

September 17, 2008

RECEIVED

SEP 19 2008

SAN LORENZO VALLEY  
WATER DISTRICT

James Mueller, District Manager  
San Lorenzo Valley Water District  
13060 Highway 9  
Boulder Creek, CA 95006-9119

Re: SLVWD v. California American Water Co.

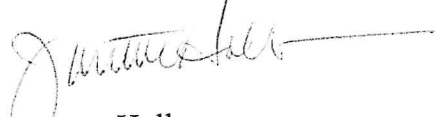
Dear Mr. Mueller:

Enclosed for your file please find the following documents:

1. Settlement and Asset Purchase Agreement containing original signatures
2. Second Amended Complaint in Eminent Domain, filed 9/3/08
3. Stipulation for Entry of Judgment in Condemnation, filed 9/3/08
4. Judgment in Condemnation, filed 9/4/08
5. Final Order of Condemnation, filed 9/8/08, recorded 9/10/08

Very truly yours,

RUTAN & TUCKER, LLP



Janette Hollmer  
Secretary to Jeffrey M. Oderman

Enclosures

## SETTLEMENT AND ASSET PURCHASE AGREEMENT

THIS SETTLEMENT AND ASSET PURCHASE AGREEMENT ("Agreement") is effective on the date it is executed by both Parties (the "Agreement Date"), and is made and entered into by and between CALIFORNIA-AMERICAN WATER COMPANY, a California corporation (the "Company"), and the SAN LORENZO VALLEY WATER DISTRICT ("SLVWD"), a public entity. The Company and SLVWD are sometimes hereinafter referred to individually as a "Party" and collectively as the "Parties." Capitalized terms not otherwise defined herein shall have the meanings set forth in Section 1 of this Agreement below.

### RECITALS:

A. The Company is a wholly owned subsidiary of American Water Works Company, Inc. ("American Water"). The Company is a public water utility regulated by the California Public Utilities Commission ("CPUC") and it provides water service to residential, commercial, and/or industrial customers in the Felton community of Santa Cruz County and in eight other separate systems in the California counties of San Diego, Monterey, Sacramento, San Mateo, Placer, Los Angeles, and Ventura.

B. SLVWD is a public entity formed as a county water district and located in Santa Cruz County, California. The real property portion of the Company's water system serving the Felton community is located within SLVWD's authorized boundaries.

C. On February 21, 2007, SLVWD filed a Complaint in Eminent Domain to condemn the Company's water system serving the Felton community in the Superior Court of Santa Cruz County, California, styled San Lorenzo Valley Water District v. California-American Water Company, Case No. CISCV156413 (the "Litigation").

D. On May 27, 2008, the Parties participated in a mediation proceeding with Edmund L. Regalia, Esq., serving as the mediator. The Parties reached a Settlement Agreement (After Mediation) (the "Mediation Agreement") on May 27, 2008. A copy of the Mediation Agreement signed by the Parties is attached hereto as Exhibit 1 and is incorporated herein by reference. The Mediation Agreement was placed on the record in the Litigation at the trial call that occurred on May 30, 2008. As provided for in the Mediation Agreement, the Parties wish to prepare and execute a more formal and detailed written agreement to embody the provisions of their settlement.

**NOW THEREFORE**, in consideration of the premises and the mutual promises herein made, and in consideration of the representations and covenants herein contained, the Parties agree as follows:

#### 1. Definitions.

"Accounts Receivable" means all unpaid bills for tariffed water services furnished through the Felton Water System and issued by the Company at any time prior to the date of



Closing and outstanding on the date of Closing. As used herein, the term "Accounts Receivable" does not include the SDWBL Surcharge.

"Bull Creek Contract" means the construction contract in substantially the form attached hereto as Exhibit 2, in which the Company agrees to complete the Bull Creek Relocation Project, as described therein, at its expense.

"Citizens' Transaction" means the global, multi-state purchase agreement between Citizens Utilities Company and American Water through which the Company acquired the Felton Water System and Non-Operating Assets.

"Closing" means the date on which both of the following occur: (i) the Company delivers to SLVWD physical possession of the Operating Assets and all of the documents and items referred to in Section 11(c) of this Agreement that the Company is required to deliver at the Closing; and (ii) SLVWD delivers to the Company all of the funds, documents, and items referred to in Section 11(d) of this Agreement that SLVWD is required to deliver at the Closing. The Parties agree to exercise commercially reasonable diligence to cause the Closing to occur on or before September 5, 2008, or on such other date as the Parties may agree in writing.

"Company's Business" means all activities of the Company in conjunction with its ownership and operation of the Felton Water System prior to the Closing.

"CPUC" means the California Public Utilities Commission.

"Excluded Assets" means any tangible and intangible assets owned or used by the Company in the operation of the Felton Water System that are not physically located within the Felton Water System service area (except for Transferrable Records) or that are not transferrable. Not by way of limitation of the foregoing, Excluded Assets include, but are not limited to: securities, rights and obligations in or arising out of lawsuits or claims made by or against third parties (whether or not such lawsuits or claims are filed or presented prior to or after the Closing), intellectual property (including without limitation the Company's trademarks, tradenames, trade dress (or the rights to use them) and any rights the Company may have in and to any computer software programs or licenses), rights and obligations with respect to the receipt of goods and/or services under contracts or open purchase orders (whether as a direct party or as a third-party beneficiary), rights in or to assets owned or controlled by any employee benefit plan, and any non-transferrable or non-assignable lien, easement, lease, license, or permit, unless SLVWD shall have obtained consent to such transfer or assignment at its sole expense. Any record, wherever located, if it is not a Transferrable Record, is an Excluded Asset. Excluded Assets do not include the SDWBL Surcharge or any of the personal property assets listed in the definition of "Operating Assets" below.

"Grant Deed" means the grant deed by which the Company shall convey legal title to the Non-Operating Assets to SLVWD. The form of the Grant Deed is set forth in Exhibit 3 to this Agreement.

"Non-Operating Assets" means the approximately 252 acres of real property and timber thereon that is situated on the westerly side of and adjacent to Felton Empire Road north of

Shingle Mill Lane and west of the unincorporated town of Felton, California. Said property is vacant land, without a legal mailing address, and is sometimes referred to as the "Felton Empire Road Property." The Santa Cruz County Assessor identifies the property as APN's 064-011-01 and -02; 064-021-04, -07, -18, -22 and -23; 064-201-34 and -35; and 064-381-05, -06, -16, -17, and -20.

"Operating Assets" and/or "Felton Water System" means all of the tangible and intangible assets owned or utilized by the Company solely in the operation of the Company's water system serving the Felton community, including without limitation, the water sources, storage, treatment, distribution mains, service lines, hydrants, valves, real property, water pumping rights, SCADA computer software system, transferrable licenses and transferrable permits and Transferrable Records. Operating Assets and/or Felton Water System shall also specifically include the SDWBL Surcharge. Not by way of limitation of the foregoing, Operating Assets and/or Felton Water System shall also specifically include the following personal property assets: (i) the following vehicles: 1997 Dodge 2500 4x4 VIN 1B6KF2675VJ621717, 1999 Dodge 1500 4x4 VIN 1B7GG22XXS111122, 1997 Dodge 1500 4x4 VIN 1B7GG23X6VS291355, and 1997 Chevrolet 2500 4x4 VIN 1GBGC24R1VE145783; (ii) the three computer towers currently located in the Felton Acres office (which may be "sanitized" prior to the Closing); (iii) the dedicated meter reading computer, four hand-helds, and associated radio-read equipment; (iv) the Neptune software (initial repository for downloaded meter data); and (v) the equipment and inventory listed in Exhibit 4 attached hereto (to the extent the items on said list are not already included in one or more of the categories of Operating Assets and/or Felton Water System identified above). Operating Assets and/or Felton Water System do not include any Excluded Assets or the Non-Operating Assets.

"Person" means an individual, a partnership, a corporation, an association, a joint stock company, a trust, a joint venture, an unincorporated organization, or a governmental entity (or any department, agency, or political subdivision thereof).

"SDWBL Loan" means the California Safe Drinking Water Bond Law of 1988 Loan No. E51065, as amended and assumed by the Company after the acquisition of the Felton Water System and Non-Operating Assets in the Citizens Transaction.

"SDWBL Surcharge" means the revenue collected within 120 days of Closing by or on behalf of the Company, in accordance with its tariff, as a surcharge from customers of the Felton Water System to pay the SDWBL Loan. SLVWD shall not be entitled to any revenue from the SDWBL Surcharge that is collected by the Company after 120 days from Closing.

"Second Amended Complaint" means the Second Amended Complaint to be filed by SLVWD in the Litigation, as referred to in Section 2 of this Agreement. The form of the Second Amended Complaint shall be substantially as set forth in Exhibit 5 attached to this Agreement.

"Transferrable Records" means all of the Company's business records (in whatever format) relating to the Felton Water System in their current condition, including without limitation all customer records and information, reports, maps, plans and specifications for all of the tangible personal property Operating Assets, other engineering records and drawings,



equipment maintenance records, and records relating to compliance with applicable governmental requirements and regulations; provided, however, that "Transferrable Records" excludes those records that are not severable from other records of the Company and any electronic records that are available only from unsegregated backup or disaster recovery media or are not reasonably transferrable to SLVWD unless and to the extent SLVWD requests such records prior to Closing, pays the full cost incurred to locate, segregate, and retrieve such other records, and the Company can feasibly provide said records prior to Closing.

"Unbilled Services" means amounts payable to the Company, but not yet billed as of the Closing, for tariffed water supplied and services rendered to customers of the Felton Water System prior to the Closing. Unbilled Services shall not include the SDWBL Surcharge.

2. Second Amended Complaint. Within five (5) days after the execution and delivery of this Agreement SLVWD shall file the Second Amended Complaint in the Litigation to reflect that it is only condemning the Operating Assets, thus excluding the Excluded Assets and the Non-Operating Assets from the Litigation.

3. Entry of Stipulated Judgment and Recordation of Final Order of Condemnation. Concurrently with their execution and delivery of this Agreement the Parties shall execute the Stipulation for Entry of Judgment in Condemnation and Final Order of Condemnation in the form attached to this Agreement as Exhibit 6. Said stipulation and the judgment attached thereto reflect that SLVWD shall purchase from the Company and the Company shall sell, transfer, convey, and deliver to SLVWD all of the Operating Assets for the amount of \$13,400,000, as adjusted pursuant to Section 5 below, of which \$10,500,000 shall be in the form of a cash payment or wire transfer of available funds to the Company and \$2,900,000, as adjusted pursuant to Section 5 below, shall be in the form of SLVWD's assumption of the outstanding balance owing on the SDWBL Loan. Immediately upon the filing of the Second Amended Complaint, SLVWD shall exercise reasonable diligence to cause the Court in the Litigation to enter the Judgment in Condemnation. Immediately after the Closing, SLVWD shall exercise reasonable diligence to cause the Court in the Litigation to enter the Final Order of Condemnation and cause the same to be recorded in the Official Records of Santa Cruz County, California.

4. Liabilities. Except as expressly set forth in this Agreement, neither Party is assuming the liabilities of the other Party with respect to the Felton Water System. Notwithstanding the foregoing, as of and following the Closing, SLVWD shall assume the Company's obligations under the SDWBL Loan and pursuant to all transferred licenses and permits relating to the ownership, use and operation of the Operating Assets.

5. Purchase Price for Operating Assets; Adjustments. Subject to the adjustments referred to hereinbelow, SLVWD shall pay to the Company at the Closing the sum of \$13,400,000 as full, final, and complete consideration for the Operating Assets, of which \$2,900,000 shall be in the form of SLVWD's assumption of the outstanding balance owing on the SDWBL Loan and \$10,500,000 shall be in the form of a cash payment or wire transfer of immediately available funds (collectively, the "Purchase Price").

The \$13,400,000 total Purchase Price and the \$2,900,000 portion thereof attributable to the outstanding SDWBL Loan balance shall be adjusted at the Closing based upon the actual outstanding principal balance of the SDWBL Loan on that date. No later than five (5) days prior to the anticipated Closing the Company shall provide to SLVWD a written statement identifying the estimated amount of the SDWBL Surcharge that will be held by or on behalf of the Company at the Closing, including without limitation any portion thereof held by a third party paying agent, and as to any such funds either held by a third party or the Company, the Company shall pay at Closing or assign its rights to such funds to SLVWD at the Closing. Either Party shall be entitled to a further adjustment after the Closing (either an additional payment by SLVWD to the Company or a refund by the Company to SLVWD) based on the actual amount of the SDWBL Surcharge held by or on behalf of the Company at the Closing, if different from the amount estimated by the Company prior to the Closing; a Party requesting such a post-Closing adjustment shall provide a written itemization to the other Party documenting the amount of the required adjustment and the Party owing the funds shall pay the amount owing within ten (10) days after demand for payment is received. In addition, within one hundred fifty (150) days after the Closing the Company shall account to SLVWD and pay to SLVWD any SDWBL Surcharge revenues received by or on behalf of the Company between the date of the Closing and the date that is one hundred twenty (120) days after the Closing. In consideration for its efforts and expenses incurred to collect the SDWBL Surcharge after Closing, the Company shall retain 15% of the SDWBL Surcharge that is collected the date of the Closing and the date that is one hundred twenty (120) days after Closing. SLVWD shall use all such SDWBL Surcharge revenues to pay the SDWBL Loan.

Notwithstanding any other provision set forth in this Agreement to the contrary, the Company is not assigning any of its Accounts Receivable to SLVWD at the Closing, nor is the Company assigning to SLVWD any of the Company's rights with respect to Unbilled Services furnished prior to the Closing. The Company reserves all of its rights after the Closing to bill for and recover its Accounts Receivable and Unbilled Services and SLVWD shall not have any rights with respect thereto. SLVWD shall not interfere in any way with the Company's efforts to collect its Accounts Receivable and Unbilled Services after Closing. In the event that any customer of the Felton Water System pays SLVWD after the Closing for any amount owing to the Company as Accounts Receivable or Unbilled Services, SLVWD shall promptly account to the Company for said payment and forward payment to the Company as soon as reasonably practicable, but not more frequently than once a month. In the event that any customer of the Felton Water System pays the Company after the Closing for any amount relating to services provided by SLVWD to such Customer after the Closing, the Company shall promptly account to SLVWD for said payment and forward payment to SLVWD as soon as reasonably practicable, but not more frequently than once a month.

6. Fair Market Value. The Parties agree that the Purchase Price referred to in Section 5 represents the fair market value of the Operating Assets.

7. Conveyance of the Non-Operating Assets. At the Closing, the Company shall dedicate and convey to SLVWD fee simple title to the Non-Operating Assets on the following terms and conditions: (i) title shall be conveyed by means of a Grant Deed in the form of Exhibit 3 to this Agreement; (ii) title shall be conveyed free and clear of all monetary liens and

encumbrances (with the Company responsible for payment of any real estate taxes and assessments, subject to its right to apply to the Santa Cruz County Assessor's Office for a refund of current taxes and assessments attributable to the period after the Closing) and all non-monetary liens and encumbrances that may have arisen after February 21, 2007 (with the exception of the reservation referred to in the Grant Deed and any lien or encumbrance that may have been created or may be created by or under the authority of SLVWD, which shall be SLVWD's responsibility), and otherwise subject to non-monetary liens and encumbrances of record; (iii) if SLVWD desires to obtain title insurance insuring the condition of title as provided in clause (ii) above it may do so at its sole cost and expense, but the availability of title insurance shall not be a condition to the Closing or delay the Closing; (iv) SLVWD shall not be required to pay any purchase price or consideration for the conveyance of the Non-Operating Assets other than its performance of its other obligations set forth in this Agreement; (v) the Non-Operating Assets shall be conveyed in a strictly as-is physical and environmental condition and with no representation or warranty by the Company to SLVWD with respect thereto or the property's suitability for any particular use, subject to the sole exception that the Company covenants to not take or authorize to be taken any affirmative act between the Agreement Date and the Closing that would materially alter or damage the physical or environmental condition of the Non-Operating Assets; (vi) if SLVWD elects to have an escrow handle the conveyance of the Non-Operating Assets SLVWD shall pay 100% of the escrow agent's fee and any other costs relating to the escrow and the Company shall cooperate with respect thereto; (vii) SLVWD shall be responsible for payment of any documentary transfer taxes and the cost to record the Grant Deed and otherwise each Party shall be responsible for payment of its own costs and expenses in effectuating the Closing with respect to the Non-Operating Assets; and (viii) it is understood and agreed that SLVWD makes no representation or warranty that the Company is entitled to a charitable contribution or other tax deduction or credit with respect to the conveyance of the Non-Operating Assets to SLVWD and the availability and amount of any such tax deduction or credit shall not be a condition to the Closing or delay the same; however, SLVWD will not object to or take any action to interfere with or oppose the Company's efforts to claim and/or seek such tax deductions.

8. Covenants, Representations, and Warranties of the Company. The Company hereby represents and warrants to SLVWD that the statements contained in this Section 8 are correct and complete as of the Agreement Date in all material respects, and will be as of the date of the Closing accurate and complete in all material respects. Said representations and warranties shall survive the Closing.

(a) Organization of the Company. The Company is a corporation duly organized, validly existing, and in good standing under the laws of the State of California.

(b) Authorization of Transaction. The Company has full power and authority (including full corporate power and authority) to execute and deliver this Agreement and to perform its obligations hereunder. This Agreement constitutes the valid and legally binding obligation of the Company, enforceable in accordance with its terms and conditions. In this regard, the Company has disclosed to SLVWD that the Operating Assets currently are or may be pledged as security for the Company's outstanding bonds and the Company covenants,



represents, and warrants that any such pledge shall be released on or before the Closing or as soon as reasonably possible thereafter.

(c) No Security Deposits or Prepayments. The Company does not maintain or hold any security deposits from customers of the Felton Water System, the Company does not routinely collect or accept any prepayments for unbilled water services, and either the Company will not be holding any prepayments for unbilled water services from customers of the Felton Water System as of the Closing or the Company shall account to SLVWD and pay any such sums to SLVWD at the time any adjustments required pursuant to Section 5 are made.

9. Representations and Warranties of SLVWD. SLVWD hereby represents and warrants to the Company that the statements contained in this Section 9 are correct and complete as of the Agreement Date in all material respects, and will be as of the date of the Closing accurate and complete in all material respects. Said representations and warranties shall survive the Closing.

(a) Authorization of Transaction. SLVWD has full power and authority (including regulatory authority) to execute and deliver this Agreement and to perform its obligations hereunder. This Agreement constitutes the valid and legally binding obligation of SLVWD, enforceable in accordance with its terms and conditions.

(b) Noncontravention. Neither the execution or delivery of this Agreement, nor the consummation of the transactions contemplated hereby, will violate any constitution, statute, regulation, rule, injunction, judgment, order, decree, ruling, charge, or other restriction of any government, governmental agency, or court to which SLVWD is subject or any provision of its policies, charter or bylaws (or similar governing instruments). Except as provided herein, SLVWD does not need to give any notice to, make any filing with, or obtain any authorization, consent, or approval of any government or governmental agency in order for the parties to consummate the transactions contemplated by this Agreement. In addition, SLVWD will not intervene in, interfere with, protest or oppose, either directly or indirectly, any filing (rate case or otherwise) that the Company has made or may make at the CPUC which relates to or arises out of the subject matter of the transactions contemplated by this Agreement as long as such filing is not inconsistent with the terms and conditions set forth in this Agreement.

10. Pre-Closing Actions. Prior to the Closing, the Company and SLVWD shall work in good faith with each other to effectuate a smooth transition with respect to the Company's employees and a smooth transition of responsibilities for the provision of water service within the Felton Water System and to consummate the transactions contemplated by this Agreement. Not by way of limitation of the foregoing, the Parties agree to cooperate with respect to the following items:

(a) Company Employees. At least 30 days prior to the anticipated Closing, SLVWD shall advise the Company which of the Company's 5 current Felton employees, if any, to whom SLVWD chooses to extend an offer of employment at and after the Closing. Within thirty (30) days after the Closing, SLVWD shall pay each of the Company's 5 current Felton employees

who are not offered employment with SLVWD an amount equal to one month's base salary (without including benefits and overtime).

(b) Assignment of SDWBL Loan, Permits, and Licenses. The Parties shall cooperate to effectuate the assignment by the Company to SLVWD of all of the Company's rights and obligations in and to the SDWBL Loan and all transferrable permits and licenses relating to the Felton Water System effective as of the Closing. Any delay in effectuating any such assignment shall not be a condition to or delay the Closing; provided, that (i) the Parties shall continue to cooperate after the Closing in effectuating any such assignment that has not occurred prior to the Closing; and (ii) SLVWD shall indemnify, defend, and hold harmless the Company with respect to any claims, liabilities, or losses arising out of any such contract, permit, or license for any period after the Closing.

(c) Property and Liability Insurance. The Company shall maintain in full force and effect all insurance currently covering the Operating Assets and Non-Operating Assets up to the Closing. In the event any physical damage or economic loss occurs to any of the Operating Assets or Non-Operating Assets between the Agreement Date and the Closing, the Company shall cooperate in good faith with its insurance carrier and SLVWD to remedy any such damage or loss to the extent it is covered by the insurance policy or policies. Such cooperation may take the form of assigning to SLVWD the Company's rights with respect to insurance proceeds. As long as any such physical damage or economic loss that should occur is not a result of intentional misconduct or grossly negligent conduct on the part of the Company or its employees or agents such damage or loss shall not constitute a basis to relieve SLVWD from its obligations under this Agreement.

## 11. Closing.

(a) Condition to Closing. The Closing shall be conditioned and conditional upon the Court in the Litigation having entered a judgment in substantially the form included in the Stipulation for Entry of Judgment in Condemnation and Final Order of Condemnation attached hereto as Exhibit 6.

(b) Time and Place of Closing. The Closing shall take place at the law offices of Meyers, Nave, Riback, Silver & Wilson, 555 12th Street, Suite 1500, Oakland, California 94607, at 10:00 a.m. on September 5, 2008, or at such other location and time as the parties may mutually agree in writing. Immediately after the Closing, SLVWD shall exercise reasonable diligence to record all documents that are to be recorded (e.g., the Grant Deed conveying the Non-Operating Assets and the Final Order of Condemnation).

(c) Deliveries by the Company. At the Closing, the Company shall deliver the following to SLVWD: (i) possession of all of the Operating Assets and the Non-Operating Assets, including without limitation both real and personal property assets and Transferrable Records; (ii) the Grant Deed for the Non-Operating Assets; (iii) an assignment of the SDWBL Loan, the SDWBL Surcharge collected by or on behalf of the Company prior to the Closing and all transferrable permits and licenses relating to the Felton Water System as of the date of the Closing (with the understanding that to the extent the approval of the California Department of

Water Resources, the California Department of Health Services, and/or any other governmental agency is required with respect to any such matters or items but has not occurred prior to the scheduled Closing, the Closing shall occur without delay, the Parties shall continue to cooperate as required to obtain the necessary remaining approval(s) as soon as possible after the Closing, and SLVWD shall indemnify, defend, and hold harmless the Company from and against any and all claims, liabilities, and losses arising out of any such matters from and after the Closing); and (iv) the Bull Creek Contract executed by the Company.

d) Deliveries by SLVWD. At the Closing, SLVWD shall deliver the following to the Company: (i) the portion of the Purchase Price that is payable at the Closing in accordance with Section 5 of this Agreement, either in cash or by wire transfer of immediately available funds in accordance with instructions provided by the Company to SLVWD; (ii) the Bull Creek Contract executed by SLVWD; and (iii) an assumption of the SDWBL Loan and all transferrable permits and licenses relating to the Felton Water System as of the date of the Closing (with the understanding that to the extent the approval of the California Department of Water Resources, the California Department of Health Services, and/or any other governmental agency is required with respect to any such matters but has not occurred prior to the scheduled Closing, the Closing shall occur without delay, the Parties shall continue to cooperate as required to obtain the necessary remaining approval(s) as soon as possible after the Closing, and SLVWD shall indemnify, defend, and hold harmless the Company from and against any and all claims, liabilities, and losses arising out of any such matters after the Closing).

12. Post-Closing Matters. In addition to the post-Closing obligations of the Parties as set forth elsewhere in this Agreement, including without limitation those post-Closing obligations identified in Sections 3, 4, 5, 10(b), 11(c) and (d), and SLVWD's obligations set forth in the Grant Deed, the Parties agree as follows:

(a) Additional Instruments and Documents. At the requesting Party's sole cost and expense, the Company and SLVWD shall from time to time after the Closing execute and deliver all such instruments and documents as the other may reasonably request, to the end that each may obtain the full benefits of the transactions contemplated by this Agreement.

(b) Maintenance of Records. SLVWD agrees to maintain records conveyed by the Company for a minimum of five years and will provide the Company reasonable access to said records if requested and if needed for tax, accounting, legal, or regulatory reasons.

(c) Post Closing Receipt of Funds. Each Party shall account for and pay to the other Party any amounts required in accordance with Section 5 hereof (and Section 8(c) if applicable).

(d) Bull Creek Pipeline Relocation Project. SLVWD and the Company shall execute the Bull Creek Contract as provided in Section 11 above. Upon completion of the Company's obligations under the Bull Creek Contract, SLVWD agrees to promptly relinquish by quitclaim deed a portion of the easement set forth in that Deed for Right of Way dated March 11, 1947 and recorded on March 13, 1947 in Vol. 544, Page 364 of the Official Records of the County of Santa Cruz. The portion of the easement to be relinquished consists of the area that crosses Lot



50 as set forth in the Legal Description dated October 10, 2006, which is attached hereto as Exhibit 7.

13. Miscellaneous.

(a) No Third-Party Beneficiaries. This Agreement shall not confer any rights or remedies upon any Person other than the Parties and their respective successors and permitted assigns.

(b) Entire Agreement. This Agreement (including the documents referred to herein) constitutes the entire agreement between the Parties and supersedes any prior understandings, agreements, or representations by or between the Parties, written or oral, to the extent they relate in any way to the subject matter hereof. To the extent there is any inconsistency or conflict between the provisions of the Mediation Agreement and this Agreement, the provisions of this Agreement shall govern and control. Nothing in this Agreement is intended, however, to supersede or amend the provisions in paragraphs 1, 2, and 4 of the Mediation Agreement.

(c) No O&M Agreement. The Company shall not provide contract operation and management services or billing services after the Closing in regard to the Felton Water System.

(d) Transfer Taxes. Except as expressly set forth herein, SLVWD shall pay any transfer fees, title insurance, and/or closing expenses, if applicable.

(e) Succession and Assignment. This Agreement shall be binding upon and inure to the benefit of the Parties named herein and their respective successors and permitted assigns. Prior to the Closing, no Party may assign either this Agreement or any of its rights, interests, or obligations hereunder without the prior written approval of the other Party, which approval may be withheld by the other Party in its sole and absolute discretion.

