereto do hereby agree as follows:

ARTICLE I

DEFINITIONS

Section 1.01. Definitions. Except as provided in Section 1.02 hereof or unless the context otherwise requires, the terms defined in this Section shall for all purposes hereof and of any amendment hereof or supplement hereto and of any report or other document mentioned herein or therein have the meanings defined herein, the following definitions to be equally applicable to both the singular and plural forms of any of the terms defined herein:

“Business Day” means a day other than (a) Saturday or Sunday, (b) a day on which banking institutions in the city in which the Principal Office is located are authorized or required by law to be closed, and (c) a day on which the New York Stock Exchange is authorized or obligated by law or executive order to be closed.

“Closing Date” means February 1, 2022.

“Corporation” means the Orange County Sanitation District Financing Corporation, a nonprofit public benefit corporation organized and existing under the laws of the State, and any successor thereto.

“District” means the Orange County Sanitation District, a county sanitation district organized and existing under and by virtue of the laws of the State, and any successor thereto.

“Event of Default” means an event described in Section 6.01 hereof.

“Installment Payments” means the Installment Payments required to be made by the District pursuant to Section 3.02 hereof.

“Installment Payment Dates” means each February 1, commencing February 1, 20[___].

“Installment Purchase Agreement” means this Installment Purchase Agreement, dated as of February 1, 2022, by and between the District and the Corporation, as originally executed and as it may from time to time be amended or supplemented in accordance with the terms hereof.

“Interest Payment Date” means February 1 and August 1 of each year, commencing August 1, 2022.

“Master Agreement” means the Master Agreement for District Obligations, dated as of August 1, 2000, by and between the District and the Corporation, as originally executed and as it may from time to time be amended or supplemented in accordance with the terms thereof.

“Person” means an individual, corporation, limited liability company, firm, association, partnership, trust, or other legal entity or group of entities, including a governmental entity or any agency or political subdivision thereof.

“**Principal Office**” means the Trustee’s principal corporate trust office in Los Angeles, California.

“**Project**” means the improvements to the Wastewater System, as described in Exhibit A hereto.

“**Revenue Obligations**” means the Orange County Sanitation District Wastewater Refunding Revenue Obligations, Series 2022A, executed and delivered by the Trustee, which are certificates of participation, evidencing direct, undivided fractional interests in the Installment Payments, and the interest thereon, executed and delivered under and pursuant to the Trust Agreement.

“**Trust Agreement**” means the Trust Agreement, dated as of February 1, 2022, by and among the Trustee, the Corporation and the District, as originally executed and as it may from time to time be amended or supplemented in accordance with its terms.

“**Trustee**” means U.S. Bank National Association, a national banking association duly organized and existing under the laws of the United States of America, or any other bank or trust company which may at any time be substituted in its place as provided in the Trust Agreement.

Section 1.02. Definitions in Master Agreement and Trust Agreement. Except as otherwise herein defined and unless the context otherwise requires, the terms defined in the Master Agreement or the Trust Agreement shall for all purposes hereof and of any amendment hereof or supplement hereto and of any report or other document mentioned herein have the meanings defined therein, such definitions to be equally applicable to both the singular and plural forms of any of the terms defined therein. With respect to any defined term which is given a different meaning under this Installment Purchase Agreement than under the Master Agreement or the Trust Agreement, as used herein it shall have the meaning given herein.

ARTICLE II

PURCHASE OF PROJECT BY, AND SALE THEREOF TO, THE CORPORATION; PAYMENT OF PURCHASE PRICE

Section 2.01. Acquisition of the Project. The District represents and warrants that it is the sole and exclusive owner of the Project. The Corporation hereby purchases from the District, and the District hereby sells to the Corporation, a portion of the Project equal to \$[_____] as described in Exhibit A hereto in accordance with the provisions of this Installment Purchase Agreement. All right, title and interest in and to such portion of the Project shall immediately vest in the Corporation on the Closing Date without further action on the part of the Corporation or the District.

Section 2.02. Payment of Purchase Price. On the Closing Date, the Corporation shall pay to the District, as the purchase price of the applicable portion of the Project specified in Section 2.01, the amount of \$[_____] , which amount shall be paid from the proceeds of the Revenue Obligations.

ARTICLE III

PURCHASE OF PROJECT BY, AND SALE THEREOF TO, THE DISTRICT; INSTALLMENT PAYMENTS

Section 3.01. Purchase and Sale of Project. The District hereby purchases from the Corporation, and the Corporation hereby sells to the District, the Project in accordance with the provisions of this Installment Purchase Agreement. All right, title and interest in and to the Project shall immediately vest in the District on the Closing Date without further action on the part of the District or the Corporation.

Section 3.02. Installment Payments. The District shall, subject to any rights of prepayment provided in Article IV hereof, pay to the Corporation, solely from Net Revenues and from no other sources, the purchase price of the Project in Installment Payments, with interest thereon, as provided herein. The Installment Payments and the interest thereon shall be payable on the Business Day immediately preceding each of the Installment Payment Dates in the amounts and at the interest rates per annum set forth in the following schedule:

Payment Date	Installment Payment	Interest on Installment Payment	Total	Interest Rate
	\$	\$	\$	%
<hr/>				
Total	\$	\$	\$	

The Installment Payments shall accrue interest from the Closing Date, at the rates set forth above, payable on the Interest Payment Dates in each year. Such interest shall accrue on the basis of a 360-day year consisting of twelve 30-day months. Each Installment Payment, and each payment of interest thereon, shall be deposited with the Trustee, as assignee of the Corporation, no later than the Business Day next preceding the Installment Payment Date or Interest Payment Date on which such Installment Payment or payment of interest is due, in lawful money of the United States of America, in immediately available funds. If and to the

extent that, on any such date, there are amounts on deposit in the Installment Payment Fund established under the Trust Agreement, or in any of the accounts therein, which amounts are not being held for the payment of specific Revenue Obligations, such amounts shall be credited against the Installment Payment, or payment of interest thereon, as applicable, due on such date.

Section 3.03. Reserved.

Section 3.04. Obligation Absolute. The obligation of the District to make the Installment Payments, and payments of interest thereon, and other payments required to be made by it under this Article, solely from Net Revenues, is absolute and unconditional, and until such time as the Installment Payments, payments of interest thereon, and such other payments shall have been paid in full (or provision for the payment thereof shall have been made pursuant to Article IV), the District shall not discontinue or suspend any Installment Payments, or payments of interest thereon, or other payments required to be made by it hereunder when due, whether or not the Project or any part thereof is operating or operable or has been completed, or its use is suspended, interfered with, reduced or curtailed or terminated in whole or in part, and such Installment Payments, payments of interest thereon, and other payments shall not be subject to reduction whether by offset or otherwise and shall not be conditional upon the performance or nonperformance by any party of any agreement for any cause whatsoever.

Section 3.05. Nature of Agreement. This Installment Purchase Agreement constitutes a Senior Obligation and, as such, shall be subject to the provisions of the Master Agreement and shall be afforded all of the advantages, benefits, interests and security afforded Senior Obligations pursuant to the Master Agreement.

ARTICLE IV

PREPAYMENT OF INSTALLMENT PAYMENTS

Section 4.01. Prepayment of Installment Payments. (a) The Installment Payments shall be subject to prepayment prior to their respective Installment Payment Dates as provided in Article IV of the Trust Agreement.

