



ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT, ZONE 7

100 NORTH CANYONS PARKWAY • LIVERMORE, CA 94551 • PHONE (925) 454-5000 • FAX (925) 454-5727

NOTICE OF REGULAR MEETING OF BOARD OF DIRECTORS

DATE: Wednesday, September 18, 2013
TIME: 6:30 p.m. CLOSED SESSION
7:00 p.m. OPEN SESSION (time approximate)
LOCATION: Zone 7 Administration Building
100 North Canyons Parkway, Livermore, California

Any member of the public desiring to address the Board on an item under discussion may do so upon receiving recognition from the President. After receiving recognition, please step to the podium and state your name and address.

In compliance with the Americans with Disabilities Act, the meeting room is wheelchair accessible and disabled parking is available at the Zone 7 Administrative Building lot. If you are a person with a disability and you need disability-related modifications or accommodations to participate in this meeting, please contact the Zone 7 Board Secretary, Judy Rector, at (925) 454-5053 or fax (925) 454-5724. Notification 48 hours prior to the meeting will enable Zone 7 to make reasonable arrangements to ensure accessibility to this meeting. {28 CFR 35.102-35, 104 ADA Title II}

A G E N D A

1. CLOSED SESSION - OPEN SESSION TO FOLLOW AT APPROXIMATELY 7:00 P.M.
 - (a) Conference with Legal Counsel -- Significant exposure to litigation pursuant to Gov't Code Section 54956.9(d) (2): 1 case.
 - (b) Conference with Legal Counsel -- Potential litigation pursuant to Gov't Code section 54956.9(d) (3): 2 cases.
 - (c) Conference with Labor Negotiators:
Agency Negotiator: G.F. Duerig
Employee Organizations: Alameda County Management Employees Association; Alameda County Building and Construction Trades Council, Local 342, AFL-CIO; International Federation of Professional and Technical Engineers, Local 21, AFL-CIO; Local 1021 of the Service Employees International Union, CTW; Unrepresented Management.
 - (d) Conference with Real Property Negotiator:
Property: APNs 99-525-2, 99-550-2-3, 99-550-3-2, 99A-2700-2-5, 99A-2700-6-6, 99A-2700-9- 8, 99A-2700-10, 99A-2700-11-3, 99A-2700-12-6, 99A-2700-12-7, 99A-2420-4-13, 96-420-2, 96-420-3, 96-429-6, 99A-2701-1, 99A-2701-2, 99A-2701-3.
Agency negotiator: G.F. Duerig
Negotiating parties: Patliv; PTLM, Inc.; Henry H. Patterson Trust, and Charles Edwards Engs
Under negotiation: Price and terms of payment.
2. Open Session and Report Out of Closed Session (approximate time: 7:00 p.m.)
3. Call Meeting to Order
4. Pledge of Allegiance
5. Citizens Forum

This is an opportunity for members of the public to speak on an item not listed on the agenda. The Board cannot deliberate or take action on a non-agenda item unless it is an emergency as defined under Government Code Section 54954.2.

6. Minutes of the Special Meeting of August 19, 2013 and the Regular Meeting of August 21, 2013
7. Consent Calendar
 - a. Approval of Guiding Principles for Board Members
 - b. Grant of Easement on Portion of Arroyo Las Positas to City of Livermore for Widening North Front Road
 - c. Authorize Watershed Protection Property Acceptance
8. Staffing Update:

July Employee of the Month Recognition
9. Agreement to Purchase DWR Property Adjacent to Patterson Pass Water Treatment Plant

Recommended Action: Adopt resolution.
10. Proposed 2014 Municipal & Industrial Water Connection Fee

Recommended Action: Discuss and provide direction.
11. Authority to Enter into a Tax-Exempt Revolving Line of Credit for the Reimbursement of Capital Projects

Recommended Action: Adopt resolutions.
12. Committees - Zone 7/City of Pleasanton Liaison Committee - minutes
13. Reports – Directors
 - a. Verbal comments by President
 - b. Written report by Director Quigley
 - c. Other Directors' Verbal reports
14. Items for Future Agenda – Directors
15. Staff Reports (Information items. No action will be taken.)
 - a. General Manager's Report
 - b. Communications Outreach Activities
 - c. Legislative Update
 - d. Monthly Budget Report
 - e. Verbal Reports
16. Adjournment
17. Upcoming Board Schedule: (All meeting locations are in the Boardroom at 100 North Canyons Parkway, Livermore, California, unless otherwise noted)
 - a) Water Resources Committee: September 24, 2013. 4:00 p.m.
 - b) Special Board Meeting (if needed): October 2, 2013
 - c) Regular Board Meeting: October 16, 2013, 7:00 p.m.

Materials related to an item on this agenda that have been provided to the Board less than 72 hours prior to the meeting are available for public inspection at the Zone 7 office at the time of, and prior to, the meeting and at www.zone7water.com. All other material otherwise provided to the Board will be available at the public meeting.

MINUTES OF THE BOARD OF DIRECTORS
ZONE 7
ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT
SPECIAL MEETING/BOARD WORKSHOP

August 19, 2013

President Stevens called the Special Board Meeting to order at 9:15 a.m. The following were present:

DIRECTORS: JOHN GRECI
SARAH PALMER
DICK QUIGLEY
ANGELA RAMIREZ HOLMES
WILLIAM STEVENS

ABSENT: SANDY FIGUERS
AJ MACHAEVICH

ZONE 7 STAFF: JILL DUERIG, GENERAL MANAGER
KURT ARENDS, ASSISTANT GENERAL MANAGER, ENGINEERING
TOM HUGHES, ASSISTANT GENERAL MANAGER, ADMINISTRATION
CAROL MAHONEY, SENIOR GEOLOGIST, INTEGRATED PLANNING
DAVID ALADJEM, GENERAL COUNSEL
JUDY RECTOR, BOARD SECRETARY

Item 3 - Citizens Forum - None.

Item 4 - "Helpful Principles for Board Members"

Board members reviewed copies of the Gentleperson's Agreement (July 20, 2007), Helpful Principles for Board Members (Cucamonga Valley Water District - CVWD), and the current Zone 7 Water Agency Board Policy on Conducting Business (September 19, 2012) which were distributed at the meeting.

Board members discussed summarizing the Board guidelines and Gentleperson's Agreement and developing a List of Helpful Principles using the Cucamonga Valley Water District (CVWD) example.

As a result of that discussion, the following Guiding principles were drafted:

• **Role of the Board**

- Promote the best interests of the public by establishing policies that support the mission, vision and core values of the organization and by ensuring the implementation of those policies.
Assure the fiscal health for the organization and provide the resources necessary to meet the agency's goals.

- Provide policy direction to the General Manager, who will, in turn, manage the day-to-day operations of the organization.
- Understand your role and relationship to other board members and to the General Manager.
- Recognize and respect the distinction between the policy-setting role and the day-to-day implementation of policy by staff.

• **Principles of the Board of Directors -The Board:**

- Functions as a team.
- Respects and supports each other.
- Values open and honest communication.
- Is prepared for meetings.
- Practices continued professional development in their role as directors.
- Are respectful and considerate of staff.

The Board discussed expanding the language in the Gentlepersion's Agreement to highlight transparency.

The Board discussed Section 14, Board of Directors' Roles and Duties from the Zone 7 Water Agency Board Policy on Conducting Business, revised September 19, 2012.

Item 5 - Watershed Protection - the new frontier

5a. Patterson Pass Property

The Board discussed how to use lakes that belong to Zone 7, utilizing the new Patterson Pass property, and whether the Board needed to review Strategic Priorities because being watershed stewards is a "new frontier" for Zone 7. The Directors held a lengthy discussion around the principles of good range management for the Patterson Pass property (i.e., erosion control, responsible grazing practices).

Although there was a suggestion to have a Watershed Protection Committee as a new standing Board committee, it was decided that Directors Greci, Machaevich and President Stevens, as members of the Water Resources Committee, could provide the same input as a new committee.

5b. Chain of Lakes Planning and Challenges

Carol Mahoney led a discussion on evaluating potential uses for the Chain of Lakes.

5c. Associated updates to Mission Statement and/or Strategic Plan, if any

The Directors felt the Mission Statement does not need to be revised. They intend to add two Strategic Planning Priorities once they have been reviewed by the Water Resources Committee:

- 1.15 Develop and implement a program for watershed stewardship
- 1.16 Maintain and improve source water quality to protect public health and safety

Item 6 - Independence Update

6a. Memorandum of Understanding (MOU) with Alameda County Public Works

The Board members had a brief discussion about this Memorandum of Understanding with Alameda County Public Works. The County has not responded in writing since April 2013. The hydrology model for the Stream Management Update has the potential to impact Alameda County west (Alameda County Water District).

6b. Principles of Agreement with Contra Costa County

Contra Costa County had concerns that Zone 7 wanted to do flood control for Dougherty Valley. A set of principles were developed clarifying intent. Zone 7 supports the document going to the Contra Costa Board of Supervisors.

Director Ramirez Holmes asked if independence updates would come to the Board as an agenda item. She feels the public should know that there are parallel conversations with Contra Costa County and Alameda County LAFCos. Any agreements would come to the Board. In addition, the Board decided that for public transparency and public record, they would contact the Independent reporter, Ron McNichol, when there is something to report.

6c. LAFCo

Submitting a LAFCo application for independence has been put on hold until various items are checked off. The Tri Valley Utility Coordination Integration Study (involving Zone 7, City of Pleasanton, City of Livermore, Dublin San Ramon Services District, City of San Ramon and City of Dublin) has to be completed, too. Another Liaison Committee meeting will be scheduled by the end of the year after the City Managers meet the end of October. City of Pleasanton City Manager Nelson Fialho was pleased with the City of Pleasanton/Zone 7 Liaison Committee held in August.

Item 7 - Verbal Reports

General Manager Jill Duerig gave a verbal report on the August Association of California Water Agencies 2013 Regulatory Summit meeting in Oxnard.

Item 8 - Adjournment

The meeting was adjourned at 1:15 p.m.

MINUTES OF THE BOARD OF DIRECTORS
ZONE 7
ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT

REGULAR MEETING
August 21, 2013

President Stevens called the regular meeting to order at 7:00 p.m. with a salute to the flag. The following were present:

DIRECTORS: SANDS FIGUERS
JOHN GRECI
AJ MACHAEVICH
RICHARD QUIGLEY
ANGELA RAMIREZ HOLMES
BILL STEVENS

DIRECTORS ABSENT: SARAH PALMER

ZONE 7 STAFF: JILL DUERIG, GENERAL MANAGER
KURT ARENDS, ASSISTANT GENERAL MANAGER, ENGINEERING
TOM HUGHES, ASSISTANT GENERAL MANAGER, ADMINISTRATION
JUDY RECTOR, BOARD SECRETARY

COUNSEL: DAVID ALADJEM, DOWNEY BRAND

Item 3 – Item 4 – Citizens Forum - None.

Item 4 - Minutes of the Regular Meeting of July 17, 2013

Director Quigley moved that the minutes of July 17, 2013, be approved and Director Machaevich seconded the motion. The minutes passed by a 6-0 voice vote with Director Palmer absent.

Item 5 - Consent Calendar - None

Item 6 - Staffing Updates -

June Employee of the Month Recognition

Ms. Duerig introduced Brian Keil, Junior Water Resources Planner, as the June Employee of the Month. Brian works with the Water Quality group at Del Valle. Ms. Duerig told the Board that, in addition to his work accomplishments, he has volunteered for other duties such as the stream sediment sampling, and Agency activities including the softball team and BBQ cook-off competition. After the Board applauded Brian, President Stevens thanked him for his participation.

Item 7 - Committees - Zone 7/City of Pleasanton Liaison Committee - minutes.

Item 8 - Reports - Directors

- a. Verbal comments by President

President Stevens noted that there was a Board Retreat on August 19.

- b. Written report by Director Quigley
- c. Other Directors' Verbal Reports

Director Ramirez Holmes reported that she and Director Quigley attended the ribbon cutting for the Central Dublin Recycling Project. Both Directors accepted a plaque on behalf of Zone 7's partnership in the project providing water conservation grant money. The plaque is in the display case in the North Canyons lobby.

Director Quigley noted that the Superintendent of Education was in attendance at the ribbon cutting and asked about the hydration effort in Livermore and expressed his interest.

Director Figuers reported that he attended the Association of California Water Agencies' (ACWA) Groundwater Committee meeting in Oxnard and reported that, under current law, placing water from the State Water Project into the groundwater basin is not considered to be a beneficial use. ACWA's Groundwater Committee is working on legislation to revise the law so recharging groundwater is a beneficial use. Director Figuers acknowledged Zone 7's General Counsel, David Aladjem, as one of the authors of the legislation.

Item 9 - Items for Future Agenda - Directors

Director Quigley reminded the Board that the Call for Committee Assignments is due to ACWA by September 30. For a future agenda, he suggested that the Board approve a resolution to carry to the fall ACWA meeting regarding nominations for President and Vice President. Director Quigley suggested John Coleman from East Bay Municipal Utility District as President and Kathy Tiegs from Cucamonga Valley Water District as Vice President.

Item 10 - Staff Reports (Information items.)

- a. General Manager's Report
- b. Communications Outreach Activities
- c. Legislative Update
- d. Report on Water Sales and Connection Fee Revenue
- e. Quarterly Update of Water Expansion Fund
- f. Verbal Reports

There were no verbal reports.

Director Ramirez Holmes encouraged the Directors to attend the September 11 Alameda County Chapter of the California Special District Association meeting hosted by Zone 7. Livermore Mayor Marchand and Zone 7's Vice-President John Greci will give welcoming speeches. The 7:45 a.m. meeting will be at Zone 7's North Canyons office.

The board went into closed session at 7:10 p.m.

Item 11 - Closed Session

11. CLOSED SESSION

- (a) Conference with Legal Counsel - Existing litigation pursuant to paragraph 1 of subdivision (d) of Government Code Section 54956.9: 1 case.

Bldg & Constr Trades Council of Alameda County v. Zone 7 Water Conservation District;
California Public Employment Relations Board No. SF-CE-1078-M.

- (b) Conference with Labor Negotiators:
Agency Negotiator: G.F. Duerig
Employee Organizations: Alameda County Management Employees Association; Alameda County Building and Construction Trades Council, Local 342, AFL-CIO; International Federation of Professional and Technical Engineers, Local 21, AFL-CIO; Local 1021 of the Service Employees International Union, CTW; Unrepresented Management.

- (c) Conference with Real Property Negotiator:
Property: APNs 99-525-2, 99-550-2-3, 99-550-3-2, 99A-2700-2-5, 99A-2700-6-6, 99A-2700-9-8, 99A-2700-10, 99A-2700-11-3, 99A-2700-12-6, 99A-2700-12-7, 99A-2420-4-13, 96-420-2, 96-420-3, 96-429-6, 99A-2701-1, 99A-2701-2, 99A-2701-3.
Agency negotiator: G.F. Duerig
Negotiating parties: Patliv; PTLM, Inc.; Henry H. Patterson Trust, and Charles Edwards Eng
Under negotiation: Price and terms of payment.

Item 12 - Open Session and Report Out of Closed Session

The Board came out of Closed Session at 7:20 p.m.

President Stevens reported there was no report out of closed session.

Director Quigley moved and Director Machaevich seconded a motion approving the following resolutions which were passed by a voice vote of 5-0-2 with Director Figuers and Director Palmer absent.

Resolution 14-4286 Approved salary adjustments of 3% each year for Zone 7 unrepresented classifications for the period June 23, 2013 through July 2, 2016.

Resolution 14-4287 Approved an Amendment to Appendix A, Footnotes to Salary Schedule 2.7, for a boot allowance effective June 23, 2013, for Zone 7 unrepresented classifications.

Resolution 14-4288 Approved an Amendment to Appendix A, Footnotes to Salary Schedule 7.4, for a Professional Engineer License Fee reimbursement effective June 23, 2013, for Zone 7 unrepresented classifications.

Resolution 14-4289 Approved an Amendment to Appendix A, Footnotes to Salary Schedule 7.7, for a Professional in Human Resources Certificate Fee reimbursement effective June 23, 2013, for Zone 7 unrepresented Human Resources Analyst I or Human Resources Analyst II classifications.

Resolution 14-4290 Approved an Amendment to Appendix A, Footnotes to Salary Schedule 9.3, for cell phone reimbursement up to \$75 per month to maintain service agreements for smart phone, voice, and data or all for personal phones or computer tablets used in the course of company business by Zone 7 unrepresented classifications who are not provided an agency-provided and paid phone.

Director Quigley moved and Director Greci seconded a motion approving the following resolutions which were passed by a voice vote of 5-0-2 with Director Figuers and Director Palmer absent.

Resolution 14-4291 Approved salary adjustments of 3% each year for Zone 7 Alameda County Management Employees for the period June 23, 2013 through July 2, 2016. In addition, the Zone 7 Water Facilities Supervisor classification will receive an adjustment of 2% above the salary increase outlined above.

Resolution 14-4292 Approved the Side Letter of Agreement between Zone 7 and the Alameda County Management Employees Association (ACMEA) for a “Me Too Clause” with regard to wages for the period June 23, 2013 through July 2, 2016.

Resolution 14-4293 Approved the Side Letter of Agreement between Zone 7 and the Alameda County Management Employees Association (ACMEA) for a “No Equity Adjustment” without mutual consent with regard to wages for the period June 23, 2013 through July 2, 2016.

Resolution 14-4294 Approved an Amendment to Appendix A, Footnotes to Salary Schedule 2.8 in the Memorandum of Understanding, for a boot allowance effective June 23, 2013, for Zone 7 Alameda County Management Employees (ACMEA).

Resolution 14-4295 Approved an Amendment to Appendix A, Footnotes to Salary Schedule 6.1 in the Memorandum of Understanding, for Incentive Compensation for a T-5 or D-5 for Water Facilities Supervisor or a Facilities Maintenance & Construction Supervisor, effective June 23, 2013, for Zone 7 Alameda County Management Employees (ACMEA).

Resolution 14-4296 Approved an Amendment to Appendix A, Footnotes to Salary Schedule 6.5 in the Memorandum of Understanding, for Incentive Compensation (PHR) for an Employee Services Specialist with certification as a Professional in Human Resources (PHR) from the Human Resources Certification Institute shall be paid 5 percent over their normal rate of pay.

- Resolution 14-4297 Approved an Amendment to Appendix A, Footnotes to Salary Schedule 7.5 in the Memorandum of Understanding, for reimbursement within one year from the date of renewal of the license fee for a Professional Engineer or for a Principal Engineer/Geologist who possesses and maintains a valid Certificate of Registration for Civil and Professional Engineers issued by the State of California or a valid Certificate of Registration for Geologists issued by the State of California by the Board for Professional Engineers and Land Surveyors.
- Resolution 14-4298 Approved an Amendment to Appendix A, Footnotes to Salary Schedule 7.6 in the Memorandum of Understanding, for reimbursement for actual costs for the renewal of the PHR certificate for an Employee Services Specialist with certification as a Professional in Human Resources (PHR) from the Human Resources Certification Institute.
- Resolution 14-4299 Approved an Amendment to Appendix A, Footnotes to Salary Schedule 7.8 in the Memorandum of Understanding for reimbursement of actual costs of renewal of the Treatment and Distribution Certificate Fee for Water Facilities Supervisor, Facilities Maintenance & Construction Supervisor, and Operations Manager, who hold a single certification in Treatment or a dual certification in Treatment and Distribution.
- Resolution 14-4300 Approved an Amendment to Appendix A, Footnotes to Salary Schedule 9.1, for cell phone reimbursement up to \$75 per month to maintain service agreements for smart phone, voice, and data or all for personal phones or computer tablets used in the course of company business by Zone 7 ACMEA members who are not provided an agency-provided and paid phone.

Item 18 - Adjournment

The meeting was adjourned at 7:23 p.m.



ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT, ZONE 7

100 NORTH CANYONS PARKWAY • LIVERMORE, CA 94551 • PHONE (925) 454-5000 • FAX (925) 454-5727

ORIGINATING SECTION: ADMINISTRATION

CONTACT: JILL DUERIG

AGENDA DATE: September 18, 2013

ITEM NO. **7a**

SUBJECT: APPROVAL OF GUIDING PRINCIPLES FOR BOARD MEMBERS

SUMMARY:

On August 19, 2013, the Board had its annual retreat. One of the topics that was discussed was a summary set of Guiding Principles that would highlight key portions of “Zone 7 Water Agency’s Board Policy on Conducting Business” and the “Gentleperson’s Agreement.” The result of that discussion is attached.

This is an opportunity to discuss and finalize such a summary.

FINANCIAL:

None.

RECOMMENDED ACTION:

Adopt attached resolution approving Guiding Principles.

ZONE 7
ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT
BOARD OF DIRECTORS

RESOLUTION NO.

INTRODUCED BY
SECONDED BY

WHEREAS, the Board has adopted the “Gentleperson’s Agreement” and “Zone 7 Water Agency’s Board Policy on Conducting Business”;

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of Zone 7 of the Alameda County Flood Control & Water Conservation District does hereby approve the attached Guiding Principles for Board Members summarizing key principles in those documents.

ADOPTED BY THE FOLLOWING VOTE:

AYES:

NOES:

ABSENT:

ABSTAIN:

I certify that the foregoing is a correct copy of a Resolution adopted by the Board of Directors of Zone 7 of the Alameda County Flood Control and Water Conservation District on September 18, 2013.

By: _____
President, Board of Directors



Guiding Principles for Board Members

Role of the Board

- Promote the best interest of the public by establishing policies that support the mission, vision and core values of the organization and by ensuring the implementation of those policies.
- Assure the fiscal health for the organization and provide the resources necessary to meet the agency's goals.
- Provide policy direction to the General Manager, who will, in turn, manage the day-to-day operations of the organization.
- Understand your role and relationship to other board members and to the General Manager.
- Recognize and respect the distinction between the policy-setting role and the day-to-day implementation of policy by staff.

Principles of the Board of Directors -The Board:

- Functions as a team.
- Respects and supports each other.
- Values open and honest communication.
- Is prepared for meetings.
- Practices continued professional development in their role as directors.
- Are respectful and considerate of staff.

*For more complete information, refer to Zone 7 Water Agency's Board Policy on Conducting Business.



ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT, ZONE 7

100 NORTH CANYONS PARKWAY • LIVERMORE, CA 94551 • PHONE (925) 454-5000 • FAX (925) 454-5727

ORIGINATING SECTION: Engineering
CONTACT: Dennis Gambs/Jarnail Chahal

AGENDA DATE: September 18, 2013

ITEM NO. 7b

SUBJECT: Grant of Easement on Portion of Arroyo Las Positas to
City of Livermore for Widening North Front Road

SUMMARY:

- The City of Livermore has a project to widen North Front Road, which includes new paving, curb, gutter, sidewalk and a 24-foot wide driveway approach at the entry to Zone 7's Arroyo Las Positas channel access road.
- As part of this project, the City wishes to acquire right-of-way easement rights to approximately 290 square feet of the Arroyo Las Positas property for public highway purposes as well as a 6-foot wide Public Utility Easement from Zone 7.
- The property is located on the west side of the bridge crossing where Zone 7 now accesses its channel. The property will continue to be used for accessing the channel after project completion via a new 24-foot wide driveway approach to the channel access road to be constructed as part of the project.
- Livermore staff and Zone 7 staff have negotiated a draft right-of-way easement grant.

FUNDING:

Zone 7 will be compensated a one-time administrative fee in the amount of \$3,000 for the right of way.

RECOMMENDED ACTION:

Adopt attached resolution requesting and authorizing the Board of Supervisors of Alameda County Flood Control and Water Conservation District to approve granting the right of way to the City of Livermore.

ATTACHMENTS:

Memo providing additional background and discussion
Resolution
Location Map
Grant of Easement w/Exhibit A & B

INTEROFFICE MEMO

Date: September 18, 2013
To: Jill Duerig, General Manager
From: Dennis Gambs, Principal Engineer
Subject: Grant of Easement on Portion of Arroyo Las Positas to
City of Livermore for Widening North Front Road

BACKGROUND:

The City of Livermore has a project to widen North Front Road as part of its Capital Improvement Program. This project includes new paving, curb, gutter, sidewalk and a 24-foot wide driveway approach at the entry to Zone 7's Arroyo Las Positas channel access road. This project is being completed as part of a Toyota car dealership development by the John L. Sullivan Group. The City is requesting from Zone 7 an approximately 290 square feet portion of Zone 7's Arroyo Las Positas property in easement for public highway purposes along with a 6-foot wide Public Utility Easement adjacent to the public street.

DISCUSSION:

The property is located on the west side of the bridge crossing from where Zone 7 now accesses its channel. The property will continue to be used for accessing the channel after project completion. Zone 7 staff has reviewed the construction plans for widening of North Front Road and determined that there would be no conflict or interference with the use of the channel property by Zone 7 for flood control purposes.

The Fair Market Value of property is based on its "highest and best use". The subject property is vacant land and will continue to remain so to ensure access to the channel. Because there is no economic market for this type of property, previous appraisals for this type of easement have considered the value to be "nominal," almost invariably more than the cost of assessing such small parcels. In the past Zone 7 has granted easements of a similar nature to other public agencies for a so-called administrative fee, avoiding the cost of a formal appraisal. In this case, staff from the City and Zone 7, respectively, have negotiated a one-time administrative fee of \$3,000 as compensation for the granting of these easements.

The legal title to the property vests with the Alameda County Flood Control and Water Conservation District. As the legal owner of the property over which the easement is to be granted, the Board of Supervisors of the Alameda County Flood Control and Water Conservation District is required to approve granting the easement. To that end, the Zone 7 Board of Directors would request and authorize the District Board to approve granting the easement.

RECOMMENDATION:

Staff recommends that the Board authorize the General Manager to negotiate and finalize the Grant of Easement; and, request and authorize the Board of Supervisors of the District to approve granting the Easement to the City of Livermore.

ZONE NO. 7
ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT

BOARD OF DIRECTORS

RESOLUTION NO.

INTRODUCED BY
SECONDED BY

Grant of Easement to the City of Livermore

WHEREAS, Alameda County Flood Control and Water Conservation District, Zone 7 is the owner of the real property known as the Arroyo Las Positas in Livermore; and

WHEREAS, the City of Livermore has a project to widen North Front Road and has requested to acquire approximately 290 square feet of the Arroyo Las Positas property for public highway purposes along with a 6-foot wide Public Utility Easement; and

WHEREAS, a Grant of Easement has been prepared conveying Right of Way to the City of Livermore for said easement areas described in Exhibit A and B (No. 70185); and

WHEREAS, the City of Livermore's plans for the widening project have been reviewed by Zone 7 staff and it has been determined that the granting of said easement will not substantially conflict nor interfere with the use of said property by Zone 7.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of Zone 7 of the Alameda County Flood Control and Water Conservation District hereby finds and determines that the North Front Widening Project will not substantially conflict nor interfere with the use of said property by Zone 7 for flood control purposes and granting of said easement to the City of Livermore is in the public interest; and

BE IT FURTHER RESOLVED, that the Board of Directors of Zone 7 of the Alameda County Flood Control and Water Conservation District does hereby authorize the General Manager to negotiate and finalize the Grant of Easement; and

BE IT FURTHER RESOLVED, that the Board of Directors hereby requests and recommends the Board of Supervisors of the Alameda County Flood Control and Water Conservation District to approve granting said easement, and does authorize the President of the Board of Supervisors to execute same.

ADOPTED BY THE FOLLOWING VOTE:

AYES:

NOES:

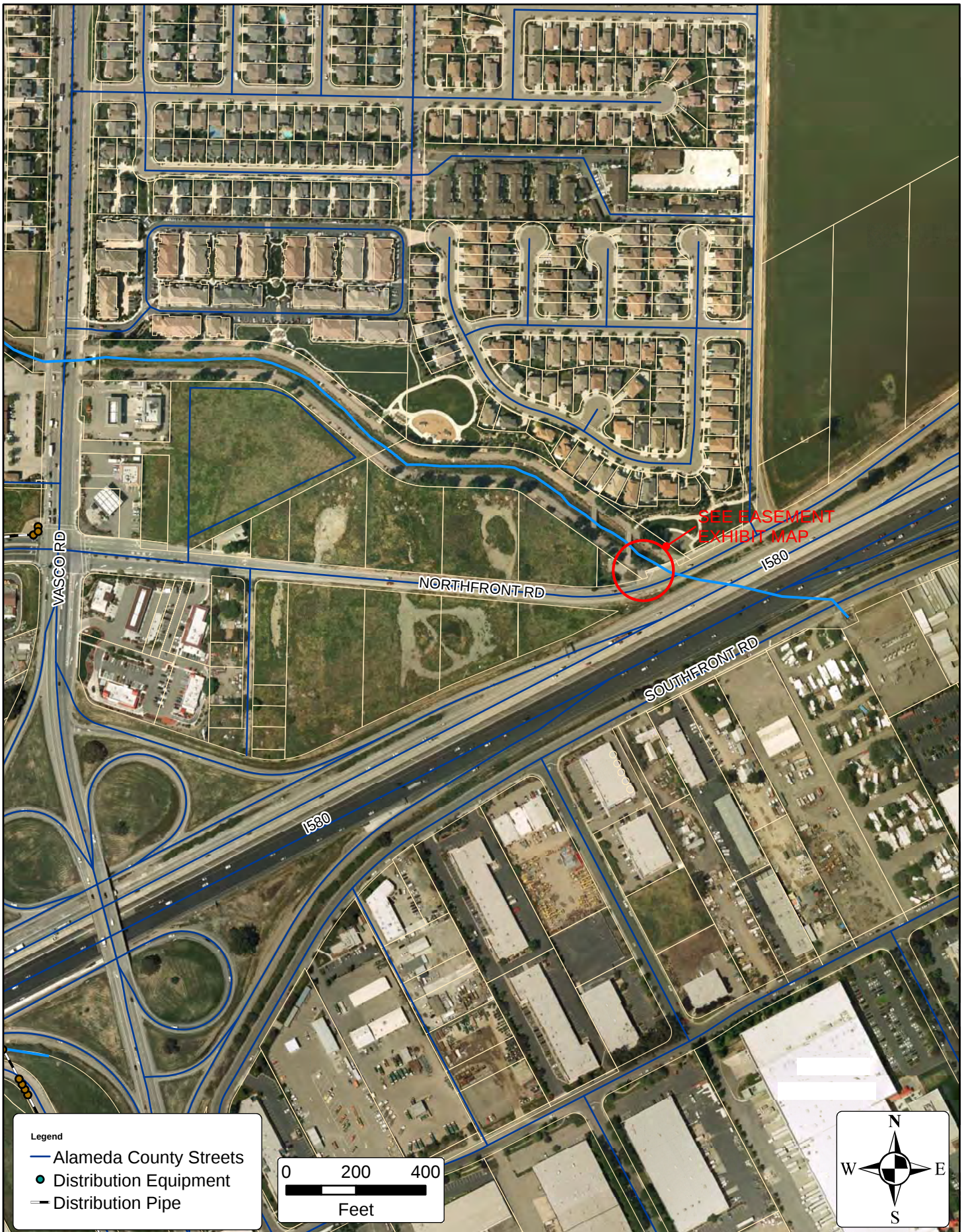
ABSENT:

ABSTAIN:

Line H
No. 70185
Map: RF 10134

I certify that the foregoing is a correct copy of a Resolution adopted by the Board of Directors of Zone 7 of the Alameda County Flood Control and Water Conservation District on September 18, 2013.

By: _____
President, Board of Directors



ZONE 7 WATER AGENCY
100 North Canyons Parkway
Livermore, CA

DRAWN: BW

REVIEWED: DG

File:

SCALE: AS SHOWN

DATE: 08/20/2013

FIGURE #

**Northfront Road Easements
Location Map**

RECORDING REQUESTED BY:

AND

WHEN RECORDED MAIL TO:

City Clerk
City of Livermore
1052 South Livermore Avenue
Livermore, CA 94550

MAIL TAX STATEMENTS TO:

SAME AS ABOVE

ABOVE THIS LINE FOR RECORDER'S USE

The Undersigned grantor(s) declare(s):

CITY TRANSFER TAX \$

DOCUMENTARY TRANSFER TAX \$

SURVEY MONUMENT FEE \$

Computed on the consideration or value or property conveyed; OR
Computed on the consideration or value less liens or encumbrances
remaining at time of sale.

Portion of APN # 099B-5376-006-03 (portion)

Exempt from filing fees per Government Code § 27383 and §6103

GRANT OF EASEMENT

ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT, a body corporate and politic, ("GRANTOR"), does hereby GRANT to the CITY OF LIVERMORE, a Municipal Corporation, its successors and assigns, ("GRANTEE"), the real property in the City of Livermore, County of Alameda, State of California, as described in Exhibit "A" and shown in Exhibit "B", (Parcel 1 - Public Highway purposes and Parcel 2 – Public Utility Easement purposes) as follows:

FOR LEGAL DESCRIPTION

SEE EXHIBIT "A" AND EXHIBIT "B" ATTACHED HERETO AND MADE A PART HEREOF
(No. 70185)

This Grant of Easement is executed and delivered to GRANTEE upon the following terms and conditions, to wit:

- a) GRANTEE its affiliates, successors, or assigns shall defend, indemnify and hold the GRANTOR, its elected officials, officers, directors, employees, agents, and designated volunteers, harmless from and against any and all loss, liability, damage, including but not limited to reasonable attorney, consultant and expert fees, and court costs arising out of or in connection with this Grant of Easement, except for the negligence or willful misconduct of GRANTOR, its elected officials, officers, directors, employees, agents, and designated volunteers.
- b) Prior to installation of any public improvements, or making any additions or modifications therein, by GRANTEE, and by any public utility intending to occupy Parcel 2, the respective GRANTEE or public utility shall submit plans and specifications to GRANTOR for review and approval. The public improvements, including additions and modifications, shall not be installed by the GRANTEE or a public utility without first securing written approval of GRANTOR, which shall not be unreasonably withheld. GRANTOR shall approve said public improvements, including additions and modifications, unless such Public Improvements shall interfere with the primary use of said easement areas for flood control purposes including access thereto.

