TO:

BOARD OF DIRECTORS

FROM:

CRAIG A. STEELE

GENERAL COUNSEL

REVIEWED: MARIO IGLESIAS

GENERAL MANAGER

DATE:

January 6, 2023

AGENDA ITEM JANUARY 11, 2023

RESPONSE TO SLO COUNTY LAFCO REGARDING DANA RESERVE ANNEXATION REQUEST

<u>ITEM</u>

Consider "Notice of Petition of Application for Annexation #30 Dana Reserve Specific Plan to Nipomo Community Services District" from SLO County LAFCO and Give Direction to Staff Regarding Response [RECOMMEND CONSIDER NOTICE, RECEIVE INPUT FROM AD HOC SUBCOMMITTEE AND STAFF, AND PROVIDE DIRECTION TO GENERAL MANAGER REGARDING RESPONSE

BACKGROUND

On November 21, 2022, the General Manager received a Notice from the Executive Officer of the San Luis Obispo County Local Agency Formation Committee ("SLO LAFCO") that the landowner for the Dana Reserve Specific Plan site had filed a landowner petition with SLO LAFCO seeking annexation into the District. This Notice triggered a 60-day period for your Board to respond, if your Board chooses to do so.

Although staff was aware of the landowner's application to SLO LAFCO, the delivery and timing of this Notice is surprising and confusing, in that the landowner had informed staff that the purpose of the application was only to speed-up SLO LAFCO's consideration of the project elements, in anticipation of later hearings once the County's consideration of the project is complete. Staff believes that the SLO LAFCO Notice is premature, and we note that the landowner already has an annexation application pending with the District, which had been proceeding in due course.

The Notice is a preliminary step in the landowner petition process, and SLO LAFCO staff informed District staff that they are simply following SLO LAFCO's normal processes and timelines. SLO LAFCO cannot formally approve or deny the annexation until SLO County certifies a final EIR for the project and approves the land use entitlements, and SLO LAFCO conducts a full hearing process at which the District would participate. SLO LAFCO also cannot approve the annexation unless the District and SLO County first agree on a property tax sharing agreement, as has been negotiated in many past annexations into the District. There are many steps in the process still to be completed before an annexation could be approved, but the District's deadline to respond to this Notice, if it responds, is January 16, 2023.

The Board has three options with regard to the Notice:

1. Take no action at this time and direct staff to engage SLO LAFCO staff and SLO COUNTY on the technical details of a potential tax sharing agreement and service plan, should the annexation move forward.

- 2. Notify SLO LAFCO that the annexation application should be terminated for specific service-related reasons.
- 3. Direct the General Manager to send a letter to SLO LAFCO taking the position that considering the application now is premature, and that no annexation should be considered or approved without the following essential elements:
- a. The County's certification of a final EIR that adequately addresses the District's comments on the draft EIR, and resolution of any legal challenges to that EIR.
- b. Agreement between the District and SLO County regarding an acceptable property tax sharing formula for the annexation, consistent with past annexations where the County has shared an equitable portion of property tax revenue with the District.
- c. Agreement between the developer and the District on an acceptable annexation agreement to ensure that the project complies with the District's annexation policy and the developer is required to pay for and install the necessary infrastructure, to District specifications, to serve the project.
- d. Approval of the District's plan of service for the area proposed to be annexed, based on studies the District already commissioned for the project.

Staff and the *ad hoc* subcommittee recommend Option 3. This option would continue to consider and process the proposed annexation without committing the District to an approval. It also puts SLO LAFCO, SLO County, the developer and the community on notice regarding the elements that will be essential to the District as consideration moves forward. Under LAFCO law, for example, the District and the County must agree on a property tax sharing agreement before any annexation can be approved. A proposed letter will be circulated to the Board prior to the Board meeting.

Option 2 is not supportable at this time, since the District's technical studies have not identified any service-related reason why the annexation must be terminated at this stage. In some ways, a properly planned annexation, with acceptable agreements and project documents as specified above, could be beneficial to the District by adding water customers to help spread the increasing costs to customers for supplemental water. Option 1 is not productive, since it would not put the District on record as to the elements of the proposed annexation that are essential to the District.

RECOMMENDATION

It is recommended that your Honorable Board direct the General Manager send a letter to SLO LAFCO consistent with Option 3.

ATTACHMENT

A) November 17, 2022 SLO LAFCO - Staff Report: Notice of Petition...Dana Reserve....

JANUARY 11, 2023

ITEM E-1

ATTACHMENT A



San Luis Obispo Local Agency Formation Commission

COMMISSIONERS

Chairperson ED WAAGE City Member

Vice-Chair DEBBIE ARNOLD County Member

LYNN COMPTON
County Member

MARSHALL OCHYLSKI Special District Member

ROBERT ENNS Special District Member

> STEVE GREGORY City Member

HEATHER JENSEN Public Member

ALTERNATES

Dawn Ortiz-Legg County Member

ED EBY
Special District Member

CHARLES BOURBEAU City Member

David Watson Public Member

STAFF

ROB FITZROY
Executive Officer

IMELDA MARQUEZ Analyst

Morgan Bing Clerk Analyst

BRIAN A. PIERIK Legal Counsel TO: MEMBERS OF THE COMMISSION

FROM: ROB FITZROY, EXECUTIVE OFFICER

DATE: NOVEMBER 17, 2022

SUBJECT: NOTICE OF PETITION OF APPLICATION FOR ANNEXATION

#30 DANA RESERVE SPECIFIC PLAN TO NIPOMO COMMUNITY SERVICES DISTRICT – LAFCO FILE NO. 4-R-22

RECOMMENDATION

It is respectfully recommended that the Commission receive and file this report.

SUMMARY

The San Luis Obispo Local Agency Formation Commission (LAFCO) received a landowner "petition of application" for annexation into Nipomo Community Services District (NCSD) for the "Dana Reserve Specific Plan" (DRSP) project. The application was received on October 13, 2022. The DRSP is a phased development plan and vesting tentative tract map to construct 1,289 residential units and up to 203,000 square feet (SF) of commercial space on a 288-acre parcel near Willow Road and Highway 101 in the community of Nipomo. Annexation into NCSD is proposed by the landowner to obtain water and wastewater service from the NCSD.

This report provides the Commission with a formal notice of receipt of the application not filed by the affected agency, as required by government code section 56857. Typically, an annexation application is received directly by the district or city wishing to annex an area into their jurisdiction. However, State law also allows annexation requests to be submitted by a landowner. When this occurs government code section 56857 requires that we inform the Commission at the first available meeting. The application request will then be forwarded to the affected agency (NCSD) who is granted 60 days to terminate the request by resolution if they do not wish to annex the area based on substantial evidence for financial or service related concerns. If they do not request termination, the application will continue to be processed by staff and the Commission will consider the item at a public hearing. Staff understands that the landowner has already been coordinating with NCSD on the annexation and that NCSD is actively

evaluating the request in context to their established policies, infrastructure and organizational capabilities. Nonetheless, this notice is still required in order to comply with state law.

It is important to note 60 day termination period is a window of time allowed by state law wherein an agency affected by an annexation has the opportunity to terminate a request based on substantial evidence known and readily available at that time. The intent is to discontinue an annexation proposal early in the process to reduce time and expense on an annexation that could or should be denied based on information already known. Not providing a response within 60 days does not indicate support for the project. It often is the case that agencies need more than 60 days to evaluate a request. Beyond 60 days an agency will not have the ability to unilaterally terminate the request, rather the decision for approval or denial of the annexation would reside with LAFCO once it has been fully processed.

Procedurally, NCSD will evaluate the request in context to their policies for annexation. Should NCSD wish to support the annexation, that information will be conveyed to LAFCO who will then ultimately decide whether to approve the annexation. LAFCO will consider annexation at a public hearing if the project has been approved by the County Board of Supervisors, including approval of the General Plan amendment(s), Specific Plan, Conditional Use Permit, EIR, Developer Agreement, and Vesting Tentative Tract Map, and NCSD has demonstrated an ability to support the annexation. For further information on the project and annexation process, please refer to LAFCO's July 21, 2022, Study Session items available on our website.

Staff has provided the first round of notices and requests for information to affected agencies and interested individuals consistent with Government Code section 56658 and 56857. An additional notice will be sent out to those affected agencies and interested parties after County Board of Supervisor consideration. Staff will update the Commission as necessary as these applications are processed. The Commission may provide staff with any questions or comments on this item.

TO:

BOARD OF DIRECTORS

REVIEWED: MARIO IGLESIAS

GENERAL MANAGER

FROM:

ELIZABETH VILLANUEVA, E.I.T.

ACTING DISTRICT ENGINEER

DATE:

JANUARY 4, 2023

AGENDA ITEM JANUARY 11, 2023

AWARD CONSTRUCTION CONTRACT FOR BLACKLAKE SEWER SYSTEM CONSOLIDATION PROJECT FORCE MAIN TO R. BAKER, INC.

