

**AMENDED AND RESTATED NACIMIENTO WATER PROJECT  
WHEELING CONTRACT**

This Amended and Restated Nacimiento Water Project Wheeling Contract (this “Contract”) is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2016 by and between the San Luis Obispo County Flood Control and Water Conservation District, a Flood Control and Water Conservation District duly established and existing under the San Luis Obispo County Flood Control and Water Conservation District Act, Act 7205 of the Uncodified Acts of the California Water Code (the “FCWCD”) and the Heritage Ranch Community Services District, a Community Services District duly established and existing under the Community Services District Law, California Government Code Section 61000 *et seq.* (the “CSD”).

**WITNESSETH**

**WHEREAS**, the FCWCD and the Monterey County Flood Control and Water Conservation District, now the Monterey County Water Resources Agency (the “WRA”), entered into an agreement on or about October 19, 1959, which agreement has been amended from time to time (the “WRA Contract”), whereby the WRA is obligated to provide 17,500 acre feet of Nacimiento Reservoir water to the FCWCD per year (the “FCWCD Entitlement”); and

**WHEREAS**, 1,750 acre feet of the FCWCD Entitlement has been reserved annually for use within the vicinity of the Nacimiento Reservoir (the “Prior Commitment Water”); and

**WHEREAS**, the FCWCD and the CSD or the CSD’s predecessors in interest entered into agreements on or about March 20, 1972, November 19, 1992 and March 24, 2015 (collectively, the “Water Supply Contracts”) whereby the FCWCD shall furnish 889 acre feet of the Prior Commitment Water to the CSD per year (the “CSD Entitlement”); and

**WHEREAS**, consistent with the Water Supply Contracts, the CSD currently receives the CSD Entitlement through diversion wells that it constructed approximately one (1) mile downstream of the Nacimiento Dam (the “CSD Wells”); and

**WHEREAS**, if downstream releases from the Nacimiento Dam are discontinued, the CSD will likely be prevented from receiving the CSD Entitlement through the CSD Wells; and

**WHEREAS**, if the CSD is unable to obtain the CSD Entitlement through the CSD Wells, a water supply emergency will result; and

**WHEREAS**, the FCWCD entered into Like-Contracts with the City of Paso Robles, the Templeton Community Services District, the Atascadero Mutual Water Company and the City of

San Luis Obispo on or about August 17, 2004 and subsequent amendments thereto as well as a Like-Contract with the County of San Luis Obispo, on behalf of County Service Area 10A (“CSA 10A”), on or about October 24, 2006 and a subsequent amendment thereto (collectively, “Water Delivery Entitlement Contracts”) whereby the FCWCD was to furnish 9,655 acre feet of Nacimiento Project Water per year to said parties through a conveyance system financed by said parties (the “Nacimiento Project Facilities”) leaving 6,095 acre feet of Reserve Water per year; and

**WHEREAS**, on or about March 24, 2015, the FCWCD and the CSD entered into a Nacimiento Water Project Wheeling Contract describing the terms and conditions under which the CSD could utilize the Reserved Capacity of a portion of the Nacimiento Project Facilities to receive the CSD Entitlement (the “Initial Agreement”); and

**WHEREAS**, on or about April 19, 2016, the FCWCD entered into amendments to the Water Delivery Entitlement Contracts as well as new Like-Contracts with Bella Vista MHP, LLC and SMR Mutual Water Company that together resulted in allocation of all of the Nacimiento Project Water (all of the former Reserve Water was allocated) (the City of Paso Robles, the Templeton Community Services District, the Atascadero Mutual Water Company, the City of San Luis Obispo, CSA 10A, Bella Vista MHP, LLC and SMR Mutual Water Company are referred to collectively as the “Existing Participants” and the Water Delivery Entitlement Contracts as amended and the Like-Contracts with Bella Vista MHP, LLC and SMR Mutual Water Company are referred to collectively as the “Existing WDECs”); and

**WHEREAS**, as a result of the full allocation of the Nacimiento Water Project, there is no longer any permanent Reserved Capacity, i.e. that portion of the Nacimiento Project Facilities which is not needed by the FCWCD for the delivery of the Total Delivery Entitlement Obligation; and