(b) The District may prepay, from any source of available funds, all or any portion of the Installment Payments by depositing with the Trustee moneys or securities as provided, and subject to the terms and conditions set forth, in Article X of the Trust Agreement sufficient to pay such Installment Payments, and the interest thereon, when due or to pay such Installment Payments, and the interest thereon, through a specified date on which the District has a right to prepay such Installment Payments pursuant to subsection (a) of this Section, and to prepay such Installment Payments on such prepayment date, at a prepayment price determined in accordance with subsection (a) of this Section.

(c) If less than all of the Installment Payments are prepaid then, as of the date of such prepayment pursuant to subsection (a) of this Section, or the date of a deposit pursuant to subsection (b) of this Section, the schedule of Installment Payments shall be recalculated to take such prepayment into account.

Section 4.02. Notice. The District shall give written notice to the Trustee specifying the date on which the prepayment will be made prior to making any prepayment pursuant to this Article, which date shall be not less than 25 nor more than 60 days from the date such notice is given to the Trustee, unless such time period shall be waived by the Trustee.

Section 4.03. Discharge of Obligations. If all Installment Payments, and the interest thereon, shall be paid as and when due in accordance with the terms hereof, or prepaid in accordance with Section 4.01 hereof, and if all Revenue Obligations shall be fully paid, or provision therefor made in accordance with Article X of the Trust Agreement, and the Trust Agreement shall be discharged by its terms, then all agreements, covenants and other obligations of the District hereunder shall thereupon cease, terminate and become void and be discharged and satisfied.

ARTICLE V

COVENANTS

Section 5.01. Compliance with Master Agreement. The District will faithfully observe and perform all the agreements, conditions, covenants and terms contained in the Master Agreement required to be observed and performed by it and will not cause, suffer or permit any default to occur thereunder.

Section 5.02. Compliance with Installment Purchase Agreement. The District will punctually pay the Installment Payments, and interest thereon, and other payments required to be made by it hereunder in strict conformity with the terms hereof, and will faithfully observe and perform all the agreements, conditions, covenants and terms contained herein required to be observed and performed by it, will not cause, suffer or permit any default to occur hereunder and will not terminate this Installment Purchase Agreement for any cause including, without limiting the generality of the foregoing, any acts or circumstances that may constitute failure of consideration, destruction of or damage to the Project, commercial frustration of purpose, any change in the tax or other laws of the United States of America or of the State or any political subdivision of either or any failure of the Corporation to observe or perform any agreement, condition, covenant or term contained herein required to be observed and performed by it, whether express or implied, or any duty, liability or obligation arising out of or connected herewith or the insolvency, or deemed insolvency, or bankruptcy or liquidation of the Corporation or any *force majeure*, including acts of God, tempest, storm, earthquake, war, rebellion, riot, civil disorder, acts of public enemies, blockade or embargo, strikes, industrial disputes, lock outs, lack of transportation facilities, fire, explosion, or acts or regulations of governmental authorities.

Section 5.03. Protection of Security and Rights. The District will preserve and protect the security hereof and the rights of the Trustee, as assignee of the Corporation, to the Installment Payments, and interest thereon, and other payments required to be made by the District hereunder and will warrant and defend such rights against all claims and demands of all Persons.

Section 5.04. Indemnification of Corporation. To the extent permitted by law, the District hereby agrees to indemnify and hold the Corporation and its members and officers harmless against any and all liabilities which might arise out of or are related to the Project, this Installment Purchase Agreement or the Revenue Obligations, and the District further agrees to defend the Corporation and its members and officers in any action arising out of or related to the Project, this Installment Purchase Agreement or the Revenue Obligations.

Section 5.05. Further Assurances. The District will adopt, deliver, execute and make any and all further assurances, instruments and resolutions as may be reasonably necessary or proper to carry out the intention or to facilitate the performance hereof and for the better assuring and confirming unto the Corporation, or unto the Trustee, as assignee of the Corporation, the rights and benefits provided herein to the Corporation, or to the Trustee, as assignee of the Corporation.

ARTICLE VI

EVENTS OF DEFAULT AND REMEDIES OF THE CORPORATION

Section 6.01. Events of Default. The following shall be Events of Default under this Installment Purchase Agreement, and “Event of Default” shall mean any one or more of the following events:

(a) if default shall be made by the District in the due and punctual payment of or on account of any Senior Obligation as the same shall become due and payable;

(b) if default shall be made by the District in the performance of any of the agreements or covenants required herein, in the Trust Agreement or in the Master Agreement to be performed by it (other than as specified in (a) above), and such default shall have continued for a period of 30 days after the District shall have been given notice in writing of such default by the Corporation or the Trustee; provided, however, that the party or parties giving such notice may agree in writing to a reasonable extension of such period prior to the expiration of such 30 day period and, provided further, that if the District shall proceed to take curative action which, if begun and prosecuted with due diligence, cannot be completed within such a period of 30 days, then such period shall be increased without such written extension to such extent as shall be necessary to enable the District to diligently complete such curative action and such default shall not become an Event of Default for so long as shall be necessary to diligently complete such curative action; or

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

Section 6.02. Remedies on Default. Upon the occurrence of an Event of Default, the Trustee, as assignee of the Corporation, shall have the right:

(a) by mandamus or other action or proceeding or suit at law or in equity to enforce its rights against the District and to compel the District to perform and carry out its duties under applicable law and the agreements and covenants required to be performed herein;

(b) by suit in equity to enjoin any acts or things which are unlawful or violate the rights of the Trustee, as assignee of the Corporation;

(c) by suit in equity to require the District to account as the trustee of an express trust; and to have a receiver or receivers appointed for the Wastewater System and of the issues, earnings, income, products and profits thereof, pending such proceedings, with such powers as the court making such appointment shall confer.

Section 6.03. Non-Waiver. Nothing in this Article or in any other provision hereof shall affect or impair the obligation of the District, which is absolute and unconditional, to pay the Installment Payments, and the interest thereon, to the Trustee, as assignee of the Corporation, at the respective due dates from the Net Revenues and the other funds herein committed for such payment, or shall affect or impair the right of the Trustee, as assignee of the Corporation, which is also absolute and unconditional, to institute suit to enforce such payment by virtue of the contract embodied herein.

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

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

Section 6.04. Remedies Not Exclusive. No remedy herein conferred upon or reserved to the Trustee, as assignee of the Corporation, is intended to be exclusive of any other remedy, and each such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing in law or in equity or by statute or otherwise and may be exercised without exhausting and without regard to any other remedy conferred by law.

ARTICLE VII

AMENDMENTS

Section 7.01. Amendments. (a) This Installment Purchase Agreement and the rights and obligations of the District, the Corporation and the Trustee, as assignee of the Corporation, may be amended or modified from time to time and at any time by a written amendment hereto executed by the District, the Corporation and the Trustee, as assignee of the Corporation, with the written consent of the Owners of a majority of the aggregate principal evidenced by Revenue Obligations then Outstanding. No such amendment shall (i) extend the payment date of any Installment Payment or reduce the amount of any Installment Payment, or the interest rate applicable thereto, without the prior written consent of the Owner of each affected Revenue Obligation, or (ii) reduce the percentage of Owners of the Revenue Obligations whose consent is required to effect any such amendment or modification, without the prior written consent of the Owners of all Revenue Obligations then Outstanding.