ITEM

Award construction contract for Blacklake Sewer System Consolidation Project Force Main to R. Baker, Inc. [RECOMMEND ADOPT RESOLUTION AWARDING CONTRACT TO R. BAKER. INC. IN THE AMOUNT OF \$4,705,801.50, AUTHORIZING STAFF TO EXECUTE CONTRACT AND AUTHORIZING CHANGE ORDER CONSTRUCTION CONTINGENCY IN THE AMOUNT OF \$470,000 (10% of Contract Cost)].

BACKGROUND

The Nipomo Community Services District ("District") worked with the Blacklake community to create an assessment district to fund the proposed Blacklake Sewer System Consolidation Project ("Project"). The Project involves the construction of a sanitary sewer lift station and force main to convey raw wastewater from the Blacklake Sewer Service Area to the Town Sewer Service Area for treatment at the District's Southland Wastewater Treatment Facility, and the decommissioning of the existing Blacklake Water Reclamation Facility.

During the California Environmental Quality Act (CEQA) evaluation of the Project, SWCA, the District's environmental consultant, discovered that there is a potential habitat for California redlegged frog (CRLF) in the wastewater discharge pond located offsite and adjacent to the District's Blacklake Water Reclamation Facility, on property owned by the Blacklake Golf Course. CRLF is federally listed under the Endangered Species Act as a threatened species throughout its range in California. As a result, SWCA recommended that the District obtain an Incidental Take Permit (ITP) for CRLF under Section 10 of the Federal Endangered Species Act (FESA) for the Project. The need to obtain the Section 10 ITP was initially expected to delay construction completion of the overall Project for 12 to 16 months.

In order to mitigate some of the delay in constructing the Project, staff split the Project into two construction projects - force main and lift station. The plan is for the construction of the force main to proceed now that the Initial Study/Mitigated Negative Declaration (IS/MND) is finalized and to begin lift station construction once the Section 10 ITP is obtained. The change also allows specialized contractors to be prime on most of the work – pipeline versus lift station.

The force main portion of the Project work involves, but is not limited to, the construction of approximately 19,400 lineal feet of force main and 1600 lineal feet of gravity sewer line, as well as associated appurtenances.

The Board authorized staff to bid the project at the October 26, 2022 Board meeting. The bid documents requested a Base Bid price for installation of 1600 lineal feet of 12-inch PVC gravity

ITEM E-2, BLACKLAKE SEWER SYSTEM CONSOLIDATION PROJECT FORCE MAIN CONSTRUCTION CONTRACT AWARD JANUARY 11, 2023

sewer main in open trench and an alternate bid price for installation via pipe reaming. The bid documents stated that the contract award would be based on the lowest Base Bid. On December 19, 2022, bids for the Project were opened from three (3) contractors as listed below:

Contractor	Total Base Bid Price	Total Alternate Bid Price
R. Baker, Inc.	\$4,705,801.50	N/A
Raminha Construction, Inc.	\$5,770,799.00	\$5,929,399.00
Specialty Construction, Inc.	\$5,989,441.00	\$6,032,236.00

The apparent low bidder was R. Baker, Inc. with a Base Bid of \$4,705,801.50. Staff reviewed the bid and determined that the bid is responsive and the bidder is responsible.

SCHEDULE

The tentative schedule is as follows:

- Contract Award January 2023
- Construction February 2023 to October 2023

FISCAL IMPACT

The estimated Project cost to consolidate the Blacklake sewer system with the Town sewer System is \$10,300,000. The engineer's construction cost estimate for the Force Sewer Main element of the sewer consolidation project is \$4,200,000. The low bid for the Force Sewer Main element is \$4,705,801.50, or 10.7% more the than the engineer's estimate.

Funding will be provided from Nipomo Community Services District Assessment District No. 2020-1 (Blacklake Sewer Consolidation) bond proceeds. The District included a 30% contingency for each element analyzed in the engineer's consolidation report. For the Force Sewer Main element, that equals \$1.2 million. Including the contingency of \$470,000, there are sufficient funds to construct the Force Sewer Main element without negatively impacting the other elements necessary to complete the consolidation of the Blacklake sewer system with the Town sewer system.

STRATEGIC PLAN

Goal 2. FACILITIES THAT ARE RELIABLE, ENVIRONMENTALLY SENSIBLE AND EFFICIENT. Plan, provide for and maintain District facilities and other physical assets to achieve reliable, environmentally sensible, and efficient District operations.

Goal 5. OPERATIONS. Maintain a proactive program to ensure readiness of systems and cost-effectiveness of operations.

RECOMMENDATION

Staff recommends that the Board, by motion and roll call vote, adopt Resolution 2023-XXXX Blacklake Sewer System Consolidation Project Force Main Bid Award to:

- 1. Award the bid for the Blacklake Sewer System Consolidation Project Force Main to R. Baker, Inc. in the amount of \$4,705,801.50 and authorize the General Manager to execute the construction agreement.
- 2. Authorize the General Manager to issue change orders for construction of the project with an aggregate total amount not to exceed \$470,000.

ATTACHMENTS

- A. Resolution 2023-XXXX Blacklake Sewer System Consolidation Project Force Main Bid Award
- B. Cannon Letter of Recommendation for Award

JANUARY 11, 2023

ITEM E-2

ATTACHMENT A

NIPOMO COMMUNITY SERVICES DISTRICT RESOLUTION NO. 2022-XXXX

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE NIPOMO COMMUNITY SERVICES DISTRICT AWARDING CONSTRUCTION CONTRACT FOR BLACKLAKE SEWER CONSOLIDATION PROJECT TO R BAKER, INC., IN THE AMOUNT OF \$4,705,801.50, AND AUTHORIZE CONTINGENCY IN THE AMOUNT OF \$470,000

WHEREAS, the Blacklake Sewer Consolidation Force Main Project ("Project") involves the construction of a sewer force main between the Blacklake Wastewater Treatment Plant ("BWTP") and the Southland Wastewater Treatment Plant ("SWTP") to convey sewage from the BWTP to the SWTP to consolidate the two treatment plants, increasing the efficiency and reducing the cost of treating wastewater for residents within the Nipomo Community Services District receiving such services; and

WHEREAS, the design drawings and technical specifications for the Project, dated November 10, 2022, were developed by District staff and Cannon Engineering ("Cannon"); and

WHEREAS, the Board authorized staff to solicit bids for the project on October 26, 2022; and

WHEREAS, the Project was advertised for bids in accordance with State of California Public Contracts Code requirements; and

WHEREAS, the District's 2022-23 Fiscal Year Budget allocated funding from Nipomo Community Services District Assessment District No. 2020-1 (Blacklake Sewer Consolidation) bond proceeds., and the amount allocated for the Project is insufficient based on the bid results; and

WHEREAS, based on the staff report, staff presentation and public comment, the Board makes the following findings:

- 1. The project was advertised for bids in accordance with State of California Public Contracts Code requirements.
- 2. The District received three (3) bids for the project.
- 3. Staff has reviewed the project bids and has determined that R. Baker Inc., the apparent low bidder, submitted a responsive bid and is a responsible bidder.

NOW THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED BY THE NIPOMO COMMUNITY SERVICES DISTRICT BOARD OF DIRECTORS AS FOLLOWS:

- 1. The contract for the Blacklake Sewer Consolidation Force Main Project is hereby awarded to the lowest responsive and responsible bidder, R. Baker Inc., in the amount of \$4,705,801.50 for the Base Bid, and the General Manager is authorized to execute the construction agreement.
- 2. The General Manager is authorized to issue Change Orders for construction contingencies with an aggregate total amount not to exceed \$470,000.

NIPOMO COMMUNITY SERVICES DISTRICT RESOLUTION NO. 2022-XXXX

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE NIPOMO COMMUNITY SERVICES DISTRICT AWARDING CONSTRUCTION CONTRACT FOR BLACKLAKE SEWER CONSOLIDATION PROJECT TO R BAKER, INC., IN THE AMOUNT OF \$4,705,801.50, AND AUTHORIZE CONTINGENCY IN THE AMOUNT OF \$470,000

The above recitals and findings are income.	orporated herein by this reference.
On the motion of Director, second following roll call vote, to wit:	onded by Director, and on the
AYES: NOES: ABSENT: CONFLICTS:	
The foregoing resolution is hereby adopted this	day of 2023.
	RICHARD MALVAROSE
	President, Board of Directors
ATTEST;	APPROVED AS TO FORM AND LEGAL EFFECT:
MARIO IGLESIAS General Manager and Secretary to the Board	CRAIG A. STEELE District Legal Counsel

JANUARY 11, 2023

ITEM E-2

ATTACHMENT B



December 21, 2022

Mr. Mario Iglesias District General Manager Nipomo Community Services District 148 South Wilson Street Nipomo, CA 93444-0326

Subject:

Letter of Recommendation for Award

Blacklake Sewer System Consolidation Project - Force Main, Bid Results

Dear Mr. Iglesias:

Cannon has reviewed the bid forms for each of the general contractors' bids. In general, we found R. Baker's bid to be the lowest responsive bid and recommend awarding to R. Baker. Each bid had minor inconsistencies with regards to interpretation of how to complete the alternative bid sheet; however, the bid documents are clear that the District is awarding the project based on the base bid. All three bidders submitted on Valmatic Eccentric Plug valves vs. the listed Dezurik Eccentric Plug valves; however, we do not see this as being a significant concern as we will be conducting a thorough review during the submittal phase to confirm "as approved equal" status.

