



*Notice of Special Meeting*  
**APRIL 6, 2022 – 4:00 PM (WEDNESDAY)**  
**NACIMIENTO PROJECT COMMISSION**  
SAN LUIS OBISPO COUNTY FLOOD CONTROL  
AND WATER CONSERVATION DISTRICT

**IN-PERSON LOCATION:**

**(COMMISSIONERS ARE REQUIRED TO BE IN-PERSON)**

Templeton CSD, Board Meeting Room  
206 5th Street, Templeton, CA 93465  
(805) 434-4900

**VIRTUAL OPTION:**

(FOR AGENCY STAFF OR MEMBERS OF THE PUBLIC)

Join Zoom Meeting:

<https://us02web.zoom.us/j/83464470439?pwd=d2JHeXA0TnkrUWprY1RxL1pjV1FZQT09>

Meeting ID: 834 6447 0439

Passcode: 421081

**AGENDA ITEMS & PUBLIC COMMENTS:**

For more information: <https://www.slocounty.ca.gov/Departments/Public-Works/Forms-Documents/Committees-Programs/Nacimiento-Project-Commission.aspx>

Public comments can be submitted to: [wthomson@co.slo.ca.us](mailto:wthomson@co.slo.ca.us)

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Chair: John Peschong; Vice-Chair: John Hamon

**AGENDA**

- I. **CALL TO ORDER**
  - A. Roll Call for Quorum Count
- II. **PUBLIC COMMENT** *\*Non-agenda items within Commission jurisdiction; subject to three-minute limit each.*
- III. **MEETING MINUTES** *(Recommend Approval)*
  - A. Commission Minutes, February 24, 2022
- IV. **COMMISSION INFORMATIONAL ITEMS** *(No Action Required):* [NONE](#)
- V. **PRESENTATIONS** *(No Action Required):* [NONE](#)
- VI. **COMMISSION ACTION ITEMS** *(No Subsequent Action by BOS Required):*
  - A. Consider Approval of the Tesla Battery Energy Storage Systems
- VII. **COMMISSION ACTION ITEMS** *(Action Subsequently Required by BOS):* [NONE](#)
- VIII. **FUTURE AGENDA ITEMS DESIRED BY COMMISSION**

Next Scheduled Commission Meeting: [Apr. 28, 2022](#) (SPECIAL)

**ATTACHMENTS**

1. Item III.A – Commission Minutes, Feb. 24, 2022
2. Item VI.A – Staff Report

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**CONTACT:** *All Americans with Disabilities Act (ADA) accommodations shall be promptly reviewed and resolved.*

Persons who require accommodations for any audio, visual or other disability in order to review an agenda, or to participate in the meeting per the ADA, are encouraged to request such accommodation 48 hours in advance of the meeting from Wes Thomson at (805) 781-5252.



## **NACIMIENTO PROJECT COMMISSION MEETING MINUTES (Draft)**

February 24, 2022

QUORUM: **YES**  
(5/5 Seats & Voting Share > 51%)

COMMISSIONERS PRESENT (Voting Share %)  
Atascadero MWC (17%): Grigger Jones (Chair)  
City of SLO (28%): Carlyn Christianson (Vice Chair)  
District (20%): John Peschong  
Paso Robles (33%): John Hamon  
Templeton CSD (2%): Wayne Petersen

CLERK (District): Wes Thomson

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**1. CALL TO ORDER**

Roll Call

The quarterly meeting of the Nacimiento Project Commission was held via teleconference on Thursday, Feb 24th, 2022, at 4:00 P.M., with G. Jones in the Chair, and W. Thomson sitting in as the Clerk. Present: Hamon, Petersen, Jones, Christianson, and Peschong. *Quorum established.*

Consider Adopting Resolution Regarding Virtual Meetings (AB 361)

G. Jones identified Resolution 2022-001 authorizing the Commission to meet by teleconference for a period of thirty days. *Motion for approval: J. Hamon; Seconded by W. Petersen. All approved.*