**WHEREAS**, the Nacimiento Project Facilities may nonetheless have unused capacity from time to time that can be made available to Wheeling Customers; and

**WHEREAS**, Article 30(B) of the Existing WDECs authorizes the FCWCD to convey water other than Nacimiento Project Water through any Unit of the Nacimiento Project Facilities to a Wheeling Customer under certain terms and conditions; and

**WHEREAS**, the CSD seeks the right to utilize the unused capacity of the portion of the Nacimiento Project Facilities described below (if any) to receive the CSD Entitlement during periods in which downstream releases from the Nacimiento Dam are discontinued because the water level drops below the present low level outlet works or for any other reason; and

**WHEREAS**, the FCWCD desires to permit the CSD to utilize such unused capacity (if any) to receive the CSD Entitlement during any such established period(s) occurring within the term of this Contract without securing additional approval by the Board of Supervisors of the FCWCD subject to the terms, conditions and procedures set forth herein.

**NOW, THEREFORE**, it is hereby mutually agreed by FCWCD and CSD as follows:

1. Definitions. All capitalized terms not otherwise defined herein shall have the meanings ascribed to them in Article 1 of the Existing WDECs.

2. Effective Date. This Contract shall become effective on the date first above written (the "Effective Date").

3. Term. The initial term of this Contract shall be one (1) year from the Effective Date. Upon expiration of the initial term or any renewal thereof, this Contract may be renewed upon the mutual written agreement of the parties for additional one (1) year terms. A Contract Extension Agreement Template is attached hereto as Exhibit A and incorporated herein by this reference. Notwithstanding the foregoing, this Contract shall automatically terminate on the earliest occurrence of any of the following:

(a) Termination of the WRA Contract, the Existing WDECs, the Water Supply Contracts or any other agreements necessary for the CSD to maintain its rights to the CSD Entitlement.

(b) At such time as the WRA Contract or the Existing WDECs are amended so as to prevent the performance of this Contract by the FCWCD.

4. Relationship to other Nacimiento Reservoir Water Contracts. The CSD acknowledges and agrees that this Contract is subject to the obligations and limitations imposed on FCWCD by the WRA Contract, the Water Supply Contracts and the Existing WDECs and all existing and future amendments thereto (collectively, the "Nacimiento Reservoir Contracts"). The CSD further agrees the FCWCD's rights to enter into amendments to the Nacimiento Reservoir Contracts or into future Water Delivery Entitlement Contracts with New Participants (or assignments of the Existing WDECs) are not restricted or impaired in any way by this Contract.

5. Service Contract Only. The FCWCD and the CSD agree that this is a contract for service only and that it does not grant to the CSD any property right or other right or interest in the Nacimiento Reservoir water, the Nacimiento Project Facilities or the Nacimiento Reservoir Contracts.

6. Conveyance of the CSD Entitlement; Amount.

(a) Throughout the term of this Contract, during an established Emergency Condition, as defined in subsection (b) of this Paragraph 6, the FCWCD shall make available to the CSD the unused capacity of the segment of the Nacimiento Project Facilities described in Exhibit B attached hereto and incorporated herein by this reference for the conveyance of the unexpended CSD Entitlement or a portion thereof subject to all of the following:

(i) The CSD has installed a meter on the turnout constructed pursuant to the Initial Agreement (the "Turnout") in accordance with Paragraph 8 below.

(ii) The CSD has maintained all necessary easements, rights of way and permits for the pipeline from the Turnout to the CSD water treatment plant.

(iii) Upon the occurrence of an Emergency Condition and each month thereafter that the Emergency Condition continues to occur, the CSD provides the San Luis Obispo County Director of Public Works (the "Director of Public Works") with written proof of said condition or continuing condition.

(iv) Upon the occurrence of an Emergency Condition, the CSD provides the Director of Public Works with written evidence of the amount of the CSD Entitlement that has already been expended and the amount that remains available to the CSD for conveyance during the applicable water year as defined in the Water Supply Contracts.

(v) The Director of Public Works and CSD agree upon a conveyance schedule that the Director of Public Works determines can be accommodated without in any way interfering with the delivery of the Delivery Entitlements to the Existing Participants or any future Participants.