(f) Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

(g) Headings. The section headings contained in this Agreement are inserted for convenience only and shall not affect in any way the meaning or interpretation of this Agreement.

(h) Notices. All notices, requests, demands, claims, and other communications hereunder shall be in writing. Any notice, request, demand, claim, or other communication hereunder shall be deemed duly given three business days after it is sent by registered or certified mail, return receipt requested, postage prepaid, and addressed to the intended recipient as set forth below:

If to SLVWD: San Lorenzo Valley Water District  
13060 Highway 9  
Boulder Creek, CA 95006-9119  
Attention: James A. Mueller, District Manager

Copy to: Jeffrey Oderman, Esq.  
Rutan & Tucker, LLP  
611 Anton Blvd., 14<sup>th</sup> Floor  
Costa Mesa, CA 92626-1931

If to the Company: California-American Water Company  
303 "H" Street, Suite 250  
Chula Vista, CA 91910  
Attention: B. Kent Turner, President

Copy to: Joe A. Conner, Esq.  
Baker Donelson Bearman & Caldwell, PC  
1800 Republic Centre  
Chattanooga, TN 37450  
Fax: (423) 752-9527

and copy to: American Water Works Company, Inc.  
1025 Laurel Oak Road  
Voorhees, NJ 08043  
Attention: General Counsel

Either Party may send any notice, request, demand, claim, or other communication hereunder to the intended recipient at the address set forth above using any other means (including personal delivery, expedited courier, messenger service, telecopy, telex, ordinary mail, or electronic mail), but no such notice, request, demand, claim, or other communication shall be deemed to have been duly given unless and until it actually is received by the intended recipient. Any Party may change the address to which notices, requests, demands, claims, and other communications hereunder are to be delivered by giving the other Party notice in the manner herein set forth.

(i) Regulatory Approval. The Parties acknowledge and agree that it is not necessary to file a petition seeking approval of this Agreement by the CPUC. To the extent any pending, new or amended filing, advice letter, or other submittal to the CPUC is filed that relates to or arises out of the subject matter of this transaction, the Company shall be responsible for such action(s) at its sole cost and expense. SLVWD shall not intervene in, interfere with, protest or oppose, either directly or indirectly, any pending, new or amended filing, advice letter, rate case or other submittal by the Company to the CPUC that relates to or arises out of the subject matter of this transaction as long as such filing, advice letter, rate case or other submittal is not inconsistent with the terms and conditions set forth in this Agreement.

(j) Release. In consideration of the covenants and conditions of this Agreement, and except as to those obligations of the Parties expressly identified in this Agreement that survive the Closing, as of the Closing SLVWD and Company hereby forever release, waive, and discharge each other and their respective employees, officers, agents, divisions, subsidiaries, parent corporations, affiliates, successors and assigns, from any and all claims, demands, actions, causes of action, whether known or unknown, suspected or unsuspected, relating in any manner whatsoever to this Agreement or the Litigation ("General Release"). This General Release is intended to be a full and final compromise, release and settlement of all claims, demands, actions, causes of action, whether known or unknown, suspected or unsuspected, relating in any manner whatsoever to this Agreement or the Litigation, and as a further consideration and inducement for this compromise, **expressly waive the provisions of Section 1542 of the California Civil Code**, which reads as follows: "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." The Parties acknowledge that they have been advised by their attorneys with respect to this General Release.

The Parties acknowledge that different or additional facts may be discovered in addition to what they now know or believe to be true with respect to the matters released herein, and they agree that this General Release shall be and remain in effect in all respects as complete and final releases of the matters released, notwithstanding any different or additional facts.

14. Governing Law. This Agreement shall be governed by and construed in accordance with the internal laws of the State of California without giving effect to any choice or conflict of law provision or rule (whether of the State of California or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than the State of California.

15. Amendments and Waivers. No amendment of any provision of this Agreement shall be valid unless the same shall be in writing and signed by an authorized representative of both SLVWD and the Company. No waiver by either Party of any default, misrepresentation, or breach of warranty or covenant hereunder, whether intentional or not, shall be deemed to extend to any prior or subsequent default, misrepresentation, or breach of warranty or covenant hereunder or affect in any way any rights arising by virtue of any prior or subsequent such occurrence.

16. Severability. Any term or provision of this Agreement that is invalid or unenforceable in any situation in any jurisdiction shall not affect the validity or enforceability of the remaining terms and provisions hereof or the validity or enforceability of the offending term or provision in any other situation or in any other jurisdiction.

17. Expenses. SLVWD and the Company shall each bear their own respective costs and expenses (including legal fees and expenses) incurred in connection with the Litigation, this Agreement, and the transactions contemplated hereby.

18. Construction. The Parties have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the Parties and no presumption or burden of



proof shall arise favoring or disfavoring either Party by virtue of the authorship of any of the provisions of this Agreement. Any reference to any federal, state, local, or foreign statute or law shall be deemed also to refer to all rules and regulations promulgated thereunder, unless the context requires otherwise. The word "including" shall mean including without limitation.

19. Incorporation of Exhibits. The Exhibits identified in this Agreement are incorporated herein by reference and made a part hereof.

20. Remedies. Each of the Parties to this Agreement shall be entitled to enforce its rights under this Agreement specifically, to recover damages (including, without limitation, reasonable fees and expenses of counsel) by reason of any breach of any provision of this Agreement and to exercise all other rights existing in its favor. The Parties hereto agree and acknowledge that money damages may not be an adequate remedy for any breach or threatened breach of the provisions of this Agreement and that either Party may in its sole discretion apply to any court of law or equity of competent jurisdiction for specific performance and/or injunctive relief in order to enforce or prevent any violations of the provisions of this Agreement, including without limitation and to the extent authorized, by applying to the Court in the Litigation pursuant to the reservation of continuing jurisdiction contained in paragraph 2 of the Mediation Agreement and in the (proposed) judgment to be entered in accordance with Section 3 hereof.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement this 28<sup>th</sup>  
day of August, 2008.

SAN LORENZO VALLEY WATER DISTRICT

By: Jane A. Mudd

Title: DISTRICT MANAGER

CALIFORNIA-AMERICAN WATER COMPANY

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

Title: \_\_\_\_\_

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement this 29<sup>th</sup>  
day of August, 2008.

SAN LORENZO VALLEY WATER DISTRICT

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

Title: \_\_\_\_\_

CALIFORNIA-AMERICAN WATER COMPANY

By: B. Kent Durner

Title: President



# EXHIBIT 1

## EXHIBIT 1

### SETTLEMENT AGREEMENT (AFTER MEDIATION)

#### CASE IDENTIFICATION

Plaintiff(s): San Lorenzo Valley Water District

Defendant(s): California American Water Company

Cross-Complainant(s):

Cross-Defendant(s):

Court and Case No.: In the Superior Court of the State of California, County of Santa Cruz,  
Case No. 156413

Date: May 27, 2008

#### SETTLEMENT AGREEMENT

The above parties, following mediation and in consultation with their own counsel, have agreed to a binding settlement of all claims and defenses asserted in the pleadings in the above-referenced case, or which could have been asserted therein, on the following terms and conditions:

1. Except as set forth in the provisions of this Agreement, and full performance thereof, each party fully releases and discharges the other of and from any and all claims, demands, and actions arising out of or related to the allegations and issues involved in the above entitled case. Each party waives the benefit of the provisions of California Civil Code § 1542, which have been explained to each party by his, her, or their respective counsel. Each party intends that this release be construed as a full and final resolution of the aforesaid allegations and issues, excepting only the obligations undertaken in this Agreement, which are not released.

2. It is possible that the parties and their attorneys will wish to prepare and execute a more formal written agreement to embody the provisions of their settlement set forth herein, but notwithstanding that event, the parties intend that this Agreement be fully binding and enforceable, in accordance with the provisions of California Code of Civil Procedure section 664.6, which is incorporated herein by reference. This Agreement shall be admissible in any court proceedings where it is relevant to the proceedings. The Court shall have continuing jurisdiction to enforce this Agreement.

3. Each party will cooperate with the other in executing and delivering documents and in doing other acts (without expense) incidental and necessary to carry out the provisions of this Agreement so that each party derives the full benefit thereof.

4. Each party shall bear his, her, or its attorneys' fees and costs of suit in the above lawsuit. Should any legal proceedings be filed for or because of breach of this agreement, the prevailing party shall be entitled to reasonable attorneys' fees from the losing party in said proceedings.

5. Plaintiff will amend its complaint in eminent domain to condemn only the operating assets in defendant's Felton Water operations.

6. The parties agree to a Stipulated Judgment in favor of plaintiff in the eminent domain proceeding in accordance with the provisions of Paragraph 5, above. Said judgment will provide for payment by plaintiff to defendant of \$13,400,000, of which \$2,900,000 is in the form of an assumption of the outstanding balance due and owing in the 1997 Safe Drinking Water Bond Act Loan, thus resulting in a net payment by plaintiff to defendant of \$10,500,000 in cash.

7. The parties agree that the agreed sum of \$13,400,000 <sup>referenced in Paragraph 6 above</sup> paid by plaintiff to defendant pursuant to this Agreement represents the fair market value of the operating assets utilized by defendant in its Felton Water operations.

8. Defendant shall donate to the plaintiff its non-operating assets, including an approximately 250-acre parcel of real property currently owned by defendant, and commonly known as the Felton Empire Road property. The deed from the defendant to the plaintiff conveying said property shall be in the form of a gift deed and shall contain restrictions on use as follows: The property shall not be used for commercial timber harvesting and shall be retained for water production and supply, and for conservation and open space subject to the right of the plaintiff to maintain said property in accordance with best conservation practices, which can contain such practices as thinning of trees for forest maintenance and other such actions not inconsistent with the above limitations on use. Defendant will cooperate in any request by plaintiff in transferring its restrictive rights in the property to a public agency or qualified 501(c)(3) nonprofit corporation eligible to hold a conservation easement under California law. Any such transfer will be at no expense to defendant.

9. On date of close, revenues, accounts receivable (including unbilled revenue) and expenses shall be prorated between the parties in accordance with generally accepted accounting principles, provided, however, that revenues of defendant consisting of the surcharge payments and allocable to repayment of the State of California Loan aforesaid shall be turned over to plaintiff without proration.

10. At least 30 days prior to date of close, plaintiff will advise defendant as to which employees, if any, it chooses to offer employment as an employee after date of close. As to any employee not retained, plaintiff shall pay a severance payment of one month's salary after date of close. Each party shall work in good faith to accomplish a smooth transition with respect to defendant's employees.

11. The parties shall prepare and issue a joint press release providing information to the public about this transaction.

12. On the date of close, defendant shall turn over to plaintiff not only all tangible operating assets, but also intangible assets, including, without limitation, its licenses and permits, system diagrams and maps, and all such similar intangible assets used in the Felton Water operations.

13. This contract is subject to the approval of plaintiff's Board of Directors, which approval shall be obtained within two weeks of the date of this Agreement. Closing of the transaction shall take place no later than 60 days after Board approval, unless extended by mutual agreement of the parties.

14. Should the approval of the California Public Utilities Commission be required for this transaction, the parties shall cooperate in applying for such approval as soon as possible.

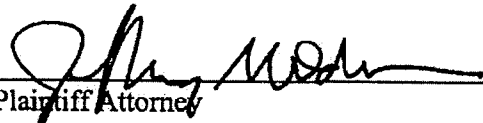
15. Each party shall bear its own attorneys' fees and costs.

\_\_\_\_\_  
Plaintiff

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

Its: President Board Directors

Dated: 5/27/08

  
Plaintiff Attorney

Dated: 5/27/08

\_\_\_\_\_  
Plaintiff

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

Its: \_\_\_\_\_

Dated: \_\_\_\_\_

Defendant

By: Daniel L. Kelleher  
Its: External Affairs American Water

Dated: May 27, 2008

[Signature]  
Defendant Attorney

Dated: \_\_\_\_\_

Defendant

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

Dated: \_\_\_\_\_

Defendant

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

Dated: May 27, 2008

Edmund L. Regalado  
Mediator (As to Form and Content Only)

# EXHIBIT 2



# CONSTRUCTION SERVICES AGREEMENT

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This CONSTRUCTION SERVICES AGREEMENT is made as of September 5, 2008, (the "Effective Date") by and between San Lorenzo Valley Water District, a public entity ("Owner"), and California-American Water Company, a California corporation ("Contractor").

## Recitals:

- A. Owner is the owner and operator of a water utility system located in the County of Santa Cruz, State of California, including the Site identified on the attached Exhibit A.
- B. Contractor is a public water utility regulated by the California Public Utilities Commission.
- C. Owner desires to engage Contractor, and Contractor desires to be engaged by Owner, to provide the Work in accordance with the terms and conditions set forth in the Contract Documents.

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, the parties agree as follows:

## **1. Definitions.**

Whenever used in the Contract Documents, the following terms shall have the meanings indicated below which are applicable to both the singular and plural thereof:

- (a) Agreement – This written instrument that is evidence of the agreement between Owner and Contractor covering the Work, as such may be amended from time to time.
- (b) Change Order – An agreement executed and delivered by Owner and Contractor on or after the Effective Date authorizing an addition, deletion or revision in the Work.
- (c) Contract Documents – The Contract Documents establish the rights and obligations of the parties and include this Agreement, the Notice to Proceed, the Drawings and the Specifications, as the same are more specifically identified in this Agreement, together with all Written Amendments and Change Orders.
- (d) Drawings – That part of the Contract Documents prepared or approved by Owner or Contractor, as provided in this Agreement, which graphically shows the scope, extent and character of the Work to be performed by Contractor. Drawings do not include Shop Drawings or other Contractor submittals.

- (e) Engineering Services – The entire completed engineering work required prior to commencement of the Work, including, without limitation, preparation and delivery of the Drawings and the Specifications for the Project.
- (f) Laws and Regulations – Any and all applicable laws, rules, regulations, ordinances, codes, and orders applicable to the subject matter hereof issued by any and all governmental bodies, agencies, authorities and courts of competent jurisdiction, including, without limitation, those relating to building, utility, environmental, and health and safety matters.
- (g) Liens – Security interests, liens, claims or encumbrances upon Project funds, real property or personal property.
- (h) Notice to Proceed – A written notice given by Owner to Contractor fixing the date on which Contractor shall start to perform the Work under the Contract Documents.
- (i) Permits – All permits, licenses, and environmental clearances, including California Environmental Quality Act compliance, and other documents required by Laws and Regulations and necessary for initiating or carrying out the Work at the Site.
- (j) Project – The total construction of which the Work to be performed under the Contract Documents may be the whole or a part, as may be indicated elsewhere in the Contract Documents. The Project is also generally described in the attached Exhibit A.
- (k) Site – Lands or easement areas of Owner indicated in the Contract Documents upon which the Work is to be performed. The Site is generally described in the attached Exhibit A.
- (l) Specifications – That part of the Contract Documents consisting of written technical descriptions of materials, equipment, systems, standards and workmanship as applied to the Work and certain administrative details applicable thereto.
- (m) Subcontractor – An individual or entity having a direct contract with Contractor or with any other Subcontractor for the performance of a part of the Work at or about the Site.
- (n) Substantial Completion – The time at which the Work (or a specified part thereof) has progressed to the point where, in the opinion of Owner, the Work (or a specified part thereof) is sufficiently complete in accordance with the Contract Documents so that the Work (or a specified part thereof) can be utilized for the purposes for which it is intended (without regard to factors outside the scope of the Work which have the effect of delaying such utilization).
- (o) Unknown Conditions – Those underground conditions at the site (i) which are not described in the Contract Documents, (ii) which are not reasonably known by Contractor, and (iii) which, through reasonable diligence, a reasonable inquiry of Owner or a visual inspection of the Site by Contractor, could not reasonably have been known by Contractor.
- (p) Work – The entire completed construction or the various separately identifiable parts thereof required to be provided under the Contract Documents. Work includes and is the result of

performing or providing all labor, services and documentation necessary to produce such construction, and furnishing, installing and incorporating all materials and equipment into such construction, all as required by the Contract Documents.

- (q) Written Amendment – A written agreement executed and delivered by Owner and Contractor on or after the Effective Date modifying one or more of the Contract Documents in respect of and normally dealing with non-construction related aspects of the Contract Documents or such other matters addressed in such written agreement.

## **2. Engineering Services.**

Contractor shall be responsible for completion of the Engineering Services and all costs associated therewith. In the event the Drawings and the Specifications are complete as of the Effective Date, they shall be attached hereto as Exhibit B, and deemed to be a part of the Contract Documents. In the event the Drawings and the Specifications are not complete as of the Effective Date, Contractor shall cause the Drawings and the Specifications to be prepared as soon as reasonable practicable and shall submit a copy thereof to Owner for Owner's review and comment. Owner shall provide Contractor with either written approval of the Drawings and Specifications or written comments on the Drawings and Specifications within ten (10) business days after Contractor has submitted the Drawings and the Specifications to Owner (the "Review Period"). If Owner does not approve the Drawings and Specifications by the end of the Review Period Contractor shall be entitled to an extension of time for completion of the Work equal to the number of days from the end of the Review Period until Owner's actual approval of the Drawings and Specifications. When completed, the Drawings and the Specifications shall then, without further action of the parties, be deemed to be part of the Contract Documents, included as Exhibit B to this Agreement, respectively and binding upon the parties hereto as if fully set forth herein.

## **3. Work.**

Contractor shall perform the Work in accordance with the Contract Documents, to the reasonable satisfaction of Owner and in a good and workmanlike manner. It is understood that Contractor shall procure and pay for all Permits and provide and pay for all materials, labor, tools, equipment, utilities, light, power, fuel, transportation, surveying, supervision, temporary construction of every nature and all other services and facilities of every nature whatsoever necessary in the performance, testing, start-up, completion and delivery of the Work within the specified time. Notwithstanding the immediately preceding sentence, Owner shall provide all water necessary for testing the Work. Any work necessary to be performed after regular hours, on Saturdays, Sundays or legal holidays requires the consent of Owner. As part of the Work and upon final completion thereof, Contractor shall provide Owner a copy of the Drawings in a "red-line" format, showing actual changes in the as-built Work in comparison to the Drawings approved prior to commencement of the Work. However, nothing in the immediately preceding sentence is intended to or shall permit any changes in the Work that are not first approved by Owner in accordance with the Contract Documents.

Owner shall execute all applications necessary to procure all Permits, and shall bear all costs for Owner's in-house administrative staff time related to procuring the same. Owner and

Contractor shall attempt to secure Permits as expeditiously as possible, with the objective of obtaining Permits by February 27, 2009. Contractor shall comply with all Laws and Regulations in the conduct of the Work and the performance of its obligations under the Contract Documents. Unless otherwise provided in the Contract Documents, at the commencement of the Work on the Site, Owner shall provide Contractor with reasonable access to the Site. Owner shall not be obligated to provide access to Contractor over lands or easements not owned by Owner. Owner shall not interfere or object to any actions by Contractor to obtain any access that may be necessary to perform the Work.

Contractor shall complete the Work and assume full and complete responsibility for completion thereof. In addition, Contractor represents that it is fully qualified and able to do the Work in accordance with the terms of the Contract Documents.

**4. Work Commencement Date; Substantial Completion.**

Owner shall issue the Notice to Proceed upon receipt of all necessary Permits. Contractor shall commence the Work within fourteen (14) calendar days after receipt of the Notice to Proceed (the "Work Commencement Date"), subject to any conditions set forth therein, and provide the Work as requested. Substantial Completion of the Work shall be within ninety (90) calendar days of the Work Commencement Date. Final completion of the Work shall be accomplished as soon as commercially practicable after Substantial Completion.

**5. Contract Price; Payment of Subcontractors.**

Contractor shall pay for all Work covered by the Contract Documents.

Contractor agrees that it will protect, indemnify, hold harmless and defend Owner from any and all claims resulting from, relating to or arising out of or under any demands of Subcontractors, laborers, workmen, mechanics, materialmen and furnishers of machinery and parts thereof, equipment, power tools and all supplies, including commissary, incurred in the furtherance of the performance of the Contract Documents. Contractor shall, at Owner's request, furnish satisfactory evidence that all obligations of the nature hereinabove designated have been paid, discharged or waived. Notwithstanding anything in the Contract Documents to the contrary, if Contractor fails to do so, then Owner may, after having served written notice on Contractor, directly pay unsatisfied claims of which Owner has written notice. In no event shall the provisions of the preceding sentence be construed to impose any obligations upon Owner to Contractor. The foregoing obligation to protect, indemnify, hold harmless and defend shall survive the termination or expiration of this Agreement and apply regardless of the existence of insurance or any deductible thereto.

In paying any unpaid bills or claims of Contractor, Owner shall be deemed the agent of Contractor and any payment so made by Owner shall be reimbursed to Owner by Contractor, and Owner shall not be liable to Contractor for any such payment made in good faith.

## **6. Changes in Work**

No changes in the Work shall be made without having prior written approval of Owner in the form of a Change Order or a field order. Owner shall provide a representative authorized to approve changes who shall review such changes in a timely manner.

## **7. Warranties.**

In addition to any warranties created by law or provided in the Contract Documents, Contractor agrees that the Work will be completed in a good and workmanlike manner, of good quality free from defects in design, material and workmanship and fit for its intended use (the "Work Warranty") for a period of twelve (12) months following Substantial Completion of the Work (the "Work Warranty Period"). Contractor shall remedy any Work Warranty claim by Owner that is brought to the attention of Contractor during the Work Warranty Period.

Upon completion of the Work, Contractor shall assign to Owner, in addition to any warranties created by law, all warranties and guarantees received from Subcontractors and suppliers of equipment, to the extent assignable, and shall cooperate with Owner in obtaining such warranty coverage.

Contractor warrants that all Work, materials and equipment used in connection with the Project will pass to Owner free and clear of all Liens. Acceptance of the Work or any part thereof, or the partial or entire use of the Work by Owner shall not release Contractor from liability for any warranty, including, without limitation, warranties created by law, warranties provided in the Contract Documents or the Work Warranty.

## **8. Insurance.**

At all times during the provision of the Work, Contractor shall maintain in full force and effect the following:

(i) Commercial general liability insurance written on a comprehensive basis to provide all major divisions of coverage including, but not limited to: premises operations, products and completed operations, personal injury liability, blanket contractual liability, broad form property damage and per project aggregate. The insurance shall be in the minimum amount of \$1,000,000 general aggregate limit; \$1,000,000 products/completed operations aggregate limit; \$1,000,000 personal injury and advertising injury limit; \$1,000,000 per occurrence; and \$300,000 fire damage per fire;

(ii) Worker's compensation insurance in compliance with all applicable statutory requirements, including employer's liability in the minimum amount of \$1,000,000 each accident, \$1,000,000 disease-policy limit and \$1,000,000 disease-each employee;

(iii) All-risk property insurance to cover full replacement value of Contractor's personal property, improvements and betterments and Owner's property in Contractor's care, custody or control;

(iv) Automobile liability insurance covering owned, non-owned and hired vehicles in a minimum amount of \$1,000,000 for each accident-combined single limit for bodily injury and property damage; and

(v) Excess liability coverage in the minimum amount of \$2,000,000.

Except for worker's compensation and all-risk property insurance, all insurance policies referenced above shall include Owner and its board members, officers, and employees as additional insured. The policies shall be primary and not contributory with any other insurance that may be maintained by Owner. Contractor shall provide evidence of insurance to Owner prior to commencement of construction.

## **9. Indemnification.**

Contractor hereby agrees to protect, indemnify, hold harmless and defend Owner from and against any and all claims, suits, losses, costs, damages, liabilities or expenses of any nature whatsoever (including, but not limited to, the costs and expenses of experts, consultants and attorneys) arising out of or relating to: (i) the performance of the Work; (ii) Contractor's breach of, or default under, this Agreement; and (iii) injury to, or death of, a person or persons and/or damage to, or loss of, property occasioned by, or arising out of, Contractor's or its employees', agents' Subcontractors or representatives' presence at, on or about the Site; provided, however, that such obligation to protect, indemnify, hold harmless and defend shall not extend to the negligent, willful or intentional misconduct of Owner. The foregoing obligation to protect, indemnify, hold harmless and defend shall survive the termination or expiration of this Agreement and apply regardless of the existence of insurance or any deductible thereto.

## **10. Inspection.**

(i) Contractor shall give timely notice of readiness of the Work for all required inspections, tests or approvals ("Inspections") and shall cooperate with any inspection personnel to facilitate Inspections. Owner shall use commercially reasonable efforts to conduct those Inspections required of Owner to be performed within twenty-four (24) hours after proper notification by Contractor.

(ii) Owner shall employ and pay for the services of any inspection personnel to perform Inspections required by the Contracts Documents except for any Inspections covered by Subsections (iii) and (iv) below, or as otherwise provided for in the Contract Documents.

(iii) If Laws and Regulations require any Inspections of the Work (or any part thereof), Contractor shall assume full responsibility for arranging, obtaining and paying for any such Inspections and furnish Owner with any such required certificates of inspection or approval.

(iv) If any of the Work, which is subject to Inspections, is covered by Contractor without the approval of Owner (which Owner shall use commercially reasonable efforts to inspect within twenty-four (24) hours after proper notice by Contractor), Contractor shall be solely responsible for the costs associated with uncovering (and recovering after any such Inspections) the Work.



## **11. Contractor Representations.**

Contractor makes the following representations:

- (i) Contractor has examined and carefully studied the Contract Documents and to the extent any part thereof is not complete as of the Effective Date, Contractor will do so.
- (ii) Contractor has visited the Site and has become familiar with and is satisfied as to the general local and Site conditions that may affect the Work, including, without limitation, the cost, progress or performance thereof.
- (iii) Contractor is familiar with and is satisfied as to all Laws and Regulations that may affect the Work, including without limitation, the cost, progress or performance thereof.

## **12. Termination; Suspension.**

Without prejudice to any other remedy available to the Parties, this Agreement may be terminated as follows:

- (i) by either party with fifteen (15) calendar days' notice in the event an Unknown Condition makes the Work or the Project impossible or commercially impracticable;
- (ii) by either party in the event the other party breaches any of the provisions of this Agreement and fails to cure any such breach within fifteen (15) calendar days' following written notice of any such breach;
- (iii) upon mutual written agreement of both parties to this Agreement; or
- (iv) if any proceeding under the United States Bankruptcy Act, as amended, is commenced by or against Owner or Contractor, if Owner or Contractor is adjudged insolvent, if Owner or Contractor makes any assignment for the benefit of its creditors.