**2. PUBLIC COMMENT:** *None.*

**3. REVIEW OF PREVIOUS MEETING MINUTES**

Minutes from November 2021 meeting were presented and approved without changes.  
*Motion for approval: J. Hamon; Seconded by W. Petersen. All approved.*

**4. COMMISSION INFORMATIONAL ITEMS (No Action Required):**

Utilities Division Report – Current NWP Operations with Reservoir Status & 2022 Outlook

David Spiegel gave the current Utilities Division report. NWP is operational with no current non-routine projects. Conditions at the reservoir are 109,000 AF and approx. 29% capacity. Monterey County is currently developing their 2022 reservoir release schedule.

Second Quarter Operations Budget Report – FY 2021-22

Katie Franco presented the second quarter update. District expenditures are at 19.2% of the budget including the routine and non-routine capital outlay. However, the District has not paid Monterey for the current invoice. Additional detail is outlined in the report attached in the agenda.

Annual Conflict of Interest (COI) Filing – “Form 700”

Acknowledgement of reminder concerning Commissioners’ responsibility to file COI “Form 700.”

**5. PRESENTATIONS** (No Action Required):

FY 2022-23 Operating Fund Proposed Budget

Katie Franco noted that the budget book has been emailed for review. The upcoming TSG meeting in March will provide the Naci Finance committee and TSG opportunity to review this budget before the District brings it back to the Commission for its endorsement in late April.

**6. COMMISSION ACTION ITEMS**

Nomination & Election of Commission Officers

Motion for John Peschong to serve as chair. *Motion for approval: C. Christianson; Seconded by W. Peterson. All Approved.*

Motion for John Hamon to serve as vice chair. *Motion for approval: J. Peschong; Seconded by W. Peterson. All Approved.*

**7. COMMISSION ACTION ITEMS** (*Action Subsequently Required by BOS*): NONE

**8. FUTURE AGENDA ITEMS DESIRED BY COMMISSION:**

Next Commission: Apr. 28, 2022

The meeting was adjourned by Jones at approximately 4:25 P.M.



**TO: Nacimiento Project Commission**

**FROM: Annie Secrest, Energy & Water Coordinator, Public Works Department**  
**VIA: Nola Engelskirger, Utilities Division Manager, Public Works Department**

**DATE: April 6, 2022**

**SUBJECT: Item VI.A – Consider Approval of the Tesla Battery Energy Storage Systems**

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### **Summary**

On November 18, 2021, your Commission discussed the Tesla Battery Energy Storage Systems (“Systems”) and voted not to proceed with the project unless and until new information became available. Concerns about the project were discussed, including the possibility for one year of Nacimiento Water Project (“NWP”) outage eliminating the potential savings, the extent of the benefits to NWP operational reliability, and the financial risk to the Participants due to the cycling requirement.

Since your November meeting, the District has worked with Tesla to prepare amendments to the two Energy Products Operation and Maintenance Agreements (“Amendments”) that seek to address concerns raised by the Commission. The Amendments incorporate language regarding battery cycling requirements and the associated financial risk to the District in the event of a utility outage or downtime. The Amendments also specify that Tesla maintain the necessary insurance coverage and name the District as an additional insured.

Additionally, the District has worked to separately address the Participants’ concerns regarding potential liability related to: (1) any losses of the Program incentive in the case of utility outages or otherwise unexpected downtime; and (2) any losses of the Systems as a result of a natural disaster.

On March 30, 2022, a letter was sent to Kirk Gonzalez, a member of the Technical Support Group on behalf of the City of Paso Robles, to summarize this new information in preparation for this Special Commission Meeting. The letter is included as Attachment 1, and the Amendments are included as Attachment 2. Furthermore, the District has prepared a proposed Indemnification Agreement, included as Attachment 3, which will protect the Participants against any liability, cost, or loss associated with the Systems.

### **Recommendation**

Staff recommends that the Commission:

1. Approve that the District proceed with implementation of the Tesla Battery Energy Storage Systems; and
2. Request the District execute contract amendments proposed to eliminate financial risk and address concerns regarding Tesla’s insurance coverage; and
3. Request that the District execute the indemnification agreement to indemnify the Participants against any liability due to the agreements with Tesla.

