

TO: BOARD OF DIRECTORS
FROM: MICHAEL S. LEBRUN *msl*
GENERAL MANAGER
DATE: JUNE 20, 2014

AGENDA ITEM

D

JUNE 25, 2014

CONSENT AGENDA

The following items are considered routine and non-controversial by staff and may be approved by one motion if no member of the Board wishes an item removed. If discussion is desired, the item may be removed from the Consent Agenda by a Board member and will be considered separately at the conclusion of the Administrative Items. Individual items on the Consent Agenda are approved by the same vote that approves the Consent Agenda, unless an item is pulled for separate consideration. The recommendations for each item are noted in bracket. Members of the public may comment on the Consent Agenda items.

**Questions or clarification may be made by the Board members
without removal from the Consent Agenda.**

- D-1) WARRANTS [RECOMMEND APPROVAL]
- D-2) APPROVE JUNE 11, 2014 REGULAR BOARD MEETING MINUTES [RECOMMEND APPROVAL]
- D-3) ACCEPT OFFER OF WATER AND SEWER IMPROVEMENTS AND EASEMENT FOR COUNTY PARCEL MAP 06-0225 [ADOPT RESOLUTION ACCEPTING IMPROVEMENTS AND EASEMENT]
- D-4) AUTHORIZE REAL PROPERTY PURCHASE AGREEMENT IN SUPPORT OF SUPPLEMENTAL WATER PROJECT APNS 090-341-019, 090-331-005, 090-331-006, 090-331-008 ANNIE E. PREISKER TRUST [RECOMMEND BY MOTION AND ROLL CALL VOTE AUTHORIZE STAFF TO EXECUTE PURCHASE AGREEMENT FOR APNS 090-341-019, 090-331-005, 090-331-006, 090-331-008, PRIESKER TRUST IN AMOUNT OF \$14,355]

TO: BOARD OF DIRECTORS
 FROM: MICHAEL S. LEBRUN *MSL*
 GENERAL MANAGER
 DATE: JUNE 20, 2014

**AGENDA ITEM
 D-1
 JUNE 25, 2014**

HAND WRITTEN CHECKS

06-25-14 10259 PETER BARBISAN
 06-25-14 10260 MERRIE WALLRAVIN
 06-25-14 10261 TERESA GROVER
 06-25-14 10262 TRUSTEES OF THE ANNIE E. PREISKER TRUST

**TOTAL COMPUTER CHECKS
 \$112,803.56**

WASHER REBATE \$75.00
 ELECTION NIGHT CLOSE \$50.00
 WASHER REBATE \$75.00
 EASEMENT PURCHASE \$14,355.00

VOIDS - 22977

COMPUTER GENERATED CHECKS

23193	06/20/14	EMP01	EMPLOYMENT DEVELOP DEPT	1295.57	.00	1295.57	B40617	STATE INCOME TAX
23194	06/20/14	MID01	RABOBANK-PAYROLL TAX DEPO	4056.60	.00	4056.60	B40617	FEDERAL INCOME TAX
				49.60	.00	49.60	1B40617	FICA
				1000.44	.00	1000.44	2B40617	MEDICARE (FICA)
			Check Total.....:	5106.64	.00	5106.64		
23195	06/20/14	MID02	RABOBANK-DIRECT DEPOSIT	25183.74	.00	25183.74	B40617	NET PAY
23196	06/20/14	PER01	PERS RETIREMENT	9098.17	.00	9098.17	B40617	PERS PAYROLL REMITTANCE
23197	06/20/14	STA01	CALPERS 457 DEFERRED COMP	2580.00	.00	2580.00	B40617	457 DEFERRED COMP
023198	06/25/14	AME03	AMERI PRIDE	152.42	.00	152.42	1139106	UNIFORMS
				157.48	.00	157.48	1143753	UNIFORMS
			Check Total.....:	309.90	.00	309.90		
023199	06/25/14	ATT01	AT&T	186.33	.00	186.33	5462911	TELEPHONE
023200	06/25/14	AVC01	AVCO FIRE EXTINGUISHER C.	724.38	.00	724.38	0091	FIRE EXTINGUISHER MAINTEN
023201	06/25/14	AWW02	AMERICAN WATER WORKS ASSO	244.00	.00	244.00	251223	MEMBERSHIP
023202	06/25/14	BRE02	BRENNTAG PACIFIC INC.	360.68	.00	360.68	BPI423222	SODIUM HYPOCHLORITE
				2449.77	.00	2449.77	BPI423223	CITRIC ACID
				541.52	.00	541.52	BPI423224	SODIUM HYPOCHLORITE
				505.35	.00	505.35	BPI425296	SODIUM HYPOCHLORITE
				378.77	.00	378.77	BPI425297	SODIUM HYPOCHLORITE
			Check Total.....:	4236.09	.00	4236.09		
023203	06/25/14	CAL03	CALIFORNIA ELECTRIC SUPPL	107.38	.00	107.38	568275	POST BASE
023204	06/25/14	CAN02	CANNON CORPORATION	14331.89	.00	14331.89	56700	STANDPIPE CONSTRUCTION
023205	06/25/14	CHA02	CHARTER COMMUNICATIONS	225.00	.00	225.00	B40616	INTERNET-WILSON
023206	06/25/14	CLE06	CNSLSO INC	2209.00	.00	2209.00	18365	COMPUTER SUPPORT
023207	06/25/14	COA04	COAST MONUMENT SIGNS	475.00	.00	475.00	2253	SIGN/INSTALLATION
023208	06/25/14	CRY01	CRYSTAL SPRINGS	63.14	.00	63.14	MAY 2014	DISTILLED WATER
023209	06/25/14	DEP03	DEPT OF HEALTH SERVICES	60.00	.00	60.00	GERMAN	GRADE T2-GERMAN
023210	06/25/14	EVE02	EVERYTHING RIGHT NOW, INC	375.00	.00	375.00	1339	WEB SITE PLUGIN
023211	06/25/14	FEN01	FENCE FACTORY SANTA MARIA	399.00	.00	399.00	913056	TEMP FENCE SETUP
				147.30	.00	147.30	913818	TEMP FENCE RENTAL
			Check Total.....:	546.30	.00	546.30		
023212	06/25/14	LEB02	LeBRUN, MICHAEL	65.00	.00	65.00	JUNE 2014	CELL PHONE REIMBURSEMENT
023213	06/25/14	LEF01	LEFT COAST T-SHIRT COMPAN	1358.91	.00	1358.91	19325	UNIFORM JACKETS/RATS
023214	06/25/14	MOR02	MORE OFFICE SOLUTIONS	266.84	.00	266.84	670762	B/W & COLOR COPIES
023215	06/25/14	NUT01	NU TECH PEST MGMT	265.00	.00	265.00	105477	RODENT CONTROL
				75.00	.00	75.00	105479	RODENT CONTROL
			Check Total.....:	340.00	.00	340.00		
023216	06/25/14	OFF01	OFFICE DEPOT	117.52	.00	117.52	4227001	OFFICE SUPPLIES
				172.77	.00	172.77	4248001	OFFICE SUPPLIES
				10.08	.00	10.08	4580001	OFFICE SUPPLIES
			Check Total.....:	300.37	.00	300.37		

TO: BOARD OF DIRECTORS
 FROM: MICHAEL S. LEBRUN
 GENERAL MANAGER
 DATE: JUNE 20, 2014

AGENDA ITEM
D-1
JUNE 25, 2014
PAGE TWO

023217	06/25/14	PO001	POOR RICHARD'S PRESS	64.67	.00	64.67	260234A	MAIL LATE NOTICES
				246.24	.00	246.24	260234B	POSTAGE LATE NOTICES
				309.24	.00	309.24	260246A	MAIL BILLS
				839.71	.00	839.71	260246B	POSTAGE BILLS
			Check Total.....:	1459.86	.00	1459.86		
023218	06/25/14	PRI02	PRICE, POSTEL & PARMA, LL	12295.50	.00	12295.50	116203	SUPPLEMENTAL WATER PROJEC
023219	06/25/14	RAB02	RABOBANK PETTY CASH	140.21	.00	140.21	B40619	POSTAGE/SUPPLIES
023220	06/25/14	SAN02	SANSONE COMPANY, INC	10599.09	.00	10599.09	RETENTION	RETENTION RELEASE
023221	06/25/14	SEV01	SEVCIK, PETER	50.00	.00	50.00	B40619	REIMBURSEMENT
023222	06/25/14	SHI01	SHIPSEY & SEITZ, INC	13601.00	.00	13601.00	MAY 2014	LEGAL SERVICES THRU 5/31/
023223	06/25/14	SLO08	SAN LUIS OBISPO COUNTY	1973.00	.00	1973.00	B40619	ANNUAL ENCROACHMENT PERMI
023224	06/25/14	TAF01	TAFT ELECTRIC	260.00	.00	260.00	31188-05	MARIA VISTA L/S
023225	06/25/14	THE02	THE TRIBUNE SLO CO NEWSPAP	1200.56	.00	1200.56	MAY 2014	PUBLIC NOTICES
023226	06/25/14	USA01	USA BLUEBOOK	341.30	.00	341.30	366639	ALGAE BRUSH/NET/POLE
				1194.39	.00	1194.39	369581	CHEMICAL FEED PUMP
			Check Total.....:	1535.69	.00	1535.69		

TO: BOARD OF DIRECTORS
FROM: MICHAEL S. LEBRUN *MGL*
GENERAL MANAGER
DATE: JUNE 20, 2014



APPROVE MINUTES OF PREVIOUS BOARD MEETINGS

ITEM

Approve action minutes from previous Board meetings. [RECOMMENDED APPROVE MINUTES]

BACKGROUND

The draft minutes are a written record of the previous Board Meeting action.

RECOMMENDATION

Approve minutes as part of Consent Agenda.

ATTACHMENT

- A. June 11, 2014 draft Board Meeting Minutes

JUNE 25, 2014

ITEM D-2

ATTACHMENT A

NIPOMO COMMUNITY SERVICES DISTRICT

Serving the Community Since 1965

REGULAR MINUTES

JUNE 11, 2014 AT 9:00 A.M.

BOARD ROOM 148 SOUTH WILSON STREET, NIPOMO, CA

BOARD of DIRECTORS

CRAIG ARMSTRONG, PRESIDENT
JAMES HARRISON, VICE PRESIDENT
LARRY VIERHEILIG, DIRECTOR
DAN GADDIS, DIRECTOR
BOB BLAIR, DIRECTOR

PRINCIPAL STAFF

MICHAEL S. LEBRUN, GENERAL MANAGER
LISA BOGNUDA, FINANCE DIRECTOR
MICHAEL W. SEITZ, GENERAL COUNSEL
PETER SEVCIK, DIRECTOR OF ENG. & OPS.

Mission Statement: To provide its customers with reliable, quality, and cost-effective services now and in the future.
--

00:00

A. CALL TO ORDER AND FLAG SALUTE

President Armstrong called the Regular Meeting of June 11, 2014 to order at 9:00 a.m. and led the flag salute.

B. ROLL CALL AND PUBLIC COMMENT FOR ITEMS NOT ON AGENDA

At Roll Call, Directors Armstrong, Harrison, Blair and Gaddis were present. Director Vierheilig had a planned absence.

There was no public comment.

Lisa Bognuda, Assistant General Manager/Finance Director announced that Michael LeBrun, General Manager would not be in attendance at the meeting and that she would be filling in for him and Peter Sevcik, Director of Engineering and Operations, would be assisting her during the meeting.

02:00

The Board considered Item E-1 next.

E-1) PUBLIC HEARING – AUTHORIZE RECORDATION OF TAX LIENS FOR PROPERTIES IN ARREARS IN PAYMENT OF SOLID WASTE FEES

Lisa Bognuda, Assistant General Manager/Finance Director, reviewed the report as presented in the board packet and answered questions from the Board. Tom Martin and Amber Castro of South County Sanitary were present and answered questions.

PRESIDENT ARMSTRONG OPENED THE PUBLIC HEARING

There was no public comment.

PRESIDENT ARMSTRONG CLOSED THE PUBLIC HEARING

Upon the motion of Director Gaddis and seconded by Director Blair, the Board voted to approve Item E-1. Vote 4-0.

YES VOTES	NO VOTES	ABSENT
<i>Directors Gaddis, Blair, Harrison and Armstrong</i>	<i>None</i>	<i>Director Vierheilig</i>

RESOLUTION 2014-1347
A RESOLUTION OF THE BOARD OF DIRECTORS OF
THE NIPOMO COMMUNITY SERVICES DISTRICT
CONFIRMING REPORT OF DISTRICT GENERAL MANAGER
FOR UNPAID SOLID WASTE COLLECTION CHARGES

SUBJECT TO BOARD APPROVAL

C. PRESENTATIONS AND REPORTS

C-1) REPORT ON MAY 28, 2014 REGULAR MEETING CLOSED SESSION

Announcement of actions, if any, taken in Closed Session

Michael Seitz, District Legal Counsel, announced that the Board discussed Item 1(a) (Conference with District Legal Counsel re: pending litigation pursuant to GC §54956.9 SMVWCD VS NCSD) in closed session, but took no reportable action.

Mr. Seitz reported that the Board discussed Item 1(b) (NCSD v. Troesh, et al.) in closed session, but took no reportable action.

Mr. Seitz reported that the Board discussed Item 1(c) (BenIng v. NCSD) but took no reportable action.

Mr. Seitz reported that the Board discussed Item 2 (Conference with Legal Counsel pursuant to Govt. Code §54956.95), in closed session; the Board gave direction, but took no reportable action.

Mr. Seitz reported that the Board discussed Item 3 (Annual Performance Review of District Legal Counsel) pursuant to Govt. Code §54957, in closed session and announced he will continue to serve as District Legal Counsel.

C-2) DIRECTORS' ANNOUNCEMENTS OF DISTRICT & COMMUNITY INTEREST AND REPORTS ON ATTENDANCE AT PUBLIC MEETINGS, TRAINING PROGRAMS, CONFERENCES, AND SEMINARS.

Receive Announcements and Reports from Directors

Director Blair

◇ *Attended Special District Association Legislative Days May 19-21*

Director Gaddis

◇ *Announced the passing of Laurie Vierheilg and the memorial service will be on June 21 at 1:00 p.m. at the Nipomo Presbyterian Church*

◇ *IRWM Workshop will be June 20 at 1:00 p.m. at NCSD Board Room*

◇ *SCAC will meet on June 23 at 6:30 p.m. at NCSD Board Room*

Director Harrison

◇ *Worked the election on June 3*

Director Armstrong

◇ *Attended WRAC Meeting on June 4 – IRWM and RMS Update were discussed*

There was no public comment.

Upon the motion of Director Harrison and seconded by Director Gaddis, the Board voted to receive and file the presentations and reports as submitted.

Vote 4-0.

YES VOTES	NO VOTES	ABSENT
<i>Directors Harrison, Gaddis, Blair and Armstrong</i>	<i>None</i>	<i>Director Vierheilg</i>

SUBJECT TO APPROVAL

12:57

D. CONSENT AGENDA

D-1) WARRANTS

There were no questions or comments from the Board.

There was no public comment.

Upon the motion of Director Harrison and seconded by Director Gaddis, the Board voted to approve Item D-1. Vote 4-0.

YES VOTES	NO VOTES	ABSENT
Directors Harrison, Gaddis, Blair and Armstrong	None	Director Vierheilig

D-2) APPROVE MAY 28, 2014 REGULAR BOARD MEETING MINUTES

There were no questions or comments from the Board. Director Blair will not vote on this item since he was absent on May 28, 2014.

There was no public comment.

Upon the motion of Director Harrison and seconded by Director Gaddis, the Board approved Item D-2. Vote 3-0.

YES VOTES	NO VOTES	ABSENT
Directors Harrison, Gaddis and Armstrong	None	Director Vierheilig

14:00

E. ADMINISTRATIVE ITEMS

E-2) PUBLIC/PROTEST HEARING – AUTHORIZE COLLECTION OF FY 2014-15 BLACKLAKE STREET LIGHT DISTRICT ASSESSMENTS

Lisa Bognuda, Assistant General Manager/Finance Director, reviewed the report as presented in the board packet and answered questions from the Board.

PRESIDENT ARMSTRONG OPENED THE PUBLIC HEARING

Wally Crookes, NCS D customer, asked what the maximum allowable assessment was.

PRESIDENT ARMSTRONG CLOSED THE PUBLIC HEARING

Upon the motion of Director Blair and seconded by Director Harrison, the Board voted to approve Item E-2. Vote 4-0.

YES VOTES	NO VOTES	ABSENT
Directors Blair, Harrison, Gaddis and Armstrong	None	Director Vierheilig

**RESOLUTION 2014-1348
A RESOLUTION OF THE BOARD OF DIRECTORS OF
THE NIPOMO COMMUNITY SERVICES DISTRICT
PROVIDING FOR THE COLLECTION OF STREET LIGHT ASSESSMENTS ON
THE SAN LUIS OBISPO COUNTY TAX ROLLS FOR MAINTENANCE
AND OPERATION OF EXISTING PUBLIC STREET LIGHTS IN THE BLACKLAKE VILLAGE**

SUBJECT TO APPROVAL

17:38

E-3) PUBLIC/PROTEST HEARING – AUTHORIZE COLLECTION OF FY 2014-15 STREET LANDSCAPE MAINTENANCE DISTRICT ASSESSMENTS

Lisa Bognuda, Assistant General Manager/Finance Director, reviewed the report as presented in the board packet and answered questions from the Board.