## **13. Independent Contractor.**

Contractor shall perform the Work as an independent contractor, and nothing in the Contract Documents is intended to create a relationship of employer-employee, principal-agent and/or master-servant or the like between the parties. CONTRACTOR HEREBY ACKNOWLEDGES AND AGREES THAT NEITHER CONTRACTOR NOR ANY OF ITS EMPLOYEES ARE ENTITLED TO WORKERS' COMPENSATION OR UNEMPLOYMENT INSURANCE BENEFITS FROM OWNER AND MAY ONLY RECEIVE SUCH COVERAGE IF PROVIDED BY CONTRACTOR OR SOME OTHER ENTITY BESIDES OWNER.

## **14. Subcontracting.**

Contractor may utilize the services of Subcontractors on those parts of the Work which, under normal contracting practices, are performed by specialty Subcontractors. Contractor shall be fully responsible for ensuring that every Subcontractor utilized on the Work is qualified to

perform the same and complies with the terms of the Contract Documents. Owner reserves the right to cause Contractor to: (i) remove any Subcontractor from the Site, and/or (ii) cease using any Subcontractor in performing any portion of the Work; provided, however, Owner shall have no obligation to oversee or otherwise supervise the performance of any Subcontractor.

Contractor shall be as fully responsible to Owner for the acts and omissions of its Subcontractors, and of persons either directly or indirectly employed by them, as it is for the acts and omissions of persons directly employed by him.

Nothing contained in the Contract Documents shall create any contractual relationship between any Subcontractor and Owner.

**15. Contractor's Title to Material.**

No materials or supplies for the Work shall be purchased by Contractor or by any Subcontractor subject to any chattel mortgage or under a conditional sale contract or other agreement by which an interest is retained by the seller. Contractor warrants that it has good title to all materials and supplies used by it in the Work, free and clear of all Liens.

**16. Owner Rules and Regulations.**

Notwithstanding any rules and regulations of Contractor, all rules and regulations of Owner provided to Contractor which may be in effect at the Site regarding employment, security, passes, badges or conduct at the Site shall be rigidly observed by Contractor, its Subcontractors, materialmen and their respective personnel and employees.

**17. Removal; Clean-Up.**

Removal of all waste materials, rubbish and debris shall conform to Laws and Regulations.

**18. Contractor's Advertising.**

Except as may be required by Laws and Regulations or as customarily posted on Contractors or Subcontractors vehicles or equipment, Contractor may not and shall not permit any Subcontractor to, without the express written consent of Owner, display any advertising on or about the Site.

**19. Safety and Protection.**

Contractor shall be solely responsible for initiating, maintaining and supervising all safety precautions and programs in connection with the Work. Contractor shall take all necessary precautions for the safety of, comply with all Laws and Regulations with respect to and provide the necessary protections to prevent damage, injury and loss to: (i) all persons on or around the Site or who may be affected by the Work; (ii) all of the labor, material and equipment to be provided with the Work, whether in storage on or off the Site; and (iii) other property at the Site or adjacent thereto, including, but not limited to any trees, shrubs, lawns, walks, pavements,

roadways, structures, utilities or underground storage facilities not designated for removal, relocation or replacement in the provision of the Work. Contractor shall maintain the security of the Site during the performance of the Work.

**20. Protection of Work and Property – Emergency.**

Contractor shall at all times safely guard Owner's property and the Site from injury or loss in connection with the Work. Contractor shall at all times safely guard and protect its own work, and that of adjacent property, from damage. Contractor shall replace or make good any such damage, loss or injury unless such be caused directly by errors contained in the Contract Documents or by Owner or its duly authorized representative.

In case of any emergency, which threatens loss or injury of property and/or safety of life, Contractor shall be allowed to act, without previous instructions from Owner, in a diligent manner. Contractor shall notify Owner immediately thereafter.

**21. Supervision by Contractor.**

At all times at the Site, Contractor shall designate a person who shall have full authority to act for and on behalf of Contractor.

**22. Conditions Found Different.**

It is not represented by either party hereto that all existing underground structures or conditions are or will be shown on the Drawings. When an Unknown Condition is discovered which would reasonably constitute an obstacle or additional expense to the Work, Contractor shall immediately notify Owner thereof, before the Unknown Condition is disturbed. Owner and Contractor will thereupon promptly investigate such Unknown Condition, and if they find that it materially differs from those indicated in the Contract Documents, Owner and Contractor will make such changes in the Contract Documents as they may find necessary, and the Contract Times shall be adjusted accordingly. Such changes, if any, shall be documented by a Change Order.

**23. Use of Site.**

Contractor shall restrict its use of the premises to the Work. The intent of this Section is to assure that regular activities may continue during the construction of the Work.

Areas for material storage and vehicle parking shall be agreed to prior to the start of the Work. Contractor shall assume full responsibility for any materials stored on the Site.

The Site shall be kept in a safe condition at all times. All material left on the Site shall be stored in a safe manner and protected from the elements. Any damaged and/or defective material shall be removed from the Site.

Contractor shall locate and protect all utilities as necessary for the duration of the Work. Contractor shall be responsible for coordinating the Work with the individual utility companies

and must be careful not to damage any existing facilities. All utility structures are to be reset according to the direction or specification of the owning utility.

**24. Progress Meetings.**

If requested by Owner, Contractor shall attend regular progress meetings with Owner during the progress of the Work.

**25. Non-Discrimination in Employment.**

In the performance of this Agreement, Contractor agrees and warrants that it shall not discriminate or permit discrimination against any person or group of persons on the grounds of race, color, religious creed, age, marital status, national origin, sex, or physical disability in any manner prohibited by Laws and Regulations.

**26. Cooperation/Commercially Reasonable Conduct.**

The parties shall reasonably cooperate with each other in the performance of this Agreement. In exercising their respective rights and in performing their respective obligations pursuant to the Contract Documents, Owner and Contractor each agree that it will undertake the same in a commercially reasonable manner.

**27. Third-Party Contractor.**

Contractor shall be entitled to hire an appropriately licensed third-party contractor or contractors to perform the Work required by this Agreement.

**28. Force Majeure.**

If delays in the performance of this Agreement are caused by unforeseen events beyond the control of both parties, such delay will entitle the affected party to a reasonable extension of time for performance. The following conditions may constitute such a delay: war; changes in law or government regulation; labor disputes; strikes; fires, floods, adverse weather or other similar condition of the elements; and the inability to obtain materials, equipment or labor.

**29. Miscellaneous.**

(a) **Notices.** All notices required to be given by the parties hereunder shall be in writing and hand delivered, faxed, or mailed by first class mail, certified, return receipt requested and each such notice shall be effective: (i) if hand delivered, when so delivered; (ii) if faxed, upon transmission with confirmed electronic receipt; or (iii) if mailed, two (2) calendar days after such mailing. Each such notice or other communication shall be addressed as follows:

Owner:

San Lorenzo Valley Water District  
13060 Highway 9  
Boulder Creek, CA 95006  
Attn: District Manager

Contractor:

California American Water  
511 Forest Lodge Road, Suite 100  
Pacific Grove, CA 93950  
Attn: General Manager

Either party may designate new notice information hereunder by delivering notice to the other party in accordance with this Section.

**(b) Entire Agreement; Assignment.** The Contract Documents (including all exhibits thereto and any amendments from time to time) constitute the entire agreement and supercede all other agreements, understandings, representations and warranties, both written and oral, among the parties with respect to the subject matter hereof. Contractor may assign all or any part of its rights or obligations hereunder to any affiliated entity.

**(c) Conflict in Documents.** The various documents constituting the Contract Documents and the provisions therein contained are mutually dependent and complementary, and what is called for by any one of the Contract Documents shall be binding as if called for by all. All parts of the Contract Documents shall be construed so as to be consistent with each other, if possible, but in the event of conflict between the Contract Documents, or any part thereof, the order of precedence for the Contract Documents shall be as listed below in order of decreasing priority:

- (i) the Change Order or Written Amendment;
- (ii) this Agreement;
- (iii) the Specifications;
- (iv) the Drawings; and
- (v) the Notice to Proceed.

**(d) Exhibits.** The exhibits to this Agreement are incorporated herein and made a part hereof.

**(e) Section Headings.** The Section headings herein are for convenience of reference only, do not constitute part of this Agreement and shall not be deemed to limit or otherwise affect any of the provisions hereof.

(f) **Modification.** The parties hereto may modify or amend the Contract Documents at any time, but only by a written instrument duly executed and delivered by each party hereto.

(g) **Choice of Law.** This Agreement is governed by the laws of the State of California, without giving effect to its conflicts of law provisions.

(h) **Waiver; Cumulative Remedies.** No failure or delay on the part of any party to this Agreement in the exercise of any right under the Contract Documents shall impair such right or be construed to be a waiver of, or acquiescence in, any breach of representation, warranty, covenant or agreement herein, nor shall any single or partial exercise of any such right preclude other or further exercise thereof or any other right. All rights and remedies existing under this Agreement are cumulative to, and not exclusive of, any rights or remedies otherwise available.

(i) **Counterparts.** This Agreement may be executed in the original or by facsimile in any number of counterparts, each of which shall be deemed to be an original and all of which together shall constitute one in the same instrument.

IN WITNESS WHEREOF, each of the parties hereto has duly executed this Agreement as of the Effective Date.

SAN LORENZO VALLEY WATER DISTRICT

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

Printed: \_\_\_\_\_

Its: \_\_\_\_\_

CALIFORNIA-AMERICAN WATER  
COMPANY

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

Printed: \_\_\_\_\_

Its: \_\_\_\_\_

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



**Exhibit A**  
**Utility System and General Description of Project and Site**

---

1. Name of Owner's utility system where the Work is to be performed:  
San Lorenzo Valley Water District Felton Water System.

2. The Project is generally described as:  
the construction of a utility access bridge and utility access road within an existing utility easement. Bridge is a prefabricated structure to be delivered to the site and set on poured in place concrete foundations. Work also includes the installation of approximately 630 feet of 8" HDPE pipeline and all associated fittings and valves. 200 feet of this pipeline will be installed in existing pavement on Hillside Drive. The remainder of the pipeline, approximately 430 feet, will be installed along the side yard fence line of 5819 Hillside Drive. At the bridge creek crossing, the pipeline will be fastened to one side of the bridge.

3. The Site is generally described as:  
a rural property within the community of Felton, CA. There is an existing creek traversing the rear of the property which requires a bridge to be installed for access. The front of the property is free of trees or foliage and the rear of the property, west of the existing spring fed creek is heavily forested.

Owner's Initials: \_\_\_\_\_

Contractor's Initials: \_\_\_\_\_

**Exhibit B**

**Drawings and Specifications**

---

**To be subsequently prepared**

Owner's Initials: \_\_\_\_\_

Contractor's Initials: \_\_\_\_\_

# EXHIBIT 3

RECORDING REQUESTED BY  
AND WHEN RECORDED MAIL TO:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Attention: \_\_\_\_\_

MAIL TAX STATEMENTS TO:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Attention: \_\_\_\_\_

---

(Space Above For Recorder's Use)

**CORPORATION GIFT DEED AND DEED RESTRICTION**

[Official State Business – Exempt from Recording Fees Pursuant to Government Code Section 27383 and Documentary Transfer Tax Pursuant to Revenue and Taxation Code Section 11922]

CALIFORNIA-AMERICAN WATER COMPANY, a California corporation ("Grantor"), hereby gifts and grants to SAN LORENZO VALLEY WATER DISTRICT, a County Water District formed pursuant to California County Water District Law Section 30,000 et. seq. ("Grantee"), all that certain land situated in the County of Santa Cruz, State of California, and described on Exhibit "A" attached hereto and incorporated herein by reference for all purposes, together with all fixtures, fittings, buildings, structures and other improvements erected thereon, and easements, rights of way, water lines, water rights (if any) and rights associated with the withdrawal, diversion and use of water (if any), rights of use, licenses, railroad crossing agreements, hereditaments, tenements, privileges and other appurtenances thereto (said land, real property, rights, improvements and appurtenances being herein collectively referred to as the "Property").

The Property shall not be used for commercial timber harvesting and shall be retained for water production and supply, and for conservation and open space subject to the right of the Grantee to maintain the Property in accordance with best conservation practices, which include such practices as thinning of trees for forest maintenance and other such actions not inconsistent with the above limitations on use (collectively, "Use Restrictions"). The foregoing covenants established in this Corporation Gift Deed and Deed Restriction shall run with the Property and be binding on Grantee and any successor in interest in and to the Property, or any part thereof, for the benefit and in favor of Grantor and its successors and assigns.

The Use Restrictions shall be enforceable by Grantor against Grantee, its successors in interest in and to the Property or any portion thereof and any party in possession or occupancy of the Property or portion thereof. A violation of the Use Restrictions shall not result in a reverter

or termination of the grant. Grantor's remedies for a violation of the Use Restrictions are limited to specific performance and/or injunctive relief.

Grantor will cooperate, at Grantee's sole cost and expense (with Grantee having the obligation to reimburse Grantor for any costs incurred by Grantor in connection therewith within thirty (30) days after written notice from Grantor), in any transfer by Grantee of the benefit of the Use Restrictions from Grantor to a public agency or qualified 501(c)(3) nonprofit corporation eligible to hold a conservation easement under California law. Grantee shall provide written notice to Grantor of any such transfer within thirty (30) days of the transfer.

EXECUTED on \_\_\_\_\_, 2008, to be effective upon recordation of this Corporation Gift Deed and Deed Restriction in the Official Records of Santa Cruz County, California.

GRANTOR:

CALIFORNIA-AMERICAN WATER  
COMPANY, a California corporation

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

Name: \_\_\_\_\_

Title: \_\_\_\_\_

The undersigned is authorized on behalf of the San Lorenzo Valley Water District ("Grantee") to accept and hereby does accept the conveyance of the Property described in this Corporation Gift Deed and Deed Restriction" on the terms and conditions set forth herein by virtue of Resolution No. 23 (07-08) adopted by Grantee's Board of Directors on June 5, 2008.

GRANTEE:

SAN LORENZO VALLEY WATER DISTRICT, a  
public entity

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

Name: \_\_\_\_\_

Title: \_\_\_\_\_

## ACKNOWLEDGMENT

State of California )  
County of \_\_\_\_\_)

On \_\_\_\_\_, before me, \_\_\_\_\_,  
(insert name and title of the officer)

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.

Signature \_\_\_\_\_ (Seal)

## ACKNOWLEDGMENT

State of California )  
County of \_\_\_\_\_)

On \_\_\_\_\_, before me, \_\_\_\_\_,  
(insert name and title of the officer)

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.

Signature \_\_\_\_\_ (Seal)

**EXHIBIT "A"**

**LEGAL DESCRIPTION**

**PARCEL 1:**

OIL, GAS, MINERAL AND ROCK RIGHTS  
THE NORTH ¼ OF NORTHEAST ¼ OF SECTION 20 IN T. 10 S., R. 2 W.

APN: 064-011-01 (PORTION)



PARCEL 2:

**TIMBER**

PARCEL ONE.

THE NORTH ½ OF NORTHEAST ¼ SECTION 20 IN T. 10 S., R. 2 W. CONTAINING 86 ACRES MORE OR LESS.

PARCEL TWO:

BEING PART OF SOUTH ½ OF N.E. ¼ OF SECTION 20, T. 10, S. R. 2 W., AND BEING MORE PARTICULARLY BOUNDED AND DESCRIBED AS FOLLOWS, TO WIT:

BEGINNING ON THE EAST BOUNDARY OF SAID SECTION 20, AT A STAKE FROM WHICH THE CORNER OF SECTION 16-17-20 AND 21, BEARS N. 0° 15' E. 1397.00 FEET DISTANT AND A 2 FOOT REDWOOD STUMP MARKED "W" BEARS S. 15° 00' E. 11.20 FEET DISTANT; THENCE FROM SAID POINT OF BEGINNING AND ALONG THE EAST BOUNDARY OF SAID SECTION 20, S. 0° 15' W. 602.00 FEET TO A STAKE; THENCE LEAVING SAID BOUNDARY N. 89° 24' W. 2737.70 FEET TO A STATION; THENCE N. 0° 16' E. 603.00 FEET TO A STATION; THENCE S. 89° 24' E. 2737.70 FEET TO THE PLACE OF BEGINNING. CONTAINING 27.967 ACRES OF LAND MORE OR LESS.

PARCEL THREE:

BEING A PART OF THE NORTHWEST QUARTER OF SECTION 21, TOWNSHIP 10 SOUTH RANGE 2 WEST, MOUNT DIABLO BASE AND MERIDIAN, AND MORE PARTICULARLY BOUNDED AND DESCRIBED AS FOLLOWS, TO WIT:

BEGINNING AT THE ONE-SIXTEENTH SECTION CORNER OF THE SOUTH BOUNDARY OF THE NORTHWEST QUARTER OF SECTION 21, WHICH IS A 4" X 4" POST MARKED "S" AND "1/165" IN STONE MOUND, FROM WHICH A 15 INCH REDWOOD STUMP MARKED "W.T." BEARS SOUTH 61° EAST 56.5 FEET, AND A 24 INCH DEAD MADRONE MARKED "W" BEARS SOUTH 56° WEST 37.5 FEET; THENCE NORTH 0° 31' EAST 707.3 FEET TO A STAKE MARKED "S" FROM WHICH A "W" ON AN 8 INCH OAK BEARS SOUTH 63° EAST 3.00 FEET, AND A "W" ON A 30 INCH FIR BEARS NORTH 38° 30' EAST 24.2 FEET AND A 2" X 4" REDWOOD STAKE MARKED "H.L." ON ONE SIDE AND "F.A.H." ON THE OTHER SIDE, BEARS SOUTH 0° 31' WEST 282.3 FEET; THENCE SOUTH 89° 45' EAST 1383.0 FEET TO A STATION FROM WHICH A 30 INCH PINE BEARS NORTH 60° WEST 16.5 FEET AND A STAKE MARKED "S" BEARS SOUTH 89° 45' EAST 110.00 FEET; THENCE SOUTH 0° 30' WEST 694.6 FEET TO THE ONE QUARTER CORNER IN THE CENTER OF SECTION 21, FROM WHICH A REDWOOD 14 INCHES IN DIAMETER, BEARS SOUTH 60° 30' WEST 32.3 FEET; THENCE ALONG THE LINE RUNNING EAST AND WEST THROUGH THE CENTER OF SECTION 21, WEST 1383.3 FEET TO THE PLACE OF BEGINNING AND CONTAINING 22.3 ACRES, A LITTLE MORE OR LESS.

**PARCEL FOUR:**

THAT PROPERTY DESCRIBED AS PARCEL ONE OF THE PROPERTY CONVEYED ON SEPTEMBER 26, 1961 BY FLORENCE FETHERSTON TO CITIZENS UTILITIES COMPANY, AND BEING PART OF SECTIONS 20 AND 21 IN TOWNSHIP 10 SOUTH RANGE 2 WEST M.D.M. AND MORE PARTICULARLY DESCRIBED IN SAID AGREEMENT.

**PARCEL FIVE:**

THAT PROPERTY DESCRIBED AS PARCEL TWO OF THE PROPERTY CONVEYED ON SEPTEMBER 26, 1961 BY FLORENCE FETHERSTON ON CITIZENS UTILITIES COMPANY, AND BEING PART OF SECTIONS 20 AND 21 IN TOWNSHIP 10 SOUTH RANGE 2 WEST M.D.M. AND MORE PARTICULARLY DESCRIBED IN SAID AGREEMENT.

APN: 064-011-01 (AFFECTS PARCELS ONE & TWO)  
064-201-34 & 35 (AFFECTS PARCEL FOUR)  
064-021-04 (AFFECTS PARCEL FIVE)  
064-381-20 (PORTION) (PARCEL THREE)

**PARCEL 3:**

**SITUATE IN THE COUNTY OF SANTA CRUZ, STATE OF CALIFORNIA AND DESCRIBED AS FOLLOWS:**

**BEING a portion of the Northwest quarter of the Northwest Quarter of Section 21 in Township 10 South, Range 2 West, M.D.B.&M., and being a part of the lands conveyed to William E. Eddy, et ux., by deed recorded October 24, 1958 in Volume 1211, Page 582, Official Records of Santa Cruz County, described as follows, to wit:**

**BEGINNING at a point on the Section line between Section 20 and 21 and from which the Section corner common to Sections 16, 17, 20 and 21 in said Township bears North 0° 17' East 85 feet distant; thence leaving said Section line Southeasterly in a direct line to a point from which the intersection of the Southwesterly boundary of said lands of Eddy and the Northern line of Felton Empire Road (60 feet wide) as shown on the Record of Survey Map filed February 16, 1961 in Volume 32 of Maps, Page 88, Santa Cruz County Records, bears South 28° 03' West 80.00 feet distant; thence continuing along said line Southeasterly to the Northern line of said Felton Empire Road, (60 feet wide); thence Southwesterly along the Northern and Northwesterly line of said Felton Empire Road to the Southwesterly boundary of said lands of Eddy; thence North 61° 57' West 170 feet, more or less, to the Section line between the Section 20 and 21, in said Township; thence along said Section line North 0° 17' East 193.48 feet to the Point of Beginning.**

**APN: 064-021-18**

#### PARCEL 4

Situate in the County of Santa Cruz, State of California and described as follows:

##### PARCEL ONE:

Being a part of the Southeast Quarter of the Northeast Quarter of Sec. 20, and a part of the Southwest Quarter of the Northwest Quarter of Sec. 21, T. 10 S. R. 2 W. M. D. B. & M., and more particularly described as follows:

Beginning at a 4" x 4" Post scribed "1/16 S" standing at the intersection of the 1/4 Section line running East and West through the center of Section 20 with the 1/16 Section line running North and South through the East 1/2 of said Section 20 and from which a "W" on a 4 foot redwood stump bears North 47° 45' East 17.36 feet distant and a "W" on a 12 inch tan oak bears North 66° 30' West 10.35 feet distant, said 4" x 4" Post also being the most Westerly corner of a 24.70 acre tract of land conveyed by Florence Fetherston to Herbert N. and Hollis V. Erickson by deed dated February 14, 1956 and recorded February 20, 1956 in Volume 1060 of Official Records at Page 294, Santa Cruz County Records; thence from said Point of Beginning and along said 1/16 line North 0° 26' East 506.50 feet to an angle point in the boundary of lands of Felton Water Company from which a 15 inch redwood bears South 16° 30' East 1.50 feet distant, and a spike in a 4 foot redwood stump bears South 0° 26' West 8.00 feet distant; thence Easterly along the Southerly boundary of said Felton Water Company lands 2773.70 feet to a stake at an angle point in said boundary from which an 18 inch redwood bears South 63° 15' West 3.10 feet distant, and a line mark on the South side of a 5 foot redwood stump bears North 0° 12' East 0.95 feet distant, and an old stake marked FAH and HL bears South 0° 12' West 110.00 feet distant; thence along the Westerly boundary of Felton Water Company lands South 0° 12' West 94.46 feet more or less to a 1/2 inch pipe at the Northeast corner of said above mentioned lands conveyed to Erickson by Deed dated February 14, 1956; thence along the Northerly boundary of said lands conveyed to Erickson, North 88° 42' West 580.81 feet to a railroad spike set in the center line of a road Right of Way 50.00 feet in width from which an iron pipe bears South 79° 46' 30" West 26.39 feet distant, an iron pipe bears South 88° 42' East 28.92 feet distant and a nail in a circle on a 16 inch Redwood Tree bears South 41° 33' West 36.04 feet distant; thence along said Northerly boundary of lands conveyed to Erickson South 79° 46' 30" West 2238.88 feet to the Point of Beginning.

##### PARCEL TWO:

Being part of the Northwest 1/4 of the Northwest 1/4 of Section 21, in T. 10 S. R. 2 W. M. D. B. & M., and more particularly described as follows:

Beginning on the West boundary of said Section 21 at a bolt in the center line of the Diamond Quarry Tramway, from which the corner of Section 16-17-20-21 bears North 0° 15' East 626.00 feet distant; thence from said Point of Beginning and along the center line of the Diamond Quarry Tramway North 70° 50' East 90.00 feet to a station; thence leaving said tramway and along the center line of the road leading to the Diamond Quarry South 74° 43' East 80.00 feet to a station; South 61° 52' East 165.00 feet to a station; South 5° 47' East 90.00 feet to a station; South 28° 50' West 235.00 feet to a station; South 37° 16' West 80.00 feet to a station;

South 6° 46' West 65.00 feet to a station; North 80° 58' West 50.00 feet to a station; North 58° 20' West 120.00 feet to a station on the West boundary of said Section 21; thence along said boundary North 0° 15' East 418.60 feet to the Place of Beginning.

APN: 064-201-34 & 064-201-35 (PARCEL ONE)  
064-021-04 (PARCEL TWO)

## PARCEL 5

Situate in the County of Santa Cruz, State of California, described as follows:

Being a part of Sec. 21 T. 10 S. R. 2 W., M. D. B. & M., and more particularly described as follows:

Beginning at the most Westerly corner of that parcel of land conveyed to P. S. Williams et ux, by Deed recorded April 1, 1958 in Volume 1178, page 381, Official Records of Santa Cruz County; thence from said Place of Beginning North 68° 53' West 389.79 feet to a point; thence due North 41.95 feet to a point on the centerline of a 40.00 foot road; thence along said centerline North 76° 28' East 19.11 feet to its intersection with the centerline of another 40.00 foot road; thence along last mentioned centerline South 68° 11' East 199.55 feet and South 69° 37' East 189.04 feet to an angle in the Westerly line of said lands of Williams; thence along said Westerly line South 33° 43' East 34.31 feet and South 63° 19' West 40.82 feet to the Place of Beginning.

APN: 064-381-05

## PARCEL 6

### PARCEL ONE:

Being a part of the Northwest ¼ of the Northwest ¼ of Section 21, T 10 S, R 2 W, MDB&M, and more particularly described as follows:

Beginning at a pipe which stands on the West boundary of said Section 21 and from which the section corner common to Sections 16, 17, 20 and 21, bears North 0° 71' East 278.48 feet distant; thence leaving said section line, South 61° 57' East 200.21 feet to a spike in the middle of the present traveled county road leading from Felton to Bonny Doon, and from which an iron pipe bears North 61° 57' West 25.05 feet distant; thence running along the middle of said above mentioned County road, North 76° 00' East 78.51 feet to a spike, South 85° 51' East 99.50 feet to a spike and North 75° 40' East 85.66 feet to a spike from which a spike in "W" on an 8" redwood bears North 30° 47' West 19.22 feet distant, a spike in "W" on a 24" oak bears South 85° 47' East 47.18 feet distant and an iron pipe bears South 24° 15' West 37.70 feet distant; thence leaving said county road South 24° 15' West 325.69 feet to a pipe on the Northerly boundary of lands conveyed to T. F. Prendergast by deed recorded in Volume 21 of Official Records at Page 310, Santa Cruz County Records, said pipe being on the center line of former Diamond Quarry Tramway and from which a spike in said aforementioned county road bears North 24° 15' East 19.02 feet distant; thence along said tramway and said boundary of Prendergast North 73° 00' West 165.00 feet to a pipe, and South 87° 40' West 60.00 feet to a pipe at the Northwest corner of lands of Prendergast; thence continuing along the center of said tramway South 70° 50' West 90.00 feet to a pipe standing on the said West boundary of Section 21, thence along said boundary of Section 21 North 0° 17' East 341.75 feet to the Place of Beginning.