## **Results**

Upon approval to proceed with the project, Tesla can install their Systems at the Nacimiento Intake and Rocky Canyon Pump Stations at no initial cost to the District. These two sites are eligible for the Equity Resiliency subsidy through the California Public Utilities Commission's Self Generation Incentive Program ("Program"), which covers 100% of the cost of an energy storage system for qualifying sites.

The Systems are valued at \$2.2 million per site. In addition, the Program will cover costs associated with system engineering, permitting, installation, and operations and maintenance for the first ten years, a value Tesla has estimated at \$790,000 for each site.

After ten years, the District will be responsible for: (1) operations and maintenance costs estimated at \$10,300 annually; and (2) decommissioning and recycling costs at the end of the expected useful life, which are estimated at approximately \$35,000 per site. So, the total projected system costs for the Participants are estimated to be approximately \$300,000 over the 20-year projected working life of the Systems.

The primary benefit of an energy storage system is the ability to manage and reduce electricity use and cost. The proposed Systems can deploy stored energy during peak demand periods when Pacific Gas & Electric's ("PG&E") grid electricity rates are highest and then recharge during off-peak periods when rates are lowest. This ability is especially beneficial for sites like the NWP pump stations, which are some of the most energy-demanding grid users within the region during peak demand times. Total combined electricity cost savings for the NWP pump stations are projected to be approximately \$150,000 annually, which equates to over \$3 million in potential electricity savings over the 20-year working life of the Systems.

A secondary benefit includes serving as a backup temporary power supply, with durations estimated to range from four to 17 hours depending on the pumping plant load.

## **Reason for Timing of Requested Action**

The Program funding is allocated on a first-come, first-serve basis and is now fully subscribed.

The NWP pump stations are two of the three water-infrastructure sites in the County that meet the requirements for the highest Program subsidy. The third location, Lopez Water Treatment Plant, has completed the installation of a Tesla battery system and is awaiting permission to operate from PG&E. If the District does not proceed with this project at this time, the NWP will lose the opportunity to install these Systems under the Program at the 100% subsidy level.

Future Program subsidies are expected to be reduced, and similar energy storage systems would thus likely result in upfront out-of-pocket costs for the Participants.

Attachments:

1. Diodati Letter, March 30, 2022, Response to Concerns Raised by the City of Paso Robles Regarding Installation of Powerpack Systems at the Lake Nacimiento and Rocky Canyon Pump Stations.
2. Proposed Amendments to the Energy Products Operation and Maintenance Agreements - California Self-Generation Incentive Program.
3. Proposed Indemnification Agreement.



**COUNTY OF SAN LUIS OBISPO**  
**Department of Public Works**  
*John Diodati, Director*

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VIA ELECTRONIC MAIL

March 30, 2022

ATTN: Kirk Gonzalez  
Member of the Technical Support Group on Behalf of the City of Paso Robles  
City of Paso Robles  
1000 Spring Street  
Paso Robles, CA 93446

**SUBJECT:** Response to Concerns Raised by the City of Paso Robles Regarding Installation of Powerpack Systems at the Lake Nacimiento and Rocky Canyon Pump Stations

Dear Mr. Gonzalez,

This letter relates to the opportunity for the Flood Control and Water Conservation District ("District") to obtain Powerpack Systems ("Systems") at no initial cost from Tesla, Inc. through the California Public Utilities Commission's Self-Generation Incentive Program ("Program"). The Systems would be located at the Lake Nacimiento Intake and Rocky Canyon Pump Stations.

These sophisticated Systems are designed to charge when electricity rates are the most economical, and discharge at times when the electricity rates are the least economical, resulting in direct and measurable energy savings to each participant. By obtaining these Systems through this first-come first-serve Program, the participants can realize savings without having to make any initial investments. The current energy savings estimate for the full Systems lifecycle is over \$3M.

