

Recording Requested By:

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

APN:092-121-085
and 092-121-086

Exhibit A: Legal Description of the Property
Exhibit B: Assessor Parcel Map showing Owner's Property

AGREEMENT RESTRICTING FUTURE
WATER SERVICE TO REAL PROPERTY

THIS AGREEMENT, Restricting Future Water Service to Real Property, ("Agreement") is entered into this _____ day of _____, 2012, by and between the Nipomo Community Services District, a Community Services District organized pursuant to 61000 et seq. of the Government Code ("District") and the County of San Luis Obispo, a public entity in the State of California, ("Owners") as the Owners of the real property more particularly described in Exhibit "A" (the "Property") with regards to the following Recitals.

RECITALS

A. The Nipomo Community Services District, and the Woodlands Mutual Water Company, Golden State Water Company, and Rural Water Company are parties to a June 30, 2005 Stipulation ("Stipulation") in certain legal proceedings titled Santa Maria Valley Water Conservation District v. the City of Santa Maria, et al., Superior Court of the State of California, County of Santa Clara, CV 770214. The Stipulation, among other things, obligates the District and the City of Santa Maria to employ their best efforts to timely implement the Nipomo Supplemental Water

Project. The Stipulation is incorporated herein by this reference.

B. The Final Judgment entered by the court on January 25, 2008 in the legal proceeding more particularly described in Recital A above states in relevant part, "The court approves the Stipulation, orders the Stipulating Parties only to comply with each and every term thereof, and incorporates the same herein as though set forth in full".

C. The District proposes to establish an Assessment District for the purposes of financing the acquisition for construction of certain public improvements for the purposes of facilitating the delivery of supplemental water ("Supplemental Water") as provided in Recital A above to properties located within the proposed Assessment District and/or a separate zone within the proposed Assessment District; and

D. The Owner(s), represents and warrants that Owner is the owner of certain real property ("the Property" or "Owner's Property") more particularly described in Exhibit "A" attached hereto and incorporated herein by this reference. The Property is commonly known as Nipomo Community Park and Nipomo Native Garden, APN: 092-121-085 and 092-121-086, which APS's are further outlined and delineated in Exhibit B.

E. The Property is located within the Assessment District, or separate zone, more particularly described in Recital C above and is located within the water service boundary of the Nipomo Community Services District (herein "Water Purveyor").

F. The District has adopted Resolution No. 2012-1 establishing an Assessment Change Request Policy ("Policy"),

which Policy provides in relevant part:

A Property Owner may request an increase in their property's proposed benefit unit assignment -----.
Where a Property Owner requests a decreased benefit unit assignment, the District may reduce the benefit unit assignment if the Property Owner records a District approved "Deed Restriction" on the title of that lot in favor of District limiting future development on the property.

G. Owner(s) desire to enter into this Agreement to induce District to reduce the proposed benefit unit assignment on the Property and related Water Service as provided in Recital F above.

H. "Water Service" means potable water service delivered or made available for delivery to the Property by the Water Purveyor referenced in Recital E above. "Water Service" shall not include availability or delivery of water that is reclaimed, recycled, or not intended for human consumption.

NOW THEREFORE FOR VALUABLE CONSIDERATION, RECEIPT OF WHICH IS HEREBY ACKNOWLEDGED, Owner(s) and District agree as follows:

1. In order to induce District to reduce the proposed benefit unit assignment as referenced in the above Recitals, Owner(s) hereby restricts/limits the Owner's and the Property's entitlement to Water Service as follows:

(a) APN 092-121-085 shall be entitled to Water Service for an area not to exceed one (1) acre of landscaping and/or structure(s) using potable water, with a corresponding assessment

of one (1) benefit unit.

(b) APN 092-121-086 shall be entitled to Water Service for an area not to exceed forty-seven (47) acres of landscaping and/or structure(s) using potable water, with a corresponding assessment of forty-seven (47) benefit units.

2. Owner, and/or its agents and employees, will not request or otherwise be provided Water Service from, or otherwise accept Water Service from the Water Purveyor beyond the Water Service referenced in paragraph 1 above.

3. Owner hereby agrees to release and discharge the Nipomo Community Services District, its Affiliates, Directors, Officers, Agents, and Employees from any and all liability, claims, demands, actions, and causes of action whatsoever, arising out of or related to any loss, damage, expense, fees, costs, or injury, that may be sustained by Owner(s) or the Property that relate to or arise out of this Agreement. Owner(s) expressly waives all rights under Section 1542 of the California Civil Code, which provides:

"A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor."

