CAMBRIA COMMUNITY SERVICES DISTRICT

MEETING	TIME & DATE	LOCATION
Board of Directors	10:00 AM Friday, August 7, 2026	Cambria Veterans' Memorial Hall, 1000 Main Street, Cambria, CA 93428

AGENDA

I, Harry Farmer, President of the Cambria Community Services District Board of Directors, hereby call a Special Meeting of the Board of Directors pursuant to California Government Code Section 54956. The Special Meeting will be held on Friday, August 7, 2026, at 10:00 AM. The purpose of the Special Meeting is to discuss or transact the following business:

Special Board Meeting

Date & Time: 10:00 AM, Friday, August 7, 2026

Location: Cambria Veterans' Memorial Hall, 1000 Main Street, Cambria, CA 93428

Virtual Access (Zoom): Please click the link to join the webinar: HERE
Webinar ID: 880 3377 5722
Passcode: 694843

Copies of the staff reports or other documentation relating to each item of business referred to on the agenda are on file in the CCSD Administration Office, available for public inspection during District business hours. The agenda and agenda packets are also available on the CCSD website at https://www.cambriacsd.org/. In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting or if you need the agenda or other documents in the agenda packet provided in an alternative format, contact the Confidential Administrative Assistant at 805-927-6223 at least 48 hours, if possible, before the meeting to ensure that reasonable arrangements can be made. The Confidential Administrative Assistant will answer any questions regarding the agenda.

1. OPENING

1.A Call to Order

1.B Pledge of Allegiance

1.C Establishment of Quorum

2. PUBLIC COMMENT ON AGENDA ITEMS

3. REGULAR BUSINESS

3.A Discussion and Consideration of Approval of Funding and Contingency Agreement with the Cambria Community Council for the Cambria Skatepark Project

4. ADJOURN

CAMBRIA COMMUNITY SERVICES DISTRICT

TO: Board of Directors

AGENDA NO. **3.A**

FROM: Matthew McElhenie, General Manager
Denise Fritz, Administrative Department Manager
Timothy Carmel, District Counsel

Meeting Date: August 7, 2026

Subject: Discussion and Consideration of Approval of Funding and Contingency Agreement with the Cambria Community Council for the Cambria Skatepark Project

FISCAL IMPACT:

Approval of the Funding and Contingency Agreement (Agreement) would provide the District with the additional funding necessary to address the current Project construction funding shortfall and establish a dedicated construction contingency fund for the Cambria Skatepark Project. The Agreement identifies a Shortfall Contribution of $175,095.41, a 15% Contingency Commitment of $201,600.00, and a Maintenance Reserve of $69,312.06, for a total Community Council Commitment of $446,007.47.

The Shortfall Contribution would be transferred to the District shortly after the Agreement becomes effective so that the District may treat those funds as available Project construction funds in connection with award, execution, and administration of the construction contract. The Contingency Commitment would remain in a segregated account held and maintained by the Community Council and would be disbursed to the District only if needed for eligible Project related purposes.

DISCUSSION:

The District has been working for several years with Skate Cambria and the Cambria Community Council to advance the Cambria Skatepark Project as an important public recreational improvement for the community. The Community Council has acted as the nonprofit entity holding and administering donations and contributions raised for the benefit of the Project, including a significant amount of funds raised by Skate Cambria.

After the District received construction bids, staff and District Counsel identified that additional funding was needed to eliminate the current funding shortfall and to establish an appropriate construction contingency as directed by the Board. Prior staff report materials identified the low bid as $1,344,000.00, available Project funding as $1,168,904.59, and the resulting pre-contingency fund shortfall as $175,095.41.

Following further discussions, the Community Council generously agreed to provide funding to cover the identified construction shortfall and to separately commit funds for a 15% construction contingency fund. The purpose of the proposed Agreement is to document that funding commitment in a manner that allows the District to proceed with the Project while preserving the District's authority and responsibility over procurement, award, construction administration, change orders, claims, closeout, grant compliance, and all expenditure decisions.