(vi) The Director of Public Works reasonably determines that the documentation submitted by the CSD in accordance with Paragraphs 6(a)(iii) and 6(a)(iv) is satisfactory and provides written authorization to the CSD to access the remainder of the CSD Entitlement in accordance with the agreed upon conveyance schedule subject to the terms and conditions set forth herein but not for a period exceeding thirty (30) days.

(vii) The CSD is not in breach of this Contract or the Water Supply Contracts.

(viii) The limitations otherwise set forth in this Contract, including but not limited to, the limitations set forth in Paragraphs 9 and 10 of this Contract.

(b) For purposes of this Contract, an “Emergency Condition” shall mean a condition under which the CSD cannot receive the CSD Entitlement downstream of the Nacimientto Dam.

7. Location and Rate of Conveyance of the CSD Entitlement. The CSD Entitlement conveyed through the Nacimientto Project Facilities during an Emergency Condition established in accordance with Paragraph 6 shall be made available for delivery to the CSD at the location and rate hereinafter specified:

(a) Location: The air release/air vacuum valve located at approximate Station 40+92.94 as depicted on the Nacimientto Water Project Record Drawings and the Turnout Design Documents.

(b) Maximum Instantaneous Flow Rate for the CSD Entitlement: In no event shall the FCWCD be obligated to deliver the CSD Entitlement at a total combined instantaneous flow rate exceeding 0.68 cubic feet per second or three-hundred five (305) gallons per minute. While the FCWCD is not obligated to deliver the CSD Entitlement at a total combined instantaneous flow rate exceeding 0.68 cubic feet per second or three-hundred five (305) gallons per minute, the FCWCD shall have the discretion to temporarily exceed the maximum instantaneous flow rate provided for herein.

(c) Pressure at the Point of Delivery: The FCWCD is under no obligation to the CSD to deliver the CSD Entitlement at any particular head or pressure.

The FCWCD shall attempt to convey and deliver the CSD Entitlement to the CSD within the conveyance schedule approved by both parties upon the occurrence of an Emergency Condition in accordance with Paragraph 6(a)(v). The CSD recognizes the FCWCD must accommodate the Existing Participants and any future Participants first but the FCWCD will make reasonable efforts to convey the CSD Entitlement pursuant to the approved schedule.

8. Measuring Devices. CSD shall procure, install and maintain at the Turnout such measuring devices and equipment that will enable FCWCD to measure and monitor the conveyance and delivery of the CSD Entitlement through the Nacimientto Project Facilities during an Emergency Condition. All such measuring devices and equipment shall be approved in writing by the Director of Public Works prior to installation. Any measuring devices and equipment procured, installed and maintained by the CSD in accordance with this Contract shall be examined, tested and serviced regularly by the CSD to insure their accuracy. At any time or

times, the FCWCD may inspect such measuring devices procured, installed and maintained by the CSD. The cost of said inspections will be paid by the CSD. Charges for periodic inspection will be billed at the actual cost of performing said inspections.

9. Limitations on Obligation of FCWCD to Convey the CSD Entitlement. Any obligation of the FCWCD to convey the CSD Entitlement utilizing the Nacimiento Project Facilities during an Emergency Condition is contingent upon the continuing existence of sufficient unused capacity in said facilities (capacity unnecessary to convey the Delivery Entitlements to the Existing or any future Participants) during the Emergency Condition and upon the availability of an amount of Nacimiento Reservoir water equal to the CSD Entitlement and all other contractual entitlements to the FCWCD Entitlement consistent with the WRA Contract and the Water Supply Contracts. Under no circumstances shall FCWCD be obligated to deliver and under no circumstances shall the CSD convey through the Nacimiento Project Facilities an amount of water that exceeds the available balance of the CSD Entitlement during the applicable water year as defined in the Water Supply Contracts.

10. Curtailment of Conveyance for Maintenance Purposes. The FCWCD may temporarily discontinue or reduce the amount of water conveyed to the CSD through the Nacimiento Project Facilities during such time as the FCWCD or the WRA is maintaining, repairing, replacing, investigating or inspecting any of said facilities. Insofar as it is feasible, the FCWCD shall give the CSD notice in advance of any such temporary discontinuance or reduction. In the event of an emergency, no notice need be given.