4. The obligations, Covenants and Agreements of Owner(s) are joint and several and shall run with the land and will be binding on the successors and assigns of the Owner(s) and shall inure to the benefit of District and its successors and assigns.

5. Owner(s) and District intend and consent to the

recording of this Agreement in the office of the County Recorder of the County of San Luis Obispo, and such recording shall serve as constructive notice to all future owner(s) of this Agreement and the restrictions on water service to the Property. The validity, enforceability, and recording of this Agreement is expressly conditioned on the lawful establishment of the Assessment District. In the event the Assessment District is not established or is abandoned, repealed, or held by a court of competent jurisdiction to be void, invalid, unenforceable or unconstitutional, this Agreement shall become automatically null and void and be of no further force or effect. In such event, the District shall promptly execute and deliver to Owner such documents, in recordable form, as necessary to remove the Agreement as an encumbrance against Owner's Property title.

6. Owner agrees that District shall be entitled to a restraining order and/or injunction to enforce the water and development restrictions referenced in paragraphs 1 and 2 above.

7. This Agreement is freely and voluntarily entered into by Owner after having the opportunity to consult his/her attorney(s). Any prior agreements, promises, negotiations, or representations not expressly set forth in this Agreement are of no force and effect. Owner, in entering into this Agreement, does not rely on any inducements, promises, or representations made by the District, its representatives, or any other person, other than those inducements, promises, and representations contained in this Agreement. Any amendment to this Agreement shall be of no force and effect unless it is in writing and signed by the Owner(s) and the District.

8. This Agreement has been executed and delivered in the State of California and the validity, enforceability and interpretation of any of the clauses of this Agreement shall be determined and governed by the laws of the State of California. The duties and obligations of the parties created hereunder are performable in San Luis Obispo County and such County shall be the venue for any action or proceeding that may be brought or arise out of, in connection with or by reason of this Agreement.

9. 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 Agreement to District shall be exercised from time to time and as often as may be deemed expedient in the sole discretion of District.

11. If any term, covenant, condition, or provision of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions hereof shall remain in full force and effect and shall in no way be affected, impaired, or invalidated thereby.

12. The Recitals A through H of this Agreement are true and correct incorporated herein by this reference and made a part hereof.

13. The undersigned Owner(s) represents that he\she is the Owner(s) of the Property and Owner(s) is the only person(s) entitled to cast the Assessment Ballot on behalf of the entire

APPROVED AND ACCEPTED BY THE NIPOMO COMMUNITY SERVICES DISTRICT
BY RESOLUTION _____ ADOPTED ON _____,
2012, AND THE DISTRICT CONSENTS TO THE RECORDATION THEREOF BY ITS
DULY AUTHORIZED OFFICER:

Dated: _____

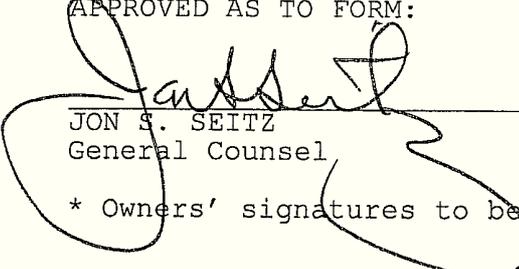
By: _____

Jim Harrison, President,
Board of Directors, Nipomo
Community Services District

ATTESTED:

Michael S. LeBrun, General Manager
And Secretary to the Board

APPROVED AS TO FORM:



JON S. SEITZ
General Counsel

* Owners' signatures to be notarized.