The Agreement also replaces and supersedes the prior skatepark funding MOUs between the parties. This is important because the prior agreements addressed earlier phases of the Project and did not fully reflect the current bid results, the current funding gap, the separate contingency commitment, or the treatment of the maintenance reserve. The revised Agreement clarifies that the prior MOUs are terminated and replaced, while separately addressing the transfer of Skate Cambria and other Project funds, the Shortfall Contribution, the Contingency Commitment, and the Maintenance Reserve.

The Agreement is also intended to resolve several issues that arose during negotiation with the Community Council. In particular, the Agreement confirms that the Community Council's financial obligation is capped at the amounts stated in the Agreement, that the District retains sole authority over the Project, and that the Community Council does not acquire any ownership, operational, management, or control rights in the skatepark by virtue of providing funding.

The Agreement further addresses the Maintenance Reserve. Under the Agreement, the Community Council will transfer the Maintenance Reserve to the District within ten days after issuance of a temporary occupancy permit for the Project. Upon that transfer, the District will hold and administer those funds for the benefit of the Skatepark and will assume full responsibility for ownership, operation, maintenance, repair, replacement, administration, and public use of the Skatepark. The Agreement states that the transfer is intended to satisfy the Community Council's obligations relating to future operation, maintenance, repair, replacement, reserve funding, or operational funding under the prior MOUs.

The contingency fund provisions are designed to allow the District to administer the Project without unnecessary delay if unforeseen Project-related costs arise. The Agreement provides that the District, acting through the General Manager, may determine whether contingency funds are needed for a Project-related purpose and may submit a written disbursement request to the Community Council. The Community Council must then transfer the requested amount within three business days, subject to the terms of the Agreement.

Finally, the Agreement includes provisions addressing use and accounting of funds, return of unused and uncommitted contingency funds after Project closeout, default and remedies, attorneys' fees, public records, indemnification, and survival of key provisions after termination or expiration. These provisions are intended to protect both parties while ensuring that the funding arrangement functions as intended for a public works project constructed and administered by the District.

The proposed Agreement provides a clear framework for the Community Council's financial commitment to the Cambria Skatepark Project. It allows the District to rely on the Shortfall Contribution and the availability of the Contingency Commitment in determining whether sufficient funds are available to proceed, while preserving the District's control over Project administration and limiting the Community Council's role to the funding commitments described in the Agreement. Staff recommends that the Board approve and authorize the General Manager to execute the Agreement.

ATTACHMENTS:

1. Funding and Contingency Agreement

FUNDING AND CONTINGENCY AGREEMENT

Cambria Skatepark Project

This Funding and Contingency Agreement ("Agreement") is entered into as of ______________, 2026 ("Effective Date"), by and between the Cambria Community Council, a California nonprofit public benefit corporation ("CCC"), and the Cambria Community Services District, an independent special district organized and operating under the laws of the State of California ("CCSD"). CCC and CCSD may be referred to individually as a "Party" and collectively as the "Parties."

RECITALS

A. CCSD is undertaking the development and construction of the Cambria Skatepark Project, a public recreational improvement in Cambria, California (the "Project").

B. CCC has been acting as the nonprofit entity holding and administering donations and contributions raised for the benefit of the Project, including funds raised by Skate Cambria.

C. CCSD solicited and received construction bids for the Project. Based upon the current project budget and the lowest responsible and responsive construction bid, additional funding is required to eliminate the Project funding shortfall and to establish the construction contingency for unforeseen costs related to the Project.

D. CCC has generously agreed to support the Project by providing the funds necessary to cover the identified Project shortfall and by separately committing funds to serve as a dedicated construction contingency reserve to ensure that the Project is completed, for the benefit of its members and the public.

E. The Parties intend that the shortfall portion of CCC's contribution be transferred to CCSD on an immediate up front basis as further provided herein, so that CCSD may treat those funds as available Project funds in connection with award, execution and administration of the construction contract.