My staff presented this opportunity to the Nacimiento Project Commission ("Commission") on August 27, 2020, and November 18, 2021. Although the Commission originally appeared supportive, the Commission ultimately determined that potential financial risks may outweigh the benefits. That said, I appreciate the Commission simultaneously committing to reconsider this opportunity if, at any point in time, new information became available.

Since then, Tesla informed the District of their willingness to consider an amendment to each of the Energy Product Operation and Maintenance Agreements ("Agreements") to address concerns about potential liability related to any losses of the Program incentive in the case of utility outages or otherwise unexpected downtime. Tesla has also agreed to consider an amendment to ensure that it maintains the necessary insurance coverage and that the District is named as an additional insured.

Furthermore, I understand that the City of Paso Robles remains concerned about potential liability related to any losses of the Systems as result of a natural disaster, and has requested confirmation that the District's insurance policy would cover a loss of the Program incentive in this scenario. The District's insurance policy will cover the total replacement value of each System and the premiums will be distributed to participants proportionately at a rate of approximately \$3,000.00 annually. Furthermore, I will recommend the District, with support from County Counsel, indemnify each participant, which will protect them from any liability, cost, or loss associated with the Systems.

I am pleased to report that the District is currently in the process of preparing Amendments to the Agreements, as well as an Indemnification Agreement. My staff will present this information to the Commission on April 6, 2022, and my hope is that it will sufficiently address any outstanding concerns so that the Commission feels confident making the decision to take advantage of this opportunity.

I am happy to meet with you, Mr. Gonzalez, to further discuss this topic and how we can work together to reduce participant concerns as they relate to proceeding with the installation of these Systems.

Sincerely,



John Diodati  
Director

cc: Jeff Briltz, Member of the Technical Support Group on behalf of the Templeton Community Services District  
John Neil, Member of the Technical Support Group on behalf of the Atascadero Mutual Water Company  
Mychal Boerman, Member of the Technical Support Group on behalf of the City of San Luis Obispo  
Nola Engelskirger, Utilities Division Manager, County of San Luis Obispo  
Wade Horton, Administrative Officer, County of San Luis Obispo



FIRST AMENDMENT TO THE ENERGY PRODUCTS OPERATION AND MAINTENANCE AGREEMENT—CALIFORNIA SELF-GENERATION INCENTIVE PROGRAM (SGIP)  
(Rocky Canyon Pump Station)

THIS FIRST AMENDMENT TO THE ENERGY PRODUCTS OPERATION AND MAINTENANCE AGREEMENT—CALIFORNIA SELF-GENERATION INCENTIVE PROGRAM (SGIP) (herein referred to as the “First Amendment”) is made and entered into, on \_\_\_\_\_, 2022, by the County of San Luis Obispo (the “County”), a political subdivision of the State of California, and Tesla, Inc.

**Recitals**

WHEREAS, the “Energy Products Operation and Maintenance Agreement—California Self-Generation Incentive Program (SGIP)” (herein referred to as “the Agreement”) for the Rocky Canyon Pump Station was executed, by and between the County of San Luis Obispo and Tesla Inc., effective as of September 1, 2020; and

WHEREAS, the parties are executing this First Amendment to clarify the County’s responsibility for the inability to cycle the batteries installed pursuant to the Agreement due to utility outages or downtime; and

NOW THEREFORE, for valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. A new subsection shall be added to Section 8. **Remote Monitoring and Firmware Upgrades:**

(d) Notwithstanding anything to the contrary in the Agreement, it is agreed that County will not be responsible for Tesla Inc.’s inability to cycle the batteries installed under the Projects, to the extent caused by a utility outage or downtime; including that County will not be responsible for a loss of the SGIP incentive to the extent caused by such utility outage or downtime.