Sincerely,

Larry P. Kraemer, P.E.

Director, Public Infrastructure

RCE #44813

TO:

BOARD OF DIRECTORS

FROM:

MARIO IGLESIAS

GENERAL MANAGER

DATE:

JANUARY 6, 2023

AGENDA ITEM E-3

JANUARY 11, 2023

NOTICE OF NON-RENEWAL OF IRRIGATION WATER AGREEMENT WITH BLACK LAKE PARTNERSHIP ASSIGNEE

<u>ITEM</u>

Non-Renewal of Irrigation Water Agreement with the Black Lake Partnership assignee [RECOMMEND AUTHORIZE NIPOMO COMMUNITY SERVICES DISTRICT GENERAL MANAGER TO SEND NOTICE OF NON-RENEWAL OF IRRIGATION WATER AGREEMENT WITH THE CURRANT ASSIGNEE]

BACKGROUND

On May 15, 1984, the County of San Luis Obispo's Board of Supervisors ("County") passed Resolution 84-198, thereby approving an Irrigation Water Agreement between the County and the Black Lake Partnership [Attachment A].

On November 18, 1992, the Nipomo Community Services District ("District") under Resolution 472 [Attachment B] approved the annexation of the Black Lake Golf Course Development and with the annexation, the District took responsibility from the County, for the water and wastewater facilities and those contracts and agreements associated with those utilities.

On October 22, 2001, ownership of the Blacklake golf course was transferred to Robin L. Rossi. Included in the transfer was the Effluent Disposal Agreement and the Irrigation Water Agreement in the "Assignment and Assumption Agreement" [Attachment C].

The above agreements establish the current parties to the Effluent Disposal Agreement and Irrigation Water Agreement as the Robin L. Rossi, trustee of the Robin L. Rossi Living Trust and the Donald G. Scanlin and Ann E. Scanlin, trustees of the Scanlin 1989 Trust, collectively the "Assignees of the Assignment and Assumption Agreement", and the District. The initial term of the Irrigation Water Agreement was 10 years, but it renews automatically each year for an additional year unless the District gives notice of non-renewal.

To staff's knowledge, the District has never actually been asked to deliver irrigation water under the agreement, and is not providing any such water now. The District believes that the Irrigation Water Agreement should this not be further renewed as the District updates and decommissions facilities in the area. Under Section 12 of the Irrigation Water Agreement, the District must provide "(120) days' prior written notice to the other party" to prevent the automatic renewal of the agreement for another one (1) year period. As the agreement was executed on May 23, and the date presented to the District Board of Directors is January 11, the District would be able to provide sufficient notice of non-renewal should the Board authorize the General Manager to notify the other party of its intent. It should be noted that the other party to the Irrigation Water Agreement will still have the ability to apply for water service from the District as a regular customer.

The Blacklake Wastewater Treatment Facility will be decommissioned once the infrastructure necessary to convey wastewater flows from the Blacklake development to the Southland

Wastewater Treatment Plant is complete in 2025. There is no reason for this Irrigation Water Agreement to continue to be renewed.

FISCAL IMPACT

No fiscal impact.

STRATEGIC PLAN

Goal 6. GOVERNANCE AND ADMINISTRATION. Conduct District activities in an efficient, equitable and cost-effective manner.

RECOMMENDATION

Staff recommends that the Board by motion and roll call vote, discuss, confer and direct the General Manager to notify the Assignees of the Assignment and Assumption Agreement of the District's non-renewal of the Irrigation Water Agreement.

ATTACHMENTS

- A. May 15, 1984 SLO County Board of Supervisors Resolution 84-198
- B. November 18, 1992, Nipomo CSD Resolution 472
- C. October 22, 2001 Assignment and Assumption Agreement

JANUARY 11, 2023

ITEM E-3

ATTACHMENT A

WHEN RECORDED RETURN TO: IN THE BOARD OF SUPERVISORS

COUNTY OF SAN LUIS OBISPO, STATE OF CALIFORNIA ACTING ON BEHALF OF SAN LUIS OBISPO COUNTY SERVICE AREA NO. 1, ZONE G

Tues day May 15 ,19 84

PRESENT: Supervisors

Bill Coy, Kurt P. Kupper, Ruth Brackett, Jeff Jorgensen, Chairman Jerry Diefenderfer

ABSENT:

None

5/23/841721 6

27.00 AF 27.0011

RESOLUTION NO. 84-198

KESOLUTION NO. 84-198

RESOLUTION APPROVING IRRIGATION WATER AGREEMENT WITH THE BLACK LAKE PARTNERSHIP

The following resolution is now offered and read:

WHEREAS, the County Engineer by letter dated May 15, 1984, has duly recommended that the Board of Supervisors enter into the above mentioned agreement.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED by the Board of Supervisors of the County of San Luis Obispo, State of California, acting on behalf of San Luis Obispo County Service Area No. 1, Zone G, as follows:

- 1. That the Irrigation Water Agreement attached hereto as Exhibit "A" and incorporated by reference herein as though set forth in full, is hereby approved by the County of San Luis Obispo, and the Chairman of the Board of Supervisors is hereby authorized and directed to execute said agreement on behalf of the County of San Luis Obispo.
- That the County Clerk is hereby authorized and directed to record the above agreement in the office of the County Recorder of the County of San Luis Obispo concurrently with the recordation of the final map for Tract 1109.

DOC. NO 26321, OFFICIAL RECORDS BAN LUIS OBISPO CO., CAL

MAY 2 3 1984
FRANCIS M. COONEY
County Clerk-Recorder
TIME 8:01 AM

Upon motion of Supervisor Jorgensen , seconded by Supervisor Kupper , and on the following roll call vote, to-wit:
AYES: Supervisors Jorgensen, Kupper, Coy, Brackett, NOES: Chairman Diefenderfer None
ABSENT: None
ABSTAINING: None
the foregoing resolution is hereby adopted. Hisfan defen. Chairman of the Board of Supervisors
ATTEST:
Clerk of the Board of Supervisors
[SEAL]
APPROVED AS TO FORM AND LEGAL EFFECT:
JAMES B. LINDHOLM, JR. County Counsel
By: Deputy County Counsel
Dated: \
Co, Eng. LGG/nt
9
STATE OF CALIFORNIA, County of San Luis Obispo, ss.
I,
WITNESS my hand and the seal of said Board of Supervisors, affixed this 2122 day of 1989.
(SEAL). County Clerk and Ex-Officia Clerk of the Board of Supervisors
By Click m putersons
OD-826 Deputy Clerk.

For Vistay

RECORDING REQUESTED BY:

County of San Luis Obispo

AND WHEN RECORDED MAIL TO:

County Engineer County of San Luis Obispo County Government Center San Luis Obispo, California 93408

IRRIGATION WATER AGREEMENT

THIS AGREEMENT is made and entered into this 15th day of

May
, 1984, by and between THE BLACK LAKE

PARTNERSHIP, a California general partnership, hereinafter
referred to as "Subdivider", and the COUNTY OF SAN LUIS OBISPO,
a political subdivision of the State of California, acting on
behalf of San Luis Obispo County Service Area No. 1, Zone G,
hereinafter referred to as "County".

WITNESSETH:

WHEREAS, The Black Lake Partnership is a California general partnership having its principal place of business at 31300 Via Colinas, Suite 104, Westlake Village, California 91362, and The Pacifica Corporation (a California corporation having its principal place of business at 31300 Via Colinas, Suite 104, Westlake Village, California 91362) and Plaza Builders, Inc. (a California corporation having its principal place of business at 3187A Airway Avenue, Costa Mesa, California 92626) are its general partners; and

WHEREAS, Subdivider is the record owner of certain real property (hereinafter referred to as "Subdivider's Property") located in the unincorporated area of the County described as follows:

Tract 1109 as shown on a Map recorded in Book //, Page 85 of Maps, in the office of the County Recorder of the County of San Luis Obispo, State of California.

; and

WHEREAS, Subdivider's Property and certain other real property owned by Subdivider and others is currently subject to the Black Lake Specific Plan as adopted by County, and any hereafter adopted amendments thereto, which property is hereinafter collectively referred to as the "Specific Plan Area" and is more particularly described as follows:

All that real property situate in the County of San Luis Obispo, State of California, being Lots 31, 32, 33, 34, 35, 36, 37, 46, 47, 48, 49, 50, and 51 of Pomeroy's Resubdivision of a part of the Los Berros Tract, a map of said subdivision being shown on the Map recorded in Book A, Page 109 of Maps, in the office of the County Recorder of the County of San Luis Obispo, State of California.