(b) This Installment Purchase Agreement and the rights and obligations of the District, the Corporation and the Trustee, as assignee of the Corporation, may be amended or modified from time to time and at any time by a written amendment hereto executed by the District, the Corporation and the Trustee, as assignee of the Corporation, without the written consents of any Owners of the Revenue Obligations, but only to the extent permitted by law and only for any one or more of the following purposes:

(i) to add to the agreements, conditions, covenants and terms required by the District, the Corporation or the Trustee, as assignee of the Corporation, to be observed or performed herein other agreements, conditions, covenants and terms thereafter to be observed or performed by the District, the Corporation or the Trustee, as assignee of the Corporation, or to surrender any right or power reserved herein to or conferred herein on the District, the Corporation or the Trustee, as assignee of the Corporation;

(ii) to make such provisions for the purpose of curing any ambiguity or of correcting, curing or supplementing any defective provision contained herein or in regard to questions arising hereunder which the District, the Corporation or the Trustee, as assignee of the Corporation, may deem desirable or necessary and not inconsistent herewith;

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

(iv) to make such other changes herein or modifications hereto as the District, the Corporation or the Trustee, as assignee of the Corporation, may deem desirable or necessary, and which shall not materially adversely affect the interests of the Owners of the Revenue Obligations.

ARTICLE VIII

MISCELLANEOUS

Section 8.01. Liability of District Limited. Notwithstanding anything contained herein to the contrary, the District shall not be required to advance any moneys derived from any source of income other than Net Revenues and the other funds provided herein for the payment of the Installment Payments, and the interest thereon, and other payments required to be made by it hereunder, or for the performance of any agreements or covenants required to be performed by it contained herein. The District may, however, but in no event shall be obligated to, advance moneys for any such purpose so long as such moneys are derived from a source legally available for such purpose and may be legally used by the District for such purpose.

The obligation of the District to pay the Installment Payments, and the interest thereon, and other payments required to be made by it hereunder is a special obligation of the District payable, in the manner provided herein, solely from Net Revenues and other funds provided for herein, and does not constitute a debt of the District or of the State, or of any political subdivision thereof, in contravention of any constitutional or statutory debt limitation or restriction. Neither the faith and credit nor the taxing power of the District or the State, or any political subdivision thereof, is pledged to the payment of the Installment Payments, or the interest thereon, or other payments required to be made hereunder.

Section 8.02. Limitation of Rights. Nothing in this Installment Purchase Agreement expressed or implied is intended or shall be construed to give to any Person other than the District, the Corporation and the Trustee, as assignee of the Corporation, any legal or equitable right, remedy or claim under or in respect of this Installment Purchase Agreement or any covenant, condition or provision therein or herein contained, and all such covenants, conditions and provisions are and shall be held to be for the sole and exclusive benefit of the District, the Corporation and the Trustee, as assignee of the Corporation.

Section 8.03. Assignment. The District and the Corporation hereby acknowledge the transfer, conveyance and assignment by the Corporation to the Trustee of all of the Corporation's rights, title and interest in and to this Installment Purchase Agreement (excepting its rights to indemnification hereunder), including the right to receive Installment Payments, and the interest thereon, from the District, pursuant to the Trust Agreement.

Section 8.04. Notices. Any written notice, statement, demand, consent, approval, authorization, offer, designation, request or other communication to be given hereunder shall be given to the party entitled thereto at its address set forth below, or at such other address as such party may provide to the other parties in writing from time to time, namely:

If to the District: Orange County Sanitation District
 10844 Ellis Avenue
 Fountain Valley, California 92708
 Attention: Assistant General Manager, Director of Finance and
 Administrative Services

If to the Corporation: Orange County Sanitation District Financing Corporation
c/o Orange County Sanitation District
10844 Ellis Avenue
Fountain Valley, California 92708
Attention: Treasurer

If to the Trustee: U.S. Bank Corporate Trust Services
633 West Fifth Street, 24th Floor
Los Angeles, California 90071
Attention: Global Corporate Trust Services

Each such notice, statement, demand, consent, approval, authorization, offer, designation, request or other communication hereunder shall be deemed delivered to the party to whom it is addressed (a) if personally served or delivered, upon delivery, (b) if given by electronic communication, whether by facsimile or telecopier, upon the sender's receipt of an appropriate answerback 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.

Section 8.05. Successor Is Deemed Included in all References to Predecessor.

Whenever the District or the Corporation is named or referred to herein, such reference shall be deemed to include the successor to the powers, duties and functions that are presently vested in the District or the Corporation, and all agreements and covenants required hereby to be performed by or on behalf of the District or the Corporation shall bind and inure to the benefit of the respective successors thereof whether so expressed or not.

Section 8.06. Waiver of Personal Liability. No official, officer or employee of the District shall be individually or personally liable for the payment of the Installment Payments, or the interest thereon, or other payments required to be made by the District hereunder, but nothing contained herein shall relieve any official, officer or employee of the District from the performance of any official duty provided by any applicable provisions of law or hereby.

Section 8.07. Article and Section Headings, Gender and References. The headings or titles of the several Articles and Sections hereof and the table of contents appended hereto shall be solely for convenience of reference and shall not affect the meaning, construction or effect hereof, and words of any gender shall be deemed and construed to include all genders. All references herein to "Articles," "Sections" and other subsections or clauses are to the corresponding articles, sections, subsections or clauses hereof; and the words "hereby," "herein," "hereof," "hereto," "herewith" and other words of similar import refer to this Installment Purchase Agreement as a whole and not to any particular Article, Section, subdivision or clause hereof.

Section 8.08. Partial Invalidity. If any one or more of the agreements or covenants or portions thereof required hereby to be performed by or on the part of the District or the Corporation shall be contrary to law, then such agreement or agreements, such covenant or

covenants or such portions thereof shall be null and void and shall be deemed separable from the remaining agreements and covenants and portions thereof and shall in no way affect the validity hereof.

Section 8.09. Governing Law. This Installment Purchase Agreement shall be construed and governed and construed in accordance with the laws of the State.

Section 8.10. Execution in Counterparts. This Installment Purchase Agreement may be executed in several counterparts, each of which shall be deemed an original, and all of which shall constitute but one and the same instrument.

[Remainder of page intentionally left blank.]

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

ORANGE COUNTY SANITATION DISTRICT

By: _____
Chairperson of the Board of Directors

(S E A L)

Attest:

By: _____
Clerk of the Board of Directors

**ORANGE COUNTY SANITATION
DISTRICT FINANCING CORPORATION**

By: _____
Treasurer

EXHIBIT A

DESCRIPTION OF PROJECT

A portion of the Project in the amount of \$[] shall be sold and purchased as described in Article II of this Installment Purchase Agreement.

The Project includes:

Improvements to the Wastewater System including the District's two wastewater treatment plants, the Ocean Outfall and Back Bay Sewer, and the acquisition, construction, installation, rehabilitation or repair of the Orange Western Subtrunk Relief Sewer, the Bushard Trunk Sewer, Headworks Improvements at Plant 2; Rehab Trickling Filters at Plant 1; Solids Storage and Truck Loading Facility; Effluent Pump Station Annex; Standby Power and Reliability Modifications; Groundwater Replenishment System; Bacteria Reduction Facilities; Rehabilitate Digesters at Plant 2; Ocean Outfall Rehabilitation; Replace Back Bay Sewer; Chemical Facility Modifications at Plant 1; Replace Outfall Flow Meter; Odor Scrubber Monitoring and Control; and Replace HVAC Equipment at Plants 1 and 2, originally financed with the proceeds of the Orange County Sanitation District Certificates of Participation, Series 2003.