PRESIDENT ARMSTRONG OPENED THE PUBLIC HEARING

Bill Kengel, Developer, stated the landscape maintenance district is setting a good precedent.

PRESIDENT ARMSTRONG CLOSED THE PUBLIC HEARING

Upon the motion of Director Blair and seconded by Director Gaddis, the Board voted to approve Item E-3. Vote 4-0.

YES VOTES	NO VOTES	ABSENT
Directors Blair, Gaddis, Harrison and Armstrong	None	Director Vierheilig

RESOLUTION 2014-1349
A RESOLUTION OF THE BOARD OF DIRECTORS OF
THE NIPOMO COMMUNITY SERVICES DISTRICT
ORDERING THE LEVY AND COLLECTION OF ASSESSMENTS
FOR THE NIPOMO COMMUNITY SERVICES DISTRICT STREET
LANDSCAPE MAINTENANCE DISTRICT NO. 1 FOR FISCAL YEAR 2014-2015

E-4) PUBLIC HEARING – ADOPT FISCAL YEAR 2014-15 BUDGET

22:48

Lisa Bognuda, Assistant General Manager/Finance Director, reviewed the report as presented in the board packet and answered questions from the Board.

PRESIDENT ARMSTRONG OPENED THE PUBLIC HEARING

Wally Crookes, NCSO customer, asked about fixed assets and cash reserves.

PRESIDENT ARMSTRONG CLOSED THE PUBLIC HEARING

Upon the motion of Director Blair and seconded by Director Armstrong the Board voted to approve the 2014-2015 Appropriations Limitation for Fiscal Year 2014-2015. Vote 4-0.

YES VOTES	NO VOTES	ABSENT
Directors Blair, Armstrong, Gaddis, and Harrison	None	Director Vierheilig

RESOLUTION 2014-1350
A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE NIPOMO COMMUNITY SERVICES DISTRICT
DETERMINING THE APPROPRIATION LIMITATION FOR
THE 2014-2015 FISCAL YEAR

Upon the motion of Director Gaddis and seconded by Director Armstrong the Board voted to approve the 2014-2015 Budget for Fiscal Year 2014-2015. Vote 4-0.

YES VOTES	NO VOTES	ABSENT
Directors Gaddis, Armstrong, Blair, and Harrison	None	Director Vierheilig

RESOLUTION 2014-1351
A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE NIPOMO COMMUNITY SERVICES DISTRICT
ADOPTING THE 2013-2014 FISCAL YEAR BUDGET

SUBJECT TO APPROVAL

33:12

E-5) CONSIDER OFFER OF WATER AND SEWER IMPROVEMENTS FOR COUNTY PARCEL MAP 06-0225

Michael Seitz, District Legal Counsel, reviewed the report as presented in the board packet, handed out a draft Resolution for the Board to consider, and answered questions from the Board.

In order to secure the payment of fees as a condition of accepting water and sewer improvements and easement, and prior to setting of water meters, Mr. Seitz suggested the Board consider adopting a Notice of Property Owner Failure to Comply with District Rules and Regulations. Mr. Seitz stated that if Mr. Kengel is willing to waive his right to a Public Hearing, this item can be placed on the Consent Agenda of the June 25 Board Meeting.

Bill Kengel, Developer, stated he was not clear about the Notice of Violation, was concerned about a future moratorium, and asked if his property could be exempt.

Mr. Seitz stated that the Recorded Notice of Violation would ensure that all fees will be paid to the District. Mr. Seitz also stated there currently are no restrictions on service and his request cannot be considered because it is not on the agenda.

Staff was directed to place this item on the Consent Agenda of the June 25 Board Meeting.

F. GENERAL MANAGER'S REPORT

Lisa Bognuda, Assistant General Manager/Finance Director, reviewed the report as presented in the Board Packet.

There was no public comment.

G. COMMITTEE REPORTS

None to report.

H. DIRECTORS' REQUESTS TO STAFF AND SUPPLEMENTAL REPORTS

President Armstrong stated that the Society of Civil Engineers will be hosting an day-long seminar on water law on June 18.

Director Blair would like to be nominated for CSDA regional representative.

Director Gaddis stated that a Ribbon Cutting ceremony for the Southland WWTF will be held on July 30, 2014 at 9:00 a.m.

There was no public comment.

48:31

I. CLOSED SESSION ANNOUNCEMENTS

1.CONFERENCE WITH DISTRICT LEGAL COUNSEL RE: PENDING LITIGATION PURSUANT TO GC §54956.9

a.SMVWCD VS. NCSD (SANTA CLARA COUNTY CASE NO. CV 770214, SIXTH APPELLATE COURT CASE NO. H032750 AND ALL CONSOLIDATED CASES).

b.NCSD v Troesh et. al. SLOCSC# CV130175

2.CONFERENCE WITH LEGAL COUNSEL PURSUANT TO GOVT. CODE §54956.9(d)(2)&(e)(1):

Significant Exposure to Litigation - 1 case.

3.ANNUAL PERFORMANCE REVIEW OF DISTRICT GENERAL MANAGER PURSUANT TO GOVERNMENT CODE SECTION 54957

J. PUBLIC COMMENT ON CLOSED SESSION ITEMS

There was no public comment.

49:20

K. ADJOURN TO CLOSED SESSION

President Armstrong adjourned to closed session at 9:50 a.m.

The Board took a break from 9:50 a.m. to 10:00 a.m.

L. OPEN SESSION

ANNOUNCEMENT OF ACTIONS, IF ANY, TAKEN IN CLOSED SESSION

The Board came back into Open Session at 10:20 a.m.

Michael Seitz, District Legal Counsel, announced that the Board discussed Items 1(a), 1(b), 2 and 3 listed above under closed session announcements, but took no reportable action.

There was no public comment.

ADJOURN

President Armstrong adjourned the meeting at 10:25 a.m.

MEETING SUMMARY	HOURS & MINUTES
Regular Meeting	1 hour 05 minutes
Closed Session	20 minutes
TOTAL HOURS	1 hour 25 minutes

SUBJECT TO APPROVAL

TO: MICHAEL S. LEBRUN *MSL*
GENERAL MANAGER

FROM: PETER V. SEVCIK, P.E.
DIRECTOR OF ENGINEERING
& OPERATIONS

DATE: June 20, 2014

AGENDA ITEM
D-3
JUNE 25, 2014

**ACCEPT OFFER OF WATER AND SEWER IMPROVEMENTS
FOR COUNTY PARCEL MAP 06-0225**

ITEM

Accept offer of water and sewer improvements for County Parcel Map 06-0225, a 2 parcel development on Tefft Street in Nipomo [RECOMMEND ACCEPT OFFER].

BACKGROUND

Upon completion of a developer's project, the District accepts improvements for the project after all requirements have been met. Bill Kengel, the developer for CO 06-0225, a two development on Tefft Street, has installed water and sewer improvements.

The Developer has met these District's standard conditions:

- Installed water and sewer improvements that are to be dedicated to the District
- Provided an Offer of Dedication
- Provided an easement
- Provided project as-built drawings
- Provided Engineer's certification

The Developer has not met the standard condition of paying all fees prior to acceptance of offer as further discussed below.

FISCAL IMPACT

The developer paid a District Capacity Fee Deposit in the amount of \$32,191 for the project. Final capacity fees in the amount of \$3507 are due based on the District's current fee schedule. The project's plan check and inspection account balance is negative \$1,919 and owing an additional deposit of \$4919.60. Staff will not physically set water meters until all of District's costs related to the project are paid.

A Notice will be recorded on the property to insure all fees and charges due to the District run with the property. Staff will not set water meters until all of fees due to the District are paid.

RECOMMENDATION

By motion and roll call vote, adopt Resolution accepting improvements and easements.

ATTACHMENTS

- A. Resolution 2014-Accept CO 06-0225

t:\board matters\board meetings\board letter\2014\140611 co 06-0225 acceptance.docx

JUNE 25, 2014

ITEM D-3

ATTACHMENT A

**NIPOMO COMMUNITY SERVICES DISTRICT
RESOLUTION NO. 2014-XXXX**

**A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE NIPOMO COMMUNITY SERVICES DISTRICT
ACCEPTING WATER AND SEWER IMPROVEMENTS AND EASEMENT FOR COUNTY
PARCEL MAP 06-0225, A TWO PARCEL DEVELOPMENT**

WHEREAS, William Kengel (herein the "Owner") is the owner of certain real property identified as Assessor Parcel Number 092-577-001 & 002 (herein the "Property"). The Property is situated within the Nipomo Community Services District (the "District") and is located at 719 West Tefft Street at future Blume Street, Nipomo, California; and

WHEREAS, Owner has offered to the District water pipeline and sewer pipeline easement ("Easement") for CO 06-0225 (EXHIBIT A); and

WHEREAS, the District approved the construction plans for County Parcel Map 06-0225 on November 16, 2009, for the water and sewer improvements to be constructed; and

WHEREAS, the water and sewer improvements have been constructed in accordance with approved changes shown on record drawings dated May 19, 2014; and

WHEREAS, on May 20, 2014, the Owner offered the water and sewer improvements to the Nipomo Community Services District; and

WHEREAS, the District can accept such offer without obligation except as required by law; and

WHEREAS, all water and sewer capacity fees for service, required in conformance with District ordinances, have not been paid for CO 06-0225; and

WHEREAS, the Board has directed legal counsel to advise in regards to methodology to secure payment while water and sewer capacity fees and all fees incurred as a result of Mr. Kengel's application prior to Mr. Kengel's ability to set meters; and

WHEREAS, and as the District's legal counsel has advised that a Notice of Failure to Comply attached to this Resolution as (EXHIBIT B) should be signed by the General Manager and recorded by both lots.

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

1. Upon Owner's satisfaction of pending requirements including but not limited to CCTV inspection video of the sanitary sewer in accordance with District standards, specifications, ordinances and regulations.
2. Upon District acceptance of the water and sewer improvements to serve 697 West Tefft Street, APN 092-577-008 in Nipomo.
3. That the attached easement dated May 20, 2014 for a waterline easement and sewer easement over and under future Blume Street is hereby accepted and staff is ordered to record the attached easement (EXHIBIT A).
4. That the General Manager is directed to sign and record Notice of Property Owners failure to Comply with District Rules and Regulations (EXHIBIT B).
5. That staff is authorized to set water meters to serve the project once all pending requirements are satisfied, and all Capacity and Plan Check and Inspection Agreement costs, including but not limited to legal and engineering consulting costs, have been paid by the Owner.

NIPOMO COMMUNITY SERVICES DISTRICT
RESOLUTION NO. 2014-XXXX

A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE NIPOMO COMMUNITY SERVICES DISTRICT
ACCEPTING WATER AND SEWER IMPROVEMENTS AND EASEMENT FOR COUNTY PARCEL MAP 06-0225, A TWO
PARCEL DEVELOPMENT

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

AYES:
NOES:
ABSENT:
CONFLICT:

the foregoing resolution is hereby adopted this 25th day of June 2014.

CRAIG ARMSTRONG
President, Board of Directors

ATTEST:

APPROVED AS TO FORM:

MICHAEL S. LEBRUN
General Manager and Secretary to the Board

MICHAEL W. SEITZ
District Legal Counsel

T:\BOARD MATTERS\RESOLUTIONS\RESOLUTIONS 2014\2014-XXXX ACCEPT CO 06-0225.DOCX

EXHIBIT "A"

RECORDING REQUESTED BY:
Nipomo Community Services District

WHEN RECORDED RETURN TO:
Nipomo Community Services District
P. O. Box 326
Nipomo, CA 93444

APN 092-577-001

Parcel Map CO 06-0225

EASEMENT AND AGREEMENT AFFECTING REAL PROPERTY

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, Mesa Dunes Investments, A California Corporation referred to hereinafter as "Owner(s) or Grantor(s)", hereby grants to the NIPOMO COMMUNITY SERVICES DISTRICT, referred to hereinafter as "District", a utility easement herein "Easement or Easement Area" over and under the below described private streets:

BLUME STREET AS SHOWN ON FINAL MAP FOR PARCEL MAP CO 06-0225

The location of the easement is further described in the drawing attached hereto as Exhibit "A."

The Easement granted herein shall be subject to the following:

PURPOSE

The purpose of the Easement is the present and future construction, reconstruction, operation, repair, and maintenance of District facilities, including sewer pipelines, water pipelines, and other utilities operated by the District, from and after said utilities are dedicated and accepted by the District (herein "District Facilities"), in such manner and size and with such accessory parts and structures, as the District or its successors in interests from time to time deem necessary.

MAINTENANCE AND REPAIR OF DISTRICT FACILITIES

The District's obligation for maintenance and repair of the Easement Area is limited to that portion of the Easement that is affected by the District reconstruction, operation, repair and maintenance of District Facilities.

MISCELLANEOUS

A. The Easement granted herein shall run with the land and be binding on the successors and assigns of the Grantor(s) and shall inure to the benefit of the District and its successors and assigns.

B. This Easement shall be governed by the laws of the State of California. Any litigation regarding the Easement or its contents shall be filed in the County of San Luis Obispo, if in state court, or in the federal court nearest to San Luis Obispo County, if in federal court.

C. This Easement shall be recorded in the Official Records of the County Recorder's Office, San Luis Obispo County.

D. In the event of any controversy or claims relating to this Easement or breach thereof the prevailing party shall be entitled to recover from the losing party reasonable expenses, attorney's fees and costs.

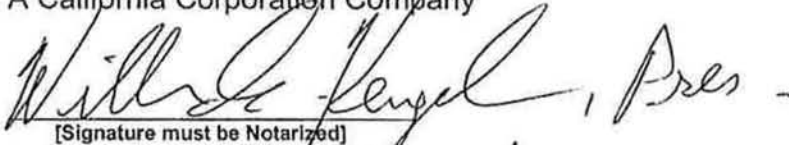
AUTHORITY TO EXECUTE.

All parties to this Easement warrant and represent that they have the power and authority to grant and accept this Easement and its terms and conditions in the names, titles, and capacities herein stated and on behalf of any entities, persons, or firms represented or purported to be represented by such entity(ies), person(s), or firm(s) and that all formal requirements necessary or required by any state and/or federal law in order grant this Easement have been fully complied with. Furthermore, by granting this Easement, Grantor(s) hereby warrants that Grantor(s) shall not have breached the terms or conditions of any other contract or Easement to which Grantor(s) is obligated, which breach would have a material effect hereon.

IN WITNESS WHEREOF, the Grantor(s) hereto have executed this Easement on _____, 2014.

GRANTOR(S):

Mesa Dunes Investment,
A California Corporation Company


[Signature must be Notarized]

William G. Kenzel
[Print Name]

Date: 5/20/2014

**CERTIFICATE OF ACCEPTANCE
GOVERNMENT CODE §2781**

This is to certify that the Nipomo Community Services District, Grantee, herein, by Board action on _____, 2014, accepts for public purposes the real property, or interest described in the foregoing Easement and Agreement, dated _____, 2014, from Grantors, and consents to the recordation thereof.

Nipomo Community Services District

By: _____
Name: Craig Armstrong
Title: President
Nipomo Community Services District
Board of Directors

ATTEST:

Michael S. Lebrun, General Manager
Nipomo Community Services District

NOTARIAL ACKNOWLEDGEMENT

STATE OF CALIFORNIA }
COUNTY OF San Luis Obispo
On May 20, 2014, before me, MJ Ponder, a
Notary Public, personally appeared William B. Kerge,
who proved to me on the basis of satisfactory evidence to be the person(s)
whose name(s) is/are subscribed to the within instrument and acknowledged to
me that he/she/they executed the same in his/her/their authorized capacity(ies),
and that by his/her/their signatures(s) on the instrument the person(s), or the
entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California
that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.


NOTARY PUBLIC Michito Easement Agreement
Affecting Local Prop NSD

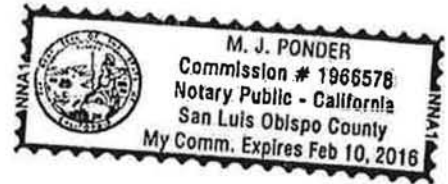


Exhibit A
Legal Description

A portion of Lot 4 and Lot 5 of H.C. Ward's Subdivision of Rancho Nipomo as recorded in Book A of Maps at Page 19 in the County of San Luis Obispo, State of California, more particularly described as follows:

Beginning at a point on the line between said Lot 4 and Lot 5, said point also being on the southerly line of the offer of dedication as described in a deed recorded in Document No. 2008-049755 of Official Records in said County and State, said point being 50.00 feet southeasterly of the centerline of Tefft Street as shown on "Plans for Widening of Tefft Street between Orchard Road and U.S. 101" on file in the County Engineer's Office of Said County;
thence southwesterly along said line, South 55°35'19" West a distance of 25.00 feet; thence leaving said line, southeasterly along a line parallel to and 25.00 feet southwesterly of the line between said Lot 4 and Lot 5, South 34°18'56" East a distance of 344.10 feet to the beginning of a tangent curve concave westerly and having a radius of 20.00 feet; thence leaving said parallel line, southerly along said curve through a central angle of 89°54'20" an arc distance of 31.38 feet; thence South 55°35'24" West a distance of 10.00 feet; thence South 34°24'36" East a distance of 50.00 feet; thence North 55°35'24" East a distance of 54.88 feet to the northerly line of said Lot 4; thence northerly along said line North 34°18'56" West, a distance of 404.07 feet to the Point of Beginning.

