

**REIMBURSEMENT AGREEMENT
FOR LOANED FUNDS TO THE LOS OSOS WASTEWATER SYSTEM**

This Reimbursement Agreement for the repayment of loaned funds is made this _____, 2016 by and between the County of San Luis Obispo(County) and the San Luis Obispo County Flood Control and Water Conservation District (District) (collectively, Parties).

Whereas, the County's Los Osos Wastewater System (System) needed some initial loans from the District to meet some initial financial needs for the System; and

Whereas, on or about July 1, 2015, the District Board approved a budget for the FY 2015-2016 budget year that included a loan to the County from the District for System cash flow in the amount of \$1,185,000 and for debt service reserve requirement in the amount of \$1,567,000 for a total loan authorization amount of \$2,752,000 for the System; and

Whereas, pursuant to said budget approval by the District Board, the sum of \$2,752,000 was transferred and loaned from the District to the County on or about March 2, 2016 for the System; and

Whereas, on or about July 1, 2016, the District Board approved a budget for the FY 2016-2017 budget year that included a loan to the County from the District for cash flow in the amount of \$1,580,000 for the System; and

Whereas, pursuant to said budget approval by the District Board, it is anticipated that during FY 2016-2017 some or all of the authorized loan amount of \$1,580,000 for the System will be transferred and loaned to the County from the District; and

Whereas, the Parties desire to further document and formalize the terms of repayment of the aforementioned funds authorized to be loaned by the District to the County for the System.

NOW, THEREFORE, the Parties agree with the above recitals, and hereby further agree as follows:

1. The sum of \$2,752,000 transferred and loaned from the District to the County on or about March 2, 2016 shall be paid March 2, 2026, with interest accruing from March 2, 2016 at the pooled interest rate earned by the County Treasury.
2. When any portion of the sum of \$1,580,000 previously authorized to be transferred and loaned from the District to the County during the 2016-17 FY is

actually transferred and loaned from the District to the County, the County shall repay the District any and all amounts so transferred and loaned over a period not to exceed 10 years from the loan date(s), with interest accruing at the pooled interest rate earned by the County Treasury from the date(s) said funds are transferred and loaned from the District to the County.

IN WITNESS WHEREOF, the Parties have executed this Reimbursement Agreement on the dates set forth below.

**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

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: AUGUST 3, 2016

COUNTY OF SAN LUIS OBISPO

By: _____

Date: _____

Chairperson of the Board
County of San Luis Obispo

ATTEST:

By: _____

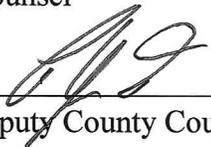
County Clerk
County of San Luis Obispo,
State of California

Date: _____

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

RITA L. NEAL
County Counsel

By: _____


Deputy County Counsel

Date: 8/3/16

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