In addition, the Project includes:

[See attached.]

Additional Project

CAPITAL OUTLAY REVOLVING FUND
SUMMARY OF JOINT WORKS CONSTRUCTION REQUIREMENTS
FISCAL YEAR 1998-99
12 MONTHS ENDED 6/30/99

1998-99 BUDGET REVIEW
MISCELLANEOUS SMALL IMPROVEMENT PROJECTS
PLANT NO. 1
12 MONTHS ENDED 6/30/99

SCHEDULE C

	PROJECT NO.	CURRENT FY OUTLAY TO 6/30/99
3 Central Power Generation Waste Heat Recovery Vent Piping	6196049	173
6 Alleviate Skum Layer in Grit Chambers	6196039	6,166
7 Process Area Door Reel Program	6196046	44,747
8 Vent Piping Retrofit at Gas Compressor Bldg	6196064	350
11 Bldg 6 UPS Upgrade	6196076	3,944
13 Chamber Channel Modfin	6196003	13,773
14 Influent Sampling System Improvements	6196005	23,969
15 M & D Structure Electrical Room Modfin	6196008	87,984
16 WSSPS Additional Pumps	6196011	24,157
17 Ferric Chloride Dosing Pump Upgrade	6196013	1,502
18 3 & 4 Ptm Sed Clarifiers Pump Rm Equip Upgrade	6196016	81,884
20 Prim Basin #3 Sweep Arm Drive Mechaniam	6196020	49,527
21 New Radio Room Project @ Ctl Ctr. Div. 530	6196025	15,125
23 Admin HVAC Bldg Automation System Repl	9196031	14
24 Control Center Power Feed Upgrade	6196032	4,901
Purchase & Install Plant Air Compressor	6196035	19,312
Emulsion Polymer Equipment Upgrade	6196039	9,540
Chopper Pump for Digester Cleaning	6196040	38,661
32 Install Cable Tray from Trickling Filter Signal Box to the Blower Bldg	6196041	7,270
33 MSP Seal Improvement	6196049	40,805
34 Re-Locate Gate Arm	6196053	18,285
36 Digesters 11-16 Piping Restraints No. 2	6196056	21,785
37 Dewatering Bldg "M" Repl of Existing Roof	6196060	1,423
38 Demolition of Bifiltration Test Fac	6196062	3,504
39 Dynamometer Project Electrical Conduit Instl at Fleet Services	6196064	2,514
40 Fiber Optic Cable & Access Ramp @ Construction Trailers	6196066	14,325
42 HR Bldg Cubicle Modfin	6196071	3,575
44 Preliminary Time Spent on Small Projects (Pft 1 = 40%)	6496036	18,978
		556,211

1998-99 BUDGET REVIEW
MISCELLANEOUS SMALL IMPROVEMENT PROJECTS
PLANT NO. 2
12 MONTHS ENDED 6/30/99

SCHEDULE D

	PROJECT NO.	CURRENT FY OUTLAY TO 6/30/99
1 Landscape & Irrigation at City Water P/S, P2-46-1	2004601	15,637
6 Gas Compressor Cooling water	6296002	3,643
7 Modify Gate Between "B" and "C" Hwks	6296025	11
8 Digester Ferric Chloride Sys Improvement	6296042	1,086
10 PVC Overhead Line Improvement	6296052	26,497
11 Area 23 TRK Level & LSL Upgrade	6296060	22,187
22 F & G Primary Sedimentation Clarifiers Equip Upgrade	6296085	49,360
24 H & I Scrubber Fan Seal Improvement	6296087	23,419
29 Photovoltaic Power System for Existing 14-inch Magnetic Flow Meter	6296026	14,382
30 Boiler Water Treatment System Modifns	6296046	4,534
Fire Sprinkler Piping Re-Paint @ Maint. Bldg	6296051	11,700
Pft 2 Office & Library Improvement	6296058	188
Preliminary Time Spent on Small Projects (Pft 2 = 40%)	6496036	18,978
		191,650

**CAPITAL OUTLAY REVOLVING FUND
SUMMARY OF JOINT WORKS CONSTRUCTION REQUIREMENTS
FISCAL YEAR 1998-99
12 MONTHS ENDED 6/30/99**

**1998-99 BUDGET REVIEW
MISCELLANEOUS SMALL IMPROVEMENT PROJECTS
INTERPLANT & JOINT FACILITIES
12 MONTHS ENDED 6/30/99
SCHEDULE E**

	PROJECT NO.	CURRENT FY OUTLAY TO 6/30/99	
1	Bushard Trunk Sewer, I-2-4	4000204	43,799
2	Chemical Flow Pacing for Primary Influent, J-53	4005300	34,658
3	Improvements to Existing Mechanical Systems, J-62	4006200	211,386
4	Santa Ana River Watershed Group	5100100	120,500
6	Misc Lighting Projects	6098015	91,169
8	Admin. Bldg. Lobby Acoustical Impr., P1-54	6495055	15,704
10	Retrofit HVAC at P1 1 Lab	6495067	15,034
13	P1 1 Front Entrance Traffic Study & Main Entrance Landscaping Proj.	6498029	11,168
14	Bldg A New Dust Collection System	6498034	976
16	Preliminary Time Spent on Small Projects (N Fac = 20%)	6498036	9,489
21	Design & Inst of Screening Compactors	6499004	16,337
22	Lunch/Training Rm Addn to Fleet Services & Rebuild Shop	6499022	3,831
24	Drainage & Landscaping Improvmts at Interplant Pipeline	6499027	55,906
25	BOOMHZ Communication Tower Addn	6499028	2,918
26	Improvements to Landscaping & Drainage at Plants 1 & 2	6499030	112,851
27	Corrosion Assessment Study Phase II	6499042	36,837
28	Wheeler Ridge Compost Site	6499045	54,811
29	Inflow & Infiltration Study, Phase 2	6499055	28,310
30	Demolition of Warehouse and Area Improvements	6499065	1,485
31	P1 1 Natural Gas Line Rehab(Do Not Use S/B Jt Oper Project)	6499067	44,470
TOTAL		908,437	

**CAPITAL OUTLAY REVOLVING FUND
CONSTRUCTION IN PROGRESS COMPLETED @ 6/30/98
FISCAL YEAR 1998-99
12 MONTHS ENDED 6/30/99
SCHEDULE F**