 5/19/14
Terence K. Orton, P.E. 21807



TEFFT STREET

50'

10'

50'

POB

S55°35'19"W

10' OFFER OF DEDICATION PER DOC NO. 2008-049755

PARCEL 1
59 PM 83

PTN LOT 4
A MAPS 19

BLUME STREET

LOT 5
A MB 19

S34°18'56"E 344.10'

N34°18'56"W 404.07'

N34°18'56"W

$\Delta = 89^{\circ}54'20''$
 $R = 20.00'$
 $L = 51.38'$

S34°24'36"E
50.00'

S55°35'24"W

33.00'
N55°35'24"E

54.88'
N55°35'24"E

LOT 6

PLAT

PORTION OF LOT 4&5 OF H.C. WARD'S
SUBDIVISION OF RANCHO NIPOMO AS
RECORDED IN BOOK A OF MAPS AT
PAGE 19 IN THE COUNTY OF SAN
LUIS OBISPO, STATE OF CALIFORNIA
PREPARED BY:

ORTON ENGINEERING, INC.
1686 RAMONA AVE., SUITE F
GROVER BEACH, CA 93433
(805)-474-1700

APRIL 2014
SHEET 2 OF 2

PARCEL 3
59 PM 83

SCALE: 1" = 60'



EXHIBIT "B"

Recording Requested By:
NIPOMO COMMUNITY SERVICES DISTRICT

WHEN RECORDED RETURN TO:
Nipomo Community Services District
P.O. Box 326
Nipomo, CA 93444

APN: 092-577-001 & 002

**NIPOMO COMMUNITY SERVICES DISTRICT'S
NOTICE OF PROPERTY OWNER'S FAILURE TO COMPLY
WITH DISTRICT RULES, REGULATIONS AND ORDINANCES
719 WEST TEFFT STREET**

PLEASE TAKE NOTE that on June , 2014, the Nipomo Community Services District ("District") adopted a Resolution 2014-0 declaring the Owner of the below described real property to be in violation of District's:

- A. Rules and regulations related to development of water and sewer improvements to be dedicated to the District; and
- B. Failure to pay all Capacity and Plan Check and Inspection Agreement costs, including but not limited to legal and engineering consulting costs

The owner of the real property affected by this Notice is **William G. Kengel**.

The real property affected by Resolution 2014-XXX is described in Exhibit "A" attached.

PLEASE TAKE FURTHER NOTICE that the District will not set water meter or provide water or sewer service to the property and individual parcels contained therein, until such time as water and sewer improvements are dedicated and accepted by the District and all Capacity and Plan Check and Inspection Agreement costs, including but not limited to legal and engineering consulting costs have been paid.

This Notice is being recorded in compliance with Resolution 2014-XXX of the District.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed this ____ day of June, 2014 at Nipomo, California.

Nipomo Community Services District

Michael S. LeBrun
District General Manager

[Signature must be notarized]

Exhibit "A"

Legal Description

The Easterly 210 feet of Lot 4 of the Resubdivision of the Westerly part of Lot 25 of H.C. Ward's Subdivision of the Nipomo Rancho. In the County of San Luis Obispo, State of California, according to map recorded November 12, 1887 in Book A at page 19 of Maps, in the Office of the County Clerk Recorder of said County.

Excepting therefrom that portion of said land described in deed to the County of San Luis Obispo recorded January 3, 1991 as Document No. 332 in Book 3629 at page 370 of Official Records.

SUBJECT TO: COVENANTS CONDITIONS, RESTRICTIONS, RESERVATIONS, RIGHTS OF WAY, AND EASEMENTS NOW OF RECORD.

TO: BOARD OF DIRECTORS
FROM: MICHAEL S. LEBRUN *MSL*
GENERAL MANAGER
DATE: JUNE 20, 2014



APPROVE REAL PROPERTY PURCHASE AGREEMENT IN SUPPORT OF SUPPLEMENTAL WATER PROJECT

ITEM

Authorize Real Property Purchase Agreement, APNS 090-341-019, 090-331-005, 090-331-006, 090-331-008 Annie E. Preisker Trust, purchase price of \$14,355.

BACKGROUND

District property negotiators, working at the direction of your Board and in support of acquiring necessary right of way for construction of Supplemental Water Project have obtained a signed Real Property Purchase Agreement, Easement Deed and Covenants Running with the Land, and Memorandum of Agreement for Easement Purchase.

The agreed to purchase price is \$14,355.

FISCAL IMPACT

Funds for this purchase are included in the overall supplemental water project budget and the District's 2013/2014 Fiscal budget.

RECOMMENDATION

Staff recommends that by motion and roll call vote, the Board approve the Real Property Purchase Agreement and accept the Easement Deed, and direct staff to process the documents accordingly.

ATTACHMENTS

- A. Real Property Purchase Agreement
- B. Easement Deed

JUNE 25, 2014

ITEM D-4

ATTACHMENT A

Recorded at request of and
When recorded return to:

Nipomo Community Services District
~~e/o Hammer, Jewell & Associates~~
~~Government Real Estate Services~~
~~340 James Way, Suite 150~~
~~Pismo Beach, California 93449~~
P.O. Box 326
Nipomo, CA 93444-0326

Space above this line for Recorder's Use

No recording fee per Government Code § 6103
No Documentary Transfer Tax per Revenue & Taxation Code § 11922

A.P. No. 090-341-019 and 090-331-008

EASEMENT DEED and COVENANTS RUNNING WITH THE LAND

(to Nipomo Community Services District)

Exhibits incorporated by reference:

- "A" – Legal description of Grantor's Real Property
- "B" – Legal description of Permanent Easement and Construction Easement
- "C" – Depiction of the Permanent Easement
- "D" – Depiction of Temporary Construction Easement

This Grant of Easement to the Nipomo Community Services District ("District") and Covenants Running With The Land (herein the "Easement") is made this ____ day of _____, 2014, by and Katherine P. Durley, as surviving Trustee of the Annie E. Preisker Life Estate Trust dated January 1, 1989, as to an undivided 1/2 interest; and W. Laird Durley, as to an undivided 1/7 interest, Odette Durley, as to an undivided 1/7 interest, W. Laird Durley and Robert McLanahan, as Successor Co-Trustees of the Sharon McLanahan Trust dated December 16, 2003, Successors to Sharon McLanahan, as to an undivided 5/28 interest, Ann McLanahan, as to an undivided 5/28 interest, Miranda McLanahan, as to an undivided 5/84 interest, James McLanahan, as to an undivided 5/84 interest, and Julia McLanahan, as to an undivided 5/28 interest; as to an undivided 1/2 interest (collectively "Grantor"). The remaining interest holder, Christopher McLanahan, has not signed this Deed; his interest will be conveyed through separate eminent domain proceedings entitled Nipomo Community Services District v. Durley, et al., San Luis Obispo County Superior Court, Case No. CV130176.

RECITALS

A. Grantor is the fee simple owner of certain real property (the "Real Property") currently being used as and for agricultural purposes located in the unincorporated area of the County of San Luis Obispo, legally described in Exhibit "A" attached hereto and incorporated herein by reference.

B. Grantor desires to grant and dedicate, irrevocably, to the District, a permanent easement in, over, on, through, within, under and across part of the Real Property described in Recital A, above, for the purposes described below.

GRANT OF EASEMENT

NOW, THEREFORE, for valuable consideration, receipt of which is hereby acknowledged, Grantor grants, covenants and promises as follows:

1. **GRANT OF EASEMENT.** Grantor hereby grants and conveys in, through, within, and under the Real Property to the District a permanent easement (herein "Easement" or "Easement Area") in gross, more particularly described in Exhibit "B" (Parcel "A") and as depicted in Exhibit "C" attached hereto and incorporated herein by reference.

2. **PURPOSE.** The purpose of the Easement is to survey, install, construct, reconstruct, enlarge, lay, alter, operate, patrol, remove, replace, and maintain a water conduit, consisting of one underground water pipeline and related facilities. There will be no above-ground related facilities or improvement in connection therewith in the Easement or Easement Area.

3. **TERMS, CONDITIONS AND COVENANTS.** The Easement described herein shall be **SUBJECT TO THE FOLLOWING TERMS AND CONDITIONS:**

a. The facilities and improvements installed in the Easement Area collectively are referred to herein as "District Facilities." Plans for District Facilities as they exist from time to time shall be maintained at the District's principal offices.

b. District shall have the right of ingress and egress for personnel, vehicles, and construction equipment to and from the Easement Area at any time, without prior notice, including the right to use lanes, drives, rights-of-way, and roadways within the Real Property which now exist or which hereinafter may be constructed, as shall be convenient and necessary for the purpose of exercising the rights herein set forth and for no other reason or use and shall not interfere with the farming operations of Grantor's tenants; provided, however, that nothing herein shall prevent or limit rights of Grantor to close such roadways, lanes, or rights-of-way and to provide District with comparable alternative access to the Easement Area. District shall be liable and responsible for maintenance of roadways, lanes, drives and rights-of-way within the Real Property proportionate with the District's use of the roadways, lanes, drives and rights-of-way, and the District will be responsible for all damage caused to the roadways, lanes, drives and rights-of-way actually caused by its use.

c. As the amount of earth or other fill over District Facilities can affect the structural integrity of the District's Facilities, District shall have the right to maintain the height of earth or other fill within the Easement Area. Grantor shall not temporarily or permanently modify, or allow others to in any way modify, the ground surface elevation in the Easement Area from the elevation established upon completion of construction of the District's Facilities without the District's prior written consent, which consent shall not be withheld unreasonably. Grantor shall not conduct, or permit others to conduct, farming or grading operations, ripping and stockpiling to the extent that it may cause a surface disturbance deeper than six (6) feet, and shall not use, or permit others to use, explosives within the Easement Area. In the event that Grantor violates the provisions of this paragraph, District shall have the right to do all things necessary and proper to remove any excess soils, stockpiles, and explosives, to restore grade elevations, and to repair any damages to District Facilities caused by Grantor's violation.

d. District shall install the pipeline at 25 feet below the current surface of the land. Except as otherwise provided herein, the District's easement for the pipeline shall be limited to its current location.

e. The Easement is subject to all existing fencing, canals, irrigation ditches, laterals, pipelines, irrigation facilities, roads, electrical transmission facilities, and communication lines existing on the date the Easement is granted, and all future uses including the right to use the Easement Area for agricultural purposes and installation of irrigation pipelines, excepting vegetation which endangers the integrity of District Facilities and mining, which do not create a surface disturbance deeper than six (6) feet and do not directly or indirectly interfere with or endanger District's exercise of the rights described herein; provided, however, District shall have the right to clear and keep clear from the Easement Area all explosives, buildings, structures, walls, and other facilities of a permanent or temporary nature, excluding irrigation pipelines irrigating crops or supplying water to the premises but within the Easement Area, and any earth cover or stockpile of material placed without the District's prior written consent, which interferes with District's use of the Easement Area. Except that for which this easement is subject to, in addition to any other legal and equitable remedies for violations of this paragraph, District shall have the right to do all things necessary and proper to remove any such vegetation, explosives, mining operations, improvements, and materials that violate this provision provided the District gives proper 15 day written notice except for emergency conditions such as explosive use. Subject to the other requirements of this Easement, Grantor shall have the right to explore and/or extract minerals (such as oil or gas) within the Easement Area which are in place at a depth of more than two hundred fifty feet (250') below the surface. However, the exploration and/or extraction of such minerals within two hundred fifty feet (250') of the surface shall require the prior written consent of the District.

f. Subsequent to the grant of this Easement, Grantor shall not grant any easements of any kind whatsoever to others in, over, on, through, within, under and across the Easement Area without the prior written approval of the District, which approval shall not be withheld unreasonably.

g. This Easement shall be recorded in the Official Records in the County Recorder's Office, San Luis Obispo County.

h. Recitals A and B and Exhibits A through D are incorporated herein by reference as though set forth at length.

4. **GRANT OF TEMPORARY CONSTRUCTION EASEMENT.** Grantor hereby grants and conveys to District a temporary construction easement for the purpose of facilitating construction of District Facilities, including the right to place equipment and vehicles, pile earth from Grantor's Real Property only thereon and in consideration of the payment from District to Grantor pursuant to the Real Purchase Agreement between District and Grantor. Such Temporary Construction Easement (herein "Temporary Construction Easement Area") is more particularly described in Exhibit "B" (Parcel "B") and as depicted in Exhibit "D" attached hereto and incorporated herein by this reference, and shall not be accessed by District until it provides the requisite written notice. Upon completion or termination of said construction, said Temporary Construction Easement Area will be deeded back to Grantor and restored by the District to the condition that existed prior to construction to the extent reasonably practical, but at a minimum and to the extent reasonably practical to the same soil content as existed prior to District's use and in a level graded condition.

District hereby grants Grantors, its heirs, assigns, lessees, and beneficiaries to use any roadway or lane created within the temporary construction easement by District.

This Temporary Construction Easement shall commence July 29, 2013, and shall automatically terminate July 29, 2015 or upon completion of District's Project construction, whichever occurs first; however, District shall have the ability to extend the Temporary Construction Easement term in two (2) additional three (3) month increments if District determines that additional time beyond the two (2) year period is necessary for construction completion. In such case, District shall have the unilateral ability to extend the Temporary Construction Easement period through construction completion and agrees to compensate Grantor Five Hundred Fifty Dollars (\$550) per acre for each three (3) month extension term exercised. Payment for any such extensions shall be paid by District to Grantor concurrent with District's written notice to Grantor of District's intent to exercise such extension provisions. In any event, this Temporary Construction Easement shall terminate on or before December 31, 2015. District shall provide Grantor written notice of its intent to extend the Temporary Construction Easement at least thirty calendar days before the Temporary Construction Easement is due to expire. Otherwise, the extension will be waived by the District.

5. **COVENANTS RUNNING WITH THE LAND.** The obligations of Grantor identified in paragraphs 1 through 4, above shall be considered for all purposes to be covenants that shall run with the land (the Real Property) and shall be binding on the successors and assigns of the Grantor and shall inure to the benefit of District and its successors and assigns.

6. **SECTION HEADINGS.** The headings of the several sections of this Easement Deed shall be solely for convenience of reference and shall not affect the meaning, construction or effect hereof.

7. **SEVERABILITY.** If any term, covenant, condition, or provision of this Easement Deed 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.

8. **NO WAIVER OF DEFAULT.** No delay or omission of District to exercise any right or power arising upon the occurrence of any event of default shall impair any such right or power or shall be construed to be a waiver of any such default or an acquiescence therein; and every power and remedy given by this Easement Deed to District shall be exercised from time to time and as often as may be deemed expedient in the sole discretion of District.

9. **MODIFICATION.** Any oral representations or modifications concerning this Easement shall be of no force and effect excepting a subsequent modification in writing, signed by both parties. Each party waives their future right to claim, contest or assert that this Deed was modified, cancelled, superseded, or changed by any oral agreements, course of conduct, waiver or estoppel.

10. **CALIFORNIA LAW.** This Easement Deed shall be governed by the laws of the State of California. Any litigation regarding this Easement Deed or its contents shall be filed in the County of San Luis Obispo, if in state court, or in the federal court nearest to San Luis Obispo County, if in federal court.

11. **AUTHORITY TO EXECUTE.** Grantor warrants and represents that they have the power and authority to enter into this Easement Deed in the names, titles, and capacities herein stated and on behalf of any entities, persons, or firms represented or purported to be represented by such entity(ies), person(s), or firm(s) and that all formal requirements necessary or required by any state and/or federal law in order to enter into this Easement Deed have been fully satisfied. Furthermore, by entering into this Easement Deed, Grantor hereby warrants that Grantor shall not have breached the terms or conditions of any other contract or agreement to which Grantor is obligated, which breach would have a material effect hereon.

This Easement Deed may be executed in counterparts, each of which so executed shall irrespective of the date of its execution and delivery be deemed an original, and all such counterparts together shall constitute one and the same instrument.

Signatures on following pages...

GRANTOR:

Annie E. Preisker Life Estate Trust dated
January 1/1989

Date: February 7, 2014

By: Katherine P. Durley
Katherine P. Durley, Trustee

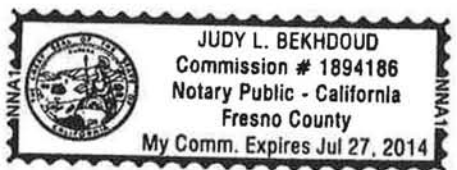
State of California)
County of Fresno)

On February 7, 2014, before me,
Judy L. Bekhdoud, Notary Public, personally appeared
Katherine P. Durley who proved to me on the basis of satisfactory evidence to be the
person whose name is subscribed to the within instrument and acknowledged to me that
she executed the same in her authorized capacity, and that by her signature on the
instrument the person, or the entity upon behalf of which the person acted, executed the
instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that
the foregoing paragraph is true and correct.