; and

WHEREAS, pursuant to a separate agreement entered into between the parties hereto entitled "Effluent Disposal Agreement", dated 15 May, 1984 (hereinafter referred to as the "Effluent Disposal Agreement"), County and Subdivider agreed that County would deliver and Subdivider would accept all treated sewage effluent water generated within

the Specific Plan Area (hereinafter referred to as "Treated Effluent Water"); and

WHEREAS, as a condition of approval of the final map for Tract 1109, County has required Subdivider to construct, agree to construct, and/or transfer certain improvements (hereinafter collectively referred to as the "Water Facilities") consisting of two wells located on that portion of Lot 106 of Tract 1109 described in Exhibit A attached hereto and incorporated herein by reference (hereinafter referred to as "Golf Course"), a water supply storage tank with pumps, valves, and related equipment, water supply lines from the wells to the storage tank, and water distribution lines to development areas and other related water facilities within the Subdivider's Property designed to provide complete water supply for all residential and commercial improvements now or hereafter constructed within the Specific Plan Area as identified in the Black Lake Specific Plan as adopted by County, and any hereafter adopted amendments thereto; and

WHEREAS, as a condition of approval of the final map for Tract 1109 and pursuant to a separate agreement entered into between the parties hereto entitled "Subdivision Agreement", dated ______15 May _____, 1984 (hereinafter referred to as the "Subdivision Agreement"), Subdivider and County agreed that title to and ownership of said Water Facilities shall vest in County upon completion by Subdivider and upon acceptance by

County, and that County will maintain and operate said Water Facilities through Zone G of San Luis Obispo County Service Area No. 1; and

WHEREAS, the purpose of this agreement is to provide the Subdivider with an opportunity to purchase water from County's wells located on Lot 106 of Tract 1109 (hereinafter referred to as "Irrigation Water") to be used with and in addition to the above-described Treated Effluent Water for irrigation of the Golf Course; and

WHEREAS, Subdivider desires to purchase said Irrigation Water from County; and

WHEREAS, County desires to sell to Subdivider a portion of its surplus water from its wells located on Lot 106 of Tract 1109 so long as such sale of water does not impair County's obligation to provide water service to other users, present and future, within Zone G of County Service Area No. 1.

NOW, THEREFORE, IT IS AGREED by and between the parties hereto as follows:

1. Sale of Irrigation Water. In accordance with requests made by Subdivider to County as provided for in this agreement, County agrees to provide Subdivider with varying amounts of Irrigation Water up to a maximum of 200,000 gallons of water per day. This 200,000 gallon per day maximum shall be reduced by an amount equal to the average daily quantity of Treated Effluent Water (computed by the County Engineer on a monthly

basis) delivered by County to Subdivider pursuant to the Effluent Disposal Agreement. The amount of Irrigation Water provided by County may be further reduced by amounts which, in the sole discretion of the County Engineer, are deemed necessary to ensure County's ability to supply water for residential, commercial, fire fighting and other public service needs within Zone G of County Service Area No. 1 and to ensure that County's water supply operations will not in any manner be impaired within Zone G of County Service Area No. 1.

- 2. Notification of requests for Irrigation Water.

 Subdivider agrees to provide County by the twenty-fifth (25th) day of each calendar month with its written projected daily quantities of Irrigation Water needed for the subsequent month. After submission of its request for Irrigation Water for the upcoming month, Subdivider shall give County at least three (3) days' prior notice of requests for any revisions in the amount of water requested for that month. The quantities requested by Subdivider under this paragraph may be reduced by the County Engineer pursuant to paragraph 1 above or paragraph 5 below.
- 3. Quality and source of Irrigation Water. County shall not be obligated in any manner to treat or test the Irrigation Water delivered to Subdivider. Any testing or treatment of the Irrigation Water shall be at the sole responsibility and expense of Subdivider. County does not make any warranty or

representation that the Irrigation Water to be sold to Subdivider under this agreement is suitable for human consumption or irrigation, including irrigation of a golf course.

- 4. Source and delivery of Irrigation Water. County shall in no event be obligated to drill or replace any water wells, construct or replace any water improvements, or to transport water from any source other than County's two wells to be transferred to County by Subdivider located on Lot 106 of Tract 1109. Subdivider agrees that it will take delivery of Irrigation Water at locations designated and approved in writing by the County Engineer. Transportation of Irrigation Water from point(s) of delivery, as shown on the public improvement plans approved by and on file in the office of the County Engineer and which are incorporated by reference herein, shall be the sole responsibility and expense of Subdivider.
- 5. Priority of water supplies. Subdivider agrees that the residential, commercial, fire fighting and other public service demands of San Luis Obispo County Service Area No. 1, Zone G, shall have first right and priority to all water produced by County from County's wells located on Lot 106 of Tract 1109. If, at any time, in the sole discretion of the County Engineer, the County Engineer determines that continued supply of Irrigation Water by County to Subdivider will either result in an insufficient supply of water to meet County's obligation to

supply water for residential, commercial, fire fighting, and other public service needs within Zone G of County Service Area No. 1 or will impair County's present or future ability to supply water for residential, commercial, fire fighting, or other public service uses within County Service Area No. 1, Zone G, or will otherwise interfere with County's water supply operations, the County Engineer may reduce the amount of Irrigation Water supplied to Subdivider by any amount deemed necessary in the sole discretion of the County Engineer. In the event of such a reduction in the amount of Irrigation Water supplied by County, the County Engineer shall determine when the amount of Irrigation Water requested by Subdivider may be resumed.

- 6. Interruption of Irrigation Water supply. The parties agree that County may reduce the amount of Irrigation Water delivered to Subdivider or may cease to deliver Irrigation Water to Subdivider during periods of maintenance and repair of the Water Facilities, or during emergencies, including but not limited to power outages, pump failure, or well failure.
- 7. Price of Irrigation Water. Subdivider agrees to compensate County for all Irrigation Water supplied by County at the rate of actual cost to County for pumping, production, and delivery of Irrigation Water. County's actual cost will be determined by the County Engineer and will include, but will not be limited to, a percentage of the costs of power,

depreciation, operation, maintenance, administration, accounting, testing, and inspection for County's Water Facilities which are used both to supply Irrigation Water to Subdivider and to supply water to other customers of County Service Area No. 1, Zone G. In addition, Subdivider shall also compensate County for the entire cost of operation and maintenance, repair, and replacement for those turnout facilities (including but not limited to pipelines, valves, and meters) which are used exclusively to deliver Irrigation Water to Subdivider. The delineation between those Water Facilities used to serve both Subdivider and other County Service Area No. 1, Zone G, customers and those turnout facilities used exclusively to supply Subdivider shall be shown on the public improvement plans approved by and on file in the office of the County Engineer. Subdivider agrees to compensate County for all costs incurred under this agreement including, but not limited to, those for Irrigation Water within thirty (30) days after the date of mailing the billing to Subdivider. Any amount due and unpaid by Subdivider more than thirty (30) days after billing shall accrue interest at the rate of twelve percent (12%) per annum. In the event that said charges are not paid within sixty (60) days after billing, County shall be relieved of any further obligation to deliver any Irrigation Water to Subdivider. Provided, however, that if Subdivider becomes current and pays County all said charges including

interest within sixty (60) days after County's obligation to deliver Irrigation Water under this paragraph ceases, then Subdivider's right to request Irrigation Water under this agreement shall be reinstated.

- 8. Use of Irrigation Water off-site. Neither Subdivider nor its successors in interest shall transport, cause to be transported, or use the Irrigation Water supplied by County on any property other than on the Golf Course as shown in Exhibit A attached hereto and incorporated by reference herein as though set forth in full. Neither Subdivider nor its successors in interest shall sell, give, or otherwise transfer the Irrigation Water supplied by County without prior written approval by County as expressed in a resolution passed by the County Board of Supervisors.
- 9. Right of inspection. Subdivider hereby grants permission to the County Engineer or his duly authorized representative to enter, inspect, test, and monitor any and all of Subdivider's irrigation facilities, including, but not limited to, the pipes, valves, and other appurtenances being used to take delivery of such water.
- 10. <u>County records</u>. Subdivider or its duly authorized representative shall have the right to inspect County records during regular business hours of the County.
- 11. <u>Indemnification</u>. The Subdivider shall defend, indemnify and save harmless the County of San Luis Obispo, its

officers, agents and employees from any and all claims, demands, damages, costs, expenses, or liability occasioned by the performance or attempted performance of the provisions hereof, or in any way arising out of this agreement, including, but not limited to, inverse condemnation, equitable relief, or any wrongful act or any negligent act or omission to act on the part of the Subdivider or of agents, employees, or independent contractors directly responsible to the Subdivider; providing further that the foregoing obligations to defend, indemnify and save harmless shall apply to any wrongful acts, or any passively negligent acts or omissions to act, committed jointly or concurrently by the Subdivider, the Subdivider's agents, employees, or independent contractors and the County, its agents, employees, or independent contractors. Nothing contained in the foregoing indemnity provisions shall be construed to require the Subdivider to indemnify the County against any responsibility or liability in contravention of Section 2782 of the Civil Code. County and Subdivider agree that the foregoing provisions of this paragraph shall not be construed as preventing Subdivider from asserting any claims against County for non-performance of, or breach of, any of County's obligations under this agreement, any of said provisions of this paragraph to the contrary notwithstanding.

12. Term of agreement. The term of this agreement shall commence on the date of its execution for an initial term of

ten (10) years, and shall be automatically renewed under like provisions for one (1) year periods thereafter unless either party for any reason gives one hundred twenty (120) days' prior written notice of termination to the other party.