	PROJECT NO.	CURRENT FY OUTLAY TO 6/30/99
12KV Distribution System for Support Facilities, P1-47	1004700	934
Fire @ Plant 2 Construction, P2-70	2007000	39,394
J-25-2	4002502/58216-A	1,990
J-25-2-1	4002521	785
J-25-2-2B	4002523	54,208
Gas Mixing Systems Improvements, J-25-3-1	4002531	2,817
OBS's Control System, J-31-2	4003102/52215-B	227
MSP No. 3 at Headworks 2, J-33-2	4003302	6,426
Edison Erect Lighting Retrofit, J-45	4004500/5700800	5,157
Rehabilitation of Old Lab to Offices, J-11-1A,2	4001102/6900101-2/53083-B	330
Misc. Modis. Priority Elements P1-38-2	6900111/1003802/52108-G	488
Misc. Modifications to Plant 1, P1-38-4	1003804/6900114/52108-H	10,589
Expansion of Existing Computers & Cd Systems @ P1s 1 & 2, J-31	4003100/52215-0	3,399
SCADA Retrofit Hardware Platform at Plants 1 & 2, J-31-1	4003101/52215-A	904
Secondary Treatment Expansion, P2-42-2	104202/6900212 & 215/53718	48,694
Strategic Information Plan (S.I.P.)	6900245/68258-0	67
FIS/Oracle Gateway	5401100	4,716
Desktop Computer Standard	5401800	427
Plant 2 TWAS PLC Program/SCADA Upgrade	5402000	7,815
Plant 2 DAFT PLC Program/SCADA Upgrade	5402100	37,323
Entronics Upgrade at Plant 1	5402800	60,558
Anoxic Gas Floation Process Demonstration	5800500	8,392
Komax Steam Static Mixer Test	5801900/5810900	45,620
Rehab N & D Clarifier Sweep Arms	5802900	37
P1 2 Water Pump/Check Valve Rehab	5803000	95,343
'C' Hwks Barscreen & Misc Alarms	6298013	6,829
TOTAL		441,449
GRAND TOTAL		2,099,747

**CAPITAL OUTLAY REVOLVING FUND
SUMMARY OF JOINT WORKS CONSTRUCTION REQUIREMENTS
FISCAL YEAR 1998-99
12 MONTHS ENDED 6/30/99**

**CAPITAL OUTLAY REVOLVING FUND
SUMMARY OF JOINT WORKS CONSTRUCTION REQUIREMENTS
FISCAL YEAR 1997-98
12 MONTHS ENDED 6/30/98**

**1997-98 BUDGET REVIEW
MISCELLANEOUS SMALL IMPROVEMENT PROJECTS
PLANT NO. 1
12 MONTHS ENDED 6/30/98**

SCHEDULE C

PROJECT NO.	CURRENT FY OUTLAY TO 6/30/98
Mechanical Retrieval System for Permit-Confined Spaces, J-54 (50%)	6095005 34,606
Tunnel Structural Integrity Study, J-55 (50%)	6095049 5,219
Central Power Generation Waste Heat Recovery Vent Piping	6196049 102
Alleviate Skum Layer in Grit Chambers	6198039 581
Preliminary Time Spent on Small Projects (Plt 1 = 40%)	6498036 8,750
	49,258

**1997-98 BUDGET REVIEW
MISCELLANEOUS SMALL IMPROVEMENT PROJECTS
PLANT NO. 2
12 MONTHS ENDED 6/30/98**

SCHEDULE D

PROJECT NO.	CURRENT FY OUTLAY TO 6/30/98
Mechanical Retrieval System for Permit-Confined Spaces, J-54 (50%)	6095005 34,607
Tunnel Structural Integrity Study, J-55 (50%)	6095049 5,219
Modify Gate Between "B" and "C" Hwks	6298025 1,816
Preliminary Time Spent on Small Projects (Plt 2 = 40%)	6498036 8,750
	50,392

SCHEDULE E

PROJECT NO.	CURRENT FY OUTLAY TO 6/30/98
Improvements to Existing Mechanical Systems, J-62	4006200 6,278
Misc Lighting Projects	6098015 30,412
Retrofit HVAC at Plt 1 Lab	6495067 6,239
Plt 1 Front Entrance Traffic Study & Main Entrance Landscaping Proj.	6498025 3,484
Preliminary Time Spent on Small Projects (Plt Fac = 20%)	6498036 4,375
	50,788

**CAPITAL OUTLAY REVOLVING FUND
CONSTRUCTION IN PROGRESS COMPLETED @ 6/30/97
FISCAL YEAR 1997-98
12 MONTHS ENDED 6/30/98**

SCHEDULE F

PROJECT NO.	CURRENT FY OUTLAY TO 6/30/98
Misc. Modifications, P2-43-3	2004303/52108-E 1,520
Misc. Mods. Priority Elements P1-38-2	1003802/52108-G 9,041
Misc. Modifications to Plant 1, P1-38-4	1003804/52108-H 35,708
SCADA Retrofit Hardware Platform at Plants 1 & 2	4003101/52215-A 695
Replace Security Access System (IT)	52425-0/5402500 4,954
Primary Clarifiers Nos. 6-15, P1-33	1003300/ 53709-0 151
Secondary Treatment Expansion, P2-42-2	2004202/53718-0-B 151
Admin Support Fac. @ Plant 1, J-38-1	4003801/58244-0 8,040
Microfiltration Demonstration Project	5802300/58248-0 86
	60,344

TOTAL	60,344
GRAND TOTAL	210,782

CAPITAL OUTLAY REVOLVING FUND
SUMMARY OF JOINT WORKS CONSTRUCTION REQUIREMENTS
FISCAL YEAR 1997-98
12 MONTHS ENDED 6/30/98

	PROJECT NO.	CURRENT FY OUTLAY TO 6/30/98
A. Reclamation Plant 1 New and Ongoing Projects:		
1. Headworks		
b. M&D Structure Concrete Rep., P1-56	6196052	97
2. Primary Treatment		
a. Primary Treatment 72 MGD Expansion, P1-37	1003700	38,226
3. Secondary Treatment		
d. Drain Modifications at Activated Sludge Plant, P1-59	1005900	4,205
7. Miscellaneous Projects		
b. Drainage Improv. At Plant 1, P1-40-3	1004003	12,783
c. Chemical Facility Modifns, P1-46-2	1004602	35,058
d. Admin. Bldg. Lobby Acoustical Impr., P1-54	6495055	10,840
e. Allowance for Planned Small Projects (See Schedule C)		
SUB-TOTAL - RECLAMATION PLANT 1		101,209
B. Plant 2 New and Ongoing Major Projects:		
1. Headworks		
a. Plant 2 influent Diversion, P2-66	2006600	15,191
2. Primary Treatment		
a. Primary Treatment 24 MGD Expansion, P2-41	53714-0	
Transfer to Projects Below		
L & M Prim Sed Clarifiers Pump Room Equip Upgrade	6298012	1,501
N & O Prim Sed Clarifiers Pump Room Equip Upgrade	6298022	62,352
4. Solids Processing		
a. Rehab 7 Digesters, P2-39	2003900	73,788
5. Electrical Power Systems		
b. Electl Fac Modifns & Safety Upgrades , P2-47-1	2004701	261,363
7. Miscellaneous Projects		
a. Air Compressors for Plant Air System, P2-61	2006100	1,935
d. Allowance for Planned Small Projects (See Schedule D)		
8. Support Facilities and Site Improvements		
a. Warehouse Building, P2-65	2006500	108,106
SUB-TOTAL - TREATMENT PLANT 2		524,236

CAPITAL OUTLAY REVOLVING FUND
SUMMARY OF JOINT WORKS CONSTRUCTION REQUIREMENTS
FISCAL YEAR 1997-98
12 MONTHS ENDED 6/30/98