F. The Parties further intend that the construction contingency reserve portion of CCC's commitment be held safely by CCC in a segregated account and disbursed to CCSD only as needed for unforeseen costs related to the Project that are the responsibility of CCSD.

G. CCSD shall retain full authority over the Project, including procurement, award, construction administration, change orders, claims, closeout, grant compliance, and all expenditure decisions.

H. The Parties desire to set forth their respective rights and obligations concerning the transfer, holding, disbursement, use, accounting, and return of funds committed by CCC for the Project.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants and promises contained in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are acknowledged, the Parties agree as follows:

1. Incorporation of Recitals

   The foregoing recitals are true, correct, and are hereby incorporated by this reference.

2. Definitions
   a) "Board" means the Board of Directors of CCSD.
   b) "Construction Contract" means the public works construction contracts for the Project, if awarded by CCSD, including for installation of the public restroom.
   c) "Project Funds" means funds committed or available to CCSD for Project construction, including grants, District funds, funds previously raised or contributed for the Project, the Shortfall Contribution, and the Contingency Commitment.
   d) "Shortfall Contribution" means the portion of CCC's contribution needed to eliminate the current Project funding shortfall before application of the 15% construction contingency. The Shortfall Contribution is One Hundred Seventy-Five Thousand Ninety-Five Dollars and Forty-One Cents ($175,095.41).
   e) "Contingency Commitment" means the amount committed by CCC to serve as a dedicated construction contingency reserve for unforeseen costs related to the Project that are the responsibility of CCSD. The Parties have established a 15% construction contingency amount of Two Hundred One Thousand Six Hundred Dollars ($201,600.00).
   f) “Maintenance Reserve” means the funds presently held by CCC that are intended to satisfy the operation, maintenance, repair, and replacement reserve requirements previously established by the Parties pursuant to the Superseded MOUs, defined in Section 3, below. The Maintenance Reserve is Sixty-Nine Thousand Three Hundred Twelve Dollars and Six Cents ($69,312.06).
   g) "Total CCC Commitment" means the combined Shortfall Contribution, Contingency Commitment, and Maintenance Reserve. Based on the above figures, the Total CCC Commitment is Four Hundred Forty-Six Thousand Seven Dollars and Forty-Seven Cents ($446,007.47).
   h) "Contingency Account" means the segregated bank or financial account established and maintained by CCC to hold the Contingency Commitment in accordance with this Agreement.
   i) "Project Closeout" means the earliest date upon which:
      i. construction of the Project is substantially complete, including the installation of the public restroom;
      ii. all required inspections have been completed and final approvals for the Project have been issued by the County of San Luis Obispo and all other applicable governmental or regulatory agencies;
      iii. any required certificate of occupancy, certificate of completion, final inspection approval, or equivalent authorization for occupancy and use has been issued for all Project improvements requiring such approval;
      iv. the contractor has received final payment;
      v. all known change orders, claims, retention obligations, and warranty claims then pending have been resolved or appropriately reserved against; and
      vi. all grant compliance obligations relating to construction funding have been satisfied.

j) "Project-Related Purpose" means grant compliance and closeout costs reasonably related to the applicable grant and construction-contract-related costs incurred under the Construction Contract, limited to: (a) executed change orders; (b) costs due to unforeseen conditions documented in accordance with the Construction Contract; (c) changes required by applicable codes or authorities having jurisdiction; (d) contractor or subcontractor claims, disputes, or retention obligations to the extent payable under the Construction Contract; and (e) other amounts expressly required to be paid by CCSD under the executed Construction Contract. For the avoidance of doubt, Project-Related Purpose expressly excludes: (i) general administrative or overhead costs; (ii) CCSD internal staff time; (iii) legal fees and costs not arising from third-party claims by or against the contractor, subcontractors, or suppliers under the Construction Contract; and (iv) (v) any operation, maintenance, repair, or replacement costs after Project Closeout.