### PARCEL TWO:

BEING part of the Northwest 1/4 of the Northwest 1/4 of Section 21, in T. 10 S. R. 2 W. M. D. B. & M., and more particularly described as follows:

Beginning on the West boundary of said Section 21 at a bolt in the center line of the Diamond Quarry Tramway, from which the corner of Section 16-17-20-21 bears North 0° 15' East 626.00 feet distant; thence from said Point of Beginning and along the center line of the Diamond Quarry Tramway North 70° 50' East 90.00 feet to a station; thence leaving said tramway and along the center line of the road leading to the Diamond Quarry South 74° 43' East 80.00 feet to a station; South 61° 52' East 165.00 feet to a station; South 5° 47' East 90.00 feet to a station; South 28° 50' West 235.00 feet to a station; South 37° 16' West 80.00 feet to a station; South 6° 46' West 65.00 feet to a station; North 80° 58' West 50.00 feet to a station; North 58° 20' West 120.00 feet to a station on the West boundary of said Section 21; thence along said boundary North 0° 15' East 418.60 feet to the Place of Beginning.

APN: 064-021-04 (Parcel Two)

064-021-22 & 064-021-23 (Parcel One)

PARCEL 7

THE LAND REFERRED TO HEREIN IS SITUATED IN THE STATE OF CALIFORNIA, COUNTY OF SANTA CRUZ, UNINCORPORATED AREA AND IS DESCRIBED AS FOLLOWS:

PARCEL ONE:

BEING THE NORTH  $\frac{1}{4}$  OF THE NORTHEAST  $\frac{1}{4}$  OF SECTION 20 IN T 10 S, R 2 W, 86 ACRES. SUBJECT TO WATER RIGHT RECORDED IN VOLUME 43, PAGE 477 OF OFFICIAL RECORDS OF SANTA CRUZ COUNTY.

PARCEL TWO:

BEING PART OF THE SOUTH  $\frac{1}{4}$  OF THE NORTHEAST  $\frac{1}{4}$  OF SECTION 20 IN T 10 S, R 2 W, MDB&M, AND BEING MORE PARTICULARLY BOUNDED AND DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEAST CORNER OF PARCEL ONE DESCRIBED HEREIN, ON THE EAST BOUNDARY OF SAID SECTION 20, AT A STAKE FROM WHICH THE CORNER OF SECTIONS 16, 17, 20 AND 21, BEARS NORTH  $0^{\circ} 15'$  EAST 1397 FEET DISTANT, AND A 2 FOOT REDWOOD STUMP MARKED "W" BEARS SOUTH  $15^{\circ} 00'$  EAST 11.20 FEET DISTANT; THENCE FROM SAID POINT OF BEGINNING AND ALONG THE EAST BOUNDARY OF SAID SECTION 20, SOUTH  $0^{\circ} 15'$  WEST 602.00 FEET TO A STAKE AT AN ANGLE IN THE BOUNDARY OF THE FELTON WATER CO.; THENCE ALONG THE NORTH  $89^{\circ} 24'$  WEST 2737.70 FEET TO THE NORTHWESTERLY CORNER THEREOF; THENCE NORTH  $0^{\circ} 15'$  EAST 603.00 FEET TO THE SOUTHWEST CORNER OF SAID PARCEL ONE; THENCE ALONG THE SOUTHERLY BOUNDARY OF SAID PARCEL ONE SOUTH  $89^{\circ} 24'$  EAST 2737.70 FEET TO THE PLACE OF BEGINNING.

PARCEL THREE:

BEING A PART OF THE NORTHWEST ONE-QUARTER OF SECTION TWENTY-ONE (21), TOWNSHIP TEN (10) SOUTH, RANGE TWO (2) WEST, MOUNT DIABLO BASE AND MERIDIAN, AND MORE PARTICULARLY BOUNDED AND DESCRIBED AS FOLLOWS, TO WIT:

BEGINNING AT THE ONE-SIXTEENTH (1/16TH) SECTION CORNER ON THE SOUTH BOUNDARY OF THE NORTHWEST ONE-QUARTER OF SECTION TWENTY-ONE (21), WHICH IS A 4" X 4" POST, MARKED "S" AND "1/16 S" IN STONE MOUND, FROM WHICH A 15 INCH REDWOOD STUMP, MARKED "W.T.", BEARS SOUTH  $61^{\circ}$  EAST FIFTY-SIX AND FIVE-TENTHS (56.5) FEET, AND A 24 INCH DEAD MADRONE MARKED "W" BEARS SOUTH  $56^{\circ}$  WEST THIRTY-SEVEN AND FIVE-TENTHS (37.5) FEET; THENCE NORTH  $0^{\circ} 31'$  EAST SEVEN HUNDRED SEVEN AND THREE-TENTHS (707.3) FEET TO A STAKE MARKED "S", FROM WHICH A "W" ON AN 8 INCH OAK BEARS SOUTH  $63^{\circ}$  EAST THREE AND NO-HUNDREDTHS (3.00) FEET, AND A "W" ON A 30 INCH FIR BEARS NORTH  $38^{\circ} 30'$  EAST TWENTY-FOUR AND TWO-TENTHS (24.2)



FEET AND A 2" X 4" REDWOOD STAKE, MARKED "H. L." ON ONE SIDE AND "F. A. H." ON THE OTHER SIDE, BEARS SOUTH 0° 31' WEST TWO HUNDRED EIGHTY-TWO AND THREE-TENTHS (282.3) FEET; THENCE SOUTH 89° 45' EAST ONE THOUSAND THREE HUNDRED EIGHTY-THREE AND NO-TENTHS (1383.0) FEET TO A STATION FROM WHICH A 30 INCH PINE BEARS NORTH 60° WEST SIXTEEN AND FIVE-TENTHS (16.5) FEET AND A STAKE MARKED "S" BEARS SOUTH 89° 45' EAST ONE HUNDRED TEN AND NO-HUNDREDTHS (110.00) FEET; THENCE SOUTH 0° 30' WEST SIX HUNDRED NINETY-FOUR AND SIX-TENTHS (694.6) FEET TO THE ONE-QUARTER CORNER IN THE CENTER OF SECTION 21, FROM WHICH A REDWOOD, 14 INCHES IN DIAMETER, BEARS SOUTH 60° 50' WEST THIRTY-TWO AND THREE-TENTHS (32.3) FEET; THENCE ALONG THE LINE RUNNING EAST AND WEST THROUGH THE CENTER OF SECTION 21, WEST ONE THOUSAND THREE HUNDRED EIGHTY-THREE AND THREE-TENTHS (1383.3) FEET TO THE PLACE OF BEGINNING.

PARCEL FOUR:

BEING PART OF SECTIONS 20 AND 21 IN TOWNSHIP 10 SOUTH, RANGE 2 WEST, M.D.M., AND MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POST AT THE CENTER OF SAID SECTION 20, FROM WHICH AN IRON PIPE BEARS SOUTH 3° 05' WEST 16.05 FEET DISTANT, AND A SIX INCH REDWOOD TREE BEARS SOUTH 53° 50' WEST 18.70 FEET DISTANT; THENCE FROM SAID POINT OF BEGINNING NORTH 0° 14' EAST ALONG THE QUARTER SECTION LINE RUNNING NORTH AND SOUTH THROUGH SAID SECTION 20, 723 FEET TO A STAKE FROM WHICH THE ONE-SIXTEENTH SECTION CORNER ON THE WEST SIDE OF THE NORTHEAST QUARTER OF SAID SECTION 20 BEARS NORTH 0° 14' EAST 603 FEET DISTANT, AND AN 8" OAK TREE BEARS SOUTH 0° 30' EAST 38.50 FEET DISTANT, AND A 3 INCH REDWOOD TREE BEARS SOUTH 57° EAST 20 FEET DISTANT; THENCE ALONG THE SOUTHERN LINE OF THE LANDS OF THE HOLMES LIME AND CEMENT COMPANY SOUTH 89° 31' EAST, AT 741.30 FEET A STAKE FROM WHICH AN 8" REDWOOD TREE BEARS DUE SOUTH 25 FEET; AT 1116.30 FEET A STAKE ON AN OLD DAM, FROM WHICH AN 8" REDWOOD TREE BEARS SOUTH 45° WEST 7.40 FEET DISTANT; AT 1362.55 FEET A POINT FROM WHICH A 12" TAN OAK BEARS NORTH 46° EAST 7 FEET DISTANT AND A 10" TAN OAK BEARS SOUTH 11° 45' WEST 6.60 FEET DISTANT; AT 1888.20 FEET A STAKE FROM WHICH AN 8" REDWOOD BEARS NORTH 24° WEST 11 FEET DISTANT; AT 2298.70 FEET A STAKE FROM WHICH A 15" REDWOOD BEARS SOUTH 62° 30' EAST 4.10 FEET DISTANT; AT 2723.20 FEET A STAKE ON THE EAST LINE OF SAID SECTION 20 FROM WHICH A 24" REDWOOD BEARS NORTH 25° EAST 2 FEET DISTANT AND A 12" REDWOOD BEARS NORTH 40° WEST 2 FEET DISTANT; THENCE NORTH 0° 12' WEST ALONG THE EAST LINE OF SECTION 20, 602 FEET TO THE ONE-SIXTEENTH SECTION CORNER ON THE EAST SIDE OF THE NORTHEAST QUARTER OF SAID SECTION 20, FROM WHICH A 24" REDWOOD STUMP BEARS SOUTH 15° EAST 11.20 FEET DISTANT; THENCE CONTINUING ALONG THE EAST LINE OF SAID SECTION 20, NORTH 0° 17' EAST 346.25 FEET TO A SPIKE IN A PRIVATE ROAD LEADING TO THE QUARRY OF THE HOLMES LIME AND CEMENT COMPANY, FROM WHICH SPIKE AN 8" MADRONE TREE BEARS SOUTH 0° 17' WEST 25.65 FEET DISTANT AND A 12" REDWOOD BEARS

SOUTH 79° 15' WEST 25.90 FEET DISTANT, AND A 6" REDWOOD BEARS NORTH 26° 15' WEST 16.60 FEET DISTANT; THENCE ALONG SAID QUARRY ROAD SOUTH 56° 20' EAST 119 FEET TO A SPIKE; THENCE SOUTH 80° 58' EAST 50 FEET TO A SPIKE AT THE MOST WESTERLY CORNER OF THE LANDS CONVEYED FROM AGNES E. MCCARRON AND J. H. MCCARRON TO THOMAS F. PRENDERGAST BY DEED DATED MARCH 11, 1924, AND RECORDED AT PAGE 310 IN VOLUME 21 OF OFFICIAL RECORDS OF SANTA CRUZ COUNTY, FROM WHICH SPIKE AN 8" REDWOOD BEARS SOUTH 80° EAST 16.90 FEET DISTANT AND AN IRON PIPE BEARS SOUTH 48° 56' EAST 24.15 FEET DISTANT; THENCE LEAVING SAID QUARRY ROAD AND ALONG THE LINE OF SAID LANDS OF PRENDERGAST SOUTH 48° 56' EAST, AT 78.4 FEET A SPIKE IN A 4 FOOT REDWOOD STUMP, AT 342.5 FEET A PIPE AT THE SOUTHERN CORNER OF THE LANDS OF PRENDERGAST, FROM WHICH A 6" TAN OAK BEARS SOUTH 60° WEST 3.50 FEET DISTANT, AND A 16" DOUBLE REDWOOD BEARS SOUTH 40° EAST 3.20 FEET DISTANT; THENCE NORTH 41° 04' EAST ALONG THE SOUTHEASTERN LINE OF SAID LANDS OF PRENDERGAST, AT 550 FEET AN IRON PIPE FROM WHICH A 10" REDWOOD TREE BEARS NORTH 41° 04' EAST 9.25 FEET DISTANT AND A 15" REDWOOD BEARS SOUTH 80° EAST 7.60 FEET DISTANT; AT 600 FEET A SPIKE IN THE MUDSILL OF THE MIDDLE BENT OF A TRAMWAY TRESTLE, WHICH SPIKE IS THE EASTERN CORNER OF SAID LANDS OF PRENDERGAST, AND FROM WHICH A 16" REDWOOD BEARS SOUTH 88° 10' WEST 19.10 FEET DISTANT; THENCE ALONG THE AVERAGE LINE OF SAID TRAMWAY, BEING THE NORTHEASTERN LINE OF SAID LANDS OF PRENDERGAST NORTH 48° 56' WEST 98 FEET TO A SPIKE FROM WHICH A 6" REDWOOD BEARS NORTH 83° EAST 19.65 FEET DISTANT, AND A 6" TAN OAK BEARS SOUTH 25° 45' EAST 18.60 FEET DISTANT; THENCE NORTH 70° WEST 119.7 FEET TO A SPIKE FROM WHICH A 12" REDWOOD BEARS NORTH 58° WEST 14.50 FEET DISTANT, AND A 15" TAN OAK BEARS NORTH 15° EAST 14.60 FEET DISTANT, AND AN 8" MADRONE BEARS SOUTH 45° EAST 16.40 FEET DISTANT; THENCE LEAVING SAID TRAMWAY AND THE NORTHEASTERN LINE OF SAID LANDS OF PRENDERGAST, NORTH 219.50 FEET TO A SPIKE FROM WHICH A 15" REDWOOD STUMP BEARS SOUTH 20° WEST 7.70 FEET DISTANT; THENCE EAST 100 FEET TO AN OLD STAKE FROM WHICH AN OLD MARK M ON A 58" REDWOOD STUMP BEARS SOUTH 3° WEST 13.40 FEET DISTANT AND A SPIKE IN THE SAME STUMP BEARS SOUTH 0° 09' WEST 12.88 FEET DISTANT; THENCE NORTH 0° 09' EAST, AT 18.35 FEET A LINE MARK ON THE ROOT OF A 12" TAN OAK AT 342.60 FEET A STAKE FROM WHICH AN 18" MADRONE BEARS NORTH 74° 50' EAST 1.10 FEET DISTANT; AND A 12" REDWOOD BEARS SOUTH 74° 50' WEST 12.80 FEET DISTANT, AT 580.50 FEET A SPIKE IN A LEANING 8" MADRONE TREE MARKED S, WHICH TREE IS ON THE NORTHERN LINE OF SECTION 21, TOWNSHIP 10 SOUTH, RANGE 2 WEST, M. D. M., AND 717.85 FEET EAST OF THE NORTHWEST CORNER OF SAID SECTION 21, AND FROM WHICH SPIKE A 10" REDWOOD BEARS NORTH 3° WEST 16.30 FEET DISTANT, AND A 10" TAN OAK BEARS SOUTH 10° 20' WEST 22.75 FEET DISTANT, AND AN 18" TAN OAK BEARS SOUTH 75° 40' WEST 21.40 FEET DISTANT; THENCE DUE EAST ALONG THE NORTH LINE OF SAID SECTION 21, AT 225.50 FEET A SPIKE IN A 6' REDWOOD STUMP, AT 684.50 FEET IN ONE-SIXTEENTH SECTION CORNER ON THE NORTH SIDE OF THE NORTHWEST QUARTER OF SAID SECTION 21, FROM WHICH A 5' REDWOOD STUMP BEARS NORTH 6° EAST 31.68

FEET DISTANT, AND A 10" TAN OAK BEARS SOUTH 57° EAST 15.70 FEET DISTANT AND A 12" TAN OAK BEARS NORTH 45° WEST 4.40 FEET DISTANT, AND A 10" TAN OAK BEARS NORTH 66° EAST 10.50 FEET DISTANT; THENCE ALONG THE ONE-SIXTEENTH SECTION LINE RUNNING NORTH AND SOUTH THROUGH THE NORTHWEST QUARTER OF SAID SECTION 21, SOUTH 0° 36' WEST 1389.50 FEET TO THE ONE-SIXTEENTH SECTION CORNER IN THE CENTER OF SAID NORTHWEST QUARTER OF SECTION 21, FROM WHICH AN OLD WITNESS MARK ON A 4 FOOT REDWOOD STUMP BEARS DUE EAST 66 FEET DISTANT, AND A 6" TAN OAK BEARS NORTH 66° 30' WEST 6.75 FEET DISTANT, AND A 6" FIR BEARS SOUTH 36° EAST 5.50 FEET DISTANT; THENCE ALONG THE ONE-SIXTEENTH SECTION LINE RUNNING EAST AND WEST THROUGH THE NORTHWEST QUARTER OF SECTION 21, NORTH 89° 55' EAST 1413.20 FEET TO THE ONE-SIXTEENTH SECTION CORNER ON THE EAST SIDE OF THE NORTHWEST QUARTER OF SAID SECTION 21, FROM WHICH A 15" REDWOOD BEARS NORTH 11° WEST 13.40 FEET DISTANT AND A 24" FIR BEARS NORTH 38° EAST 18.30 FEET DISTANT; THENCE ALONG THE ONE-SIXTEENTH SECTION LINE RUNNING EAST AND WEST THROUGH THE NORTHEAST QUARTER OF SAID SECTION 21, NORTH 89° 55' EAST AT 422.80 FEET AN IRON PIPE; AT 658.60 FEET AN IRON PIPE, AT 1105.65 FEET AN IRON PIPE ON THE PRODUCED WESTERN LINE OF LANDS CONVEYED FROM THE HOLMES LIME COMPANY INCORPORATED TO GEORGE N. LEY BY DEED DATED JULY 17, 1916, AND RECORDED AT PAGE 480 IN VOLUME 267 OF DEEDS, SANTA CRUZ COUNTY RECORDS FROM WHICH PIPE A 24" OAK BEARS NORTH 55° 20' WEST 39.40 FEET AND A 12" REDWOOD BEARS NORTH 52° 15' EAST 30.10 FEET DISTANT; THENCE ALONG THE WESTERN LINE OF SAID LANDS OF LEY AND THE PRODUCTION THEREOF, SOUTH 0° 20' EAST, AT 144.20 FEET A SPIKE IN THE CENTER LINE OF A TRAMWAY FROM WHICH A WITNESS POST BEARS NORTH 53° 10' WEST 30.65 FEET DISTANT AND ANOTHER WITNESS POST BEARS SOUTH 0° 20' WEST 25.40 FEET DISTANT; AT 307.15 FEET AN OLD LINE STAKE; AT 499.45 FEET, AN OLD LINE STAKE; AT 620.60 FEET A STAKE FROM WHICH A 6" REDWOOD BEARS NORTH 4° WEST 22 FEET DISTANT; AT 717 FEET A STAKE ON THE NORTH LINE OF THE LANDS CONVEYED FROM MICHAEL COONEY ET AL TO GEORGE N. LEY AND HYMAN STEEN BY DEED DATED MAY 11, 1922, AND RECORDED AT PAGE 28, IN VOLUME 318 OF DEEDS, SANTA CRUZ COUNTY RECORDS, FROM WHICH STAKE AN OLD STAKE IN SAID NORTH LINE OF LANDS OF LEY BEARS SOUTH 89° 54' EAST 91.60 FEET DISTANT, AND A 15" TAN OAK BEARS NORTH 82° 30' WEST 7.70 FEET DISTANT, AND A 12" TAN OAK BEARS SOUTH 34° 30' WEST 8.90 FEET DISTANT; THENCE ALONG THE NORTHERLY LINE OF SAID LAST MENTIONED LANDS OF LEY NORTH 89° 54' WEST 1099 FEET TO A STAKE IN A MOUND OF ROCK AT THE NORTHWEST CORNER OF SAID LANDS OF LEY AND AT THE NORTHEASTERN CORNER OF THE LANDS CONVEYED FROM THE HOLMES LIME COMPANY INC., TO FELTON WATER COMPANY BY DEED DATED MARCH 30, 1921, AND RECORDED AT PAGE 444 IN VOLUME 304 OF DEEDS, SANTA CRUZ COUNTY RECORDS, FROM WHICH CORNER A 30" PINE BEARS NORTH 60° WEST 16.50 FEET DISTANT; AND A 10 FOOT OAK BEARS NORTH 52° EAST 6.66 FEET DISTANT, AND AN 8" OAK BEARS SOUTH 40° WEST 2 FEET DISTANT, AND AN 8" MADRONE BEARS SOUTH 64° 30' EAST 20.82 FEET DISTANT; THENCE NORTH 88° 42' WEST ALONG THE NORTH LINE OF SAID LANDS OF THE FELTON WATER

COMPANY 1386 FEET TO THE NORTHWESTERN CORNER THEREOF, FROM WHICH AN 8" TAN OAK BEARS SOUTH 63° EAST 3.00 FEET DISTANT; AND A 30" FIR BEARS NORTH 38° 30' EAST 24.20 FEET DISTANT; THENCE SOUTH 0° 12' WEST ALONG THE WESTERLY LINE OF SAID LANDS OF THE FELTON WATER COMPANY 172.30 FEET TO A STAKE AT THE NORTHEASTERN CORNER OF THE LANDS CONVEYED FROM THE HOLMES LIME COMPANY INCORPORATED TO ROBERT B. HENDERSON BY DEED DATED OCTOBER 28, 1912, AND RECORDED AT PAGE 68 IN VOLUME 248 OF DEEDS, SANTA CRUZ COUNTY RECORDS, FROM WHICH CORNER AN 18" REDWOOD BEARS SOUTH 63° 15' WEST 3.10 FEET DISTANT, AND A LINE MARK ON THE SOUTH SIDE OF AN 8" REDWOOD STUMP BEARS NORTH 0° 12' EAST 0.95 FEET DISTANT, AND AN OLD STAKE MARKED F. A. H. AND H. L. BEARS SOUTH 0° 12' WEST 110 FEET DISTANT; THENCE WESTERLY ALONG THE NORTH LINE OF SAID LANDS OF ROBERT B. HENDERSON 2773.70 FEET TO THE NORTHWEST CORNER THEREOF, FROM WHICH A 15" REDWOOD BEARS SOUTH 16° 30' EAST 1.50 FEET DISTANT, AND A SPIKE IN A 4' REDWOOD STUMP BEARS SOUTH 0° 26' WEST 8.00 FEET DISTANT; THENCE SOUTH 0° 26' EAST ALONG THE WEST LINE OF SAID LANDS OF HENDERSON AT 110 FEET AN 8" TAN OAK BEARS NORTH 89° 34' WEST 5.80 FEET DISTANT, AT 506.50 FEET THE ONE-SIXTEENTH SECTION CORNER ON THE SOUTH SIDE OF THE NORTHEAST QUARTER OF SECTION 20, FROM WHICH A 12" TAN OAK BEARS NORTH 65° 15' WEST 10.35 FEET DISTANT, AND A 4' REDWOOD STUMP BEARS NORTH 47° 45' EAST 18.60 FEET DISTANT; THENCE ALONG THE QUARTER SECTION LINE RUNNING EAST AND WEST THROUGH SECTION 20, NORTH 88° 42' WEST 1365.25 FEET TO THE PLACE OF BEGINNING.

RESERVING AND EXCEPTING FROM THE ABOVE DESCRIBED LAND THE FOLLOWING PARCELS, TO WIT:

FIRST: A PART OF SECTION 21 IN T. 10 S. R. 2 W., AND BEING A STRIP OF LAND 40 FEET WIDE, BEING 20 FEET ON BOTH SIDES OF THE FOLLOWING DESCRIBED CENTER LINE OF THE HOLMES LIME CO., RAILROAD, AS NOW LOCATED.