2. Section 19. **Insurance** is amended as follows:

- o Each party shall maintain, at its sole cost and expense, the following insurance coverage and shall, within a reasonable time of each party’s request, furnish to the other party a certificate evidencing such coverage:
  - a) Commercial General Liability (CGL). Each party shall maintain commercial general liability insurance with coverage limits of \$1,000,000 per occurrence or per claim and \$2,000,000 in aggregate. Each party shall be included as an additional insured for insurable liabilities assumed in connection to this agreement.
  - b) Workers’ Compensation Insurance. Each party shall maintain workers’ compensation insurance for all employees in compliance with the law. Workers’ Compensation requirement may be waived if the party is a qualified self-insured in the state where the project is located.”

3. Except as expressly amended herein, all provisions of the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the Parties hereto have caused this First Amendment to be executed by their duly authorized representatives on the date and year first written above.

**TESLA, INC.**

By:   
Stephen Pollock  
Its: Sr. Manager, Channel Sales

Date: Mar 30, 2022

**SAN LUIS OBISPO COUNTY**

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

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

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

RITA L. NEAL  
County Counsel

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

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

FIRST AMENDMENT TO THE ENERGY PRODUCTS OPERATION AND MAINTENANCE AGREEMENT—CALIFORNIA SELF-GENERATION INCENTIVE PROGRAM (SGIP)  
(Lake Nacimiento Pump Station)

THIS FIRST AMENDMENT TO THE ENERGY PRODUCTS OPERATION AND MAINTENANCE AGREEMENT—CALIFORNIA SELF-GENERATION INCENTIVE PROGRAM (SGIP) (herein referred to as the “First Amendment”) is made and entered into, on \_\_\_\_\_, 2022, by the County of San Luis Obispo (the “County”), a political subdivision of the State of California, and Tesla, Inc.

**Recitals**

WHEREAS, the “Energy Products Operation and Maintenance Agreement—California Self-Generation Incentive Program (SGIP)” (herein referred to as “the Agreement”) for the Lake Nacimiento Pump Station was executed, by and between the County of San Luis Obispo and Tesla Inc., effective as of September 1, 2020; and

WHEREAS, the parties are executing this First Amendment to clarify the County’s responsibility for the inability to cycle the batteries installed pursuant to the Agreement due to utility outages or downtime; and

NOW THEREFORE, for valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. A new subsection shall be added to Section 8. **Remote Monitoring and Firmware Upgrades:**

(d) Notwithstanding anything to the contrary in the Agreement, it is agreed that County will not be responsible for Tesla Inc.’s inability to cycle the batteries installed under the Projects, to the extent caused by a utility outage or downtime; including that County will not be responsible for a loss of the SGIP incentive to the extent caused by such utility outage or downtime.


2. Section 19. **Insurance** is amended as follows:

- o Each party shall maintain, at its sole cost and expense, the following insurance coverage and shall, within a reasonable time of each party’s request, furnish to the other party a certificate evidencing such coverage:
  - a) **Commercial General Liability (CGL).** Each party shall maintain commercial general liability insurance with coverage limits of \$1,000,000 per occurrence or per claim and \$2,000,000 in aggregate. Each party shall be included as an additional insured for insurable liabilities assumed in connection to this agreement.
  - b) **Workers’ Compensation Insurance.** Each party shall maintain workers’ compensation insurance for all employees in compliance with the law. Workers’ Compensation requirement may be waived if the party is a qualified self-insured in the state where the project is located.”

3. Except as expressly amended herein, all provisions of the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the Parties hereto have caused this First Amendment to be executed by their duly authorized representatives on the date and year first written above.

**TESLA, INC.**

By:   
Stephen Pollock (Mar 30, 2022 14:59 HST)  
Stephen Pollock  
Its: Sr. Manager, Channel Sales

Date: Mar 30, 2022

**SAN LUIS OBISPO COUNTY**

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

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

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

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

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

**INDEMNIFICATION AGREEMENT**  
**Tesla Power Pack Systems Project**  
**Lake Nacimiento Pump Station and Rocky Canyon Pump Station**

This Indemnification Agreement (“Agreement”) is made as of \_\_\_\_\_, 2022, by and between the County of San Luis Obispo, a political subdivision of the State of California (“County”), and the City of Paso Robles, the Templeton Community Services District, the Atascadero Mutual Water Company, SMR Mutual Water Company, the City of San Luis Obispo, County Service Area No. 10A (Cayucos), and Bella Vista MHP, LLC, collectively referred to as “Parties.”