- c) GRANTEE agrees that upon the completion of its street improvement work within the Parcel 1 easement area to maintain and repair the street improvements to City Standards in such a manner that there is no interference with the use or access to the GRANTOR's property. The GRANTOR, its affiliates, successors or assigns, will not construct, install create or otherwise allow to be constructed, installed or created any utility, facility, structure, building, tree, landscaping, improvements or other object within the Parcel 1 easement area that will limit, restrict, impair or otherwise conflict with the GRANTEE's, its affiliates', successors', or assigns' use of said easement area except as may be agreed to in writing between the GRANTEE, its affiliates, successors, or assigns and GRANTOR.
- d) GRANTEE agrees that for any public improvements it places in Parcel 2, and each public utility placing public improvements in Parcel 2, that Grantee and public utility shall be obligated to maintain and repair their respective public improvements and maintain the Parcel 2 easement area in such a manner that there is no interference with the use of the Parcel 2 easement area by GRANTOR. GRANTEE, and each public utility occupying Parcel 2, shall be responsible for repairing any damage to GRANTOR's property caused by their respective public improvements. The GRANTOR, its affiliates, successors or assigns, will not construct, install create or otherwise allow to be constructed, installed or created any utility, facility, structure, building, tree, landscaping, improvements or other object within the Parcel 2 easement area that will limit, restrict, impair or otherwise conflict with the GRANTEE's, its affiliates, successors, or assigns, or a public utility's, use of said easement area except as may be agreed to in writing between the GRANTEE, its affiliates, successors, or assigns, or the public utility, and GRANTOR. In the event of any emergency, GRANTEE or public utility, depending upon which has the emergency, shall notify GRANTOR of the need for emergency access on to the Parcel 2 easement area as soon as reasonably possible, but in no case more than twenty-four hours after commencing any work.
- e) GRANTOR reserves the right to use the Parcel 2 easement area for any purpose not in conflict with the easement rights granted herein, but prior to any use that may be in conflict with GRANTEE's or a public utility's rights, GRANTOR will provide GRANTEE, or the public utility as the case may be, with a copy of the plans and specifications and will make a good faith effort to address any concerns GRANTEE or the utility may have to protect their respective public improvements.
- f) GRANTEE and public utility shall not assign the easement rights herein conveyed to another party without the express written permission of GRANTOR, which shall not be unreasonably withheld.
- g) GRANTOR shall pay no fees, charges or transfer taxes of any kind in connection with the Easement rights herein conveyed.
- h) GRANTEE may be self-insured or shall procure and maintain, at GRANTEE's sole expense, for the duration of this easement, and shall ensure that its agents, consultants, and contractors procure and maintain for the duration of entry upon the GRANTOR'S real property, insurance insuring against claims for injuries to persons or damages to property which may arise from or in connection with the construction, maintenance, or repair on the easements, the use of the easement granted herein, or the use of the temporary access by GRANTEE or its agents, representatives, employees, contractors, subcontractors, and invitees. Similarly, any public utility accessing Parcel 2 shall be responsible for procuring and maintaining such insurance to benefit GRANTOR.

The policy of insurance or self-insurance coverage maintained shall include the equivalent of the following, and the insurance maintained by its agents, consultants, and contractors shall include the following: (i) Commercial General Liability coverage: \$2,000,000 combined single limit per occurrence for injury to or death of one or more persons in an occurrence, and for damage to property (including loss of use), \$2,000,000 general aggregate; \$2,000,000 products and completed operation aggregate; coverage is to be provided on an "occurrence" basis ; (ii) Excess Liability coverage: \$2,000,000 each occurrence; \$2,000,000 aggregate; (iii) Workers' Compensation: statutory limits; (iv) Business Automobile Liability coverage (will

apply to the permissive use of owned or hired vehicles): \$2,000,000 each accident; the agents, consultants, and contractors' insurance shall also include the following: shall contain, or be endorsed to contain, the following provisions: (i) name GRANTOR and their successors as additional insureds without limitations, (ii) provide a cross liability provision, and (iii) provide that the insurance shall be primary, excess, and non-contributing with any other insurance available to GRANTOR. GRANTEE has a \$500,000 self-insured retention. GRANTEE's and any public utility, and their respective agents, consultants, and contractors' policies shall provide that coverage shall not be cancelled, except for non payment of premium, except after thirty (30) days prior written notice to GRANTOR, and ten (10) days prior written notice for cancellation for non payment of premium.

Prior to execution of this easement, GRANTEE shall furnish GRANTOR with certificates of insurance and with original endorsements affecting the coverage required herein. All certificates and endorsements, and, in addition, for GRANTEE's agents, consultants, and contractors, evidence of Worker's Compensation coverage must be received.

- i) Any notice which GRANTOR or GRANTEE are required to provide related to this Easement shall be given in writing and may be personally served, sent by overnight courier delivery, or deposited in the United State Mail as certified mail, return receipt requested, postage prepaid, addressed to the other party at the following address:

GRANTOR: Zone 7
 Attention: General Manager
 Alameda County Flood Control and Water Conservation District
 100 N. Canyons Parkway
 Livermore, CA 94551

GRANTEE: City of Livermore
 Attention: City Engineer
 1052 S. Livermore Avenue
 Livermore, CA 94550
 925-960-4500

- j) Acceptance and recordation of the Grant of Easement by GRANTEE shall signify GRANTEE's acceptance of the terms and conditions of the conveyance.

IN WITNESS WHEREOF, this instrument is duly executed pursuant to Alameda County Flood Control and Water Conservation District Resolution No. _____ adopted _____, 2013, a certified copy of which is attached hereto and made a part hereof.

IN WITNESS WHEREOF, this instrument is duly executed pursuant to said resolution.

Dated: _____

ALAMEDA COUNTY FLOOD CONTROL AND
WATER CONSERVATION DISTRICT

By: _____
Keith Carson, President
The Board of Supervisors
Alameda County Flood Control and
Water Conservation District

EXHIBIT "A"
Legal Description

NORTHFRONT ROAD
Widening and Public Utility Easement

Ref: APN 99B-5376-006-03

Re: Las Positas Channel

Real Property situate in the City of Livermore, County of Alameda, State of California, as follows:

PARCEL 1 (Road Dedication)

A strip of land dedicated to the City of Livermore, for Public Highway purposes, being a portion of that certain Las Positas Channel property conveyed to the Alameda County Flood Control and Water Conservation District (A.C.F.C. & W.C.D.), by the Quitclaim Deed recorded June 28, 1994 at Series No. 94-238329, Official Records of Alameda County, described as follows:

BEGINNING at a point on the northern line of Northfront Road at the most southern corner of the above described A.C.F.C. & W.C.D. property (94-238329); thence easterly along said northern line along the arc of a curve concave to the north with a radius of 670.065 feet, from a radial bearing of North 15°21'03"West, through a central angle of 1°16'46" and arc length of 14.963 feet; thence along a boundary line of said A.C.F.C. & W.C.D. parcel (94-238329), North 16°37'49" West, 14.135 feet; thence westerly along the arc of a curve concave to the north with a radius of 532.000 feet, from a radial bearing of North 16°52'51" West, through a central angle of 2°49'42" an arc length of 26.262 feet to a point on the southwestern line of the hereinabove described A.C.F.C. & W.C.D. parcel (94-238329); thence along said line South 54°32'20"East, 18.379 feet to the Point of Beginning.

Containing 290.67 square feet more or less.

PARCEL 2 (Public Utility Easement)

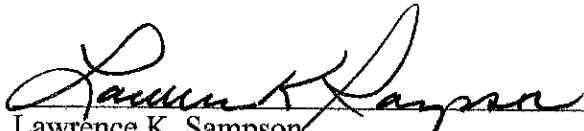
TOGETHER with a six (6) foot wide Public Utility Easement (P.U.E.), abutting and lying northerly of the hereinabove road dedication and being a portion of Las Positas Channel property conveyed to the Alameda County Flood Control and Water Conservation District (A.C.F.C. & W.C.D.) by the Quitclaim Deed recorded June 28, 1994 at Series No. 94-238329, Official Records of Alameda County, as follows:

A six (6) foot wide Public Utility Easement is hereby dedicated to the public forever, for the

right to construct, reconstruct, and maintain public utilities and any appurtenances, including the right of ingress and egress, under, upon, over and across a portion of said A.C.F.C. & W.C.D. Parcel (94-238329) and described as follows:

COMMENCING at a point on the northern line of Northfront Road at the most southern corner of the above described A.C.F.C. & W.C.D. parcel (94-238329); thence along the southwestern line of said parcel North $54^{\circ}32'20''$ West, 18.379 feet to the POINT OF BEGINNING; thence easterly along the northern line of the hereinabove described road dedication along the arc of a curve concave to the north with a radius of 532.000 feet, from a radial bearing of North $14^{\circ}03'09''$ West, through a central angle of $2^{\circ}49'42''$, an arc length of 26.262 feet; thence along a boundary line of the A.C.F.C. & W.C.D. parcel (94-238329) North $16^{\circ}37'49''$ West, 6.000 feet; thence westerly along the arc of a curve concave to the north with a radius of 526.000 feet, from a radial bearing of North $16^{\circ}53'01''$ West, through a central angle of $3^{\circ}23'29''$ an arc length of 31.134 feet to a point on southwestern line of the hereinabove described A.C.F.C. & W.C.D. parcel (94-238329); thence along said line South $54^{\circ}32'20''$ East, 7.922 feet to the point of beginning.

See Exhibit "B" (Plat to Accompany Description) attached hereto and made a part hereto.


Lawrence K. Sampson
PLS 4238, Exp. 6/30/14

06/06/13
Date



LINE TABLE		
LINE	BEARING	DISTANCE
L1	N 5°00'00" E	22.000'
L2	N 16°37'49" W	14.135'
L3	N 54°32'20" W	18.379'
L4	N 1°08'49" E	17.235'
L5	N 1°08'49" E	6.006'
L6	N 54°32'20" W	7.922'
L7	N 16°37'49" W	6.000'

CURVE TABLE		
CURVE	RADIUS	LENGTH
C1	532.000'	6'24'18"
C2	670.065'	8'55'53"
C3	532.000'	06'24'18"
C4	526.000'	12'03'29"
C5	532.000'	12'38'51"
C6	670.065'	11'25'10"
C7	526.000'	3'23'29"
C8	532.000'	2'49'42"
C9	670.065'	1'16'46"

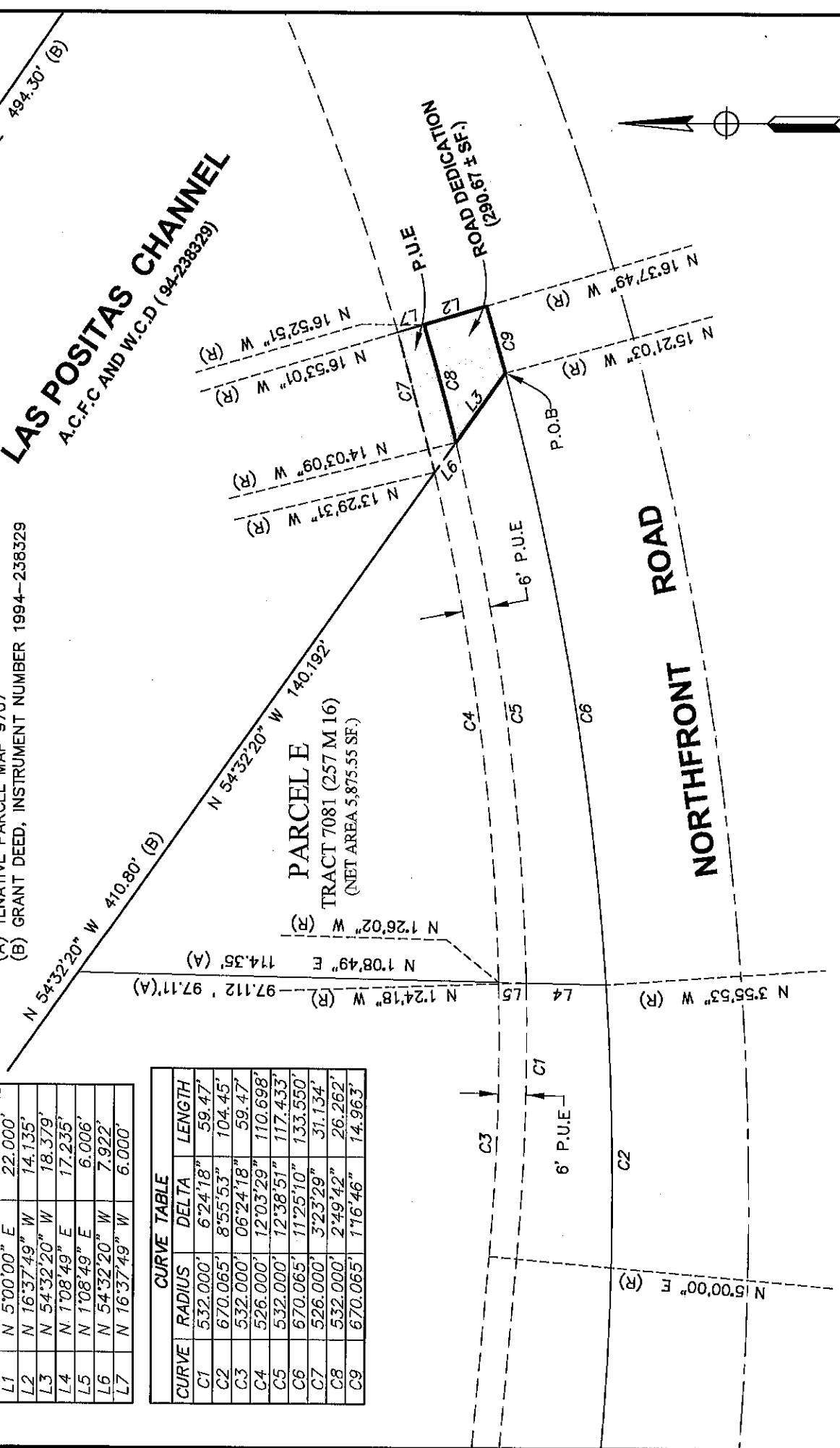
REFERENCES:

- (A) TENTATIVE PARCEL MAP 9707
- (B) GRANT DEED, INSTRUMENT NUMBER 1994-238329

LAS POSITAS CHANNEL
A.C.F.C. AND W.C.D. (94-238329)

PARCEL E
TRACT 7081 (257 M 16)
(NET AREA 5,875.55 SF.)

ROAD DEDICATION
(257 M 16)



CITY OF
LIVERMORE
CALIFORNIA
COMMUNITY DEVELOPMENT DEPARTMENT - ENGINEERING DIVISION

EXHIBIT "B"
PLAT TO ACCOMPANY DESCRIPTION
NORTHFRONT ROAD (LAS POSITAS CHANNEL)
WIDENING AND PUBLIC UTILITY EASEMENT

EX-B

CHECKED BY: LKS
DRAWN BY: HI
DATE: 7/9/10

Sheet 1
Of 1
Scale: 1"=30'



ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT, ZONE 7

100 NORTH CANYONS PARKWAY • LIVERMORE, CA 94551 • PHONE (925) 454-5000 • FAX (925) 454-5727

ORIGINATING SECTION: ADMINISTRATION
CONTACT: JILL DUERIG/DAVID ALADJEM

AGENDA DATE: SEPTEMBER 18, 2013

ITEM NO. **7c**

SUBJECT: AUTHORIZE WATERSHED PROTECTION PROPERTY ACCEPTANCE

SUMMARY:

On July 17, 2013, the Board of Directors of Zone 7 of the Alameda County Flood Control and Water Conservation District authorized the General Manager to enter into Land Sale Contract for the Patterson Ranch properties for the purpose of watershed protection.

This document has now been executed and the property is in escrow.

The County has requested a Board Resolution and Certificate of Acceptance before recording the deed. A draft resolution and certificate is attached to satisfy their requirements.

FINANCIAL:

None.

RECOMMENDED ACTION:

Adopt attached resolution.

ZONE 7
ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT
BOARD OF DIRECTORS

RESOLUTION NO.

INTRODUCED BY
SECONDED BY

Acceptance of Patterson Ranch Property for Watershed Protection

WHEREAS, by Resolution No. 14-4282, adopted on July 17, 2013, the Board of Directors of Zone 7 of the Alameda County Flood Control and Water Conservation District did authorize the General Manager to enter into a Land Sale Contract for the purchase of certain parcels commonly referred to as the "Patterson Ranch" for the purpose of watershed protection, and

WHEREAS, the acquisition of the Patterson Ranch by Zone 7 is scheduled to become effective on or about October 3, 2013, and

WHEREAS, the Board of Directors of Zone 7 of the Alameda County Flood Control and Water Conservation District wishes to accept all right, title and interest to the Patterson Ranch on behalf of the residents of Zone 7, and

WHEREAS, Government Code section 27281 requires a public agency to formally accept property in order for a deed vesting title to that real property in the name of the public agency to be recorded, and

WHEREAS, the Board of Directors of Zone 7 of the Alameda County Flood Control and Water Conservation District wishes to authorize the General Manager to take any and all other actions that may be necessary, consistent with the terms of Resolution No.14-4282, to complete the acquisition of the Patterson Ranch.

NOW, BE IT RESOLVED that the Board of Directors of Zone 7 of the Alameda County Flood Control and Water Conservation District hereby consents to the acquisition of the Patterson Ranch property, and authorizes and directs the General Manager to execute the certificate of acceptance set forth below.

BE IT FURTHER RESOLVED that the Board of Directors of Zone 7 of the Alameda County Flood Control and Water Conservation District hereby authorizes and directs the General Manager to take any and all other actions that may be necessary, consistent with the terms of Resolution No.14-4282, to complete the acquisition of the Patterson Ranch.

AYES:

NOES:

ABSTAIN:

ABSENT:

I certify that the foregoing is a correct copy of a Resolution adopted by the Board of Directors of Zone 7 of the Alameda County Flood Control and Water Conservation District on September 18, 2013.

By: _____
President, Board of Directors

CERTIFICATE OF ACCEPTANCE

This is to certify that the interest in real property conveyed by the deed or grant implementing the Agreement for Purchase and Sale and Joint Escrow Instructions dated for purposes of reference August 1, 2013 (a copy of which is attached hereto and incorporated herein), execution of which on the part of the Alameda County Flood Control and Water Conservation District, Zone 7 was authorized by Resolution No. 14-4282 on July 17, 2013 from the parties listed in that Agreement as sellers to Alameda County Flood Control and Water Conservation District, Zone 7, a political corporation and/or governmental agency, is hereby accepted by order of the Board of Directors on September 18, 2013 pursuant to authority conferred by Resolution No. 14-4303 adopted on September 18, 2013 and the grantee consents to recordation thereof by its General Manager.

Dated: September 18, 2013

By: _____
William R. Stevens
President, Board of Directors

**AGREEMENT OF PURCHASE AND SALE
AND JOINT ESCROW INSTRUCTIONS**

(Patterson Ranch, Livermore, California)

TO: Fidelity National Title Company
501 Sycamore Valley Road West
Danville, CA 94526

Escrow No.: 13-338983-VR
Escrow Officer: Vicki Rose

THIS AGREEMENT OF PURCHASE AND SALE AND JOINT ESCROW INSTRUCTIONS ("**Agreement**") is dated solely for reference purposes as of August 1, 2013, and constitutes an agreement between the parties identified as "Seller" in the signature blocks appearing on the final pages of this Agreement (collectively, "**Seller**"), and Alameda County Flood Control and Water Conservation District, Zone 7 ("**Buyer**").

The terms and conditions of this Agreement and the instructions to Fidelity National Title Company ("**Escrow Holder**") with regard to the escrow ("**Escrow**") created pursuant hereto are as follows:

1. Description of Property. Seller is the fee owner of the following property interests:

(a) that certain real property consisting of approximately 5,028.63 acres of land located in the unincorporated area of the County of Alameda (the "**County**"), State of California, more particularly described in Exhibit A attached hereto and by this reference incorporated herein (the "**Land**");

(b) all improvements, buildings, and other structures located on the Land (the "**Improvements**");

(c) all rights, privileges, easements, tenements, hereditaments, rights of way and appurtenances which belong to or appertain to the Land and/or are owned by Seller, including, without limitation, all improvements, rights to all minerals, oil, gas and other hydrocarbon substances on and under the Land, as well as all development rights, air rights, water, water rights and water stock, if any, relating to the Land (collectively, the "**Appurtenances**"); and

(d) all intangible property owned or held by Seller in connection with the Land or with the use thereof including, without limitation, all permits, maps, surveys, plans, leases, licenses, rental contracts and agreements (collectively, the "**Intangible Property**").

Purchase and Sale Agreement
Patterson Ranch
August 2013
Page 1 of 29

The Land, the Appurtenances, and the Improvements are sometimes herein referred to collectively as the **"Real Property."** The Real Property and the Intangible Property are hereinafter collectively referred to as the **"Property."**

2. Purchase and Sale. For valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Seller agrees to sell the Property to Buyer, and Buyer agrees to purchase the Property from Seller, upon the terms and conditions set forth in this Agreement.

3. Purchase Price. The purchase price ("**Purchase Price**") for the Property shall be \$18,570,000.00.

4. Payment of Purchase Price. The Purchase Price shall be payable by Buyer as follows:

(a) Deposit. Buyer shall deliver to Escrow within three business days after the Effective Date (as defined in Section 5(a) below) the sum of \$1,000.00 (the "**Deposit**") in consideration for Seller's entering into this Agreement to the exclusion of potential other buyers. The Deposit is not refundable to Buyer under any circumstances, but will be applied to the Purchase Price if the Close of Escrow occurs.

(b) Balance of the Purchase Price. On or before the Close of Escrow, Buyer shall deposit or cause to be deposited with Escrow Holder, in cash or by a certified or bank cashier's check made payable to Escrow Holder or a confirmed wire transfer of funds, an amount equal to the Purchase Price, subject to the prorations and adjustments provided for herein, less the amount of the Deposit.

5. Escrow.

(a) Opening of Escrow. For purposes of this Agreement, the Escrow shall be deemed opened on the date (the "**Effective Date**") that Escrow Holder shall have received an executed counterpart of this Agreement from both Buyer and Seller. Escrow Holder shall notify Buyer and Seller, in writing, of the Effective Date Escrow and the Scheduled Closing Date, as defined in Section 5(b)(i) below. In addition, Buyer and Seller agree to execute, deliver and be bound by any reasonable or customary supplemental escrow instructions of Escrow Holder or other instruments as may reasonably be required by Escrow Holder in order to consummate the transaction contemplated by this Agreement. Any such supplemental instructions shall not conflict with, amend or supersede any portions of this Agreement. If there is any inconsistency between such supplemental instructions and this Agreement, this Agreement shall control.

(b) Close of Escrow.

(i) Defined. For purposes of this Agreement, the "**Close of Escrow**" shall be defined as the date that the grant deed conveying the Real Property to Buyer (in the form typically used by Escrow Holder) (the "**Grant Deed**"), is recorded in the Official Records of the County. This Escrow shall close on or before 45 days after the Effective Date (the "**Scheduled Closing Date**"), unless extended by mutual agreement of the parties.

(ii) Extension of Closing Date. Buyer may extend the Scheduled Closing Date for one additional period of up to 45 days (the "**Extension Period**") upon delivering to Seller and Escrow Holder written notice (the "**Extension Notice**") of its intention to so extend the Scheduled Closing Date. The Extension Notice must be given at least 10 days prior to the Scheduled Closing Date, and Buyer must deposit with Escrow Holder, concurrently with such notice, additional funds in the amount of \$1,000.00 (the "**Extension Deposit**") for such extension, payable in cash or by a certified or bank cashier's check made payable to Escrow Holder or a confirmed wire transfer of funds. The Extension Deposit shall be credited to the Purchase Price upon the Close of Escrow. The Extension Deposit if and when made shall be nonrefundable to Buyer.

6. Condition of Title. It shall be a condition to the Close of Escrow and a covenant of Seller that title to the Real Property be conveyed to Buyer by Seller by the Grant Deed subject only to the following approved condition of title ("**Approved Condition of Title**"):

(a) a lien to secure payment of real estate taxes, not delinquent;

(b) the lien of supplemental taxes assessed pursuant to Chapter 3.5 commencing with Section 75 of the California Revenue and Taxation Code ("**Code**"), but only to the extent that such supplemental taxes are attributable to the transaction contemplated by this Agreement. Seller shall be responsible for, and hereby indemnifies Buyer and the Property against, any supplemental taxes assessed pursuant to the Code, to the extent that such taxes relate to events (including, without limitation, any changes in ownership and/or new construction) occurring prior to the Close of Escrow;

(c) matters affecting the Approved Condition of Title created by or with the express written consent of Buyer;

(d) that certain Agricultural Lease entered into between PATLIV, as Lessor, and Paul D. Banke dba W.P. Cattle Company, as Lessee (the "**Lessee**"), as amended by that certain First Amendment to Lease dated as of March 1, 2008 (as so amended, the "**Lease**"); and

(e) exceptions which are disclosed by that certain Preliminary the Report issued by Fidelity National Title Company dated June 13, 2013, Title No.: 13-1176806-A-JM, Locate No.: CAFNT0901-0907-0002-0001176806 (the "**Title Report**").

Seller covenants and agrees that during the term of this Escrow, it will not cause or permit title to the Real Property to differ from the Approved Condition of Title described in this Section 6.

7. Title Policy. Title shall be evidenced by the willingness of the Title Company to issue its CLTA Owner's Form Policy of Title Insurance, or, if requested by Buyer, its ALTA Extended Coverage Owner's Form Policy of Title Insurance (the "**Title Policy**") in the amount of the Purchase Price showing title to the Property vested in Buyer subject only to the Approved Condition of Title.

8. Conditions to Close of Escrow.

(a) Conditions to Buyer's Obligations. The Close of Escrow and Buyer's obligation to consummate the transaction contemplated by this Agreement are subject to the satisfaction of the following conditions for Buyer's benefit on or prior to the dates designated below for the satisfaction of such conditions:

(i) Seller's Obligations. Seller shall have timely performed all of the obligations required by the terms of this Agreement to be performed by Seller;

(ii) Title Insurance. The Title Company shall be unconditionally prepared and committed to issue the Title Policy insuring that fee simple title to the Real Property is vested in Buyer subject only to the Approved Condition of Title;

(iii) Representations, Warranties and Covenants of Seller. Seller shall have duly performed each and every agreement to be performed by Seller hereunder and Seller's representations, warranties and covenants set forth in Section 14 shall be true and correct as of the Closing Date; and

(iv) No Material Changes. At the Closing Date, there shall have been no material adverse changes in the physical condition of the Real Property since the Effective Date.

(b) Conditions to Seller's Obligations. For the benefit of Seller, the Close of Escrow shall be conditioned upon the occurrence and/or satisfaction of each of the following conditions (or Seller's waiver thereof, it being agreed that Seller may waive any or all of such conditions):

(i) Buyer's Obligations. Buyer shall have timely performed all of the obligations required by the terms of this Agreement to be performed by Buyer; and

(ii) Buyer's Representations. All representations and warranties made by Buyer to Seller in this Agreement shall be true and correct as of the Close of Escrow.

9. Deposits by Seller. At least one business day prior to the Scheduled Closing Date, Seller shall deposit or cause to be deposited with Escrow Holder the following documents and instruments:

(a) Grant Deed. The Grant Deed, duly executed by Seller, acknowledged and in a recordable form typically used by Escrow Holder in the County (and including an acknowledgement of acceptance by Buyer and such other terms as Buyer may reasonably require).

(b) Bill of Sale. A bill of sale, assignment document, or other appropriate instrument (depending on the precise nature of the Intangible Property) reasonably acceptable to Buyer (the "**Bill of Sale**"), whereby Seller conveys all rights to the Intangible Property, excepting therefrom any Intangible Property owned by Lessee which is located on the Property, including without limitation, all of Lessee's farm equipment, tractors, trucks, other vehicles, farm supplies, and personal property .

(c) Lease. The original Lease.

(d) Assignment of Lease. An assignment of all of Seller's rights as "Lessor" under the Lease, in form and content reasonably acceptable to Buyer (the "**Assignment of Lease**").

(e) Tenant Estoppel Certificate. An estoppel certificate executed by Lessee (the "**Tenant Estoppel Certificate**"), the form of which is attached hereto as Exhibit B, confirming the terms of the Lease and the absence of any defaults by Seller under the Lease.

(f) Proof of Authority. Such proof of Seller's authority and authorization to enter into this Agreement and the transactions contemplated hereby, and such proof of the power and authority of the individual(s) executing and/or delivering any instruments, documents or certificates on behalf of Seller to act for and bind Seller as may be reasonably required by the Title Company and/or Buyer.

10. Deposits by Buyer. Buyer shall deposit or cause to be deposited with Escrow Holder the funds which are to be applied towards the payment of the Purchase Price in the amounts and at the times designated in Section 4 above (as reduced by the prorations and credits hereinafter provided). In addition, at least one day prior to the Scheduled Closing Date, Buyer shall deposit with Escrow Holder such proof of Buyer's authority and authorization to enter into this Agreement and the transactions contemplated hereby, and such proof of the power and authority of the individual(s) executing and/or delivering any instruments, documents or certificates on behalf of Buyer to act for and bind Buyer as reasonably may be required by Title Company.

11. Costs and Expenses. The cost and expense of the Title Policy shall be paid by Buyer. The escrow fee of Escrow Holder shall be paid by Buyer. Seller shall pay all documentary transfer taxes (if any) payable in connection with the recordation of the Grant Deed. Buyer and Seller shall pay, respectively, the Escrow Holder's customary charges to buyers and sellers for document drafting, recording charges (if any), and other miscellaneous charges. If, as a result of no fault of Buyer or Seller, Escrow fails to close, Buyer and Seller shall share equally all of Escrow Holder's fees and charges.

12. Prorations. The following prorations shall be made between Seller and Buyer on the Close of Escrow, computed as of the Close of Escrow:

(a) Taxes, Assessments and Other Amounts. To the extent the following are not obligations of Lessee pursuant to the terms of the Lease, real property taxes, special taxes, assessments, utility fees and/or deposits, and personal property taxes shall be prorated as of the Close of Escrow. Prorations of taxes and assessment with respect to the Real Property shall be based upon the latest available tax information such that Seller shall be responsible for all such taxes and assessments levied against the Property to and including the day prior to the Close of Escrow and Buyer shall be responsible for all taxes, special taxes and assessments levied against the Real Property from and after the day prior to the Close of Escrow.

(b) Rents. Rents and other receivables under the Lease (collectively, "**Rents**") shall be accounted for as follows: (i) Rents due and payable as of the Close of Escrow shall be prorated between

Buyer and Seller on the basis that Seller has collected all current Rents; (ii) Buyer shall be entitled to all Rents and other receivables accruing after the Close of Escrow.

(c) Adjustments. If any errors or omissions are made regarding adjustments and prorations as aforesaid, the parties shall make the appropriate corrections promptly upon the discovery thereof. If any estimations are made at the Close of Escrow regarding adjustments or prorations, the parties shall make the appropriate correction promptly when accurate information becomes available. Any corrected adjustment or proration shall be paid in cash to the party entitled thereto.

13. Disbursements and Other Actions by Escrow Holder. Upon the Close of Escrow, the Escrow Holder shall promptly undertake all of the following in the manner indicated:

(a) Prorations. Prorate all matters referenced in Section 12 based upon the statement delivered into Escrow signed by the parties;

(b) Recording. Cause the Grant Deed and any other documents which the parties hereto may mutually direct, to be recorded in the Official Records of the County;

(c) Funds. Disburse from funds deposited by Buyer with Escrow Holder towards payment of all items chargeable to the account of Buyer pursuant hereto in payment of such costs and disburse the balance of such funds, if any, to Buyer; and

(d) Title Policy. Direct the Title Company to issue the Title Policy to Buyer.

(e) Lease, Assignment of Lease, and Bill of Sale. Deliver the Lease, Bill of Sale and Assignment of Lease to Buyer.

14. Seller's Representations and Warranties. In consideration of Buyer's entering into this Agreement and as an inducement to Buyer to purchase the Property, Seller makes the following representations and warranties, each of which is material and is being relied upon by Buyer (and the continued truth and accuracy of which shall constitute a condition precedent to Buyer's obligations hereunder):

(a) Authority. Seller has the full power and authority to sell the Property. This Agreement has been duly and validly authorized, executed and delivered by Seller and no other authorization is requisite to the valid and binding execution, delivery and performance of this Agreement by Seller;

(b) Proceedings. Seller is not aware of any actions, suits, proceedings or governmental investigations pending or threatened against or affecting the Property, in law or equity;

(c) Third Party Consents. No consents or waivers of or by any third party are necessary to permit the consummation by Seller of the transactions contemplated pursuant to this Agreement;

(d) Compliance With Laws. Seller has received no notice and has no knowledge of any violation of applicable law, ordinance, rule, regulation or requirement of any governmental agency, body or subdivision affecting or relating to the Real Property, including, without limitation, any subdivision, building, use or environmental law, ordinance, rule, requirement or regulation;

(e) Condemnation. Seller is not aware of any pending or threatened proceedings in eminent domain or otherwise, which would affect the Real Property, or any portion thereof;

(f) Leases. There are no leases or other agreements (whether oral or written) affecting or relating to the right of any party with respect to the possession of the Real Property, or any portion thereof other than the Lease;

(g) Future Action. From and after the date hereof, without the prior written consent of buyer, Seller shall not execute nor consent to the execution of any lease or terminate any existing lease of any portion of the Real Property or any other instrument which may result in an alteration of the Approved Condition of Title;

(h) No Default. Seller is not in default with respect to the Lease, nor will Seller be in default thereunder as of the Close of Escrow;

(i) Contracts. Other than the Lease and those contracts or agreements which Lessee may have entered into in connection with operation and management of the Property per the terms of the Lease, Seller is not aware of any contracts or agreements relating to the operation, maintenance, service, repair, development, improvements, management or ownership of the Real Property, or any portion thereof;

(j) Litigation. There are no actions, suits, proceedings or claims pending or, to the best of Seller's knowledge, threatened or contemplated, in connection with the Property, and Seller has no knowledge of any action or inaction which may result in such an action, suit, proceeding or claim, and there are no actions, suits, proceedings or claims pending or, to the best of Seller's knowledge threatened or contemplated, against Seller which would materially affect Seller's ability to perform its obligations under this Agreement or any other document or instrument delivered by Seller to Buyer hereunder, and, Seller has no knowledge of any action or inaction which may result in such an action, suit, proceeding or claim;

(k) No Conflicting Rights. No other party has any right to purchase the Property, nor are there any rights of first refusal or other options to purchase the Property, and Seller shall not grant any such rights or solicit any other offers to purchase the Property so long as this Agreement is in effect;

(l) Representation and Warranties at Closing. Each of the representations and warranties of Seller in this Agreement may be relied upon by Buyer as true as of the Close of Escrow, and each such representation and warranty shall be deemed to have been repeated at that time.

15. Buyer's Representations and Warranties. In consideration of Seller entering into this Agreement and as an inducement to Seller to sell the Property to Buyer, Buyer makes the following representations and warranties, each of which is material and is being relied upon by Seller (the continued truth and accuracy of which shall constitute a condition precedent to Seller's obligations hereunder):

(a) Buyer has the legal right, power and authority to enter into this Agreement and to consummate the transactions contemplated hereby, and the execution, delivery and performance of this Agreement have been duly authorized and no other action by Buyer is requisite to the valid and binding execution, delivery and performance of this Agreement, except as otherwise expressly set forth herein; and

(b) The representations and warranties of Buyer set forth in this Agreement shall be true on and as of the Close of Escrow as if those representations and warranties were made on and as of such time.