11. Responsibility for Delivery and Distribution of the CSD Entitlement.

(a) Neither the FCWCD nor its officers, agents or employees shall be liable for the control, carriage, handling, use, disposal or distribution of the CSD Entitlement after such water has passed out of the Nacimiento Project Facilities, nor for claims of damages of any nature whatsoever, including, but not limited to, property damage, personal injury or death, arising out of or connected with the control, carriage, handling, use, disposal or distribution of such water beyond the Turnout.

(b) Without limiting Paragraph 22 below, the CSD shall defend, indemnify and hold harmless the FCWCD and its officers, agents and employees from and against any such damages or claims of damages, including attorney fees.

12. Responsibility for Water Quality.

(a) The CSD acknowledges and agrees that the CSD Entitlement will be furnished to the CSD untreated and that the FCWCD makes no guarantee express or implied as

to the quality of the water delivered pursuant to this Contract. Consequently, neither the FCWCD nor its officers, agents or employees shall be liable for the quality of the CSD Entitlement conveyed to the CSD through the Nacimiento Project Facilities nor for claims of damages of any nature whatsoever, including but not limited to, property damage, personal injury or death, arising out of or connected with the quality of the Nacimiento Reservoir water conveyed through the Nacimiento Project Facilities pursuant to this Contract.

(b) Without limiting Paragraph 22 below, the CSD shall defend, indemnify and hold harmless the FCWCD and its officers, agents and employees from and against any such damages or claims of damages, including attorney fees.

13. Charges for Conveyance of the CSD Entitlement through the Nacimiento Project Facilities.

(a) Obligation to Pay. The CSD shall compensate FCWCD for all reasonable costs incurred by FCWCD in conveying the CSD Entitlement pursuant to this Contract, including, without limitation, the following:

(i) Variable Energy Costs. The CSD shall pay its pro rata share of the Variable Energy Costs incurred by FCWCD in connection with its operation of the Nacimiento Project Facilities during the preceding Calendar Quarter. The CSD's pro rata share will be determined as follows:

(A) The total Variable Energy Costs incurred by FCWCD for the Calendar Quarter in question will be divided by the total acre-feet of water delivered by FCWCD through the Nacimiento Project Facilities to all Participants, Surplus Water Customers and Wheeling Customers during such Calendar Quarter.

(B) The total acre-feet of water delivered to the CSD through the Nacimiento Project Facilities during the Calendar Quarter in question will be multiplied by the result from subsection (A).

(ii) Operation and Maintenance Costs. The CSD shall pay its pro rata share of the Operation and Maintenance Costs attributable to Unit A of the Nacimiento Project Facilities incurred by FCWCD during the preceding Fiscal Year. The CSD's pro rata share will be determined as follows:

(A) The total actual net Operation and Maintenance Costs billed to Unit A for the Fiscal Year in question will be divided by the total acre-feet of water delivered by FCWCD through Unit A during such Fiscal Year.

(B) The total acre-feet of water delivered to the CSD through the Nacimiento Project Facilities for the Fiscal Year in question will be multiplied by the result from subsection (A).

(iii) Capital Project Installment Debt Service. The CSD shall pay its pro rata share of the Capital Project Installment Debt Service attributable to Unit A of the Nacimiento Project Facilities incurred by FCWCD during the preceding Fiscal Year. The CSD's pro rata share will be determined as follows:

(A) The total actual Capital Project Installment Debt Service attributable to Unit A for the Fiscal Year in question will be divided by the total acre-feet of water delivered by the FCWCD through Unit A during such Fiscal Year.

(B) The total acre-feet of water delivered to the CSD through the Nacimiento Project Facilities for the Fiscal Year in question will be multiplied by the result from subsection (A).

(iv) All other costs directly attributable to the conveyance of the CSD Entitlement through the Nacimiento Project Facilities.

(b) Notwithstanding the cost calculations set forth in subsection (a), in no event shall the charges for conveyance of the CSD Entitlement through the Nacimiento Project Facilities be effected at charges less than those applicable to the conveyance of Delivery Entitlement through Unit A.