BEGINNING AT A STATION ON THE SECTION LINE BETWEEN SECTIONS 16, 17, 20, AND 21, IN T. 10 S. R. 2 W., M. D. B. & M., FROM WHICH THE CORNER OF SECTIONS 16, 17, 20 AND 21, IN SAID TOWNSHIP BEARS NORTH 0° 02' EAST 622.5 FEET DISTANT; THENCE NORTH 72° 09' EAST 102.9 FEET TO A STATION; THENCE SOUTH 87° 33' EAST 60.00 FEET TO A STATION; THENCE SOUTH 73° 55' EAST 160.00 FEET TO A STATION; THENCE SOUTH 63° 50' EAST 50.00 FEET TO A STATION; THENCE SOUTH 42° 03' EAST 40.00 FEET TO A STATION; THENCE SOUTH 20° 50' EAST 65.00 FEET TO A STATION; THENCE SOUTH 47° 44' EAST 50.00 FEET TO A STATION; THENCE SOUTH 79° 27' EAST 50.00 FEET TO A STATION; THENCE NORTH 83° 47' EAST 100.00 FEET TO A STATION; THENCE SOUTH 85° 41' EAST 45.00 FEET TO A STATION; THENCE SOUTH 69° 45' EAST 100 FEET TO A STATION; THENCE SOUTH 50° 33' EAST 215.00 FEET TO A STATION; THENCE SOUTH 20° 04' EAST 255.00 FEET TO A STATION; THENCE SOUTH 31° 51' EAST 35.00 FEET TO A STATION; THENCE SOUTH 56° 29' EAST 100.00 FEET TO A STATION; THENCE SOUTH 40° 09' EAST 65.00 FEET TO A STATION; THENCE SOUTH 54° EAST 50.00 FEET TO A

STATION; THENCE SOUTH 79° 06' EAST 60.00 FEET TO A STATION; THENCE SOUTH 85° 25' EAST 39.3 FEET TO A STATION; THENCE SOUTH 77° 25' EAST 70.00 FEET TO A STATION; THENCE SOUTH 65° 44' EAST 100.00 FEET TO A STATION; THENCE SOUTH 51° 19' EAST 100.00 FEET TO A STATION; THENCE SOUTH 67° 12' EAST 100.00 FEET TO A STATION; THENCE SOUTH 78° 26' EAST 150 FEET TO A STATION; THENCE NORTH 88° 46' EAST 150.00 FEET TO A STATION; THENCE SOUTH 71° 55' EAST 40.00 FEET TO A STATION; THENCE SOUTH 54° 27' EAST 100.00 FEET TO A STATION; THENCE SOUTH 58° 43' EAST 100.00 FEET TO A STATION; THENCE SOUTH 67° 06' EAST 40.00 FEET TO A STATION; THENCE SOUTH 89° 45' EAST 40.00 FEET TO A STATION; THENCE NORTH 78° 07' EAST 100.00 FEET TO A STATION; THENCE SOUTH 87° 16' EAST 65.00 FEET TO A STATION; THENCE NORTH 82° 34' EAST 50.00 FEET TO A STATION; THENCE NORTH 68° 32' EAST 100.00 FEET TO A STATION; THENCE NORTH 62° 19' EAST 50.00 FEET TO A STATION; THENCE NORTH 49° 52' EAST 100.00 FEET TO A STATION; THENCE NORTH 43° 43' EAST 50.00 FEET TO A STATION; THENCE NORTH 61° 38' EAST 35.00 FEET TO A STATION; THENCE NORTH 83° 25' EAST 40.00 FEET TO A STATION; THENCE NORTH 63° 37' EAST 35.00 FEET TO A STATION; THENCE NORTH 58° 15' EAST 100.00 FEET TO A STATION; THENCE NORTH 43° 24' EAST 75.3 FEET TO A STATION FROM WHICH THE 1/16 SECTION CORNER ON THE ¼ SECTION LINE NORTH AND SOUTH THROUGH THE NORTH ½ OF SAID SECTION 21 BEARS NORTH 54° 05' EAST 63.00 FEET; THENCE NORTH 64° 03' EAST 35.00 FEET TO A STATION; THENCE NORTH 84° 03' EAST 40.00 FEET TO A STATION; THENCE SOUTH 85° 11' EAST 80.00 FEET TO A STATION; THENCE SOUTH 72° 58' EAST 30.00 FEET TO A STATION; THENCE SOUTH 48° 16' EAST 30.00 FEET TO A STATION; THENCE SOUTH 41° 53' EAST 152.35 FEET TO A STATION AT 26.05 FEET CROSS 1/16 SECTION LINE AT 334.7 FEET NORTH 89° 44' EAST FROM 1/16 SECTION CORNER ON THE ¼ SECTION LINE RUNNING NORTH AND SOUTH THROUGH THE NORTH ½ OF SAID SECTION 21; THENCE SOUTH 30° 05' EAST 40.00 FEET TO A STATION; THENCE SOUTH 10° 22' EAST 40.00 FEET TO A STATION; SOUTH 2° 43' EAST 60.00 FEET TO A STATION; THENCE SOUTH 23° 07' EAST 40.00 FEET TO A STATION; THENCE SOUTH 42° 14' EAST 60.00 FEET TO A STATION; THENCE SOUTH 79° 19' EAST 30.00 FEET TO A STATION; THENCE NORTH 67° 58' EAST 40.00 FEET TO A STATION; THENCE NORTH 57° 56' EAST 80.00 FEET TO A STATION; THENCE NORTH 54° 38' EAST 100 FEET TO A STATION THENCE NORTH 59° 57' EAST 90.00 FEET TO A STATION; THENCE NORTH 76° 37' EAST 35.00 FEET TO A STATION; THENCE NORTH 79° 21' EAST 120.00 FEET TO A STATION; THENCE NORTH 81° 35' EAST 50.00 FEET TO A STATION; THENCE NORTH 88° 09' EAST 50.00 FEET TO A STATION; THENCE SOUTH 79° 52' EAST 25.00 FEET TO A STATION; THENCE SOUTH 57° 21' EAST 50.00 FEET TO A STATION; THENCE SOUTH 52° 32' EAST 100.00 FEET TO A STATION; THENCE SOUTH 55° 58' EAST 65.00 FEET TO A STATION; THENCE SOUTH 74° 17' EAST 60.00 FEET TO A STATION; THENCE SOUTH 78° 48' EAST 200.00 FEET TO A STATION; THENCE SOUTH 71° 09' EAST 70.00 FEET TO A STATION; THENCE SOUTH 82° 00' EAST 60.00 FEET TO A STATION; THENCE NORTH 83° 51' EAST 163.7 FEET TO A STATION ON THE EASTERLY BOUNDARY OF ZAYANTE RANCHO; THENCE FROM THE FRACTIONAL CORNER BETWEEN SECTIONS 16 AND 21 IN SAID TOWNSHIP BEARS NORTH 0° 02' EAST 1717.5 FEET DISTANT.

SECOND: A PART OF SECTION 21, IN T. 10 S. R. 2 W., BEING A STRIP OF LAND 40 FEET WIDE, BEING 20 FEET ON BOTH SIDES OF THE FOLLOWING DESCRIBED CENTER LINE OF THE BULL QUARRY BRANCH OF THE HOLMES LIME CO., RAILROAD, AS NOW LOCATED.

BEGINNING ON THE WEST BOUNDARY OF SAID SECTION 21, IN THE CENTER LINE OF SAID RAILROAD, FROM WHICH THE CORNER OF SECTIONS 16, 17, 20 AND 21 BEARS NORTH 0° 02' EAST 1770.3 FEET DISTANT; THENCE ALONG THE AVERAGE CENTER LINE OF SAID RAILROAD NORTH 32° 06' EAST 56.6 FEET TO A STATION; THENCE NORTH 47° 33' EAST 70.00 FEET TO A STATION; THENCE NORTH 25° 35' EAST 130.00 FEET TO A STATION; THENCE NORTH 33° 15' EAST 70.00 FEET TO A STATION; THENCE NORTH 65° 59' EAST 50.00 FEET TO A STATION; THENCE NORTH 84° 06' EAST 100.00 FEET TO A STATION; THENCE SOUTH 73° 52' EAST 60.00 FEET TO A STATION; THENCE SOUTH 83° 11' EAST 90.00 FEET TO A STATION; THENCE NORTH 84° 18' EAST 200.00 FEET TO A STATION; THENCE NORTH 53° 08' EAST 100.00 FEET TO A STATION; THENCE NORTH 74° 15' EAST 90.00 FEET TO A STATION; THENCE SOUTH 75° 16' EAST 55.00 FEET TO A STATION; THENCE SOUTH 77° 08' EAST 65.00 FEET TO A STATION; THENCE NORTH 61° 21' EAST 75.00 FEET TO A STATION; THENCE NORTH 89° 32' EAST 100.00 FEET TO A STATION; THENCE NORTH 79° 30' EAST 100.00 FEET TO A STATION; ON THE CENTER LINE OF RAILROAD DESCRIBED UNDER "FIRST" ABOVE.

ALSO EXCEPTING THEREFROM THAT PORTION CONVEYED IN THE FOLLOWING DEEDS FROM FELTON WATER COMPANY, A CORPORATION, TO SECONDO BOSSO, ET UX., RECORDED AUGUST 27, 1941, IN BOOK 423, PAGE 201, OFFICIAL RECORDS OF SANTA CRUZ COUNTY TO SECONDO BOSSO, ET UX., RECORDED NOVEMBER 6, 1943, IN BOOK 459, PAGE 415, OFFICIAL RECORDS OF SANTA CRUZ COUNTY TO JOHN KENISON, ET UX., RECORDED SEPTEMBER 25, 1944, IN BOOK 486, PAGE 147, OFFICIAL RECORDS OF SANTA CRUZ COUNTY TO SECONDO BOSSO, ET UX., RECORDED FEBRUARY 6, 1945, IN BOOK 491, PAGE 488, OFFICIAL RECORDS OF SANTA CRUZ COUNTY TO FRED J. WALDOOGEL, RECORDED MARCH 11, 1946, IN BOOK 639, PAGE 130, OFFICIAL RECORDS OF SANTA CRUZ COUNTY TO N. REX HUNT, ET UX., RECORDED AUGUST 14, 1947, IN BOOK 588, PAGE 268, OFFICIAL RECORDS OF SANTA CRUZ COUNTY TO JOSEPH L. DELOU, ET UX., RECORDED OCTOBER 25, 1948, IN BOOK 685, PAGE 90, OFFICIAL RECORDS OF SANTA CRUZ COUNTY TO DONALD G. LBY, ET UX., RECORDED MARCH 19, 1954, IN BOOK 959, PAGE 172, OFFICIAL RECORDS OF SANTA CRUZ COUNTY TO FLORENCE FETHERSTON, RECORDED JUNE 16, 1953 IN BOOK 918, PAGE 191, OFFICIAL RECORDS OF SANTA CRUZ COUNTY.

ALSO EXCEPTING THEREFROM ALL THAT PORTION LYING NORTHERLY OF FELTON EMPIRE ROAD.

PARCEL FIVE:

BEING A PART OF SEC. 21 T. 10 S. R. 2 W. M. D. B. & M., AND MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE MOST WESTERLY CORNER OF THAT PARCEL OF LAND CONVEYED TO P. S. WILLIAMS ET UX, BY DEED RECORDED APRIL 1, 1958 IN VOLUME 1178, PAGE 381, OFFICIAL RECORDS OF SANTA CRUZ COUNTY; THENCE FROM SAID PLACE OF BEGINNING NORTH 68° 53' WEST 389.79 FEET TO A POINT; THENCE DUE NORTH 41.95 FEET TO A POINT ON THE CENTERLINE OF A 40.00 FOOT ROAD; THENCE ALONG SAID CENTERLINE NORTH 76° 28' EAST 19.11 FEET TO ITS INTERSECTION WITH THE CENTERLINE OF ANOTHER 40.00 FOOT ROAD; THENCE ALONG LAST MENTIONED CENTERLINE SOUTH 68° 11' EAST 199.55 FEET AND SOUTH 69° 37' EAST 189.04 FEET TO AN ANGLE IN THE WESTERLY LINE OF SAID LANDS OF WILLIAMS; THENCE ALONG SAID WESTERLY LINE SOUTH 33° 43' EAST 34.31 FEET AND SOUTH 63° 19' WEST 40.82 FEET TO THE PLACE OF BEGINNING.

APN: 064-011-01  
064-011-02  
064-381-05  
064-381-16  
064-381-17  
064-381-20

PARCEL 8

SITUATE IN THE COUNTY OF SANTA CRUZ, STATE OF CALIFORNIA:

PARCEL ONE:

BEING a part of Parcel 10 of the lands described in the Deed recorded June 23, 1952 in Volume 873, page 321, Official Records of Santa Cruz County and being a strip of land 40 feet wide, being 20 feet on both sides of the following described center line and beginning at a station on the section line between Sections 20 and 21 in T. 10 S. R. 2 W., M.D.B.&M., from which the corner to Sections 16-17-20 and 21, in said Township bears North 0°02' East 822.5 feet distant; thence North 72°09' East 102.9 feet to a station; thence South 87°33' East 60.00 feet to a station; thence South 73°55' East 160.00 feet to a station; thence South 63°50' East 50.00 feet to a station; thence South 42°03' East 40.00 feet to a station; thence South 20°50' East 65.00 feet to a station; thence South 47°44' East 50.00 feet to a station; thence South 79°27' East 50.00 feet to a station; thence North 83°47' East 100.00 feet to a station; thence South 85°41' East 45.00 feet to a station; thence South 69°45' East 100 feet to a station; thence South 50°33' East 215.00 feet to a station; thence South 20°04' East 255.00 feet to a station; thence South 31°51' East 35.00 feet to a station; thence South 56°29' East 100.00 feet to a station; thence South 40°09' East 65.00 feet to a station; thence South 54°23' East 50.00 feet to a station; thence South 79°06' East 60.00 feet to a station; thence South 85°25' East 39.3 feet to a station; thence South 77°25' East 70.00 feet to a station; thence South 65°44' East 100.00 feet to a station; thence South 51°19' East 100.00 feet to a station; thence South 67°12' East 100.00 feet to a station; thence South 78°26' East 150 feet to a station; thence North 88°46' East 150.00 feet to a station; thence South 71°55' East 40.00 feet to a station; thence South 54°27' East 100.00 feet to a station; thence South 58°43' East 100.00 feet to a station; thence South 67°06' East 40.00 feet to a station; thence South 89°45' East 40.00 feet to a station; thence North 78°07' East 100.00 feet to a station; thence South 87°16' East 65.00 feet to a station; thence North 82°34' East 50.00 feet to a station; thence North 68°32' East 100.00 feet to a station; thence North 62°19' East 50.00 feet to a station; thence North 49°52' East 100.00 feet to a station; thence North 43°43' East 50.00 feet to a station; thence North 61°38' East 35.00 feet to a station; thence North 83°25' East 40.00 feet to a station; thence North 63°37' East 35.00 feet to a station; thence North 58°15' East 100.00 feet to a station; thence North 43°24' East 75.3 feet to a station on the 1/16 Section line running East and West through said Section 21, T. 10 S. R. 2 W., M.D.B.&M.

EXCEPTING therefrom that portion of the above 40 foot strip of lands that lies Westerly from the West end of the course reading South 69°45' East 100.00 feet.

ALSO excepting therefrom so much of the above described land as was conveyed by Florence Fetherston to Felton Water Company, a corporation, by Deed recorded October 3, 1961 in Volume 1428, page 234, Official Records of Santa Cruz County.

SUBJECT to and together with rights of way of record.



PARCEL TWO:

BEING part of Section 21, in T. 10 S. R. 2 W., being a strip of land 40 feet wide, being 20 feet on both sides of the following described center line of the Bull Quarry Branch of the Holmes Lime Co. Railroad as now located.

BEGINNING on the West boundary of said Section 21 in the center line of said railroad, from which the corner of Section 16-17-20 and 21 bears North 0°02' East 1770.3 feet distant; thence along the average center line of said railroad North 32°06' East 56.6 feet to a station; thence North 47°33' East 70.00 feet to a station; thence North 25°35' East 130.00 feet to a station; thence North 33°15' East 70.00 feet to a station; thence North 65°59' East 50.00 feet to a station; thence North 84°06' East 100.00 feet to a station; thence South 73°52' East 60.00 feet to a station; thence South 83°11' East 90.00 feet to a station; thence North 84°18' East 200.00 feet to a station; thence North 53°08' East 100.00 feet to a station; thence North 74° 15' East 90.00 feet to a station; thence South 75°16' East 55.00 feet to a station; thence South 77°08' East 65.00 feet to a station; thence North 61°21' East 75.00 feet to a station; thence North 89°32' East 100.00 feet to a station; thence North 79°30' East 100.00 feet to a station on the center line of Parcel One.

PARCEL THREE:

BEING a part of Parcel 7, of the lands described in the Deed to Florence Fetherston, recorded June 23, 1952 in Volume 873, page 317, Official Records of Santa Cruz County, described as follows, to wit:

BEGINNING at the Southeast corner of said Parcel 7, in the center of a 40 foot right of way; thence along the center line of said 40 foot right of way South 86° 35' West 145.00 feet; thence North 65°35' West 60.00 feet; thence North 24° 35' West 88.00 feet; thence North 49° 35' West 20 feet, more or less, to the Southern line of Felton Empire Road filed for record February 16, 1961 in Volume 32 of Maps, page 88, Santa Cruz County Records; thence along the Southern line of said road South 70° 45' East 270 feet, more or less, to the Eastern boundary of said Parcel 7; thence along the Eastern boundary of said Parcel 7 South 0° 15' West 22 feet, more or less, to the Point of Beginning.

SUBJECT to and together with a right of way over the above mentioned 40 foot right of way.

APN: 064-381-06 (PARCELS ONE & TWO)  
064-021-07 (PARCEL THREE)

## PARCEL 9

BEING a part of the northwest quarter of the northwest quarter of section 21, and the northeast quarter of the northeast quarter of section 20, in township 10 south, range 2 west, Mount Diablo base and meridian, and particularly described as beginning at a station from which the corner to sections 16, 17, 20, and 21, in said township, bears north 20° 05' west, 532.5 feet distant; thence from mid place of beginning, due south 50 feet, to a station; thence south 70° west, 120 feet to a station; thence due north 50 feet to a station; and thence north 70° east, 120 feet to the place of beginning:

TOGETHER with the right to run a water pipe line from the above described premises, across lands of Holmes Lime and Cement Company, along the most practicable route for the purpose of connecting such water to the reservoir of said Felton Water Company. (such pipe line to be buried not less than twelve inches under ground.)

RESERVING, however, to Holmes Lime and Cement Company, so much of said water as will flow through a pipe two inches in diameter, at a point on said above described premises.

"It is resolved by the board of directors of Felton Water Company, that it is for its best interests to purchase from Holmes Lime and Cement Company, the water from the spring which flows through that certain lot, piece, or parcel of land situated in the county of Santa Cruz, in the State of California, described as follows:

BEING a part of the northwest quarter of the northwest quarter of section 21, and the northeast quarter of the northeast quarter of section 20, in township 10 south, range 2 west, Mount Diablo base and meridian, and particularly described as beginning at a station from which the corner to sections 16, 17, 20, and 21, in said township, bears north 20° 05' west, 532.5 feet distant; thence from mid place of beginning, due south 50 feet, to a station; thence south 70° west, 120 feet to a station; thence due north 50 feet to a station; and thence north 70° east, 120 feet to the place of beginning:

TOGETHER with the right to run a water pipe line from the above described premises, across lands of Holmes Lime and Cement Company, along the most practicable route for the purpose of conducting such water to the reservoir of said Felton Water Company, (such pipe line to be buried not less than twelve inches under ground.)

RESERVING, however, to Holmes Lime and Cement Company, so much of said water as will flow through a pipe two inches in diameter, at a point on said above described premises.

The water from the spring which flows through that certain lot, piece, or parcel of land situated in the County of Santa Cruz, in the State of California, described as follows:

BEING a part of the northwest quarter of the northwest quarter of section 21, and the northeast quarter of the northeast quarter of section 20, in township 10 south, range 2 west, Mount Diablo base and meridian, and particularly described as beginning at a station from which the corner to sections 16, 17, 20, and 21, in said township, bears north 20° 05' west, 532.5 feet distant; thence from said place of beginning, due south 50 feet, to a station; thence south 70°

west, 120 feet to a station; thence due north 50 feet to a station; and thence north 70° east, 120 feet to the place of beginning:

TOGETHER with the right to run a water pipe line from the above described premises, across lands of Holmes Lime and Cement Company, along the most practicable route for the purpose of conducting such water to the reservoir of said Felton Water Company. (such pipe line to be buried not less than twelve inches under ground.):

RESERVING, however, to Holmes Lime and Cement Company, as much of said water as will flow through a pipe two inches in diameter, at a point on said above described premises.

APN: 064-381-20

# EXHIBIT 4

## EXHIBIT 4

### CAL -AMERICAN EQUIPMENT INVENTORY LIST (partial)

Item #	Description
1	Work Light Flood
2	Work Light Flood
3	CL2 Analyzer
4	DeWalt hand held batteries (6) w/Chargers
5	repairs clamps one lot
6	fire extinguishers (2)
7	Welder buzz box
8	dolly
9	VSD Unit Allen Bradley
10	jig saw
11	drill 3/8
12	bench grinder
13	Mueller tapping tool D4
14	skill saw
15	generator 4200 watt
16	Rosemount analytical parts
17	tapping tool Aquatap tapping system complete
18	leak detector
19	screw gun battery
20	roto drill
21	Saws all
22	Dechlornation in case
23	cut off saw
24	well sounder
25	oxygen acetylene torch, hoses and tanks
26	air compressor small, electric
27	Air compressor, trailer mounted
28	Jack hammer small
29	Jack Hammer Large
30	Hoist new
31	blower hand held
32	Generator EU 1000
33	Gas Pump Diaphragm
34	J-Tamp gas
35	Large air blower WTP
36	Spare Water Pump WTP
37	UPS (2)
38	Influent Filter Valve WTP
39	Variable Speed Drive Unit
40	shop vacuum
41	heater
42	pipe locator
43	Generator 40 KW Trailer Mounted
44	HP Computer Meter Reading W/4 handheld
45	Long File Cabinet 4 drawer
46	file cabinet 4 drawer
47	file cabinet 4 drawer W/Combo Lock
48	tower computer, monitor, key board, mouse

# CAL -AMERICAN EQUIPMENT INVENTORY LIST (partial)

49	desk radio two-way
50	Desk and chair
51	Desk and chair
52	type writer desk
53	telephones (2)
54	UPS (2)
55	Printer Laser Jet
56	table small
57	desk & Chair
58	schreader
59	tower computer, monitor, hey board, mouse
60	Book Case 4 Shelf
61	Key Box locking
62	Computer SCADA Complete
63	SCADA Printer
64	SCADA UPS
65	Shredder
66	Bookcase 6 shelves
67	legal file 4 drawer
68	tower computer, monitor, hey board, mouse
69	phone
70	desk & Chair
71	Turbidity meter
72	Ph Meter
73	Microwave oven
74	toaster
75	kitchen table round
76	folding chairs 11
77	first aid kit
78	locker 4 door
79	Refrigerator freezer
80	UPS Data switch Cisco
81	Cam Corder
82	UPS APC
83	TV DVD Player all-in-one
84	Ph Meter
85	Data Logger Portable
86	Satellite Computer Laptop "Old"
87	Dell computer laptop "Old"
88	Bookcase 3 shelf
89	Map Box W/16 maps
90	Metal Detector
91	Jar Test Analyzer
92	Drum Dolly 1000 lbs.
93	Drum Dolly 1000 lbs.
94	shop vacuum
95	Floor Jack 21/4 ton
96	Battery Charger
97	Refrigerator freezer

# CAL -AMERICAN EQUIPMENT INVENTORY LIST (partial)

98	fire Extinguisher
99	ABB Chart Recorder in box
100	Ladder step
101	Socket Set in case
102	Pressure Washer Gas
103	Air compressor, 6.0
104	ladder step 5 foot
105	CL2 Kit
106	Calibration Kit
107	digital thermometer
108	fire Extinguisher
109	pipe locator
110	Kubota Trailer
111	gas detection kit
112	fire Extinguisher
113	fire Extinguisher
114	Husky 51 Chain saw
115	Husky 51 Chain saw
116	Husky 300 weed wacker
117	Wheelbarrow
118	Homelite chain saw
119	MIU Meter Transmitter 390 W/Battery
120	Meters 18-11/2
121	Meters 17- 2"
122	Meters 21- 1"
123	Meters 43-5/8"
124	desk & Chair
125	Chairs office (2)
126	Book Cases (3)
127	File cabinet 4 Drawer
128	Phone 1
125	Calculator
126	Kubota RTV





# EXHIBIT 5

1 RUTAN & TUCKER, LLP  
Jeffrey M. Oderman (State Bar No. 63765)  
2 Douglas J. Dennington (State Bar No. 173447)  
611 Anton Boulevard, Fourteenth Floor  
3 Costa Mesa, California 92626-1931  
Telephone: 714-641-5100  
4 Facsimile: 714-546-9035

**EXEMPT FROM FILING FEES  
PER GOVERNMENT CODE § 6103**

5 Attorneys for Plaintiff  
SAN LORENZO VALLEY WATER DISTRICT  
6  
7

8 SUPERIOR COURT OF THE STATE OF CALIFORNIA  
9 FOR THE COUNTY OF SANTA CRUZ  
10

11 SAN LORENZO VALLEY WATER  
DISTRICT,

Case No. CISCV156413

12 Plaintiff,

**SECOND AMENDED COMPLAINT IN  
EMINENT DOMAIN**

13 vs.  
14

CALIFORNIA-AMERICAN WATER  
15 COMPANY, a California corporation, and  
DOES 1 through 50, inclusive,

Date Action Filed: February 21, 2007  
Trial Date:

16 Defendants.  
17

18 Plaintiff San Lorenzo Valley Water District ("Plaintiff") complains of Defendants and  
19 alleges as follows:

20 1. Plaintiff is now, and at all times mentioned herein has been, a county water district  
21 duly created and existing under the laws of the State of California. Plaintiff has the authority to  
22 acquire property by condemnation under Water Code § 31040.

23 2. In this action, Plaintiff seeks to acquire by eminent domain the "Felton Water  
24 System" (sometimes referred to herein as the "Operating Assets") of Defendant California-  
25 American Water Company ("Cal Am"), excluding and excepting the "Non-Operating Assets" and  
26 the "Excluded Assets." As used herein, the terms "Felton Water System" and "Operating Assets"  
27 mean all of the tangible and intangible assets owned or utilized by Cal Am solely in the operation  
28 of Cal Am's water system serving the Felton community, including without limitation, the water

1 sources, storage, treatment, distribution mains, service lines, hydrants, valves, real property, water  
2 pumping rights, SCADA computer software system, transferrable licenses and transferrable  
3 permits and Transferrable Records. The terms Felton Water System and Operating Assets shall  
4 also specifically include the SDWBL Surcharge. Not by way of limitation of the foregoing, the  
5 terms Felton Water System and Operating Assets shall also specifically include the following  
6 personal property assets: (i) the following vehicles: 1997 Dodge 2500 4x4 VIN  
7 1B6KF2675VJ621717, 1999 Dodge 1500 4x4 VIN 1B7GG22XXS111122, 1997 Dodge 1500  
8 4x4 VIN 1B7GG23X6VS291355, and 1997 Chevrolet 2500 4x4 VIN 1GBGC24R1VE145783; (ii)  
9 the three computer towers currently located in Cal Am's Felton Acres office (which may be  
10 "sanitized" by Cal Am prior to the transfer to Plaintiff); (iii) the dedicated meter reading computer,  
11 four hand-helds, and associated radio-read equipment; (iv) the Neptune software (initial repository  
12 for downloaded meter data); and (v) the equipment and inventory listed in Exhibit "A" hereto. As  
13 used herein, the term "Non-Operating Assets" means the approximately 252 acres of real property  
14 and timber thereon that is situated on the westerly side of and adjacent to Felton Empire Road  
15 north of Shingle Mill Lane and west of the unincorporated town of Felton, and is more particularly  
16 described as Santa Cruz County Assessor's Parcel Nos. 064-011-01 and -02; 064-021-04, -07, -18,  
17 -22, and -23; 064-201-34 and -35; and 064-381-05, -06, -16, -17, and -20. As used herein, the  
18 term "Excluded Assets" means any tangible and intangible assets owned or used by Cal Am in the  
19 operation of the Felton Water System that are not physically located within the Felton Water  
20 System service area (except for Transferrable Records) or that are not transferrable. Not by way  
21 of limitation of the foregoing, Excluded Assets include, but are not limited to: securities, rights  
22 and obligations in or arising out of lawsuits or claims made by or against third parties (whether or  
23 not such lawsuits or claims are filed or presented prior to or after the transfer of the Felton Water  
24 System to Plaintiff), intellectual property (including without limitation Cal Am's trademarks, trade  
25 names, trade dress (or the rights to use them) and any rights Cal Am may have in and to any  
26 computer software programs or licenses), rights and obligations with respect to the receipt of  
27 goods and/or services under contracts or open purchase orders (whether as a direct party or as a  
28 third-party beneficiary), rights in or to assets owned or controlled by any employee benefit plan,

1 and any non-transferrable or non-assignable lien, easement, lease, license, or permit, unless  
2 Plaintiff shall have obtained consent to such transfer or assignment at its sole expense. Any  
3 record, wherever located, if it is not a Transferrable Record, is an Excluded Asset. Excluded  
4 Assets do not include the SDWBL Surcharge or any of the personal property assets listed in the  
5 definitions of "Felton Water System" and "Operating Assets" herein. As used herein, the term  
6 "Transferrable Records" means all of Cal Am's business records (in whatever format) relating to  
7 the Felton Water System in their current condition, including without limitation all customer  
8 records and information, reports, maps, plans and specifications for all of the tangible personal  
9 property Operating Assets, other engineering records and drawings, equipment maintenance  
10 records, and records relating to compliance with applicable governmental requirements and  
11 regulations; provided, however, that "Transferrable Records" excludes those records that are not  
12 severable from other records of Cal Am and any electronic records that are available only from  
13 unsegregated backup or disaster recovery media or are not reasonably transferrable to Plaintiff  
14 unless and to the extent Plaintiff requests such records prior to transfer of the Felton Water System  
15 to Plaintiff, pays the full cost incurred to locate, segregate, and retrieve such other records, and  
16 Cal Am can feasibly provide said records prior to the transfer of the Felton Water System to  
17 Plaintiff. As used herein, the term "SDWBL Surcharge" means the revenue collected by or on  
18 behalf of Cal Am within one hundred twenty (120) after the date the other Operating Assets are  
19 transferred to Plaintiff, in accordance with Cal Am's tariff, as a surcharge from customers of the  
20 Felton Water system to pay that certain California Safe Drinking Water Bond Law of 1988 Loan  
21 No. E51065, as amended and assumed by the Company upon its acquisition of the Felton Water  
22 System.