WITNESS my hand and official seal

Signature Judy L. Bekhdoud (Seal)



GRANTOR:

Date: Feb 7th, 2014

By: *W. Laird Durley*
W. Laird Durley

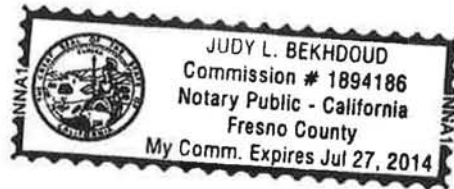
State of California)
County of Fresno)

On February 7, 2014, before me,
Judy L. Bekhdoud, Notary Public, personally appeared
Laird Durley who proved to me on the basis of satisfactory evidence to be the person
whose name is subscribed to the within instrument and acknowledged to me that he
executed the same in his authorized capacity, and that by his signature on the instrument
the person, or the entity upon behalf of which the person acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that
the foregoing paragraph is true and correct.

WITNESS my hand and official seal

Signature *Judy L. Bekhdoud* Seal



GRANTOR:

Date: 4 Feb 2014

By: Odette Durley Sammons
Odette Durley

Arizona
State of ~~California~~
County of Maricopa

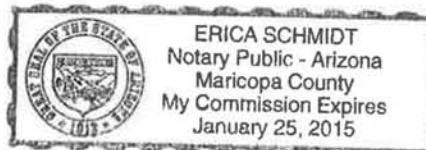
On February 4, 2014, before me,

Erica Schmidt, Notary Public, personally appeared Odette Durley who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that she executed the same in her authorized capacity, and that by her signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of ~~California~~ Arizona that the foregoing paragraph is true and correct.

WITNESS my hand and official seal

Signature Erica Schmidt (Seal)



GRANTOR:

W. LAIRD DURLEY AND ROBERT
McLANAHAN, SUCCESSOR TRUSTEE
DATED DECEMBER 16, 2003,
SUCCESSORS TO SHARON
McLANAHAN

Date: _____

By: _____

W. Laird Durley
Trustee

Date: 2-29-14

By: _____

Robert McLanahan
Trustee

State of California)
County of SANTA BARBARA)

On FEBRUARY 24, 2014, before me,

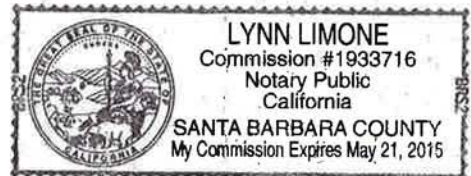
LYNN LIMONE, Notary Public, personally appeared

ROBERT McLANAHAN who proved to me on the basis of
satisfactory evidence to be the person whose name is subscribed to the within
instrument and acknowledged to me that she executed the same in her authorized
capacity, and that by her signature on the instrument the person, or the entity upon
behalf of which the person acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that
the foregoing paragraph is true and correct.

WITNESS my hand and official seal

Signature Lynn Limone (Seal)



GRANTOR:

W. LAIRD DURLEY AND ROBERT
McLANAHAN, SUCCESSOR TRUSTEE
DATED DECEMBER 16, 2003,
SUCCESSORS TO SHARON
McLANAHAN

Date: Feb, 7th, 2014

By: *W. Laird Durley*
W. Laird Durley
Trustee

Date: _____

By: _____
Robert McLanahan
Trustee

State of California)
County of Fresno)

On February 7, 2014, before me,
Judy L. Bekhdoud, Notary Public, personally appeared
W. Laird Durley who proved to me on the basis of
satisfactory evidence to be the person whose name is subscribed to the within
instrument and acknowledged to me that she executed the same in her authorized
capacity, and that by her signature on the instrument the person, or the entity upon
behalf of which the person acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that
the foregoing paragraph is true and correct.

WITNESS my hand and official seal

Signature *Judy L. Bekhdoud* (Seal)



GRANTOR:

Date: 2-28-14

By: Ann McLanahan
Ann McLanahan

State of California)
County of SANTA BARBARA)

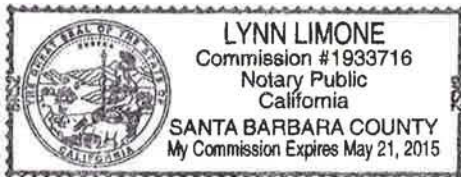
On FEBRUARY 28, 2014, before me,

LYNN LIMONE, Notary Public, personally appeared Ann McLanahan who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that she executed the same in her authorized capacity, and that by her signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal

Signature Lynn Limone (Seal)



GRANTOR:

Date: 3/13/14

By: *Miranda McLanahan*
Miranda McLanahan

MASSACHUSETTS
State of ~~California~~)
County of Worcester)

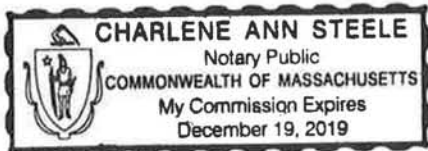
On 3/13/2014, before me,

Charlene Ann Steele, Notary Public, personally appeared
Miranda McLanahan who proved to me on the basis of satisfactory evidence to be the
person whose name is subscribed to the within instrument and acknowledged to me that
he executed the same in his authorized capacity, and that by his signature on the
instrument the person, or the entity upon behalf of which the person acted, executed the
instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that
the foregoing paragraph is true and correct.

WITNESS my hand and official seal

Signature *Charlene Ann Steele* (Seal)



GRANTOR:

Date: _____

By: _____
James McLanahan

State of California)
County of _____)

On _____, before me,

_____, Notary Public, personally appeared James McLanahan who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal

Signature: [Signature] (Seal)

GRANTOR:

By: [Signature]
Christopher McLanahan

State of Oregon)
County of Marathon)

On April 2nd, 2014, before me, SANGOK YOO, Notary Public, personally appeared CHRISTOPHER McLANAHAN, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

[Signature]
Signature



GRANTOR:

Date: 7 Feb 13

By: *James McLanahan*
James McLanahan

With the Armed Forces at JBLM, WA 98433
State of California)
County of _____)

On 7 February 2013, before me,
CHAD K. BRINTON

, Notary Public, personally appeared James McLanahan who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal

Signature *Chad K. Brinton* (Seal)



GRANTOR:

Date: 2/28/14

By: Julia McLanahan
Julia McLanahan

State of California)
County of SANTA BARBARA)

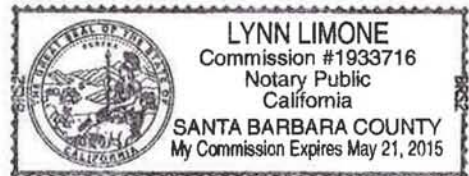
On FEBRUARY 28, 2014, before me,

LYNN LIMONE, Notary Public, personally appeared Julia McLanahan who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that she executed the same in her authorized capacity, and that by her signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal

Signature Lynn Limone (Seal)



**CERTIFICATE OF ACCEPTANCE
GOVERNMENT CODE §27281**

This is to certify that the Nipomo Community Services District, Grantee, herein, by Board action on _____, 2014, accepts for public purposes the real property or interest described in the foregoing Easement, dated _____, 2014, from Grantor, and consents to its content and the recordation thereof.

Nipomo Community Services District

By: _____
Name: Craig Armstrong
Title: President
Nipomo Community Services District
Board of Directors

ATTEST:

Michael LeBrun, District General Manager
and Secretary to the Nipomo Community
Services District Board of Directors

EXHIBIT A

PARCEL 1: (090-331-008)

GOVERNMENT LOTS 1 AND 2 OF FRACTIONAL SECTION 33, TOWNSHIP 11 NORTH, RANGE 34 WEST, SAN BERNARDINO BASE AND MERIDIAN, IN THE COUNTY OF SAN LUIS OBISPO, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF.

EXCEPTING THEREFROM ANY PORTION LYING IN THE COUNTY OF SANTA BARBARA, STATE OF CALIFORNIA.

ALSO EXCEPTING THEREFROM THAT PORTION OF THE LAND ACQUIRED BY THE COUNTY OF SANTA BARBARA BY FINAL ORDER OF CONDEMNATION RECORDED JULY 2, 1963 IN BOOK 1248 PAGE 293 OF OFFICIAL RECORDS.

PARCEL 2: (090-341-019)

GOVERNMENT LOTS 3 AND 4 OF FRACTIONAL SECTION 34, TOWNSHIP 11 NORTH, RANGE 34 WEST, SAN BERNARDINO BASE AND MERIDIAN, IN THE COUNTY OF SAN LUIS OBISPO, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF.

EXCEPTING THEREFROM ANY PORTION LYING IN THE COUNTY OF SANTA BARBARA, STATE OF CALIFORNIA.

ALSO EXCEPTING THEREFROM THAT PORTION OF THE LAND ACQUIRED BY THE COUNTY OF SANTA BARBARA BY FINAL ORDER OF CONDEMNATION RECORDED JULY 2, 1963 IN BOOK 1248 PAGE 293 OF OFFICIAL RECORDS.

ALSO EXCEPTING FROM GOVERNMENT LOT 3, ALL MINERALS, METALS, PETROLEUM, NATURAL GAS AND ALL OTHER HYDROCARBONS IN OR ON SAID PREMISES, TOGETHER WITH THE RIGHT TO RECOVER SAID PRODUCTS, AS RESERVED BY JOHN T. PORTER COMPANY, A CALIFORNIA CORPORATION, IN DEED RECORDED APRIL 25, 1938 IN BOOK 238 PAGE 411 OF OFFICIAL RECORDS.

PARCEL 3: (090-331-005)

THAT PORTION OF THE EAST HALF OF SUBDIVISION ONE OF RANCHO PUNTA DE LA LAGUNA, IN THE COUNTY OF SAN LUIS OBISPO, STATE OF CALIFORNIA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

THAT PORTION OF PARCEL 5 LYING WITHIN THE COUNTY OF SAN LUIS OBISPO, INDICATED AS CONTAINING 28.204 ACRES ON MAP FILED IN BOOK 25, PAGE 100 OF RECORDS OF SURVEY, IN THE OFFICE OF THE COUNTY RECORDER OF SANTA BARBARA COUNTY, STATE OF CALIFORNIA.

PARCEL 4: (090-331-006)

THAT PORTION OF LOT 3 LYING NORTHERLY OF THE SOUTHERN BOUNDARY OF THE COUNTY OF SAN LUIS OBISPO, SECTION 33, TOWNSHIP 11 NORTH, RANGE 34 WEST, S.B.M. IN THE COUNTY OF SAN LUIS OBISPO, STATE OF CALIFORNIA.

APN: 090-341-019 and 090-331-005, 006 & 008

First American Title Company

EXHIBIT B

LEGAL DESCRIPTION

Over a portion of APN: 090-341-019 (County of San Luis Obispo)
Owner: Patricia P. McLanahan

A portion of Government Lot 4, in the west one-half of Section 34, and a portion of Government Lot 1 in the east one-half of Section 33, both in Township 11 North, Range 34 West, S.B.M. in the County of San Luis Obispo, State of California according to the Official Plat on file in the District Land Office, and being more particularly described as Parcels "A" and "B" below:

PARCEL "A" (Exhibit C, Permanent Easement Area)

A strip of land, thirty feet (30 feet) wide, the center line described as follows:

Commencing at a found 1 inch diameter iron pipe marking the Section Corner between Sections 33 and 34, Township 11 North, Range 34 West, and Sections 3 and 4, Township 10 North, Range 34 West, S.B.M. in the County of Santa Barbara, State of California, as shown on Tract 5764, Phase 3, Unit 2, in the City of Santa Maria, County of Santa Barbara, State of California, according to the map filed in Book 188 at Pages 31 through 36 of Maps, in the Office of the County Recorder of said Santa Barbara County, and having grid coordinates of (northing) 2,188,882.615 feet, (easting) 5,826,896.812 feet of the California Coordinate System 1983 (CCS83), Zone 5, epoch date 2002.00, using Continuous Operating Reference Stations, 1996 adjustment [NAD83(CORS96)];

Thence north 07°03'04" east 2,406.08 feet to a found two inch diameter iron pipe and brass cap stamped "LS 5565" marking the point of intersection of Blosser Road and Atlantic Place as shown on said map and having grid coordinates of (northing) 2,191,270.493 feet (easting) 5,827,192.174 feet of said CCS83, Zone 5;

Thence south 88°33'41" west 8.19 feet to the **True Point of Beginning** and for convenience called **Point "A"**;

Thence north 02°44'34" east 512.30 feet;

Thence north 21°53'43" west 3,162.47 feet to a point for convenience called Point "B" and lying south 36°54'15" east 1,098.08 feet from a found one inch iron pipe and plastic plug stamped "RCE 25366" marking the corner common to Lot 1 and Lot 2 and on the northwesterly boundary line of Tract No. 2034 in the County of San Luis Obispo, State of California, according to the map filed in Book 18 at

EXHIBIT B

Page 78 of Maps, in the Office of the County Recorder of said County, and having grid coordinates of (northing) 2,195,594.427 feet (easting) 5,825,369.804 feet of said CCS83, Zone 5, and also lying south 45°03'37" west 1,909.68 feet from a found three quarter inch iron pipe and tag stamped "LS 2391" marking the most easterly corner of Lot 3 of said Tract No. 2034 and having grid coordinates of (northing) 2,196,065.278 feet (easting) 5,827,380.941 feet of said CCS83, Zone 5.

Containing 13,900 square feet more or less.

PARCEL "B" (Exhibit D, Temporary Construction Easement)

A strip of land, one hundred and eighty five feet (185 feet) wide, the center line described as follows:

Beginning at the above described Point "A";

Thence north 02°44'34" east 512.30 feet;

Thence north 21°53'43" west 3,162.47 feet to the above described Point "B".

Excepting therefrom the land described in Parcel "A" above.

Containing 71,821 square feet more or less.

All distances are grid distances CCS 83, Zone 5. The combined scale factor is 1.00025844.

The above described Parcels "A" and "B" are graphically shown on the Exhibits "B", "C", and "D" attached hereto and made a part hereof.