3. Termination and Superseded MOUs

The Parties acknowledge and agree that, as of the Effective Date, the following prior documents related to the Cambria Skate Park Project are hereby superseded and replaced in their entirety by this Agreement: (a) the memorandum of understanding titled “Memorandum of Understanding Skatepark Funding,” dated March 28, 2022; (b) the “Amendment to Memorandum of Understanding Skatepark Funding,” dated May 11, 2023; and (c) the “Second Amendment to Memorandum of Understanding Skatepark Funding,” dated April 10, 2025 (collectively, the “Superseded MOUs”). Effective as of the Effective Date, the Superseded MOUs are terminated and are of no further force or effect. From and after the Effective Date, no Party may rely on any term, condition, obligation, or representation contained in the Superseded MOUs, and any such reliance is expressly disclaimed.

4. Transfer of Skate Cambria Project Funds

The Parties acknowledge that CCC presently holds funds raised by Skate Cambria and other contributors (collectively, the “Skate Cambria Contributions”) for the construction of the Project. Within three (3) business days after the Effective Date, CCC shall transfer and deposit with CCSD all Skate Cambria Contributions then held by CCC for the Project.

5. Maintenance Reserve Funds

CCC shall transfer and deposit with CCSD the Maintenance Reserve within ten (10) days of issuance of a temporary occupancy permit. Upon receipt of such funds, CCSD shall hold and administer the operation, maintenance, repair, and replacement reserve funds for the benefit of the Skatepark and shall thereafter assume sole responsibility for ownership, operation, maintenance, repair, replacement, administration, and public use of the Skatepark.

The Parties acknowledge and agree that the transfer of the Maintenance Reserve to CCSD is intended to satisfy any obligation of CCC relating to future operation, maintenance, repair, replacement, reserve funding, or operational funding of the Skatepark arising under the

Superseded MOUs. Following such transfer, CCC shall have no continuing obligation to provide any additional funding for operation, maintenance, repair, replacement, or reserve purposes unless CCC voluntarily agrees to do so pursuant to a separate written agreement approved by both Parties.

6. CCC Funding Commitment

   CCC hereby irrevocably commits the Total CCC Commitment for the benefit of the Project, subject to the terms of this Agreement. CCC acknowledges that CCSD may rely upon this Agreement, the immediate up front transfer of the Shortfall Contribution as set forth in Section 7 below, and the availability of the Contingency Commitment in determining whether sufficient funds are available to award and administer the Construction Contract.

   CCC's maximum financial obligation under this Agreement shall be the Total CCC Commitment, and CCC shall have no obligation to provide any additional Project funding.

7. Up-Front Transfer of Shortfall Contribution

   Within three (3) business days after the Effective Date, CCC shall transfer the Shortfall Contribution to CCSD in immediately available funds, by wire transfer, cashier's check, or other method acceptable to CCSD.

   Upon receipt by CCSD, the Shortfall Contribution shall be held and used by CCSD solely for Project-Related Purposes. Unless the Project is abandoned before award of the Construction Contract, the Shortfall Contribution shall not be refundable merely because the final mix of Project funding differs from the Parties' current estimate.

   If CCSD determines not to award the Construction Contract and affirmatively abandons the Project before entering into the Construction Contract, CCSD shall return the Shortfall Contribution to CCC within ten (10) days after such determination. In addition, if CCSD terminates, suspends indefinitely, or otherwise abandons the Project at any time before Project Closeout such that the Project is not completed, then (a) CCSD shall return to CCC, within ten (10) days after CCSD’s determination (or other written notice) to terminate/abandon/not complete the Project, the Shortfall Contribution and any other CCC funds then held by CCSD that have not been expended or legally committed for Project-Related Purposes as of the termination/abandonment date, and (b) CCC shall have no further obligation to fund or maintain any undisbursed contingency amounts, and any remaining balance in the Contingency Account shall remain with (or be returned to) CCC.

8. Establishment and Maintenance of Contingency Account

   Within three (3) business days after the Effective Date, CCC shall establish and maintain the Contingency Account and deposit or retain in the Contingency Account the full amount of the Contingency Commitment. The Contingency Account shall be segregated from CCC's general operating funds and shall be dedicated solely to the Project and continuously maintained until this Agreement terminates or following Project Closeout.