(c) Contract Payments.

(i) Billings.

(A) Variable Energy Costs. The FCWCD will bill the CSD on a quarterly basis. Billings will take place no later than the forty-fifth (45th) day following the end of each Calendar Quarter for the Variable Energy Costs attributable to the Calendar Quarter most recently concluded.

(B) Operation and Maintenance Costs, Capital Projects Installment Debt Service and all other costs incurred by FCWCD. The FCWCD will bill the CSD on an annual basis. Billings will take place on or before December 1 of each year. The period covered by this billing shall be for the preceding Fiscal Year ending June 30.

(ii) Payment. The CSD shall pay to FCWCD any billed amount no more than thirty (30) days after the billing date. A late payment penalty of one percent (1%) per month on the unpaid balance shall accrue on all overdue payments.

(d) Relationship to Charges for the CSD Entitlement. The charges for conveyance described herein are over and above the charges for water supply that the CSD is obligated to pay FCWCD pursuant to the Water Supply Contracts.

(e) Charges Represent Fair Compensation. The CSD agrees that the charges set forth in this Paragraph 13 represent "fair compensation" as defined in California Water Code Section 1811 for the use of the unused capacity of the Nacimiento Project Facilities during an Emergency Condition and hereby waives any right to challenge the compensation established herein as an unreasonable charge.

14. Default; Suspension of Service. In the event of any default by the CSD in the payment of any money required to be paid to FCWCD under this Contract for use of the Nacimiento Project Facilities or under the Water Supply Contracts for the CSD Entitlement, the FCWCD, in its discretion, may suspend conveyance of the CSD Entitlement during the period when the CSD is delinquent in its payment for or obligations due to FCWCD under the terms of this Contract or the Water Supply Contracts; provided that during any such period of delinquency or suspension, the CSD shall remain obligated to make all payments required under this Contract and the Water Supply Contracts. Action taken pursuant to this paragraph shall not deprive the FCWCD of or limit any remedy provided by this Contract, the Water Supply Contracts or by law for the recovery of money due or which may become due under this Contract or the Water Supply Contracts.

Should the CSD otherwise default in the performance of this Contract or the Water Supply Contracts (other than the payment of FCWCD charges) or materially breach any of their provisions, and in the event that the CSD shall fail to remedy such default within thirty (30) days of receiving notice, or if such default cannot be cured within thirty (30) days, and the CSD has not commenced corrective action and prosecuted the same to completion with due diligence, or in the event that the default is of such a nature that it cannot be cured by any action of the CSD, then and in any of these events, in addition to any other remedy the FCWCD may have by operation of law, the FCWCD shall have the option of suspending conveyance of the CSD Entitlement or terminating this Contract by giving written notification to the CSD.

15. Disputed Payments; Interest. Upon each charge to be paid by the CSD to the FCWCD pursuant to this Contract which remains unpaid after the same shall have become due and payable, interest shall accrue at an annual rate equal to that earned by the FCWCD on its funds invested through the County of San Luis Obispo by the County Treasurer, calculated

monthly on the amount of such delinquent payments from and after the due date when the same becomes due until paid, and the CSD hereby agrees to pay such interest; provided that no interest shall be charged to or be paid by the CSD unless such delinquency continues for more than thirty (30) days.

16. Obligation of the CSD to Make Payment. The obligations of the CSD arising out of, pursuant to, or incidental to this Contract including, without limitation, the obligations of the CSD to pay the FCWCD the sums becoming due FCWCD for the conveyance of the CSD Entitlement through the Nacimiento Project Facilities hereunder, shall constitute a general obligation of the CSD and the CSD shall use all powers and resources available to it under the law to budget or collect the funds necessary for and to pay its obligations to the FCWCD under this Contract, including levying and collecting all necessary taxes, assessments and charges. The CSD as a whole is obligated to pay to the FCWCD the payments becoming due under this Contract notwithstanding any individual default by its water users, constituents or others.