16. AS-IS Purchase. Except as otherwise expressly represented or warranted by Seller in Section 14 of this Agreement, Seller hereby specifically disclaims any warranty, guaranty, or representation, oral or written, past, present, or future, of, as to, or concerning (a) the nature and condition of the Property, including, but not by way of limitation, the water, soil, geology, environmental conditions (including the presence or absence of any environmental contamination, or toxic pollution as a result of the presence, use, discharge, or release of Hazardous Materials on, about, or in the Property), and the suitability thereof for any and all activities and uses which Buyer may elect to conduct thereon; (b) the nature and extent of any right-of-way, lease, possessory interest, lien, encumbrance, license, reservation, condition, or otherwise; and (c) the compliance of the Property or its operation with any laws, ordinances, or regulations of any government or other body. The sale of the Property as provided for herein is made on an "AS-IS AND WITH ALL FAULTS" basis, and Buyer expressly acknowledges that, in consideration of the agreements of Seller herein, and except as otherwise expressly specified in Section 14, SELLER MAKES NO WARRANTY OR REPRESENTATION, EXPRESS OR IMPLIED, OR ARISING BY OPERATION OF LAW, INCLUDING, BUT IN NO WAY LIMITED TO ANY WARRANTY OF CONDITION, HABITABILITY, MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR OTHERWISE, OF THE PROPERTY. In particular, but without limiting the foregoing, Seller makes no representations or warranties with respect to the use, condition, title, occupation or management of the Property, economic viability, value, safety or security issues relating to the Property, compliance with applicable statutes, laws, codes, ordinances, regulations or requirements relating to leasing, zoning, subdivision, planning, building, fire, safety, health or environmental matters, compliance with covenants, conditions and restrictions (whether or not of record), other local, municipal, regional, state or federal requirements, or other statutes, laws, codes, ordinances, regulations or requirements except as expressly set forth in Section 14. Buyer acknowledges that it is entering into this Agreement on the basis of Buyer's own investigation of the physical and environmental conditions of the Property (including the ASTM Phase I Environmental Site Assessment, Patterson Property, Del Valle Reservoir Area, Unincorporated Alameda County (Livermore), California, prepared by Haley & Aldrich, and dated June 2013), and all other matters affecting the Property, including without limitation mold and subsurface or latent conditions, and Buyer assumes the risk that adverse physical and environmental

conditions may not have been revealed by its investigations. Without limiting the foregoing, Buyer acknowledges that neither Seller nor anyone on behalf of Seller has made any representations, statements or warranties regarding the location of the Real Property within any natural hazard areas or other areas, or with respect to any other matters of concern. Seller shall have absolutely no liability if the Real Property is located in any natural hazard area or other area of concern, and Buyer relinquishes all rights, claims, and actions that Buyer has or may in the future have against Seller arising from or related to the Property or this Agreement. Buyer acknowledges that Buyer has read and understood section 1542 of the California Civil Code, which states:

“A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.”

Notwithstanding California Civil Code section 1542, Buyer agrees that this Agreement shall act as a release of all of Buyer's future claims arising from or related to the transaction contemplated herein, whether such claims are currently known or unknown, foreseen or unforeseen, contingent or absolute. Buyer intentionally and specifically waives any rights Buyer may have under the provisions of California Civil Code section 1542, as well as under any other statutes or common law principles of similar effect.

Buyer's Initials: _____

17. Damage or Condemnation Prior to Closing. Seller shall promptly notify Buyer of any casualty to the Real Property or any condemnation proceeding commenced prior to the Close of Escrow. If any such damage or proceeding relates to or may result in the loss of any material portion of the Real Property, Seller or Buyer may, at their option, elect either to: (i) terminate this Agreement, in which event all funds deposited into Escrow by Buyer shall be returned to Buyer and neither party shall have any further rights or obligations hereunder, or (ii) continue the Agreement in effect, in which event upon the Close of Escrow, Buyer shall be entitled to any compensation, awards, or other payments or relief resulting from such casualty or condemnation proceeding.

18. Notices. Any and all notices or other communications required or permitted to be given under this Agreement shall be in writing and either (i) personally delivered, in which case notice shall be deemed delivered upon receipt, (ii) sent by facsimile, in which case notice shall be deemed delivered upon the sender's receipt of confirmation of transmission of such facsimile notice produced by the sender's facsimile machine, (iii) sent by any nationally recognized overnight courier service with provisions for proof of delivery, in which case notice shall be deemed delivered on the next business day after the sender deposits the same with such delivery service, or (iv) sent by United States Mail, postage prepaid, certified mail, return receipt requested, in which case notice shall be deemed delivered on the date of delivery as shown on the return receipt or the date of the addressee's refusal to accept delivery as indicated by the United States Postal Service, and in any case such notices or other communication shall be addressed to the following addresses:

Purchase and Sale Agreement
Patterson Ranch
August 2013
Page 9 of 29

To Buyer: Zone 7
100 North Canyons Parkway
Livermore, CA 94551-9486
Attention: Jill Duerig, General Manager

With a copy to: Downey Brand LLP
621 Capitol Mall, 18th Floor
Sacramento, CA 95814
Attention: David Aladjem/Tom Stewart

To Seller: c/o Keenan Land Company
700 Emerson Street
Palo Alto, CA 94301
Attention: Chop Keenan

With a copy to: Hardt Mason Law
1145 Teresa Lane
Morgan Hill, CA 95037
Attention: Katharine Hardt-Mason

To Escrow Holder: Fidelity National Title Company
501 Sycamore Valley Road West
Danville, CA 94526
Attention: Vicki Rose

Notice of change of address shall be given by written notice in the manner detailed in this Section. Rejection or other refusal to accept or the inability to deliver because of changed address of which no notice was given shall be deemed to constitute receipt of the notice, demand, request or communication sent.

19. No Brokers. Seller has entered into a separate agreement with Keenan Land Company ("**Seller's Broker**"), whereby Charles J. Keenan on behalf of Keenan Land Company agreed to provide certain services to Seller relating to sale of the Property. Except for Seller's Broker, both parties hereby represent that no other brokers or finders have been retained with respect to this transaction. If any claims for other brokers' or finders' fees for the consummation of this Agreement arise, then Buyer hereby agrees to indemnify, save harmless and defend Seller from and against such claims if they shall be based upon any statement or representation or agreement by Buyer, and Seller hereby agrees to indemnify, save harmless and defend Buyer if such claims shall be based upon any statement, representation or agreement made by Seller.

20. Legal Fees. In the event of the bringing of any action or suit by a party hereto against another party hereunder by reason of any breach of any of the covenants or agreements or any

inaccuracies in any of the representations and warranties on the part of the other party arising out of this Agreement, then in that event, the prevailing party in such action or dispute, whether by final judgment, or out of court settlement shall be entitled to have and recover of and from the other party all costs and expenses of suit, including actual attorneys' fees.

21. Assignment. Seller may not assign, transfer or convey its rights or obligations under this Agreement without the prior written consent of Buyer, and then only if Seller's assignee assumes in writing all of Seller's obligations hereunder; provided, however, Seller shall in no event be released from its obligations hereunder by reason of such assignment.

22. Miscellaneous.

(a) Required Actions of Buyer and Seller. Buyer and Seller agree to execute such instruments and documents and to diligently undertake such actions as may be required in order to consummate the purchase and sale herein contemplated and shall use their best efforts to accomplish the Close of Escrow in accordance with the provisions hereof.

(b) Time of Essence. Time is of the essence of each and every term, condition, obligation and provision hereof.

(c) Counterparts. This Agreement may be executed in multiple counterparts and delivered via facsimile or by electronic transmission of a PDF version of a fully executed counterpart, each of which shall be deemed an original, but all of which, together, shall constitute one and the same instrument.

(d) Captions. Any captions to, or headings of, the Sections or subsections of this Agreement are solely for the convenience of the parties hereto, are not a part of this Agreement, and shall not be used for the interpretation or determination of the validity of this Agreement or any provision hereof.

(e) No Obligations to Third Parties. Except as otherwise expressly provided herein, the execution and delivery of this Agreement shall not be deemed to confer any rights upon, nor obligate any of the parties thereto, to any person or entity other than the parties hereto.

(f) Exhibits. The Exhibits attached hereto are hereby incorporated herein by this reference.

(g) Amendment to this Agreement. The terms of this Agreement may not be modified or amended except by an instrument in writing executed by each of the parties hereto.

(h) Waiver. The waiver or failure to enforce any provision of this Agreement shall not operate as a waiver of any future breach of any such provision or any other provision hereof.

(i) Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California.

(j) Fees and Other Expenses. Except as otherwise provided herein, each of the parties shall pay its own fees and expenses in connection with this Agreement.

(k) Entire Agreement. This Agreement supersedes any prior agreements, negotiations and communications, oral or written, and contains the entire agreement between Buyer and Seller as to the subject matter hereof. No subsequent agreement, representation, or promise made by either party hereto, or by or to an employee, officer, agent or representative of either party shall be of any effect unless it is in writing and executed by the party to be bound thereby.

(l) Successors and Assigns. This Agreement shall be binding upon and shall inure to the benefit of the successors and assigns of the parties hereto.

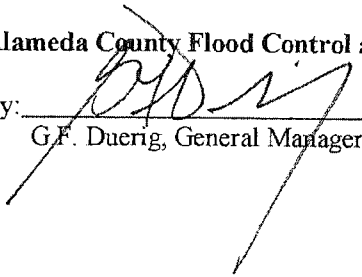
(m) Joint and Several. Each party identified as "Seller" below shall be jointly and severally liable for the performance of Seller's obligations under this Agreement.

(n) Buyer's Default. If Buyer fails to purchase the Property on the terms of this Agreement, and fails to cure such failure within 30 days following written notice from Seller, Seller shall have the right to seek the specific performance of Buyer's obligations under this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

BUYER:

Alameda County Flood Control and Water Conservation District, Zone 7

By: 
G.F. Duerig, General Manager

Execution Copy

SELLER:

AS TO THAT PORTION OF PARCEL ONE described in the Deed recorded October 22, 1982 as instrument No. 82-161230:

PTLM, Inc, a California corporation, an undivided 52.41% interest

By: [Signature]
Its: _____

PATLIV, a California limited partnership, an undivided 47.59% interest

By: [Signature]
Its: _____

AS TO THE REMAINDER OF PARCEL ONE, all of Parcels Four, Five and Eight:

PATLIV, a California limited partnership

By: [Signature]
Its: _____

AS TO THAT PORTION OF PARCEL TWO lying within Fractional Section One (1), Township Four South, Range Two East (T4S, R2E), Mount Diablo Base and Meridian:

PATLIV, a California limited partnership

By: [Signature]
Its: _____

Joan B. Patterson, Successor Trustee of the David G. Patterson Revocable Trust u/t/d dated March 23, 2004

Stuart G. Schmidt, Trustee of the trust created for Donald E. Ort under the terms of the Will of Joan M. Ort, also known as Joan M. Patterson and Joan Patterson Ort, deceased, as established by Decree of Distribution filed in Case No. 88661 Probate, San Mateo County Superior Court

Purchase and Sale Agreement
Patterson Ranch
August 2013
Page 13 of 29

Execution Copy

SELLER:

AS TO THAT PORTION OF PARCEL ONE described in the Deed recorded October 22, 1982 as instrument No. 82-161230:

PTLM, Inc, a California corporation, an undivided 52.41% interest

By: William Patterson
Its: CO-EXECUTIVE VICE PRESIDENT

PATLIV, a California limited partnership, an undivided 47.59% interest

By: William Patterson
Its: CO-EXECUTIVE VICE PRESIDENT

AS TO THE REMAINDER OF PARCEL ONE, all of Parcels Four, Five and Eight:

PATLIV, a California limited partnership

By: William Patterson
Its: CO-EXECUTIVE VICE PRESIDENT

AS TO THAT PORTION OF PARCEL TWO lying within Fractional Section One (1), Township Four South, Range Two East (T4S, R2E), Mount Diablo Base and Meridian:

PATLIV, a California limited partnership

By: William Patterson
Its: CO-EXECUTIVE VICE PRESIDENT

Joan B. Patterson, Successor Trustee of the David G. Patterson Revocable Trust u/t/d dated March 23, 2004

Stuart G. Schmidt, Trustee of the trust created for Donald E. Ort under the terms of the Will of Joan M. Ort, also known as Joan M. Patterson and Joan Patterson Ort, deceased, as established by Decree of Distribution filed in Case No. 88661 Probate, San Mateo County Superior Court

Purchase and Sale Agreement
Patterson Ranch
August 2013
Page 13 of 29

SELLER:

AS TO THAT PORTION OF PARCEL ONE described in the Deed recorded October 22, 1982 as instrument No. 82-161230:

PTLM, Inc., a California corporation, an undivided 52.41% interest

By: _____
Its: _____

PATLIV, a California limited partnership, an undivided 47.59% interest

By: _____
Its: _____

AS TO THE REMAINDER OF PARCEL ONE, all of Parcels Four, Five and Eight:

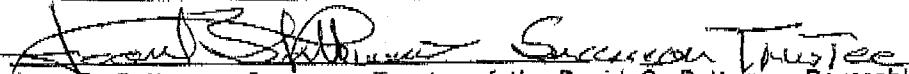
PATLIV, a California limited partnership

By: _____
Its: _____

AS TO THAT PORTION OF PARCEL TWO lying within Fractional Section One (1), Township Four South, Range Two East (T4S, R2E), Mount Diablo Base and Meridian:

PATLIV, a California limited partnership

By: _____
Its: _____


Joan B. Patterson, Successor Trustee of the David G. Patterson Revocable Trust u/t/d dated March 23, 2004

Stuart G. Schmidt, Trustee of the trust created for Donald E. Ort under the terms of the Will of Joan M. Ort, also known as Joan M. Patterson and Joan Patterson Ort, deceased, as established by Decree of Distribution filed in Case No. 88661 Probate, San Mateo County Superior Court

Purchase and Sale Agreement
Patterson Ranch
August 2013
Page 13 of 29

SELLER:

AS TO THAT PORTION OF PARCEL ONE described in the Deed recorded October 22, 1982 as instrument No. 82-161230:

PTLM, Inc., a California corporation, an undivided 52.41% interest

By: _____
Its: _____

PATLIV, a California limited partnership, an undivided 47.59% interest

By: _____
Its: _____

AS TO THE REMAINDER OF PARCEL ONE, all of Parcels Four, Five and Eight:

PATLIV, a California limited partnership

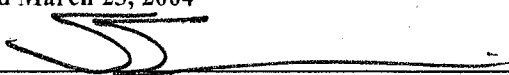
By: _____
Its: _____

AS TO THAT PORTION OF PARCEL TWO lying within Fractional Section One (1), Township Four South, Range Two East (T4S, R2E), Mount Diablo Base and Meridian:

PATLIV, a California limited partnership

By: _____
Its: _____

Joan B. Patterson, Successor Trustee of the David G. Patterson Revocable Trust u/t/d dated March 23, 2004

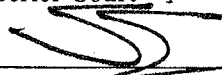


Stuart G. Schmidt,*Trustee of the trust created for Donald E. Ort under the terms of the Will of Joan M. Ort, also known as Joan M. Patterson and Joan Patterson Ort, deceased, as established by Decree of Distribution filed in Case No. 88661 Probate, San Mateo County Superior Court

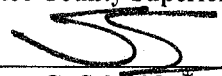
*In all places where the asterisk is placed, Stuart G. Schmidt is signing as the successor in interest; title is held as trustee of the Joan L. Patterson Irrevocable Trust

Purchase and Sale Agreement
Patterson Ranch
August 2013
Page 13 of 29


Richard B. Blos, Trustee of the trust created for Donald E. Ort under the terms of the Will of Joan M. Ort, also known as Joan M. Patterson and Joan Patterson Ort, deceased, as established by Decree of Distribution filed in Case No. 88661 Probate, San Mateo County Superior Court by Stuart G. Schmidt, Trustee*


Stuart G. Schmidt, Trustee of the trust created for Joan L. Patterson under the terms of the Will of Joan M. Ort, also known as Joan M. Patterson and Joan Patterson Ort, deceased, as established by Decree of Distribution filed in Case No. 88661 Probate, San Mateo County Superior Court

Bruce R. Patterson, Trustee of the trust created for Joan L. Patterson under the terms of the Will of Joan M. Ort, also known as Joan M. Patterson and Joan Patterson Ort, deceased, as established by Decree of Distribution filed in Case No. 88661 Probate, San Mateo County Superior Court


Stuart G. Schmidt, as Conservator of the Estate of Joan L. Patterson (Conservatee), Case No. P43716, Superior Court, County of Santa Clara, State of California

Bruce R. Patterson, by devise

Wilcox Patterson, Co-Trustee of the Donald Patterson Testamentary Trust, pursuant to the Order of Final Distribution, Case No. 67756, San Mateo County Superior Court

Wilcox Patterson, Co-Trustee of the Donald Patterson Testamentary Trust, pursuant to the Order of Final Distribution, Case No. 67756, San Mateo County Superior Court

AS TO THE REMAINDER OF PARCEL TWO:

PATLIV, a California limited partnership

By: _____
Its: _____

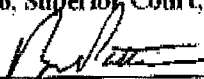
Execution Copy

Richard B. Blos, Trustee of the trust created for Donald E. Ort under the terms of the Will of Joan M. Ort, also known as Joan M. Patterson and Joan Patterson Ort, deceased, as established by Decree of Distribution filed in Case No. 88661 Probate, San Mateo County Superior Court

Stuart G. Schmidt, Trustee of the trust created for Joan L. Patterson under the terms of the Will of Joan M. Ort, also known as Joan M. Patterson and Joan Patterson Ort, deceased, as established by Decree of Distribution filed in Case No. 88661 Probate, San Mateo County Superior Court


Bruce R. Patterson, Trustee of the trust created for Joan L. Patterson under the terms of the Will of Joan M. Ort, also known as Joan M. Patterson and Joan Patterson Ort, deceased, as established by Decree of Distribution filed in Case No. 88661 Probate, San Mateo County Superior Court

Stuart G. Schmidt, as Conservator of the Estate of Joan L. Patterson (Conservatee), Case No. P43716, Superior Court, County of Santa Clara, State of California


Bruce R. Patterson, by devise

Wilcox Patterson, Co-Trustee of the Donald Patterson Testamentary Trust, pursuant to the Order of Final Distribution, Case No. 67756, San Mateo County Superior Court

Wilcox Patterson, Co-Trustee of the Donald Patterson Testamentary Trust, pursuant to the Order of Final Distribution, Case No. 67756, San Mateo County Superior Court.

AS TO THE REMAINDER OF PARCEL TWO:

PATLIV, a California limited partnership

By: _____
Its: _____

Purchase and Sale Agreement
Patterson Ranch
August 2013
Page 14 of 29

Execution Copy

Richard B. Bloss, Trustee of the trust created for Donald E. Ort under the terms of the Will of Joan M. Ort, also known as Joan M. Patterson and Joan Patterson Ort, deceased, as established by Decree of Distribution filed in Case No. 88661 Probate, San Mateo County Superior Court

Stuart G. Schmidt, Trustee of the trust created for Joan L. Patterson under the terms of the Will of Joan M. Ort, also known as Joan M. Patterson and Joan Patterson Ort, deceased, as established by Decree of Distribution filed in Case No. 88661 Probate, San Mateo County Superior Court

Bruce R. Patterson, Trustee of the trust created for Joan L. Patterson under the terms of the Will of Joan M. Ort, also known as Joan M. Patterson and Joan Patterson Ort, deceased, as established by Decree of Distribution filed in Case No. 88661 Probate, San Mateo County Superior Court

Stuart G. Schmidt, as Conservator of the Estate of Joan L. Patterson (Conservatee), Case No. P43716, Superior Court, County of Santa Clara, State of California

Bruce R. Patterson, by devise

Wilcox Patterson, Co-Trustee of the Donald Patterson Testamentary Trust, pursuant to the Order of Final Distribution, Case No. 67756, San Mateo County Superior Court

Wilcox Patterson, Co-Trustee of the Donald Patterson Testamentary Trust, pursuant to the Order of Final Distribution, Case No. 67756, San Mateo County Superior Court

AS TO THE REMAINDER OF PARCEL TWO:

PATLIV, a California limited partnership

By:

Its:

CO-EXECUTIVE VICE PRESIDENT

Purchase and Sale Agreement
Patterson Ranch
August 2013
Page 14 of 29

Execution Copy

Richard B. Blos, Trustee of the trust created for Donald E. Ort under the terms of the Will of Joan M. Ort, also known as Joan M. Patterson and Joan Patterson Ort, deceased, as established by Decree of Distribution filed in Case No. 88661 Probate, San Mateo County Superior Court

Stuart G. Schmidt, Trustee of the trust created for Joan L. Patterson under the terms of the Will of Joan M. Ort, also known as Joan M. Patterson and Joan Patterson Ort, deceased, as established by Decree of Distribution filed in Case No. 88661 Probate, San Mateo County Superior Court

Bruce R. Patterson, Trustee of the trust created for Joan L. Patterson under the terms of the Will of Joan M. Ort, also known as Joan M. Patterson and Joan Patterson Ort, deceased, as established by Decree of Distribution filed in Case No. 88661 Probate, San Mateo County Superior Court

Stuart G. Schmidt, as Conservator of the Estate of Joan L. Patterson (Conservatee), Case No. P43716, Superior Court, County of Santa Clara, State of California

Bruce R. Patterson, by devise

Wilcox Patterson, Co-Trustee of the Donald Patterson Testamentary Trust, pursuant to the Order of Final Distribution, Case No. 67756, San Mateo County Superior Court

Wilcox Patterson, Co-Trustee of the Donald Patterson Testamentary Trust, pursuant to the Order of Final Distribution, Case No. 67756, San Mateo County Superior Court

AS TO THE REMAINDER OF PARCEL TWO:

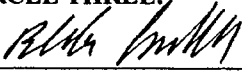
PATLIV, a California limited partnership

By: [Signature]

Its: CO-LEW

Purchase and Sale Agreement
Patterson Ranch
August 2013
Page 14 of 29

AS TO PARCEL THREE:


George Blake Campbell, who acquired title as a married man as his sole and separate property

Nathaniel S. Dodge IV, Co-Trustee of the Nathaniel S. and Sallie C. Dodge Family Trust dated March 10, 1998

Sallie Campbell Dodge, Co-Trustee of the Nathaniel S. and Sallie C. Dodge Family Trust dated March 10, 1998

Samuel Dwight Kingsland, Trustee of the Samuel and Margarita Kingsland Family Trust dated July 24, 2003

Margarita Campbell Kingsland, Trustee of the Samuel and Margarita Kingsland Family Trust dated July 24, 2003

William Patterson Campbell, who acquired title as a married man as his sole and separate property

Henry Patterson Adams, also known as Henry P. Adams, who acquired title as an unmarried man

Henry Patterson, Co-Trustee of the Henry Patterson Adams Exempt Trust U/A Marjorie Patterson Living Trust dated October 25, 1994

Abigail A. Campbell, Co-Trustee of the Henry Patterson Adams Exempt Trust U/A Marjorie Patterson Living Trust dated October 25, 1994

Susan Adams Engs, Co-Trustee of the Susan Adams Engs Exempt Trust U/A Marjorie Patterson Living Trust dated October 25, 1994

AS TO PARCEL THREE:

George Blake Campbell, who acquired title as a married man as his sole and separate property

Nathaniel S. Dodge

Nathaniel S. Dodge IV, Co-Trustee of the Nathaniel S. and Sallie C. Dodge Family Trust dated March 10, 1998

Sallie Campbell Dodge

Sallie Campbell Dodge, Co-Trustee of the Nathaniel S. and Sallie C. Dodge Family Trust dated March 10, 1998

Samuel Dwight Kingsland, Trustee of the Samuel and Margarita Kingsland Family Trust dated July 24, 2003

Margarita Campbell Kingsland, Trustee of the Samuel and Margarita Kingsland Family Trust dated July 24, 2003

William Patterson Campbell, who acquired title as a married man as his sole and separate property

Henry Patterson Adams, also known as Henry P. Adams, who acquired title as an unmarried man

Henry Patterson, Co-Trustee of the Henry Patterson Adams Exempt Trust U/A Marjorie Patterson Living Trust dated October 25, 1994

Abigail A. Campbell, Co-Trustee of the Henry Patterson Adams Exempt Trust U/A Marjorie Patterson Living Trust dated October 25, 1994

Susan Adams Engs, Co-Trustee of the Susan Adams Engs Exempt Trust U/A Marjorie Patterson Living Trust dated October 25, 1994

AS TO PARCEL THREE:

George Blake Campbell, who acquired title as a married man as his sole and separate property

Nathaniel S. Dodge IV, Co-Trustee of the Nathaniel S. and Sallie C. Dodge Family Trust dated March 10, 1998

Sallie Campbell Dodge, Co-Trustee of the Nathaniel S. and Sallie C. Dodge Family Trust dated March 10, 1998

 Samuel Dwight Kingsland, Trustee of the Samuel and Margarita Kingsland Family Trust dated July 24, 2003

 Margarita Campbell Kingsland, Trustee of the Samuel and Margarita Kingsland Family Trust dated July 24, 2003

William Patterson Campbell, who acquired title as a married man as his sole and separate property

Henry Patterson Adams, also known as Henry P. Adams, who acquired title as an unmarried man

Henry Patterson, Co-Trustee of the Henry Patterson Adams Exempt Trust U/A Marjorie Patterson Living Trust dated October 25, 1994

Abigail A. Campbell, Co-Trustee of the Henry Patterson Adams Exempt Trust U/A Marjorie Patterson Living Trust dated October 25, 1994

Susan Adams Engs, Co-Trustee of the Susan Adams Engs Exempt Trust U/A Marjorie Patterson Living Trust dated October 25, 1994

Execution Copy

AS TO PARCEL THREE:

George Blake Campbell, who acquired title as a married man as his sole and separate property

Nathaniel S. Dodge IV, Co-Trustee of the Nathaniel S. and Sallie C. Dodge Family Trust dated March 10, 1998

Sallie Campbell Dodge, Co-Trustee of the Nathaniel S. and Sallie C. Dodge Family Trust dated March 10, 1998

Samuel Dwight Kingsland, Trustee of the Samuel and Margarita Kingsland Family Trust dated July 24, 2003

Margarita Campbell Kingsland, Trustee of the Samuel and Margarita Kingsland Family Trust dated July 24, 2003

William Patterson Campbell, who acquired title as a married man as his sole and separate property

Henry Patterson Adams, also known as Henry P. Adams, who acquired title as an unmarried man

Henry Patterson, Co-Trustee of the Henry Patterson Adams Exempt Trust U/A Marjorie Patterson Living Trust dated October 25, 1994

Abigail A. Campbell, Co-Trustee of the Henry Patterson Adams Exempt Trust U/A Marjorie Patterson Living Trust dated October 25, 1994

Susan Adams Engs, Co-Trustee of the Susan Adams Engs Exempt Trust U/A Marjorie Patterson Living Trust dated October 25, 1994

Purchase and Sale Agreement
Patterson Ranch
August 2013
Page 15 of 29

AS TO PARCEL THREE:

George Blake Campbell, who acquired title as a married man as his sole and separate property

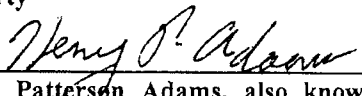
Nathaniel S. Dodge IV, Co-Trustee of the Nathaniel S. and Sallie C. Dodge Family Trust dated March 10, 1998

Sallie Campbell Dodge, Co-Trustee of the Nathaniel S. and Sallie C. Dodge Family Trust dated March 10, 1998

Samuel Dwight Kingsland, Trustee of the Samuel and Margarita Kingsland Family Trust dated July 24, 2003

Margarita Campbell Kingsland, Trustee of the Samuel and Margarita Kingsland Family Trust dated July 24, 2003

William Patterson Campbell, who acquired title as a married man as his sole and separate property



Henry Patterson Adams, also known as Henry P. Adams, who acquired title as an unmarried man



Henry Patterson, Co-Trustee of the Henry Patterson Adams Exempt Trust U/A Marjorie Patterson Living Trust dated October 25, 1994

Abigail A. Campbell, Co-Trustee of the Henry Patterson Adams Exempt Trust U/A Marjorie Patterson Living Trust dated October 25, 1994

Susan Adams Engs, Co-Trustee of the Susan Adams Engs Exempt Trust U/A Marjorie Patterson Living Trust dated October 25, 1994

Execution Copy

AS TO PARCEL THREE:

George Blake Campbell, who acquired title as a married man as his sole and separate property

Nathaniel S. Dodge IV, Co-Trustee of the Nathaniel S. and Sallie C. Dodge Family Trust dated March 10, 1998

Sallie Campbell Dodge, Co-Trustee of the Nathaniel S. and Sallie C. Dodge Family Trust dated March 10, 1998

Samuel Dwight Kingsland, Trustee of the Samuel and Margarita Kingsland Family Trust dated July 24, 2003

Margarita Campbell Kingsland, Trustee of the Samuel and Margarita Kingsland Family Trust dated July 24, 2003

William Patterson Campbell, who acquired title as a married man as his sole and separate property

Henry Patterson Adams, also known as Henry P. Adams, who acquired title as an unmarried man

Henry Patterson, Co-Trustee of the Henry Patterson Adams Exempt Trust U/A Marjorie Patterson Living Trust dated October 25, 1994

Abigail A. Campbell Trustee
Abigail A. Campbell, Co-Trustee of the Henry Patterson Adams Exempt Trust U/A Marjorie Patterson Living Trust dated October 25, 1994

Susan Adams Engs, Co-Trustee of the Susan Adams Engs Exempt Trust U/A Marjorie Patterson Living Trust dated October 25, 1994

Purchase and Sale Agreement
Patterson Ranch
August 2013
Page 15 of 29

Execution Copy

AS TO PARCEL THREE:

George Blake Campbell, who acquired title as a married man as his sole and separate property

Nathaniel S. Dodge IV, Co-Trustee of the Nathaniel S. and Sallie C. Dodge Family Trust dated March 10, 1998

Sallie Campbell Dodge, Co-Trustee of the Nathaniel S. and Sallie C. Dodge Family Trust dated March 10, 1998

Samuel Dwight Kingsland, Trustee of the Samuel and Margarita Kingsland Family Trust dated July 24, 2003

Margarita Campbell Kingsland, Trustee of the Samuel and Margarita Kingsland Family Trust dated July 24, 2003

William Patterson Campbell, who acquired title as a married man as his sole and separate property

Henry Patterson Adams, also known as Henry P. Adams, who acquired title as an unmarried man

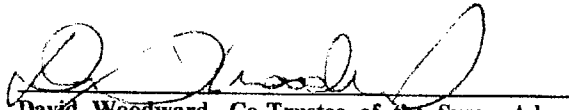
Henry Patterson, Co-Trustee of the Henry Patterson Adams Exempt Trust U/A Marjorie Patterson Living Trust dated October 25, 1994

Abigail A. Campbell, Co-Trustee of the Henry Patterson Adams Exempt Trust U/A Marjorie Patterson Living Trust dated October 25, 1994

Susan Adams Engs
Susan Adams Engs, Co-Trustee of the Susan Adams Engs Exempt Trust U/A Marjorie Patterson Living Trust dated October 25, 1994

Purchase and Sale Agreement
Patterson Ranch
August 2013
Page 15 of 29

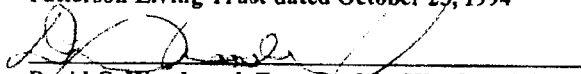
Execution Copy



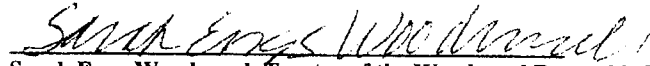
David Woodward, Co-Trustee of the Susan Adams Eng Exempt Trust U/A Marjorie Patterson Living Trust dated October 25, 1994

Sam Kingsland, Co-Trustee of the Abigail Adams Campbell Exempt Trust U/A Marjorie Patterson Living Trust dated October 25, 1994

Nat Dodge, Co-Trustee of the Abigail Adams Campbell Exempt Trust U/A Marjorie Patterson Living Trust dated October 25, 1994



David C. Woodward, Trustee of the Woodward Revocable Trust dated May 24, 2001



Sarah Eng Woodward, Trustee of the Woodward Revocable Trust dated May 24, 2001

Stuart Rawlings Eng, Jr., Co-Trustee of the Stuart R. (Jr) and Jane N. Eng Revocable Trust dated February 26, 1999

Jane N. Eng, Co-Trustee of the Stuart R. (Jr) and Jane N. Eng Revocable Trust dated February 26, 1999

John Adams Eng, Co-Trustee of the John and Alexandra Eng Revocable Trust dated July 13, 1999

Alexandra K. Eng, Co-Trustee of the John and Alexandra Eng Revocable Trust dated July 13, 1999

Charles Edward Eng, who acquired title as a married man as his sole and separate property

Stuart G. Schmidt, Trustee of the trust created for Donald E. Ort under the terms of the Will of Joan M. Ort, also known as Joan M. Patterson and Joan Patterson Ort, Deceased, as established by Decree of Distribution filed in Case No. 88661 Probate, San Mateo County Superior Court

Purchase and Sale Agreement
Patterson Ranch
August 2013
Page 16 of 29

David Woodward, Co-Trustee of the Susan Adams Eng Exempt Trust U/A Marjorie
Patterson Living Trust dated October 25, 1994



Sam Kingsland, Co-Trustee of the Abigail Adams Campbell Exempt Trust U/A Marjorie
Patterson Living Trust dated October 25, 1994

Nat Dodge, Co-Trustee of the Abigail Adams Campbell Exempt Trust U/A Marjorie
Patterson Living Trust dated October 25, 1994

David C. Woodward, Trustee of the Woodward Revocable Trust dated May 24, 2001

Sarah Engs Woodward, Trustee of the Woodward Revocable Trust dated May 24, 2001

Stuart Rawlings Engs, Jr., Co-Trustee of the Stuart R. (Jr) and Jane N. Engs Revocable
Trust dated February 26, 1999

Jane N. Engs, Co-Trustee of the Stuart R. (Jr) and Jane N. Engs Revocable Trust dated
February 26, 1999

John Adams Engs, Co-Trustee of the John and Alexandra Engs Revocable Trust dated July
13, 1999

Alexandra K. Engs, Co-Trustee of the John and Alexandra Engs Revocable Trust dated
July 13, 1999

Charles Edward Engs, who acquired title as a married man as his sole and separate
property

Stuart G. Schmidt, Trustee of the trust created for Donald E. Ort under the terms of the
Will of Joan M. Ort, also known as Joan M. Patterson and Joan Patterson Ort, Deceased,
as established by Decree of Distribution filed in Case No. 88661 Probate, San Mateo
County Superior Court

David Woodward, Co-Trustee of the Susan Adams Eng Exempt Trust U/A Marjorie Patterson Living Trust dated October 25, 1994

Sam Kingsland, Co-Trustee of the Abigail Adams Campbell Exempt Trust U/A Marjorie Patterson Living Trust dated October 25, 1994