23         3.         With the possible exception of some or all of the Transferrable Records, the  
24 Operating Assets Plaintiff seeks to acquire are situated within Plaintiff's boundaries within the  
25 Felton area of Santa Cruz County, California. Plaintiff's purpose for acquiring the Felton Water  
26 System is to convert Defendants' privately owned and operated water distribution system into a  
27 publicly owned and operated water distribution system (the "Proposed Public Use").

28         4.         The names and capacities of all Defendants, so far as the same are presently known

1 to Plaintiff, are set forth in full in the caption of this Complaint, and are incorporated by reference  
2 as though fully set forth herein. Plaintiff will amend this Complaint to add additional named  
3 Defendants or to amend the capacities of the Defendants as the same may be ascertained.

4 5. Plaintiff is informed and believes, and on that basis alleges, that Defendant  
5 CALIFORNIA-AMERICAN WATER COMPANY, a California corporation ("Cal Am"), is the  
6 record owner of the Operating Assets.

7 6. In 2006, Plaintiff appraised the Felton Water System (and the Non-Operating  
8 Assets) and in December 2006 and January 2007 Plaintiff presented an offer of just compensation  
9 to Cal Am for purchase of the same in an amount not less than the amount of Plaintiff's approved  
10 appraisal, in accordance with applicable requirements of law. Plaintiff attempted to negotiate the  
11 acquisition of the Felton Water System (and the Non-Operating Assets), but negotiations were not  
12 successful, requiring this acquisition by eminent domain.

13 7. Prior to commencement of this action, on February 8, 2007, and after providing the  
14 notice and conducting a hearing as required by Code of Civil Procedure § 1245.235, Plaintiff's  
15 Board of Directors duly and regularly adopted its Resolution No. 17 (06-07) authorizing and  
16 directing the acquisition of the Felton Water System (and the Non-Operating Assets) and declaring  
17 the public interest and necessity therefor. Resolution No. 17 (06-07) was passed and adopted by  
18 no less than two-thirds of the eligible members of Plaintiff's Board of Directors as required by  
19 Code of Civil Procedure § 1245.240.

20 8. Plaintiff's Board of Directors found and determined in Resolution No. 17 (06-07)  
21 that:

- 22 a) The public interest and necessity require the Proposed Public Use;
- 23 b) The Proposed Public Use is planned and located in the manner that will be most  
24 compatible with the greatest public good and least private injury;
- 25 c) The property sought to be acquired is necessary for the Proposed Public Use;
- 26 d) The Proposed Public Use is a more necessary public use pursuant to California  
27 Code of Civil Procedure §§ 1240.610 *et seq.*;
- 28 e) An offer of just compensation complying with the provisions of Government Code

- 1           § 7267.2 was made to the owners of record of the subject property;
- 2           f) Plaintiff has the statutory authority to acquire the subject property pursuant to
- 3           Water Code § 31040, Code of Civil Procedure §§ 1240.410 *et seq.*, and Code of
- 4           Civil Procedure §§ 1240.610 *et seq.*; and
- 5           g) Plaintiff has complied with all conditions and statutory requirements necessary to
- 6           exercise the power of eminent domain to acquire the subject property.

7           9.     Each and every fact, matter and thing set forth in Resolution No. 17 (06-07) was

8     and is true.

9           10.    Location, general routing and termini of the Felton Water System, and the full legal

10   descriptions of the real property interests sought to be condemned, are described in the

11   attachments to Resolution No. 17 (06-07). Plaintiff acknowledges that the Non-Operating Assets

12   are also referred to and described in Resolution No. 17 (06-07) and in the attachments thereto and

13   that the Non-Operating Assets are now being excluded from the real property interests to be

14   acquired by Plaintiff pursuant to this eminent domain action.

15          11.    Subject to the provisions of Paragraph 4 above, the names of all owners and

16   claimants of the Felton Water System sought to be condemned herein, insofar as known to

17   Plaintiff, are set forth in this paragraph. Plaintiff has set out opposite each named Defendant a

18   statement of possible interest of each defendant in the Felton Water System.

<u>Defendant</u>	<u>Possible Interest</u>
CALIFORNIA-AMERICAN WATER COMPANY, a California corporation	Record Owner

22

23

24          12.    Plaintiff is informed and believes and thereon alleges that Defendants Does 1

25   through 50, inclusive, each have or claim to have an interest in the Felton Water System, the exact

26   nature of which interest is currently unknown to Plaintiff. The true names and capacities, whether

27   individual, corporate, or otherwise, of Defendants Does 1 through 50, inclusive, are unknown to

28   Plaintiff, who therefore sues said Defendants by such fictitious names. Plaintiff will amend this

1 Complaint to show their true names and capacities when the same have been ascertained.

2 13. Plaintiff's Proposed Public Use for which the Felton Water System is sought herein  
3 is more necessary than any existing public use to which the Felton Water System is already  
4 dedicated. Such acquisition is made pursuant to the powers conferred by Code of Civil Procedure  
5 §§ 1240.610 *et seq.*

6 14. To the extent any portions of the Felton Water System are not required for  
7 Plaintiff's Proposed Public Use, Plaintiff's acquisition of the real property required for the  
8 Proposed Public Use will render such other portions of the Felton Water System uneconomic  
9 remnants. Accordingly, Plaintiff is empowered by, and seeks to condemn such remnants under,  
10 the "excess take" provisions embodied in Code of Civil Procedure §§ 1240.410 *et seq.*

11 15. Pursuant to provisions of Section 1260.220(b) of the Code of Civil Procedure, if  
12 multiple Defendants make a claim to portions of the just compensation amount to be paid, Plaintiff  
13 requests that the amount of compensation be first determined between Plaintiff and all Defendants  
14 claiming an interest in the Felton Water System prior to the determination as to how such just  
15 compensation amount is allocated between or among said Defendants.

16 ///

17 WHEREFORE, Plaintiff prays for judgment as follows:

- 18 1) That the Felton Water System be condemned to Plaintiff for the purposes set forth  
19 in Resolution No. 17 (06-07);
- 20 2) That just compensation for the taking be ascertained and assessed and the amount  
21 of the award for the Felton Water System be determined between Plaintiff and all  
22 Defendants claiming any interest in the Felton Water System;
- 23 3) That with the exception of the debt and obligations to be assumed by Plaintiff in  
24 connection with Safe Drinking Water Loan Contract E51065, all liens and  
25 encumbrances against the Felton Water System be extinguished;
- 26 4) That upon appropriate application Plaintiff be granted prejudgment possession of  
27 the Felton Water System upon compliance with applicable law; and
- 28 5) For such other and further relief as the Court deems just and proper.

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Dated: August 25, 2008

RUTAN & TUCKER, LLP  
JEFFREY M. ODERMAN  
DOUGLAS J. DENNINGTON

By: \_\_\_\_\_  
Jeffrey M. Oderman  
Attorneys for Plaintiff  
SAN LORENZO VALLEY WATER  
DISTRICT



**EXHIBIT A**

**CAL - AMERICAN**  
**EQUIPMENT INVENTORY LIST**  
**(partial)**

Item #	Description
1	Work Light Flood
2	Work Light Flood
3	CL2 Analyzer
4	DeWalt hand held batteries (6) w/Chargers
5	repairs clamps one lot
6	fire extinguishers (2)
7	Welder buzz box
8	dolly
9	VSD Unit Allen Bradley
10	jig saw
11	drill 3/8
12	bench grinder
13	Mueller tapping tool D4
14	skill saw
15	generator 4200 watt
16	Rosemount analytical parts
17	tapping tool Aquatap tapping system complete
18	leak detector
19	screw gun battery
20	roto drill
21	Saws all
22	Dechlornation in case
23	cut off saw
24	well sounder
25	oxygen acetylene torch, hoses and tanks
26	air compressor small, electric
27	Air compressor, trailer mounted
28	Jack hammer small
29	Jack Hammer Large
30	Hoist new
31	blower hand held
32	Generator EU 1000
33	Gas Pump Diaphragm
34	J-Tamp gas
35	Large air blower VVTP
36	Spare Water Pump WTP
37	UPS (2)
38	Influent Filter Valve WTP
39	Variable Speed Drive Unit
40	shop vacuum
41	heater
42	pipe locator
43	Generator 40 KW Trailer Mounted
44	HP Computer Meter Reading W/4 handheld
45	Long File Cabinet 4 drawer
46	file cabinet 4 drawer
47	file cabinet 4 drawer W/Combo Lock
48	tower computer, monitor, hey board, mouse

# CAL - AMERICAN EQUIPMENT INVENTORY LIST (partial)

49	desk radio two-way
50	Desk and chair
51	Desk and chair
52	type writer desk
53	telephones (2)
54	UPS (2)
55	Printer Laser Jet
56	table small
57	desk & Chair
58	schreader
59	tower computer, monitor, hey board, mouse
60	Book Case 4 Shelf
61	Key Box locking
62	Computer SCADA Complete
63	SCADA Printer
64	SCADA UPS
65	Shredder
66	Bookcase 6 shelves
67	legal file 4 drawer
68	tower computer, monitor, hey board, mouse
69	phone
70	desk & Chair
71	Turbidity meter
72	Ph Meter
73	Microwave oven
74	toaster
75	kitchen table round
76	folding chairs 11
77	first aid kit
78	locker 4 door
79	Refrigerator freezer
80	UPS Data switch Cisco
81	Cam Corder
82	UPS APC
83	TV DVD Player all-in-one
84	Ph Meter
85	Data Logger Portable
86	Satellite Computer Laptop "Old"
87	Dell computer laptop "Old"
88	Bookcase 3 shelf
89	Map Box W/16 maps
90	Metal Detector
91	Jar Test Analyzer
92	Drum Dolly 1000 lbs.
93	Drum Dolly 1000 lbs.
94	shop vacuum
95	Floor Jack 21/4 ton
96	Battery Charger
97	Refrigerator freezer

# CAL-AMERICAN EQUIPMENT INVENTORY LIST (partial)

98	fire Extinguisher
99	ABB Chart Recorder in box
100	Ladder step
101	Socket Set in case
102	Pressure Washer Gas
103	Air compressor, 6.0
104	ladder step 5 foot
105	CL2 Kit
106	Calibration Kit
107	digital thermometer
108	fire Extinguisher
109	pipe locator
110	Kubota Trailer
111	gas detection kit
112	fire Extinguisher
113	fire Extinguisher
114	Husky 51 Chain saw
115	Husky 51 Chain saw
116	Husky 300 weed wacker
117	Wheelbarrow
118	Homelite chain saw
119	MIU Meter Transmitter 390 W/Battery
120	Meters 18-11/2
121	Meters 17-2'
122	Meters 21- 1"
123	Meters 43-5/8"
124	desk & Chair
125	Chairs office (2)
126	Book Cases (3)
127	File cabinet 4 Drawer
128	Phone 1
125	Calculator
126	Kubota RTV

# EXHIBIT 6

1 RUTAN & TUCKER, LLP  
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2 Douglas J. Dennington (State Bar No. 173447)  
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15 **Attorneys for Defendant**  
16 **CALIFORNIA AMERICAN WATER**  
**COMPANY, a California corporation**

17 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**  
18 **FOR THE COUNTY OF SANTA CRUZ**

20 SAN LORENZO VALLEY WATER  
21 DISTRICT,

22 Plaintiff,

23 vs.

24 CALIFORNIA-AMERICAN WATER  
COMPANY, a California corporation, and  
25 DOES 1 through 50, inclusive,  
26 Defendant.

Case No. CISCV156413

**STIPULATION FOR ENTRY OF  
JUDGMENT IN CONDEMNATION AND  
FINAL ORDER OF CONDEMNATION**

Date Action Filed	February 21, 2007
Right-to-Take Trial Date:	Off Calendar (vacated)
Valuation Trial Date:	Off Calendar

27 IT IS HEREBY STIPULATED by and between Plaintiff SAN LORENZO VALLEY  
28 WATER DISTRICT ("Plaintiff") and Defendant CALIFORNIA-AMERICAN WATER

1 COMPANY ("Defendant"), by and through their respective attorneys, as follows:

2 1. The original Complaint in this action was filed on February 21, 2007, a First  
3 Amended Complaint was filed on February 26, 2007, and a Second Amended Complaint was filed  
4 on August \_\_, 2008. The original Complaint, as so amended, is hereinafter referred to as the  
5 "Complaint." The Complaint seeks to condemn all of the property interests described in Exhibit A  
6 to the Judgment in Condemnation that is attached hereto as Attachment No. 1 and incorporated  
7 herein by this reference (collectively, the "Felton Water System").

8 2. The parties hereby stipulate and agree that the just compensation amount to be  
9 awarded in this action for the Felton Water System is the sum of Thirteen Million Four Hundred  
10 Thousand Dollars (\$13,400,000) (the "Purchase Price"), of which Two Million Nine Hundred  
11 Thousand Dollars (\$2,900,000) shall be in the form of Plaintiff's assumption of the outstanding  
12 balance owing on that certain California Safe Drinking Water Bond Law of 1988 Loan No.  
13 E51065, as amended, and Ten Million Five Hundred Thousand Dollars (\$10,500,000) which shall  
14 be paid in cash or by wire transfer of available funds to Defendant. Said Purchase Price shall be  
15 subject to adjustments made pursuant to that certain Settlement and Asset Purchase Agreement  
16 entered into by the parties on or about August 2\_, 2008. The parties agree that the Purchase Price  
17 represents the fair market value of the Felton Water System.

18 3. The parties further agree that each party shall bear its own litigation expenses and  
19 costs incurred in and with respect to this action.

20 4. The parties have entered into a separate Settlement and Asset Purchase Agreement.  
21 Nothing in this Stipulation is intended to modify or supersede the provisions of said Settlement  
22 and Asset Purchase Agreement, including without limitation with respect to adjustments to the  
23 amount to be paid as referred to in Paragraph 2 above.

24 5. The Court is authorized and petitioned to enter without further notice a Judgment in  
25 Condemnation in the form attached hereto as Attachment No. 1. Upon Plaintiff's payment in full  
26 of the amounts required to paid to Defendant in accordance with Paragraph 2 (and subject to any  
27 adjustments to such payment as may be authorized pursuant to the separate Settlement and Asset  
28 Purchase Agreement referred to therein and in Paragraph 4), Plaintiff is further authorized to apply

1 to the Court without further notice for entry of a Final Order of Condemnation in the form  
2 attached hereto as Attachment No. 2.

3 6. Fee simple title in and to the real property assets comprising the Felton Water  
4 System and title to all other assets comprising the Felton Water System shall vest in Plaintiff free  
5 and discharged of all claims and liens of every kind whatsoever, except those of public record, at  
6 the time of the "Closing" provided for in the Settlement and Asset Purchase Agreement. The  
7 transfer of title to the real property assets comprising the Felton Water System shall then be  
8 memorialized in the Final Order of Condemnation that shall be recorded in the Official Records of  
9 the Santa Cruz County Recorder's office.

10 7. The property taxes for the real property portion of the Felton Water System shall be  
11 cancelled as of the date that the Final Order of Condemnation is recorded. Defendant shall be  
12 required to pay any unpaid delinquent or current taxes and shall be entitled to a refund for any  
13 taxes paid that are attributable to the period of time after the recordation of the Final Order of  
14 Condemnation.

15 Dated: August \_\_\_\_, 2008

RUTAN & TUCKER, LLP

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

17 Jeffrey M. Oderman  
18 Attorneys for Plaintiff  
19 SAN LORENZO VALLEY WATER  
DISTRICT

20 Dated: August \_\_\_\_, 2008

MEYERS, NAVE, RIBACK, SILVER &  
WILSON

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

22 David W. Skinner  
23 Attorneys for Defendant  
CALIFORNIA AMERICAN WATER  
COMPANY

24 Dated: August \_\_\_\_, 2008

BAKER, DONELSON, BEARMAN,  
CALDWELL & BERKOWITZ, P.C.

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

27 Joe A. Conner  
28 Attorneys for Defendant  
CALIFORNIA AMERICAN WATER  
COMPANY

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ATTACHMENT 1  
(PROPOSED) JUDGMENT IN CONDEMNATION  
(see attached copy)



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8 SUPERIOR COURT OF THE STATE OF CALIFORNIA  
9 FOR THE COUNTY OF SANTA CRUZ  
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11 SAN LORENZO VALLEY WATER  
12 DISTRICT,

13 Plaintiff,

14 vs.

15 CALIFORNIA-AMERICAN WATER  
16 COMPANY, a California corporation, and  
17 DOES 1 through 50, inclusive,

18 Defendant.

Case No. CISCV156413

**(PROPOSED) JUDGMENT IN  
CONDEMNATION**

Date Action Filed February 21, 2007  
Right-to-Take Trial Date: March 17, 2008  
(vacated)  
Valuation Trial Date: June 2, 2008  
(vacated)

18 Plaintiff San Lorenzo Valley Water District ("Plaintiff") and Defendant California-  
19 American Water Company ("Defendant") having placed on the record on May 30, 2008, a  
20 Settlement Agreement (After Mediation) in this action and having presented the Court with a  
21 Stipulation for Entry of Judgment in Condemnation and Final Order of Condemnation, and good  
22 cause appearing:

23 IT IS HEREBY ORDERED, ADJUDGED, AND DECREED as follows:

24 1. Judgment is hereby entered condemning to Plaintiff all of the right, title, and  
25 interest of Defendant in and to the real, personal, and intangible property of Defendant described  
26 as the "Felton Water System" in Exhibits A, B, and C hereto.

27 2. The fair market value and just compensation amount to be paid by Plaintiff to  
28 Defendant for the Felton Water System shall be the sum of Thirteen Million Four Hundred

1 Thousand Dollars (\$13,400,000), of which Two Million Nine Hundred Thousand Dollars  
2 (\$2,900,000) shall be in the form of Plaintiff's assumption of the outstanding balance owing on  
3 that certain California Safe Drinking Water Bond Law of 1988 Loan No. E51065, as amended,  
4 (the "SDWBL Loan"), and Ten Million Five Hundred Thousand Dollars (\$10,500,000) which  
5 shall be paid by Plaintiff to Defendant in cash or by wire transfer of available funds. Said  
6 payment amount shall be subject to adjustments made pursuant to that certain Settlement and  
7 Asset Purchase Agreement entered into by and between the parties on or about August 2\_, 2008.

8 3. Each party shall bear its own litigation expenses and costs in and with respect to  
9 this action.

10 4. The Court acknowledges that the parties have entered into a separate Settlement  
11 and Asset Purchase Agreement that relates to the subject matter of this action. Nothing in this  
12 Judgment is intended to modify or supersede the provisions of said Settlement and Asset Purchase  
13 Agreement, including without limitation with respect to adjustments to the amount to be paid as  
14 referred to in Paragraph 2 above.

15 5. All ad valorem real property taxes and any penalties and costs therein pertaining to  
16 the Subject Property shall be apportioned and cancelled as of the date a final order of  
17 condemnation is recorded pursuant to Sections 4986, 5082, 5085, and 5086 of the Revenue and  
18 Taxation Code.

19 6. This Court retains continuing jurisdiction over this matter to enforce the provisions  
20 of this Judgment and the Settlement and Asset Purchase Agreement referred to above.

21 IT IS SO ORDERED.

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23 DATED: \_\_\_\_\_

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\_\_\_\_\_  
JUDGE OF THE SUPERIOR COURT

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**EXHIBIT A**

**DESCRIPTION OF FELTON WATER SYSTEM**

The "Felton Water System" means all of the tangible and intangible assets owned or utilized by Defendant California-American Water Company ("Defendant") solely in the operation of Defendant's water system serving the Felton community in Santa Cruz County, California, including without limitation the water sources, storage, treatment, distribution mains, service lines, hydrants, valves, real property, water pumping rights, SCADA computer software system, transferrable licenses and transferrable permits and Transferrable Records. The real property assets comprising the Felton Water System are separately described in Exhibit B hereto. The term "Felton Water System" shall also specifically include the SDWBL Surcharge. Not by way of limitation of the foregoing, the Felton Water System shall also specifically include the following personal property assets: (i) the following vehicles: 1997 Dodge 2500 4x4 VIN 1B6KF2675VJ621717, 1999 Dodge 1500 4x4 VIN 1B7GG22XXS111122, 1997 Dodge 1500 4x4 VIN 1B7GG23X6VS291355, and 1997 Chevrolet 2500 4x4 1GBGC24R1VE145783; (ii) the three computer towers currently located in Defendant's Felton Acres office (which may be "sanitized" by Defendant prior to the transfer to Plaintiff); (iii) the dedicated meter reading computer, four hand-helds, and associated radio-read equipment; (iv) the Neptune software (initial repository for downloaded meter data); and (v) the equipment and inventory listed in Exhibit C hereto. The term "Transferrable Record" as used herein means all of Defendant's business records (in whatever format) relating to the Felton Water System in their current condition, including without limitation all customer records and information, reports, maps, plans and specifications for all of the tangible personal property assets comprising the Felton Water System, other engineering records and drawings, equipment maintenance records, and records relating to compliance with applicable governmental requirements and regulations; provided, however, that "Transferrable Records" excludes those records that are not severable from other records of Defendant and any electronic records that are available only from unsegregated backup or disaster recovery media or are not reasonably transferrable to Plaintiff unless and to the extent Plaintiff requests such records prior to transfer of the Felton Water System to Plaintiff, pays the full cost incurred to locate,

1 segregate, and retrieve such other records, and Defendant can feasibly provide said records prior to  
2 the transfer of the Felton Water System to Plaintiff. As used herein, the term "SDWBL  
3 Surcharge" means the revenue collected by or on behalf of Defendant within one hundred twenty  
4 (120) days after the date the other Operating Assets are transferred to Plaintiff, in accordance with  
5 Defendant's tariff, as a surcharge from customers of the Felton Water System to pay that certain  
6 California Safe Drinking Water Bond Law of 1988 Loan No. E51065, as amended and assumed  
7 by Defendant upon its acquisition of the Felton Water System. For purposes of this action and  
8 Judgment, the Felton Water System specifically excludes the approximately 252 acres of real  
9 property and timber thereon that is situated on the westerly side of and adjacent to Felton Empire  
10 Road north of Shingle Mill Lane and west of the unincorporated town of Felton, and which is  
11 particularly described as Santa Cruz County Assessor's Parcel Nos. 064-011-01 and -02; 064-021-  
12 04, -07, -18, -22, and -23; 064-201-34 and -35; and 064-381-05, -06, -16, -17, and -20 (which  
13 property is sometimes referred to as the "Non-Operating Assets"). For purposes of this action and  
14 judgment, the Felton Water System also specifically excludes any tangible and intangible assets  
15 owned or used by Defendant in the operation of the Felton Water System that are not physically  
16 located within the Felton Water System service area (except for Transferrable Records) or that are  
17 not transferrable (collectively, the "Excluded Assets"). Not by way of limitation of the foregoing,  
18 the Excluded Assets include, but are not limited to: securities, rights and obligations in or arising  
19 out of lawsuits or claims made by or against third parties (whether or not such lawsuits or claims  
20 are filed or presented prior to or after the transfer of the Felton Water System to Plaintiff),  
21 intellectual property (including without limitation Defendant's trademarks, trade names, trade  
22 dress (or the rights to use them) and any rights Defendant may have in and to any computer  
23 software programs or licenses), rights and obligations with respect to the receipt of goods and/or  
24 services under contracts or open purchase orders (whether as a direct party or as a third-party  
25 beneficiary), rights in or to assets owned or controlled by any employee benefit plan, and any non-  
26 transferrable or non-assignable lien, easement, lease, license, or permit, unless Plaintiff shall have  
27 obtained consent to such transfer or assignment at its sole expense. Any record, wherever located,  
28 if it is not a Transferrable Record, is an Excluded Asset. Excluded Assets do not include the

1 SDWBL Surcharge or any of the personal property assets listed in the definition of "Felton Water  
2 System" herein.

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**EXHIBIT B**

**DESCRIPTION OF REAL PROPERTY INTERESTS**

[see following pages]

**PARCEL 1:**

PARCEL ONE:

BEING ALL OF PARCEL A AS SHOWN UPON THAT CERTAIN MAP OF THE LANDS OF CLARENCE T. ROE FILED FOR RECORD JULY 15, 1980 IN BOOK 36 OF PARCEL MAPS AT PAGE 5, SANTA CRUZ COUNTY RECORDS.

PARCEL TWO:

A NON-EXCLUSIVE EASEMENT FOR INGRESS AND EGRESS AND PUBLIC UTILITIES PURPOSES OVER, UNDER AND UPON THE FOLLOWING DESCRIBED PARCEL OF LAND.

