

DEFERRED PAYMENT AGREEMENT

THIS AGREEMENT is entered into, to be effective November 1, 2023, by and between Orange County Sanitation District ("OC San"), a county sanitation district duly organized and existing pursuant to Section 4700 et. seq. of the Health & Safety Code of the State of California and Edward Czuker, Manager, Legado at the MET LLC.

RECITALS

A. OC San is a wastewater treatment agency, which owns and operates wastewater treatment facilities which receive, treat and discharge, through an ocean outfall, wastewater received from dischargers within its jurisdictional boundaries. Pursuant to Ordinance No. OC SAN-59, OC San is to impose Capital Facilities Capacity Charges when properties, either newly-connect to OC San's system, or expand the use of the property previously connected to OC San. Revenues derived under the provisions of this Ordinance will be used for the acquisition, construction, and reconstruction of the wastewater collection, treatment, and disposal facilities of OC San; to repay principal and interest on debt instruments; or to repay federal or state loans for the construction and reconstruction of said sewerage facilities, together with costs of administration and provisions for necessary reserves.

B. Edward Czuker, Manager, Legado at the MET LLC was issued building permits through the City of Santa Ana including Capital Facility Capacity Charges totaling \$941,486.38.

C. Pursuant to Ordinance No. OC SAN-59, upon application of any property owner seeking to connect to OC San's system, the Board of Directors of

the OC San, in its sole and absolute discretion and upon a finding of compelling need, may, pursuant to the authority of California Health & Safety Code Section 5474, approve of an agreement with the property owner for the payment of the applicable Capital Facilities Capacity Charges in installment payments over a period of not to exceed five (5) years, bearing an interest rate on the unpaid balance of not to exceed ten (10%) percent per annum and that the charges and interest shall constitute a lien on the property.

G. Edward Czucker, Manager, Legado at the MET LLC will pay the first installment to the City of Santa Ana in the amount of \$20,000.00 and subsequent payments to OC San in the amount of \$19,603.86. The monthly payment to OC San includes a \$25 monthly processing fee. The first installment to OC San will be due on December 1, 2023, with the remaining installments paid monthly over the next 58 months.

NOW, THEREFORE, in consideration of the facts recited above and the conditions, covenants and promises set forth below, OC San and Edward Czucker, Manager, Legado at the MET LLC agree as follows:

AGREEMENT

1. Customer shall make payments, including principal and interest at 10% per Resolution No. OC SAN 21-05, to OC San, according to the payment schedule located in appendix A.

2. If any payment described in Paragraph 1 herein is not received by OC San on or before the due date specified the entire balance then owing shall become immediately due and payable and interest at the rate of ten percent (10%) per annum shall accrue on any such unpaid balance from the date of acceleration until the date that the balance due is fully paid to OC San.

3. Edward Czucker, Manager, Legado at the MET LLC acknowledges that the failure to pay any installment in accordance with the schedule set forth in Paragraph 1 herein, may be deemed a breach of this Agreement, thereby giving rise to all legal remedies available to OC San.

4. Should any litigation be commenced between OC San and Edward Czucker, Manager, Legado at the MET LLC regarding enforcement of this Agreement, or the rights and any duties of the parties in relation thereto, the prevailing party in such litigation shall be entitled, in addition to such other relief as may be granted, to a reasonable sum as and for its attorney fees and costs in the litigation which shall be determined by the court in such litigation or in a separate action brought for that purpose.

5. Nothing in this Agreement shall affect Edward Czucker, Manager, Legado at the MET LLC obligation to pay current and/or future charges for use of OC San's sewerage system or Edward Czucker, Manager, Legado at the MET LLC obligation to comply with all other conditions and requirements of OC San Ordinances.

6. Nothing herein shall affect the OC San's right to enforce all requirements and conditions of the OC San's Ordinance.

7. This Agreement is made only for the benefit of the parties hereto. It is not intended that any right under this Agreement shall accrue to any third person.

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement as of the day and year first written above.

Orange County Sanitation District

BY:

Chad P. Wanke
Board Chairman

ATTEST:

Kelly A. Lore
Clerk of the Board

APPROVED AS TO FORM:

Bradley R. Hogin
General Counsel

Legado at the MET LLC

BY:

Edward Czucker
Manager