17. Notices. All communications or notices in connection with this Contract shall be deemed to have been given if delivered personally or if enclosed in a properly addressed and stamped envelope and deposited with the U.S. Postal Service for delivery by registered or certified mail with return receipt requested. Facsimile or electronic mail will be accepted as long as it is immediately followed by a written, signed notice by U.S. mail, postage prepaid. Until formally notified of a change, the parties shall send all notices to the other party at the addresses shown below:

Public Works Director  
Public Works Department  
San Luis Obispo County Flood Control and Water Conservation District  
County Government Center, Room 206  
San Luis Obispo, California 93408

General Manager  
Heritage Ranch Community Services District  
4870 Heritage Road  
Paso Robles, CA 93446

18. Amendments. This Contract may be amended at any time by mutual written agreement of the parties, except insofar as any proposed amendment is in any way contrary to the Nacimiento Reservoir Contracts or applicable law.

19. Assignment. The provisions of this Contract shall apply to and bind the successors and assigns of the respective parties, but no assignment or transfer of this Contract or

any part hereof or interest herein shall be valid until and unless approved by the FCWCD provided that, any such approval must be in writing and be duly approved and adopted by the FCWCD's Board of Supervisors. The FCWCD shall not unreasonably withhold consent to assignments.

20. Good Faith. The CSD and FCWCD shall each act in good faith in performing their respective obligations as set forth in this Contract.

21. Uncontrollable Forces and Emergencies. If either of the parties to this Contract is precluded in whole or in part from conveying or receiving the CSD Entitlement through the Nacimiento Project Facilities as a result of uncontrollable forces or emergencies, both parties are relieved from the obligations to the extent that they are reasonably unable to complete the obligation due to the uncontrollable forces or emergency. Uncontrollable forces and emergencies shall include, without limitation, earthquakes, fires, tornados, floods and other natural disasters and unexpected equipment outages. However, the CSD shall be responsible for repaying any costs incurred on its behalf by the FCWCD before the occurrence of the uncontrollable force or emergency; or in FCWCD's attempts to forestall, ward off or ameliorate the effects of the uncontrollable force or emergency.

22. Indemnification. CSD shall defend, indemnify and hold harmless FCWCD and its agents, consultants, officers, elected officials, directors and employees from and against any and all liabilities, claims, costs, expenses, losses, and damages, including attorney's fees and costs, which arise out of, relate to or result from this Contract unless arising from FCWCD's established sole negligence or willful misconduct. This indemnification shall include, but is not limited to, the costs, attorney's fees, expenses and damages incurred by FCWCD to defend any and all such claims or lawsuits, to which FCWCD is made a party.

23. Waiver of Rights. Any waiver at any time by any party hereto of its rights with respect to a default or any other matter arising in connection with this Contract shall not be deemed to be a waiver with respect to any other default or matter.

24. Successors and Assigns Obligated. This Contract and all of its provisions shall apply to and bind the successors and assigns of the parties hereto.

25. No Effect on Existing Rights. Nothing in this Contract shall be construed to amend, modify, restrict or limit, the respective rights, duties and obligations of the parties under any contract, permit, authorization or entitlement whether between the parties hereto or with respect to any such relationship between a party hereto and a third party or the public.

26. CEQA. CSD and FCWCD acknowledge that this Contract is exempt from the California Environmental Quality Act (Public Resources Code §§ 21000 *et seq.*) (CEQA) pursuant to Public Resources Code Section 21080(b)(4) and CEQA Guidelines Section 15269.

27. Entire Agreement. This Contract supersedes all previous contracts between the parties hereto on the same subject matter and constitutes the entire understanding of the parties hereto on the subject matter of this Contract.