   CCC shall not withdraw, transfer, pledge, encumber, spend, commingle, reallocate, or otherwise dispose of the Contingency Commitment except as expressly authorized by this Agreement. Any interest earned on the Contingency Account shall remain the property of CCC and shall not be treated as part of the Contingency Commitment.

CCC shall provide CCSD with documentation reasonably satisfactory to CCSD confirming the existence, balance, segregation, and availability of the Contingency Account. CCC shall provide updated evidence of the account balance upon reasonable written request by CCSD.

9. CCSD Discretion and Authority Over Contingency Funds

CCSD, acting through its General Manager, shall have sole and absolute discretion to determine whether any portion of the Contingency Commitment is needed for a Project-Related Purpose, the amount to be requested, the timing of any request, and the Project-Related Purpose for which requested funds will be used.

CCC shall have no approval right, veto right, audit precondition, review authority, protest right, or discretion to condition, delay, reduce, or deny any written request made by CCSD pursuant to this Agreement. CCC's obligation to disburse requested contingency funds is ministerial upon receipt of a request conforming to Section 10.

10. Request and Disbursement Procedure for Contingency Funds

Whenever CCSD determines that contingency funding is required or appropriate for a Project-Related Purpose, CCSD shall provide CCC with a written request for disbursement, the form of which is attached hereto as Exhibit “A” and incorporated herein by reference. The request shall be signed by the General Manager or other CCSD representative authorized in writing by the General Manager.

Each request shall specify the amount requested and payment instructions. No invoice, change order, contractor claim, staff report, Board minute, or other supporting documentation shall be required as a condition to CCC's obligation to disburse funds.

Within three (3) business days after receipt of a written request from CCSD, CCC shall transfer the requested amount to CCSD in immediately available funds. CCC shall not withhold, condition, offset, delay, or reduce payment based upon any disagreement with CCSD's Project administration, construction decisions, expenditure decisions, contractor, consultant, or grant compliance determination.

CCSD may make multiple requests during the course of the Project until the Contingency Commitment is exhausted or until CCSD confirms in writing that no further contingency funding is required.

11. Use, Accounting, and Return of Funds

CCSD shall use funds received under this Agreement only for Project-Related Purposes and shall maintain reasonable records regarding receipt and use of such funds. CCSD is not required to segregate funds transferred to it under this Agreement from other Project Funds unless required by applicable law, grant conditions, or CCSD's accounting practices.

Upon Project Closeout, the General Manager shall provide written notice to CCC confirming that no additional contingency funding is reasonably anticipated to be required. Following Project Closeout, CCSD shall prepare a final accounting of amounts received from CCC under this Agreement.

As a condition precedent to Project Closeout, CCSD shall have received all final County approvals and any required certificates of occupancy, certificates of completion, or equivalent authorizations necessary for lawful occupancy and use of the Project improvements.

Any contingency funds transferred to CCSD but not expended or legally committed for Project-Related Purposes shall be returned to CCC within thirty (30) days following Project Closeout. Any portion of the Contingency Commitment remaining in the Contingency Account at Project Closeout shall remain the property of CCC. For purposes of this Agreement, funds are legally committed if they are necessary or appropriate to satisfy any Project-Related obligation incurred before Project Closeout.

12. No Project Control or Ownership Rights

CCC acknowledges that the Project is being constructed on District property and that CCSD has sole and exclusive authority regarding the Project's design, bidding, construction, administration, ownership, operation, maintenance, repair, and public use. CCC's contribution is a community funding contribution in support of a public project. CCC shall not, by virtue of this Agreement or its contribution, acquire any ownership interest, leasehold interest, possessory right, reimbursement right, management right, naming right, priority use right, or other proprietary interest in the Project or any Project improvements, except as expressly stated in a separate written agreement approved by CCSD.

CCC shall have no right to direct or control CCSD, the Project design, the Construction Contract, the contractor, subcontractors, consultants, change orders, claims, construction sequencing, grant compliance, operations, maintenance, or any other Project-related decision.