END DESCRIPTION

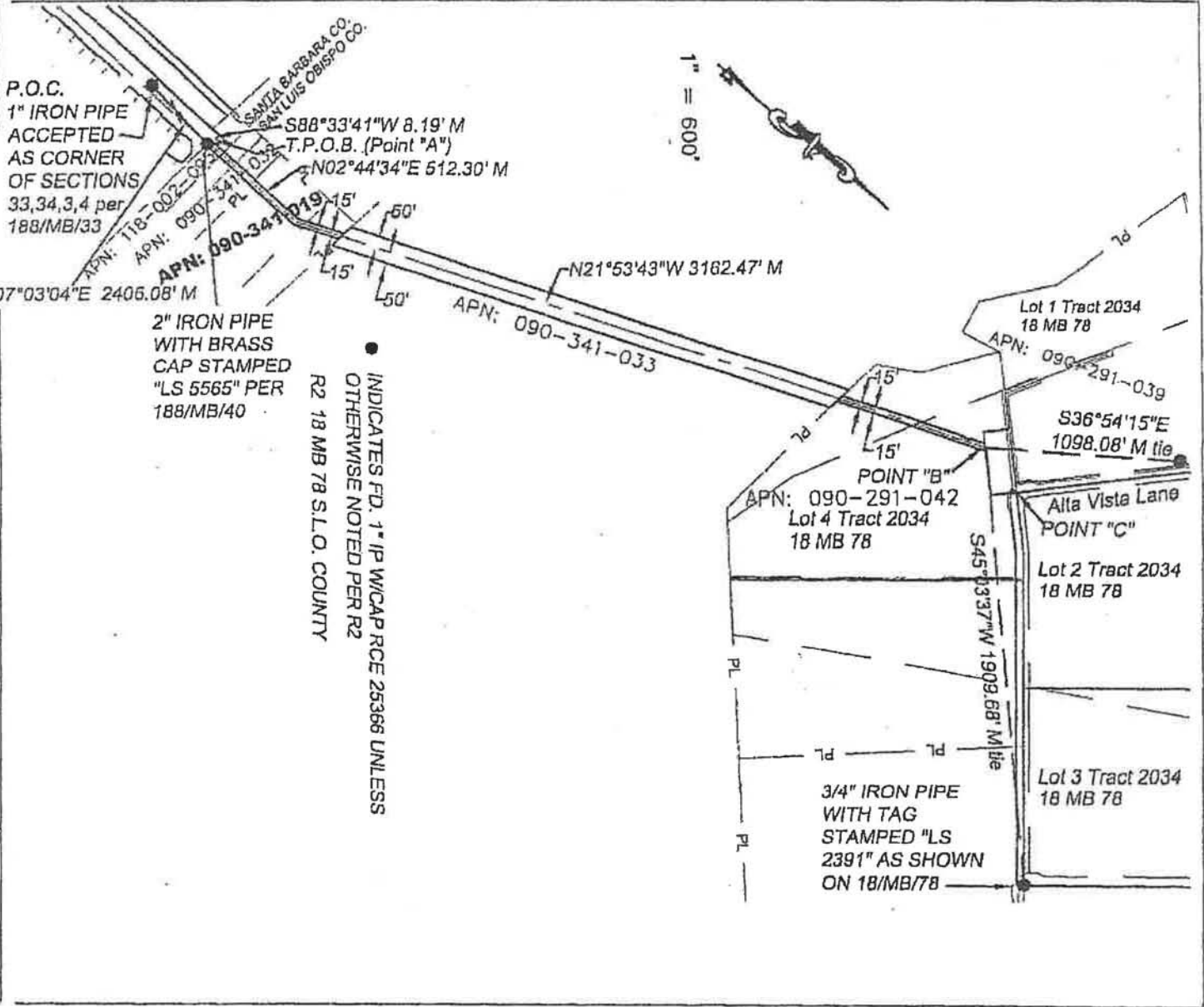
Joseph T. Morris

Joseph T. Morris, PLS 6192 6/18/10



EXHIBIT 6

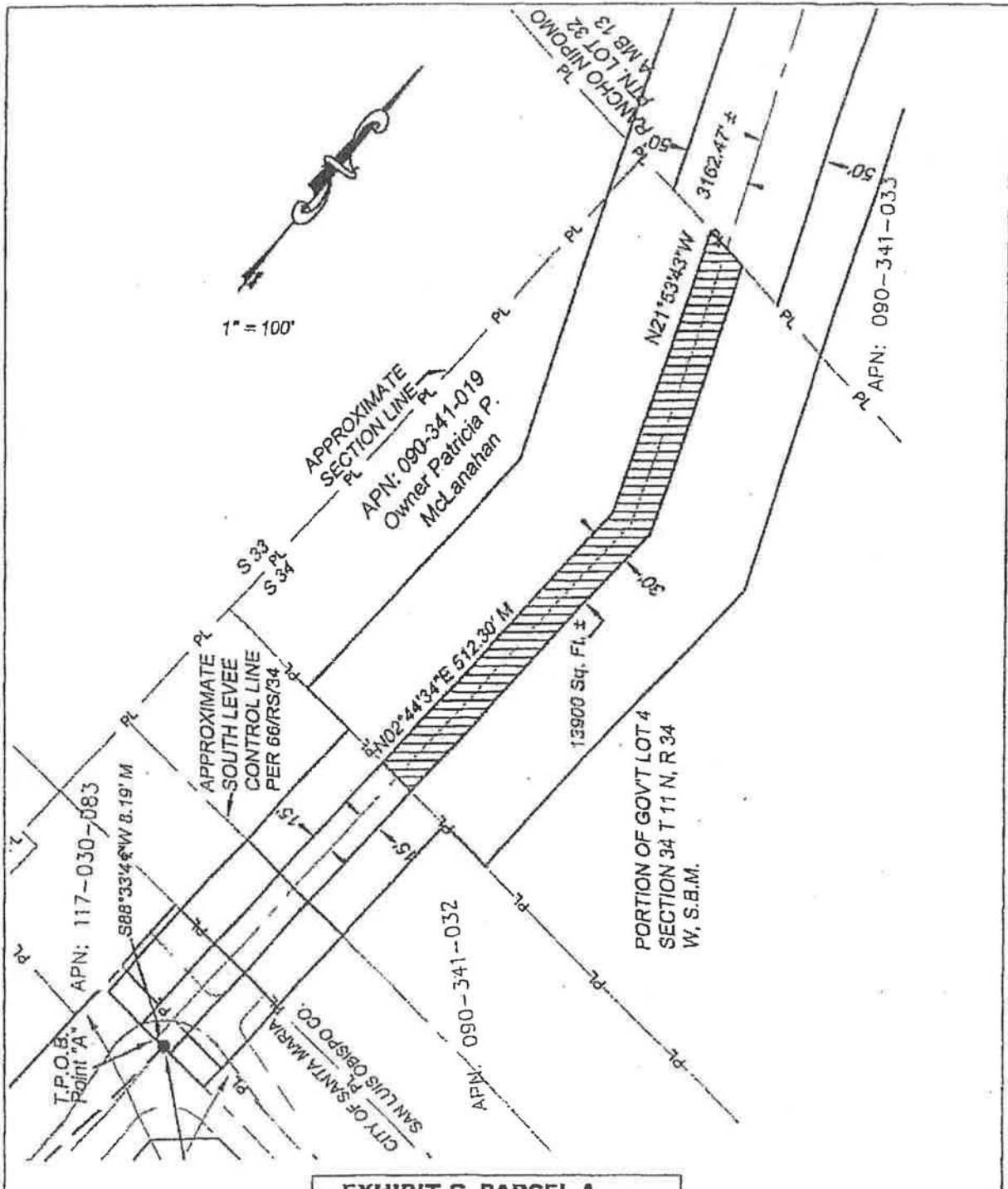
EXHIBIT C



**EXHIBIT B, OVERALL EASEMENT
 PORTIONS OF THE CITY OF
 SANTA MARIA
 AND THE COUNTY OF
 SAN LUIS OBISPO, CA**

PROJECT NO. 0532-0024
532-0024 Legal 4B.dwg
SURVEYED BY: EMR 10-12/2008
DRAFTED BY: ML 6-18-2010
CHECKED BY: JTM 6-18-2010

EXHIBIT C



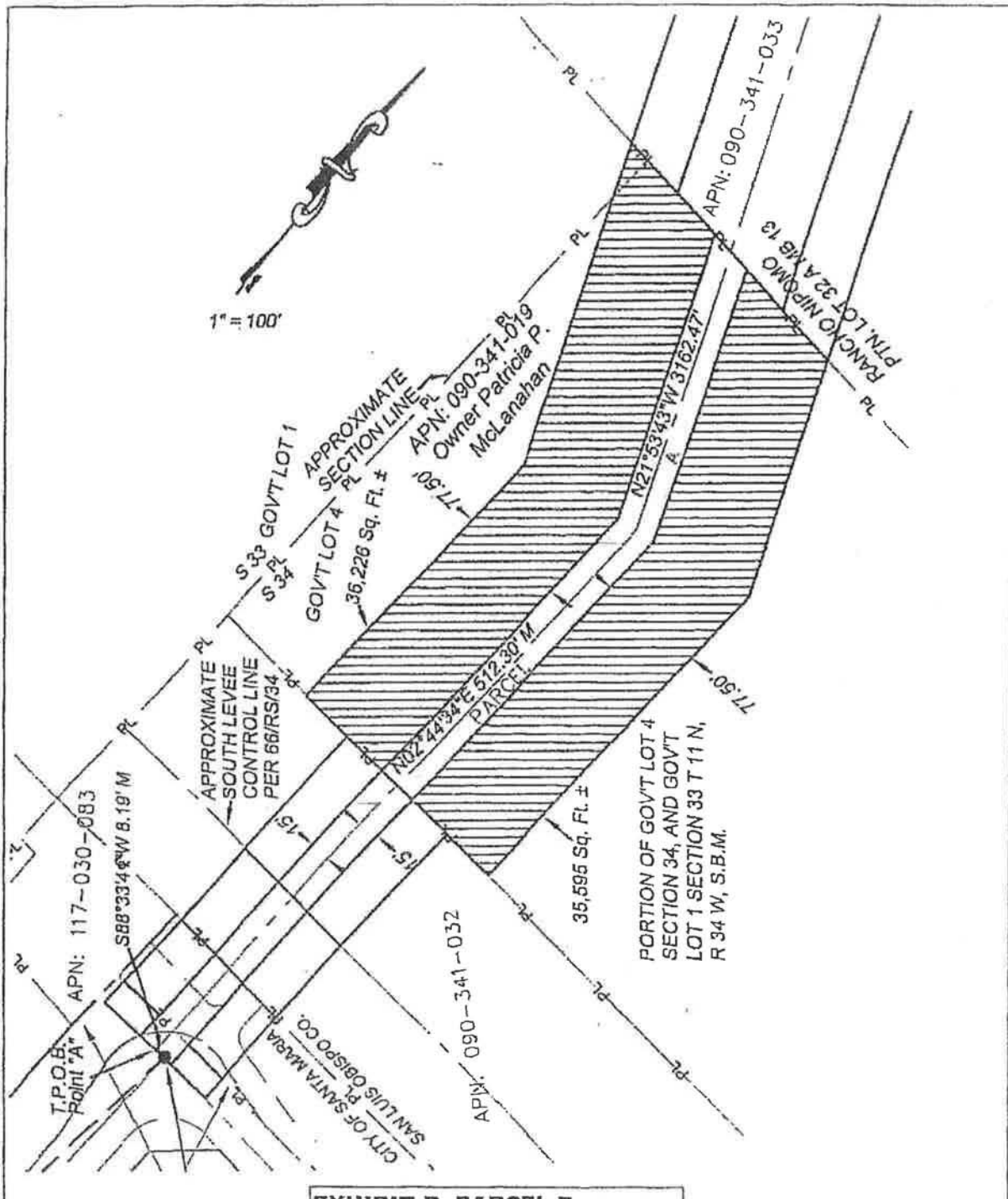
812 CLARION COURT
 SAN LUIS OBISPO, CA 93401
 T 805 544-4011
 F 805 544-4294
 www.wallacegroup.us

**EXHIBIT C, PARCEL A
 PERMANENT EASEMENT
 PORTION OF GOV'T LOT 4
 SECTION 34 T 11 N R 34 W
 S.B.M. COUNTY
 OF SAN LUIS OBISPO**

PROJECT NO. 0532-0024	
532-0024 Legal-4.dwg	
SURVEYED BY:	EMR 10-12-2008
DRAFTED BY:	ML 6-18-2010
CHECKED BY:	JTM 6-18-2010

EXHIBIT C

EXHIBIT D



612 CLARION COURT
 SAN LUIS OBISPO, CA 93401
 T 805 544-4011
 F 805 544-4254
 www.wallacegroup.us

**EXHIBIT D, PARCEL B
 TEMP. CONSTR. EASEMENT
 PTN. OF GOV'T LOT 4
 S. 34, AND GOV'T LOT 1 S. 33,
 T 11 N R 34 W, S.B.M. COUNTY
 OF SAN LUIS OBISPO, CA.**

PROJECT NO. 0532-0024
532-0024 Legal-4A.dwg
SURVEYED BY: EMR 10-12/2008
DRAFTED BY: ML 6-18-2010
CHECKED BY: JTM 6-18-2010

EXHIBIT D

JUNE 25, 2014

ITEM D-4

ATTACHMENT B

PARCEL NO.: 090-341-019, 090-331-005,
090-331-006, 090-331-008
PROJECT: Nipomo CSD Waterline Intertie Project
TITLE REPORT NO.: 4001-2492337

**REAL PROPERTY PURCHASE AGREEMENT
(WITH CONTINGENCIES AND ESCROW INSTRUCTIONS)**

THIS AGREEMENT is made and entered into this _____ day of _____ 2014 by and between The Nipomo Community Services District, (hereinafter called "District"), and Katherine P. Durley, as surviving Trustee of the Annie E. Preisker Life Estate Trust dated January 1, 1989, as to an undivided ½ interest; and Laird Durley, as to an undivided 1/7 interest, Odette Durley, as to an undivided 1/7 interest, W. Laird Durley and Robert McLanahan, as Successor Co-Trustees of the Sharon McLanahan Trust dated December 16, 2003, Successors to Sharon McLanahan, as to an undivided 5/28 interest, Ann McLanahan, as to an undivided 5/28 interest, Miranda McLanahan, as to an undivided 5/84 interest, James McLanahan, as to an undivided 5/84 interest, and Julia McLanahan, as to an undivided 5/28 interest; as to an undivided ½ interest (hereinafter collectively called "Property Owners"), for acquisition by District of the property rights described in that certain Easement Deed executed by Property Owners concurrently with the execution of this Agreement, a copy of which is attached hereto as Exhibit I (hereinafter called the "Easement Deed").

RECITALS:

A. The Nipomo Community Services District (District) is undertaking a project that involves the construction of a waterline to transport water from the City of Santa Maria to various water purveyors located on the Nipomo Mesa (aka the Nipomo Mesa Management Area) as provided in the June 25th Stipulation and Final Judgment in the litigation known as the Santa Maria Groundwater Litigation (Santa Maria Valley Water Conservation District vs. City of Santa Maria, et al.; Superior Court of California, County of Santa Clara Case No. 1-97-CV-770214). This project is hereinafter referred to as the "Waterline Intertie Project" or "Project."

B. The development of the Waterline Intertie Project requires the acquisition of property rights by the District for water lines, access, and for other appurtenant facilities from Property Owners.

C. The property rights sought by District involve portions of the properties identified as San Luis Obispo County Assessor's Parcel Numbers 090-341-019, 090-331-005, 090-331-006 and 090-331-008 ("Property"), which are owned by Property Owners.

D. Property Owners agree to convey the property rights described in the Easement Deed to District, for use in constructing the Waterline Intertie Project, under the terms and conditions specified in this Agreement.

IT IS HEREBY MUTUALLY AGREED BETWEEN THE PARTIES AS FOLLOWS:

1. AGREEMENT TO SELL AND PURCHASE. Property Owners agree to sell, upon the terms and for the consideration set forth in this Agreement, and District agrees to purchase, those certain property rights described in the Easement Deed.

2. **PURCHASE PRICE.** The total purchase price, payable in cash through escrow, shall be the sum of Fourteen Thousand Three Hundred Fifty-Five Dollars. (**\$14,355**). Said sum shall only be paid upon the close of escrow, which shall occur only upon the removal of all sale contingencies specified in this Agreement.

3. **SALE CONTINGENCIES.**

All contingencies are waived.

4. **CONVEYANCE OF TITLE.** Property Owners agree to the Easement Deed to District free and clear of all recorded and unrecorded liens, encumbrances, assessments, leases EXCEPT:

- A. Quasi-public utility, public alley, public street easements and public rights of way of record.
- B. Any additional items approved by District in writing in advance of the close of escrow.

In conjunction with pursuing any required subordinations and/or partial reconveyances of monetary encumbrances against the Property, District will coordinate any necessary contacts with beneficiaries and trustees in order to request and obtain such subordinations and reconveyances. Such efforts will be made at no cost to Property Owners, and any charges and/or recording fees charged in conjunction with completing such subordinations and/or reconveyances will be borne by District, except however, that should any beneficiary demand that a portion of the proceeds due Property Owners under this Agreement be applied to the balance of said encumbrances, then any such payment shall be made from Property Owners' proceeds through this escrow, subject to Property Owners' pre-approval.

5. **TITLE INSURANCE POLICY.** Escrow Agent shall, following recording of the Easement Deed to District, provide District with a Standard Coverage Policy of Title Insurance in the amount of \$12,500 issued by First American Title Company, showing title to the property rights described in the Easement Deed vested in District, subject only to the exceptions set forth in Paragraph 4 of this Agreement. District agrees to pay the premium charged therewith. If in order to issue such a policy, the title company requires an ALTA survey or other survey and/or legal descriptions, District shall provide and pay all costs associated therewith.

6. **ESCROW.** District and Property Owners agree to open an escrow in accordance with this Agreement at an escrow company of District's choice, promptly after this Agreement is fully executed by the parties hereto. This Agreement constitutes the joint escrow instructions of District and Property Owners, and Escrow Agent to whom these instructions are delivered is hereby empowered to act under this Agreement. The parties hereto agree to do all acts necessary to close this escrow in the shortest possible time.

Property Owners have concurrently executed the Easement Deed to District, for deposit into escrow as soon as possible after the opening of escrow. Thereafter, after removal and/or full and complete satisfaction of all contingencies specified in this Agreement, District will deposit into Escrow a Certificate of Acceptance of such Easement Deed and the purchase price, upon demand of Escrow Agent. District and Property Owners agree to deposit with Escrow Agent any additional instruments as may be necessary to complete this transaction. Prior to close of escrow, District shall deposit with escrow holder a Judgment and Final Order of Condemnation from the Superior Court

of San Luis Obispo, Action No. CV130176, condemning the interests of Christopher McLanahan. As described in the Judgment and Final Order of Condemnation, said party shall be paid proceeds out of escrow pursuant to his percentage ownership in the property, i.e., an undivided 5/84 interest as to an undivided 1/2 interest.

All funds received in this escrow shall be deposited with other escrow funds in a general escrow trust account(s) and may be transferred to any other such escrow trust account in any State or National Bank doing business in the State of California. All disbursements shall be made by check from such account.

ESCROW AGENT IS AUTHORIZED TO, AND SHALL:

- A. Pay and charge District for any escrow fees, charges and costs payable under Paragraphs 5 and 7 of this Agreement;
- B. Disburse funds and deliver the Easement Deed when conditions of this escrow have been fulfilled by District and Property Owners;
- C. Record the Easement Deed in the San Luis Obispo County Recorder's Office;
- D. Cause the Title Policy to be issued;
- E. Prepare and deliver to both Property Owners and District one signed copy of Escrow Agent's closing statement showing all receipts and disbursements of the escrow; and

If Escrow Agent is unable to simultaneously perform all of the instructions set forth above, Escrow Agent shall notify Property Owners and District and retain all funds and documents pending receipt of further instructions jointly issued by Property Owners and District.

The term "close of escrow," if and where written in these instructions, shall mean the date necessary instruments of conveyance are recorded in the office of the County Recorder. Recordation of instruments delivered through this escrow is authorized if necessary or proper in the issuance of said policy of title insurance.