- 13. Termination of agreement for cause. If, through any cause within its control, Subdivider fails to fulfill in a timely manner its obligation under this agreement, or if Subdivider shall violate any of the terms or provisions of this agreement, County shall have the right to terminate this agreement effective immediately upon County's giving written notice thereof to Subdivider. Provided, however, Subdivider shall have the right to reinstate this agreement by complying with the above reinstatement provisions of paragraph 7 in a timely manner.
- 14. <u>Liability of Subdivider</u>. Subdivider and each of its general partners are jointly and severally liable for performance of Subdivider's obligations under this agreement.
- 15. <u>Subdivider not agent of County</u>. Neither Subdivider nor any of Subdivider's agents or contractors are or shall be considered to be agents of County in connection with the performance of Subdivider's obligations under this agreement.
- 16. Default hereunder also default under Effluent Disposal Agreement. Subdivider and County have, concurrently with the entering into of this agreement, entered into an agreement entitled "Effluent Disposal Agreement". Subdivider and County

hereby agree that a default hereunder shall be a default under the Effluent Disposal Agreement.

17. Assignment. If the Subdivider is not in default hereunder or under the Effluent Disposal Agreement and upon being released and relieved of all obligations under the Effluent Disposal Agreement pursuant to the paragraph 14 thereof in connection with a change in record ownership of the Golf Course, the new record owner of the Golf Course shall thereupon automatically become the "Subdivider" hereunder and all rights and benefits and obligations of the "Subdivider" hereunder shall thereupon be deemed to have been assigned and delegated by County to such new record owner of the Golf Course; and the prior record owner of the Golf Course shall thereupon and without any further action on the part of County hereunder automatically cease to be the "Subdivider" hereunder and shall thereupon and without any further action on the part of County automatically be forever released and relieved of all obligations hereunder which accrue hereunder after such change in record ownership of the Golf Course and delivery to the office of the County Engineer of the County, with a copy delivered to the office of the County Counsel of the County, of said written instrument described in paragraph 14 of the Effluent Disposal Agreement in which such new record owner of the Golf Course agrees to abide by and be bound by all terms and provisions of this agreement and said Effluent Disposal

Agreement. The provisions of that certain "DECLARATION CREATING CERTAIN COVENANTS" recorded or to be recorded prior to sale or transfer of the Golf Course by the Subdivider in the Official Records of said County, in a form approved by County Counsel of the County, shall not be construed as modifying the provisions of this paragraph.

- 18. Binding on successors in interest. All provisions of this agreement shall be binding on the parties and their assigns and successors in interest. Provided, however, the provisions of this paragraph are subject to paragraph 17 above.
- 19. Effect of waiver. County's waiver of the breach of any one term, covenant or provision of this agreement shall not be a waiver of a subsequent breach of the same term, covenant or provision of this agreement or of the breach of any other term, covenant or provision of this agreement.
- 20. Enforceability. If any term, covenant, condition or provision of this agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the provisions hereof shall remain in full force and effect and shall in no way be affected, impaired, or invalidated thereby.
- 21. Law governing and venue. This agreement has been executed and delivered in, and shall be interpreted, construed, and enforced pursuant to and in accordance with the laws of the State of California. All duties and obligations of the parties

created hereunder are performable in the County of San Luis Obispo, and such County shall be that venue for any action, or proceeding that may be brought, or arise out of, in connection with or by reason of this agreement.

22. Notices. Unless otherwise provided, all notices herein required shall be in writing, and delivered in person or sent by United States first class mail, postage prepaid. Notices required to be given to County shall be addressed as follows: County Engineer, County of San Luis Obispo, County Government Center, San Luis Obispo, California, 93408. Notices required to be given to Subdivider shall be addressed as follows: The Black Lake Partnership, 31300 Via Colinas, Suite 104, Westlake Village, California 91362.

Provided that any party may change such address by notice in writing to the other party and thereafter notices shall be addressed and transmitted to the new address.

- 23. <u>Validity of other agreements</u>. This agreement is in addition to, and does not supersede, any other agreement or agreements entered into by and between the parties hereto.
- 24. Amendment. No changes, amendments, or alterations to the provisions of this agreement shall be effective unless in writing and executed by the parties hereto or their assigns and successors in interest.
- 25. Agreement to be recorded. Subdivider and County intend and consent to the recordation of this agreement in the office

of the County Recorder of the County of San Luis Obispo, and such recordation shall serve as constructive notice to all owners within the Specific Plan Area of the obligations of Subdivider herein.

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

THE BLACK LAKE PARTNERSHIP a California general partnership

By: THE PACIFICA CORPORATION General Partner

By: Ribidedhergen B. Hedberg

By Gun Maxine S. McLellan

By: PLAZA BUILDERS, INC. General Partner

By: Ward of Manie

Ward H. Morris, Asst. Secretary

comeorge R. Meeker, Jr.

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į.	STATE OF CALIFORNIA	} ss.				
	COUNTY OF LOS ANGELES	_ } .ss.				
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Ĭ	the within instrument as the	e basis of sati	tisfactory evidence to be the person who executed President, and Maxine S. McLellan			
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	such partnership executed the same, WITNESS my hand and official seal.		LOS ANGELES COUNTY My Commission Expires April 20, 1988			
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1	said State, personally appeared George	e R. Meek	me, the undersigned, a Notary Public in and for ker, Jr.	6		
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FTAME	personally known to me or proved to me on the basis of satisfactory evidence to be the person who executed the within instrument as theASSISTANT Secretary of PLAZA BUILDERS. INC.					
Ĭ	the corporation that executed the within instru- behalf of THE BLACK LAKE PARTNERSH.		Annual production of the second secon			
#)	the partnership that the within instrument, and acknowledged to me corporation executed the same as such partner such partnership executed the same. WITNESS my hand and official seal.	e that such	OFFICIAL SEAL MARY E. KERSTING NOTARY PUBLIC - CALIFORNIA PRINCIPAL OFFICE IN 105 AMBELES QUONTY			
	Signature May to Kerst	1	VOL 259 PAGE (This area for official indicates seal)	i i		

COUNTY OF SAN LUIS OBISPO

By: Chairman of the Board of Supervisors

ATTEST:

Clerk of the Board of Supervisors

APPROVED AS TO FORM AND LEGAL EFFECT:

JAMES B. LINDHOLM, JR. County Counsel

By: Deputy County Counsel

Dated: 707 7 1984

APPROVED AS TO CONTENT:

GEORGE C. PROTOPAPAS County Engineer

By: Office Engineer

Dated: 57.84

[NOTE: This Irrigation Water Agreement will be recorded. All signatures to this agreement <u>must</u> be acknowledged by a notary.]

STATE OF CALIFORNIA

88.

COUNTY OF SAN LUIS OBISPO

On Clerk and Ex-Officio Clerk of the Board of Supervisors, County of San Julia Object and Ex-Officio Clerk of the Board of Supervisors, County of San Julia Object and FRANCIS M. COONEY

personally known to me to be the persons who executed this instrument as the Chairman and the Clerk of the Board of Supervisors of the County of San Luis Object, State of California, and acknowledged to me that the County of San Luis Object and the County of San

FRANCIS M. COONEY, County Clerk and Ex-Officio Clerk of the Board of Supervisors, County of San Luis Obispo, State of California

By: (Vick M & Systand Deputy County Clerk

GOLF COURSE DESCRIPTION

A parcel of land being a portion of Lot 106 of Tract 1109 in the County of San Luis Obispo, State of California, as said tract is shown on the map filed for record in Book // of Maps at page 85 in the office of the San Luis Obispo County Recorder, said parcel being more particularly described as follows:

Beginning at the Southwest corner of Lot 99 of said Tract 1109, said corner being on the North right of way of Willow Road and thence along the boundary of Lot 106 and running through the following courses:

- (1) North, 265.80 feet;
- (2) North 56° 00' East, 159.83 feet;
- (3) North, 475.00 feet;
- (4) On a curve to the right from a tangent which bears North, having a radius of 375.00 feet, through a central angle of 27° 30' 00", for a distance of 179.99 feet;
- (5) North 34° 49' 42" West, 119.29 feet;
- (6) On a curve to the right from a tangent which bears South 62° 30' 00" West, having a radius of 875.00 feet, through a central angle of 27° 30' 00", for a distance of 419.97 feet;
- (7) West, 1578.21 feet;
- (8) North, 106.00 feet;
- (9) North 45° 00' East, 132.94 feet;
- (10) East 713.29 feet;
- (11) South 79° 00' East, 51,27 feet:
- (12) North 59° 09' 27" East, 86.82 feet;
- (13) On a curve to the right from a tangent which bears West, having a radius of 57.00 feet, through a central angle of 125° 32' 28", for a distance of 124.89 feet;

thence leaving the boundary of Lot 106 and running through the following courses;

- (14) North 75° 00' West, 30.25 feet;
- (15) On a curve to the left from a tangent which bears North 75° 00' West, having a radius of 120.00 feet, through a central angle of 31° 59' 11", for a distance of 66.99 feet;