Nothing in this Agreement creates a partnership, joint venture, agency, fiduciary relationship, or employment relationship between the Parties. Neither Party may bind the other except as expressly provided in this Agreement.

13. No Liability for Skatepark Ownership, Construction, or Use

CCC shall have no responsibility or liability for the design, construction, ownership, operation, maintenance, repair, management, supervision, or public use of the Skatepark.

The Parties acknowledge that CCSD owns the Project site and shall be solely responsible for the ownership, operation, maintenance, management, and public use of the Skatepark, including compliance with all applicable laws, regulations, and grant or funding requirements.

CCC's provision of funding shall not create any ownership interest, management authority, operational duty, partnership, agency relationship, or joint venture.

14. Representations and Covenants of CCC

a) CCC has full authority to enter into this Agreement and to commit the Shortfall Contribution and Contingency Commitment for the Project.
b) The funds committed under this Agreement are not subject to any lien, pledge, restriction, donor condition, contract, or obligation that would prevent CCC from performing this Agreement.

c) CCC will maintain the Contingency Account in a manner consistent with this Agreement and will not permit the Contingency Commitment to be depleted, encumbered, or made unavailable except through disbursements to CCSD under this Agreement.
d) CCC will promptly notify CCSD of any event, claim, condition, or restriction that could impair CCC's ability to perform its funding obligations.
e) CCC will take any internal corporate action necessary to authorize execution and performance of this Agreement and, upon request, will provide CCSD with reasonable evidence of such authorization.

15. Representations and Covenants of CCSD

a) CCSD has full authority, subject to any required Board approval, to enter into this Agreement and to receive and use the funds provided by CCC for Project-Related Purposes.
b) CCSD will make final Project decisions in accordance with applicable law, public contracting requirements, grant requirements, and CCSD policies.
c) CCSD will maintain reasonable records regarding funds received and used under this Agreement.
d) CCSD will return unused and uncommitted contingency funds as provided in this Agreement.

16. Events of Default by CCC

The occurrence of any of the following constitutes an Event of Default by CCC:

a) failure to timely transfer the Shortfall Contribution;
b) failure to establish, maintain, or prove the existence and availability of the Contingency Account;
c) failure to maintain the full Contingency Commitment in the Contingency Account, less amounts properly disbursed to CCSD under this Agreement;
d) withdrawal, transfer, pledge, encumbrance, commingling, expenditure, or other disposition of the Contingency Commitment except as authorized by this Agreement;
e) failure to disburse requested contingency funds within three (3) business days after receipt of a written request from CCSD; or
f) any other material breach of this Agreement by CCC.

17. Events of Default by CCSD

The occurrence of any of the following constitutes an Event of Default by CCSD:

a) use of funds received under this Agreement for purposes unrelated to the Project;
b) failure to maintain reasonable records regarding receipt and use of funds received under this Agreement;
c) failure to return unused and uncommitted contingency funds as required by this Agreement; or
d) any other material breach of this Agreement by CCSD.

18. Notice and Opportunity to Cure

Except as provided below, a Party claiming default shall provide written notice describing the alleged default with reasonable specificity. The defaulting Party shall have ten (10) business days after receipt of notice to cure the default, unless the nature of the default reasonably requires a longer cure period and the defaulting Party promptly commences and diligently pursues cure.

No cure period shall apply to CCC's failure to timely transfer requested contingency funds under Section 10, or the depletion or encumbrance of the Contingency Account.

19. Remedies

Upon an Event of Default, the non-defaulting Party may pursue all remedies available at law or in equity, including damages, specific performance, injunctive relief, declaratory relief, prejudgment interest, attorneys' fees, expert witness fees, and costs.