SITUATE IN THE COUNTY OF SANTA CRUZ, CALIFORNIA, AND BEING A PART OF THE LANDS DESCRIBED IN VOLUME 1600, PAGE 279 OF SANTA CRUZ COUNTY OFFICIAL RECORDS AND A PART OF THE SOUTH 1/2 OF SECTION 21, T. 10 S., R. 2 W., M. D. B. & M. AND BEING A STRIP OF LAND 20.00 FEET WIDE, MEASURED AT RIGHT ANGLES, THE CENTERLINE OF WHICH IS DESCRIBED AS FOLLOWS:

BEGINNING IN THE CENTERLINE OF A 25.00 FOOT WIDE ROAD KNOWN AS ORCHARD DRIVE AT A STATION FROM WHICH THE SOUTHEASTERN CORNER OF THE LANDS OF ROE BEARS S 89° 45' E, 82.99 FEET DISTANT; THENCE FROM SAID POINT OF BEGINNING N 0° 15' E, 9.20 FEET TO A POINT OF CURVE; THENCE ON A CURVE TO THE RIGHT WITH A RADIUS OF 35.00 FEET, THROUGH A CENTRAL ANGLE OF 48° 24', AN ARC LENGTH OF 29.57 FEET TO A POINT OF TANGENCY; THENCE N 48° 39' E, 5.61 FEET TO A POINT OF CURVE; THENCE ON A CURVE TO THE LEFT WITH A RADIUS OF 35.00 FEET, THROUGH A CENTRAL ANGLE OF 65° 22', AN ARC LENGTH OF 39.93 FEET TO A POINT OF TANGENCY; THENCE N 16° 43' W, 48.76 FEET TO A POINT OF CURVE; THENCE ON A CURVE TO THE RIGHT, WITH A RADIUS OF 45.00 FEET, THROUGH A CENTRAL ANGLE OF 42° 42', AN ARC LENGTH OF 33.54 FEET TO A POINT OF TANGENCY; THENCE N 25° 59' E, 123.70 FEET TO A POINT OF CURVE; THENCE ON A CURVE TO THE LEFT WITH A RADIUS OF 35.00 FEET, THROUGH A CENTRAL ANGLE OF 131° 35' 20", AN ARC LENGTH OF 80.37 FEET TO A POINT OF TANGENCY; THENCE S 74° 24' 40" W, 38.58 FEET TO A POINT OF CURVE; THENCE ON A CURVE TO THE RIGHT WITH A RADIUS OF 75.00 FEET, THROUGH A CENTRAL ANGLE OF 17° 52' 20", AN ARC LENGTH OF 23.39 FEET TO A POINT OF TANGENCY; THENCE N 87° 43' W., 194.53 FEET TO A STATION ON THE EASTERN BOUNDARY OF PARCEL ONE HEREIN ABOVE DESCRIBED.

PARCEL THREE:

A NON-EXCLUSIVE EASEMENT FOR TURN AROUND PURPOSES THE BOUNDARIES OF WHICH ARE DESCRIBED AS FOLLOWS:

BEGINNING AT A STATION ON THE CENTERLINE OF THE HEREIN DESCRIBED 20 FOOT WIDE RIGHT OF WAY WHICH THE WESTERN TERMINUS

BEARS N 87° 43' W, 15.00 FEET DISTANT; THENCE FROM SAID POINT OF BEGINNING AND ALONG SAID CENTERLINE S 87° 43' E, 40.00 FEET; THENCE LEAVE SAID CENTERLINE S 2° 17' W, 10.00 FEET TO A POINT OF CURVE; THENCE ON A CURVE TO THE LEFT FROM A TANGENT BEARING N 87° 43' W, WITH A RADIUS OF 10.00 FEET, THROUGH A CENTRAL ANGLE OF 90° 00', AN ARC LENGTH OF 15.71 FEET TO A POINT OF TANGENCY; THENCE S 2° 17' W, 15.00 FEET; THENCE N 87° 41' W, 20.00 FEET; THENCE N 2° 17' E, 15.00 FEET TO A POINT OF CURVE; THENCE ON A CURVE TO THE LEFT WITH A RADIUS OF 10.00 FEET, THROUGH A CENTRAL ANGLE OF 90° 00', AN ARC DISTANCE OF 15.71 FEET; THENCE N 2° 17' E, 10.00 FEET TO THE POINT OF BEGINNING.

PARCEL FOUR:

SLOPE EASEMENTS OVER PARCEL B AS SAID PARCEL IS SHOWN UPON THE MAP REFERRED TO IN PARCEL ONE HEREIN ABOVE AS REQUIRED TO ACCOMMODATE THE CUT AND FILL SECTIONS AS REQUIRED BY THE ENGINEERED PLANS ACCEPTABLE TO THE COUNTY OF SANTA CRUZ IN JUNE, 1980.

PARCEL FIVE:

A DRAINAGE EASEMENT 10 FEET WIDE MEASURED AT RIGHT ANGLES THE CENTERLINE OF WHICH IS DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT FROM WHICH THE WESTERN TERMINUS OF THE HEREIN DESCRIBED CENTERLINE OF THE 20 FOOT WIDE RIGHT OF WAY BEARS S 89° 45' E, 12.00 FEET AND S 0° 15' W, 27 FEET, A LITTLE MORE OR LESS; THENCE FROM SAID POINT OF BEGINNING N 38° 45' E, 40.00 FEET.

PARCEL SIX:

A DRAINAGE EASEMENT 10 FEET WIDE MEASURED AT RIGHT ANGLES THE CENTERLINE OF WHICH IS DESCRIBED AS FOLLOWS:

BEGINNING AT A STATION ON THE CENTERLINE OF THE HEREIN DESCRIBED 20 FOOT WIDE RIGHT OF WAY FROM WHICH THE EASTERN TERMINUS OF TANGENT SHOWN BEARING S 74° 24' 40" W, BEARS WESTERLY 3.0 FEET DISTANT, ALONG A CURVE TO THE LEFT WITH A 45.0 FOOT RADIUS; THENCE FROM SAID POINT OF BEGINNING N 4° 35' E, 37.00 FEET.

PARCEL SEVEN:

A DRAINAGE EASEMENT 10 FEET WIDE MEASURED AT RIGHT ANGLES, THE CENTERLINE OF WHICH IS DESCRIBED AS FOLLOWS:

BEGINNING AT A STATION IN THE CENTERLINE OF THE HEREIN DESCRIBED 20 FOOT WIDE RIGHT OF WAY THAT BEARS N 48° 39' E, 5.61 FEET FROM WHICH THE SOUTHWESTERN TERMINUS OF SAID COURSE BEARS S 48° 39' W, 2.0 FEET



DISTANT; THENCE FROM SAID POINT OF BEGINNING S 30° 20' E, 36.00 FEET TO THE EXISTING GUTTER ON THE NORTHERN SIDE OF ORCHARD DRIVE.

PARCEL EIGHT:

A NON-EXCLUSIVE EASEMENT FOR INGRESS AND EGRESS, PUBLIC UTILITY AND WATER PIPE LINE PURPOSES OVER, UNDER AND UPON THAT PORTION OF PARCEL "B" AS SHOWN UPON THE MAP REFERRED TO IN PARCEL ONE HEREIN, LYING WITHIN THE BOUNDS OF ORCHARD ROAD.

APN: 064-041-18

**PARCEL 2:**

Situate in the County of Santa Cruz, State of California and described as follows:

PARCEL ONE:

Lot 148 of Felton Acres, as shown upon the map entitled, "Subdivision No. 3 Felton Acres", recorded August 10, 1925, in Map Book 18, Page 65, Santa Cruz County Records.

PARCEL TWO:

Being a part of the Rincon Rancho and more particularly bounded and described as follows, to wit:

Beginning at the most Northerly corner of Lot No. 148 in Subdivision No. 3 of Felton Acres, filed in the Office of the County Recorder of Santa Cruz County, August 10, 1925, in Map Book 18, at Page 65, of Maps; thence North 89° 58' West 101.42 feet to a station; thence South 13° 20' East 86.66 feet to a station; thence North 86° 05' East 53.13 feet to the most Westerly corner of said Lot 148; thence along the Northwesterly side of said lot North 19° 25' East 85.50 feet to the Place of Beginning.

APN: 064-051-03

**PARCEL 3:**

SITUATE IN THE COUNTY OF SANTA CRUZ, STATE OF CALIFORNIA AND DESCRIBED AS FOLLOWS:

BEING a portion of Lot 116, as shown and designated on that certain map entitled "Subdivision No. 2 Felton Acres, being a part of Rancho Canada del Rincon and Zayante Rancho, Santa Cruz Co., California, subdivided in September 1924, by Lloyd Bowman, County Surveyor", filed for record in the office of the County Recorder September 19th, 1924 in Map Book 18, page 52, Santa Cruz County Records and more particularly described as follows:

BEGINNING at the Northwestern corner of Lot 116, as shown upon said map on the Southerly line of Hillcrest Drive; thence along the Southerly line of Hillcrest Drive North 50° 42' East 15.0 feet to the Northwestern corner of the land conveyed to George W. Simpson, et ux., by Deed recorded November 18, 1925 in Volume 49, page 256, Official Records of Santa Cruz County; thence along the Southwesterly line of said lands of Simpson South 39° 18' East 115.94 feet to the most Southerly corner of said lands; thence along the Southeasterly boundary of said land of Simpson North 49° 33' East 35.57 feet to an angle in said boundary; thence continuing along the Southwesterly line of said land South 28° 18' East 15.34 feet to the Northwestern line of Lot 75 as shown on said map; thence along the Northwestern line of Lot 75 and Lot 74 as shown upon said map South 49° 33' West 47.34 feet to the Southerly corner of Lot 116 as aforementioned; thence along the Southwesterly line of Lot 116 North 39° 18' West 130.94 feet to the Point of Beginning.

APN: 064-052-18

**PARCEL 4:**

Situate in the County of Santa Cruz, State of California, described as follows:

Lot 63 of "Subdivision No. 1, Felton Acres, being a part of Rancho Canada del Rincon, and Zayante Rancho, Santa Cruz County, California", subdivided in June 1924, by Lloyd Bowman, County Surveyor", Filed for record in the office of the County Recorder June 7, 1924 in Map Book 18, Page 47, Santa Cruz County Records.

APN: 064-083-05

**PARCEL 5:**

PARCEL ONE:

BEING a part of Lot 18, as shown on the map entitled, "Tract No. 74, Felton Forest Subdivision No. 2", filed for record December 30, 1947 in Volume 28 of Maps at Page 67, Santa Cruz County Records, and further described as follows:

BEGINNING on the Western line of said Lot 18, at the most Southern corner of the land conveyed to Margaret K. Harriss, by Deed recorded May 29, 1951 in Volume 825 of Official Records, at Page 106, Santa Cruz County Records; thence along the Southeast line of said land of Harriss North 59° 32' East 50.0 feet to a station; thence leaving said line South 30° 30' East 110.00 feet to a station in the center of a 20 foot right of way; thence along the center line of said Right of Way, South 59° 32' West 50.0 feet to the Western line of said Lot 18; thence along last mentioned line North 30° 30' West 110.00 feet to the Place of Beginning.

PARCEL TWO:

A right of way, appurtenant to Parcel One over the following described strip of land:

BEGINNING at the most Easterly corner of Lot 21 as shown on said above mentioned map; and running thence along the Easterly boundary of said Lot North 30° 43' West 120.00 feet to a station; thence North 59° 32' East 250.47 feet to a station; thence South 30° 30' East 20.0 feet to a station; thence South 59° 32' West 210.29 feet to the beginning of a curve to the left; thence curving to the left with a radius of 20.0 feet through an angle of 90° 15' for a distance of 31.50 feet to a station; thence South 30° 43' East 79.91 feet to Blair Street; thence along Blair Street South 59° 32' West 20.0 feet to the Place of Beginning.

PARCEL THREE:

BEING a portion of Lot 19, as said Lot is shown and designated on map entitled, "Tract No. 74, Felton Forest Subdivision No. 2", filed for record December 30, 1947 in Volume 28 of Maps, at Page 67, Santa Cruz County Records, and more particularly bounded and described as follows:

BEGINNING at the most Northerly corner of Lot 19, as shown on said above mentioned map and running thence along the Easterly boundary thereof South 30° 30' East 410.67 feet to the center line of a 20 foot right of way; from which the most Easterly corner of said Lot 19, bears South 30° 30' East 110.00 feet distant; thence leaving said Easterly boundary of said lot and parallel to Blair Street as shown on said map and along the centerline of said 20 foot right of way, South 59° 32' West 50 feet; thence North 30° 30' West parallel with the Easterly boundary of said Lot 19, 358.96 feet to the Easterly side of Farmer Street as shown on said above mentioned map; thence along said boundary line North 13° 34' East 71.92 feet to the Place of Beginning.

PARCEL FOUR:

A Right of Way, appurtenant to Parcel Three, over the following described strip of land:

BEGINNING at the most Easterly corner of Lot 21 as shown on said above mentioned map; and running thence along the Easterly boundary of said Lot North 30° 43' West 120.00 feet to a station; thence North 59° 32' East 250.47 feet to a station; thence South 30° 30' East 20.0 feet to a station; thence South 59° 32' West 210.29 feet to the beginning of a curve to the left; thence curving to the left with a radius of 20.0 feet through an angle of 90° 15' for a distance of 31.50 feet to a station; thence South 30° 43' East 79.91 feet to Blair Street; thence along Blair Street South 59° 32' West 20.00 feet to the Place of Beginning.

PARCEL FIVE:

BEING a part of Lot 19, as shown on the map entitled, "Tract No. 74, Felton Forest Subdivision No. 2", filed for record December 30, 1947 in Volume 28 of Maps at Page 67, Santa Cruz County Records, and further described as follows:

BEGINNING at a station on the Western line of said Lot 19, from which the most Squthern corner thereof bears South 30° 30' East 110.00 feet distant; thence leaving said line running along the center line of a 20 foot right of way, North 59° 32' East 50.0 feet to a station; thence leaving said Right of Way, North 30° 30' West 358.96 feet to the Northern line of said Lot 19, on the Southeast line of Farmer Street; thence along the Northern line of said Lot 19, South 13° 34' West 43.24 feet to a station; thence curving to the right with a radius of 418.61 feet through an angle of 3° 47' for a distance of 27.64 feet to the Western line of said Lot 19; thence along said line, South 30° 30' East 308.67 feet to the Place of Beginning.

PARCEL SIX:

A right of way, appurtenant to Parcel Five, over the following described strip of land:

BEGINNING at the most Easterly corner of Lot 21 as shown on said above mentioned map; and running thence along the Easterly boundary of said Lot North 30° 43' West 120.00 feet to a station; thence North 59° 32' East 250.47 feet to a station; thence South 30° 30' East 20.0 feet to a station; thence South 59° 32' West 210.29 feet to the beginning of a curve to the left thence curving to the left with a radius of 20.0 feet through an angle of 90° 15' for a distance of 31.50 feet to a station; thence South 30° 43' East 79.91 feet to Blair Street; thence along Blair Street South 59° 32' West 20.0 feet to the Place of Beginning.

PARCEL SEVEN:

BEING a part of Lot 20, as shown on the map entitled, "Tract No. 74, Felton Forest Subdivision No. 2", filed for record December 30, 1947 in Volume 28 of Maps at Page 67, Santa Cruz County Records; and further described as follows:

BEGINNING on the Northeastern line of said Lot 20 at a station from which the most Eastern corner thereof bears South 30° 30' East 110.00 feet distant; thence along the center line of a 20 foot right of way South 59° 32' West 50.0 feet to a station; thence leaving said right of way, parallel to the Southwestern line of said Lot 20, North 30° 43' West 269.56 feet to the Northern line of said Lot 20 on the Southern line of Farmer Street; thence along the Northern line of said Lot 20, Northeasterly on a curve to the left from a tangent bearing North 26° 02' East, with a radius of 418.61 feet, through an angle of 8° 41' for a distance of 63.14 feet to the North

corner of said Lot 20; thence along the Northeastern line of said Lot 20, South 30° 30' East 308.67 feet to the Place of Beginning.

PARCEL EIGHT:

A right of way, appurtenant to Parcel Seven, over the following described strip of land:

BEGINNING at the most Easterly corner of Lot 21 as shown on said above mentioned map; and running thence along the Easterly boundary of said Lot North 30° 43' West 120.00 feet to a station; thence North 59° 32' East 250.47 feet to a station; thence South 30° 30' East 20.0 feet to a station; thence South 59° 32' West 210.29 feet to the beginning of a curve to the left; thence curving to the left with a radius of 20.0 feet through an angle of 90° 15' for a distance of 31.50 feet to a station; thence South 30° 43' East 79.91 feet to Blair Street; thence along Blair Street South 59° 32' West 20.0 feet to the Place of Beginning.

APN: 065-013-12

**PARCEL 6:**

BEING a portion of Lot 27 of Tract Number 74 Felton Forest Subdivision Number 2 and filed in Volume 28, page 67 of Maps, in the office of the Santa Cruz County Recorder and being a part of the Zayante Rancho, Santa Cruz County, California, and a part of the lands described in Volume 1138, page 163 of Santa Cruz County Official Records, and being more particularly described as follows:

BEGINNING at a ½ inch pipe at the Northwestern corner of said lands, at a station on the Western boundary of the Zayante Rancho; thence along said boundary, South 0° 03' East 67.66 feet to a ½ inch pipe; thence leave said line North 75° 26' East 37.97 feet to a ¾ inch pipe found at the Southwestern corner of Lot 28 of said Subdivision; thence along the Western boundary of said Lot, North 6° 43' West 62.02 feet to a ½ inch pipe found at the Northwestern corner of Lot 28, being also a point of the Southern boundary line of Farmer Street; thence along said line South 83° 17' West 29.76 feet to the Point of Beginning.

Surveyed in February 1971 by Robert R. Baldwin, L.S. 2678.

APN: 065-013-34 (portion)



**PARCEL 7:**

Situate in the County of Santa Cruz, State of California, described as follows:

Lot 28, as the same is shown and designated on that certain map entitled "Felton Forest Subdivision 2, Tract 74" filed for record in the office of the County Recorder on December 30, 1947, in Volume 28 of Maps at Page 67, Santa Cruz County Records.

APN: 065-013-34

**PARCEL 8:**

SITUATE IN THE COUNTY OF SANTA CRUZ, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF THAT CERTAIN 16.37 ACRE TRACT OF LAND CONVEYED BY F. A. HIHN COMPANY TO FRANK MACHADO SALVADOR BY DEED DATED JANUARY 17, 1899, AND RECORDED IN DEED BOOK 127, PAGE 392, SANTA CRUZ COUNTY RECORDS, SAID CORNER BEING SITUATE UPON THE SOUTHERN BANK OF SHINGLE MILL CREEK; THENCE FROM SAID POINT OF BEGINNING ALONG THE NORTHWESTERLY BOUNDARY OF SAID TRACT OF LAND IN A SOUTHWESTERLY DIRECTION, MEANDERING UPON AND ALONG THE SOUTHERLY BANK OF SAID SHINGLE MILL GULCH 1510 FEET MORE OR LESS TO THE NORTHWESTERLY CORNER OF SAID TRACT; THENCE NORTH 0 DEGREES 15' EAST TWELVE FEET MORE OR LESS TO THE SOUTHWEST CORNER OF LANDS CONVEYED BY F. A. HIHN COMPANY TO WM. RUSSELL AND H. T. HOLMES BY DEED DATED MARCH 27, 1895, AND RECORDED IN DEED BOOK 106, PAGE 106, SANTA CRUZ COUNTY RECORDS; THENCE IN A NORTHEASTERLY DIRECTION ALONG THE SOUTHEASTERLY BOUNDARY OF SAID LAST MENTIONED LANDS ABOUT 1490 FEET TO A POINT ON THE NORTHERLY PRODUCTION OF THE EASTERLY BOUNDARY OF SAID FIRST MENTIONED TRACT OF LAND; THENCE LEAVING SAID BOUNDARY OF LANDS CONVEYED TO RUSSELL AND HOLMES AND ALONG THE PRODUCTION OF THE EASTERLY BOUNDARY OF SAID FIRST MENTIONED TRACT OF LAND, SOUTHEASTERLY TWELVE FEET MORE OR LESS TO THE POINT OF BEGINNING.

EXCEPTING THEREFROM ALL THAT PORTION LYING SOUTHWESTERLY OF THE NORTHEASTERLY BOUNDARY OF THE LANDS CONVEYED IN THE DEED FROM FELTON WATER CO., TO GEORGE E. MORTENSEN, ET UX., RECORDED SEPTEMBER 15, 1941 IN BOOK 416, PAGE 453, OFFICIAL RECORDS OF SANTA CRUZ COUNTY.

APN: 065-202-15

**PARCEL 9:**

Situate in the County of Santa Cruz, State of California, described as follows:

Lot 2, in Block "P", as numbered and designated upon the map entitled, "Bell's Addition to Tanglewood, near Felton, Santa Cruz Co., Cal.," filed June 7th, 1909, in Volume 15 of Maps, page 27, Records of Santa Cruz County.

APN: 065-234-16

**PARCEL 10:**

The land referred to herein is described as follows:

Situate in the Town of Felton as said town and streets are shown on that map filed in Book 10 of Deed at Page 793, Santa Cruz County Records.

Being part of the lands conveyed to Schumacher Land and Vineyard Company by Deed recorded in Volume 5220 of Official Records at Page 501, Santa Cruz County Records and being more particularly described as follows, to wit:

PARCEL ONE:

Commencing at a ½ inch iron pipe tagged RCE 6270 at the Northeastern corner of the lands conveyed to M. Macken by Deed recorded in Volume 1422 of Official Records at Page 466, Santa Cruz County Records, on the Western boundary of Gushee Street, as said street is shown on said map of Felton, from which a ½ inch iron pipe tagged RCE 6270 bears Southerly along the Western line of Gushee Street, South 1° 20' West 60.00 feet distant;

Thence from said Point of Commencement Northerly along said Western line of Gushee Street, North 1° 20' East 444.88 feet to the Southeastern corner of the lands conveyed to Ernst Genovesi, Trustee, by Deed recorded in Volume 4772 of Official Records at Page 763, Santa Cruz County Records; thence leaving said Western Line of Gushee Street along the Southern boundary of said lands of Genovesi, North 88° 43' 18" West 198.97 feet to a ½ inch iron pipe, no tag, at the Southwestern corner of said lands of Genovesi on the Eastern line of Boston Street (as said street is shown on said map of Felton), and the True Point of Beginning.

Thence from said true Point of Beginning, along the Western prolongation of the Southern boundary of said lands of Genovesi, North 88° 43' 18" West 29.95 feet to a ½ inch iron pipe, tagged RCE 6270; thence North 1° 00' 10" East 108.12 feet to a ½ inch iron pipe, tagged RCE 6270, on the Eastern prolongation of the Southern line of Donneel Street (now abandoned), as shown on said Map of Felton; thence along said line of Donneel Street and its Eastern prolongation; South 59° 30' 12" West (at 35.31 feet a point hereinafter designated "Point A") a total of 246.49 feet to a ½ inch iron pipe, tagged LS 5615; thence leaving said line of Donneel Street, parallel with said Western line of Gushee Street, South 1° 20' 00" West (at 254.84 feet a point hereinafter designated "Point B") a total of 316.00 feet to a ½ inch iron pipe, tagged LS 5615; thence at right angles to said last mentioned line, South 88° 40' 00" East 240.00 feet to a ½ inch iron pipe, tagged LS 5615 on the Eastern line of said Boston Street (portions of which are now abandoned); thence Northerly along said Eastern line of Boston Street, North 1° 20' 00" East 337.91 feet, more or less, to the True Point of Beginning.

PARCEL TWO:

Being an easement for ingress, egress, raw and potable water lines and appurtenances, and public utilities and being more particularly described as follows, to wit:

Beginning at "Point A" hereinabove described:

Thence from said Point of Beginning, North 1° 20' East 70.62 feet, more or less, to the Southern boundary of the lands of Penry Griffiths by Deed recorded in Volume 5170 of Official Records at Page 509, Santa Cruz County Records, thence along said last mentioned boundary South 59° 30' 00" West 47.08 feet; thence leaving said boundary South 1° 20' 00" West 70.62 feet, more or less, to the Southern line of Donneel Street (now abandoned); thence Easterly, along said Southern line of Donneel Street North 59° 30' 12" East 47.08 feet, more or less to the Point of Beginning.

PARCEL THREE:

Being an easement for ingress, egress, raw and potable water line and appurtenances, and public utilities, 25.00 feet in width, measured at right angle, the centerline of which is more particularly described as follows, to wit:

Beginning at "Point B" hereinabove described:

Thence from said Point of Beginning South 59° 33' 00" West 37.02 feet to the beginning of a tangent curve; thence Southwesterly, curving to the left with a radius of 150.00 feet through a central angle of 35° 13' 24" a distance of 92.21 feet; thence South 24° 19' 45" West 125.10 feet to the beginning of a tangent curve; thence Southerly, curving to the left with a radius of 75.00 feet through a central angle of 25° 59' 15" a distance of 47.49 feet, more or less to the Northern line of Hihn Street.

PARCEL FOUR:

Being an Easement for the construction and maintenance of a french drain (and appurtenances) and landscaping and irrigation, and being more particularly described as follows, to wit:

Commencing at "Point A" hereinabove described; thence from said Point of Commencement, along the Northern line of Parcel One herein described S 59° 30' 12" West 27.80 feet to the True Point of Beginning.

Thence from said True Point of Beginning, South 80° 35' 09" West 44.30 feet; thence South 73° 02' 37" West 58.11 feet; thence South 60° 26' 52" West 63.17 feet; thence South 51° 23' 26" West 39.03 feet; thence South 20° 51' 26" West 41.77 feet; thence South 00° 08' 55" West 37.67 feet; thence South 12° 45' 01" East 40.83 feet; thence South 20° 57' 36" East 79.29 feet, more or less to the Western boundary of Parcel One herein described; thence along said Western boundary North 1° 20' 00" East 177.26 feet to the Northwestern corner of Parcel One herein described; thence along the Northern boundary of Parcel One herein described North 59° 30' 12" East 183.38 feet, more or less to the Point of Beginning.

APN: 065-281-03

**PARCEL 11:**

SITUATE IN THE COUNTY OF SANTA CRUZ STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

BEING THAT CERTAIN TANK SITE AS CONVEYED IN THE DEED FROM SANTA CRUZ LAND TITLE COMPANY, A CALIFORNIA CORPORATION, ET AL., TO FELTON WATER COMPANY, A CALIFORNIA CORPORATION, RECORDED MAY 23, 1950, IN VOLUME 773, PAGE 583, OFFICIAL RECORDS OF SANTA CRUZ COUNTY.

APN: 071-031-003

**PARCEL 12:**

The land referred to herein is situated in the State of California, County of Santa Cruz, Unincorporated Area and is described as follows:

PARCEL ONE:

Being a strip of land 60 feet in width, 30 feet on each side of the following described center line:

Beginning at an iron pipe from which the most Northerly corner of land conveyed to Frank E. Morley and Eleanor Morley by deed recorded June 2, 1943 in Volume 453 at Page 236 of Official Records of Santa Cruz County, bears the following courses and distances: South 39° 46' East 92.14 feet; South 14° 53' East 50.77 feet and South 23° 33' West 113.21 feet, and South 40° 42' East 61.01 feet distant, and from said Place of Beginning a spike in a "W" on a 16" oak tree bears North 5° 28' East 17.51 feet distant; and a "W" in a spike on an 8" double oak tree bears South 80° East 17.86 feet distant; thence running North 65° 42' West 108.20 feet to an iron pipe from which a spike in a "W" on an 18" redwood tree bears North 25° 15' East 12.44 feet distant; and a spike in a "W" on a 24" redwood tree bears North 62° 15' West 4.37 feet distant.