**IN WITNESS THEREOF**, the parties hereto have executed this Contract.

**SAN LUIS OBISPO COUNTY FLOOD CONTROL  
AND WATER CONSERVATION DISTRICT**

By: \_\_\_\_\_  
Chairperson of the Board  
San Luis Obispo County Flood Control and  
Water Conservation District  
State of California

Date: \_\_\_\_\_

**ATTEST:**

By: \_\_\_\_\_  
County Clerk and Ex-Officio Clerk of the  
Board of Supervisors, San Luis Obispo County  
Flood Control and Water Conservation District  
State of California

Date: \_\_\_\_\_

**APPROVED AS TO FORM AND LEGAL EFFECT:**

RITA L. NEAL  
County Counsel

By:  \_\_\_\_\_  
Deputy County Counsel

Date: JUN 9, 2016

**HERITAGE RANCH COMMUNITY SERVICES DISTRICT**

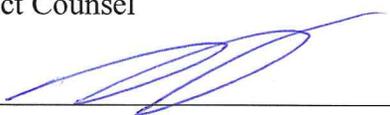
By:  \_\_\_\_\_

President of the Board  
Heritage Ranch Community Services District  
State of California

Date: 6-16-16

**APPROVED AS TO FORM AND LEGAL EFFECT:**

THOMAS D. GREEN  
District Counsel

By:  \_\_\_\_\_

District Counsel

Date: 6-22-16

**EXHIBIT A**  
**AMENDED AND RESTATED NACIMIENTO WATER PROJECT**  
**WHEELING CONTRACT EXTENSION AGREEMENT TEMPLATE**

This Amended and Restated Nacimiento Water Project Wheeling Contract Extension Agreement (“Extension”) is entered into on this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ (“Effective Date”) by and between the San Luis Obispo County Flood Control and Water Conservation District, a Flood Control and Water Conservation District duly established and existing under the San Luis Obispo County Flood Control and Water Conservation District Act, Act 7205 of the Uncodified Acts of the California Water Code, and the Heritage Ranch Community Services District, a Community Services District duly established and existing under the Community Services District Law, California Government Code Section 61000 *et seq.*

**WHEREAS**, the parties entered into an Amended and Restated Nacimiento Water Project Wheeling Contract on or about \_\_\_\_\_ (“Contract”); and

**WHEREAS**, the parties hereby agree to extend the term of the Contract one (1) year from the Effective Date in accordance with the terms of the Contract as well as the terms provided herein.

**NOW, THEREFORE**, \_\_\_\_\_, it is hereby mutually agreed by the parties as follows:

- (1) The current term of the Contract, which is attached hereto as part of this Extension, will end on \_\_\_\_\_.
- (2) The parties agree to extend the Contract for an additional period which will begin on the Effective Date and end one (1) year from the Effective Date.
- (3) The Extension binds and benefits both parties and any successor or assigns.
- (4) The Extension, including the attached Contract, constitutes the entire agreement between the parties.
- (5) All other terms of the Contract remain unchanged.

**IN WITNESS THEREOF**, the parties hereto have executed this Extension.

**SAN LUIS OBISPO COUNTY FLOOD CONTROL  
AND WATER CONSERVATION DISTRICT**

By: \_\_\_\_\_  
Director of Public Works

Date: \_\_\_\_\_

**APPROVED AS TO FORM AND LEGAL EFFECT:**  
RITA L. NEAL  
County Counsel

By: \_\_\_\_\_  
Deputy County Counsel

Date: \_\_\_\_\_

**HERITAGE RANCH COMMUNITY SERVICES DISTRICT**

By: \_\_\_\_\_  
General Manager

Date: \_\_\_\_\_

**APPROVED AS TO FORM AND LEGAL EFFECT:**  
THOMAS D. GREEN  
District Counsel

By: \_\_\_\_\_  
District Counsel

Date: \_\_\_\_\_

**EXHIBIT B**  
**SEGMENT OF THE NACIMIENTO PROJECT FACILITIES**  
**TO BE UTILIZED BY CSD**

A Portion of Unit A - Lake Nacimiento Intake and Pump Station up to and including the air release/air vacuum valve located at approximate Station 40+92.94 as depicted on the Nacimiento Water Project Record Drawings: Shall consist of the raw water intake structure including rights-of-way, intake shaft, tunnel(s), multi-port underwater intake piping and valves with appurtenances, underwater piping and appurtenance anchor and support blocks, intake fish screens, a building, pumps, piping, surge control facilities, access road, screens, gates, valves, controls and communication, electrical service, instrumentation, grounds, fencing, corrosion control, and appurtenances; and pipeline including rights-of-way, road crossings, controls and communication, instrumentation, air release structures, blowoffs, valves, vaults, corrosion control, and appurtenances.