EXHIBIT A

- (16) On a curve to the right from a tangent which bears South 73° 00' 49" West, having a radius of 80.00 feet, through a central angle of 46° 59' 11", for a distance of 65.61 feet;
- (17) North 60° 00' West, 45.00 feet;
- (18) On a curve to the left from a tangent which bears North 60° 00' West, having a radius of 170.00 feet, through a central angle of 15° 31' 34", for a distance of 46.07 feet;
- (19) On a curve to the left from a tangent which bears North 75° 31' 34" West, having a radius of 80.00 feet, through a central angle of 30° 42' 30" for a distance of 42.88 feet;
- (20) On a curve to the right from a tangent which bears South 73° 45' 56" West, having a radius of 40.00 feet, through a central angle of 17° 44' 04", for a distance of 12.38 feet;
- (21) North 88° 30' West, 444.73 feet;
- (22) North 15° 00' East, 601.47 feet;
- (23) North 03° 00' East, 676.24 feet;
- (24) On a curve to the left from a tangent which bears North 87° 47' 17" East, having a radius of 1420.00 feet, through a central angele of 06° 47' 17", for a distance of 168.24 feet;
- (25) On a curve to the right from a tangent which bears North 81° 00' 00" East, having a radius of 380.00 feet, through a central angle of 20° 00' 00", for a distance of 132.65 feet;
- (26) North 11° 00' East, 120.00 feet;
- (27) North 48° 00' West, 674.65 feet;
- (28) South 85° 00' West, 269.37 feet;
- (29) North 48° 00' West, 267.41 feet;
- (30) North 80° 00' West, 265.31 feet;
- (31) North 87° 00' West, 340.47 feet;
- (32) South, 247.82 feet;
- (33) East, 344.69 feet;
- (34) South 69° 00' East, 458.12 feet;
- (35) South 53° 00' East, 526.33 feet;

EXHIBIT A

- (36) South, 75.00 feet;
- (37) West, 139.42 feet;
- (38) South 10° 00' West, 450.93 feet;
- (39) West, 475.00 feet;
- (40) North 29° 00' West, 736.70 feet;
- (41) North, 83.07 feet;
- (42) On a curve to the left from a tangent which bears North 83° 00' 00" West, having a radius of 350.00 feet, through a central angle of 26° 00' 00", for a distance of 158.83 feet;
- (43) On a curve to the left from a tangent which bears South 71° 00' 00" West, having a radius of 460.00 feet, through a central angle of 39° 00' 00", for a distance of 313.11 feet;
- (44) South 22° 00' East, 1391.05 feet;
- (45) East, 283.00 feet;
- (46) South, 200.00 feet;
- (47) West 210.00 feet;
- (48) South 52° 00' West, 544.75 feet;
- (49) South 07° 00' West, 498.33 feet;
- (50) South 75° 00' West, 269.59 feet;
- (51) North 83° 00' West, 80.20 feet;
- (52) North 08° 00' East, 198.90 feet;
- (53) North 13° 00' West, 835.32 feet;
- (54) On a curve to the left from a tangent which bears South 89° 56' 10" East, having a radius of 720.00 feet, through a central angle of 10° 03' 50", for a distance of 126.47 feet;
- (55) North 06° 00' East, 641.50 feet;
- (56) North 12° 00' West, 733.31 feet;
- (57) North 68° 00' East, 322.42 feet;
- (58) South 51° 00' East, 55.00 feet;

- (59) On a curve to the right from a tangent which bears North 39° 00' 00" East, having a radius of 520.00 feet, through a central angle of 27° 00' 00", for a distance of 245.04 feet;
- (60) North 24° 00' West, 102.77 feet;
- (61) South 80° 00' West, 656.12 feet;
- (62) South 0° 03' 50" West, 1540.00 feet;
- (63) South 89° 56' 10" East, 30.00 feet to the East right of way of Via Concha;

thence along said right of way

- (64) South 0° 03' 50" West, 1357.61 feet;
- (65) On a curve to the left from a tangent which bears South 0° 03' 50" West, having a radius of 30.00 feet, through a central angle of 89° 58' 59", for a distance of 47.12 feet to the North right of way of Willow Road;

thence along said right of way

(66) South 89° 55' 09" East, 3492.28 feet to the true point of beginning.

JANUARY 11, 2023

ITEM E-3

ATTACHMENT B

A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE NIPOMO COMMUNITY SERVICES DISTRICT
APPROVING ANNEXATION NO. 7
(BLACK LAKE GOLF COURSE DEVELOPMENT)
(GOVT. CODE SECTION 57075 (b))

WHEREAS, the San Luis Obispo County Local Agency Formation Commission has adopted Resolution No. 92-19 approving the annexation to the Nipomo Community Services District of the Black Lake Golf Course Development as inhabited territory, including the negative declaration for said annexation; and

WHEREAS, this District has noticed and held a public hearing on said annexation this date, and finds that no written protests have been filed, and that the annexation should be ordered.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Nipomo Community Services District as follows:

- 1. This Board has read and considered Resolution No. 92-19 of the San Luis Obispo County Local Agency Formation Commission making determinations and approving the annexation of the Black Lake Golf Course Development site to the District (Annexation No. 7).
- 2. A complete description and depiction of the property approved for annexation by the Commission is set forth on Exhibit "A" attached hereto.
- 3. This Board finds that the annexation will be in the best interest of present and future inhabitants of the District.

- 4. This Board finds that no written protests have been filed by any property owners or voters within the territory to be annexed. Therefore, no election will be required.
- 5. Pursuant to California Government Code Section 57075, et seq., this Board hereby approves and orders the annexation to the District of the territory described upon Exhibit "A" attached hereto.
- 6. Certified copies of this Resolution shall be delivered to the Local Agency Formation Commission and the property owners involved.

On the motion of Director Fairbanks , seconded by Director Gracia , and on the following roll call vote, to wit:

AYES:

Directors Fairbanks, Gracia, Mendoza

and Manriquez

NOES:

Director Small

ABSENT:

the foregoing resolution is hereby adopted this <u>18th</u> day of November , 1992.

DAVID MANRIOUEZ

President

Nipomo Community Services District

ATTEST:

JOYCH CHUDOBA

Secretary

APPROVED AS TO FORM:

General Counsel

EXHIBIT "A"

PROPOSED NIPOMO COMMUNITY SERVICES DISTRICT ANNEXATION NO. 7

Those portions of Division A of Pomeroy's Resubdivision of a Part of the Los Berros Tract as shown in Map Book A, Page 109, on file in the Recorder's Office of the County of San Luis Obispo, State of California, which County Recorder's Office contains the Official Record Books, Map Books and Parcel Map Books hereinafter referenced, more particularly described as follows.

Beginning at the easterly corner of Parcel 1 of COAL 87-124 as shown in Parcel Map Book 45 Page 45, which corner is on the southwesterly line of a 60 foot road (Pomeroy Road) of said Division A, and which corner is in Lot 33 of said Division A;

CALL 1:

Thence northwesterly along the southwesterly line of said 60 foot road (Pomeroy Road) to an angle point in said 60 foot road (Pomeroy Road);

thence N. 71° 45′ E., 5.27 feet more or less to the point on the southwesterly end of the course recited as "South 71° 45′ West, 26.32 feet..." in Grant Deed recorded in Official Record Book 217, Page 154 et seq. on May 17, 1937;

thence N. 0° 24' W. along the easterly part of Parcel 1 of said COAL 87-124 to the intersection with the line between Lots 33 of said Division A and Lot 42 of Division C of said Pomeroy's Resubdivision, which point is also on the northerly line of Parcel 1 as shown in said COAL 87-124.

CALL 2:

Thence westerly, northwesterly and westerly along the northerly lines of Lots 33, 34, 35, 32 and 31 of said Division A, which line is also the northerly line of Parcel 1 of said COAL 87-124, to the northwesterly corner of said LOT 31, which corner is the northwesterly corner of Parcel 1 of said COAL 87-124.

CALL 3:

Thence southerly along the westerly line of Lot 31 of said Division A, which line is also the westerly line of Parcel 1 of said COAL 87-124, 914.95 feet to the northwesterly corner of Lot 174 of Tract 1542 as shown in Map Book 15, Page 10;

thence southerly along the westerly line of said Lot 174 to a point in the northerly line of a 60 foot road (Black Lake Canyon Drive) as shown on said Tract 1542;

thence westerly and southerly along the northerly and westerly lines of 30 foot right-of-way (Via Concha), as described in

document # 21361 recorded in Official Records Book 3295, Page 769 et seq., to a point at the intersection of the northerly line of a 60 foot road (Callender Road), with the northerly extension of the westerly line of a 60 foot road (Via Concha), which point is in Lot 30 of said Division A.

CALL 4:

Thence southerly along the westerly line of said 60 foot road (Via Concha) through Lots 38 and 45 of said Division A, which line is also through Parcels A, B and C as shown in Parcel Map Book 16, Page 35 and through Parcel 4 as shown in Parcel Map Book 11, Page 76 to the intersection with the southerly line of a 60 foot road (Willow Road) as shown in said Division A, which point is in Lot 58 of said Division A.