EXHIBIT A

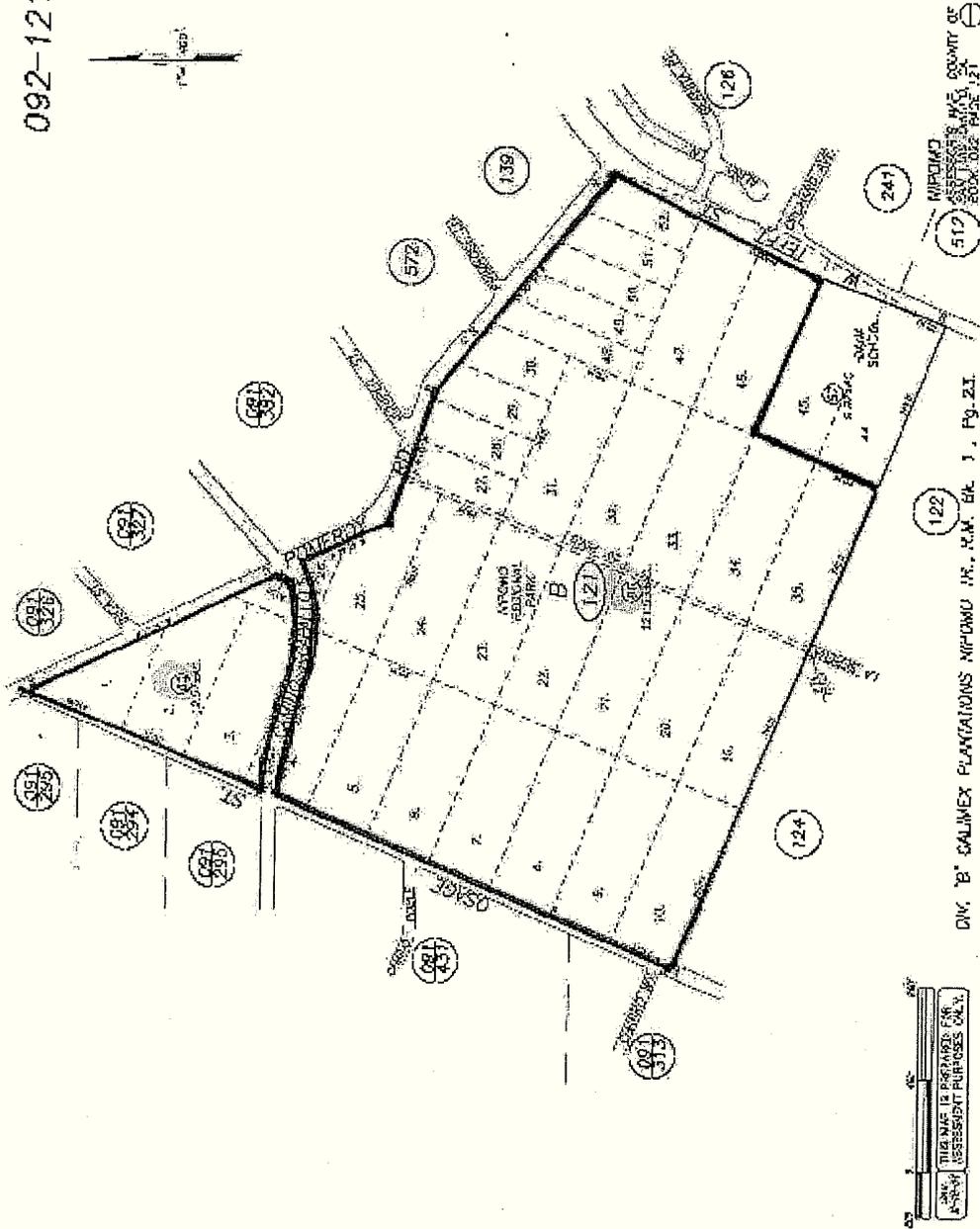
LEGAL DESCRIPTION OF APN 092-121-085 AND APN 092-121-086

Lots 1 through 10, inclusive, Lots 19 through 35, inclusive, and Lots 46 through 52, inclusive, of Division B of the Calimex Plantation Co's Subdivision of a part of the Rancho Nipomo, in the County of San Luis Obispo, State of California, according to map filed for record April 8, 1911 in Book 1 at page 23 of Maps.

EXCEPTING therefrom that portion of said land lying within the lines of Camino Caballo, as described in Resolution recorded September 7, 1990 in Book 3575 at page 984 of Official Records.

ALSO EXCEPTING FROM Lots 34 and 35 all minerals, petroleum or hydrocarbon substances contained on, in or under said land, as reserved by the County of San Luis Obispo, a political corporation, in deed recorded June 29, 1959 in Book 1008 at page 523 of Official Records.

092-121



WAYNE COUNTY, MICHIGAN
PLAT NO. 121
D.W. GALIMEX PLANTATIONS WIPONG INC. R.M. Blk. 1, Pg. 21.

EXHIBIT B

FEET	INCHES	FRACTIONS
1	0	0
2	0	0
3	0	0
4	0	0
5	0	0
6	0	0
7	0	0
8	0	0
9	0	0
10	0	0
11	0	0
12	0	0
13	0	0
14	0	0
15	0	0
16	0	0
17	0	0
18	0	0
19	0	0
20	0	0
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27	0	0
28	0	0
29	0	0
30	0	0
31	0	0
32	0	0
33	0	0
34	0	0
35	0	0
36	0	0
37	0	0
38	0	0
39	0	0
40	0	0
41	0	0
42	0	0
43	0	0
44	0	0
45	0	0