Nathaniel S. Dodge

Nat Dodge, Co-Trustee of the Abigail Adams Campbell Exempt Trust U/A Marjorie Patterson Living Trust dated October 25, 1994

David C. Woodward, Trustee of the Woodward Revocable Trust dated May 24, 2001

Sarah Engs Woodward, Trustee of the Woodward Revocable Trust dated May 24, 2001

Stuart Rawlings Engs, Jr., Co-Trustee of the Stuart R. (Jr) and Jane N. Engs Revocable Trust dated February 26, 1999

Jane N. Engs, Co-Trustee of the Stuart R. (Jr) and Jane N. Engs Revocable Trust dated February 26, 1999

John Adams Engs, Co-Trustee of the John and Alexandra Engs Revocable Trust dated July 13, 1999

Alexandra K. Engs, Co-Trustee of the John and Alexandra Engs Revocable Trust dated July 13, 1999

Charles Edward Engs, who acquired title as a married man as his sole and separate property

Stuart G. Schmidt, Trustee of the trust created for Donald E. Ort under the terms of the Will of Joan M. Ort, also known as Joan M. Patterson and Joan Patterson Ort, Deceased, as established by Decree of Distribution filed in Case No. 88661 Probate, San Mateo County Superior Court

Execution Copy

David Woodward, Co-Trustee of the Susan Adams Eng Exempt Trust U/A Marjorie Patterson Living Trust dated October 25, 1994

Sam Kingsland, Co-Trustee of the Abigail Adams Campbell Exempt Trust U/A Marjorie Patterson Living Trust dated October 25, 1994

Nat Dodge, Co-Trustee of the Abigail Adams Campbell Exempt Trust U/A Marjorie Patterson Living Trust dated October 25, 1994

David C. Woodward, Trustee of the Woodward Revocable Trust dated May 24, 2001

Sarah Engs Woodward, Trustee of the Woodward Revocable Trust dated May 24, 2001

Stuart Rawlings Engs, Jr., Co-Trustee of the Stuart R. (Jr) and Jane N. Engs Revocable Trust dated February 26, 1999

Jane N. Engs, Co-Trustee of the Stuart R. (Jr) and Jane N. Engs Revocable Trust dated February 26, 1999

John Adams Engs, Co-Trustee of the John and Alexandra Engs Revocable Trust dated July 13, 1999

Alexandra K. Engs, Co-Trustee of the John and Alexandra Engs Revocable Trust dated July 13, 1999

Charles Edward Engs, who acquired title as a married man as his sole and separate property

Stuart G. Schmidt, Trustee of the trust created for Donald E. Ort under the terms of the Will of Joan M. Ort, also known as Joan M. Patterson and Joan Patterson Ort, Deceased, as established by Decree of Distribution filed in Case No. 88661 Probate, San Mateo County Superior Court

Purchase and Sale Agreement
Patterson Ranch
August 2013
Page 16 of 29

David Woodward, Co-Trustee of the Susan Adams Eng Exempt Trust U/A Marjorie Patterson Living Trust dated October 25, 1994

Sam Kingsland, Co-Trustee of the Abigail Adams Campbell Exempt Trust U/A Marjorie Patterson Living Trust dated October 25, 1994

Nat Dodge, Co-Trustee of the Abigail Adams Campbell Exempt Trust U/A Marjorie Patterson Living Trust dated October 25, 1994

David C. Woodward, Trustee of the Woodward Revocable Trust dated May 24, 2001

Sarah Engs Woodward, Trustee of the Woodward Revocable Trust dated May 24, 2001

Stuart Rawlings Engs, Jr., Co-Trustee of the Stuart R. (Jr) and Jane N. Engs Revocable Trust dated February 26, 1999

Jane N. Engs, Co-Trustee of the Stuart R. (Jr) and Jane N. Engs Revocable Trust dated February 26, 1999

John Adams Engs, Co-Trustee of the John and Alexandra Engs Revocable Trust dated July 13, 1999

Alexandra K. Engs, Co-Trustee of the John and Alexandra Engs Revocable Trust dated July 13, 1999

Charles Edward Engs, who acquired title as a married man as his sole and separate property

Stuart G. Schmidt, Trustee of the trust created for Donald E. Ort under the terms of the Will of Joan M. Ort, also known as Joan M. Patterson and Joan Patterson Ort, Deceased, as established by Decree of Distribution filed in Case No. 88661 Probate, San Mateo County Superior Court

Execution Copy

David Woodward, Co-Trustee of the Susan Adams Eng Exempt Trust U/A Marjorie Patterson Living Trust dated October 25, 1994

Sam Kingsland, Co-Trustee of the Abigail Adams Campbell Exempt Trust U/A Marjorie Patterson Living Trust dated October 25, 1994

Nat Dodge, Co-Trustee of the Abigail Adams Campbell Exempt Trust U/A Marjorie Patterson Living Trust dated October 25, 1994

David C. Woodward, Trustee of the Woodward Revocable Trust dated May 24, 2001

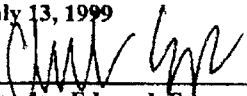
Sarah Engs Woodward, Trustee of the Woodward Revocable Trust dated May 24, 2001

Stuart Rawlings Engs, Jr., Co-Trustee of the Stuart R. (Jr) and Jane N. Engs Revocable Trust dated February 26, 1999

Jane N. Engs, Co-Trustee of the Stuart R. (Jr) and Jane N. Engs Revocable Trust dated February 26, 1999

John Adams Engs, Co-Trustee of the John and Alexandra Engs Revocable Trust dated July 13, 1999

Alexandra K. Engs, Co-Trustee of the John and Alexandra Engs Revocable Trust dated July 13, 1999



Charles Edward Engs, who acquired title as a married man as his sole and separate property

Stuart G. Schmidt, Trustee of the trust created for Donald E. Ort under the terms of the Will of Joan M. Ort, also known as Joan M. Patterson and Joan Patterson Ort, Deceased, as established by Decree of Distribution filed in Case No. 88661 Probate, San Mateo County Superior Court

Purchase and Sale Agreement
Patterson Ranch
August 2013
Page 16 of 29

David Woodward, Co-Trustee of the Susan Adams Eng Exempt Trust U/A Marjorie Patterson Living Trust dated October 25, 1994

Sam Kingsland, Co-Trustee of the Abigail Adams Campbell Exempt Trust U/A Marjorie Patterson Living Trust dated October 25, 1994

Nat Dodge, Co-Trustee of the Abigail Adams Campbell Exempt Trust U/A Marjorie Patterson Living Trust dated October 25, 1994

David C. Woodward, Trustee of the Woodward Revocable Trust dated May 24, 2001

Sarah Engs Woodward, Trustee of the Woodward Revocable Trust dated May 24, 2001

Stuart Rawlings Engs, Jr., Co-Trustee of the Stuart R. (Jr) and Jane N. Engs Revocable Trust dated February 26, 1999

Jane N. Engs, Co-Trustee of the Stuart R. (Jr) and Jane N. Engs Revocable Trust dated February 26, 1999

John Adams Engs, Co-Trustee of the John and Alexandra Engs Revocable Trust dated July 13, 1999

Alexandra K. Engs, Co-Trustee of the John and Alexandra Engs Revocable Trust dated July 13, 1999

Charles Edward Engs, who acquired title as a married man as his sole and separate property

Stuart G. Schmidt, Trustee of the trust created for Donald E. Ort under the terms of the Will of Joan M. Ort, also known as Joan M. Patterson and Joan Patterson Ort, Deceased, as established by Decree of Distribution filed in Case No. 88661 Probate, San Mateo County Superior Court


Richard B. Bloss, Trustee of the trust created for Donald E. Ort under the terms of the Will of Joan M. Ort, also known as Joan M. Patterson and Joan Patterson Ort, Deceased, as established by Decree of Distribution filed in Case No. 88661 Probate, San Mateo County Superior Court by Stuart G. Schmidt, Trustee*


Stuart G. Schmidt, Trustee of the trust created for Joan L. Patterson under the terms of the Will of Joan M. Ort, also known as Joan M. Patterson and Joan Patterson Ort, Deceased, as established by Decree of Distribution filed in Case No. 88661 Probate, San Mateo County Superior Court

Bruce R. Patterson, Trustee of the trust created for Joan L. Patterson under the terms of the Will of Joan M. Ort, also known as Joan M. Patterson and Joan Patterson Ort, Deceased, as established by Decree of Distribution filed in Case No. 88661 Probate, San Mateo County Superior Court


Stuart G. Schmidt, as Conservator of the Estate of Joan L. Patterson (Conservatee) Case No. P43716, Superior Court, County of Santa Clara, State of California

Bruce R. Patterson, by devise

Joan B. Patterson, Trustee of the Joan B. Patterson Revocable Trust Under Declaration dated March 23, 2004

Joan B. Patterson, Trustee of the David G. Patterson Revocable Trust u/t/d dated March 23, 2004

WDP, Limited, a California limited partnership

By: _____
Its: _____

WP, a California limited partnership, successor by merger to DPT, a California limited partnership, as their respective interest may appear of record

By: _____
Its: _____

Execution Copy

Richard B. Bloss, Trustee of the trust created for Donald E. Ort under the terms of the Will of Joan M. Ort, also known as Joan M. Patterson and Joan Patterson Ort, Deceased, as established by Decree of Distribution filed in Case No. 88661 Probate, San Mateo County Superior Court

Stuart G. Schmidt, Trustee of the trust created for Joan L. Patterson under the terms of the Will of Joan M. Ort, also known as Joan M. Patterson and Joan Patterson Ort, Deceased, as established by Decree of Distribution filed in Case No. 88661 Probate, San Mateo County Superior Court

Bruce R. Patterson, Trustee of the trust created for Joan L. Patterson under the terms of the Will of Joan M. Ort, also known as Joan M. Patterson and Joan Patterson Ort, Deceased, as established by Decree of Distribution filed in Case No. 88661 Probate, San Mateo County Superior Court

Stuart G. Schmidt, as Conservator of the Estate of Joan L. Patterson (Conservatee) Case No. P43716, Superior Court, County of Santa Clara, State of California

Bruce R. Patterson, by devise

Joan B. Patterson, Trustee of the Joan B. Patterson Revocable Trust Under Declaration dated March 23, 2004

Joan B. Patterson, Trustee of the David G. Patterson Revocable Trust u/t/d dated March 23, 2004

WDP, Limited, a California limited partnership

By: _____
Its: _____

WP, a California limited partnership, successor by merger to DPT, a California limited partnership, as their respective interest may appear of record

By: _____
Its: _____

Purchase and Sale Agreement
Patterson Ranch
August 2013
Page 17 of 29

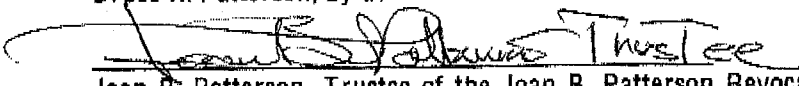
Richard B. Blos, Trustee of the trust created for Donald E. Ort under the terms of the Will of Joan M. Ort, also known as Joan M. Patterson and Joan Patterson Ort, Deceased, as established by Decree of Distribution filed in Case No. 88661 Probate, San Mateo County Superior Court

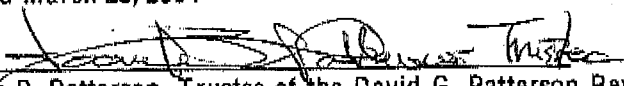
Stuart G. Schmidt, Trustee of the trust created for Joan L. Patterson under the terms of the Will of Joan M. Ort, also known as Joan M. Patterson and Joan Patterson Ort, Deceased, as established by Decree of Distribution filed in Case No. 88661 Probate, San Mateo County Superior Court

Bruce R. Patterson, Trustee of the trust created for Joan L. Patterson under the terms of the Will of Joan M. Ort, also known as Joan M. Patterson and Joan Patterson Ort, Deceased, as established by Decree of Distribution filed in Case No. 88661 Probate, San Mateo County Superior Court

Stuart G. Schmidt, as Conservator of the Estate of Joan L. Patterson (Conservatee) Case No. P43716, Superior Court, County of Santa Clara, State of California

Bruce R. Patterson, by devise

 Trustee
Joan B. Patterson, Trustee of the Joan B. Patterson Revocable Trust Under Declaration dated March 23, 2004

 Trustee
Joan B. Patterson, Trustee of the David G. Patterson Revocable Trust u/t/d dated March 23, 2004

WDP, Limited, a California limited partnership

By: _____
Its: _____

WP, a California limited partnership, successor by merger to DPT, a California limited partnership, as their respective interest may appear of record

By: _____
Its: _____

Purchase and Sale Agreement
Patterson Ranch
August 2013
Page 17 of 29

Richard B. Blos, Trustee of the trust created for Donald E. Ort under the terms of the Will of Joan M. Ort, also known as Joan M. Patterson and Joan Patterson Ort, Deceased, as established by Decree of Distribution filed in Case No. 88661 Probate, San Mateo County Superior Court

Stuart G. Schmidt, Trustee of the trust created for Joan L. Patterson under the terms of the Will of Joan M. Ort, also known as Joan M. Patterson and Joan Patterson Ort, Deceased, as established by Decree of Distribution filed in Case No. 88661 Probate, San Mateo County Superior Court

Bruce R. Patterson, Trustee of the trust created for Joan L. Patterson under the terms of the Will of Joan M. Ort, also known as Joan M. Patterson and Joan Patterson Ort, Deceased, as established by Decree of Distribution filed in Case No. 88661 Probate, San Mateo County Superior Court

Stuart G. Schmidt, as Conservator of the Estate of Joan L. Patterson (Conservatee) Case No. P43716, Superior Court, County of Santa Clara, State of California

Bruce R. Patterson, by devise

Joan B. Patterson, Trustee of the Joan B. Patterson Revocable Trust Under Declaration dated March 23, 2004

Joan B. Patterson, Trustee of the David G. Patterson Revocable Trust u/t/d dated March 23, 2004

WDP, Limited, a California limited partnership

By:

Debbie Patterson Buck

Its:

managing partner



WP, a California limited partnership, successor by merger to DPT, a California limited partnership, as their respective interest may appear of record

By: _____

Its: _____

Execution Copy

Richard B. Bloss, Trustee of the trust created for Donald E. Ort under the terms of the Will of Joan M. Ort, also known as Joan M. Patterson and Joan Patterson Ort, Deceased, as established by Decree of Distribution filed in Case No. 88661 Probate, San Mateo County Superior Court

Stuart G. Schmidt, Trustee of the trust created for Joan L. Patterson under the terms of the Will of Joan M. Ort, also known as Joan M. Patterson and Joan Patterson Ort, Deceased, as established by Decree of Distribution filed in Case No. 88661 Probate, San Mateo County Superior Court

Bruce R. Patterson, Trustee of the trust created for Joan L. Patterson under the terms of the Will of Joan M. Ort, also known as Joan M. Patterson and Joan Patterson Ort, Deceased, as established by Decree of Distribution filed in Case No. 88661 Probate, San Mateo County Superior Court

Stuart G. Schmidt, as Conservator of the Estate of Joan L. Patterson (Conservatee) Case No. P43716, Superior Court, County of Santa Clara, State of California

Bruce R. Patterson, by devise

Joan B. Patterson, Trustee of the Joan B. Patterson Revocable Trust Under Declaration dated March 23, 2004

Joan B. Patterson, Trustee of the David G. Patterson Revocable Trust u/t/d dated March 23, 2004

WDP, Limited, a California limited partnership

By: _____
Its: _____

WP, a California limited partnership, successor by merger to DPT, a California limited partnership, as their respective interest may appear of record

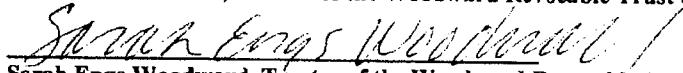
By: W. B. Patterson
Its: MANAGING PARTNER

Purchase and Sale Agreement
Patterson Ranch
August 2013
Page 17 of 29

AS TO PARCEL SIX:



David C. Woodward, Trustee of the Woodward Revocable Trust dated May 24, 2001



Sarah Engs Woodward, Trustee of the Woodward Revocable Trust dated May 24, 2001

Stuart Rawlings Engs, Jr., Co-Trustee of the Stuart R. (Jr) and Jane N. Engs Revocable Trust dated February 26, 1999

Jane N. Engs, Co-Trustee of the Stuart R. (Jr) and Jane N. Engs Revocable Trust dated February 26, 1999

John Adams Engs, Co-Trustee of the John and Alexandra Engs Revocable Trust dated July 13, 1999

Alexandra K. Engs, Co-Trustee of the John and Alexandra Engs Revocable Trust dated July 13, 1999

Charles Edward Engs, who acquired title as a married man as his sole and separate property

Henry Patterson Adams, also known as Henry P. Adams, who acquired title as an unmarried man

Henry Patterson, Co-Trustee of the Henry Patterson Exempt Trust U/A Marjorie Patterson Living Trust dated October 25, 1994

Abigail A. Campbell, Co-Trustee of the Henry Patterson Exempt Trust U/A Marjorie Patterson Living Trust dated October 25, 1994

Susan Adams Engs, Co-Trustee of the Susan Adams Engs Exempt Trust U/A Marjorie Patterson Living Trust dated October 25, 1994

Execution Copy

AS TO PARCEL SIX:

David C. Woodward, Trustee of the Woodward Revocable Trust dated May 24, 2001

Sarah Engs Woodward, Trustee of the Woodward Revocable Trust dated May 24, 2001

Stuart Rawlings Engs, Jr., Co-Trustee of the Stuart R. (Jr) and Jane N. Engs Revocable Trust dated February 26, 1999

Jane N. Engs, Co-Trustee of the Stuart R. (Jr) and Jane N. Engs Revocable Trust dated February 26, 1999

John Adams Engs, Co-Trustee of the John and Alexandra Engs Revocable Trust dated July 13, 1999

Alexandra K. Engs, Co-Trustee of the John and Alexandra Engs Revocable Trust dated July 13, 1999

Charles Edward Engs, who acquired title as a married man as his sole and separate property

Henry Patterson Adams, also known as Henry P. Adams, who acquired title as an unmarried man

Henry Patterson, Co-Trustee of the Henry Patterson Exempt Trust U/A Marjorie Patterson Living Trust dated October 25, 1994

Abigail A. Campbell, Co-Trustee of the Henry Patterson Exempt Trust U/A Marjorie Patterson Living Trust dated October 25, 1994

Susan Adams Engs, Co-Trustee of the Susan Adams Engs Exempt Trust U/A Marjorie Patterson Living Trust dated October 25, 1994

Purchase and Sale Agreement
Patterson Ranch
August 2013
Page 18 of 29

AS TO PARCEL SIX:

David C. Woodward, Trustee of the Woodward Revocable Trust dated May 24, 2001

Sarah Engs Woodward, Trustee of the Woodward Revocable Trust dated May 24, 2001

Stuart Rawlings Engs, Jr., Co-Trustee of the Stuart R. (Jr) and Jane N. Engs Revocable Trust dated February 26, 1999

Jane N. Engs, Co-Trustee of the Stuart R. (Jr) and Jane N. Engs Revocable Trust dated February 26, 1999

John Adams Engs, Co-Trustee of the John and Alexandra Engs Revocable Trust dated July 13, 1999

Alexandra K. Engs, Co-Trustee of the John and Alexandra Engs Revocable Trust dated July 13, 1999

Charles Edward Engs, who acquired title as a married man as his sole and separate property

Henry Patterson Adams, also known as Henry P. Adams, who acquired title as an unmarried man

Henry Patterson, Co-Trustee of the Henry Patterson Exempt Trust U/A Marjorie Patterson Living Trust dated October 25, 1994

Abigail A. Campbell, Co-Trustee of the Henry Patterson Exempt Trust U/A Marjorie Patterson Living Trust dated October 25, 1994

Susan Adams Engs, Co-Trustee of the Susan Adams Engs Exempt Trust U/A Marjorie Patterson Living Trust dated October 25, 1994

Purchase and Sale Agreement
Patterson Ranch
August 2013
Page 18 of 29

Execution Copy

AS TO PARCEL SIX:

David C. Woodward, Trustee of the Woodward Revocable Trust dated May 24, 2001

Sarah Engs Woodward, Trustee of the Woodward Revocable Trust dated May 24, 2001

Stuart Rawlings Engs, Jr., Co-Trustee of the Stuart R. (Jr) and Jane N. Engs Revocable Trust dated February 26, 1999

Jane N. Engs, Co-Trustee of the Stuart R. (Jr) and Jane N. Engs Revocable Trust dated February 26, 1999

John Adams Engs, Co-Trustee of the John and Alexandra Engs Revocable Trust dated July 13, 1999

Alexandra K. Engs, Co-Trustee of the John and Alexandra Engs Revocable Trust dated July 13, 1999

Charles Edward Engs, who acquired title as a married man as his sole and separate property

Henry Patterson Adams, also known as Henry P. Adams, who acquired title as an unmarried man

Henry Patterson, Co-Trustee of the Henry Patterson Exempt Trust U/A Marjorie Patterson Living Trust dated October 25, 1994

Abigail A. Campbell, Co-Trustee of the Henry Patterson Exempt Trust U/A Marjorie Patterson Living Trust dated October 25, 1994

Susan Adams Engs, Co-Trustee of the Susan Adams Engs Exempt Trust U/A Marjorie Patterson Living Trust dated October 25, 1994

Purchase and Sale Agreement
Patterson Ranch
August 2013
Page 18 of 29

AS TO PARCEL SIX:

David C. Woodward, Trustee of the Woodward Revocable Trust dated May 24, 2001

Sarah Engs Woodward, Trustee of the Woodward Revocable Trust dated May 24, 2001

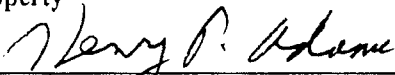
Stuart Rawlings Engs, Jr., Co-Trustee of the Stuart R. (Jr) and Jane N. Engs Revocable Trust dated February 26, 1999

Jane N. Engs, Co-Trustee of the Stuart R. (Jr) and Jane N. Engs Revocable Trust dated February 26, 1999

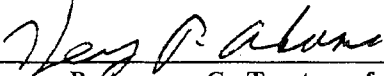
John Adams Engs, Co-Trustee of the John and Alexandra Engs Revocable Trust dated July 13, 1999

Alexandra K. Engs, Co-Trustee of the John and Alexandra Engs Revocable Trust dated July 13, 1999

Charles Edward Engs, who acquired title as a married man as his sole and separate property



Henry Patterson Adams, also known as Henry P. Adams, who acquired title as an unmarried man



Henry Patterson, Co-Trustee of the Henry Patterson Exempt Trust U/A Marjorie Patterson Living Trust dated October 25, 1994

Abigail A. Campbell, Co-Trustee of the Henry Patterson Exempt Trust U/A Marjorie Patterson Living Trust dated October 25, 1994

Susan Adams Engs, Co-Trustee of the Susan Adams Engs Exempt Trust U/A Marjorie Patterson Living Trust dated October 25, 1994

Execution Copy

AS TO PARCEL SIX:

David C. Woodward, Trustee of the Woodward Revocable Trust dated May 24, 2001

Sarah Engs Woodward, Trustee of the Woodward Revocable Trust dated May 24, 2001

Stuart Rawlings Engs, Jr., Co-Trustee of the Stuart R. (Jr) and Jane N. Engs Revocable Trust dated February 26, 1999

Jane N. Engs, Co-Trustee of the Stuart R. (Jr) and Jane N. Engs Revocable Trust dated February 26, 1999

John Adams Engs, Co-Trustee of the John and Alexandra Engs Revocable Trust dated July 13, 1999

Alexandra K. Engs, Co-Trustee of the John and Alexandra Engs Revocable Trust dated July 13, 1999

Charles Edward Engs, who acquired title as a married man as his sole and separate property

Henry Patterson Adams, also known as Henry P. Adams, who acquired title as an unmarried man

Henry Patterson, Co-Trustee of the Henry Patterson Exempt Trust U/A Marjorie Patterson Living Trust dated October 25, 1994

Abigail A. Campbell Co-Trustee

Abigail A. Campbell, Co-Trustee of the Henry Patterson Exempt Trust U/A Marjorie Patterson Living Trust dated October 25, 1994

Susan Adams Engs, Co-Trustee of the Susan Adams Engs Exempt Trust U/A Marjorie Patterson Living Trust dated October 25, 1994

Purchase and Sale Agreement
Patterson Ranch
August 2013
Page 18 of 29

Execution Copy

AS TO PARCEL SIX:

David C. Woodward, Trustee of the Woodward Revocable Trust dated May 24, 2001

Sarah Engs Woodward, Trustee of the Woodward Revocable Trust dated May 24, 2001

Stuart Rawlings Engs, Jr., Co-Trustee of the Stuart R. (Jr) and Jane N. Engs Revocable Trust dated February 26, 1999

Jane N. Engs, Co-Trustee of the Stuart R. (Jr) and Jane N. Engs Revocable Trust dated February 26, 1999

John Adams Engs, Co-Trustee of the John and Alexandra Engs Revocable Trust dated July 13, 1999

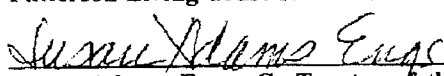
Alexandra K. Engs, Co-Trustee of the John and Alexandra Engs Revocable Trust dated July 13, 1999

Charles Edward Engs, who acquired title as a married man as his sole and separate property

Henry Patterson Adams, also known as Henry P. Adams, who acquired title as an unmarried man

Henry Patterson, Co-Trustee of the Henry Patterson Exempt Trust U/A Marjorie Patterson Living Trust dated October 25, 1994

Abigail A. Campbell, Co-Trustee of the Henry Patterson Exempt Trust U/A Marjorie Patterson Living Trust dated October 25, 1994



Susan Adams Engs, Co-Trustee of the Susan Adams Engs Exempt Trust U/A Marjorie Patterson Living Trust dated October 25, 1994

Purchase and Sale Agreement
Patterson Ranch
August 2013
Page 18 of 29

Execution Copy



David Woodward, Co-Trustee of the Susan Adams Engs Exempt Trust U/A Marjorie Patterson Living Trust dated October 25, 1994

George Blake Campbell, who acquired title as a married man as his sole and separate property

Nathaniel S. Dodge IV, Co-Trustee of the Nathaniel S. and Sallie C. Dodge Family Trust dated March 10, 1998

Sallie Campbell Dodge, Co-Trustee of the Nathaniel S. and Sallie C. Dodge Family Trust dated March 10, 1998

Samuel Dwight Kingsland, Trustee of the Samuel and Margarita Kingsland Family Trust dated July 24, 2003

Margarita Campbell Kingsland, Trustee of the Samuel and Margarita Kingsland Family Trust dated July 24, 2003

William Patterson Campbell, who acquired title as a married man as his sole and separate property

Stuart G. Schmidt, Trustee of the trust created for Donald E. Ort under the terms of the Will of Joan M. Ort, also known as Joan M. Patterson and Joan Patterson Ort, Deceased, as established by Decree of Distribution filed in Case No. 88661, Probate, San Mateo County Superior Court

Richard B. Blos, Trustee of the trust created for Donald E. Ort under the terms of the Will of Joan M. Ort, also known as Joan M. Patterson and Joan Patterson Ort, Deceased, as established by Decree of Distribution filed in Case No. 88661, Probate, San Mateo County Superior Court

Purchase and Sale Agreement
Patterson Ranch
August 2013
Page 19 of 29

David Woodward, Co-Trustee of the Susan Adams Engs Exempt Trust U/A Marjorie Patterson Living Trust dated October 25, 1994

Robert Campbell

George Blake Campbell, who acquired title as a married man as his sole and separate property

Nathaniel S. Dodge IV, Co-Trustee of the Nathaniel S. and Sallie C. Dodge Family Trust dated March 10, 1998

Sallie Campbell Dodge, Co-Trustee of the Nathaniel S. and Sallie C. Dodge Family Trust dated March 10, 1998

Samuel Dwight Kingham, Trustee of the Samuel and Margaria Kingham Family Trust dated July 24, 2003

Margaria Campbell Kingham, Trustee of the Samuel and Margaria Kingham Family Trust dated July 24, 2003

William Patterson Campbell, who acquired title as a married man as his sole and separate property

William Patterson Campbell, Trustee of the trust created for Donald E. Ott under the terms of the will of Joan M. Ott, also known as Joan M. Patterson and Joan Patterson Ott, Deceased, dated July 24, 2003

William Patterson Campbell, Trustee of the trust created for Donald E. Ott under the terms of the will of Joan M. Ott, also known as Joan M. Patterson and Joan Patterson Ott, Deceased, dated July 24, 2003

Purchase and Sale Agreement

August 2013

David Woodward, Co-Trustee of the Susan Adams Engs Exempt Trust U/A Marjorie Patterson Living Trust dated October 25, 1994

George Blake Campbell, who acquired title as a married man as his sole and separate property

Nathaniel S. Dodge

Nathaniel S. Dodge IV, Co-Trustee of the Nathaniel S. and Sallie C. Dodge Family Trust dated March 10, 1998

Sallie Campbell Dodge

Sallie Campbell Dodge, Co-Trustee of the Nathaniel S. and Sallie C. Dodge Family Trust dated March 10, 1998

Samuel Dwight Kingsland, Trustee of the Samuel and Margarita Kingsland Family Trust dated July 24, 2003

Margarita Campbell Kingsland, Trustee of the Samuel and Margarita Kingsland Family Trust dated July 24, 2003

William Patterson Campbell, who acquired title as a married man as his sole and separate property

Stuart G. Schmidt, Trustee of the trust created for Donald E. Ort under the terms of the Will of Joan M. Ort, also known as Joan M. Patterson and Joan Patterson Ort, Deceased, as established by Decree of Distribution filed in Case No. 88661, Probate, San Mateo County Superior Court

Richard B. Blos, Trustee of the trust created for Donald E. Ort under the terms of the Will of Joan M. Ort, also known as Joan M. Patterson and Joan Patterson Ort, Deceased, as established by Decree of Distribution filed in Case No. 88661, Probate, San Mateo County Superior Court

David Woodward, Co-Trustee of the Susan Adams Engs Exempt Trust U/A Marjorie Patterson Living Trust dated October 25, 1994

George Blake Campbell, who acquired title as a married man as his sole and separate property

Nathaniel S. Dodge IV, Co-Trustee of the Nathaniel S. and Sallie C. Dodge Family Trust dated March 10, 1998

Sallie Campbell Dodge, Co-Trustee of the Nathaniel S. and Sallie C. Dodge Family Trust dated March 10, 1998



Samuel Dwight Kingsland, Trustee of the Samuel and Margarita Kingsland Family Trust dated July 24, 2003



Margarita Campbell Kingsland, Trustee of the Samuel and Margarita Kingsland Family Trust dated July 24, 2003

William Patterson Campbell, who acquired title as a married man as his sole and separate property

Stuart G. Schmidt, Trustee of the trust created for Donald E. Ort under the terms of the Will of Joan M. Ort, also known as Joan M. Patterson and Joan Patterson Ort, Deceased, as established by Decree of Distribution filed in Case No. 88661, Probate, San Mateo County Superior Court

Richard B. Blos, Trustee of the trust created for Donald E. Ort under the terms of the Will of Joan M. Ort, also known as Joan M. Patterson and Joan Patterson Ort, Deceased, as established by Decree of Distribution filed in Case No. 88661, Probate, San Mateo County Superior Court

Execution Copy

David Woodward, Co-Trustee of the Susan Adams Engs Exempt Trust U/A Marjorie Patterson Living Trust dated October 25, 1994

George Blake Campbell, who acquired title as a married man as his sole and separate property

Nathaniel S. Dodge IV, Co-Trustee of the Nathaniel S. and Sallie C. Dodge Family Trust dated March 10, 1998

Sallie Campbell Dodge, Co-Trustee of the Nathaniel S. and Sallie C. Dodge Family Trust dated March 10, 1998

Samuel Dwight Kingsland, Trustee of the Samuel and Margarita Kingsland Family Trust dated July 24, 2003

Margarita Campbell Kingsland, Trustee of the Samuel and Margarita Kingsland Family Trust dated July 24, 2003

William Patterson Campbell, who acquired title as a married man as his sole and separate property

Stuart G. Schmidt, Trustee of the trust created for Donald E. Ort under the terms of the Will of Joan M. Ort, also known as Joan M. Patterson and Joan Patterson Ort, Deceased, as established by Decree of Distribution filed in Case No. 88661, Probate, San Mateo County Superior Court

Richard B. Bloss, Trustee of the trust created for Donald E. Ort under the terms of the Will of Joan M. Ort, also known as Joan M. Patterson and Joan Patterson Ort, Deceased, as established by Decree of Distribution filed in Case No. 88661, Probate, San Mateo County Superior Court

Purchase and Sale Agreement
Patterson Ranch
August 2013
Page 19 of 29

David Woodward, Co-Trustee of the Susan Adams Engs Exempt Trust U/A Marjorie
Patterson Living Trust dated October 25, 1994

George Blake Campbell, who acquired title as a married man as his sole and separate
property

Nathaniel S. Dodge IV, Co-Trustee of the Nathaniel S. and Sallie C. Dodge Family Trust
dated March 10, 1998

Sallie Campbell Dodge, Co-Trustee of the Nathaniel S. and Sallie C. Dodge Family Trust
dated March 10, 1998

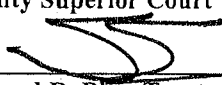
Samuel Dwight Kingsland, Trustee of the Samuel and Margarita Kingsland Family Trust
dated July 24, 2003

Margarita Campbell Kingsland, Trustee of the Samuel and Margarita Kingsland Family
Trust dated July 24, 2003

William Patterson Campbell, who acquired title as a married man as his sole and separate
property



Stuart G. Schmidt, *Trustee of the trust created for Donald E. Ort under the terms of the
Will of Joan M. Ort, also known as Joan M. Patterson and Joan Patterson Ort, Deceased,
as established by Decree of Distribution filed in Case No. 88661, Probate, San Mateo
County Superior Court



Richard B. Blos, Trustee of the trust created for Donald E. Ort under the terms of the Will
of Joan M. Ort, also known as Joan M. Patterson and Joan Patterson Ort, Deceased, as
established by Decree of Distribution filed in Case No. 88661, Probate, San Mateo County
Superior Court by Stuart G. Schmidt, Trustee*



Stuart G. Schmidt, Trustee of the trust created for Joan L. Patterson under the terms of the Will of Joan M. Ort, also known as Joan M. Patterson and Joan Patterson Ort, Deceased, as established by Decree of Distribution filed in Case No. 88661 Probate, San Mateo County Superior Court

Bruce R. Patterson, Trustee of the trust created for Joan L. Patterson under the terms of the Will of Joan M. Ort, also known as Joan M. Patterson and Joan Patterson Ort, Deceased, as established by Decree of Distribution filed in Case No. 88661 Probate, San Mateo County Superior Court



Stuart G. Schmidt, as Conservator of the Estate of Joan L. Patterson (Conservatee), Case No. P43716, Superior Court, County of Santa Clara, State of California