	PROJECT NO.	CURRENT FY OUTLAY TO 6/30/98
C. Interplant and Joint Facilities		
3. Information Management Systems		
a. Computerized Fac. Records and Dwg. Sys. J-25-1	4002501	94,648
4. Plants 1&2 Monitor/Control Sys		
b. Plant 1 Headworks System, J-31-3	4003103	600,874
c. Secondary Control System Upgrade, Plant 2, J-31-4	4003104	129,156
d. Plant Reinvention/Automation Project, J-42	4004200	256,211
Transfer to Projects Below		
"C" Hwks Barscreen & Misc Alarms	6298013	22,796
Automation of Solids Storage Fac, P1-60	1006000	4,316
Solids Storage Fac at Plant 2, P2-60	2006000	16,935
e. Solids Storage Rehab and Automation, J-46	4004600	167,595
5. Electrical Power Systems		
a. Gas Mixing Systems Improvements, J-25-3-1	4002531	997
Transfer to Project Below		
Gas Mixing Systems Improvements, J-68	4006800	442
b. Electl. Power Systems Rehab. Studies J-25-2,3,4	4002502,3,21-23,30,40	407,761
c. Standby Power Reliability Modifns, J-33-1	4003301	167,479
f. Power & Distribution Bldgs Ventilation, J-50	4005000	92
h. Improvements to Central Generation		
Transfer to Projects Below		
Steam System Modifn	52350-0	
Battery Sys Addn at Central Generation	52376-0	
Entronics Hardware & Software Upgrade (Revision 1)	6095070	41,105
Pft 2 Cen Gen Fiber Optic Addition	6498005	17,683
i. Cable Tray Improvements, J-47	58259-0/4004700	83,633
7. Miscellaneous Safety Projects		
c. Evaluation of Tunnels for Structural Integrity, J-55	4005500	262
d. Transfer from A,5,a & E,3,f		
Transfer to Project Below		
Fire Alarm & Security System Upgrade, J-57	4005700	156,861
8. Miscellaneous Projects		
c. Chemical Flow Pacing for Primary Influent, J-53	4005300	283
d. Allowance for Planned Small Projects (See Schedule E)		
9. Water Reclamation		
Transfer to Line H Below		
Transfer to Projects Below		
Reclamation Plant No. 1 Water Quality Management Study	58231-0	
OCSD/OCWD Regional Water Reclamation Pft Study, J-36	52133-E/4003600	333,648
10. Water Conservation		
SUB-TOTAL - INTERPLANT & JOINT		2,502,777
SUB-TOTAL - MAJOR PROJECTS		3,128,222

CAPITAL OUTLAY REVOLVING FUND
SUMMARY OF JOINT WORKS CONSTRUCTION REQUIREMENTS
FISCAL YEAR 1997-98
12 MONTHS ENDED 6/30/98

	PROJECT NO.	CURRENT FY OUTLAY TO 6/30/98
1. Master Planning		
a. Investigation and Rehab of Ocean Outfall, J-39	4003900	276,506
b. Management of Peak Hydraulic Discharge, J-40-1	4004001	946,357
c. Determ. Of Fin Charges and Fee Sched., J-40-2	4004002	314,235
d. Treatment, Reuse and Disposal Plan, J-40-3	4004003	1,202,028
e. CEQA, Public Participation, J-40-4	4004004	126,035
2. Miscellaneous Projects		
a. Area Classifications Studies, Plants 1 & 2, J-35-1	4003501	53,810
b. Revision of Standard Specifications, J-44	4004400/58234-0	18,420
SUB-TOTAL - ENGINEERING SPECIAL PROJECTS		2,937,391
F. GENERAL SERVICES ADMINISTRATION		
3. Programing & Database Sys. (IT)		
a. Document Management	5400100	37,434
b. Data Integration	5400200	265,262
Transfer to Projects Below		
Network Integration Consulting	52356-0	
Network Interface Upgrade	52377-0	
Fuel Mgmt System	5402700	249
Network System Integration	6498018	12,613
c. Strategic Information Architecture (SIA)	5400300	189,621
d. CMMS Programming	5400400	104,166
e. Intranet	5400500	35,816
f. Security System Improvements	5400600	130,592
Transfer to C,7,d		
g. Voice/Data Building Rewiring	5400700	239,034
h. Network Backbone Upgrade Continuation	5400800	238,716
i. Internet E-Mail/Browsing	5400900	39,351
j. Year 2000 Data Change	5401000	35,709
l. FIS/Oracle Gateway	5401100	117,408
m. Financial Information System (IT)	5401200	812,923
n. Source Control Programming	5401300	147,745
p. Upgrade Phone System	5401400	62,920
4. Plant Automation (IT)		
a. Desktop Computer Standard	5401600	129,916
b. Plant 2 Plant Water Programming Upgrade	5401700	63,738
g. Plant 2 TWAS PLC Program/SCADA Upgrade	5402000	70,869
h. Plant 2 DAFT PLC Program/SCADA Upgrade	5402100	30,251
i. Plant 1 & 2 Heat Loop PLC Replacement	5402200	8,548
Transfer to Project Below		
Entronics Upgrade at Plant 1	5402800	134,640
6. Plant Facilities (GSA)		
c. Training/Meeting Room Fleet Service Facility, Plant 1	5402300	2,292
d. Training/Meeting Room Fabrication Shop Facility, Plant 1	5402400	3,532
SUB-TOTAL - GSA		2,913,345

CAPITAL OUTLAY REVOLVING FUND
SUMMARY OF JOINT WORKS CONSTRUCTION REQUIREMENTS
FISCAL YEAR 1997-98
12 MONTHS ENDED 6/30/98

	PROJECT NO.	CURRENT FY
		OUTLAY TO 6/30/98
1. Phase II L.I.M.S. Implementation	5600100	183,931
2. NPDES Permit Support	5600200	117,127
SUB-TOTAL - TECHNICAL SERVICES		301,058
G. OPERATIONS & MAINTENANCE		
1. Operations Department Projects		
a. Upgrade to System for Emission Modeling Testing	52445-0/5802600	27,622
b. Air Quality Database Development	5800100	35,069
c. Sulfur Monitoring for Combustion	5800200	30,609
d. Central Generation Parametric Monitor Sys	5800300	39,071
f. Scrubber Chemical Feed System Mod.	52442-0/5800400	53,809
g. Anoxic Gas Flootation Process Demonstration	5800500	145
h. Hydrolysis-thickening-flootation Demonstration		
Transfer to Project Below		
Rehab N & O Clarifier Sweep Arms	5802900	8,842
i. Large Scale Microfiltration Demonstration	5800700	46,725
j. Primary Effluent Filtration	5800800	195,301
k. Processes to Achieve Class A Biosolids	5800900	314
p. Misc Optimization Studies & Improvements	5801200	44,222
Transfer to Projects Below		
HTF Process Laboratory Tests	5800600	26,496
q. Miscellaneous Reliability & Redund. Projects	5801300	18,960
Transfer to Projects Below		
Energy Deregulation Study	58255-0	
Pit 2 Anionic Polymer Automation	5802700	77,692
r. Water Use Efficiency Program	5803100	78,400
2. Maintenance Department Projects		
f. Rebuild Serpintix Conveyor at P2 Solids Station		
Transfer to Project Below		
A-Belt Rehab @ Plant 2 Solids Loading Storage Fac	6298023	79,852
j. Weir Extensions at Termination Channel	5801800	37,167
SUB-TOTAL - OPERATIONS & MAINTENANCE		800,296
H. Equipment Items		1,802,145
Transfer to Project Below		
Rehab of Bolsa Chica State Beach Sewerage System, J-43		
Transfer from Lines A,3,a & C,9 & E	52400-0/4004300	613
SUB-TOTAL - JOINT WORKS CAPITAL REQUIREMENTS		11,883,070
CONSTRUCTION IN PROGRESS COMPLETED AT 6/30/97	SCHEDULE F	
TOTAL JOINT WORKS CAPITAL REQUIREMENTS		11,883,070