All time limits within which any matter herein specified is to be performed may be extended by mutual agreement of the parties hereto. Any amendment of, or supplement to, any instructions must be in writing.

TIME IS OF THE ESSENCE IN THESE INSTRUCTIONS AND ESCROW IS TO CLOSE AS SOON AS POSSIBLE. If (except for deposit of money by District, which shall be made by District upon demand of Escrow Agent before close of escrow) this escrow is not in condition to close on or before March 31, 2014, any party who then shall have fully complied with his instructions may, in writing, demand payment of escrow proceeds according to his or her percentage interest as set forth herein; but if none have complied, no demand for payment shall be recognized until five (5) days after Escrow Agent shall have mailed copies of such demand to all other parties at their respective addresses shown in these escrow instructions, and if any objections are raised within said five (5) day period, Escrow Agent is authorized to hold all papers or documents until instructed by a court of competent jurisdiction or mutual instructions. If no demands are made, this escrow shall be closed as soon as possible.

7. **ESCROW FEES, CHARGES AND COSTS.** District agrees to pay all usual escrow, title and recording fees, charges and costs which arise in this escrow, except any costs specifically associated with providing clear title to the property rights described in the Easement Deed to District in accordance with the provisions of Paragraph 4 of this Agreement, which costs shall be borne by Property Owners. Since District is a public agency, this transaction is exempt from recording fees for the Easement Deed and from documentary transfer tax.

8. **CONSTRUCTION COORDINATION AND EASEMENT RESTORATION.**

A. Harvest of Crops. Property Owners agree not to recommence cultivation or planting of crops within the areas described in the Easement Deed (Easement, Easement Area, or Temporary Construction Easement), nor to permit others to plant crops within said areas, after July 29, 2013 until after all District Project construction and restoration work is completed within one year of the commencement of work. Otherwise, fair market annual rent for agricultural land will be paid to Property Owners for the time in excess of the one year term, at the rate of \$2,200 per acre per year. Property Owners understand that District has entered into separate agreement with Babé Farms, Inc. for crop loss caused by the District's Project.

B. Modification and Protection of Irrigation Lines and Appurtenances. District agrees to protect or restore the existing and future operating waterlines and irrigation systems on the Property. Property owners understand that their tenant Babé Farms, Inc. has already provided this information to District. During any use or occupation of any easement, the District may make modifications to the waterlines and irrigation systems in conjunction with its construction or repairs. Any modification done by the District shall be done in a manner so as to assure that flow and availability of water for irrigation purposes is not interrupted for a period of time that is harmful to crops growing or to be planted upon the Property outside the areas described in the Easement Deed. The determination of a harmful period will be made in good faith by the then farmer. Following completion of construction or repairs, the original water flow mechanism or pipes will be placed back by the District. However, future tenants of the Property may have additional plans where they were found or located in the same condition as found. If water flow or availability is interrupted for a period of time that is harmful to crops growing or to be planted upon the Real Property, District will be responsible for any and all damages to the crop, pursuant to separate agreement between District and Babé Farms, Inc.

C. Shared Right of Access. District shall have its contractors provide and maintain sufficient access routes to facilitate Property Owners' access needs during the Project construction period. These routes will be non-exclusive and may be moved from time to time during the Project construction period.

D. Dust Control. District will require its contractor to implement dust control measures throughout the construction period. The District shall be responsible and liable for all damage to crops outside the Easement Area or Temporary Easement caused by District or its agents, especially that caused by dust, as provided pursuant to separate agreement between District and Babé Farms, Inc.

NOTE: TRUST NEEDS COPY OF THIS AGREEMENT BEFORE AGREEING TO IT.

E. Topsoil Restoration. District shall segregate excavated topsoil from deeper soils, and restore topsoil in areas that will be returned to surface farming in a manner that mimics the pre-construction condition upon completion of construction.

G. Crop Damages. District agrees to be responsible for and defend and hold harmless Property Owners from any damage caused to crops damaged as a result of District's construction activities and activities within the Easement Area.

H. Use Under Easement Deed. District agrees that any of its personnel, agents or contractors entering the Property or working on the Property shall possess all required insurances, such as workers compensation and liability insurance of at least \$500,000/\$2,000,000. In addition, District agrees to hold harmless and indemnify Owners from any act, allegation, lawsuit, or demand originating from or incidentally involving any alleged act or failure to act by the District's personnel, agents or contractors. Indemnification shall include the payment of Owner's attorney's fees and costs incurred in representing Owners, mediation fees and costs (including mediator), arbitration fees and costs (including arbitrator), and expert and consultant fees and costs. District agrees to be responsible for any contamination caused to the Property by its personnel, agents or contractors entering the Property or working on the Property, as well as the clean-up of the or remediation of such contamination.

9. LEASES. The Lease with Babé Farms is the known lease that affects the portion of the Property that could reasonably interfere with District's use of the Easement Area including District's construction and maintenance of District facilities as described in the Easement Deed. Property Owners agree to include in all future leases a clause identifying the rights of future lessors/tenants to the rights of the District as described in the Easement Deed.

10. COUNTERPARTS. This Agreement may be executed in counterparts, each of which so executed shall irrespective of the date of its execution and delivery be deemed an original, and all such counterparts together shall constitute one and the same instrument.

11. CLOSING STATEMENT. Property Owners hereby authorize and instruct Escrow Agent to release a copy of Seller's closing statement to District for the purpose of ascertaining if any reimbursements are due.

12. PROPERTY OWNERS' WARRANTIES. The undersigned signatory(ies) signing on behalf of Property Owners warrant that he/she is the authorized signatory(ies) on behalf of Property Owners, that Property Owners own the Property, and that Property Owners are authorized to convey the herein referenced easement rights, under the terms and conditions specified herein, and that to Property Owners' knowledge, there are no toxic or hazardous wastes or materials, including asbestos, attributable to or affecting the Property, except agricultural products and by-products from municipal storm drainage. Further, Property Owners warrant that they are not aware of any boundary disputes regarding the Property. Property Owners' warranties shall survive the close of escrow.

13. JUDGMENT IN LIEU OF DEED. In the event that District has performed in accordance with the terms and conditions of this Agreement but Property Owners are unable to deliver title within a reasonable period of time in accordance with the terms of this Agreement, District may elect to file an action in eminent domain to finalize the acquisition of the property rights described

in the Easement Deed, in which case this Agreement shall constitute a stipulation which may be filed in said proceedings as final and conclusive evidence of the total amount of damages for the taking, including all of the items listed in Section 1260.230 of the Code of Civil Procedure, regarding said property rights. Nothing in this paragraph shall be interpreted to limit District's innate rights under eminent domain law.

14. GOOD FAITH. Where the terms of this Agreement provide for action to be based upon opinion, judgment, approval, review or determination of either party hereto, such terms are not intended to and shall never be construed to permit such opinion, judgment, approval, review or determination to be arbitrary, capricious or unreasonable. The District and the Property Owners shall each act in good faith in performing their respective obligations as set forth in this Agreement.

15. SECTION HEADINGS. The headings of the several sections, and any table of contents appended hereto, shall be solely for convenience of reference and shall not affect the meaning, construction or effect hereof.

16. SEVERABILITY. If any term, provision or any portion of a provision contained in this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, then such term, provision or portion of a provision shall be deemed severable from the remaining provisions hereof, and such invalidity, illegality or unenforceability shall not affect the remaining portion of the provision or any other provision hereof, and this Agreement shall be construed as if such invalid, illegal or unenforceable term, provision or any portion of a provision had not been contained herein.

17. INTERPRETATION OF THIS AGREEMENT. The parties acknowledge that each party and its attorney had the opportunity to review, negotiate and revise this Agreement and that the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement or any document executed and delivered by any party in connection with the obligations contemplated by this Agreement.

18. TIME IS OF THE ESSENCE. Time is of the essence in this Agreement and each covenant and term is a condition herein.

19. CALIFORNIA LAW. This Agreement shall be governed by the laws of the State of California.

20. RECITALS. Recitals A through D are incorporated herein by reference as though set forth at length.

21. MISCELLANEOUS TERMS. The terms, conditions, covenants and agreements set forth herein shall apply to and bind the heirs, executors, administrators, assigns and successors of the parties hereto.

This Agreement contains the entire agreement between the parties, and neither party relies upon any warranty or representation not contained in this Agreement.

This Agreement is subject to and conditioned upon approval and ratification by the Board of Directors of the Nipomo Community Services District at a regularly scheduled Nipomo Community

Services District Board of Directors meeting. This Agreement is not binding upon District until executed by the appropriate District official(s) acting in their authorized capacity, therefore, no act or notice provided for within this Agreement or incorporated document can be done nor will it be honored until the District and Property Owners each execute this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement the day and year first set forth herein above.

**MAILING ADDRESS
OF PROPERTY OWNERS:**

Durley and
McLanahan Families
c/o Mr. Vincent Martinez
Twitchell & Rice LLP
215 N. Lincoln Street
P.O. Box 520
Santa Maria, CA 93456

Property Owners:

Katherine P. Durley, as surviving Trustee of the Annie E. Preisker Life Estate Trust dated January 1, 1989

By: *Katherine P. Durley*

Katherine P. Durley, Trustee

W. Laird Durley

Odette Durley

W. Laird Durley and Robert McLanahan, Successor Trustees
of the Sharon McLanahan Trust dated December 16, 2003,
Successors to Sharon McLanahan

By: _____
W. Laird Durley
Trustee

By: _____
Robert McLanahan
Trustee

Ann McLanahan

Miranda McLanahan

James McLanahan

Services District Board of Directors meeting. This Agreement is not binding upon District until executed by the appropriate District official(s) acting in their authorized capacity, therefore, no act or notice provided for within this Agreement or incorporated document can be done nor will it be honored until the District and Property Owners each execute this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement the day and year first set forth herein above.

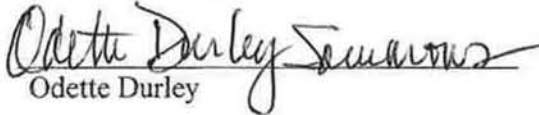
**MAILING ADDRESS
OF PROPERTY OWNERS:**

Durley and
McLanahan Families
c/o Mr. Vincent Martinez
Twitchell & Rice LLP
215 N. Lincoln Street
P.O. Box 520
Santa Maria, CA 93456

Property Owners:

Katherine P. Durley, as surviving Trustee of the Annie E.
Preisker Life Estate Trust dated January 1, 1989

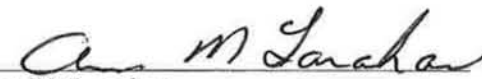
By: _____
Katherine P. Durley, Trustee

W. Laird Durley

Odette Durley

W. Laird Durley and Robert McLanahan, Successor Trustees
of the Sharon McLanahan Trust dated December 16, 2003,
Successors to Sharon McLanahan

By: _____
W. Laird Durley
Trustee

By: _____
Robert McLanahan
Trustee


Ann McLanahan

Miranda McLanahan

James McLanahan

Services District Board of Directors meeting. This Agreement is not binding upon District until executed by the appropriate District official(s) acting in their authorized capacity, therefore, no act or notice provided for within this Agreement or incorporated document can be done nor will it be honored until the District and Property Owners each execute this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement the day and year first set forth herein above.

**MAILING ADDRESS
OF PROPERTY OWNERS:**

Durley and
McLanahan Families
c/o Mr. Vincent Martinez
Twitchell & Rice LLP
215 N. Lincoln Street
P.O. Box 520
Santa Maria, CA 93456

Property Owners:

Katherine P. Durley, as surviving Trustee of the Annie E.
Preisker Life Estate Trust dated January 1, 1989

By: _____
Katherine P. Durley, Trustee

W. Laird Durley

Odette Durley

W. Laird Durley and Robert McLanahan, Successor Trustees
of the Sharon McLanahan Trust dated December 16, 2003,
Successors to Sharon McLanahan

By: _____
W. Laird Durley
Trustee

By: _____
Robert McLanahan
Trustee

Ann McLanahan

Miranda McLanahan


James McLanahan

Services District Board of Directors meeting. This Agreement is not binding upon District until executed by the appropriate District official(s) acting in their authorized capacity, therefore, no act or notice provided for within this Agreement or incorporated document can be done nor will it be honored until the District and Property Owners each execute this Agreement.

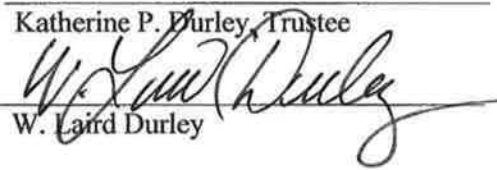
IN WITNESS WHEREOF, the parties hereto have executed this Agreement the day and year first set forth herein above.

**MAILING ADDRESS
OF PROPERTY OWNERS:**

Durley and
McLanahan Families
c/o Mr. Vincent Martinez
Twitchell & Rice LLP
215 N. Lincoln Street
P.O. Box 520
Santa Maria, CA 93456

Property Owners:

Katherine P. Durley, as surviving Trustee of the Annie E.
Preisker Life Estate Trust dated January 1, 1989

By: _____
Katherine P. Durley, Trustee

W. Laird Durley

Odette Durley

W. Laird Durley and Robert McLanahan, Successor Trustees
of the Sharon McLanahan Trust dated December 16, 2003,
Successors to Sharon McLanahan

By: _____

W. Laird Durley
Trustee

By: _____
Robert McLanahan
Trustee

Ann McLanahan

Miranda McLanahan

James McLanahan

Services District Board of Directors meeting. This Agreement is not binding upon District until executed by the appropriate District official(s) acting in their authorized capacity, therefore, no act or notice provided for within this Agreement or incorporated document can be done nor will it be honored until the District and Property Owners each execute this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement the day and year first set forth herein above.

**MAILING ADDRESS
OF PROPERTY OWNERS:**

Durley and
McLanahan Families
c/o Mr. Vincent Martinez
Twitchell & Rice LLP
215 N. Lincoln Street
P.O. Box 520
Santa Maria, CA 93456

Property Owners:

Katherine P. Durley, as surviving Trustee of the Annie E.
Preisker Life Estate Trust dated January 1, 1989

By: _____
Katherine P. Durley, Trustee

W. Laird Durley

Odette Durley

W. Laird Durley and Robert McLanahan, Successor Trustees
of the Sharon McLanahan Trust dated December 16, 2003,
Successors to Sharon McLanahan

By: _____
W. Laird Durley
Trustee

By: _____
Robert McLanahan
Trustee

Ann McLanahan

Miranda McLanahan

James McLanahan

Services District Board of Directors meeting. This Agreement is not binding upon District until executed by the appropriate District official(s) acting in their authorized capacity, therefore, no act or notice provided for within this Agreement or incorporated document can be done nor will it be honored until the District and Property Owners each execute this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement the day and year first set forth herein above.

**MAILING ADDRESS
OF PROPERTY OWNERS:**

Durley and
McLanahan Families
c/o Mr. Vincent Martinez
Twitchell & Rice LLP
215 N. Lincoln Street
P.O. Box 520
Santa Maria, CA 93456

Property Owners:

Katherine P. Durley, as surviving Trustee of the Annie E.
Preisker Life Estate Trust dated January 1, 1989

By: _____
Katherine P. Durley, Trustee

W. Laird Durley

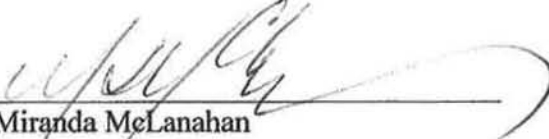
Odette Durley

W. Laird Durley and Robert McLanahan, Successor Trustees
of the Sharon McLanahan Trust dated December 16, 2003,
Successors to Sharon McLanahan

By: _____
W. Laird Durley
Trustee

By: _____
Robert McLanahan
Trustee

Ann McLanahan



Miranda McLanahan

James McLanahan



Julia McLanahan

DISTRICT:

**MAILING ADDRESS OF
DISTRICT:**

The Nipomo Community Services District

Nipomo Community Services
District
P.O. Box 326
Nipomo, CA 93444-0326

By: _____
Name: Michael LeBrun
Title: General Manager

Julia McLanahan



Christopher McLanahan

DISTRICT:

The Nipomo Community Services District

**MAILING ADDRESS OF
DISTRICT:**

Nipomo Community Services
District
P. O. Box 326
Nipomo, CA 93444-0326

By: _____
Name: Michael LeBrun
Title: General Manager

EXHIBIT I

Recorded at request of and
When recorded return to:

Nipomo Community Services District
c/o Hamner, Jewell & Associates
Government Real Estate Services
340 James Way, Suite 150
Pismo Beach, California 93449

Space above this line for Recorder's Use

No recording fee per Government Code § 6103
No Documentary Transfer Tax per Revenue & Taxation Code § 11922

A.P. No. 090-341-019 and 090-331-008

EASEMENT DEED and COVENANTS RUNNING WITH THE LAND

(to Nipomo Community Services District)

Exhibits incorporated by reference:

- “A” – Legal description of Grantor's Real Property
- “B” – Legal description of Permanent Easement and Construction Easement
- “C” – Depiction of the Permanent Easement
- “D” – Depiction of Temporary Construction Easement

This Grant of Easement to the Nipomo Community Services District (“District”) and Covenants Running With The Land (herein the “Easement”) is made this _____ day of _____, 2014, by and Katherine P. Durley, as surviving Trustee of the Annie E. Preisker Life Estate Trust dated January 1, 1989, as to an undivided ½ interest; and W. Laird Durley, as to an undivided 1/7 interest, Odette Durley, as to an undivided 1/7 interest, W. Laird Durley and Robert McLanahan, as Successor Co-Trustees of the Sharon McLanahan Trust dated December 16, 2003, Successors to Sharon McLanahan, as to an undivided 5/28 interest, Ann McLanahan, as to an undivided 5/28 interest, Miranda McLanahan, as to an undivided 5/84 interest, James McLanahan, as to an undivided 5/84 interest, and Julia McLanahan, as to an undivided 5/28 interest; as to an undivided ½ interest (collectively “Grantor”). The remaining interest holder, Christopher McLanahan, has not signed this Deed; his interest will be conveyed through separate eminent domain proceedings entitled Nipomo Community Services District v. Durley, et al., San Luis Obispo County Superior Court, Case No. CV130176.