CALL 5:

Thence easterly along the southerly line of said 60 foot road (Willow Road) through Lots 58, 57, 56, 55, 54 and 53 of said Division A, which line is also the northerly line of Parcels 2 and 3 as shown in Parcel Map Book 8, Page 54, and also through Parcels 1 and 2 as shown in Parcel Map Book 2, Page 89, and also through Parcels 1 and 2 as shown in Parcel Map Book 13 page 35, to the intersection with the line between said Lot 53 and Lot 52 of said Division A, which line is also the westerly line of NCSD Annexation No.2 as described in Official Records Book 1493, Page 744 et seq.;

thence northerly along the line between said Lots 53 and 52 to the northwesterly corner of said Lot 52;

thence easterly along the northerly line of said Lot 52 to the northeasterly corner of said Lot 52, which corner is on the centerline of a 60 foot road (Pomeroy Road).

CALL 6:

Thence northerly along the easterly line of Lot 51 of said Division A, which line is also the westerly line of Lot 58 of Division B of said Pomeroy's Resubdivision and which line is also a westerly line of said NCSD Annexation No.2, to an angle point in the center of said 60 foot Road (Pomeroy Road).

CALL 7:

Thence S. 71° 45' W., 31.59' to an angle point on the westerly line of said 60 foot road (Pomeroy Road), which point is in said Lot 51.

CALL 8:

Thence N. 36° 30' W. along the southwesterly line of said 60 foot road (Pomeroy Road) through said Lots 51 and 33 to the Point of Beginning, containing 535 acres more or less.

JANUARY 11, 2023

ITEM E-3

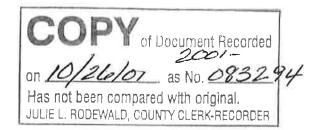
ATTACHMENT C

RECORDING REQUESTED BY:

FIRST AMERICAN TITLE

AND WHEN RECORDED MAILED TO:

PAUL G. METCHIK 1316 BROAD STREET SAN LUIS OBISPO, CA 93401



ORDER 98570-KLO

ASSIGNMENT AND ASSUMPTION AGREEMENT REGARDING EFFLUENT DISPOSAL AGREEMENT AND IRRIGATION WATER AGREEMENT

FOR VALUABLE CONSIDERATION, the receipt and sufficiency of which are hereby expressly acknowledged, National Golf Operating Partnership, L.P., a Delaware limited partnership ("Assignor"), hereby assigns, transfers and conveys to Robin L. Rossi, trustee of the Robin L. Rossi Living Trust utd 10/19/90 and Donald G. Scanlin and Ann E. Scanlin, trustees of the Scanlin 1989 Trust utd 10/13/89 (collectively, "Assignee"), all of Assignor's right, title and interest in and to the following (collectively the "Assigned Interests").

- a. That certain Effluent Disposal Agreement, dated May 15, 1984, between Assignor's predecessor-in- interest, the Black Lake Partnership, a California general partnership, and the County of San Luis Obispo, a political subdivision of the State of California, recorded on May 23, 1984, at Volume 2596 Page 796 in the office of the county recorder of San Luis Obispo County.
- b. That certain Irrigation Water Agreement dated, May 15, 1984, between Assignor's predecessor-in-interest, the Black Lake Partnership, a California general partnership, and the County of San Luis Obispo, a political subdivision of the State of California, recorded on May 23, 1984, Volume 2597 Page 17 in the office of the county recorder of San Luis Obispo County.

Assignor hereby covenants, warrants and represents that it has performed all of the obligations to be performed by Assignor pursuant to and in accordance with, or with respect to, the Assigned Interests and Assignor agrees to protect, indemnify and hold Assignee, its partners, agents, employees, and their respective successors and assigns free and harmless from and against any loss, cost or expense (including attorneys' fees and related costs), arising in any manner with respect to the Assigned Interests through the date hereof.

Assignee hereby assumes and agrees to keep, perform and fulfill all of Assignor's obligations arising from and after the date hereof under the Assigned Interests and agrees to protect, indemnify and hold Assignor, its partners, agents, employees, and their respective successors and assigns free and harmless from any loss, cost or expense (including attorneys' fees and related costs), arising in any manner with respect to the Assigned Interests from and after the date hereof.

This Assignment and Assumption Agreement is given pursuant to the Agreement. The terms of this Assignment and Assumption Agreement shall bind and inure to the benefit of the parties and their successors and assigns.

This Assignment and Assumption Agreement and any amendment may be executed in counterparts, and upon all counterparts being so executed, each counterpart shall be considered as an original and all counterparts shall be considered as one agreement.

IN WITNESS WHEREOF, Assignor and Assignee have executed this Assignment and Assumption Agreement, effective as of OCT **ASSIGNOR:** Robin L. Rossi, Trustee of the Robin L. Rossi National Golf Operating Partnership, L.P., Living Trust utd 10-19-90 a Delaware limited Partnership NATIONAL GOLF PROPERTIES, By: INC., a Maryland corporation Donald G. Scanlin, Trustee of the Scanlin its General Partner 1989 Trust utd 10-13-89 By: Name: Title:

ACKNOWLEDGMENT

STATE OF CALIFORNIA)) an
COUNTY OF San Luis Obispo) ss.)
of satisfactory evidence) to be the packnowledged to me that she execution	, 2001, before me, Shawna Huckabey, personally appeared, personally known to me (or proved to me on the basis person whose name is subscribed to the within instrument and ated the same in her authorized capacity, and that by her are son or the entity upon behalf of which the person acted
WITNESS my hand and official se	SHAWNA HUCKABEY Comm. # 1285742 NOTARY PUBLIC-CALIFORNIA San Luis Obispo County My Comm. Expires Nov. 30, 2004

Assignee hereby assumes and agrees to keep, perform and fulfill all of Assignor's obligations arising from and after the date hereof under the Assigned Interests and agrees to protect, indemnify and hold Assignor, its partners, agents, employees, and their respective successors and assigns free and harmless from any loss, cost or expense (including attorneys fees and related costs), arising in any manner with respect to the Assigned Interests from and after the date hereof.

This Assignment and Assumption Agreement is given pursuant to the Agreement. The terms of this Assignment and Assumption Agreement shall bind and inure to the benefit of the parties and their successors and assigns.

This Assignment and Assumption Agreement and any amendment may be executed in counterparts, and upon all counterparts being so executed, each counterpart shall be considered as an original and all counterparts shall be considered as one agreement.

IN WITNESS WHEREOF, Assignor and Assignee have executed this Assignment and Assumption Agreement, effective as of October 23, 2001.

ASSIGNOR:

ASSIGNEE:

National Golf Operating Partnership, L.P., a Delaware limited Partnership

NATIONAL GOLF PROPERTIES. By:

INC..

a Maryland corporation its General Partner

Robin L. Rossi, Trustee of the Robin L. Rossi Living Trust utd 10-19-90

Donald G. Scanlin, Trustee of the Scanlin

1989 Trust utd 10-13-89

Name: SCOTT S. THOMPSON

Title: VICE PRESIDENT-GENERAL COUNSEL

P^Client Files/Rossi/Blacklake/Acquisition/Assignme nt of Effluent Klassignment & Assumption Re Effluent Final wpd/October 20, 2001

ACKNOWLEDGMENT

STATE OF CALIFORNIA)
COUNTY OF Los Angeles) ss.
On <u>October</u> 23 personally appeared <u>Scott S</u> . to me on the basis of satisfactory e within instrument and acknowledge.	, 2001, before me, Elise Cook, Nogary Public, Thompson, personally known to me (er proved vidence) to be the person whose name is subscribed to the ed to me that she executed the same in her authorized capacity, trument, the person or the entity upon behalf of which the

WITNESS my hand and official seal.

Signature_

ELYSE COOK
Commission # 1258524
Notary Public - California
Los Angeles County
My Comm. Expires Apr 26, 2004

Assignce hereby assumes and agrees to keep, perform and fulfill all of Assignor's obligations arising from and after the date hereof under the Assigned Interests and agrees to protect, indemnify and hold Assignor, its partners, agents, employees, and their respective successors and assigns free and harmless from any loss, cost or expense (including attorneys' fees and related costs), arising in any manner with respect to the Assigned Interests from and after the date hereof.

This Assignment and Assumption Agreement is given pursuant to the Agreement. The terms of this Assignment and Assumption Agreement shall bind and inure to the benefit of the parties and their successors and assigns.