CAPITAL OUTLAY REVOLVING FUND
SUMMARY OF JOINT WORKS CONSTRUCTION REQUIREMENTS
FISCAL YEAR 1998-99
12 MONTHS ENDED 6/30/99

	PROJECT NO.	CURRENT FY OUTLAY TO 6/30/99
Reclamation Plant No. 1		
1. Preliminary Treatment		
a. Headworks No. 2 Control System Upgrade, J-31-3	4003103	603,405
c. Sunflower P.S. Drive Replacement, P1-62	1006200	18,654
2. Primary Treatment		
a. Primary Effluent Pumping Automation	5404000	11,528
b. Primary Treatment 72 MGD Expansion, P1-37	1003700	764,462
3. Secondary Treatment		
c. Drain Modifications at Activated Sludge Plant, P1-59	1005900	2,729
4. Solids Handling & Dewatering		
b. Automation of Solids Storage Fac. P1-80	1006000	70,738
5. Utility Systems		
b. Electr. Facility Modifns & Safety Upgrades ,P1-40-1	1004001	30,339
Transfer to Project Below		
Alarm Beacons for Venting of Gas Holder	6188038	2,573
d. Drainage Improv. At Plant 1, P1-40-3	1004003	209,626
f. Chemical Facility Modifns, P1-46-2	1004802	168,866
6. Safety Improvements		
c. Seismic Retrofit of Four Structures, P1-44-4	1004404	457,936
7. Miscellaneous & Support Projects		
a. Landscaping Project for Undeveloped Area	5403001	15,624
e. Waste Side Stream Automation	5403800	1,020
f. Allowance for Planned Small Projects (See Schedule C)		
Sub-Total - Reclamation Plant 1		2,357,500
Treatment Plant No. 2		
1. Preliminary Treatment		
a. Headworks Improvements @ Plant 2, P2-66	2006600	27,601
3. Secondary Treatment		
b. Rehab of Secondary Facilities, P2-74	2007400	2
4. Solids Handling & Dewatering		
a. Conveyor Belt Repl. - Solids Storage Loading	5804000	10,938
b. Dewatering Belt Press Rebuild	5803700	55,970
d. Rehab of Digesters at Plant 2, P2-39	2003900	351,072
f. Solids Storage Facility at Plant 2, P2-60	2006000/52410-0	676,428
5. Utility Systems		
e. Electr Fac Modifns & Safety Upgrades , P2-47-1	2004701	198,559
g. Air Compressors for Plant Air System, P2-61	2006100	59,907
h. Gas Compressor Redundancy, P2-79	2007900	60
7. Miscellaneous & Support Projects		
b. Warehouse Building, P2-65	2006500	804,306
e. Replace Air Conditioning @ Oper Center	5403500	2,525
h. Plant 2 Facilities Engineering (See Schedule D)		
Sub-Total - Treatment Plant 2		2,187,368
Interplant and Joint Facilities		
1. Plant Automation & Computerization		
a. Computerized Fac. Records and Dwg. Sys. J-25-1	4002501	168,739
c. Power Monitoring and Control Systems, J-33-3	4003303	692
d. Plant Reinvention/Automation Project, J-42	4004200	1,895,787
e. Conv. Of Modbus + Data Hwys to Ring Config	5402900	47,339
f. Fiber Optic Upgrades	5403200	241,120
h. Stdz Plant 1&2 Field Fiber Optic Term. Jct Fa	5403100	82,030
2. Safety & Security Improvements		
a. Area Classifications Studies, Plants 1 & 2, J-35-1	4003501	540,388
b. Confined Space Personnel Retrieval System, J-49	4005400	23,994
c. Fire Alarm & Security System Upgrade, J-57	4005700	455,203
3. Support Facilities		
a. Enclose Open Bay at warehouse Storage, J-20-1	6495063	11,999
b. Collection Facilities Depot, J-60-1	4006001	9,346
Transfer to Project Below		
Chlorine Bldg Mech Equip Demolition, J-60	4006000	27,241
c. Information Technologies Trailer Addition, J-61	4006100	27,417
4. Utility Systems Improvements		
a. Electrical Power System Studies, J-25-4	4002540	821,165
c. Standby Power Reliability Modifns, J-33-1	4003301	836,137
d. Cable Tray Improvements, J-47	58259-0/4004700	313,537
e. Imprvr. To Central Generation Starting Air System, J-63	4006300	7,223
f. Mitigation of Cen. Gen. Waste Heat Boiler, J-64	4006400	5,879
g. Gas Mixing Systems Improvements, J-68	4006800	25,257
5. Flow Management & Reliability		
c. Outfall Flow Meter Replacement, J-66	4006600	7,639
d. Peak Flow Management Projects, J-67	4006700	3,995
6. Miscellaneous Projects		
a. Revision of Standard Specifications, J-44	4004400/58234-0	215,304
b. Evaluation of Tunnels for Structural Integrity, J-55	4005500/6095049	30,415
c. New Grit Augers, J-52	4005200	42,097
f. Mechanical Seals on High Rate Digester Mix	5403002	130,128
h. Joint Facilities Engineering (See Schedule E)		
Sub-Total - Interplant & Joint		5,970,071
Sub-Total - Major Projects		10,514,938

CAPITAL OUTLAY REVOLVING FUND
SUMMARY OF JOINT WORKS CONSTRUCTION REQUIREMENTS
FISCAL YEAR 1998-99
12 MONTHS ENDED 6/30/99

