



**EXHIBIT A**  
**SAN LUIS OBISPO COUNTY**  
**DEPARTMENT OF PUBLIC WORKS**

Paavo Ogren, Director

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County Government Center, Room 207 • San Luis Obispo CA 93408 • (805) 781-5252

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Fax (805) 781-1229

email address: [pwd@co.slo.ca.us](mailto:pwd@co.slo.ca.us)

Owner:

APN

Assessee:

Assessment #

<<Address>>

<<City, State Zip>>

Assessment

\$ 0

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**NOTICE OF ASSESSMENT  
AND CASH PREPAYMENT OPPORTUNITY**

SAN LUIS OBISPO COUNTY  
WASTEWATER ASSESSMENT DISTRICT NO. 1

TO THE PROPERTY OWNERS OF WASTEWATER ASSESSMENT DISTRICT NO. 1:

This notice has been mailed to you because property ownership records of the County Assessor indicate that you are the owner of the parcel identified above. If you are not the owner of this parcel, please contact **Ken Cardoza** at (805) 781-5294 so that the current owner can be identified and a revised notice prepared and mailed to that current owner.

As previously indicated in the "Preliminary Notice of Assessment," dated June 27, 2008, and mailed to all property owners shortly after that date, the County of San Luis Obispo (the "County") has levied a special assessment against the parcel or parcels identified above to pay a portion of the cost of the authorized wastewater system improvements (the "Proposed Project") within the San Luis Obispo County Wastewater Assessment District No. 1 (the "Assessment District"), all as more fully itemized in the Engineer's Report for the Assessment District, which report was approved by Resolution No. 2007-494, adopted by the Board of Supervisors of the County on December 18, 2007. The amount of the assessment on your parcel is set forth above.

The Notice of Assessment was recorded on February 27, 2008, and the assessment on your parcel thereby became a lien. Since then, sufficient progress has been made toward implementing the Proposed Project that the County is now moving forward with the portion of the financing program which is based upon unpaid assessments (the "Financing Program"). This requires that the County schedule and conduct a cash prepayment period, during which you may prepay all or any part of your assessment, without interest.

The County is now ready to receive cash prepayments, and you may now prepay your assessment, in whole or in part. Implementation of the Financing Program requires that the County conduct this cash prepayment period and, at the conclusion of it, to establish the amount of assessments remaining unpaid (the "Unpaid Assessments"). The aggregate principal amount of the components of the Financing Program will be equal to the Unpaid Assessments.

## EXHIBIT A CONTINUED

In furtherance of determining the amount of Unpaid Assessments, the County has established **Friday, April 29, 2011**, as the deadline for receipt of any such cash prepayments. The amount to fully prepay your assessment in cash and thereby discharge the lien from your property is the principal amount of the assessment, as set forth on page 1. Payment may be made by mail to the Department of Public Works, County of San Luis Obispo, County Government Center, Room 207, San Luis Obispo, CA 93408. If you intend to pay by mail, checks should be made payable to "County of San Luis Obispo" and should include the identification of the parcel or parcels for which the payment is made. **If you do not know the tax parcel number or assessment number for your parcel, please enclose this notice or a copy of this notice with your payment to enable the Public Works staff to credit your parcel or parcels with the payment!** Persons relying upon the mail are advised to mail any such check at least one full calendar week before the payment deadline. The deadline for receipt of such payment by the Director of Public Works is April 29, 2011, and the Director of Public Works reserves the right to return late payments, irrespective of postmark date.

If you prefer to make payment in person, you are advised to telephone the Public Works Department office at (805) 781-5252 to confirm office hours and thereby assure that someone will be present to accept your payment.

Pursuant to subparagraph (f) of Section 10204 of the California Streets and Highways Code, the County has reserved entitlement to impose an annual administrative cost assessment, which is in addition to the annual installment of principal and interest otherwise payable on account of each unpaid assessment, to pay costs incurred by the County in administering the assessments and the bonds or loan agreements to be repaid from such annual installments, provided that such annual administrative cost assessment cannot exceed \$6.00 per parcel for the first year, subject to an annual inflation adjustment each year after the first year not to exceed two percent (2.00%) for any given year over the amount for the prior year.

You are not required to prepay any part of your assessment now. As an alternative to prepayment, and as long as any part of your assessment remains unpaid, you will be obligated to pay it in annual installments over a period of years, with interest on the unpaid balance. The County presently anticipates that a combination of short-term bond anticipation notes (the "Notes"), limited obligations improvement bonds (the "Bonds"), and one or more loan agreements (the "Loan Agreements") will be issued or entered into, as the case may be, to represent unpaid assessments, and an annual installment on account of each unpaid assessment, including principal, interest and annual administrative costs, will be collected on the regular property tax bill, starting with the property tax bill for 2011-2012 (to be mailed out in the Fall of 2011). The number of years of installments and the interest rate will be matched to the terms of the Notes, Bonds and/or Loan Agreements and will be established at the time of the issuance of the Notes or Bonds or execution of the Loan Agreements, as the case may be. The term will not exceed 40 years, and the County presently expects that the average interest rate applicable to the Notes, the Bonds and the Loan Agreements will not exceed three and one-quarter percent (3.25%) per annum, though no assurance can be given at this time as what the actual average interest rate will be.

As a second alternative to prepayment at this time, you will retain the right to pay off your assessment at any time during the term of the Notes, Bonds and/or Loan Agreements by payment of the unpaid principal, interest to the next available redemption date for the Notes, Bonds and/or Loan Agreements, and certain administrative costs incurred to administer the redemption procedures. If you have any questions about this notice, phone Will Clemens at (805) 788-6633.

Dated: March 22, 2011

PAAVO A. OGREN  
Director of Public Works  
County of San Luis Obispo