This Assignment and Assumption Agreement and any amendment may be executed in

as an original and all counterparts shall be cons	o executed, each counterpart shall be considered sidered as one agreement.
IN WITNESS WHEREOF, Assignor as Assumption Agreement, effective as of	nd Assignce have executed this Assignment and
ASSIGNOR: National Golf Operating Partnership, L.P., a Delaware limited Partnership By: NATIONAL GOLF PROPERTIES, INC., a Maryland corporation its General Partner	ASSIGNEE: Robin L. Rossi, Trustee of the Robin L. Rossi Living Trust utd 10-19-90 Concluded Living Trust and Trustal Donald G. Scanlin, Trustee of the Scanlin 1989 Trust utd 10-13-89
By: Name: Title:	

ACKNOWLEDGMENT

STATE OF CALIFO	RNIA)) ss.				
COUNTY OFAL		ز				
On OCTOBER	2300	_, 2001, before n	ne, Jesthay	C. LER,	Normen	Roser
on	satisfactory d acknowled ture on the in	evidence) to be the ship of the strument, the per	he person whose na	ame is subs	cribed to thorized	the capacity
WITNESS my hand Signature	and official	seal.		COMM NOTARY PL	REY C. LE . #1245 JBLIC-CALIFO EDA COUNT EXP. DEC. 12	546 PRNIA



Paul G. Metchik

ATTORNEY AT LAW 1316 Broad Street San Luis Obispo, CA 93401

Telephone (805) 783-2450 Facsimile (805) 783-2451 metchiklaw@aol.com



LETTER OF TRANSMITTAL

Date: November 7, 2001

ТО	COMPANY		
Mr. Noel King	Director of Public Works		
cc: County Counsel			

From: Shawna Huckabey Assistant to Paul Metchik

Re: Effluent Disposal Agreement

Comments: Pursuant to Paragraph 14 of that certain Effluent Disposal Agreement with Black Lake Partnership dated May 15, 1984, attached is the Assignment and Assumption Agreement Regarding Effluent Disposal Agreement and Irrigation Water Agreement and the required insurance certificate in connection with the conveyance of the Blacklake Golf Course from National Golf Operating Partnership, L.P. (Black Lake Partnership successor-in-interest), to Robin L. Rossi, Trustee of the Robin L. Rossi Living Trust utd 10-19-90 and Donald G. Scanlin and Ann E. Scanlin, trustees of the Scanlin 1989 Trust utd 10-13-89. Please note that the operator of the golf course, Infinite Horizons, Inc. is providing the required insurance.



ACORD CERTIFICAT OF LIABILITY INSUR NCE ID JO

DATE (MM/DD/YY) 11/02/01

PRODUCER

Clifford & Bradford - SLO 1141 Pacific Street #C San Luis Obispo CA 93401

Phone: 805-545-0826 Fax: 805-545-0917

INSURED

Infinite Horizons, Inc. Blacklake Golf Resort P.O. Box 2140 Avila Beach CA 93424-2140 THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURERS AFFORDING COVERAGE

INSURER A: Hanover Insurance Co.

INSURER B: Everest National

INSURER C: Fireman's Fund Insurance

INSURER D:

COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES, AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS

NSR LTR	TYPE OF INSURANCE	POLICY NUMBER	DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMIT	'S
	GENERAL LIABILITY				EACH OCCURRENCE	s 1000000
A	X COMMERCIAL GENERAL LIABILITY	PENDING	10/27/01	10/27/02	FIRE DAMAGE (Any one fire)	s 100000
Į	CLAIMS MADE X OCCUR				MED EXP (Any one person)	s 5000
- 1					PERSONAL & ADV INJURY	s 1000000
					GENERAL AGGREGATE	\$ 2000000
	GEN'L AGGREGATE LIMIT APPLIES PER:				PRODUCTS - COMP/OP AGG	s 2000000
	POLICY PRO- LOC				Emp Ben.	1000000
A	ANY AUTO	PENDING	10/27/01	10/27/02	COMBINED SINGLE LIMIT (Ea accident)	\$ 1000000
	ALL OWNED AUTOS SCHEDULED AUTOS				BODILY INJURY (Per person)	\$
	X HIRED AUTOS X NON-OWNED AUTOS				BODILY INJURY (Per accident)	\$
					PROPERTY DAMAGE (Per accident)	\$
	GARAGE LIABILITY				AUTO ONLY - EA ACCIDENT	\$
	ANY AUTO				OTHER THAN EA ACC	\$
					AUTO ONLY: AGG	\$
	EXCESS LIABILITY			10/27/02	EACH OCCURRENCE	s 10000000
c	X OCCUR CLAIMS MADE	PENDING	10/27/01		AGGREGATE	\$ 10000000
						\$
	DEDUCTIBLE					\$
- 1	RETENTION \$					\$
	NORKERS COMPENSATION AND EMPLOYERS' LIABILITY	3900012664011		04/01/02	TORY LIMITS ER	
в			04/01/01		E.L. EACH ACCIDENT	s 1000000
ij	Ī		1	Ī	E.L. DISEASE - EA EMPLOYEE	s 1000000
					E.L. DISEASE - POLICY LIMIT	s 1000000
	OTHER					

INSURER E:

County of San Luis Obispo, its officers, agents, and employees are named as additional insured insofar as their interest may appear with regard to the operations of the named insured

CERTIF	CATE	HOL	DED	
CEIVIII		HOL	DER	

Room 207

N ADDITIONAL INSURED; INSURER LETTER:

County of San Luis Obispo

San Luis Obispo CA 93408

CANCELLATION

COUNTYS

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL $30 \pm$ DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR

REPRESENTATIVES.

Commercial Lines

ACORD 25-S (7/97)

ACORD CORPORATION 1988

ACORD,	CERTI	FICATE OF	LIABIL	ITY I	INSURAN	CF ID JO	DATE (MM/DD/YY) 11/15/02
PRODUCER Clifford & B	radford - S			THIS CER	TIFICATE IS ISSUED D CONFERS NO RIG	D AS A MATTER OF INFO SHTS UPON THE CERTI DOES NOT AMEND, EX ORDED BY THE POLICI	FICATE TEND OR
1155 Marsh S Luis Obi	spo CA 9340	1 k:805-545-0917		ALIERI		FFORDING COVERAGE	
INSURED	:5-U620 FA2	K:803-343-0317	1	NSURER A:	Fireman's F	und Insurance C	omp.
Infi	nite Horizo	ns, Inc.	I	INSURER B: Everest National			
P.O.	Bay Resor klake Golf Box 2140		-	NSURER C: NSURER D:			
Avil	a Beach CA	93424-2140	-	NSURER E:			
COVERAGES							
ANY REQUIREMENT, T	ERM OR CONDITION O	W HAVE BEEN ISSUED TO THE IN JE ANY CONTRACT OR OTHER DO BY THE POLICIES DESCRIBED HE HAVE BEEN REDUCED BY PAID (DOUMENT WITH RES EREIN IS SUBJECT T	SPECT TO WE	IICH THIS CERTIFICATE M	AT DE 1990ED OK	
Went	INSURANCE	POLICY NUMBER	POL	ICY EFFECTI E (MW/DD/YY	VE POLICY EXPIRATION DATE (MM/DD/YY)	LIMIT	s
GENERAL LIABILIT			1.50	111111111111111111111111111111111111111		EACH OCCURRENCE	\$ 1000000
A X COMMERCIAL	GENERAL LIABILITY	PENDING	1	LO/27/0	2 10/27/03	FIRE DAMAGE (Any one fire)	\$ 50000
CLAIMS	MADE X OCCUR					MED EXP (Any one person)	\$ 5000
X Pestici	de/Herbici					PERSONAL & ADV INJURY GENERAL AGGREGATE	\$ 1000000
						PRODUCTS - COMP/OP AGG	\$1000000
	PRO- LOC					Emp Ben.	1000000
AUTOMOBILE LIAI						COMBINED SINGLE LIMIT (Es accident)	\$
ANY AUTO ALL OWNED						BODILY INJURY (Per person)	\$
SCHEDULED HIRED AUTOS	8 +					BODILY INJURY (Per accident)	\$
NON-OWNED	A0108					PROPERTY DAMAGE (Per accident)	\$
GARAGE LIABILIT	v					AUTO ONLY - EA ACCIDENT	\$
ANY AUTO						OTHER THAN AUTO ONLY: EA ACC	\$
EXCESS LIABILITY	,					EACH OCCURRENCE	\$ 10000000
A OCCUR	CLAIMS MADE	PENDING	:	10/27/0	2 10/27/03	AGGREGATE	\$ 10000000
DEDUCTIBLE							\$
X RETENTION	s 1					WC STATU- OTH TORY LIMITS ER	\$
WORKERS COMP			1	04/04/0	04/01/03	E.L. EACH ACCIDENT	\$ 1000000
В		3900012664021	1	04/01/0	04/01/03	E.L. DISEASE - EA EMPLOYE	
						E.L. DISEASE - POLICY LIMIT	\$ 1000000
OTHER						RECE	VED
DESCRIPTION OF OPER	ATIONS/LOCATIONS/A	/EHICLES/EXCLUSIONS ADDED B	Y ENDORSEMENT/S	PECIAL PRO	VISIONS	interest	
Certificate	holder is	named as additio	nal insure	ed inso	insured	The DEC 02	2002
may appear	with regard	to the operatio	ns or the	nanied	Insured		
						NIPOMO C. SERVICES	SIL JOSE JANEY
CERTIFICATE HOL	DER N A	DITIONAL INSURED; INSURER L	ETTER:	CANCELL			
NIPOMOC SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIR.							
				DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 30* DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL			
District				IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR			
P.O. Box 326				REPRESENTATIVES.			
Nipomo CA 93444				Commercial Lines 47			
ACORD 25-S (7/97)			Commen	/	© ACORD C	ORPORATION 1988