RECITALS

A. Grantor is the fee simple owner of certain real property (the "Real Property") currently being used as and for agricultural purposes located in the unincorporated area of the County of San Luis Obispo, legally described in Exhibit "A" attached hereto and incorporated herein by reference.

B. Grantor desires to grant and dedicate, irrevocably, to the District, a permanent easement in, over, on, through, within, under and across part of the Real Property described in Recital A, above, for the purposes described below.

GRANT OF EASEMENT

NOW, THEREFORE, for valuable consideration, receipt of which is hereby acknowledged, Grantor grants, covenants and promises as follows:

1. **GRANT OF EASEMENT.** Grantor hereby grants and conveys in, through, within, and under the Real Property to the District a permanent easement (herein "Easement" or "Easement Area") in gross, more particularly described in Exhibit "B" (Parcel "A") and as depicted in Exhibit "C" attached hereto and incorporated herein by reference.

2. **PURPOSE.** The purpose of the Easement is to survey, install, construct, reconstruct, enlarge, lay, alter, operate, patrol, remove, replace, and maintain a water conduit, consisting of one underground water pipeline and related facilities. There will be no above-ground related facilities or improvement in connection therewith in the Easement or Easement Area.

3. **TERMS, CONDITIONS AND COVENANTS.** The Easement described herein shall be SUBJECT TO THE FOLLOWING TERMS AND CONDITIONS:

a. The facilities and improvements installed in the Easement Area collectively are referred to herein as "District Facilities." Plans for District Facilities as they exist from time to time shall be maintained at the District's principal offices.

b. District shall have the right of ingress and egress for personnel, vehicles, and construction equipment to and from the Easement Area at any time, without prior notice, including the right to use lanes, drives, rights-of-way, and roadways within the Real Property which now exist or which hereinafter may be constructed, as shall be convenient and necessary for the purpose of exercising the rights herein set forth and for no other reason or use and shall not interfere with the farming operations of Grantor's tenants; provided, however, that nothing herein shall prevent or limit rights of Grantor to close such roadways, lanes, or rights-of-way and to provide District with comparable alternative access to the Easement Area. District shall be liable and responsible for maintenance of roadways, lanes, drives and rights-of-way within the Real Property proportionate with the District's use of the roadways, lanes, drives and rights-of-way, and the District will be responsible for all damage caused to the roadways, lanes, drives and rights-of-way actually caused by its use.

c. As the amount of earth or other fill over District Facilities can affect the structural integrity of the District's Facilities, District shall have the right to maintain the height of earth or other fill within the Easement Area. Grantor shall not temporarily or permanently modify, or allow others to in any way modify, the ground surface elevation in the Easement Area from the elevation established upon completion of construction of the District's Facilities without the District's prior written consent, which consent shall not be withheld unreasonably. Grantor shall not conduct, or permit others to conduct, farming or grading operations, ripping and stockpiling to the extent that it may cause a surface disturbance deeper than six (6) feet, and shall not use, or permit others to use, explosives within the Easement Area. In the event that Grantor violates the provisions of this paragraph, District shall have the right to do all things necessary and proper to remove any excess soils, stockpiles, and explosives, to restore grade elevations, and to repair any damages to District Facilities caused by Grantor's violation.

d. District shall install the pipeline at 25 feet below the current surface of the land. Except as otherwise provided herein, the District's easement for the pipeline shall be limited to its current location.

e. The Easement is subject to all existing fencing, canals, irrigation ditches, laterals, pipelines, irrigation facilities, roads, electrical transmission facilities, and communication lines existing on the date the Easement is granted, and all future uses including the right to use the Easement Area for agricultural purposes and installation of irrigation pipelines, excepting vegetation which endangers the integrity of District Facilities and mining, which do not create a surface disturbance deeper than six (6) feet and do not directly or indirectly interfere with or endanger District's exercise of the rights described herein; provided, however, District shall have the right to clear and keep clear from the Easement Area all explosives, buildings, structures, walls, and other facilities of a permanent or temporary nature, excluding irrigation pipelines irrigating crops or supplying water to the premises but within the Easement Area, and any earth cover or stockpile of material placed without the District's prior written consent, which interferes with District's use of the Easement Area. Except that for which this easement is subject to, in addition to any other legal and equitable remedies for violations of this paragraph, District shall have the right to do all things necessary and proper to remove any such vegetation, explosives, mining operations, improvements, and materials that violate this provision provided the District gives proper 15 day written notice except for emergency conditions such as explosive use. Subject to the other requirements of this Easement, Grantor shall have the right to explore and/or extract minerals (such as oil or gas) within the Easement Area which are in place at a depth of more than two hundred fifty feet (250') below the surface. However, the exploration and/or extraction of such minerals within two hundred fifty feet (250') of the surface shall require the prior written consent of the District.

f. Subsequent to the grant of this Easement, Grantor shall not grant any easements of any kind whatsoever to others in, over, on, through, within, under and across the Easement Area without the prior written approval of the District, which approval shall not be withheld unreasonably.

g. This Easement shall be recorded in the Official Records in the County Recorder's Office, San Luis Obispo County.

h. Recitals A and B and Exhibits A through D are incorporated herein by reference as though set forth at length.

4. GRANT OF TEMPORARY CONSTRUCTION EASEMENT. Grantor hereby grants and conveys to District a temporary construction easement for the purpose of facilitating construction of District Facilities, including the right to place equipment and vehicles, pile earth from Grantor's Real Property only thereon and in consideration of the payment from District to Grantor pursuant to the Real Purchase Agreement between District and Grantor. Such Temporary Construction Easement (herein "Temporary Construction Easement Area") is more particularly described in Exhibit "B" (Parcel "B") and as depicted in Exhibit "D" attached hereto and incorporated herein by this reference, and shall not be accessed by District until it provides the requisite written notice. Upon completion or termination of said construction, said Temporary Construction Easement Area will be deeded back to Grantor and restored by the District to the condition that existed prior to construction to the extent reasonably practical, but at a minimum and to the extent reasonably practical to the same soil content as existed prior to District's use and in a level graded condition.

District hereby grants Grantors, its heirs, assigns, lessees, and beneficiaries to use any roadway or lane created within the temporary construction easement by District.

This Temporary Construction Easement shall commence July 29, 2013, and shall automatically terminate July 29, 2015 or upon completion of District's Project construction, whichever occurs first; however, District shall have the ability to extend the Temporary Construction Easement term in two (2) additional three (3) month increments if District determines that additional time beyond the two (2) year period is necessary for construction completion. In such case, District shall have the unilateral ability to extend the Temporary Construction Easement period through construction completion and agrees to compensate Grantor Five Hundred Fifty Dollars (\$550) per acre for each three (3) month extension term exercised. Payment for any such extensions shall be paid by District to Grantor concurrent with District's written notice to Grantor of District's intent to exercise such extension provisions. In any event, this Temporary Construction Easement shall terminate on or before December 31, 2015. District shall provide Grantor written notice of its intent to extend the Temporary Construction Easement at least thirty calendar days before the Temporary Construction Easement is due to expire. Otherwise, the extension will be waived by the District.

5. COVENANTS RUNNING WITH THE LAND. The obligations of Grantor identified in paragraphs 1 through 4, above shall be considered for all purposes to be covenants that shall run with the land (the Real Property) and shall be binding on the successors and assigns of the Grantor and shall inure to the benefit of District and its successors and assigns.

6. **SECTION HEADINGS.** The headings of the several sections of this Easement Deed shall be solely for convenience of reference and shall not affect the meaning, construction or effect hereof.

7. **SEVERABILITY.** If any term, covenant, condition, or provision of this Easement Deed 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.

8. **NO WAIVER OF DEFAULT.** No delay or omission of District to exercise any right or power arising upon the occurrence of any event of default shall impair any such right or power or shall be construed to be a waiver of any such default or an acquiescence therein; and every power and remedy given by this Easement Deed to District shall be exercised from time to time and as often as may be deemed expedient in the sole discretion of District.

9. **MODIFICATION.** Any oral representations or modifications concerning this Easement shall be of no force and effect excepting a subsequent modification in writing, signed by both parties. Each party waives their future right to claim, contest or assert that this Deed was modified, cancelled, superseded, or changed by any oral agreements, course of conduct, waiver or estoppel.

10. **CALIFORNIA LAW.** This Easement Deed shall be governed by the laws of the State of California. Any litigation regarding this Easement Deed or its contents shall be filed in the County of San Luis Obispo, if in state court, or in the federal court nearest to San Luis Obispo County, if in federal court.

11. **AUTHORITY TO EXECUTE.** Grantor warrants and represents that they have the power and authority to enter into this Easement Deed in the names, titles, and capacities herein stated and on behalf of any entities, persons, or firms represented or purported to be represented by such entity(ies), person(s), or firm(s) and that all formal requirements necessary or required by any state and/or federal law in order to enter into this Easement Deed have been fully satisfied. Furthermore, by entering into this Easement Deed, Grantor hereby warrants that Grantor shall not have breached the terms or conditions of any other contract or agreement to which Grantor is obligated, which breach would have a material effect hereon.

This Easement Deed may be executed in counterparts, each of which so executed shall irrespective of the date of its execution and delivery be deemed an original, and all such counterparts together shall constitute one and the same instrument.

Signatures on following pages...

GRANTOR:

Annie E. Preisker Life Estate Trust dated
January 1, 1989

Date: _____

By: _____
Katherine P. Durley, Trustee

State of California)
County of _____)

On _____, before me,

_____, Notary Public, personally appeared
Katherine P. Durley who proved to me on the basis of satisfactory evidence to be the
person whose name is subscribed to the within instrument and acknowledged to me that
she executed the same in her authorized capacity, and that by her signature on the
instrument the person, or the entity upon behalf of which the person acted, executed the
instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that
the foregoing paragraph is true and correct.

WITNESS my hand and official seal

Signature _____ (Seal)

GRANTOR:

Date: _____

By: _____
W. Laird Durley

State of California)
County of _____)

On _____, before me,

_____, Notary Public, personally appeared Laird Durley who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal

Signature _____ (Seal)

GRANTOR:

Date: _____

By: _____
Odette Durley

State of California)
County of _____)

On _____, before me,

_____, Notary Public, personally appeared Odette Durley who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that she executed the same in her authorized capacity, and that by her signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal

Signature _____ (Seal)

GRANTOR:

W. LAIRD DURLEY AND ROBERT
McLANAHAN, SUCCESSOR TRUSTEE
DATED DECEMBER 16, 2003,
SUCCESSORS TO SHARON
McLANAHAN

Date: _____

By: _____
W. Laird Durley
Trustee

Date: _____

By: _____
Robert McLanahan
Trustee

State of California)
County of _____)

On _____, before me,

_____, Notary Public, personally appeared

_____ who proved to me on the basis of
satisfactory evidence to be the person whose name is subscribed to the within
instrument and acknowledged to me that she executed the same in her authorized
capacity, and that by her signature on the instrument the person, or the entity upon
behalf of which the person acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that
the foregoing paragraph is true and correct.

WITNESS my hand and official seal

Signature _____ (Seal)

GRANTOR:

Date: _____

By: _____
Ann McLanahan

State of California)
County of _____)

On _____, before me,

_____, Notary Public, personally appeared Ann McLanahan who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that she executed the same in her authorized capacity, and that by her signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal

Signature _____ (Seal)

GRANTOR:

Date: _____

By: _____
Miranda McLanahan

State of California)
County of _____)

On _____, before me,

_____, Notary Public, personally appeared
Miranda McLanahan who proved to me on the basis of satisfactory evidence to be the
person whose name is subscribed to the within instrument and acknowledged to me that
he executed the same in his authorized capacity, and that by his signature on the
instrument the person, or the entity upon behalf of which the person acted, executed the
instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that
the foregoing paragraph is true and correct.

WITNESS my hand and official seal

Signature _____ (Seal)

GRANTOR:

Date: _____

By: _____
James McLanahan

State of California)
County of _____)

On _____, before me,

_____, Notary Public, personally appeared James McLanahan who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal

Signature _____ (Seal)

GRANTOR:

Date: _____

By: _____
Julia McLanahan

State of California)
County of _____)

On _____, before me,

_____, Notary Public, personally appeared Julia McLanahan who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that she executed the same in her authorized capacity, and that by her signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal

Signature _____ (Seal)

CERTIFICATE OF ACCEPTANCE
GOVERNMENT CODE §27281

This is to certify that the Nipomo Community Services District, Grantee, herein, by Board action on _____, 2011, accepts for public purposes the real property or interest described in the foregoing Easement, dated _____, 2011, from Grantor, and consents to its content and the recordation thereof.

Nipomo Community Services District

By: _____
Name: James Harrison
Title: President
Nipomo Community Services District
Board of Directors

ATTEST:

Michael LeBrun, District General Manager
and Secretary to the Nipomo Community
Services District Board of Directors

PARCEL 1: (090-331-008)

GOVERNMENT LOTS 1 AND 2 OF FRACTIONAL SECTION 33, TOWNSHIP 11 NORTH, RANGE 34 WEST, SAN BERNARDINO BASE AND MERIDIAN, IN THE COUNTY OF SAN LUIS OBISPO, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF.

EXCEPTING THEREFROM ANY PORTION LYING IN THE COUNTY OF SANTA BARBARA, STATE OF CALIFORNIA.

ALSO EXCEPTING THEREFROM THAT PORTION OF THE LAND ACQUIRED BY THE COUNTY OF SANTA BARBARA BY FINAL ORDER OF CONDEMNATION RECORDED JULY 2, 1963 IN BOOK 1248 PAGE 293 OF OFFICIAL RECORDS.

PARCEL 2: (090-341-019)

GOVERNMENT LOTS 3 AND 4 OF FRACTIONAL SECTION 34, TOWNSHIP 11 NORTH, RANGE 34 WEST, SAN BERNARDINO BASE AND MERIDIAN, IN THE COUNTY OF SAN LUIS OBISPO, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF.

EXCEPTING THEREFROM ANY PORTION LYING IN THE COUNTY OF SANTA BARBARA, STATE OF CALIFORNIA.

ALSO EXCEPTING THEREFROM THAT PORTION OF THE LAND ACQUIRED BY THE COUNTY OF SANTA BARBARA BY FINAL ORDER OF CONDEMNATION RECORDED JULY 2, 1963 IN BOOK 1248 PAGE 293 OF OFFICIAL RECORDS.

ALSO EXCEPTING FROM GOVERNMENT LOT 3, ALL MINERALS, METALS, PETROLEUM, NATURAL GAS AND ALL OTHER HYDROCARBONS IN OR ON SAID PREMISES, TOGETHER WITH THE RIGHT TO RECOVER SAID PRODUCTS, AS RESERVED BY JOHN T. PORTER COMPANY, A CALIFORNIA CORPORATION, IN DEED RECORDED APRIL 25, 1938 IN BOOK 238 PAGE 411 OF OFFICIAL RECORDS.

PARCEL 3: (090-331-005)

THAT PORTION OF THE EAST HALF OF SUBDIVISION ONE OF RANCHO PUNTA DE LA LAGUNA, IN THE COUNTY OF SAN LUIS OBISPO, STATE OF CALIFORNIA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

THAT PORTION OF PARCEL 5 LYING WITHIN THE COUNTY OF SAN LUIS OBISPO, INDICATED AS CONTAINING 28.204 ACRES ON MAP FILED IN BOOK 25, PAGE 100 OF RECORDS OF SURVEY, IN THE OFFICE OF THE COUNTY RECORDER OF SANTA BARBARA COUNTY, STATE OF CALIFORNIA.

PARCEL 4: (090-331-006)

THAT PORTION OF LOT 3 LYING NORTHERLY OF THE SOUTHERN BOUNDARY OF THE COUNTY OF SAN LUIS OBISPO, SECTION 33, TOWNSHIP 11 NORTH, RANGE 34 WEST, S.B.M. IN THE COUNTY OF SAN LUIS OBISPO, STATE OF CALIFORNIA.