Bruce R. Patterson, by Devise

William Patterson, also known as William Donald Patterson III, who acquired title as a married man as his separate property

Wilcox Patterson, who acquired title as a married man as his separate property

George N. Patterson, who acquired title as a single man

Grace P. Green, also known as Grace May Green, who acquired title as a married woman as her separate property

Eden Soloman, also known as Eden Patterson and Eden P. Charles, who acquired title as a married woman as her separate property

Laura Anne Patterson, who acquired title as an unmarried woman as her separate property

Leslie Louise Patterson, who acquired title as an unmarried woman as her separate property

Execution Copy

Stuart G. Schmidt, Trustee of the trust created for Joan L. Patterson under the terms of the Will of Joan M. Ort, also known as Joan M. Patterson and Joan Patterson Ort, Deceased, as established by Decree of Distribution filed in Case No. 88661 Probate, San Mateo County Superior Court


Bruce R. Patterson, Trustee of the trust created for Joan L. Patterson under the terms of the Will of Joan M. Ort, also known as Joan M. Patterson and Joan Patterson Ort, Deceased, as established by Decree of Distribution filed in Case No. 88661 Probate, San Mateo County Superior Court

Stuart G. Schmidt, as Conservator of the Estate of Joan L. Patterson (Conservatee), Case No. P43716, Superior Court, County of Santa Clara, State of California


Bruce R. Patterson, by Devise

William Patterson, also known as William Donald Patterson III, who acquired title as a married man as his separate property

Wilcox Patterson, who acquired title as a married man as his separate property

George N. Patterson, who acquired title as a single man

Grace P. Green, also known as Grace May Green, who acquired title as a married woman as her separate property

Eden Solomon, also known as Eden Patterson and Eden P. Charles, who acquired title as a married woman as her separate property

Laura Anne Patterson, who acquired title as an unmarried woman as her separate property

Leslie Louise Patterson, who acquired title as an unmarried woman as her separate property

Purchase and Sale Agreement
Patterson Ranch
August 2013
Page 20 of 29

Stuart G. Schmidt, Trustee of the trust created for Joan L. Patterson under the terms of the Will of Joan M. Ort, also known as Joan M. Patterson and Joan Patterson Ort, Deceased, as established by Decree of Distribution filed in Case No. 88661 Probate, San Mateo County Superior Court

Bruce R. Patterson, Trustee of the trust created for Joan L. Patterson under the terms of the Will of Joan M. Ort, also known as Joan M. Patterson and Joan Patterson Ort, Deceased, as established by Decree of Distribution filed in Case No. 88661 Probate, San Mateo County Superior Court

Stuart G. Schmidt, as Conservator of the Estate of Joan L. Patterson (Conservatee), Case No. P43716, Superior Court, County of Santa Clara, State of California

Bruce R. Patterson, by Devise

William Patterson

William Patterson, also known as William Donald Patterson III, who acquired title as a married man as his separate property

Wilcox Patterson, who acquired title as a married man as his separate property

George N. Patterson, who acquired title as a single man

Grace P. Green, also known as Grace May Green, who acquired title as a married woman as her separate property

Eden Soloman, also known as Eden Patterson and Eden P. Charles, who acquired title as a married woman as her separate property

Laura Anne Patterson, who acquired title as an unmarried woman as her separate property

Leslie Louise Patterson, who acquired title as an unmarried woman as her separate property

Purchase and Sale Agreement
Patterson Ranch
August 2013
Page 20 of 29

Stuart G. Schmidt, Trustee of the trust created for Joan L. Patterson under the terms of the Will of Joan M. Ort, also known as Joan M. Patterson and Joan Patterson Ort, Deceased, as established by Decree of Distribution filed in Case No. 88661 Probate, San Mateo County Superior Court

Bruce R. Patterson, Trustee of the trust created for Joan L. Patterson under the terms of the Will of Joan M. Ort, also known as Joan M. Patterson and Joan Patterson Ort, Deceased, as established by Decree of Distribution filed in Case No. 88661 Probate, San Mateo County Superior Court

Stuart G. Schmidt, as Conservator of the Estate of Joan L. Patterson (Conservatee), Case No. P43716, Superior Court, County of Santa Clara, State of California

Bruce R. Patterson, by Devise

William Patterson, also known as William Donald Patterson III, who acquired title as a married man as his separate property



Wilcox Patterson, who acquired title as a married man as his separate property



George N. Patterson, who acquired title as a single man



Grace F. Green, also known as Grace May Green, who acquired title as a married woman as her separate property



Eden Soloman, also known as Eden Patterson and Eden P. Charles, who acquired title as a married woman as her separate property

Laura Anne Patterson, who acquired title as an unmarried woman as her separate property

Leslie Louise Patterson, who acquired title as an unmarried woman as her separate property

Purchase and Sale Agreement
Patterson Ranch
August 2013
Page 20 of 29

Stuart G. Schmidt, Trustee of the trust created for Joan L. Patterson under the terms of the Will of Joan M. Ort, also known as Joan M. Patterson and Joan Patterson Ort, Deceased, as established by Decree of Distribution filed in Case No. 88661 Probate, San Mateo County Superior Court

Bruce R. Patterson, Trustee of the trust created for Joan L. Patterson under the terms of the Will of Joan M. Ort, also known as Joan M. Patterson and Joan Patterson Ort, Deceased, as established by Decree of Distribution filed in Case No. 88661 Probate, San Mateo County Superior Court

Stuart G. Schmidt, as Conservator of the Estate of Joan L. Patterson (Conservatee), Case No. P43716, Superior Court, County of Santa Clara, State of California

Bruce R. Patterson, by Devise

William Patterson, also known as William Donald Patterson III, who acquired title as a married man as his separate property

Wilcox Patterson, who acquired title as a married man as his separate property

George N. Patterson, who acquired title as a single man

Grace P. Green (AKA Grace May Green)
Grace P. Green, also known as Grace May Green, who acquired title as a married woman as her separate property

Eden Soloman, also known as Eden Patterson and Eden P. Charles, who acquired title as a married woman as her separate property

Laura Anne Patterson, who acquired title as an unmarried woman as her separate property

Leslie Louise Patterson, who acquired title as an unmarried woman as her separate property

Purchase and Sale Agreement
Patterson Ranch
August 2013
Page 20 of 29

Stuart G. Schmidt, Trustee of the trust created for Joan L. Patterson under the terms of the Will of Joan M. Ort, also known as Joan M. Patterson and Joan Patterson Ort, Deceased, as established by Decree of Distribution filed in Case No. 88661 Probate, San Mateo County Superior Court

Bruce R. Patterson, Trustee of the trust created for Joan L. Patterson under the terms of the Will of Joan M. Ort, also known as Joan M. Patterson and Joan Patterson Ort, Deceased, as established by Decree of Distribution filed in Case No. 88661 Probate, San Mateo County Superior Court

Stuart G. Schmidt, as Conservator of the Estate of Joan L. Patterson (Conservatee), Case No. P43716, Superior Court, County of Santa Clara, State of California

Bruce R. Patterson, by Devise

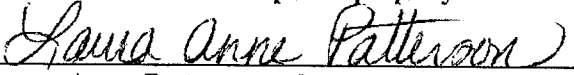
William Patterson, also known as William Donald Patterson III, who acquired title as a married man as his separate property

Wilcox Patterson, who acquired title as a married man as his separate property

George N. Patterson, who acquired title as a single man

Grace P. Green, also known as Grace May Green, who acquired title as a married woman as her separate property

Eden Soloman, also known as Eden Patterson and Eden P. Charles, who acquired title as a married woman as her separate property


Laura Anne Patterson, who acquired title as an unmarried woman as her separate property

Leslie Louise Patterson, who acquired title as an unmarried woman as her separate property

Stuart G. Schmidt, Trustee of the trust created for Joan L. Patterson under the terms of the Will of Joan M. Ort, also known as Joan M. Patterson and Joan Patterson Ort, Deceased, as established by Decree of Distribution filed in Case No. 88661 Probate, San Mateo County Superior Court

Bruce R. Patterson, Trustee of the trust created for Joan L. Patterson under the terms of the Will of Joan M. Ort, also known as Joan M. Patterson and Joan Patterson Ort, Deceased, as established by Decree of Distribution filed in Case No. 88661 Probate, San Mateo County Superior Court

Stuart G. Schmidt, as Conservator of the Estate of Joan L. Patterson (Conservatee), Case No. P43716, Superior Court, County of Santa Clara, State of California

Bruce R. Patterson, by Devise

William Patterson, also known as William Donald Patterson III, who acquired title as a married man as his separate property

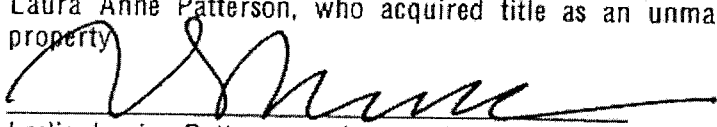
Wilcox Patterson, who acquired title as a married man as his separate property

George N. Patterson, who acquired title as a single man

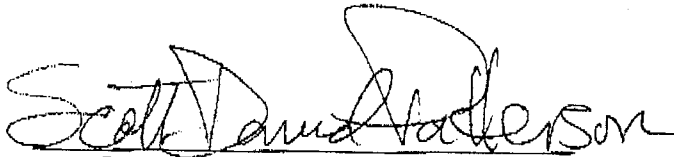
Grace P. Green, also known as Grace May Green, who acquired title as a married woman as her separate property

Eden Soloman, also known as Eden Patterson and Eden P. Charles, who acquired title as a married woman as her separate property

Laura Anne Patterson, who acquired title as an unmarried woman as her separate property



Leslie Louise Patterson, who acquired title as an unmarried woman as her separate property



Execution Copy

Scott David Patterson, who acquired title as an unmarried man as his separate property

Joan B. Patterson, successor trustee of the David G. Patterson Revocable Trust u/t/d dated March 23, 2004

Acceptance by Escrow Holder:

Fidelity National Title Company hereby acknowledges that it has received a fully executed counterpart of the foregoing Agreement of Purchase and Sale and Joint Escrow Instructions (the "Agreement" and agrees to act as Escrow Holder thereunder and to be bound by and perform the terms thereof as such terms apply to Escrow Holder. The "Effective Date" of the Agreement is _____, 2013, and the "Scheduled Closing Date" is _____, 2013.

Dated: _____

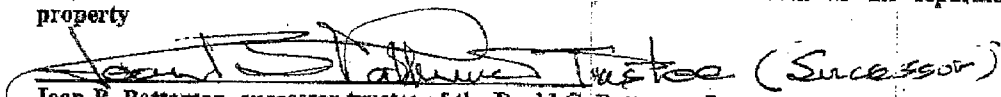
FIDELITY NATIONAL TITLE COMPANY

By: _____

Its: _____

Execution Copy

Scott David Patterson, who acquired title as an unmarried man as his separate property


Joan B. Patterson, successor trustee of the David G. Patterson Revocable Trust w/t/d dated March 23, 2004

Acceptance by Escrow Holder:

Fidelity National Title Company hereby acknowledges that it has received a fully executed counterpart of the foregoing Agreement of Purchase and Sale and Joint Escrow Instructions (the "Agreement" and agrees to act as Escrow Holder thereunder and to be bound by and perform the terms thereof as such terms apply to Escrow Holder. The "Effective Date" of the Agreement is _____, 2013, and the "Scheduled Closing Date" is _____, 2013.

Dated: _____

FIDELITY NATIONAL TITLE COMPANY

By: _____

Its: _____

Purchase and Sale Agreement
Patterson Ranch
August 2013
Page 21 of 29

EXHIBIT A

LEGAL DESCRIPTION OF THE LAND

Parcel No.: 96-420-2

THE LAND REFERRED TO HEREIN BELOW IS SITUATED PARTLY IN THE TOWNSHIP OF MURRAY, UNINCORPORATED AND PARTLY IN THE TOWNSHIP OF PLEASANTON, UNINCORPORATED, COUNTY OF ALAMEDA, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

PARCEL ONE:

BEGINNING AT A STONE SET FOR CORNER "V. S. J. 24" AT THE SOUTHEAST CORNER OF RANCHO EL VALLE DE SAN JOSE, FROM WHICH A WHITE OAK TREE ABOUT TWENTY INCHES IN DIAMETER BEARS SOUTH 7-1/2° WEST, 2.56 CHAINS, DISTANT; AND RUNNING THENCE ALONG THE SOUTHERN BOUNDARY OF SAID RANCHO, NORTH 89° 37' WEST 100.17 CHAINS; THENCE NORTH 0° 15' EAST 66.41 CHAINS; THENCE NORTH 44° WEST 58.45 CHAINS; THENCE NORTH 19° 30' WEST 12 CHAINS; THENCE NORTH 26° EAST 10.72 CHAINS; THENCE NORTH 6° WEST 2.50 CHAINS TO A WHITE OAK TREE, ABOVE 3 FEET IN DIAMETER, STANDING IN BOTTOM OF GULCH OR CREEK; THENCE DOWN SAID GULCH OF CREEK TO ITS CONFLUENCE WITH THE MAIN CREEK; THENCE DOWN CENTER OF THE MAIN CREEK TO ITS INTERSECTION WITH THE LINE DIVIDING PLOTS 31 AND 34 OF THE RANCHO EL VALLE DE SAN JOSE; THENCE ALONG SAID DIVIDING LINE, SOUTH 89° 30' EAST 57.74 CHAINS TO THE SOUTHEAST CORNER OF SAID PLOT 31; THENCE ON THE LINE DIVIDING PLOTS 32, 34 AND 33, EAST 38.97 CHAINS TO A STAKE OF BLUFF ABOVE THE ARROYO VALLE; THENCE SOUTH 2° 45' WEST 2.10 CHAINS; THENCE SOUTH 47° 30' EAST 11.20 CHAINS; THENCE SOUTH 41° 30' EAST 5.30 CHAINS TO A STAKE FROM WHICH A LIVE OAK TREE, 1 FOOT IN DIAMETER, BEARS SOUTH 61° WEST 1.64 CHAINS; THENCE SOUTH 31° 58' WEST 22.40 CHAINS TO A STAKE FROM WHICH A LIVE OAK TREE; 3 FEET IN DIAMETER, BEARS SOUTH 27° 30' WEST .68 CHAINS; THENCE SOUTH 86° 07' EAST 47.70 CHAINS TO A STAKE FROM WHICH A LEANING WHITE OAK TREE BEARS SOUTH 4° 23' EAST 1.32 CHAINS THENCE NORTH 60° 04' EAST 18.82 CHAINS TO THE BANK OF THE ARROYO VALLE; THENCE ALONG THE EASTERLY AND NORTHERLY BANK OF THE ARROYO VALLE; SOUTH 24° 30' EAST 19.58 CHAINS; THENCE SOUTH 40° 45' EAST 7 CHAINS; THENCE SOUTH 78° 8 CHAINS; THENCE NORTH 81° 25' EAST 6.20 CHAINS; THENCE LEAVING THE NORTH BANK OF SAID ARROYO VALLE; SOUTH 1° WEST 172.88 CHAINS ALONG THE EASTERN BOUNDARY OF SAID RANCHO EL VALLE DE SAN JOSE TO THE PLACE OF BEGINNING, AND

BEING A PART OF PLOTS 33 AND 34 OF THE RANCHO EL VALLE DE SAN JOSE IN MURRAY TOWNSHIP, BEING THE SAME TRACT CONVEYED BY MARY V. BALDWIN TO HENRY M. PATTERSON, WILLIAM D. PATTERSON AND SAID CLARA H. LAYSON BY HER FORMER NAME OF CLARA H. PATTERSON BY DEED,

Purchase and Sale Agreement
Patterson Ranch
August 2013
Page 22 of 29

OF RECORD IN SAID RECORDER'S OFFICE IN BOOK 688 OF DEEDS, PAGE 156, ALAMEDA COUNTY RECORDS.

EXCEPTING THEREFROM, THAT PORTION THEREOF LYING WITHIN THE LINES OF THE PARCELS OF LAND DESCRIBED IN THE FINAL ORDER OF CONDEMNATION RENDERED June 14, 1967, IN SUPERIOR COURT, ALAMEDA COUNTY, ENTITLED PEOPLE OF THE STATE OF CALIFORNIA VS. WILLIAM D. PATTERSON, JR., ET AL., CASE NO. 341363, A CERTIFIED COPY OF WHICH WAS RECORDED June 14, 1967, ON REEL 1980, IMAGE 771, INSTRUMENT NO. AZ/56145, ALAMEDA COUNTY RECORDS.

APNS: 099-0550-002-03, 099-0550-003-02, 099-0525-002, 096-0420-002

PARCEL TWO:

FRACTIONAL SECTIONS 1, 2, 3 AND 10, SECTION 11, THE NORTHWEST 1/4 AND THE NORTH 1/2 OF THE SOUTHWEST 1/4 OF SECTION 12 AND THE NORTHWEST 1/4 AND THE SOUTH 1/2 OF SECTION 14, TOWNSHIP 4 SOUTH, RANGE 2 EAST, MOUNT DIABLO BASE AND MERIDIAN, ACCORDING TO THE OFFICIAL PLAT THEREOF.

EXCEPTING THEREFROM:

(A) LOT 1 OF SECTION 1

(B) LOT 4 OF SECTION 10

(C) THE INTEREST CONVEYED TO THE COUNTY OF ALAMEDA BY DEED RECORDED June 26, 1900, BOOK 739 OF DEEDS, PAGE 142, ALAMEDA COUNTY RECORDS.

(D) THAT PORTION THEREOF LYING WITHIN THE LINES OF THE PARCELS OF LAND DESCRIBED IN THE FINAL ORDER OF CONDEMNATION RENDERED June 14, 1967, SUPERIOR COURT OF CALIFORNIA, COUNTY OF ALAMEDA, ENTITLED PEOPLE OF THE STATE OF CALIFORNIA vs. WILLIAM D. PATTERSON, JR., ET AL., CASE NO. 341363, A CERTIFIED COPY OF WHICH WAS RECORDED June 14, 1967, REEL 1980, IMAGE 771, SERIES NO. AZ-56145, ALAMEDA COUNTY RECORDS.

APNS: 099A-2700-002-05; 099A-2700-006-06; 099A-2700-009-08; 099A-2770-011-03 (A PORTION); 099A-2700-012-06; 099A-2700-012-07; 099A-2701-005

PARCEL THREE:

LOT 1 OF FRACTIONAL SECTION 1, TOWNSHIP 4 SOUTH, RANGE 2 EAST, MOUNT DIABLO BASE AND MERIDIAN, ACCORDING TO THE OFFICIAL PLAT THEREOF.

EXCEPTING THEREFROM:

Purchase and Sale Agreement
Patterson Ranch
August 2013
Page 23 of 29

(A) THE INTEREST CONVEYED TO THE COUNTY OF ALAMEDA BY DEED, RECORDED June 26, 1900, BOOK 739 OF DEEDS, PAGE 142, ALAMEDA COUNTY RECORDS.

(B) THAT PORTION THEREOF LYING WITHIN THE LINES OF THE PARCELS OF LAND DESCRIBED IN THE FINAL ORDER OF CONDEMNATION RENDERED June 14, 1967, SUPERIOR COURT OF CALIFORNIA, COUNTY OF ALAMEDA, ENTITLED PEOPLE OF THE STATE OF CALIFORNIA vs. WILLIAM D. PATTERSON, JR., ET AL., CASE NO. 341363, A CERTIFIED COPY OF WHICH WAS RECORDED June 14, 1967, REEL 1980, IMAGE 771, SERIES NO. AZ-56145, ALAMEDA COUNTY RECORDS.

APN: 099A-2701-004

PARCEL FOUR:

LOT 4 OF FRACTIONAL SECTION 10, TOWNSHIP 4 SOUTH, RANGE 2 EAST, MOUNT DIABLO BASE AND MERIDIAN, ACCORDING TO THE OFFICIAL PLAT THEREOF.

APN: 099A-2700-011-03 (REMAINDER)

PARCEL FIVE:

FRACTIONAL SECTION 15, TOWNSHIP 4 SOUTH, RANGE 2 EAST, MOUNT DIABLO BASE AND MERIDIAN, ACCORDING TO THE OFFICIAL PLAT THEREOF.

APN: 096-0420-003 AND 099A-2700-010

PARCEL SIX:

THE SOUTH 1/2 OF THE SOUTHWEST 1/4 OF SECTION 12, THE NORTHEAST 1/4 OF SECTION 14 AND THE NORTHEAST 1/4 SECTION 23, TOWNSHIP 4 SOUTH, RANGE 2 EAST, MOUNT DIABLO BASE AND MERIDIAN, ACCORDING TO THE OFFICIAL PLAT THEREOF.

EXCEPTING THEREFROM THAT PORTION THEREOF LYING WITHIN THE LINES OF THE PARCELS OF LAND DESCRIBED IN THE FINAL ORDER OF CONDEMNATION RENDERED June 14, 1967, SUPERIOR COURT OF CALIFORNIA, COUNTY OF ALAMEDA, ENTITLED PEOPLE OF THE STATE OF CALIFORNIA vs. WILLIAM D. PATTERSON, JR., ET AL., CASE NO. 341363, A CERTIFIED COPY OF WHICH WAS RECORDED June 14, 1967, REEL 1980, IMAGE 771, SERIES NO. AZ-056145, ALAMEDA COUNTY RECORDS.

APN: 096-0420-006 AND 099A-2700-009-05

PARCEL SEVEN:

A NON-EXCLUSIVE EASEMENT FOR ROAD AND PUBLIC UTILITY PURPOSES, AS

Purchase and Sale Agreement
Patterson Ranch
August 2013
Page 24 of 29

CONVEYED IN THE DEED FROM THE STATE OF CALIFORNIA TO WILLIAM D. PATTERSON, JR., ET AL., RECORDED June 16, 1970, REEL 2636, IMAGE 302, ALAMEDA COUNTY RECORDS UPON, OVER AND ACROSS THE FOLLOWING DESCRIBED PROPERTY:

THOSE PORTIONS OF LOTS 4, 12 AND THE UNNUMBERED LOT SHOWN AS "DR. HAMMOND", AS SAID LOTS ARE SHOWN ON THE "MAP OF SUBDIVISION OF CRESTA BLANCA IN PLOTS 32 AND 33 OF RANCHO EL VALLE DE SAN JOSE" FILED July 7, 1892, MAP BOOK 19, PAGE 46, ALAMEDA COUNTY RECORDS AND OF PLOT 33 OF RANCHO EL VALLE DE SAN JOSE, AS DESCRIBED IN THE "DECREE OF PARTITION", RECORDED April 12, 1868, BOOK 40 OF DEEDS, PAGE 315, ALAMEDA COUNTY RECORDS, DESCRIBED AS FOLLOWS:

PARCEL "A"

A NON-EXCLUSIVE EASEMENT FOR ROAD AND PUBLIC UTILITY PURPOSES OVER A STRIP OF LAND 50 FEET IN WIDTH, LYING 25.00 FEET ON EACH SIDE OF THE FOLLOWING DESCRIBED CENTER LINED:

BEGINNING AT THE POINT OF INTERSECTION OF THE CENTER LINE OF ARROYO ROAD, COUNTY ROAD 2501 WITH THE WESTERLY BOUNDARY OF PARCEL "A", AS DESCRIBED IN THE GRANT DEED FROM THE COUNTY OF ALAMEDA TO THE STATE OF CALIFORNIA, RECORDED June 28, 1968, REEL 2208, IMAGE 478, ALAMEDA COUNTY RECORDS, SAID POINT LYING NORTH 31° 21' 00" EAST 32.08 FEET FROM THE SOUTHERLY TERMINUS OF THE COURSE RECITED AS "NORTH 31° 20' 00" EAST 60.00 FEET" IN LAST SAID DEED SAID POINT OF BEGINNING HAVING COORDINATES Y409,867.04 AND X1,637,738.34; THENCE FROM SAID POINT OF BEGINNING AND ALONG THE CENTERLINE OF AN EXISTING ROAD SOUTH 60° 32' 00" EAST 324.54 FEET; THENCE ALONG A TANGENT CURVE TO THE RIGHT, HAVING A RADIUS OF 400.00 FEET THROUGH A CENTRAL ANGLE OF 33° 34' 00", AN ARC DISTANCE OF 234.34 FEET; THENCE SOUTH 26° 58' 00" EAST 771.49 FEET; THENCE ALONG A TANGENT CURVE TO THE LEFT, HAVING A RADIUS OF 100.00 FEET THROUGH A CENTRAL ANGLE OF 37° 22' 00", AN ARC DISTANCE OF 65.22 FEET; THENCE SOUTH 64° 20' 0" EAST 78.03 FEET; THENCE ALONG A TANGENT CURVE TO THE RIGHT, HAVING A RADIUS OF 100.00 FEET THROUGH A CENTRAL ANGLE OF 41° 30' 00", AN ARC DISTANCE OF 72.43 FEET; THENCE SOUTH 22° 51' 00" EAST 131.34 FEET; THENCE ALONG A TANGENT CURVE TO THE LEFT, HAVING A RADIUS OF 500.00 FEET THROUGH A CENTRAL ANGLE OF 09° 10' 00", AN ARC DISTANCE OF 79.99 FEET; THENCE SOUTH 32° 00' 00" EAST 74.68 FEET; THENCE ALONG A TANGENT CURVE TO THE RIGHT, HAVING A RADIUS OF 100.00 FEET THROUGH A CENTRAL ANGLE OF 32° 40' 00", AN ARC DISTANCE OF 57.13 FEET; THENCE SOUTH 00° 44' 00" WEST 231.60 FEET; THENCE ALONG A TANGENT CURVE TO THE LEFT, HAVING A RADIUS OF 150.00 FEET THROUGH A CENTRAL ANGLE OF 57° 14' 00", AN ARC DISTANCE OF 149.84 FEET; THENCE SOUTH 56° 30' 00" EAST 9.44 FEET TO THE END OF THE HEREIN DESCRIBED CENTER LINE.

PARCEL "B"

Purchase and Sale Agreement
Patterson Ranch
August 2013
Page 25 of 29

A NON-EXCLUSIVE EASEMENT FOR ROAD AND UTILITY PURPOSES OVER A STRIP OF LAND 60.00 FEET IN WITH, LYING 20.00 FEET AT RIGHT ANGLES SOUTHERLY AND 40.00 FEET AT RIGHT ANGLES NORTHERLY OF THE FOLLOWING DESCRIBED LINE:

BEGINNING AT THE SOUTHERLY TERMINUS OF PARCEL "A" HEREINABOVE DESCRIBED, SAID POINT OF BEGINNING HAVING COORDINATES Y408,049.63 AND X1,638,900.11; THENCE FROM SAID POINT OF BEGINNING SOUTH 64° 52' 31" EAST 150.00 FEET TO THE END OF THE HEREIN DESCRIBED LINE, THE SIDE LINES OF SAID PARCEL "B" SHALL BE LENGTHENED TO INTEREST THE SIDE LINES OF LAST SAID PARCEL "A".

PARCEL "C"

A NON-EXCLUSIVE EASEMENT AND RIGHT OF WAY FOR PUBLIC UTILITY PURPOSES AND TO CONSTRUCT, RECONSTRUCT, OPERATE, MAINTAIN AND USE AN ACCESS ROAD FOR INGRESS AND EGRESS OVER, THROUGH AND ACROSS THE FOLLOWING DESCRIBED PARCEL OF LAND, TOGETHER WITH THE PRIVILEGE AND RIGHT TO EXTEND AND MAINTAIN DRAINAGE STRUCTURES AND EXCAVATION AND EMBANKMENT SLOPES CONTIGUOUS TO SAID ROAD WHERE REQUIRED FOR CONSTRUCTION AND MAINTENANCE OF SAID ROAD BEYOND THE LIMITS OF THE FOLLOWING DESCRIBED PARCEL:

A STRIP OF LAND 50.00 FEET IN WIDTH, LYING 25.00 FEET ON EACH SIDE OF THE FOLLOWING CENTER LINE:

COMMENCING AT THE SOUTHERLY TERMINUS OF PARCEL "A" HEREINABOVE DESCRIBED, SAID POINT OF COMMENCEMENT HAVING COORDINATES Y=408,049.63 AND X1,638.900.11; THENCE FROM SAID POINT OF COMMENCEMENT SOUTH 66° 16' 53" EAST 130.64 FEET TO THE TRUE POINT OF BEGINNING; THENCE FROM SAID TRUE POINT OF BEGINNING ALONG THE CENTER LINE OF AN EXISTING ROAD FROM A TANGENT WHICH BEARS SOUTH 09° 43' 00" EAST ALONG A CURVE TO THE RIGHT, HAVING A RADIUS OF 75.00 FEET THROUGH A CENTRAL ANGLE OF 118° 43' 00", AN ARC DISTANCE OF 207.76 FEET; THENCE NORTH 41° 00' 00" WEST 180.00 FEET; THENCE ALONG A TANGENT CURVE TO THE RIGHT, HAVING A RADIUS 110.00 FEET THROUGH A CENTRAL ANGLE OF 44° 09' 39", AN ARC DISTANCE OF 115.61 FEET; THENCE NORTH 03° 09' 39" EAST 86.42 FEET; THENCE ALONG A CURVE TO THE LEFT, HAVING A RADIUS OF 225.00 FEET THROUGH A CENTRAL ANGLE OF 112° 50' 52", AN ARC DISTANCE OF 443.15 FEET; THENCE SOUTH 70° 18' 47" WEST 91.96 FEET; THENCE ALONG A TANGENT CURVE TO THE RIGHT, HAVING A RADIUS OF 165.00 FEET THROUGH A CENTRAL ANGLE OF 16° 09' 27", AN ARC DISTANCE OF 46.53 FEET TO A POINT ON THE WESTERLY BOUNDARY OF THE LANDS OF STATE OF CALIFORNIA, DESCRIBED IN THE "FINAL ORDER OF CONDEMNATION", RECORDED June 14, 1967, REEL 1980, IMAGE 771, ALAMEDA COUNTY RECORDS FROM WHICH A 3/4 INCH IRON PIPE WITH BRASS PLUG MARKING THE NORTHERLY TERMINUS OF THAT CERTAIN COURSE RECITED AS "NORTH 00° 45' 21" EAST 1107.27 FEET" IN UNIT "J" OF SAID FINAL ORDER OF CONDEMNATION BEARS NORTH 00° 45' 21" EAST 331.86 FEET.

Purchase and Sale Agreement
Patterson Ranch
August 2013
Page 26 of 29

PARCEL EIGHT:

A PORTION OF THE SOUTHEAST 1/4 OF SECTION 36, TOWNSHIP 3 SOUTH, RANGE 2 EAST, MOUNT DIABLO BASE AND MERIDIAN, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE SOUTHERN LINE OF SAID SECTION 36, DISTANT THEREON NORTH 88° 42' 29" WEST 1569.55 FEET FROM THE SOUTHEASTERN CORNER OF SAID SECTION 36; THENCE NORTH 29° 50' WEST 102.97 FEET; THENCE ON THE ARC OF A CURVE TO THE LEFT, HAVING A RADIUS OF 60.00 FEET THROUGH A CENTRAL ANGLE OF 69° 31' 43", A DISTANCE OF 72.81 FEET; THENCE SOUTH 80° 36' 17" WEST 50.59 FEET; THENCE SOUTH 9° 21' 43" EAST 60.00 FEET; THENCE SOUTH 80° 38' 17" WEST 30.58 FEET TO THE NORTHEASTERN LINE OF COUNTY ROAD 7637, ALSO KNOWN AS MINES ROAD; THENCE ALONG THE LAST NAMED LINE SOUTH 17° 16' EAST 44.43 FEET TO THE SOUTHERN LINE OF SAID SECTION 36; THENCE ALONG THE LAST NAMED LINE SOUTH 88° 42' 29" EAST 164.31 FEET TO THE POINT OF BEGINNING.

APN: 099A-2420-004-13

EXHIBIT B

Tenant Estoppel Certificate

August __, 2013

Zone 7
100 North Canyons Parkway
Livermore, CA 94551-9486
Attention: Jill Duerig, General Manager

Re: Patterson Ranch, Alameda County ("**Property**")

Dear Ms. Duerig:

The undersigned understands that Alameda County Flood Control and Water Conservation District, Zone 7 ("**Zone 7**") plans to purchase the Property described above, and accordingly, the undersigned as Lessee under that certain Agricultural Lease entered into between PATLIV, as Lessor, and Paul D. Banke dba W.P. Cattle Company, as Lessee (the "**Lessee**"), as amended by that certain First Amendment to Lease dated as of March 1, 2008 (as so amended, the "**Lease**"), hereby certifies to Zone 7 with respect thereto that:

1. The term expires on September 30, 2014, and Lessee has no renewal or extension options.
2. The Rent presently in effect is \$60,000 per year, and will increase to \$61,000 per year on October 1, 2013.
3. No security deposit has been paid.
4. The Lease is presently in full force and effect and the Rent has been paid through August 31, 2013.
5. Lessee claims no right, title or interest in the Property or right to the possession of the Property other than as a tenant under the terms of the Lease and Lessee holds no option to purchase the Property or any part thereof or to expand the leased premises.
6. Neither Lessee nor Lessor is presently in default under the Lease, no event has occurred or conditions exist which with the giving of notice would constitute a default under the Lease by Lessor or Lessee, there is no offset claimed by Lessee against the payment of Rent, and the Lease is in good standing.

Purchase and Sale Agreement
Patterson Ranch
August 2013
Page 28 of 29

7. Attached hereto is a copy of the Lease and all amendments, addenda or other agreements as between Lessor and Lessee relating thereto.

Lessee understands and agrees that Zone 7, your affiliates, lenders, successors and assigns will rely on the contents of this Tenant Estoppel Certificate in acquiring the Property, and that such acquisition shall be deemed good and valuable consideration to the undersigned for the representations made herein, and that you shall be entitled in all respects to rely on such representations.

Very truly yours,

Paul D. Banke, a married man as his sole and separate property, dba W.P. Cattle Company



ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT, ZONE 7

100 NORTH CANYONS PARKWAY • LIVERMORE, CA 94551 • PHONE (925) 454-5000 • FAX (925) 454-5727

ORIGINATING SECTION: Administrative Services
CONTACT: Tom Hughes

AGENDA DATE: September 18, 2013

ITEM NO. 8

SUBJECT: July Employee of the Month Recognition

SUMMARY:

The Employee Recognition Program Nomination Committee met in August and selected the Employee of the Month for July 2013 according to the established Program Guidelines. The individual chosen out of the submitted nominations is then recommended to Management for approval and there is a subsequent announcement of the selection to all Agency employees.

Dominique Johnson, Account Clerk in the Accounting section has been chosen from among those nominated as the July 2013 Employee of the Month. She is based at the North Canyons administrative office and reports to Margaret Chun, Accounting Manager.

Dominique was nominated for both her enthusiastic and positive influence on healthy lifestyles for Zone 7 employees as well as her work ethic. It was pointed out that due to Dominique's influence we have healthier, happier and more productive employees.