The Parties acknowledge that CCC's failure to maintain or timely disburse the Contingency Commitment may impair, delay, or jeopardize the Project and that monetary damages alone may be inadequate. CCC acknowledges that CCSD will rely upon the availability of the Contingency Commitment until Project Closeout and that failure to provide such funds may materially impair completion and closeout of the Project. CCC further acknowledges that based upon its reliance on the funding being provided in accordance with this Agreement, CCSD will be awarding a construction contract for the Project and will be incurring related responsibilities and obligations to the Project's contractor. Accordingly, CCSD shall be entitled to seek specific performance and injunctive relief to compel CCC's performance without the necessity of proving actual damages or posting a bond, to the fullest extent permitted by law.

CCC's remedies for a CCSD default shall not include any right to control, delay, suspend, direct, or interfere with the Project, the Construction Contract, the contractor, CCSD staff, consultants, the Board, or any CCSD Project-related decision. CCC may seek recovery of improperly used funds, return of unused and uncommitted funds required to be returned, and other appropriate legal or equitable relief.

The remedies in this Agreement are cumulative and not exclusive.

20. Attorneys' Fees

In any action, proceeding, arbitration, or other dispute arising out of or relating to this Agreement, the prevailing Party shall be entitled to recover its reasonable attorneys' fees, expert witness fees, and costs in addition to any other relief to which it may be entitled.

21. Public Agency Requirements; Public Records

Nothing in this Agreement shall be construed to limit CCSD's obligations under the Ralph M. Brown Act, the California Public Records Act, public contracting laws, grant requirements, conflict-of-interest laws, or any other applicable law. CCC acknowledges that this Agreement and records related to CCSD's receipt and use of funds are subject to public disclosure.

If CCC provides records to CCSD that CCC believes are exempt from disclosure, CCC shall identify the asserted basis for exemption at the time of transmittal. Before producing CCC provided records designated as confidential or exempt, CCSD shall provide prompt written notice to CCC and reasonably cooperate, consistent with applicable law, to allow CCC to assert exemptions or seek protective relief. Nothing herein requires CCSD to violate the Public Records Act. CCSD retains sole discretion to determine its legal obligations concerning public records requests, subject to applicable law.

22. No Third-Party Beneficiaries

This Agreement is entered into solely for the benefit of CCC and CCSD. Nothing in this Agreement is intended to confer any right, remedy, claim, or benefit upon any contractor, subcontractor, consultant, donor, grantor, resident, taxpayer, Project supporter, or other third party.

23. Indemnification

Each Party shall be responsible for its own acts and omissions and those of its officers, directors, board members, employees, agents, representatives, and volunteers.

To the fullest extent permitted by law, CCC shall indemnify, defend, and hold harmless CCSD and its officers, directors, employees, agents, and representatives from and against any and all claims, damages, liabilities, losses, costs, and expenses, including reasonable attorneys' fees, but only to the extent arising out of or relating to CCC's breach of this Agreement or CCC's knowing misapplication of the Contingency Account. Notwithstanding the foregoing, CCC shall have no obligation to indemnify, defend, or hold harmless CCSD for any claims, damages, liabilities, losses, costs, or expenses arising out of or relating to the design, construction, site conditions, contractors, ownership, operation, maintenance, or public use of the Project, except to the extent caused by CCC's breach of this Agreement.

To the fullest extent permitted by law, CCSD shall indemnify, defend, and hold harmless CCC and its officers, directors, employees, agents, and representatives from and against any and all claims, damages, liabilities, losses, costs, and expenses, including reasonable attorneys' fees, arising out of or relating to the design, construction, site conditions, contractors, ownership, operation, maintenance, or public use of the Project, except to the extent such claims arise out of or relate to CCC's breach of this Agreement or CCC's knowing misapplication of the Contingency Account.

Each Party shall indemnify, defend, and hold harmless the other Party from and against claims, damages, liabilities, losses, costs, and expenses, including reasonable attorneys' fees, arising out of or relating to the indemnifying Party's breach of this Agreement or negligent or wrongful acts or omissions in connection with this Agreement.

24. Term and Termination

This Agreement shall commence on the Effective Date and remain in effect until Project Closeout and final disposition of all funds provided or committed under this Agreement.