	PROJECT NO.	CURRENT FY OUTLAY
Special Projects		
1. Strategic & Master Planning		
a. Investigation and Rehab of Ocean Outfall, J-39	4003900	153,263
c. Determ. Of Fin Charges and Fee Sched., J-40-2	4004002	7,705
d. Treatment, Reuse and Disposal Plan, J-40-3	4004003/5700400	605,627
e. CEQA, Public Participation, J-40-4	4004004	379,047
f. Permit Renewal & Maintenance	5600200/6900222/58209-F	27,590
2. Information Management & Computerization		
a. Air Quality Information Mgmt. Sys.	5800100/5802500/5803500	94,099
b. Automation Report Publishing	5403600	58,579
c. CMMS Programming	5400400	167,264
d. Data Integration	5400200	1,386,585
e. Document Management	5400100	258,845
f. Financial Information System (FI)	5401200	661,115
g. Geographic Information System	5401500	49,857
h. Internet Application Development	5400900	57,227
i. Intranet Application Development	5400500	38,506
j. L.I.M.S. Implementation Phase II	5600100/6900163	31,579
k. Network Backbone Upgrade Continuation	5400800/6900184	174,618
l. Network Test Facility	5403000	81,458
m. Source Control Programming	5401300	156,633
n. Strategic Information Architecture (SIA)	5400300	32,186
o. Voice/Data Building Rewiring	5400700/6900192	194,312
p. Warehouse Bar Code Evaluation	5200100	16,139
q. Year 2000 Data Change	5401000	1,874,179
3. Research & Development		
a. Activated Carbon Full Scale Evaluation		
Transfer to Project Below		
Membrane/UASB Pilot Test	5804800	3,303
b. Biotrickling Filter Development & Demonstration	5803300	355
c. Large Scale Microfiltration Demonstration	5800700	105,858
f. Processes to Achieve Class A Biosolids	5800900	9,252
4. Utility Systems		
a. Can Gen Engine Air Emission Monitoring Sys	5800300/6900232	123,596
b. Can Gen Engine NOX & VOC Emission Eval	5804500	763
f. Upgrade Phone System	5401400/6900191	5,272
5. Process-Related Special Projects		
a. H2O2 Dosing Feed Sensor for Influent Trunks		
Transfer to Project Below		
H2O2 Continuous Monitor/Pretreatment Automation Study	5802800	12,729
b. Prelim Corrosion Assmt Study for Collection	5804300	41,242
c. Headworks Main Sewer Pump Rehab	5803200	93,908
e. Digesters Expansion Joint Replacement	5803800	32,900
f. KADY Process for Digester Performance Imprv.	5804200	12,129
l. Belt Press Automation	5804100	8,502
l. P - 2 Skudge Line Expansion Joint Repl/Rehab	5803900	58,585
m. Scrubber Chemical Feed System Mod.	5802400/5800400/52442-0	55,125
n. Sulfur Monitoring for Combustion	5800200	106,755
o. Upgrade Emission Modeling Testing System	5802800/52445-0	1,380
6. Miscellaneous		
b. Miscellaneous Reliability & Redund. Projects	5801300	
Transfer to Projects Below		
Energy Deregulation Study	6900243/58255-0	
Plt 2 Anionic Polymer Automation	5802700	557
c. Small Capital Equipment Replacement Project	5803400	99,728
d. Security System Improvements	5400600	238,075
Sub-Total - Special Projects		7,516,527
Water Management Projects		
a. Groundwater Replenishment System, J-36	4003600/52133-E	256,650
b. Water Conservation Co-op Projects-Toilet Retrofit Program, J-72	5700100	252,102
Sub-Total - Water Management Projects		508,752
Equipment Items		
Sub-Total - Joint Works Capital Requirements		1,924,072
Construction in Progress Completed at 6/30/98		20,464,290
Projects To Be Identified in Strategic Plan	Schedule F	
Total Treatment and Disposal Projects		20,464,290

Series A Project

Part I. Subject to Part II hereof, the following capital projects and improvements shall constitute the Project, to the extent such capital projects and improvements are acquired, constructed or paid for by or on behalf of the Districts during the period commencing July 1, 1989 and ending on June 30, 1991 (or such later date as the Districts shall determine.)

Category A. Digesters- Construction of six new 110-foot diameter digesters to provide the necessary digestion capacity to serve the increased primary and secondary treatment plant facilities. Includes the rehabilitation of two digesters, adding new sludge mixing systems and insulating the domes.

Category B. Seismic Upgrade- Study of older treatment plant buildings and process facilities. The report and possible future construction projects will provide a means to upgrade and strengthen these facilities.

Category C. Inter-Plant Pipeline- Construction of inter-plant utilities, including a 10-foot diameter line which will deliver treated effluent from the Fountain Valley plant to the Ocean Outfall Booster Station, as well as a digester gas line, a reclaimed water line and a new communications cable.

Category D. Flares- In the event that digester gas cannot be used for intermittent periods, the Districts must dispose of it through flares.

Category E. Control Building- Construction of a new operations/control center to house the computer monitoring and control systems for the two treatment plants and 35 outlying pumping stations.

Category F. Instrumentation/Computer- Acquisition of computer monitoring and control equipment.

Category G. Personnel Building- Construction of building to house the Districts' personnel activities, including training and interview rooms.

Category H. Digester Rehabilitation- Series of digester rehabilitation projects at the Huntington Beach plant.

Category I. Electrification- Replace older engine drives and pumps with new electric drives and pumps.

Category J. Influent Facility- Installation of new meters to measure the incoming sewage at both treatment plants.

Category K. Utility Atlas- Installation of a computer-aided drafting system and the preparation facility atlas (utility maps) and power studies.

Category L. Central Generation- Construction of an in-plant power generation facility, principally using digester gas as fuel.

Category M. Trunk Sewer Improvement- Construction of trunk sewer lines.

Part II. Notwithstanding Part I hereof, with respect to each District, the Project Share consists of such District's Share under the Joint Agreement of Categories A through L above, except that: (a) the Project with respect to District No. 5 shall also include category M in its entirety; and (b) the Project with respect to District No. 14 shall exclude Category L and any portion of Categories A through K acquired, constructed or paid for prior to July 1, 1990.

Series B Project

Part I. The following capital projects and improvements shall constitute the Project, to the extent such capital projects and improvements are acquired, constructed or paid for by or on behalf of the Districts during the period commencing June 30, 1991 and ending on June 30, 1992 (or such later date as the Districts shall determine.)

Digesters - Construction of six new large-capacity sludge digesters plus the rehabilitation of two older digesters, adding new sludge mixing systems and insulating the domes.

Inter-Plant Pipeline - Construction of a new line to deliver water treated at the Fountain Valley plant to the Ocean Outfall Booster Station in Huntington Beach. In addition, the project includes construction of an interplant digester gas line, a reclaimed water line and a communications cable.

Central Generation - Construction of an in-plant power generation facility, principally using digester gas as fuel.

Plant Monitoring Computers - Acquisition of new computer monitoring system and control equipment to be housed in the control center at each plant.

Electrification - Replacement of internal combustion drives with electric motors.

Operations Center - Enlargement of the existing Operations Center at Treatment Plant No. 2.

Collection System Projects - Construction of sewer trunks and pump stations owned by individual Districts.

Series C Project

Part I. The following capital projects and improvements shall constitute the Project, to the extent such capital projects and improvements are acquired, constructed or paid for by or on behalf of the Districts during the period commencing June 10, 1992 and ending on June 30, 1993 (or such later date as the Districts shall determine.)

Category A. Digesters- Construction of six new 110-foot diameter digesters to provide the necessary digestion capacity to serve the increased primary and secondary treatment plant facilities. Includes the rehabilitation of two digesters, adding new sludge mixing systems and insulating the domes.

Category B. Seismic Upgrade- Possible future construction projects will provide a means to upgrade and strengthen older facilities.

Category C. Inter-Plant Pipeline- Construction of inter-plant utilities, including a 10-foot diameter line which will deliver treated effluent from the Fountain Valley plant to the Ocean Outfall Booster Station, as well as a digester gas line, a reclaimed water line and a new communications cable.

Category D. Flares- Flares for disposal of digester gas that cannot be used.

Category E. Control Building- Construction of a new operations/control center to house the computer monitoring and control systems for the two treatment plants and 35 outlying pumping stations.

Category F. Instrumentation/Computer- Acquisition of computer monitoring and control equipment.

Category G. Personnel Building- Construction of building to house the Districts' personnel activities.

Category H. Digester Rehabilitation- Series of digester rehabilitation projects at the Huntington Beach plant.

Category I. Electrification- Replace older engine drives and pumps with new electric drives and pumps.

Category J. Influent Facility- Installation of new meters to measure the incoming sewage at both treatment plants.

Category K. Central Generation- Construction of an in-plant power generation facility, principally using digester gas as fuel.

Category L. Secondary Projects- Additional secondary projects.

Category M. Trunk Sewer Improvement- Construction of trunk sewer lines.