Some of the healthy lifestyle habits Dominique has perpetuated at the North Canyons office include a weekly exercise group called the "Exercise Zone," a new salad club where participants bring multiple healthy salad items to share each week, and she has co-coordinated the Agency's Active for Life and other wellness campaigns. It has been noted that Dominique now acts as a Zone 7 fitness ambassador, inclusive to all and with an encouraging demeanor.

Dominique does her job with an eye towards what she can do to serve Zone 7 and always offers service with a smile. She is appreciated for her helpful attitude towards the Agency and employees alike.

The committee seconded the recommendations and recognized Dominique Johnson as a valuable employee and asset to Zone 7, with management approving the selection.

RECOMMENDED ACTION:

It is recommended that the Zone 7 Board of Directors recognize and congratulate Dominique Johnson as July 2013 Employee of the Month.



ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT, ZONE 7

100 NORTH CANYONS PARKWAY • LIVERMORE, CA 94551 • PHONE (925) 454-5000 • FAX (925) 454-5727

ORIGINATING SECTION: Engineering
CONTACT: Dennis Gambs/Jarnail Chahal

AGENDA DATE: September 18, 2013

ITEM NO. 9

SUBJECT: Agreement to Purchase DWR Property Adjacent to Patterson Pass Water Treatment Plant

SUMMARY

- In March of 2008, Zone 7 made a request to the State of California Department of Water Resources (DWR) to acquire property adjacent to Patterson Pass Water Treatment Plant (PPWTP) just east of Patterson Pass Road.
- The property was being used by DWR's contractor for storing materials and equipment for the South Bay Aqueduct Enlargement & Improvement Project, which has now been substantially completed.
- Accordingly, a 10.4-acre portion of its property will no longer be needed for State Water Project purposes and DWR has prepared an agreement for sale of the property in fee to Zone 7.
- The purchase price of \$297,000 was determined by an appraisal prepared by Associated Right of Way Services, a consultant retained by Zone 7.
- The 10.4-acre property is roughly rectangular and could potentially be used to construct additional sludge drying beds and other water system related uses. The property could also be potentially used for storage of equipment and materials for maintenance of Zone 7's water facilities.
- DWR has prepared an Agreement for the Sale of the property to Zone 7.

FUNDING:

Funding for the property purchase is budgeted and available from Fund 120 - Renewal Replacement and System-Wide Improvements (70%) and Fund 130 – Water System Expansion Projects (30%).

RECOMMENDED ACTION:

Adopt attached resolution authorizing the General Manager to negotiate and execute the Agreement for Sale with DWR for a not-to-exceed amount of \$317,000 which includes \$20,000 for escrow related fees and then to accept and record the Grant Deed from the California Department of Water Resources.

ATTACHMENTS:

1. Memo providing additional background and discussion
2. Resolution
3. Location Map
4. Draft Agreement to Purchase Property
5. Grant Deed (Director's Deed) including Exhibits A & B

INTEROFFICE MEMO

Date: September 18, 2013
To: Jill Duerig, General Manager
From: Dennis Gambs, Principal Engineer
Subject: Agreement to Purchase DWR Property Adjacent to Patterson Pass Water Treatment Plant

The following provides additional background and discussion on the above-referenced agenda item.

BACKGROUND:

In March of 2008, Zone 7 requested approximately 10 acres of property from the State of California Department of Water Resources (DWR). The property is located adjacent to Zone 7's Patterson Pass Water Treatment Plant (PPWTP) at 8700 Patterson Pass Road in Livermore. The property is part of a 17.39-acre parcel acquired by DWR for use in the periodic cleaning of Patterson Reservoir, a part of the State Water Project, which supplies water to Zone 7's Patterson Pass Water Treatment Plant (PPWTP).

DWR has recently constructed facilities, including ponds on the northern portion of the property, adequate for cleaning the reservoir and does not need the approximately 10-acre remainder portion of the property for reservoir cleaning purposes. More recently, DWR's contractor for the South Bay Aqueduct Enlargement & Improvement Project has been using the property for storing materials and equipment. This project has now been substantially completed and DWR has determined that the property is no longer needed for State Water Project purposes.

DISCUSSION:

DWR has prepared an agreement for sale of the property to Zone 7. The purchase price of \$297,000 was determined by an appraisal prepared by Associated Right of Way Services, a consultant retained by Zone 7. Because the purchase of the property by DWR was originally funded by the South Bay Contractor's, the \$297,000 will be allocated back to Santa Clara Valley Water District, Alameda County Water District and Zone 7. Zone 7's share is estimated to be approximately 30%. The property is being offered as-is and includes an oil and gas lease, an easement for electric power and transmission and reservation of a power and communications easement for existing utilities.

The property is roughly rectangular with dimensions of approximately 591' x 757' for an area of 10.4 acres. The property could provide area to construct additional sludge drying beds. Currently, mechanical dewatering is required to supplement the existing drying beds and maintain water treatment capacity. This method incurs a rental expense and electrical power usage and costs for the mechanical dewatering. The property might serve additional purposes for Zone 7 including the construction of ozone facilities for water treatment and other future treatment plant process related uses. The property could also be used for storage of equipment and materials for maintenance of Zone 7's water facilities.

Staff recommends Board adoption of the attached resolution authorizing the General Manager to negotiate and execute the purchase agreement with DWR and accept the grant deed on behalf of Zone 7.

ZONE 7
ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT
BOARD OF DIRECTORS

RESOLUTION NO.

INTRODUCED BY
SECONDED BY

Agreement to Purchase DWR Property Adjacent to PPWTP

WHEREAS, the State of California, Department of Water Resources (DWR) owns certain property in fee as part of the South Bay Aqueduct which it has determined is no longer needed for State Water Project purposes; and

WHEREAS, an agreement has been prepared by DWR for the sale of said property for the appraised value of \$297, 000 and prepared a grant deed conveying said property in fee to the Alameda County Flood Control and Water Conservation District, Zone 7 on the lands designated and described in Exhibit A (No. 70176).

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of Zone 7 of the Alameda County Flood Control and Water Conservation District does hereby authorize the General Manager to negotiate and execute an agreement with DWR for purchase of said property for a not-to-exceed amount of \$317,000 which includes \$20,000 for escrow related fees; and

BE IT FURTHER RESOLVED that the General Manager is authorized to accept said Grant Deed and execute a certificate of acceptance causing the same to be recorded at the Office of the Recorder of Alameda County.

ADOPTED BY THE FOLLOWING VOTE:

AYES:

NOES:

ABSENT:

ABSTAIN:

I certify that the foregoing is a correct copy of a Resolution adopted by the Board of Directors of Zone 7 of the Alameda County Flood Control and Water Conservation District on September 18, 2013.

By _____
President, Board of Directors

Patterson Pass Water Treatment Plant
No. 70176
RF-10124



LOCATION MAP
LANDS TO BE AQUIRED BY ZONE 7
FROM THE STATE OF CALIFORNIA,
DEPARTMENT OF WATER RESOURCES

DATE: FEBRUARY 13, 2013

SCALE = NONE

DR. BY: SJE

file: H:\ArcGIS Directory\Facilities\Zone 7/
 Treatment Plants\PPWTP\dw land aquisition.mxd

Division: Delta
Parcel No: DLV-95-A
Cost Center No.:

State of California
The Resources Agency
Department of Water Resources

AGREEMENT FOR THE SALE OF DWR PARCEL NO. DLV-95-A

This Agreement is entered into between the Department of Water Resources, hereinafter called "STATE" and Zone 7 Alameda County Flood Control and Water Conservation District, hereinafter called "BUYER", on this _____ day of _____, 2013.

WHEREAS STATE is the owner of that certain real property identified as State Parcel No. DLV-95-A, located in Alameda County, consisting of approximately 10.40 acres and further *described in Exhibit A*, hereinafter referred to as "PROPERTY".

WHEREAS BUYER has offered to purchase said PROPERTY pursuant to Section 11595 of the Water Code, and

WHEREAS BUYER has offered to purchase said property for the purpose of storage and for sludge drying beds; and

WHEREAS STATE has completed the South Bay Aqueduct Enlargement Project and has determined that said property is no longer needed for State Water Project purposes.

NOW, THEREFORE, STATE and BUYER agree as follows:

1. STATE will sell PROPERTY in Fee to the BUYER.
2. BUYER will purchase PROPERTY in Fee from the STATE.
3. **Form of Title:** Said PROPERTY shall be conveyed in the form of a Director's Deed.
4. **Purchase Price:** BUYER shall pay the sum of Two Hundred Ninety Seven dollars (\$297,000), which was determined by an appraisal prepared by Erik Woodhouse, Associated Right of Way Services, Incorporated. The appraisal was reviewed and approved by the Department of General Services on December 3, 2012.

5. **Condition of Title and Use by Others:** The STATE will execute a Director's Deed granting BUYER said PROPERTY in fee. Uses by others of the PROPERTY may exist by encroachment, by unrecorded instrument, or other means which may or may not affect title. STATE has made a diligent effort to search records for such unrecorded uses, and such uses have not been found in the records. STATE shall not be responsible for undisclosed uses or matters affecting title.
6. **Policy of Title Insurance:** BUYER may obtain a policy of title insurance at its own expense.
7. **Escrows, Fees, Charges and Costs:**
- a. BUYER shall pay all expenses incidental to and necessarily incurred for the conveyance of the Director's Deed including, but not limited to, escrow charges, recording fees, title insurance charges, documentary tax stamps or other real estate transaction taxes or fees by whatever name known.
 - b. In the event that BUYER unilaterally fails to comply with any or all of the terms of this Agreement, and in the event that failure results in the Director's Deed not transferring ownership, BUYER shall pay all costs incurred by STATE related directly or indirectly to the conveyance of the real property including, but not limited to, document preparation, attorney fees, environmental work, and related clerical, administrative and overhead costs.
8. **Seller's Representations, Warranties, and Disclosures:**
- a. Reliability of Information: STATE obtained the information contained in this Agreement from sources deemed reliable; however, STATE makes no warranties or guarantees as to the accuracy of the information provided. STATE provides the information solely as an aid to interested parties and recommends that interested parties conduct their own investigations of the PROPERTY.
 - b. Disclosures: BUYER acknowledges that STATE has given BUYER the opportunity for inspection and that BUYER has made any and all desired inspections. BUYER acknowledges that BUYER is purchasing said PROPERTY solely in reliance on BUYER'S own investigations. BUYER further acknowledges and warrants that as of the close of escrow BUYER will be aware of all zoning regulations, other governmental requirements, site and physical conditions (including the presence of hazardous materials or other adverse environmental conditions), and other matters affecting the

use and condition of the PROPERTY. BUYER agrees to purchase said property in the condition that it is in at close of escrow. BUYER shall be responsible at BUYER'S sole expense for all remediation required, if any, to make the PROPERTY usable for BUYER'S intended purpose.

- c. As-Is Purchase: BUYER specifically acknowledges and agrees that STATE will sell and BUYER will purchase said property on an "as-is with all faults" basis, and that having been given the opportunity to inspect the PROPERTY and review information and documentation affecting the PROPERTY, BUYER is not relying on any representations or warranties of any kind whatsoever, from STATE or its agents as to any matters concerning the PROPERTY, including without limitation: (i.) the quality nature, adequacy, and physical condition of the PROPERTY including soils, geology, and any groundwater; (ii.) the existence, quality, nature, adequacy, and physical condition of utilities serving the PROPERTY; (iii.) the development potential of the PROPERTY and the PROPERTY'S use, merchantability, fitness, suitability, value, or adequacy of the PROPERTY for any particular purpose; (iv.) the zoning or other legal status of the PROPERTY or any other public or private restrictions on use of the PROPERTY; (v.) the compliance of the PROPERTY or its operation with any applicable codes, laws, regulations, statutes, ordinances, covenants, conditions, and restrictions of any governmental or quasi-governmental entity or of any other person or entity; (vi.) the presence of hazardous materials on, under, or about the PROPERTY or the adjoining or neighboring property; (vii.) the condition of title to the PROPERTY; and (viii.) the economics of operation of the PROPERTY. BUYER accepts the condition of PROPERTY "as is".
- d. Absence of Fraud and Misleading Statements: To the best of STATE'S knowledge, no statement of STATE in this Agreement or any document, certificate, or schedule furnished or to be furnished to BUYER pursuant hereto or in connection with the transaction contemplated hereby contains any untrue statement of material fact.
- e. General Representation: No representation, warranty or statement of STATE in this agreement or in any document, certificate, or schedule furnished or to be furnished to BUYER pursuant hereto or in connection with the transaction contemplated hereby contains or will contain any untrue statement of material fact or omits or will omit to state a material fact necessary to make the statements or facts contained therein not misleading.

9. **Buyer's Representations and Warranties:**

- a. BUYER has the legal power, right and authority to enter into this Agreement and the instruments referenced herein, and to consummate the transactions contemplated hereby.
- b. The individuals executing this Agreement and the instruments referenced herein on behalf of BUYER have the legal power, right, and actual authority to bind BUYER to the terms and conditions hereof and thereof.
- c. This Agreement is, and all other instruments, documents and Agreements required to be executed and delivered by BUYER in connection with this Agreement are and shall be, duly authorized, executed and delivered by BUYER and shall be valid, legally binding obligations of and enforceable against BUYER in accordance with their terms.
- d. All requisite action (corporate, trust, partnership or otherwise) has been taken by BUYER in connection with the entering into this Agreement, the instruments referenced herein, and the consummation of the transactions contemplated hereby. No consent of any partner, shareholder, creditor, investor, judicial or administrative body, authority other party is required.
- e. Neither the execution and delivery of this Agreement and documents referenced herein, nor the incurrence of the obligations set forth herein, nor the consummation of the transactions herein contemplated, nor compliance with the terms of this Agreement and the documents referenced herein conflict with or result in the material breach of any terms, conditions or provisions of, or constitute a default under, any bond, note, or other evidence of indebtedness or any contract, indenture, mortgage, deed of trust, loan, partnership Agreement, lease or other Agreements or instruments to which BUYER is a party or affecting the Property.
- f. No representation, warranty or statement of BUYER in this Agreement or in any document, certificate or schedule furnished or to be furnished to STATE pursuant hereto contains or will contain any untrue statement of a material fact or omits or will omit to state a material fact necessary to make the statements or facts contained therein not misleading.
- g. BUYER'S representations and warranties made in this Agreement shall be continuing and shall be true and correct as of the date of the close of escrow with the same force and effect as if remade by

BUYER in a separate certificate at that time. The truth and accuracy of BUYER'S representations and warranties made herein shall constitute a condition for the benefit of STATE to the close of escrow (as elsewhere provided herein) and shall not merge into the close of escrow or the recordation of the quitclaim in the Official Records, and shall survive the close of escrow.

10. **Mailing Address of BUYER:**

Mr. Dennis Gambs
Zone 7 Water Agency
100 North Canyons Parkway
Livermore, California 94551

11. **Mailing Address of STATE:**

Department of Water Resources
Division of Engineering
Real Estate Branch, Room 425
Post Office Box 942836
Sacramento, California 94236-0001

12. **Indemnification:** BUYER shall defend, indemnify, and hold the STATE harmless from and against any and all claims, liabilities, obligations, losses, damages, costs, and expenses, including, but not limited to, attorney's fees, court costs, and litigation expenses that STATE may incur or sustain by reason of or in connection with any misrepresentation made by the BUYER pursuant to this Agreement.

13. **Applicable Law:** The parties hereto acknowledge that this Agreement has been negotiated and entered into in the State of California. The parties hereto expressly agree that this Agreement shall in all respects be governed by the laws of the State of California.

14. **Severability:** Nothing contained herein shall be construed as to require the commission of any act contrary to law, and wherever there is any conflict between any provision contained herein and any present statute, law, ordinance or regulation as to which the parties have no legal right to contract, the latter shall prevail, but the affected provisions of this Agreement shall be limited only to the extent necessary to bring them within the requirements of such law.

15. **Time is of the Essence in this Agreement:** Escrow shall close within 60 days of this Agreement, but may be extended unilaterally by STATE at its option.

16. **Separate Counterparts.** This is executed in separate counterparts, each of which when so executed shall be deemed to be an original. Such counterparts shall, together, constitute and be one and the same instrument.
17. **Review and Approval:** This transaction may be subject to review and approval by State Department of General Services and this Agreement shall not be considered accepted by STATE until all required approval has been received.

IN WITNESS WHEREOF, the parties hereto have signed their names, the day and year first written above.

STATE OF CALIFORNIA:
Department of Water Resources

BUYER:
Alameda County Flood Control
and Conservation District, Zone 7

Mark W. Cowin
Director of Water Resources

Title: _____

STATE OF CALIFORNIA:
Department of General Services

RECORDING REQUESTED BY

WHEN RECORDED MAIL TO:

DEPARTMENT OF WATER RESOURCES

Division of Engineering
Real Estate Branch
1416 9th Street, Room 425
Sacramento, CA 95814

SPACE ABOVE THE LINE FOR RECORDER'S USE

APN 099B-5600-003-09

**DIRECTOR'S
DEED**

SOUTH BAY AQUEDUCT-PATTERSON
Project PASS WATER TREATMENT PLANT

Parcel No. DLV-95-A
01-11-A

THE STATE OF CALIFORNIA, acting by and through its Director of Water Resources,
GRANTS to **ZONE 7 ALAMEDA COUNTY FLOOD CONTROL AND WATER
CONSERVATION DISTRICT** all that real property in the County of ALAMEDA, State
of California, described as:

DWR Parcel No.

Area

Estate

DLV-95-A

10.40 acres

Fee

(In the event of any discrepancy between the above identification and the real
property described herein, the real property described will control.)

EXHIBIT "A"

DLV-95-A

DESCRIPTION FOR ALAMEDA COUNTY FLOOD CONTROL AND WATER
CONSERVATION DISTRICT, ZONE 7 WATER AGENCY

PATTERSON PASS WATER TREATMENT PLANT

LAND TO BE ACQUIRED FROM
STATE OF CALIFORNIA, DEPARTMENT OF WATER RESOURCES

Map: RF-10124
APN: 099B-5600-003-09 (Por.)

No. 70176
August 17, 2012

REAL PROPERTY SITUATE IN MURRAY TOWNSHIP, UNINCORPORATED ALAMEDA COUNTY, STATE OF CALIFORNIA AND IS DESCRIBED AS FOLLOWS:

THAT PORTION OF THE SOUTH HALF OF THE SOUTHEAST QUARTER OF SECTION 6, TOWNSHIP 3 SOUTH, RANGE 3 EAST, M.D.M., COUNTY OF ALAMEDA, STATE OF CALIFORNIA LYING WITHIN LOT NO. 37 OF THE PARTITION OF THE RANCHO LAS POSITAS (95 DEEDS 196) AND BEING A PORTION OF THE PARCEL OF LAND DESCRIBED AS PARCEL NO. DLV-95 IN THE GRANT DEED TO THE STATE OF CALIFORNIA, RECORDED AUGUST, 03, 2000 AS INSTRUMENT NUMBER 2000231344, OFFICIAL RECORDS OF SAID COUNTY DESCRIBED AS FOLLOWS:

COMMENCING AT A POINT FROM WHICH THE SOUTHEAST CORNER OF SAID SECTION 6 BEARS, (SAID CORNER ACCEPTED AS BEING MARKED BY A FOUND RAIL ROAD SPIKE WITH A CUT CROSS IN THE CENTER OF THE PAVED ROAD, PATTERSON PASS ROAD (ALAMEDA COUNTY ROAD NO. 2063) AT STATION 53+87.23 AS SHOWN IN THAT CERTAIN RECORD OF SURVEY NUMBER 650 FILED ON MARCH 31, 1983 IN BOOK 11 OF RECORDS OF SURVEYS AT PAGE 93, OFFICIAL RECORDS OF SAID COUNTY AND AT COORDINATES Y= 437,024.06 FEET AND X= 1,659,397.52 FEET, SAID COORDINATES TAKEN FROM STATE OF CALIFORNIA, DEPARTMENT OF WATER RESOURCES, PROPERTY MANAGEMENT MAP, DRAWING NO. 01-11-A, DATED 6-25-99.) SOUTH 57° 05' 18" EAST, 1413.47 FEET, SAID POINT BEING MARKED BY A FOUND 3/4-INCH IRON PIPE WITH BRASS CAP MARKED DLV-370 AS DESCRIBED IN PARCEL A (DLV-26) IN THE GRANT DEED TO THE STATE OF CALIFORNIA RECORDED ON JULY, 9, 1962 AS RECORDER'S SERIES NUMBER AT91363 ON REEL 625 AT IMAGE 234, OFFICIAL RECORDS OF SAID COUNTY;

THENCE FROM SAID IRON PIPE ALONG THE SOUTHERLY LINE OF SAID STATE OF CALIFORNIA PARCEL DLV-26 DUE WEST, 50.00 FEET TO THE NORTHEAST CORNER OF THAT CERTAIN PARCEL OF LAND GRANTED TO ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT (ALAMEDA COUNTY) IN THE GRANT DEED RECORDED ON JULY 17, 1962 AS RECORDER'S SERIES NUMBER AT95991, ON REEL 632 AT IMAGE 427, OFFICIAL RECORDS OF ALAMEDA COUNTY;

THENCE LEAVING SAID NORTHEAST CORNER ALONG THE EAST LINE OF SAID ALAMEDA COUNTY PARCEL DUE SOUTH, 160.01' FEET TO THE INTERSECTION THEREWITH AN 8-FOOT HIGH CHAIN LINK FENCE RUNNING EASTERLY, AS THE SAME EXISTED ON THE GROUND ON AUGUST 10, 2012, SAID INTERSECTION MARKING THE ACTUAL POINT OF BEGINNING OF THIS DESCRIPTION;

EXHIBIT "A"

DLV-95-A

THENCE ALONG SAID 8-FOOT HIGH LINK FENCE, NORTH 88° 54' 05" EAST, 632.00 FEET;

THENCE CONTINUING ALONG SAID FENCE, ALONG THE ARC OF A 121.91 FOOT RADIUS TANGENT CURVE TO THE RIGHT, THROUGH A CENTRAL ANGLE OF 90° 59' 02" AN ARC DISTANCE OF 193.60 FEET;

THENCE ALONG SAID FENCE LINE AND ITS SOUTHERLY PROLONGATION SOUTH 00° 05' 20" EAST, 491.91 FEET MORE OR LESS TO THE SOUTH LINE OF SAID SECTION 6;

THENCE ALONG SAID SOUTH LINE NORTH 89° 13' 21" WEST, 756.94 FEET, MORE OR LESS TO A LINE DRAWN DUE SOUTH FROM THE AFORESAID ACTUAL POINT OF BEGINNING, THE INTERSECTION THEREOF MARKING THE SOUTHEAST CORNER OF SAID ALAMEDA COUNTY PARCEL;

THENCE ALONG SAID LINE SO DRAWN, SAID LINE BEING THE AFORESAID EAST LINE OF THE AFORESAID ALAMEDA COUNTY PARCEL, DUE NORTH, 591.21 FEET MORE OR LESS TO THE TO THE POINT OF BEGINNING.

CONTAINING 10.40 ACRES (453,228 SQUARE FEET), MORE OR LESS.

RESERVING HOWEVER, TO THE STATE, ITS SUCCESSORS AND ASSIGNS, A PERPETUAL NONEXCLUSIVE EASEMENT AND RIGHT OF WAY FOR ELECTRIC POWER AND COMMUNICATION PURPOSES WITH THE RIGHT TO CONSTRUCT, RECONSTRUCT, PLACE, INSTALL, INSPECT, OPERATE, MAINTAIN, REPAIR, REPLACE, MODIFY, ALTER, ENLARGE, ADD TO AND REMOVE, AT ANY TIME AND FROM TIME TO TIME, POLE LINES AND/OR OTHER STRUCTURES, WIRES, AND CABLES, BOTH UNDERGROUND AND OVERHEAD, FOR THE TRANSMISSION OF ELECTRIC ENERGY AND FOR COMMUNICATION PURPOSES, AND ALL NECESSARY AND PROPER FOUNDATIONS, FOOTINGS, CROSS ARMS, AND OTHER APPLIANCES, APPURTENANCES AND FIXTURES FOR USE IN CONNECTION WITH SAID POLE LINES AND OR OTHER STRUCTURES, WIRES AND CABLES, OVER, THROUGH, UNDER, AND ACROSS THE WESTERLY 20 FEET OF THE ABOVE DESCRIBED PARCEL OF LAND. SAID EASEMENT BEING 20 FEET IN WIDTH AND LYING CONTIGUOUS TO, AND EASTERLY OF, THAT CERTAIN COURSE DESIGNATED IN SAID DESCRIPTION AS "DUE NORTH, 591.21 FEET MORE OR LESS." STATE FURTHER RESERVES THE RIGHT FROM TIME TO TIME TO TRIM OR TO CUT DOWN AND CLEAR AWAY ANY AND ALL TREES AND BRUSH NOW OR HEREAFTER ALONG THE EASEMENT ROUTE OR WITHIN THE EASEMENT STRIP OR PARCEL AND TO TRIM OR TO CUT DOWN AND CLEAR AWAY TREES ON EACH SIDE ALONG THIS EASEMENT ROUTE, STRIP, OR PARCEL WHICH NOW OR HEREAFTER IN THE OPINION OF STATE MAY BE A HAZARD TO THE FACILITIES INSTALLED. ZONE 7 ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT SHALL NOT ERECT OR CONSTRUCT ANY BUILDING OR OTHER STRUCTURE OR DRILL OR OPERATE ANY WELL WITHIN THE EASEMENT ROUTE, STRIP OR PARCEL.

ALSO RESERVING TO THE STATE, ITS SUCCESSORS AND ASSIGNS, THE RIGHT OF INGRESS TO AND EGRESS FROM, SAID EASEMENT AREA OVER AND ACROSS THE ABOVE DESCRIBED PARCEL OF LAND BY MEANS OF ROADS THEREON.

EXHIBIT "A"

DLV-95-A

COORDINATES, BEARINGS AND DISTANCES USED IN THE ABOVE DESCRIPTIONS ARE BASED UPON THE CALIFORNIA COORDINATE SYSTEM OF 1927 (CCS27, ZONE 3). MULTIPLY THE ABOVE DISTANCES BY 1.0001039 TO OBTAIN GROUND LEVEL DISTANCES. THE ABOVE AREAS ARE GRID MEASURES.

A PLAT OF THE ABOVE DESCRIBED PARCEL OF LAND IS ATTACHED HERETO AS EXHIBIT "B" AND BY THIS REFERENCE MADE A PART HEREOF.

SUBJECT TO ALL COVENANTS, RIGHTS, RIGHT-OF-WAY AND EASEMENTS OF RECORD.

THIS DESCRIPTION WAS COMPILED FROM A FIELD SURVEY CONDUCTED ON AUGUST 10, 2012.


ANTHONY C. MCCANTS
PROFESSIONAL LAND SURVEYOR
STATE OF CALIFORNIA,
CERTIFICATE NUMBER: LS 5944
LICENSE EXPIRATION: 12/31/2014

SIGNED ON THIS 12th DAY OF JUNE, 2013

END OF DESCRIPTION



Affects Assessor's Parcel No(s). 099B-5600-003-09 (Por.)



KIER & WRIGHT, Civil Engineers & Surveyors, Inc
2850 Collier Canyon Road, Livermore, CA 94551-9201
(925) 245-8788 Phone | (925) 245-8796 Fax



KIER & WRIGHT
CIVIL ENGINEERS & SURVEYORS, INC.
2850 Collier Canyon Rd. Phone (925) 245-8788
Livermore, California 94551 Fax (925) 245-8796
KW JOB NUMBER- A12604-1



COORDINATES, BEARINGS AND DISTANCES ARE BASED UPON THE CALIFORNIA COORDINATE SYSTEM OF 1927 (CCS27, ZONE 3). MULTIPLY DISTANCES BY 1.0001039 TO OBTAIN GROUND LEVEL DISTANCES. AREAS IS GRID.

PART OF S $\frac{1}{4}$ OF SE $\frac{1}{4}$ SEC. 6 T.3 S., R.3 E., MDM. (POR. WITHIN LOT NO. 37 OF THE PARTITION OF THE RANCHO LAS POSITAS, 95 DEEDS (196)

LANDS OF CALIFORNIA
RE: 625 IM: 234
AT 91363 O.R.
PARCEL DLV-26
(PARCEL A)
RECORDED JULY 9, 1962
APN 099B-5600-007

S.E. COR. SEC. 6
(X= 1,659,397.52
Y= 437,024.06)
FND. CROSS MARK
ON R.R. SPIKE
IN PAVE. ROAD
AL. CO. STA.
STA. 53+87.23



Scale 1" = 200 ft

PATTERSON RESERVOIR

P.O.C.

SOUTH LINE RE: 625 IM: 234

WEST LINE RE: 160.01'

EAST LINE RE: 632 IM: 427

NORTH

SOUTH

LANDS OF ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT

RE: 632 IM: 427

RECORDED JULY 17, 1962

APN 099B-5600-003-01

PATTERSON PASS WATER TREATMENT PLANT

20' RESERVATION TO DWR FOR ELECTRIC POWER AND COMMUNICATIONS EASEMENT

DLV-95-A

10.40± Acre (453,228± SF.)

(NO. 70176)

ELECTRIC POWER & TRANSMISSION ESMT. U.S.A. TRACT 131ET 88-192695 O.R. RECORDED 08-02-1988

PATTERSON PASS ROAD

COUNTY ROAD NO. 2063

LANDS OF CALIFORNIA

2000231344 O.R. 17.39 AC. REMNANT PARCEL APN 099B-5600-003-09

FND. 3/4" IRON PIPE BRASS CAP "DLV-372"

FND. 3/4" IRON PIPE BRASS CAP "DLV-376"

FND. 3/4" IRON PIPE BRASS CAP "DLV-378"

R=121.91' Δ=90°59'02" L=193.60'

TIE 1413.47' MEA. (1414.19')

S57°06'38"E MEA. (S57°06'31"E)

N88°54'05"E

A.P.O.B.

S57°06'38"E MEA. (1414.19')

491.91'

120'

(2648.94' calc.)

SOUTH LINE SECTION 6 BASIS OF BEARINGS () D.W.R. REF. DRAWING NO.: 01-11-A

N89°13'21"W

2649.08' MEA. R.R.SPK. - R.R.SPK.

591.21'

25'

N89°13'21"W

27+37.39

AL. CO. STA.

FND. CROSS MARK ON R.R. SPIKE IN PAVE. ROAD

S.1/4 COR. SEC. 6

X= 1,656,748.82

Y= 437,060.00

(X=1,656,748.82 Y=437,060.00)

LANDS OF CALIFORNIA

RECORDED AUGUST 3, 2000

PARCEL DLV-95

17.39 AC.

REMANANT PARCEL

APN 099B-5600-003-09

FND. 3/4" IRON PIPE BRASS CAP "DLV-372"

FND. 3/4" IRON PIPE BRASS CAP "DLV-376"

FND. 3/4" IRON PIPE BRASS CAP "DLV-378"

R=121.91' Δ=90°59'02" L=193.60'

TIE 1413.47' MEA. (1414.19')

S57°06'38"E MEA. (1414.19')

N88°54'05"E

A.P.O.B.

S57°06'38"E MEA. (1414.19')

491.91'

120'

(2648.94' calc.)

SOUTH LINE SECTION 6 BASIS OF BEARINGS () D.W.R. REF. DRAWING NO.: 01-11-A

N89°13'21"W

2649.08' MEA. R.R.SPK. - R.R.SPK.

591.21'

25'

N89°13'21"W

27+37.39

AL. CO. STA.

FND. CROSS MARK ON R.R. SPIKE IN PAVE. ROAD

S.1/4 COR. SEC. 6

X= 1,656,748.82

Y= 437,060.00

(X=1,656,748.82 Y=437,060.00)

LANDS OF CALIFORNIA

RECORDED AUGUST 3, 2000

PARCEL DLV-95

17.39 AC.

REMANANT PARCEL

APN 099B-5600-003-09

FND. 3/4" IRON PIPE BRASS CAP "DLV-372"

FND. 3/4" IRON PIPE BRASS CAP "DLV-376"

FND. 3/4" IRON PIPE BRASS CAP "DLV-378"

R=121.91' Δ=90°59'02" L=193.60'

TIE 1413.47' MEA. (1414.19')

S57°06'38"E MEA. (1414.19')

N88°54'05"E

A.P.O.B.

S57°06'38"E MEA. (1414.19')

491.91'

120'

(2648.94' calc.)

SOUTH LINE SECTION 6 BASIS OF BEARINGS () D.W.R. REF. DRAWING NO.: 01-11-A

N89°13'21"W

2649.08' MEA. R.R.SPK. - R.R.SPK.

591.21'

25'

N89°13'21"W

27+37.39

AL. CO. STA.

FND. CROSS MARK ON R.R. SPIKE IN PAVE. ROAD

S.1/4 COR. SEC. 6

X= 1,656,748.82

Y= 437,060.00

(X=1,656,748.82 Y=437,060.00)

LANDS OF CALIFORNIA

RECORDED AUGUST 3, 2000

PARCEL DLV-95

17.39 AC.

REMANANT PARCEL

APN 099B-5600-003-09

FND. 3/4" IRON PIPE BRASS CAP "DLV-372"

FND. 3/4" IRON PIPE BRASS CAP "DLV-376"

FND. 3/4" IRON PIPE BRASS CAP "DLV-378"

R=121.91' Δ=90°59'02" L=193.60'

TIE 1413.47' MEA. (1414.19')

S57°06'38"E MEA. (1414.19')

N88°54'05"E

A.P.O.B.

S57°06'38"E MEA. (1414.19')

491.91'

120'

(2648.94' calc.)

SOUTH LINE SECTION 6 BASIS OF BEARINGS () D.W.R. REF. DRAWING NO.: 01-11-A

N89°13'21"W

2649.08' MEA. R.R.SPK. - R.R.SPK.

591.21'

25'

N89°13'21"W

27+37.39

AL. CO. STA.

FND. CROSS MARK ON R.R. SPIKE IN PAVE. ROAD

S.1/4 COR. SEC. 6

X= 1,656,748.82

Y= 437,060.00

(X=1,656,748.82 Y=437,060.00)

LANDS OF CALIFORNIA

RECORDED AUGUST 3, 2000

PARCEL DLV-95

17.39 AC.

REMANANT PARCEL

APN 099B-5600-003-09

FND. 3/4" IRON PIPE BRASS CAP "DLV-372"

FND. 3/4" IRON PIPE BRASS CAP "DLV-376"

FND. 3/4" IRON PIPE BRASS CAP "DLV-378"

R=121.91' Δ=90°59'02" L=193.60'

TIE 1413.47' MEA. (1414.19')

S57°06'38"E MEA. (1414.19')

N88°54'05"E

A.P.O.B.

S57°06'38"E MEA. (1414.19')

491.91'

120'

(2648.94' calc.)