**RECITALS**

A. On September 1, 2020, the District entered into three no-cost agreements with Tesla, Inc. The contracts are funded through the California Self-Generation Incentive Program and involve installation of Power Pack Systems at the Nacimiento Lake Pump Station, the Rocky Canyon Pump Station, and the Lopez Water Treatment Plant.

B. The Parties intend that this Agreement shall relate only to the contracts for the Lake Nacimiento Intake Pump Station and the Rocky Canyon Pump Station (the “Contracts”). The Contracts and associated facilities fall under the purview of the Nacimiento Project Commission (the “Commission”).

C. The Commission was established by the Nacimiento Project Water Delivery Entitlement Contract, which was executed on August 17, 2004, by and between the District and the City of Paso Robles. The Templeton Community Services District, the Atascadero Mutual Water Company, SMR Mutual Water Company, the City of San Luis Obispo, County Service Area No. 10A (Cayucos), and Bella Vista MHP, LLC were made members of the Commission

and participants in the Nacimiento Project Water Delivery through subsequent, separate agreements.

D. The Commission is currently comprised of the City of Paso Robles, the Templeton Community Services District, the Atascadero Mutual Water Company, SMR Mutual Water Company, the City of San Luis Obispo, the County Service Area No. 10A (Cayucos) and Bella Vista MHP, LLC, and a representative from the San Luis Obispo County Flood Control and Water Conservation District.

E. The purpose of the Commission is to review and approve all substantive matters pertaining to the construction and operations of the Nacimiento Facilities, as that term is defined in the Nacimiento Project Water Delivery Entitlement Contract. The Nacimiento Facilities include the Lake Nacimiento Intake Pump Station and the Rocky Canyon Pump Station.

F. On November 18, 2021, the Commission considered the Contracts for installation of Power Pack Systems at the Lake Nacimiento Intake Pump Station and the Rocky Canyon Pump Station. At this meeting, the Commission voted not to proceed with the Contracts unless additional information was presented to allay its concerns about potential liability should either of the Power Pack Systems be destroyed by wildfire or other causes.

G. The intent of this Agreement is to address those concerns with the County agreeing to indemnify the City of Paso Robles, the Templeton Community Services District, the Atascadero Mutual Water Company, SMR Mutual Water Company, the City of San Luis Obispo, County Service Area No. 10A (Cayucos), and Bella Vista MHP, LLC (the “Commission Indemnitees”).

## AGREEMENT

The Parties agree as follows:

1.     **Defense and Indemnification.**

a.     **Scope.** The County shall hold harmless, defend, and indemnify the Commission Indemnitees, their agents, officers, directors, and employees from and against any and all attorneys' fees, liability, loss, costs, damages, claims, demands, and expenses of any kind which directly or indirectly arise out of or are in any way associated the installation of the Power Packs Systems in accordance with the Contracts.

b.     **Notice of Claim(s) And Request For Indemnification.** The Commission Indemnitees shall promptly notify County in writing of any Claim(s) for which the Commission Indemnitees seek indemnification under this Agreement. The notification shall include such details regarding the nature of the Claim(s) as are known by the Commission Indemnitees at the time and shall be deemed timely unless County's ability to defend against the Claim(s) is substantially adversely affected by any delay caused by the Commission Indemnitees.

c.     **Investigation.** The Commission Indemnitees will reasonably cooperate with County in any investigation of any Claim(s) for which the Commission Indemnitees seek indemnification.

3.     **Successors and Assigns.** The terms, provisions, and conditions contained in this Agreement shall be binding upon and inure to the benefit of the Parties and each of them and their heirs, successors, and assigns.