This Agreement may be terminated before Project Closeout only by mutual written agreement of the Parties, unless CCSD determines not to award the Construction Contract and abandons the Project before award, in which case Section 7 shall govern return of any unexpended and uncommitted Shortfall Contribution and Section 11 shall govern the Contingency Commitment.

The provisions concerning accounting, return of unused funds, default, remedies, indemnification, attorneys' fees, public records, governing law, and records shall survive termination or expiration of this Agreement.

25. Notices

All notices required or permitted under this Agreement shall be in writing and delivered personally, by email, by certified mail, return receipt requested, or by nationally recognized overnight delivery service to the addresses below, or to such other address as a Party may designate by written notice.

If to CCSD:

Cambria Community Services District
PO Box 65
Cambria, California 93428
Attn: Matthew McElhenie, General Manager
Email: mmcelhenie@cambriacsd.org

If to CCC:

Cambria Community Council
PO Box 486
Cambria, CA 93428
Attn: Miguel Sandoval, President
Email: __________________________

Notice shall be deemed given upon personal delivery, upon email transmission if sent before 5:00 p.m. on a business day and no bounce-back or delivery failure is received, three (3) business days after deposit in certified mail, or one (1) business day after deposit with an overnight delivery service.

26. General Provisions

a. Entire Agreement. This Agreement constitutes the entire agreement between the Parties with respect to the subject matter of this Agreement, including without limitation funding, contingency, and all other matters relating to the Cambria Skate Park Project, and supersedes all prior and contemporaneous agreements, understandings, negotiations, term sheets, letters, proposals, and communications, whether written or oral, concerning such subject matter.
b. Amendments. This Agreement may be amended only by a written instrument executed by both Parties. No oral modification shall be effective.
c. Assignment. Neither Party may assign this Agreement or any rights or obligations under this Agreement without the prior written consent of the other Party. Any attempted assignment without required consent is void.
d. No Waiver. No failure or delay in exercising any right or remedy shall constitute a waiver. No waiver shall be effective unless in writing and signed by the Party against whom the waiver is asserted.
e. Severability. If any provision is determined to be invalid, illegal, or unenforceable, the remaining provisions shall remain in full force to the maximum extent permitted by law.
f. Governing Law and Venue. This Agreement shall be governed by California law. Venue for any action arising out of this Agreement shall lie in the Superior Court of the State of California, County of San Luis Obispo.
g. Counterparts and Electronic Signatures. This Agreement may be executed in counterparts. Signatures transmitted by PDF, electronic signature platform, or other electronic means shall be deemed original signatures for all purposes.
h. Authority. Each person signing this Agreement represents and warrants that they are authorized to execute this Agreement on behalf of the Party for whom they sign and to bind that Party to the terms of this Agreement.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the Effective Date.

CAMBRIA COMMUNITY SERVICES DISTRICT	CAMBRIA COMMUNITY COUNCIL
By: ________________________________	By: ________________________________
Matthew McElhenie	Name: ______________________________
General Manager	Its: ________________________________
Approved as to form:	Approved as to form:
________________________________	________________________________
Timothy J. Carmel	Name:______________________________
District Counsel	Title: ______________________________

EXHIBIT A

Form of Contingency Disbursement Request

Date: ____________________

To: Cambria Community Council, Attn: President

From: Cambria Community Services District

Re: Request for Disbursement of Contingency Funds - Cambria Skatepark Project

Pursuant to the Funding and Contingency Agreement between the Cambria Community Council and the Cambria Community Services District, CCSD hereby requests disbursement of contingency funds for the Cambria Skatepark Project.

Amount Requested: $________________________

Payment Instructions:

____

____

CCSD has determined that the requested funds are needed or appropriate for a Project-Related Purpose. Pursuant to the Agreement, this request is conclusive and binding for purposes of disbursement, and CCC shall transfer the requested funds within three (3) business days after receipt.

CAMBRIA COMMUNITY SERVICES DISTRICT

By: ____________________________________

Name: __________________________________

Title: ___________________________________

Date: ___________________________________