SOUTH LINE SECTION 6 BASIS OF BEARINGS () D.W.R. REF. DRAWING NO.: 01-11-A

N89°13'21"W

2649.08' MEA. R.R.SPK. - R.R.SPK.

591.21'

25'

N89°13'21"W

27+37.39

AL. CO. STA.

FND. CROSS MARK ON R.R. SPIKE IN PAVE. ROAD

S.1/4 COR. SEC. 6

X= 1,656,748.82

Y= 437,060.00

(X=1,656,748.82 Y=437,060.00)

LANDS OF CALIFORNIA

RECORDED AUGUST 3, 2000

PARCEL DLV-95

17.39 AC.

REMANANT PARCEL

APN 099B-5600-003-09

FND. 3/4" IRON PIPE BRASS CAP "DLV-372"

FND. 3/4" IRON PIPE BRASS CAP "DLV-376"

FND. 3/4" IRON PIPE BRASS CAP "DLV-378"

R=121.91' Δ=90°59'02" L=193.60'

TIE 1413.47' MEA. (1414.19')

S57°06'38"E MEA. (1414.19')

N88°54'05"E

A.P.O.B.

S57°06'38"E MEA. (1414.19')

491.91'

120'

(2648.94' calc.)

SOUTH LINE SECTION 6 BASIS OF BEARINGS () D.W.R. REF. DRAWING NO.: 01-11-A

N89°13'21"W

2649.08' MEA. R.R.SPK. - R.R.SPK.

591.21'

25'

N89°13'21"W

27+37.39

AL. CO. STA.

FND. CROSS MARK ON R.R. SPIKE IN PAVE. ROAD

S.1/4 COR. SEC. 6

X= 1,656,748.82

Y= 437,060.00

(X=1,656,748.82 Y=437,060.00)

LANDS OF CALIFORNIA

RECORDED AUGUST 3, 2000

PARCEL DLV-95

17.39 AC.

REMANANT PARCEL

APN 099B-5600-003-09

FND. 3/4" IRON PIPE BRASS CAP "DLV-372"

FND. 3/4" IRON PIPE BRASS CAP "DLV-376"

FND. 3/4" IRON PIPE BRASS CAP "DLV-378"

R=121.91' Δ=90°59'02" L=193.60'

TIE 1413.47' MEA. (1414.19')

S57°06'38"E MEA. (1414.19')

N88°54'05"E

A.P.O.B.

S57°06'38"E MEA. (1414.19')

491.91'

120'

(2648.94' calc.)

SOUTH LINE SECTION 6 BASIS OF BEARINGS () D.W.R. REF. DRAWING NO.: 01-11-A

N89°13'21"W

2649.08' MEA. R.R.SPK. - R.R.SPK.

591.21'

25'

N89°13'21"W

27+37.39

AL. CO. STA.

FND. CROSS MARK ON R.R. SPIKE IN PAVE. ROAD

S.1/4 COR. SEC. 6

X= 1,656,748.82

Y= 437,060.00

(X=1,656,748.82 Y=437,060.00)

LANDS OF CALIFORNIA

RECORDED AUGUST 3, 2000

PARCEL DLV-95

17.39 AC.

REMANANT PARCEL

APN 099B-5600-003-09

FND. 3/4" IRON PIPE BRASS CAP "DLV-372"

FND. 3/4" IRON PIPE BRASS CAP "DLV-376"

FND. 3/4" IRON PIPE BRASS CAP "DLV-378"

R=121.91' Δ=90°59'02" L=193.60'

TIE 1413.47' MEA. (1414.19')

S57°06'38"E MEA. (1414.19')

N88°54'05"E

A.P.O.B.

S57°06'38"E MEA. (1414.19')

491.91'

120'

(2648.94' calc.)

SOUTH LINE SECTION 6 BASIS OF BEARINGS () D.W.R. REF. DRAWING NO.: 01-11-A

Subject to special assessments, if any, restrictions, reservations, and easements of record.

The Director of Water Resources has determined that the said right was acquired for State water development uses or purposes and the rights herein granted are not inconsistent with the State's water development uses or purposes.

The conveyance is executed pursuant to the authority vested in the Director of Water Resources by law.

Dated _____, 20____.

STATE OF CALIFORNIA
DEPARTMENT OF WATER RESOURCES

MARK W. COWIN
DIRECTOR OF WATER RESOURCES

By _____
Jeanne Kuttel, Chief
Division of Engineering

STATE OF CALIFORNIA }
SS

County of _____

On _____, 20____, before me, _____

personally appeared _____ who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal

[SEAL]

NOTARY PUBLIC IN AND FOR THE STATE OF CALIFORNIA



ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT, ZONE 7

100 NORTH CANYONS PARKWAY • LIVERMORE, CA 94551 • PHONE (925) 454-5000 • FAX (925) 454-5727

ORIGINATING SECTION: ADMINISTRATIVE SERVICES/INTEGRATED PLANNING

CONTACT: JAVIA GREEN/AMPARO FLORES

AGENDA DATE: September 18, 2013

ITEM NO. 10

SUBJECT: Proposed 2014 Municipal & Industrial Water Connection Fee

SUMMARY:

- Zone 7 established the Municipal & Industrial (M&I) Connection Fee Program in 1972 to assess water connection fees to new development in order to fund water system expansion projects required to serve additional water demands from new development.
- The Board resolved with the adoption of the 2002 Connection Fee (Resolution No. 02-2450), that the basic fee be updated annually based on the Engineering News Record Construction Cost Index (ENR CCI), or as warranted to keep current with current plans and projections based on periodic reviews.
- One of these periodic reviews was performed in 2011. Zone 7 staff determined that the future funding needs of the program were in-line with the existing connection fees. The review recommended annual increases based on ENR CCI to account for the impact of inflation on future projects.
- For the 2014 fees, staff recommends adjusting the current fees to keep pace with inflation, based on the change in the ENR CCI from September 2012 to September 2013, a 2.26% increase.

Effective Period	Alameda County (per DUE)	Dougherty Valley (per DUE)
Effective January 1, 2013	\$23,500	\$21,750
Preliminary Fee Estimate - to be effective January 1, 2014 (2.26% increase)	\$24,030	\$22,240

- No action is required at this time. Further action will be recommended at the October 16, 2013 Board of Directors Meeting.

FUNDING:

Water connection fee revenue accrues to Fund 130 – Water Expansion.

RECOMMENDED ACTION:

Discuss and provide direction.



ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT, ZONE 7

100 NORTH CANYONS PARKWAY • LIVERMORE, CA 94551 • PHONE (925) 454-5000 • FAX (925) 454-5727

ORIGINATING SECTION: ADMINISTRATIVE SERVICES

CONTACT: Tom Hughes

AGENDA DATE: September 18, 2013

ITEM NO. 11

SUBJECT: Authority to Enter into a Tax-Exempt Revolving Line of Credit for the Reimbursement of Capital Projects

SUMMARY:

- Staff are seeking authority to enter into a Tax-Exempt Revolving Line of Credit (LOC). The proceeds of the LOC will be used for a number of capital projects.
- A board-approved reimbursement resolution is needed if the agency wants to finance capital projects on a tax-exempt basis. The resolution serves as a declaration of official intent to reimburse expenditures pursuant to Treasury Regulations Section 1.150-2.
- The interest is tax exempt under Section 103 of the Internal Revenue Code.
- Staff are recommending a reimbursement resolution for the following projects:
 - Watershed Investments
 - DVWTP Superpulsator Rehab
 - DVWTP Chemical System Improvements
 - DWR Land Acquisition
 - DVWTP Clearwell Recoating
 - PPWTP Chemical Systems Improvements
 - Reach 1-7 Arroyo Las Positas Improvements @ Vasco
 - SMMP Flood Facilities Land Acquisition - Chain of Lakes
- In addition, staff are requesting authority to negotiate and execute an LOC with Wells Fargo Bank, the proceeds of which will fund said projects.

FUNDING:

These projects are identified in the Capital Improvement Program. The projects that will commence in FY 13/14 are budgeted and approved.

RECOMMENDED ACTION:

Approve attached Resolutions: (1) authorizing the General Manager to negotiate and execute a Tax-Exempt Revolving Line of Credit with Wells Fargo Bank in an amount not to exceed \$31 million; and (2) authorizing the reimbursement of the listed projects from the LOC.

ATTACHMENTS:

Resolutions

ZONE 7
ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT
BOARD OF DIRECTORS

RESOLUTION NO.

INTRODUCED BY
SECONDED BY

**RESOLUTION DECLARING OFFICIAL INTENT TO REIMBURSE CAPITAL
EXPENDITURES FROM THE PROCEEDS OF TAX EXEMPT SECURITIES**

WHEREAS, the Alameda County Flood Control and Water Conservation District, Zone 7 (the “Issuer”) desires to finance the following improvements and acquisition of the facilities (collectively the “Projects”); and

- 1) Watershed Investments
- 2) DVWTP Superpulsator Rehab
- 3) DVWTP Chemical System Improvements
- 4) DWR Land Acquisition
- 5) DVWTP Clearwell Recoating
- 6) PPWTP Chemical Systems Improvements
- 7) Reach 1-7 Arroyo Las Positas Improvements @ Vasco
- 8) SMMP Flood Facilities Land Acquisition - Chain of Lakes

WHEREAS, the Issuer will be expending funds for the Projects from Fund 120 – Water Renewal/Replacement & System-wide Improvements, Fund 130 – Water Expansion Fund, Fund 200 – General Flood Control Fund and Fund 210 – Flood Protection and Stormwater Drainage; and

WHEREAS, the Issuer reasonably expects to reimburse such expenditures by authorizing the sale and delivery of one or more series of obligations (the “Obligations”), as described below.

NOW, THEREFORE, the Issuer hereby resolves as follows:

1. This Resolution is a declaration of official intent to reimburse expenditures pursuant to Treasury Regulations Section 1.150-2.
2. The Issuer desires to finance the Projects, consisting of land acquisitions, water treatment plant improvements, chemical systems improvements and flood control channel improvements.
3. The Issuer reasonably expects to reimburse the expenditures through the sale and delivery of one or more series of Obligations, the interest component on which is excludable from gross income under Section 103 of the Internal Revenue Code. The estimated maximum principal amount of Obligations to be issued for the Projects is \$31,000,000.
4. The reimbursement allocation to be made with respect to the expenditures will occur no later than eighteen (18) months after the later of (i) the date on which the

expenditure is incurred, or (ii) the date on which the Project is placed in service, but in no event more than three years after the expenditure is incurred.

5. This Resolution expresses the Issuer's expectations as of this date with respect to the financing of the construction and acquisition of the Projects. Future events or extraordinary circumstances beyond the control of the Issuer may result in the Project being financed in a manner other than as described in this Resolution, and nothing contained herein constitutes an irrevocable commitment by the Issuer to issue the Obligations.

6. This Resolution shall take effect upon adoption.

PASSED AND ADOPTED at a regular meeting of the Board of Directors of the Alameda County Flood Control and Water Conservation District, Zone 7 held on the 18th day of September 2013, by the following vote, to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

I certify that the foregoing is a correct copy of a Resolution adopted by the Board of Directors of Zone 7 of the Alameda County Flood Control and Water Conservation District on September 18, 2013.

By: _____
President, Board of Directors

ZONE 7
ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT
BOARD OF DIRECTORS

RESOLUTION NO.

INTRODUCED BY
SECONDED BY

TAX-EXEMPT REVOLVING LINE OF CREDIT

BE IT RESOLVED that the Board of Directors of Zone 7 of the Alameda County Flood Control and Water Conservation District does hereby authorize the General Manager to negotiate and execute a Tax-Exempt Revolving Line of Credit with Wells Fargo Bank in an amount not to exceed \$31 million.

ADOPTED BY THE FOLLOWING VOTE:

AYES:

NOES:

ABSENT:

ABSTAIN:

I certify that the foregoing is a correct copy of a Resolution adopted by the Board of Directors of Zone 7 of the Alameda County Flood Control and Water Conservation District on September 18, 2013.

By _____
President, Board of Directors

SUMMARY MINUTES
JOINT MEETING
ZONE 7/CITY LIAISON COMMITTEE

August 1, 2013
 4:00 p.m.

Zone 7

Sarah Palmer, President, Board
 John Greci, Board Member
 Dick Quigley, Board Member
 G. F. Duerig, General Manager
 Carol Mahoney, Integrated Planning Manager
 Colleen Winey, Assistant Geologist

City of Pleasanton

Karla Brown, Council Member
 Kathy Narum, Council Member
 Nelson Fialho, City Manager
 Dan Smith, Dir. of Operation Services
 Brian Dolan, Dir. of Community Development
 Janice Stern, Planning Manager

Item 1. Councilmember Brown called the meeting to order at 4 p.m.

Item 2. Public Comment - None.

Item 3. East Pleasanton Specific Plan and Chain of Lakes

City Manager Fialho said the purpose of the meeting was to receive an update from Zone 7 about its operational plan for the Zone and for both staffs to also provide an update on the East Pleasanton Specific Plan and Chain of Lakes and identify some targets and milestones that both agencies can work towards in going through the specific plan process. He indicated they want to be mindful of operational needs and ensure these get incorporated into the planning process.

Since earlier discussions, the City knows East Bay Regional Parks District adopted a Draft Master Plan for their regional system. They were prepared to drop the Chain of Lakes from planning strategies. As a result of discussions with the City, they retained the area in their plan of the Tri-Valley as part of their strategic focal points for open space. From this discussion, staff can return and determine what their objectives are and determine whether it is in alignment from a planning perspective and with what Zone 7 is trying to accomplish.

Director of Community Development Brian Dolan noted that today is the one year anniversary of the planning effort for EPSP. He referred to a handout which describes both regulatory and physical items that exist on the land, traffic reports, environmental and biological, and regulatory restrictions. They then prepared an opportunities and constraints analysis which informed what they might be able to do on the planning area, which he noted is about 1100 acres, 700 of which are Zone 7 property. The approximately remaining 400 acres are primarily owned by three private owners and the City. One owner is Kiewit who owns a vacant industrial zoned site. Another is a company from Texas called Lionstone who acquired the property from Legacy, the City's Operations Services Center (OSC) is on the property, as well as the Pleasanton Garbage Service.

Mr. Dolan said the General Plan called for a specific plan within this geographic boundary, did not specify where land uses would be or how much, but a wide variety of land uses from which to select, which he identified. Staff made assumptions in its previous environmental work about what would be there to have a placeholder in the General Plan EIR, but the exact quantities and locations of uses were left open for this process. He stated the City has done some visioning with a 20+ member task force which represents all neighborhoods. They began to prepare land use and circulation plan alternatives and have been working on this for several months, and have narrowed down to four plan alternatives.

Mr. Dolan presented a series of graphics which are options that came from Council review and they are being returned to the group tonight. Physically, there is not a great deal of difference. Most of the discussion has been intensity of housing development. The range in housing units is 1000 units of various densities to just above 2000 units of various densities. There is a fair amount of industrial. They all include a small area of retail, a campus/office designation, and the land use patterns are not all that different from each other.

The road system is driven by a few key elements; the extension of El Charro which would extend south from the Stoneridge Drive extension area to the new mall in Livermore all the way through the area between Lakes H and I, all the way down to connect to Stanley Boulevard. There is also the extension of Bush Road which currently dead ends off of Valley and this serves residential development as well as the OSC. This would be extended into the site and ultimately connect up with El Charro. The third connection is slightly to the south which is an extension of Boulder, which is another way to disperse traffic through the planning area. He said regardless of the alternative, the basic circulation system is the same, particularly the El Charro Road alignment. Where they have located their open spaces is primarily the same in each of the alternatives, and they have been located because of proximity to open space and the possibility for use of the land, particularly the green space in the middle, which is close to the lake. Also driven the location of open spaces has been some limitations of land itself, such as geotechnical problems. Generally, the biological resources are limited. There are also some regulatory issues associated with the Urban Growth Boundary and the limitations on land use surrounding Livermore Airport. A large portion of the planning area covers the Zone 7-owned Lakes and extends down into the potential urban area where housing is restricted due to the airport, and can be developed with office or green space, and other similar uses.

In terms of accomplished interests of Zone 7, one facility the adjacent neighborhood is excited about is the hiking trail around Lake I which would be a great resource for future residents of this area, and the task force has decided to pursue this, understanding that there are limitations and restrictions that need to be overcome. Also of interest is a local public park, and to the extent this is possible, the task force is envisioning recommendations to pursue recreational opportunities.

Councilmember Brown asked if the current drawing on the options reflect the current boundary line. Mr. Dolan said the City would develop the park regardless of what opportunities there are on Zone 7's land. They would like to pursue the dialogue of extending trails or appropriate recreational uses into the adjoining land, which is the idea of the task force. They hope to relocate the OSC, but must determine how to pay for it.

Mr. Dolan then referred to the map of facilities and a triangle identified as Chain of Lakes above Shadow Cliffs, which they identify this as a potential East Bay Regional Park District Parkland. In speaking with EBRPD staff, a similar designation was approved in their 1997 plan. Staff is becoming less enthusiastic about continuing this in the update and suggested it be removed, but their Board changed their mind and decided to keep it in and staff explained to him they have an existing plan. They see this as a relatively longer term proposition and they provide more information within the document labeled as the existing, future and potential section. They also provide more information about what the categories mean in Policy T-7, which he read aloud.

Councilmember Brown said if the majority of attendees agree to take the next step and bring EBRPD, Zone 7 and the City to the table to talk through it, she would like to discuss this today.

Carol Mahoney said back in 2003 when Zone 7 was taking possession of two of the lakes, the Assistant General Manager and she talked with EBRPD and presented this to them and asked if they wanted to start discussions about creating the park. They said they did not have any interest until Zone 7 finds 200 contiguous acres and places for people to park.

City Manager Fialho noted that at the staff level of Zone 7 and the City, it has been clear that the primary objectives are stormwater and flood control, groundwater recharge, and potential storage for recycled water.

Director Stevens questioned whether the City of Pleasanton wishes to operate the open space around the Chain of Lakes, and the City Manager said one option is the way the City operates the Zone 7 flood channels currently. It is Zone 7's property but they have an easement over the canals for public use and they have to maintain them, which is expensive. The alternative which intrigues the City is a partnership with EBRPD, and this is why this is a relevant discussion. If there is a way to incorporate all objectives, it is an asset in the community but it is handed over to EBRPD who has the expertise in managing trails and interface with water. The City discussed the costs to this which could be paid by tax revenue, grants from the state and federal, and developer-paid.

Regarding the use of the Chain of Lakes, President Palmer said Zone 7's focus is water resources, and introduced Carol Mahoney, Manager of the Integrated Planning Group that does planning for water and flood programs and Colleen Winey, the Project Manager for the Chain of Lakes, who will discuss preliminary lake use, use of water, what Zone 7's vision is, and possibilities. They have tried to identify low hanging fruit of what are most likely and best uses.

Colleen Winey, Zone 7 Project Manager, gave a PowerPoint presentation and displayed the full Chain of Lakes which is all being worked on and being turned over to Zone 7 for water management and flood control as mitigation for removal by quarrying of the aquifer materials. They have worked on the evaluation process and come up with criteria that will initially be used for the three lakes within the East Pleasanton Specific Plan area, that is Cope Lake and Lakes H and I. Zone 7 accelerated their evaluation of those three lakes based on the fact that these lakes are included in the city's planning process. Also, Zone 7 already owns two of the lakes and expect to receive the third in the near term.

In response to a question from Director Stevens regarding the sphere of influence, the City Manager and Ms. Mahoney indicated that according to the quarries, B, C, D, E, F and G are all in the sphere of influence in Pleasanton and A is the only lake out of the sphere of influence. Mr. Dolan said Livermore had no more area to expand and they were at their limit.

Ms. Winey said Zone 7 created a lake use evaluation to identify use suitability for each lake and discern uses between lakes, as well as identify potential conflicts between the different uses. Zone 7 also wanted to identify the potential to create multi-use lakes, as well. The work also creates a tool for evaluating future proposals. Zone 7 makes some assumptions when doing the evaluation. First, any uses that were identified for specific lakes in governing documents and agreements that are in existence would be maintained. The evaluation also assumed that all planned facilities identified in the surface mining permits and existing agreements would be built which includes any conduits between the lakes, diversion structures, and berms between the lakes. The evaluation also assumes keeping the lakes in their current condition or with minor modifications. There may be uses that are compatible if someone put some work and money into it, but that was not taken into account for this evaluation. The evaluation also assumed that any recreational facilities would be installed, operated and maintained by others, and would not be funded by Zone 7.

Ms. Winey said the primary uses would be water resource management uses that would help Zone 7 with its mission to provide water and flood control. Zone 7 also identified other beneficial uses that may be compatible with Zone 7's uses. For the accelerated evaluation they did just for the three lakes in the East Pleasanton Specific Plan area, they looked at the four uses that came up during discussions at the task force planning efforts: 1) stormwater; 2) habitat conservation; 3) active recreation; and 4) education and passive recreation. While all of these uses will be evaluated for all of the lakes, they just

began their preliminary evaluation of these four uses and the three lakes. Staff is continuing its evaluation of all the other uses and lakes.

She presented an example of the criteria for one use. The evaluating team tried to look at pros and cons for each use. In going through this for active recreation, the things important were urban proximity to the lake and having an accessible slope. Drawbacks were hazards. If slopes had debris on them, it would be dangerous to access. Operational challenges were also potential for adverse water quality impacts. For example, Lake I ended up with zero, Lake H had a negative 2, and Cope Lake came out in the positive scale at 1. The reason Cope Lake is ranked so low is because of existing hazards in the lake and she displayed a picture showing concrete rubble on the slope as well as rebar sticking straight up. Also, part of the former quarry pumping apparatus has poles that stick up where a boat could run right into it, or swimmers get caught on it without realizing it is there. There is also active mining adjacent to Cope. Zone 7 members and staff briefly discussed water levels, flood control measures, and discussed issues to take into consideration when planning for recreation, wetlands, stating some of the information has been presented. Mr. Dolan said he does not believe that the ultimate use will be resolved within the lifetime of the task force, and Ms. Duerig discussed the reality that people should understand there is a time, place and dollar amount for everything. Boardmembers discussed uses of the lakes, and President Palmer said Cope Lake is the lake currently considered most probable for the stormwater use.

Ms. Winey continued stating they looked at education, passive recreation and proximity to people so people could access it. Lake I came out the highest of the three lakes on this with a score of 3, and Lake H did not have such potential. Regarding habitat corridor and conservation, the most important criteria was having existing habitat that could access the lake. Cope Lake and Lake H came out the highest for habitat corridor, scoring 4 and 3, respectively. Lastly, stormwater storage was also an important component that came up and Cope Lake scored the highest for stormwater storage, with Lake H also coming out with potential and Lake I not having the potential for storage. In response to things that had come up in the East Pleasanton Specific Plan, Ms. Winey said the Parks and Recreation Committee had requested trails going around all of the lakes. She pointed to an area adjacent to an active mining facility and said there is no barrier between Cope Lake and active mining. This would be a hazard to people until mining is complete. She presented a current picture of what the north side of Lake I looks like now which is very narrow with slopes on both sides and not a lot of room to add a vehicle pull off and have pedestrians on it. They do not feel in its current condition it would be safe and the group discussed potential improvements and widening costs.

Ms. Winey presented and discussed locations of current existing and near term future facilities that Zone 7 has, supply wells, a diversion structure and an underground discharge pipeline, safety aspects, and installation of retaining walls to separate areas away from the wells. Ms. Winey then displayed red areas which were slopes 2:1 or steeper. The yellow areas are 3:1 and green areas are easily accessible slopes. The one going down to Lake H is a dirt road which does not go all the way to the water, and the Lake I boat ramp is an engineered ramp they put in for emergency access. Cope Lake's deepest point is approximately 80 feet, Lake I's deepest point is approximately 150 feet, and Lake H's deepest point is approximately 120 feet from the top of bank. The group discussed steep slopes and trails, safety issues, and phasing the work, thereby converting it to safe use and accessibility. In response to a question regarding build out of the specific plan, Mr. Dolan said the City expects 15-20 years and longer on the development side. City Manager Fialho said he hears that because there are so many hazards, the improvements are infeasible, but the reality is, anything is feasible given the expenditure of funds for the public benefit. For purposes of the task force, they need to be mindful of the fact that the impacts and hazards must be addressed and it takes money to do that. On the flip side, Director Ramirez Holmes said the task force has not heard a prioritization of what could be done for the money. Mr. Dolan added that staff hopes the Council will adopt the land use plan in the first quarter of next year. The task force work would be done several months before that in January or February and he does not believe the task force will necessarily exist when finalizing the specifics. Mr. Fialho stated that amenities could be financed turnkey which is driven by development, and all mitigations can be addressed by a higher density.

Funds could be land banked for improvements which could be phased in over time as money becomes available.

Ms. Winey presented the preliminary staff recommendations. Based on their evaluations, they recommend Cope Lake have the primary use of stormwater, that Lake I have the primary use of groundwater recharge with the possibility of passive recreation/education and that a habitat corridor be established along the east side of Lake H and Cope Lake. In addition, there were trails that would work within the area. There is an existing trail along Martin and the proposed trail on the south side of Lake I, and there will still be room to put a trail on the south side. There is room on the northeast side of Lake I for trails, and along the south side of Cope Lake, but they would not want anything to go over to Vulcan mining, so this one could go elsewhere within that development. Ms. Winey said Lake H came out in the middle and it looked like it had potential for stormwater. It also has some connection to the groundwater basin, but it is not the highest potential for groundwater recharge given the amount of gravel that is exposed.

The Board discussed storm water toxicity which typically is highest from the first storm every year and use of the lake for boating, swimming, etc. It was noted that some other entity would have to agree to take on any recreational license, clean up and liability issues. Councilmember Narum noted she sat on the task force and she heard a lot of interest in boating and it comes back to time and money. Councilmember Brown suggested people use Shadow Cliffs Lake for recreation, swimming and paddle boating. City Manager Fialho said the specific plan is so high level. For the community's benefit, they want to identify density, traffic impacts, and generally the character and feel of that area. How that looks and functions as open space is done at a more granular level which is a master plan and a separate process.

Ms. Winey said one of the reasons that the Task Force is contemplating a park on the Cope Lake property that is not owned by Zone 7 is the airport but also because the soil is not great. Mr. Dolan agreed the soil is not great, and they do not have a shortage of land.

Mr. Fialho stated they began the discussion with the possibility of having a Tri-agency discussion and sharing the information to see where it leads to, and boardmembers voiced their desire for staff to take the lead in scheduling this. He clarified that Zone 7 will probably not consider adopting the document before October, and staff could meet with EBRPD in the meantime.

Item 4. Verbal Comments – None.

Item 5. Adjournment

The meeting was adjourned at 5:20 p.m.

August 15

Attended ACWA Energy Committee meeting via teleconference call. Meeting was at the MET/LA following the Regulatory Summit and Water Quality Committee meetings. Spokesperson from the Governor's office gave an overview of "groundwater energy nexus and what's coming down the pipe; cost effectiveness framework; 30 participant test group, joint benefits and program expansion." A PCG spokesperson shared joint projects and joint messaging incorporating the flex your power and (2009) save our water statewide campaign brands in a larger energy water "Savings Program" for 2014. ACWA will be co-branding, educating and outreaching the message. The State Water Plan will have an energy component. Look for savings opportunities on renewables and small hydro.

August 11

Attended CSDA (California Special District Association) Alameda County chapter meeting at Zone 7. Nice welcome by John Greci, Livermore Mayor John Marchand, and Zone 7 overview by Tom Hughes. Well attended meeting with new ACWD board member Paul Sethy presenting an Alameda County Watershed Management Program map, historical oral overview and slides of issues concerning the Alameda Creek Watershed. Several LAFCO representatives were present and one, Ayn Wieskamp, gave kudos to Zone 7 for the Patterson Ranch acquisition and hopes for a plan for public access and trails. She also shared LAFCO was meeting at DSRSD on 9/13. A legislative update was given, an overview on the water bond 2014 and changing dollar value and economic risk reward factors. EBEDA (East Bay Economic Development Alliance) Fall Membership Meeting Oct 30 and Annual Legislative Reception 5-7:30 pm at Craneway Pavilion, Richmond, was mentioned along with a handout. Next CSDA meeting is November 13 at Union Sanitary District. CSDA Monterey conference also promoted.

Shout out: REGISTRATION OPEN!

ACWA Region 5 Hosted Program

Water Reliability: An Environmental Balancing Act

September 22 & 23

Carmel-by-the-Sea, CA

ACWA Region 5's 2013 fall program in Carmel will focus on regional water reliability. On Sunday, September 22, attendees will gather at Chateau Julien Wine Estate to take the Grand Estate Tour where they will learn how climate, soil drainage, and aquifer preservation all affect the growing and winemaking process. On Monday, September 23, the region will host a program focusing on water reliability at Carmel-by-the-Sea's Sunset Center. Presentations at the program will include those on groundwater, water recycling, desalination projects, and more.

Let me know if you have any questions or suggestions.

**Thanks
DQ**



ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT, ZONE 7

100 NORTH CANYONS PARKWAY • LIVERMORE, CA 94551 • PHONE (925) 454-5000 • FAX (925) 454-5727

ORIGINATING SECTION: ADMINISTRATION

CONTACT: Jill Duerig

AGENDA DATE: September 18, 2013

ITEM NO. 15a

SUBJECT: GENERAL MANAGER'S REPORT

SUMMARY: The following highlights a few of the key activities which occurred during August. Also attached is a list of the General Manager (GM) contract(s) executed during the month.

Environmental & External Affairs:

- DWR announced some refinements to the tunnel alignment and plans to relocate or reduce certain ancillary facilities to reduce impacts on in-Delta interests while remaining cost-neutral:
http://baydeltaconservationplan.com/Libraries/Dynamic_Document_Library/BDCP_Refinements_Response_to_Community_and_Statewide_Needs_brochure_8-15-13.sflb.ashx.
- The California Department of Public Health (CDPH) released the nation's first draft drinking water standard for chromium-6, proposing a maximum contaminant level (MCL) of 10 parts per billion (ppb). The proposed standard was released as part of a regulatory package that also includes monitoring requirements and information regarding approved treatment technologies. The 45-day public comment period ends October 11. If the proposed level becomes the final MCL, this will impact Zone 7's groundwater treatment budget and CIP.
- During the Periodic Review of the Surface Mining Permits, the County and CEMEX informed Zone 7 staff that quarrying of Lakes A and B could continue through 2058. Staff inquired about the other lakes being mined by Vulcan Materials and was given a similar date for the completion of those lakes. The additional time may have multiple causes from the slow-down in development and construction to the recycling of materials which is currently occurring on site.
- Staff attended a kick-off for the Living Arroyos program with staff from the City of Livermore and the Urban Creeks Council. The meeting included discussions about communications strategy for the program and advertising upcoming events.

Engineering and Flood Control:

- Staff are coordinating with the Castlewood Country Club to assure that concrete debris resulting from a failed weir is removed before the rainy season begins and flow obstruction could occur.

Finance & Administration

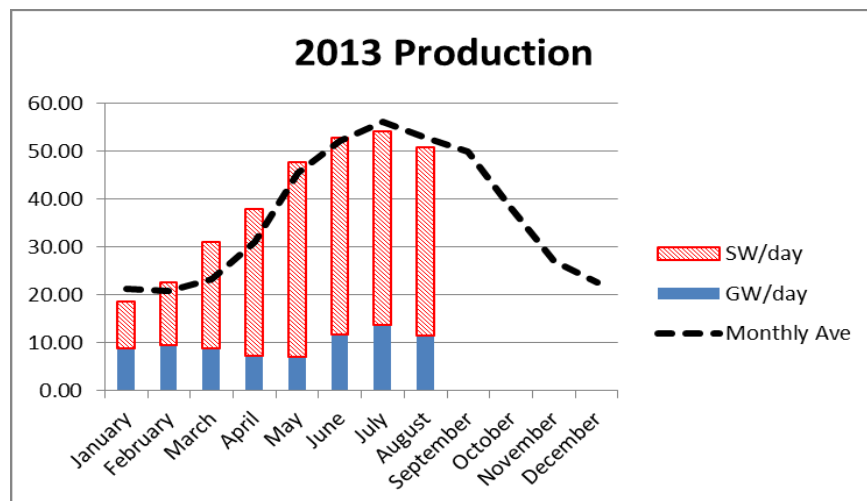
- On August 7, Zone 7 hosted a meeting of the Power and Water Resources Pooling Authority (PWRPA) board. The budget and certain critical considerations were discussed including anticipated increases in PG&E distribution costs and a request from the California

Independent System Operator Corporation or ISO (which manages the flow of electricity across the high-voltage, long-distance power lines) to meet a percentage of its load from local supplies. As a whole, PWRPA's anticipated energy use in 2014 is 405 gigawatt hours.

- Staff have begun the two-year technical review of Capital Improvement Program projects, evaluating projects with multiple criteria such as production needs, customer desires, asset conditions and other factors. This conversation will be extended to retailers and the Water Resources Committee of the board as part of the update process.

Operations and Maintenance:

- Algal growth continued in both the Delta and in the South Bay Aqueduct, so surface water production was severely limited at various points during the month, resulting in relatively high groundwater production. Flows through the Del Valle Water Treatment Plant got as low as 18 million gallons per day (MGD) or about 43% of capacity, requiring 21 backwashes in a 24-hour period (compared to 4-6 backwashes needed during “normal” operations). With the Ultra-Filtration Plant’s bad set of membranes, overall capacity at Patterson Pass was also reduced.
- To address the tastes and odors brought by the algae, powdered activated carbon (PAC) feed was maintained at both plants. In addition, the Department of Water Resources (DWR) was willing to blend Delta-conveyed water with Lake Del Valle water to improve treatability. As of August 28, lake storage volume had dropped to approximately 37,500-acre feet/AF (699.5') due to releases which began August 8. San Luis Reservoir has reached record low levels, causing operational challenges to both the state and federal water projects
- Issues have arisen with pumping the concentrate waste (brine) from the Mocho Groundwater Demineralization Plant (MGDP). It is unclear whether the problem is due to blockage in the discharge pipe or with the pump or a combination thereof. Troubleshooting is ongoing. As a result, groundwater pumping now is mostly un-demineralized.
- Monthly demands were slightly below average but relative groundwater usage remained high. With last winter being so dry, this has resulted in significant drops in groundwater levels (5' to 10' lower than this time last year).