4. **Notice.** Any notice required by this Agreement must be in writing and given by personal delivery, by certified mail, return receipt requested, or by e-mail, addressed as follows:

To Paso Robles: City of Paso Robles  
Christopher Alakel, Interim Public Works Director  
[CAalakel@prcity.com](mailto:CAalakel@prcity.com)

To TCSD: Templeton Community Services District  
Jeff Briltz, General Manager  
[jbriltz@templetoncsd.org](mailto:jbriltz@templetoncsd.org)

To AMWC: Atascadero Mutual Water Company  
John Neil, General Manager  
[jneil@amwc.us](mailto:jneil@amwc.us)

To SMRMWC: SMR Mutual Water Company  
Rob Rossi, President  
[rob@rossi-ent.com](mailto:rob@rossi-ent.com)

To San Luis Obispo: City of San Luis Obispo  
Aaron Floyd, Utilities Dept. Director  
[afloyd@slocity.org](mailto:afloyd@slocity.org)

To Bella Vista MHP: Bella Vista MHP, LLC  
Katie Morris  
[Katiemorris@thomsenproperties.net](mailto:Katiemorris@thomsenproperties.net)

To CSA NO. 10A: County Service Area No. 10A (Cayucos)  
John Diodati / SLO County Public Works Director  
[jdiodati@co.slo.ca.us](mailto:jdiodati@co.slo.ca.us)

To the County: John Diodati  
Director of the Department of Public Works  
976 Osos Street, Room 206  
San Luis Obispo, CA 93408

With a copy to: Rita L. Neal  
County Counsel  
County Government Center, Room 386  
San Luis Obispo, CA 93408



Any notice given pursuant to this Agreement will be deemed given upon receipt thereof or upon the recipient's refusal to accept delivery. Any party may change the address for delivery of notices by sending notice thereof to all other parties in the manner set forth herein.

5. **Construction by California Law.** This Agreement is entered into in the State of California and shall be construed and interpreted in accordance with California law.

6. **Forum Selection.** Any suit, claim, or legal proceeding of any kind related to this Agreement, including any action to enforce the terms of this Agreement, shall be filed and heard in a court of competent jurisdiction in California and in the County of San Luis Obispo.

7. **Interpretation.** The terms of this Agreement shall be construed without regard to any presumption or rule regarding construction against the party drafting the Agreement. Nothing in this Agreement, nor any performance under this Agreement, nor any payment under this Agreement will constitute or be construed as any admission or evidence of any liability or violation of any law, rule, regulation, or policy by any party.

8. **Amendments.** No amendment, modification, or supplement to this Agreement shall be binding on any party unless it is in writing and signed by the Parties.

9. **Waiver.** Any waiver of any breach of any term or conditions of this Agreement shall not operate as a waiver of any other breach of such term or condition or of any other term or condition of this Agreement.

10. **Counterparts.** This Agreement may be executed in counterparts.

11. **Authority.** Each party represents and warrants to every other party that it has the power and authority to enter into and perform its obligations under this Agreement.

12. **Attorneys' fees.** In any legal action to enforce this Agreement, the Parties shall bear their own attorneys' fees and costs.

In Witness whereof, the Parties have signed this Agreement as of the date set forth in the first paragraph above.

**County of San Luis Obispo**

By: \_\_\_\_\_  
Chairperson, Board of Supervisors

Date: \_\_\_\_\_, 2022

APPROVED AS TO LEGAL FORM AND  
EFFECT

RITA L. NEAL  
County Counsel

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

Date: \_\_\_\_\_, 2022

**City of Paso Robles**

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

Date: \_\_\_\_\_, 2022

APPROVED AS TO LEGAL FORM  
AND EFFECT

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

**City of San Luis Obispo**

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

Date: \_\_\_\_\_, 2022

APPROVED AS TO LEGAL FORM  
AND EFFECT

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

**Templeton Community Services District**

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

Date: \_\_\_\_\_, 2022

**Atascadero Mutual Water Company**

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

Date: \_\_\_\_\_, 2022

**County Services Area No. 10A**

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

Date: \_\_\_\_\_, 2022

**SMR Mutual Water Company**

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

Date: \_\_\_\_\_, 2022



**Bella Vista MHP, LLC**

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

Date: \_\_\_\_\_, 2022