APN: 090-341-019 and 090-331-005, 006 & 008

First American Title Company

EXHIBIT A

LEGAL DESCRIPTION

Over a portion of APN: 090-341-019 (County of San Luis Obispo)
Owner: Patricia P. McLanahan

A portion of Government Lot 4, in the west one-half of Section 34, and a portion of Government Lot 1 in the east one-half of Section 33, both in Township 11 North, Range 34 West, S.B.M. in the County of San Luis Obispo, State of California according to the Official Plat on file in the District Land Office, and being more particularly described as Parcels "A" and "B" below:

PARCEL "A" (Exhibit C, Permanent Easement Area)

A strip of land, thirty feet (30 feet) wide, the center line described as follows:

Commencing at a found 1 inch diameter iron pipe marking the Section Corner between Sections 33 and 34, Township 11 North, Range 34 West, and Sections 3 and 4, Township 10 North, Range 34 West, S.B.M. in the County of Santa Barbara, State of California, as shown on Tract 5764, Phase 3, Unit 2, in the City of Santa Maria, County of Santa Barbara, State of California, according to the map filed in Book 188 at Pages 31 through 36 of Maps, in the Office of the County Recorder of said Santa Barbara County, and having grid coordinates of (northing) 2,188,882.615 feet, (easting) 5,826,896.812 feet of the California Coordinate System 1983 (CCS83), Zone 5, epoch date 2002.00, using Continuous Operating Reference Stations, 1996 adjustment [NAD83(CORS96)];

Thence north 07°03'04" east 2,406.08 feet to a found two inch diameter iron pipe and brass cap stamped "LS 5565" marking the point of intersection of Blosser Road and Atlantic Place as shown on said map and having grid coordinates of (northing) 2,191,270.493 feet (easting) 5,827,192.174 feet of said CCS83, Zone 5;

Thence south 88°33'41" west 8.19 feet to the **True Point of Beginning** and for convenience called **Point "A"**;

Thence north 02°44'34" east 512.30 feet;

Thence north 21°53'43" west 3,162.47 feet to a point for convenience called **Point "B"** and lying south 36°54'15" east 1,098.08 feet from a found one inch iron pipe and plastic plug stamped "RCE 25366" marking the corner common to Lot 1 and Lot 2 and on the northwesterly boundary line of Tract No. 2034 in the County of San Luis Obispo, State of California, according to the map filed in Book 18 at

EXHIBIT C

Page 78 of Maps, in the Office of the County Recorder of said County, and having grid coordinates of (northing) 2,195,594.427 feet (easting) 5,825,369.804 feet of said CCS83, Zone 5, and also lying south 45°03'37" west 1,909.68 feet from a found three quarter inch iron pipe and tag stamped "LS 2391" marking the most easterly corner of Lot 3 of said Tract No. 2034 and having grid coordinates of (northing) 2,196,065.278 feet (easting) 5,827,380.941 feet of said CCS83, Zone 5.

Containing 13,900 square feet more or less.

PARCEL "B" (Exhibit D, Temporary Construction Easement)

A strip of land, one hundred and eighty five feet (185 feet) wide, the center line described as follows:

Beginning at the above described Point "A";

Thence north 02°44'34" east 512.30 feet;

Thence north 21°53'43" west 3,162.47 feet to the above described Point "B".

Excepting therefrom the land described in Parcel "A" above.

Containing 71,821 square feet more or less.

All distances are grid distances CCS 83, Zone 5. The combined scale factor is 1.00025844.

The above described Parcels "A" and "B" are graphically shown on the Exhibits "B", "C", and "D" attached hereto and made a part hereof.

END DESCRIPTION

Joseph T. Morris

Joseph T. Morris, PLS 6192 6/18/10



EXHIBIT

WALLACE GROUP
 612 CLAYTON COURT
 SAN LUIS OBISPO, CA 95021
 T 805 544-4011
 F 805 544-4294
 WWW.WALLACEGROUP.COM

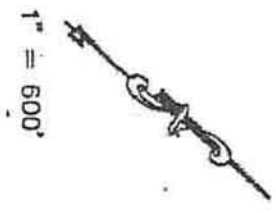
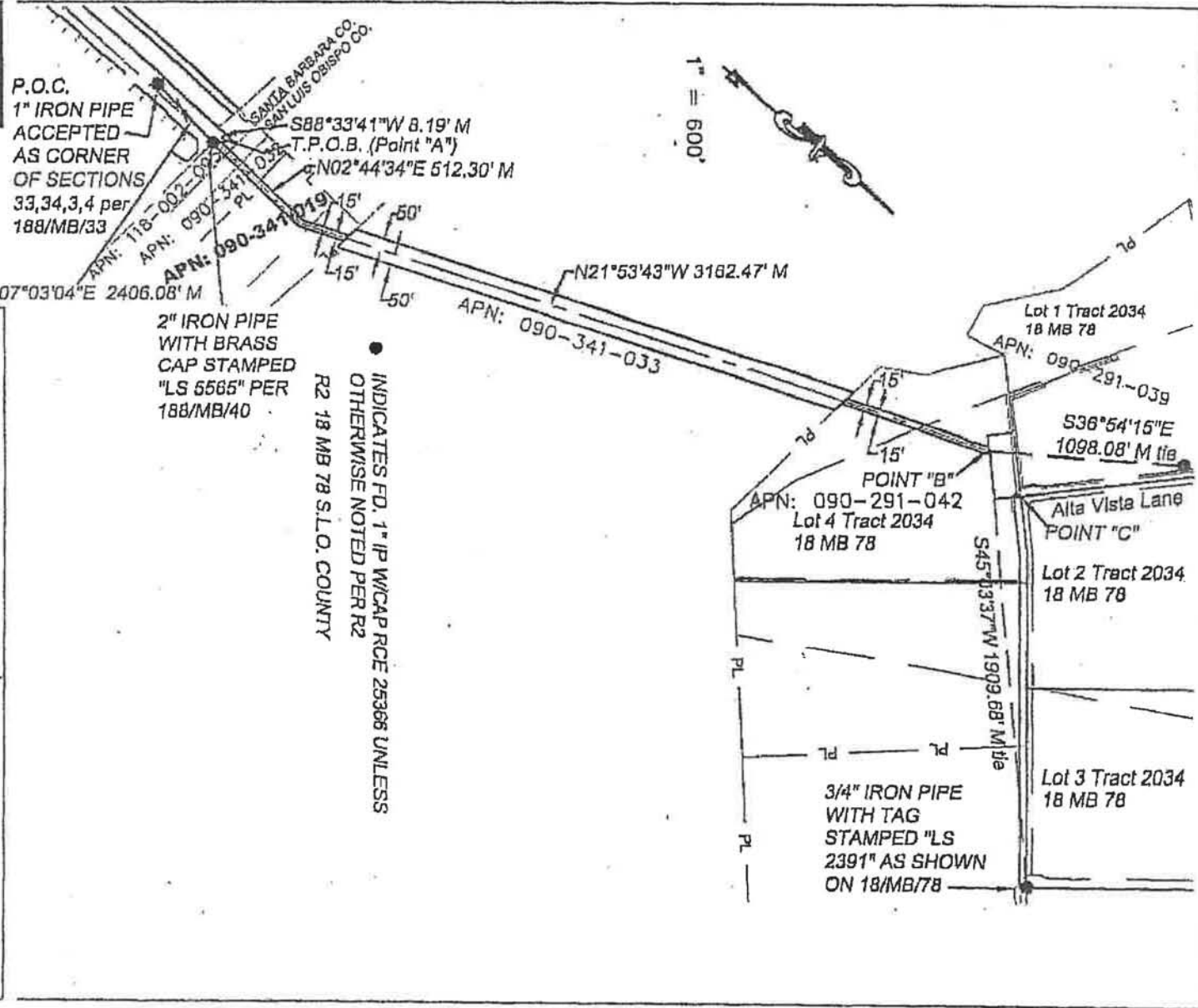
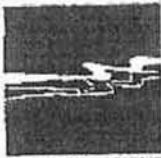
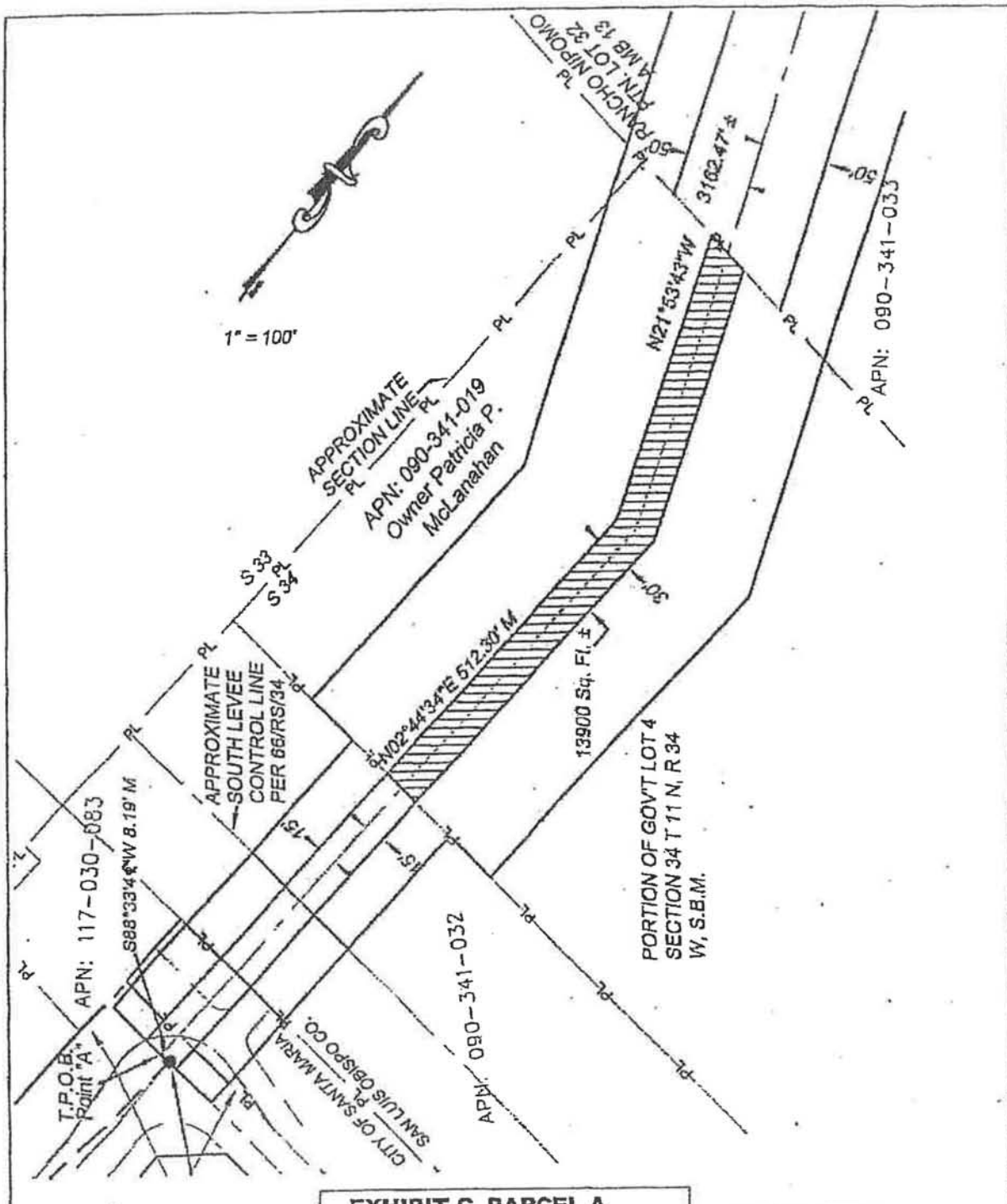


EXHIBIT B, OVERALL EASEMENT PORTIONS OF THE CITY OF SANTA MARIA AND THE COUNTY OF SAN LUIS OBISPO, CA

PROJECT NO. 0532-0024
 532-0024 Legal-4B.dwg
 SURVEYED BY: EMR 10-12/2008
 DRAFTED BY: ML 6-18-2010
 CHECKED BY: JTM 6-18-2010

INDICATES FD, 1" IP W/CAP RCE 25366 UNLESS OTHERWISE NOTED PER R2
 R2 18 MB 78 S.L.O. COUNTY

EXHIBIT C

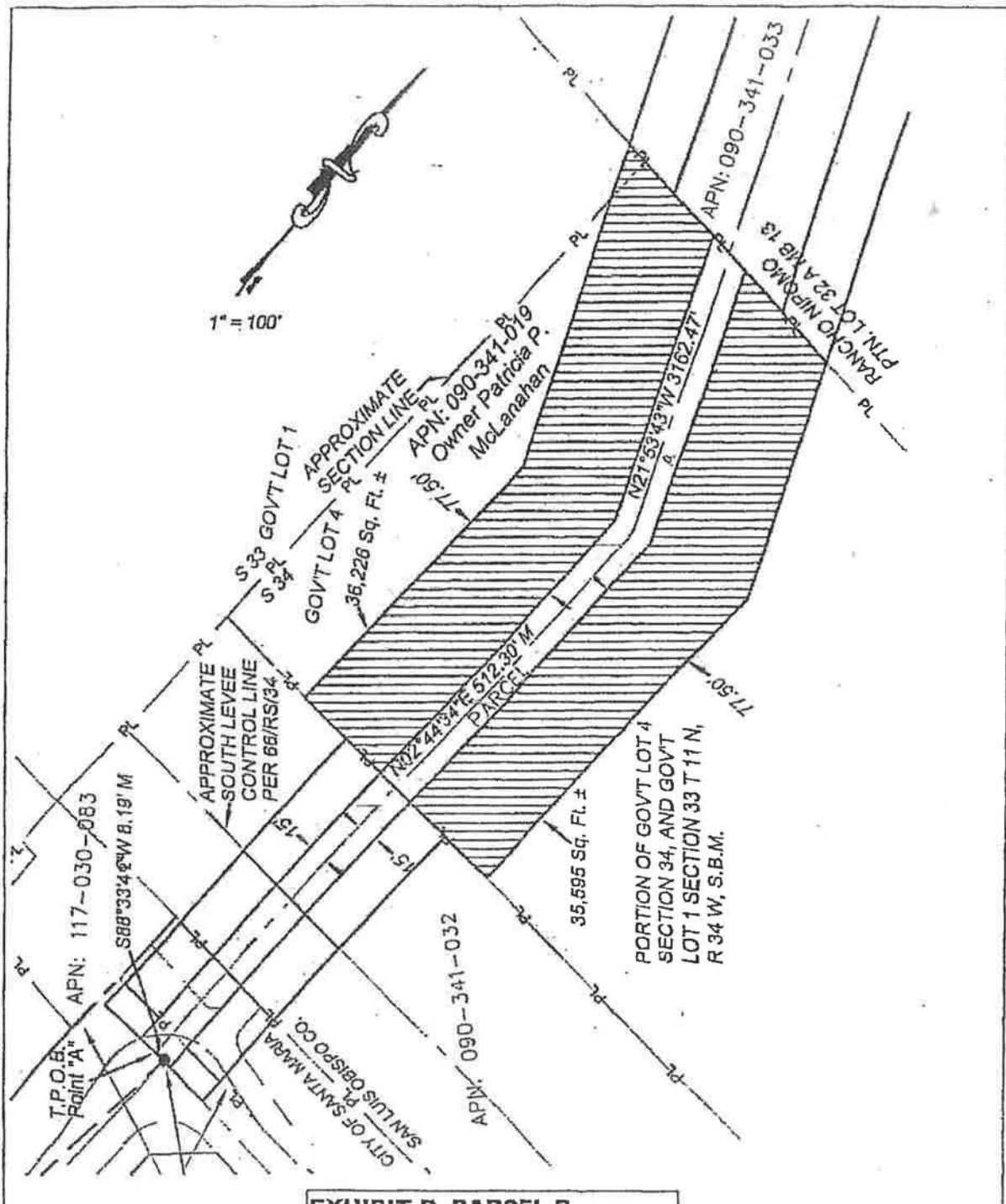


612 CLARION COURT
 SAN LUIS OBISPO, CA 93401
 T 805 544-0014
 F 805 544-4294
 www.wallacegroup.com

**EXHIBIT C, PARCEL A
 PERMANENT EASEMENT
 PORTION OF GOV'T LOT 4
 SECTION 34 T 11 N R 34 W
 S.B.M. COUNTY
 OF SAN LUIS OBISPO**

PROJECT NO. 0532-0024	
532-0024 Legal-4.dwg	
SURVEYED BY: EMR 10-12/2008	
DRAFTED BY: ML 6-18-2010	
CHECKED BY: JTM 6-18-2010	

EXHIBIT



612 CLARION COURT
SAN LUIS OBISPO, CA 93401
T 805 544-4011
F 805 544-4294
www.wallacegroup.com

**EXHIBIT D, PARCEL B
TEMP. CONSTR. EASEMENT
PTN. OF GOV'T LOT 4
S. 34, AND GOV'T LOT 1 S. 33,
T 11 N R 34 W, S.B.M. COUNTY
OF SAN LUIS OBISPO, CA.**

PROJECT NO. 0532-0024
532-0024 Legal-4A.dwg
SURVEYED BY: EMR 10-12/2008
DRAFTED BY: ML 6-18-2010
CHECKED BY: JTM 6-18-2010

EXHIBIT D