Monthly List of GM Contracts

August 2013

Contracts:

Global Sun Landscape	\$25,000	Large landscape inspections for the Efficient Irrigation Inspection Program
Doulos Environmental, Inc.	19,000	Groundwater sampling to track Mitigation of groundwater and changes in groundwater quality
Yorke Engineering, LLC	4,000	Air Dispersion Modeling for Risk Management Plan
Cardno ENTRIX	49,287	Revising the Steelhead Appendix and reviewing the Riparian, Amphibian and Avian Habitat Appendices to the Environmental Study of Arroyo Valle
Parsons	20,000	Facilitated Workshops to provide training and guidance related to performance metrics
Total August 2013	\$117,287	



ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT, ZONE 7

100 NORTH CANYONS PARKWAY • LIVERMORE, CA 94551 • PHONE (925) 454-5000 • FAX (925) 454-5727

ORIGINATING SECTION: Administrative Services

CONTACT: Boni Brewer/Mike Wallace

AGENDA DATE: September 18, 2013

ITEM NO. 15b

SUBJECT: Communications Outreach Activities

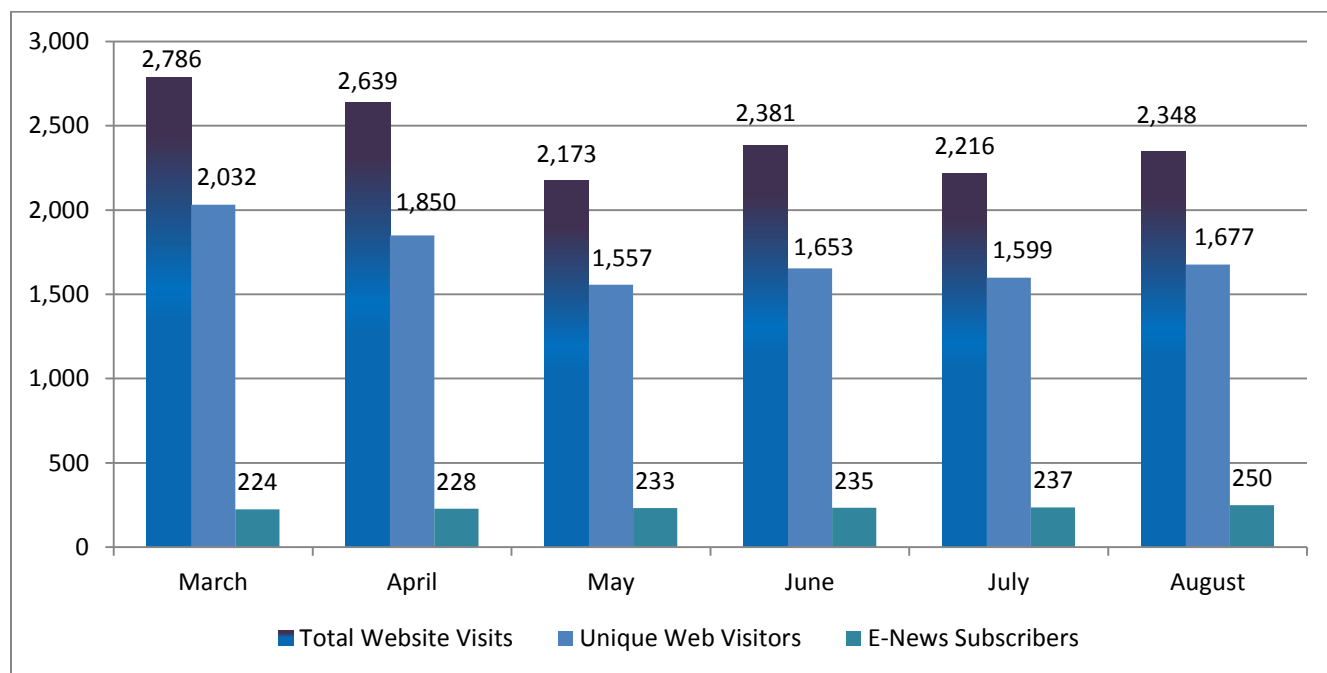
E-newsletter, August 8th and 29th

The August 8 e-newsletter covered 1) harmless earthy-musty taste and odor in drinking water being a temporary condition caused by warm summer conditions, 2) Zone 7's role in a recycled water project for the schools, 3) volunteer opportunities to help with arroyos, and 4) an update on the water jug pyramid. The August 29th e-newsletter covered the temporary closure of the Alamo Creek trail in Dublin to accommodate flood control maintenance. Both e-newsletters remain posted with other archived newsletters on Zone 7's website, www.zone7water.com/news/enewsletter-a-signups.

Water Jug Pyramid Road Show

Our 144-gallon water jug pyramid, depicting the average daily water use by each person in Zone 7's service area, was on display at the Dublin Library August 7th through September 4th.

Website & E-news Subscription Activity





ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT, ZONE 7

100 NORTH CANYONS PARKWAY • LIVERMORE, CA 94551 • PHONE (925) 454-5000 • FAX (925) 454-5727

ORIGINATING SECTION: Administration
CONTACT: Tom Pico/Tim Hunt

AGENDA DATE: September 18, 2013

ITEM NO. 15c

SUBJECT: Legislative Update

SUMMARY:

- Zone 7 staff, with the support of the Agency's lobbying firm, The Gualco Group, Inc., and the Agency's legislative support consultant, Tim Hunt, monitors legislation that is being considered in Sacramento, as well as other political activities of interest to the Agency.
- The Legislature is scheduled to recess on September 12 after the first year of the two-year session.
- AB 145 (Perea) was held in the Senate Finance Committee and is dead for the session. However, the one provision to which there are no objections (transferring the State Revolving Fund to the State Water Resources Control Board) has become the heart of Perea's two-paragraph AB 1393.
- AB 763 (Buchanan), which would allow the Department of Boating and Waterways to control and potentially eradicate aquatic non-native weeds as well as troublesome native water plants, was passed by the Senate Finance Committee and now is on the Senate Floor.
- The Water, Parks and Wildlife Committee amended AB 1331 to a \$6.5 billion water bond based upon the principles the committee introduced in July. The money is allocated in five buckets: \$1 billion for water quality including specific provisions for disadvantaged communities; \$1.5 billion to protect watersheds; \$1.5 billion for regional preparation for climate change; \$1 billion for Delta sustainability; and \$1.5 billion for storage. Cindy Tuck of ACWA testified in favor of increasing storage to the \$3 billion level in the existing bond as well as restoring Delta sustainability to \$2.25 billion. Senator Lois Wolk amended SB 42 as a replacement for the water bond. It totals \$5.6 billion and likely is a two-year bill.
- Senator Mark DeSaulnier (D-Concord), whose district includes Zone 7's service area; and Senator Kevin de Leon (D-Los Angeles) are considered the prime contenders to replace Senate leader Darrell Steinberg when Steinberg is termed out next year.
- The California Water Commission continues to debate the definition of "public trust," a decision that will determine appropriations if the water bond passes next year.

RECOMMENDED ACTION: Information only

ATTACHMENT: Executive Summary



EXECUTIVE SUMMARY State Legislation



**Prepared for the Zone 7 Water Agency, Eastern Alameda County
by The Gualco Group, Inc.
September 18, 2013**

Bill	Topic	Synopsis	Staff Recommendation	Status of the Bill/Comments as of 9/4/13
Delta Environment				
<u>AB 763</u> <u>(Buchanan)</u>	Aquatic invasive plants: control and eradication	The bill would designate the Department of Boating and Waterways as the lead agency of the state for the purpose of cooperating with other state, local, and federal agencies in identifying, detecting, controlling, and administering programs to manage invasive aquatic plants, as defined, in the Sacramento-San Joaquin Delta, its tributaries, and the Suisun Marsh.	Support	On Senate Floor
<u>AB 1259</u> <u>(Olsen)</u>	Sacramento-San Joaquin Valley	This bill related to the Central Valley Flood Protection Plan would include, among the findings that exempt a city or county within the Sacramento-San Joaquin Valley from its prohibitions and requirements, a finding that property in an undetermined risk area has met the urban level of flood protection based on substantial evidence in the record.	Watch	On Governor's Desk
<u>SB 735</u> <u>(Wolk)</u>	Sacramento-San Joaquin Delta Reform Act of 2009: multispecies conservation plan	This bill would allow the Delta Stewardship Council; the Department of Fish and Wildlife; the Counties of Contra Costa, Sacramento, and Solano; the Yolo County Habitat/Natural Community Conservation Plan Joint Powers Agency; and the San Joaquin Council of Governments to enter into a memorandum of understanding that describes how the parties would ensure that multispecies conservation plans that have been adopted or are under development are consistent with the Delta Plan.	Watch	Dead

Bill	Topic	Synopsis	Staff Recommendation	Status of the Bill/Comments as of 9/4/13
SB 749 (Wolk)	Habitat protection: Endangered species	The bill would require the Department of Fish and Wildlife to annually provide an opportunity for licensed hunters to comment and make recommendations on the public hunting programs, including anticipated habitat conditions in the hunting areas on Type A and Type B Wildlife Areas, as defined under the commission's regulations, through public meetings or other means as the department deems appropriate. This bill would, when agricultural lands are being idled in order to provide water for transfer and an amount of water is determined to be made available by that idling, require landowners to be encouraged to cultivate or retain nonirrigated cover crops or natural vegetation to provide waterfowl, upland game bird, or other wildlife habitat.	Watch	On Assembly Floor
Water Bond				
AB 1331 (ASM CMTE on WP&W)	Climate Change Response for Clean and Safe Drinking Water Act of 2004	This bill would enact the Climate Change Response for Clean and Safe Drinking Water Act of 2014, which, if adopted by the voters, would authorize the issuance of bonds in the amount of \$6,500,000,000 pursuant to the State General Obligation Bond Law to finance a climate change response for clean and safe drinking water program. This bill would provide for the submission of the bond act to the voters at the November 4, 2014, statewide general election.	Watch	Senate Committee on Natural Resources and Water
SB 42 (Wolk)	Safe Drinking Water, Water Quality, and Flood Protection Act of 2014	This bill would enact the Safe Drinking Water, Water Quality, and Flood Protection Act of 2014, which, if adopted by the voters, would authorize the issuance of bonds in the amount of \$5,600,000,000 pursuant to the State General Obligation Bond Law to finance a safe drinking water, water quality, and flood protection program. The bill would provide for the submission of the bond act to the voters at the November 4, 2014, statewide general election.	Watch	Senate Committee on Natural Resources and Water – Likely a 2-year bill
Drinking Water Program				
AB 145 (Perea)	State Water Resources Control Board: Drinking Water	This bill would transfer to the State Water Resources Control Board the various duties and responsibilities imposed on the Department of Public Health by the California Safe Drinking Water Act.	Oppose Unless Amended	Dead

Bill	Topic	Synopsis	Staff Recommendation	Status of the Bill/Comments as of 9/4/13
AB 1393 (Perea)	Safe Drinking Water State Revolving Fund	This bill would transfer the administration of the fund and the grant and loan program to the State Water Resources Control Board	Watch	
Water Transfer				
AB 426 (Salas)	Water: water transfers: water rights decrees	Under current law, any water right determined under a court decree issued after January 1, 1981, is transferable as specified. This bill would eliminate the requirement that a court decree be issued after January 1, 1981.	Watch	On Senate Floor
Water Recycling				
AB 803 (Hueso)	Water Recycling Act of 2013	This bill would change reporting requirements for the discharge of treated sewage effluent when defined as recycled water. It also would authorize compliance with effluent limitations for the release or discharge of recycled water determined to be suitable for direct potable reuse or surface water augmentation.	Watch	To Enrolling and Engrossing
AB 1200 (Levine)	Recycled water: agricultural irrigation impoundments: pilot project	This bill would, before October 1, 2014, and until January 1, 2018, permit the San Francisco Bay Regional Water Quality Board to authorize a voluntary pilot project for the purposes of investigating potential water quality impacts associated with maximizing the supplementation of agricultural irrigation impoundments with disinfected tertiary treated recycled water, if the regional board finds that the proposed pilot project satisfies specified criteria. This bill would require the pilot project to include a stakeholder advisory group, composed as prescribed, to review and provide input on pilot project design, implementation, and data analysis. This bill would repeal these provisions on January 1, 2018.	Watch	On Senate Floor
Public Works				
AB 44 (Buchanan)	Subletting and Subcontracting Fair Practices Act: bidding practices	This bill would, commencing July 1, 2014, require that the California contractor license number of each subcontractor be provided when an entity takes bids for the construction of any public work or improvement.	Watch	On Governor's Desk

Bill	Topic	Synopsis	Staff Recommendation	Status of the Bill/Comments as of 9/4/13
SB 731 (Steinberg)	Environmental Quality Act	This bill would require the lead agency, at the request of a project applicant for specified projects, to, among other things, prepare a record of proceedings concurrently with the preparation of negative declarations, mitigated negative declarations, EIRs, or other environmental documents for specified projects. This bill would authorize the tolling of the time period in which a person is required to bring a judicial action or proceeding challenging a public agency's action taken pursuant to CEQA through a tolling agreement that does not exceed 4 years. This bill would require the court to issue an order that includes a peremptory writ of mandate specifying actions that a public agency must take to comply with CEQA requirements. The bill would require the writ to specify the time by which the public agency is to file an initial return to a writ containing specified information.	Oppose Unless Amended	On Assembly Floor
Special Taxes: Voter Approval				
ACA 8 (Blumenfield)	Local government financing: voter approval	This bill would create an additional exception to the 1% limit for a rate imposed by a city, county, city and county, or special district, as defined, to service bonded indebtedness incurred to fund specified public improvements and facilities, or buildings used primarily to provide sheriff, police, or fire protection services, that is approved by 55% of the voters of the city, county, city and county, or special district, as applicable.	Support	Senate Committee on Governance and Finance
SCA 9 (Corbett)	Local government: economic development: special taxes: voter approval	This measure would provide that the imposition, extension or increase of a special tax by a local government for the purpose of providing funding for community and economic development projects requires the approval of 55% of its voters voting on the proposition.	Watch	Senate Committee on Appropriations
SCA 11 (Hancock)	Local government: special taxes: voter approval	The California Constitution conditions the imposition of a special tax by a local government upon the approval of 2/3 of the voters of the local government voting on that tax, and prohibits a local government from imposing an ad valorem tax on real property or a transactions tax or sales tax on the sale of real property. This measure would instead condition the imposition, extension, or increase of a special tax by a local government upon the approval of 55% of the voters voting on the proposition.	Watch	Senate Committee on Appropriations

Bill	Topic	Synopsis	Staff Recommendation	Status of the Bill/Comments as of 9/4/13
------	-------	----------	----------------------	--

Groundwater/Hydraulic Fracturing

AB 7 (Wieckowski)	Oil and gas: hydraulic fracturing	This bill would revise existing procedures to require the operator of a well to file an application before commencing drilling of an oil or gas well, and would prohibit drilling until approval or denial of the application is given by the supervisor or district deputy within 30 working days. The bill would require, on and after January 1, 2014, additional information to be included in the application, including information regarding the chemicals, if any, to be injected into a well. This bill would additionally require the operator prior to drilling, redrilling, or deepening operations, to submit proof to the supervisor that the applicable regional water quality control board has approved the disposal method and location of wastewater disposal for the well.	Watch	On Assembly Floor
SB 4 (Pavley)	Oil and gas: well stimulation	The bill would require the Secretary of the Natural Resources Agency, on or before January 1, 2015, to cause to be conducted an independent scientific study on hydraulic fracturing treatments. The bill would require an operator of a well to record and include all data on hydraulic fracturing treatments, as specified. It would require DOGGR, in consultation with DTSC, the ARB, the SWRCB, the Department of Resources Recycling and Recovery, and any local air districts and regional water quality control boards in areas where hydraulic fracturing treatments may occur, on or before January 1, 2015, to adopt rules & regulations specific to hydraulic fracturing, including governing construction of wells/well casings as specified.	Watch	On Assembly Floor
SB 620 (Wright)	Water Replenishment Districts	Current law, the Water Replenishment District Act, generally authorizes a water replenishment district to establish an annual reserve fund in an amount not to exceed \$10,000,000 commencing with the 2000-01 fiscal year, and thereafter, as that amount is adjusted annually. The act requires a minimum of 80% of the reserve fund to be expended for water purchases. This bill would, until the 2019-20 fiscal year, eliminate the requirement that at least 80% of the reserve fund be expended for water purchases.	Watch	On Assembly Floor

Bill	Topic	Synopsis	Staff Recommendation	Status of the Bill/Comments as of 9/4/13
Drinking Water				
AB 21 (Alejo)	Safe Drinking Water Small Community Emergency Grant Fund	This bill would authorize the Department of Public Health to assess a specified annual charge in lieu of interest on loans for water projects made pursuant to the Safe Drinking Water State Revolving Fund, and deposit that money into the Safe Drinking Water Small Community Emergency Grant Fund, which the bill would create in the State Treasury.	Watch	On Senate Floor
AB 115 (Perea)	Safe Drinking Water State Revolving Fund	This bill would authorize the State Department of Public Health to fund projects, by grant, loan, or a combination of the two, where multiple water systems apply for funding as a single applicant for the purpose of consolidating water systems or extending services to households relying on private wells, as specified. The bill would authorize funding of a project to benefit a disadvantaged community that is not the applying agency.	Watch	On Senate Floor
AB 118 (ASM ES&TM)	Safe Drinking Water State Revolving Fund	This bill would limit loans and grants from the Safe Drinking Water State Revolving Fund for planning and preliminary engineering studies, project design & construction costs to those incurred by community and not-for-profit non-community public water systems and specify that a small community water system or non-transient non-community water system that is owned by a public agency or a private not-for-profit water company and serves a severely disadvantaged community, is deemed to have no ability to repay a loan.	Watch	On Senate Floor
AB 119 (ASM ES&TM)	Water treatment devices	This bill would revise the criteria and procedure for certification of water treatment devices for which a health or safety claim is made and would require each manufacturer that offers for sale in California one of those water treatment devices to submit specified information, including the manufacturer's contact information, product identification information, and specific contaminant claimed to be removed or reduced by the device to the Department of Public Health for purposes of inclusion on the department's Internet Web site.	Watch	On Senate Floor



ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT, ZONE 7

100 NORTH CANYONS PARKWAY • LIVERMORE, CA 94551 • PHONE (925) 454-5000 • FAX (925) 454-5727

ORIGINATING DIVISION: ADMINISTRATIVE SERVICES

CONTACT PERSON: JAVIA GREEN

AGENDA DATE: September 18, 2013

ITEM NO. 15d

SUBJECT: Monthly Budget Report

SUMMARY:

A new financial software system (New World) was implemented on July 1, 2013, starting with fiscal year 2013/14. New World allows us to provide monthly updates on both revenue and expenses.

This report replaces the current Water Sales and Connection Fee Revenue Staff Report previously provided to the Board. It provides a summary of budget performance, along with an explanation of any major variances. Due to fiscal year-end activities, not a lot of transactions (i.e., payroll) have been manually entered into the system yet. However, as the fiscal year progresses, there will be more entries in New World to report. Eventually, should Zone 7 begin doing its own payroll, these entries will be automatic.

Water Enterprise Fund – Fund 100 (formerly Fund 52)

Category	12/13 Unaudited Actual ¹	13/14 Adopted Budget ²	13/14 YTD Actual	% Used/Received
Revenue	\$ 39,469,514	\$ 41,823,474	\$ 4,863,542	11.6%
Expenses	\$ 35,261,799	\$ 41,823,474	\$ 1,380,549	3.3%

This fund provides financing for the acquisition and conveyance of raw water, treatment and delivery to the Zone 7 service area. The primary source of revenue for this fund is treated water sales. YTD revenue includes the sale of 4,989-acre feet of treated water in July 2013. Year-to-date (YTD) expenses reflect payment to the State of California for the monthly variable water charge, chemicals and maintenance costs.

State Water Facilities Fund – Fund 110 (formerly Fund 51)

Category	12/13 Unaudited Actual	13/14 Adopted Budget	13/14 YTD Actual	% Used/Received
Revenue	\$ 12,040,842	\$ 14,118,181	\$ 92,844	0.7%
Expenses	\$ 14,002,380	\$ 14,118,181	\$ 4,514,059	32.0%

This is a pass-through fund for fixed charges associated with the State Water Project, assessed as property tax override. YTD revenue is a refund from the Department of Water Resources (DWR). Property tax revenue is yet to be posted because it is generally received in the winter and spring. YTD expenses reflect payments to the State of California for fixed costs.

Water Renewal/Replacement & System-wide Improvements – Fund 120 (formerly Fund 72)

Category	12/13 Unaudited Actual	13/14 Adopted Budget	13/14 YTD Actual	% Used/Received
Revenue	\$ 7,244,897	\$ 14,920,377	\$ 63,630	0.4%
Expenses	\$ 3,997,261	\$ 14,920,377	\$ 107,108	0.7%

This fund pays for capital projects addressing the replacement and improvement of the current water treatment and delivery system. The primary source of funding is a transfer from Fund 100 – Water Enterprise. This transfer is made quarterly. YTD revenue received is from Dougherty Valley Facility Use Fees. Expenses reflect the North Canyons lease payment, laboratory equipment and miscellaneous supplies.

Water Expansion – Fund 130 (formerly Fund 73)

Category	12/13 Unaudited Actual	13/14 Adopted Budget	13/14 YTD Actual	% Used/Received
Revenue	\$ 29,176,830	\$ 52,528,015	\$ 3,666,369	7.0%
Expenses	\$ 18,814,437	\$ 52,528,015	\$ 105,314	0.2%

This fund is intended to provide funding for new facilities and supplies to meet the demands of new development. The primary source of revenue is connection fees. YTD connection fee revenue totals \$1.78M, slightly less than the projection of \$1.8M for August. A total of six connection fee credits were used totaling another \$0.141M, while 669 credits remain outstanding (valued at \$15.7M at the 2013 connection fee level). Expenses reflect payments to DWR, the North Canyons lease payment, and interest on the ISA.

Flood Protection Operations – Fund 200 (formerly Fund 50)

Category	12/13 Unaudited Actual	13/14 Adopted Budget	13/14 YTD Actual	% Used/Received
Revenue	\$ 6,151,496	\$ 22,230,365	\$ 156,350	0.70%
Expenses	\$ 5,355,913	\$ 22,230,365	\$ 25,058	0.11%

This fund provides funding for general administration and the maintenance and improvement of the existing flood protection system. Similar to Fund 110 - State Water Facilities Fund, property tax revenue is yet to be posted because it is received in the winter and spring. Of the revenue posted, \$139K is funding from Alameda County Surplus Property Authority (ACSPA) for the purposes of mitigating impacts of their Stoneridge Bridge project. Expenses include the North Canyons lease payment and flood control planning.

Flood Protection and Stormwater Drainage – Fund 210 (formerly Fund 76)

Category	12/13 Unaudited Actual	13/14 Adopted Budget	13/14 YTD Actual	% Used/Received
Revenue	\$ 5,180,102	\$ 5,962,539	\$ 130,778	2.2%
Expenses	\$ 1,227,729	\$ 5,962,539	\$ 14,871	0.2%

This fund provides funding for flood protection facilities required for new development. YTD revenue is from development impact fees and funding from ACSPA. Expenses also include the North Canyons lease payment and flood control planning.

Notes:

1. On this summary, the FY 12/13 Unaudited Actual amounts are from the former financial system (Fundware). The attached report shows the FY 12/13 Budget because FY 12/13 actuals were not posted in New World.
2. For the FY 13/14 Adopted Budget, revenue matches expenses because reserves are appropriated to achieve a balanced budget.

RECOMMENDED ACTION:

Information only.

ATTACHMENT:

Zone 7 Water Agency Annual Budget by Account Classification Report

ZONE 7 WATER AGENCY

Annual Budget by Account Classification Report

Budget Summary

	FY 12/13 Budget	FY 13/14 Budget	FY 13/14 YTD Actual	% Used/Rec
FUND: 100 Water Enterprise Operations				
Revenue				
411 - Water Sales & Service	\$37,085,455.00	\$37,664,745.00	\$4,798,600.18	12.7%
441 - Charges for Services	\$0.00	\$0.00	\$0.00	-
452 - Aid from Governmental Agencies - State	\$700.00	\$700.00	\$0.00	0.0%
461 - Investment Earnings	\$95,000.00	\$95,000.00	\$0.00	0.0%
462 - Rents and Royalties	\$31,000.00	\$31,000.00	\$1,185.69	3.8%
481 - Other Revenue	\$93,300.00	\$93,300.00	\$63,755.78	68.3%
499 - Transfers	\$0.00	\$3,938,729.00	\$0.00	0.0%
Revenue Totals	\$37,305,455.00	\$41,823,474.00	\$4,863,541.65	11.6%
Expenditures				
511 - Personal Services - Salaries and Wages ¹	\$12,979,972.00	\$13,325,249.00	\$0.00	0.0%
512 - Personal Services - Overtime ¹	\$204,410.00	\$206,778.00	\$0.00	0.0%
513 - Personal Services - Benefits ¹	\$5,935,795.00	\$6,388,757.00	\$340.00	0.0%
600 - Labor & Overhead Distributed ²	(\$7,587,903.00)	(\$7,803,870.00)	\$0.00	0.0%
611 - Purchased Services	\$3,458,839.00	\$4,074,437.00	\$3,629.50	0.1%
621 - Water	\$5,327,008.00	\$6,878,235.00	\$867,629.10	12.6%
631 - Chemicals	\$3,490,885.00	\$2,841,522.00	\$112,141.10	3.9%
641 - Utilities	\$1,664,556.00	\$1,822,126.00	(\$480.24)	0.0%
643 - Communications	\$227,508.00	\$174,755.00	\$9,594.03	5.5%
651 - Cleaning Services	\$64,196.00	\$48,835.00	\$4,558.75	9.3%
652 - Repairs and Maintenance	\$2,955,100.00	\$2,381,514.00	\$100,973.48	4.2%
653 - Rental Services	\$113,200.00	\$108,650.00	\$5,616.31	5.2%
661 - General Office Services/ Supplies	\$904,375.00	\$584,385.00	\$19,745.13	3.4%
662 - Organizational Membership/ Participation	\$452,323.00	\$519,283.00	\$224,877.46	43.3%
665 - Other Services/ Supplies	\$726,440.00	\$769,206.00	\$6,350.14	0.8%
667 - Training and Travel	\$424,296.00	\$395,220.00	\$13,077.61	3.3%
669 - Special Departmental Expense	\$826,500.00	\$586,392.00	\$1,997.92	0.3%
671 - Equipment, Furniture and Vehicles	\$37,000.00	\$22,000.00	\$10,498.81	47.7%
691 - Transfers	\$0.00	\$8,500,000.00	\$0.00	0.0%
Expenditure Totals	\$32,204,500.00	\$41,823,474.00	\$1,380,549.10	3.3%
FUND Total: Water Enterprise Operations	\$5,100,955.00	\$0.00	\$3,482,992.55	
FUND: 110 State Water Facilities				
Revenue				
411 - Water Sales & Service	\$1,314,313.00	\$1,299,710.00	\$0.00	0.0%
421 - Property Taxes	\$10,150,000.00	\$11,247,000.00	\$0.00	0.0%
452 - Aid from Governmental Agencies - State	\$45,000.00	\$45,000.00	\$0.00	0.0%
453 - Aid from Governmental Agencies - Local	\$505.00	\$611.00	\$0.00	0.0%
461 - Investment Earnings	\$25,750.00	\$16,522.00	\$0.00	0.0%
481 - Other Revenue	\$1,065,403.00	\$1,189,542.00	\$92,844.00	7.8%
499 - Transfers	\$0.00	\$319,796.00	\$0.00	0.0%
Revenue Totals	\$12,600,971.00	\$14,118,181.00	\$92,844.00	0.7%
Expenditures				
621 - Water	\$13,974,125.00	\$14,118,181.00	\$4,514,058.68	32.0%
669 - Special Departmental Expense	\$0.00	\$0.00	\$0.00	-
Expenditure Totals	\$13,974,125.00	\$14,118,181.00	\$4,514,058.68	32.0%
FUND Total: State Water Facilities	(\$1,373,154.00)	\$0.00	(\$4,421,214.68)	

ZONE 7 WATER AGENCY

Annual Budget by Account Classification Report

Budget Summary

	FY 12/13 Budget	FY 13/14 Budget	FY 13/14 YTD Actual	% Used/Rec
FUND: 120 Water Enterprise Capital IR&R				
Revenue				
431 - Development Fees	\$26,550.00	\$250,000.00	\$63,580.00	25.4%
441 - Charges for Services	\$0.00	\$7,500.00	\$50.00	0.7%
461 - Investment Earnings	\$141,703.00	\$74,462.00	\$0.00	0.0%
499 - Transfers	\$6,600,000.00	\$14,588,415.00	\$0.00	0.0%
Revenue Totals	\$6,768,253.00	\$14,920,377.00	\$63,630.00	0.4%
Expenditures				
653 - Rental Services	\$0.00	\$0.00	\$44,497.50	
669 - Special Departmental Expense ³	\$12,023,062.00	\$14,920,377.00	\$0.00	0.0%
671 - Equipment, Furniture and Vehicles	\$0.00	\$0.00	\$60,980.09	-
672 - Land and Facility Improvements	\$0.00	\$0.00	\$1,630.74	-
Expenditure Totals	\$12,023,062.00	\$14,920,377.00	\$107,108.33	0.7%
FUND Total: Water Enterprise Capital IR&R	(\$5,254,809.00)	\$0.00	(\$43,478.33)	
FUND: 130 Water Enterprise Cap Expansion				
Revenue				
431 - Development Fees	\$12,382,587.00	\$18,400,000.00	\$3,666,369.30	19.9%
461 - Investment Earnings	\$89,885.00	\$166,565.00	\$0.00	0.0%
481 - Other Revenue	\$2,539,000.00	\$2,381,600.00	\$0.00	0.0%
499 - Transfers	\$0.00	\$31,579,850.00	\$0.00	0.0%
Revenue Totals	\$15,011,472.00	\$52,528,015.00	\$3,666,369.30	7.0%
Expenditures				
621 - Water	\$19,021,116.00	\$18,654,187.00	\$30,216.20	0.2%
653 - Rental Services	\$0.00	\$0.00	\$34,609.17	-
662 - Organizational Membership/ Participation	\$0.00	\$0.00	\$16,200.00	-
669 - Special Departmental Expense	\$3,434,263.00	\$3,120,347.00	\$856.25	0.0%
671 - Equipment, Furniture and Vehicles	\$0.00	\$0.00	\$313.01	-
672 - Land and Facility Improvements	\$0.00	\$0.00	\$78.85	-
675 - Debt Service	\$0.00	\$30,753,481.00	\$23,040.48	0.1%
Expenditure Totals	\$22,455,379.00	\$52,528,015.00	\$105,313.96	0.2%
FUND Total: Water Enterprise Cap Expansion	(\$7,443,907.00)	\$0.00	\$3,561,055.34	

ZONE 7 WATER AGENCY

Annual Budget by Account Classification Report

Budget Summary

	FY 12/13 Budget	FY 13/14 Budget	FY 13/14 YTD Actual	% Used/Rec
FUND: 200 Flood Protection Operations				
Revenue				
421 - Property Taxes	\$5,873,310.00	\$5,979,557.00	\$0.00	0.0%
441 - Charges for Services	\$3,000.00	\$3,000.00	(\$365.00)	-12.2%
452 - Aid from Governmental Agencies - State	\$54,000.00	\$54,000.00	\$0.00	0.0%
453 - Aid from Governmental Agencies - Local	\$690.00	\$690.00	\$0.00	0.0%
461 - Investment Earnings	\$112,619.00	\$110,600.00	\$0.00	0.0%
462 - Rents and Royalties	\$17,500.00	\$17,500.00	\$17,274.69	98.7%
481 - Other Revenue	\$35,000.00	\$35,000.00	\$139,440.00	398.4%
499 - Transfers	\$0.00	\$16,030,018.00	\$0.00	0.0%
Revenue Totals	\$6,096,119.00	\$22,230,365.00	\$156,349.69	0.7%
Expenditures				
600 - Labor & Overhead Distributed	\$1,218,073.00	\$2,100,065.00	\$0.00	0.0%
611 - Purchased Services	\$1,396,975.00	\$1,872,000.00	\$11,454.63	0.6%
643 - Communications	\$3,000.00	\$2,200.00	\$0.00	0.0%
651 - Cleaning Services	\$6,000.00	\$10,000.00	\$1,086.00	10.9%
652 - Repairs and Maintenance	\$2,795,000.00	\$3,742,156.00	\$2,307.53	0.1%
653 - Rental Services	\$25,000.00	\$145,500.00	\$10,068.33	6.9%
661 - General Office Services/ Supplies	\$64,100.00	\$19,550.00	\$0.00	0.0%
662 - Organizational Membership/ Participation	\$77,000.00	\$123,500.00	\$0.00	0.0%
665 - Other Services/ Supplies	\$22,000.00	\$28,400.00	\$141.75	0.5%
667 - Training and Travel	\$18,500.00	\$30,900.00	\$0.00	0.0%
669 - Special Departmental Expense	\$25,000.00	\$13,333.00	\$0.00	0.0%
671 - Equipment, Furniture and Vehicles	\$3,500.00	\$0.00	\$0.00	-
672 - Land and Facility Improvements	\$0.00	\$14,142,761.00	\$0.00	0.0%
Expenditure Totals	\$5,654,148.00	\$22,230,365.00	\$25,058.24	0.1%
FUND Total: Flood Protection Operations	\$441,971.00	\$0.00	\$131,291.45	
FUND: 210 Flood Protection/Drainage DIF				
Revenue				
431 - Development Fees	\$1,872,436.00	\$2,500,000.00	\$102,217.50	4.1%
461 - Investment Earnings	\$154,894.00	\$132,000.00	\$0.00	0.0%
481 - Other Revenue	\$0.00	\$0.00	\$28,560.00	-
499 - Transfers	\$0.00	\$3,330,539.00	\$0.00	0.0%
Revenue Totals	\$2,027,330.00	\$5,962,539.00	\$130,777.50	2.2%
Expenditures				
600 - Labor & Overhead Distributed	\$0.00	\$0.00	\$0.00	-
611 - Purchased Services	\$0.00	\$0.00	\$4,982.37	-
643 - Communications	\$0.00	\$0.00	\$0.00	-
653 - Rental Services	\$0.00	\$0.00	\$9,888.33	-
669 - Special Departmental Expense	\$3,347,956.00	\$5,962,539.00	\$0.00	-
Expenditure Totals	\$3,347,956.00	\$5,962,539.00	\$14,870.70	0.2%
FUND Total: Flood Protection/Drainage DIF	(\$1,320,626.00)	\$0.00	\$115,906.80	
Revenue Grand Totals:	\$79,809,600.00	\$151,582,951.00	\$8,973,512.14	5.9%
Expenditure Grand Totals:	\$89,659,170.00	\$151,582,951.00	\$6,146,959.01	4.1%
Net Grand Totals⁴:	(\$9,849,570.00)	\$0.00	\$2,826,553.13	

Notes:

1. Agency-wide salaries, wages, overtime and benefits are budgeted in Fund 100.
2. This is a credit to Fund 100 for salaries, wages, overtime and benefits charged to other funds.
3. Capital project expenses such as salaries and benefits, professional services and construction costs are budgeted in Special Departmental Expense.
4. For the FY 13/14 Budget, revenue matches expenses because reserves are appropriated to achieve a balanced budget. This method was not used for the FY 12/13 budget.