PARCEL TWO:

A right of way 30 feet in width at right angles 15 feet on either said of the following described center line:

Beginning at the iron pipe standing in the center of the Southeasterly boundary of said above described parcel of land running thence South 39° 46' East 92.14 feet to a spike; South 14° 53' East 50.77 feet to a spike; and South 23° 33' West 113.21 feet to a spike in the road known as the Felton Quarry Road.

PARCEL THREE:

An open and unobstructed right of way over said Felton Quarry Road.

PARCEL FOUR:

Being a part of the Rancho Canada del Rincon and more particularly bounded and described as follows, to wit:

Beginning at a 3/8" pipe standing on the produced Southerly boundary of Pine Drive as shown on Sheet 2 of 3 Sheets of "Subdivision No. 3 of Felton Acres, being a part of Rancho Canada del Rincon, Santa Cruz Co., Cal., subdivided in Aug. 1925 by Lloyd Bowman, County Surveyor," filed for record in the office of the County Recorder on August 10th, 1925, in map book 18, page 65, Santa Cruz County Records, and from which the Northwest corner of Lot No. 141, as shown on said map, bears South 84° 34' East 107.99 feet distant and a nail in a circle on a 44" redwood stump bears North 5° 26' East 36.32 feet distant; thence running along the produced Southerly side of Pine Drive, North 84° 34' West 80.0 feet to a station; thence leaving said produced line of Pine Drive South 5° 26' West 100.00 feet to a station; thence South 84° 34' East 80.00 feet to a 3/8" iron pipe from which a nail in a circle on a 29" redwood stump bears South

5° 26' West 14.26 feet distant; thence running North 5° 26' East 100.00 feet to the Place of Beginning.

PARCEL FIVE:

A Right of Way over Pine Drive produced North 84° 34' West to the produced Westerly boundary of said described parcel.

APN: 064-201-22 (Parcel One)

064-201-33 (Parcel Four)



**PARCEL 13:**

All that real property situated in the County of Santa Cruz, State of California, described as follows:

BEING a portion of Zayante Rancho in the projected SW  $\frac{1}{4}$  of Section 15, and SE  $\frac{1}{4}$  of Section 16, T. 10S., R.2W., M.D.B.&M.

COMMENCING at a point on the southwest corner of Lot 11 of "Coolidge Subdivision No. 1, TR. 59" as said Lot is laid out and delineated in Map Book 28 at Page 25, Official Records of Santa Cruz County, said point also being the easterly boundary of State Highway Rte. 9; thence in a southerly direction along the boundary of said Rte. 9 to a point in the centerline of Fall Creek; thence in a northerly direction along the centerline of Fall Creek to a point in the centerline of San Lorenzo Creek; thence in a northerly direction along the centerline of San Lorenzo Creek to a point being the southeast corner of said Lot 11; thence in a southwesterly direction along the south boundary of Lot 11 to the point of beginning.

EXCEPTING THEREFROM that portion thereof which was conveyed to Juan Serrato by Tax Deed recorded May 5, 1993, in Book 5252, at Page 625, Official Records of Santa Cruz County, California.

APN: 71-161-16

**PARCEL 14:**

All that real property situated in the County of Santa Cruz, State of California, particularly described as follows:

Being a tank site situated in Section 16, Township 10 South, Range 2 West and beginning at a 2 x 2 hub and tack from which a chiseled cross in a concrete foundation bears West 17.00 feet distant and another cross in a concrete foundation bears North 54° 19' West 19.00 feet distant, and a pipe standing at the intersection of the Easterly side of El Solyo Heights Drive with the Northerly boundary of Parcel 12 as said intersection is shown on map entitled "Record of Survey Map of El Solyo Acres" filed for record September 7, 1950 in Volume 30 at Page 14 of Maps in the office of County Recorder of Santa Cruz County bears the following courses and distances: South 58° 48' East 40.61 feet; South 6° 43' East 110.55 feet; South 49° 55' East 84.80 feet; South 69° 38' East 270.95 feet; North 8° 59' West 24.67 feet; North 81° 01' East 31.63 feet distant; thence from said Place of Beginning running South 54° 25' West 40' to a 2 x 2 hub and tack; thence North 35° 35' West 40 feet to a station; thence N. 54° 25' E. 40.0 feet to a station; thence South 35° 35' East 40 feet to the Place of Beginning.

TOGETHER with the following described open and unobstructed easements 5 feet in width, the center line of which is described as follows:

1. Beginning at the most Easterly corner of said above described tank site and running thence South 58° 48' East 40.61 feet to a station; South 6° 43' East 110.55 feet to a station; South 49° 55' East 84.80 feet to a station; South 69° 38' East 270.95 feet to a station.
2. An open and unobstructed easement over a strip of land 5 feet in width, the center line of which is described as follows: Beginning at a station in El Solyo Heights Drive as shown and designated on map entitled "Record of Survey Map of El Solyo Acres" filed for record September 7, 1950 in Volume 30 at Page 14 of Maps in the Office of the County Recorder of Santa Cruz County and from which a pipe standing at the intersection of the Easterly side of El Solyo Heights Drive with the Northerly boundary of Parcel 14 as shown on said map, bears South 8° 59' East 10.00 feet, and North 81° 01' East 8.63 feet distant and running thence South 8° 59' East 257.00 feet to a station; thence South 81° 01' West 23.00 feet to a station; thence South 8° 01' East 200.01 feet to a station; thence Southeasterly curving to the left with a radius of 60 feet from a tangent bearing South 8° 59' East through an angle of 76° 41' for a distance of 80.30 feet to a station; thence South 85° 41' East 213.05 feet to the beginning of a curve to the left; thence curving to the left with a radius of 210 feet through an angle of 22° 23' for a distance of 82.04 feet to a station; thence South 42° 50' East 40 feet, a little more or less, to the Westerly boundary of a tank site as described in Volume 773 at Page 583 of Official Records of Santa Cruz County.

TOGETHER with the right to lay, maintain and replace pipeline along said easements, etc.

TOGETHER with 15,000 gallon tank- all pipelines - 1 horsepower booster pump and electrical installation.

APN: 071-031-33

**PARCEL 15:**

**PARCEL ONE:**

BEING a part of the Rancho Canada del Rincon and being a portion of that strip of land conveyed to Felton Water Co., a corporation, by Deed recorded in Volume 363, page 81, Official Records of Santa Cruz County, and more particularly described as follows:

BEGINNING at the most Southern corner of Lot 39 as shown upon the map entitled, "Subdivision No. 1 Felton Acres, Being a part of Rancho Canada del Rincon and Zayante Rancho, Santa Cruz County, Cal.," filed for record June 7, 1924 in Map Book 18, page 47, Santa Cruz County Records, said corner being also the most Northern corner of Parcel 2 of the lands conveyed to Harvey E. Robinson, et ux, by Deed recorded in Volume 1221, page 189, Official Records of Santa Cruz County; thence from said Point of Beginning along the Northeastern boundary of said lands of Robinson South 32° 11' East 30.19 feet to the most Eastern corner thereof on the Eastern boundary of above mentioned strip of land of Felton Water Co.; thence Northerly along said Eastern boundary to a point on the Southeastern boundary of aforementioned Lot 39; thence along said Southeastern boundary and the center line of Shingle Mill Creek, South 54° 29' West 33 feet, more or less, to a point and South 25° 46' West 94.61 feet to the Point of Beginning.

**PARCEL TWO:**

BEING a part of the Rancho Canada del Rincon and being a portion of that strip of land conveyed to Felton Water Co., a corporation, by Deed recorded in Volume 363, page 81, Official Records of Santa Cruz County, and more particularly described as follows:

BEGINNING at the most Southern corner of Lot 42 on the center line of Shingle Mill Creek, as said Lot and Creek are shown upon that map entitled, "Subdivision No. 1 Felton Acres, Being a part of Rancho Canada del Rincon and Zayante Rancho, Santa Cruz County, Cal.," filed for record June 7, 1924 in Map Book 18, page 47, Santa Cruz County Records; thence from said Point of Beginning along the center line of said creek North 60° 54' East 94.51 feet to a point and North 21° 32' East 5.15 feet to the most Western corner of Parcel 3 of the lands conveyed to Louella C. Ritter, by Deed recorded in Volume 909, page 188, Official Records of Santa Cruz County; thence leaving said center line and along the Southwestern boundary of said Parcel 3, South 32° 11' East 23.29 feet to the most Southern corner thereof on the Eastern boundary of above mentioned strip of land of Felton Water Co.; thence along said Eastern boundary South 56° 02' West 53.8 feet to a point and South 65° 49' West 34.01 feet to the most Eastern corner of Parcel 1 of the lands conveyed to Minnie E. McConaha, by Deed recorded in Volume 527, page 491, Official Records of Santa Cruz County; thence along the Northeastern boundary of said Parcel 1, North 39° 27' West 19.55 feet to the Point of Beginning.

APN: 065-202-15

**PARCEL 16:**

**PARCEL FIVE:**

BEING a strip of land 125 feet in width at right angles 62.5 feet in width at right angles on each side of the following described center line.

BEGINNING at an iron pipe from which the most Northerly corner of land conveyed to Frank E. Morley and Eleanor Morley by deed recorded June 2, 1943, in Volume 453 at Page 236 of Official Records of Santa Cruz County bears the following courses and distances: North 56° 49' West 38.70 feet; North 67° 55' East 373.07 feet and South 40° 42' East 61.01 feet distant; and from said Point of Beginning a spike in a "W" on an 8" Oak tree bears South 46° 12' East 18.69 feet distant; and a spike in a "W" on a 3 foot Fir tree bears South 55° 22' West 37.58 feet distant; thence from said Place of Beginning running North 56° 49' West 38.70 feet to a spike; North 62° 31' West 120.29 feet to a spike; North 45° 33' West 85.54 feet to a spike; North 47° 50' West 264.08 feet to a spike; and South 84° 40' West 124.28 feet to an iron pipe from which a spike in a "W" on a 12" Oak tree bears North 46° 39' West 10.94 feet distant; and a spike in a "W" on a 24" Redwood tree bears South 84° 40' West 37.16 feet distant and containing 1.82 acres, a little more or less.

TOGETHER with and subject to, and open and unobstructed right of way over Felton Quarry Road.

ALSO SUBJECT to an open and unobstructed right of way over a road leading Southerly from the Felton Quarry Road over the Southerly end of said above described parcel of land.

**PARCEL SIX:**

BEING a part of the Rancho Canada del Rincon and more particularly bounded and described as follows:

BEGINNING at a point on the Northerly boundary of Rancho Canada del Rincon and from which a stake marked "S" standing at the Southwest corner of lands in quitclaim deed from A.L. Jensen, et al, to the Santa Cruz Land Title Company, a corporation, by deed dated February 15, 1947, and recorded April 25, 1947, in Volume 582 at Page 64, of Official Records of Santa Cruz County, bears North 82° 13' East 555.60 feet distant; thence leaving said boundary South 47° 13' East 872.88 feet to an iron pipe standing in Shingle Mill Gulch and from which a spike in a "W" in a triple Redwood tree bears North 15° 34' East 2.50 feet distant; and a spike in a "W" on an 18" Redwood tree bears South 64° 00' East 18.49 feet distant; thence leaving said gulch South 15° 34' West 693.18 feet to an iron pipe standing on top of a ridge and from which a spike in a "W" on a 24" Oak tree bears South 8° 35' East 5.17 feet distant, and a spike in a "W" on a 6" Redwood tree bears South 75° 05' West 20.13 feet distant; thence running along the top of said ridge the following courses and distances: North 60° 59' West 107.95 feet to a spike; North 83° 24' West 90.79 feet to a spike; North 81° 58' West 78.9 feet to a spike; South 88° 29' West 54.70 feet to a spike; North 77° 24' West 81.29 feet to a spike; thence North 75° 07' West 122.49 feet to an iron pipe from which a spike in a

"W" on a 24" Fir tree bears North 69° 30' East 13.34 feet distant, and a spike in a "W" on a 30" Fir tree bears South 57° 13' East 14.33 feet distant; thence North 59° 14' West 90.70 feet to a stake and brad; thence North 27° 46' West 156.56 feet to a spike; thence North 54° 08' West 108.66 feet to a pipe from which a spike in a "W" on a 10" Oak tree bears South 5° 15' East 4.64 feet distant and a spike in a "W" on a 10" Madrone tree bears North 86° 30' East 13.80 feet distant; thence South 82° 42' West 122.12 feet to a hub and brad; thence North 88° 17' West 110.28 feet to a spike; thence North 84° 05' West 109.94 feet to a spike; thence South 75° 02' West 149.37 feet to a hub and brad; thence North 81° 49' West 172.68 feet to a pipe from which a spike in a "W" on an 8" Madrone tree bears North 27° West 3.05 feet distant, a spike in a "W" on a 12" Redwood tree bears North 25° 45' East 7.17 feet distant, and a spike in a "W" on a 30" Fir tree bears North 64° 30' East 4.18 feet distant; thence North 64° 49' West 113.93 feet to a spike; North 84° 53' West 124.41 feet to a brad in a hub; thence North 77° 36' West 76.99 feet to a brad in a hub; thence South 64° 48' West 110.79 feet to an iron pipe from which a spike in a "W" on a 42" Fir tree bears North 4° 30' West 8.07 feet distant; thence South 82° 26' West 133.57 feet to a spike; thence South 83° 35' West 54.62 feet to a brad in a hub; thence North 88° 51' West 76.15 feet to a brad in a hub; thence North 66° 42' West 67.07 feet to an iron pipe from which a spike in a "W" on a 6" Redwood tree bears North 63° 15' East 9.43 feet distant, and a spike in a "W" on a 6" Oak tree bears South 21° 30' East 6.65 feet distant; thence North 55° 44' West 75.45 feet to a brad in a hub; thence North 65° 11' West 88.23 feet to a spike; thence North 67° 11' West 129.72 feet to a brad in a hub; thence North 68° 45' West 64.18 feet to a pipe standing on top of a divide and from which a spike in a "W" on a 4" Pine tree bears South 71° 30' West 8.11 feet distant; and a spike in a "W" on a 6" Pine tree bears South 72° 0' East 11.41 feet distant; thence North 9° 54' West 440.00 feet, a little more or less, to the Northerly boundary of said above mentioned Rancho Canada del Rincon; thence along said boundary North 82° 13' East 2100 feet, a little more or less, to the Place of Beginning and containing 48.04 acres, a little more or less.

RESERVING an open and unobstructed right of way to William H. Fetherston over a strip of land 50 feet in width leading from the Northerly boundary to the Southerly boundary of said above described parcel of land, the location of which is to be made by said William H. Fetherston.

APN: 064-083-05

**PARCEL 17:**

A STRIP OF LAND 5 feet in wide on either side of the following described lines, to wit:

EASEMENT NO. 1: COMMENCE at a point on the Northerly line of the land of Frank Capelli, et al, as described in deed recorded in Volume 472, Page 349, Official Records of Santa Cruz County, 10 feet West of the San Lorenzo State Highway running thence Northerly parallel to and 10 feet Westerly of said State Highway line 271 feet to a point in El Solyo Heights Drive; thence Westerly parallel to and distant 5 feet North of the Southern line of said El Solyo Heights Drive and the extent thereof 1175 feet to a point; thence at a right angle Southerly 87 feet to the center line of the Northerly end of the hereinafter described Tank Site.

EASEMENT NO. 2: COMMENCING at a point in the Southerly end of Hacienda Way 5 feet East of the Westerly line of Hacienda Way; running thence North 8° 44' East parallel to and distant 5 feet East of the said line of Hacienda Way 700 feet to the Northerly end of said Hacienda Way.

FEE TITLE TO:

TANK SITE: COMMENCING at the Southerly end of the West line of Easement No. 1 hereinabove described; running thence West 15 feet ; thence at a right angle South 50 feet; thence at a right angle East 30 feet; thence at a right angle North 50 feet; thence at a right angle West 15 feet to the Point of Beginning.

APN: 071-031-03

PARCEL 18:

BEING A PART OF THE NORTHEAST ONE-QUARTER OF SECTION 21, TOWNSHIP 10 SOUTH, RANGE 2 WEST, M.D.B.&M. AND ALSO BEING A PORTION OF THE LANDS CONVEYED TO FELTON WATER CO. BY DEED RECORDED AUGUST 16, 1933 IN BOOK 248, PAGE 331 OFFICIAL RECORDS COUNTY OF SANTA CRUZ AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

THAT PORTION OF THE ABOVE MENTION LANDS OF FELTON WATER CO. BOUNDED ON THE SOUTH BY THE LANDS CONVEYED TO JOHN KENISON ET UX. BY DEED RECORDED SEPTEMBER 25, 1944 IN BOOK 486, PAGE 147; ON THE NORTH BY THE LANDS CONVEYED TO FRED J. WALDOOGEL BY DEED RECORDED MARCH 11, 1946 IN BOOK 639, PAGE 130; ON THE EAST BY THE LANDS CONVEYED TO M. REX HUNT ET UX. BY DEED RECORDED AUGUST 14, 1947 IN BOOK 588, PAGE 268 AND ON THE WEST BY THE LANDS CONVEYED TO FLORENCE FETHERSTON BY DEED RECORDED JUNE 16, 1953 IN BOOK 918, PAGE 191 ALL OF THE OFFICIAL RECORDS COUNTY OF SANTA CRUZ.

A.P. NO: 064-031-28



PARCEL 19:

BEING A PART OF THE NORTHEAST ONE-QUARTER OF SECTION 21, TOWNSHIP 10 SOUTH, RANGE 2 WEST, M.D.B&M. AND ALSO BEING A PORTION OF THE LANDS CONVEYED TO FELTON WATER CO. BY DEED RECORDED AUGUST 16, 1993 IN BOOK 248, PAGE 331 OFFICIAL RECORDS COUNTY OF SANTA CRUZ AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

THAT PORTION OF THE ABOVE MENTION LANDS OF FELTON WATER CO. BOUNDED ON THE SOUTH BY THE LANDS CONVEYED TO GEORGE N. LEY ET UX. BY DEED RECORDED JUNE 1, 1922 IN BOOK 318 OF DEEDS, PAGE 28; ON THE NORTH BY THE LANDS CONVEYED TO BOSSO SECONDO ET UX. BY DEED RECORDED AUGUST 27, 1941 IN BOOK 423, PAGE 201; ON THE EAST BY THE LANDS CONVEYED TO BOSSO SECONDO EX UX. BY DEED RECORDED NOVEMBER 6, 1943 IN BOOK 459, PAGE 415 AND ON THE WEST BY THE LANDS CONVEYED TO JOHN KENISON ET UX. BY DEED RECORDED SEPTEMBER 25, 1944 IN BOOK 486, PAGE 147 ALL OF OFFICIAL RECORDS COUNTY OF SANTA CRUZ.

A.P. NO: 064-031-23

PARCEL 20:

BEING A PART OF THE NORTHEAST ONE-QUARTER OF SECTION 21, TOWNSHIP 10 SOUTH, RANGE 2 WEST, M.D.B&M. AND ALSO BEING A PORTION OF THE LANDS CONVEYED TO FELTON WATER CO. BY DEED RECORDED AUGUST 16, 1993 IN BOOK 248, PAGE 331 OFFICIAL RECORDS COUNTY OF SANTA CRUZ AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

THAT PORTION OF THE ABOVE MENTION LANDS OF FELTON WATER CO. BOUNDED ON THE SOUTH AND THE SOUTHWEST BY THE LANDS CONVEYED TO SECONDO BOSSO ET UX. BY DEED RECORDED FEBRUARY 6, 1945 IN BOOK 491, PAGE 488; ON THE NORTH BY ONE-SIXTEENTH SECTION LINE RUNNING EAST AND WEST THROUGH THE MIDDLE OF THE NORTHEAST ONE-QUARTER OF SAID SECTION 21 AND ON THE EAST BY THE LANDS CONVEYED TO DONALD E. LEY ET UX. BY DEED RECORDED MARCH 19, 1954 IN BOOK 959, PAGE 172 AND ON THE SOUTHERN PROLONGATION OF THE EASTERN BOUNDARY OF SAID LANDS OF LEY, ALL OF OFFICIAL RECORDS COUNTY OF SANTA CRUZ.

A.P. NO: 064-031-37

**PARCEL 21:**

All that certain parcel of land more particularly described in the Deed to Felton Water Company recorded, July 12, 1962 in Book 1482, Page 146, Official Records of Santa Cruz County, said parcel being shown as the tank site on the Parcel Map filed for record November 4, 1971 in Book 4 of Parcel Maps, Page 31, Santa Cruz County Records.

A.P. NO: 071-031-33

**PARCEL 22:**

The right on, over, and through certain lands situate in the County of Santa Cruz, State of California, and described as follows:

A strip of land five feet in width on either side of the following described lines, to wit:

Easement No. 1: Commencing at a point on the Northerly line of the land of Frank Capelli, et al, as described in deed recorded in Volume 472 of Official Records, at Page 340, Records of Santa Cruz County, 10 feet West of the San Lorenzo State Highway; running thence Northerly parallel to and 10 feet Westerly of said State Highway line 271 feet to a point in El Solyo Heights Drive; thence Westerly parallel to and distant 5 feet North of the South line of said El Solyo Heights Drive and the extension thereof 1175 feet to a point; thence at a right angle Southerly 87 feet to the center line of the Northerly end of the hereinafter described Tank Site.

Easement No. 2: Commencing at a point in the Southerly end of Hacienda Way 5 feet East of the Westerly line of Hacienda Way; running thence North 8° 44' West parallel to and distant 5 feet East of the said line of Hacienda Way 700 feet to the Northerly end of said Hacienda Way.

All that certain parcel of land situate in the said County of Santa Cruz, State of California, and more particularly described as follows:

Tank Site: Commencing at the Southerly end of the West line of Easement No. 1 hereinbefore described; running thence West 15 feet; thence at a right angle South 50 feet; thence at a right angle East 30 feet; thence at a right angle North 50 feet; thence at a right angle West 15 feet to the Point of Beginning.

APN: 071-031-03

**PARCEL 23:**

The water from the spring which flows through that certain lot, piece, or parcel of land situate in the county of Santa Cruz, in the State of California, described as follows:

Being a part of the northwest quarter of the northwest quarter of section 21, and the northeast quarter of the northeast quarter of section 20, in township 10 south, range 2 west, Mount Diablo base and meridian, and particularly described as beginning at a station from which the corner to sections 16, 17, 20, and 21, in said township, bears north  $20^{\circ} 05'$  west, 532.5 feet distant; thence from said place of beginning, due south 50 feet, to a station; thence south  $70^{\circ}$  west, 120 feet to a station; thence due north 50 feet to a station; and thence north  $70^{\circ}$  east, 120 feet to the place of beginning:

Together with the right to run a water pipe line from the above described premises, across lands of Holmes Lime and Cement Company, along the most practicable route for the purpose of conducting such water to the reservoir of said Felton Water Company, (such pipe line to be buried not less than twelve inches under ground):

Reserving, however, to Holmes Lime and Cement Company, so much of said water as will flow through a pipe two inches in diameter, at a point on said above described premises.

**PARCEL 24:**

(Additional Easements - Set No. 1)

Any easement and/or right-of-way interests in that certain real property described in the following instruments recorded in the Office of the Recorder of the County of Santa Cruz, State of California, whose legal descriptions are hereby incorporated by reference as though fully set forth herein:

1. That certain Easement, dated November 2, 1954, granted by Alice Hesse and Vesta Florence Hesse unto Citizens Utilities Company of California and recorded on November 18, 1954 in Santa Cruz County as Instrument No. 16344, Book 991, Page 475.
2. That certain Easement, dated March 29, 1955, granted by Charles Kalnin and Annette Kalnin unto Citizens Utilities Company of California and recorded in Santa Cruz County in Book 1010, Page 560.
3. That certain Easement, dated September 20, 1966, granted by R. Borgman and Grace Borgman unto Citizens Utilities Company of California and recorded on September 30, 1966 in Santa Cruz County as Instrument No. 25812, Book 1787, Page 24.
4. That certain Easement, dated December 16, 1971, granted by Raymond B. Kelly and Patricia J. Kelly unto Citizens Utilities Co. of California and recorded on December 17, 1971 in Santa Cruz County as Instrument No. 046543, Book 2155, Page 540.
5. That certain Easement, dated August 17, 1972, granted by Leslie S. Fairbanks and Willemina Fairbanks unto Citizens Utilities Company of California and recorded on August 21, 1972 in Santa Cruz County as Instrument No. 035094, Book 2232, Page 369.
6. That certain Easement, dated February 20, 1973, granted by Sutter Hill Limited unto Citizens Utilities Company of California and recorded on February 27, 1973 in Santa Cruz County as Instrument No. 007414, Book 2287, Page 80.
7. That certain Easement, dated February 20, 1973, granted by Sutter Hill Limited unto Citizens Utilities Company of California and recorded on February 27, 1973 in Santa Cruz County as Instrument No. 007415, Book 2287, Page 82.
8. That certain Easement, dated February 20, 1973, granted by Sutter Hill Limited unto Citizens Utilities Company of California and recorded on February 27, 1973 in Santa Cruz County as Instrument No. 007416, Book 2287, Page 84.

9. That certain Easement, dated April 28, 1975, granted by County Bank of Santa Cruz unto Citizens Utilities Company of California and recorded on May 2, 1975 in Santa Cruz County as Instrument No. 014676, Book 2497, Page 606.
10. That certain Easement, dated January 10, 1978, granted by Lester C. Brooks and Donna L. Brooks unto Citizens Utilities Company of California and recorded on January 23, 1978 in Santa Cruz County as Instrument No. 3482, Book 2864, Page 387.
11. That certain Easement, dated October 20, 1978, granted by Kate A. Robinson unto Citizens Utilities Company of California and recorded on January 25, 1979 in Santa Cruz County as Instrument No. 004530, Book 3014, Page 549.
12. That certain Easement, dated January 25, 1979, granted by Stuart J. Brinck and Betty L. Brinck unto Citizens Utilities Company of California and recorded on January 25, 1979 in Santa Cruz County as Instrument No. 004529, Book 3014, Page 548.
13. That certain Easement, dated April 23, 1979, granted by May B. Ley unto Citizens Utilities Company of California and recorded on April 25, 1979 in Santa Cruz County as Instrument No. 19818.
14. That certain Easement, dated May 1, 1986, granted by Robert A. Crawford and Joan Lee Crawford unto Citizens Utilities Company of California and recorded on May 7, 1986 in Santa Cruz County as Instrument No. 024082, Book 3974, Page 778.
15. That certain Easement, dated November 20, 1995, granted by Schumacher Land & Vineyards Company unto Citizens Utilities Company of California and recorded on November 21, 1995 in Santa Cruz County as Instrument No. 61042, Volume 5761, Page 699.
16. That certain Easement, dated November 20, 1995, granted by Schumacher Land & Vineyards Company unto Citizens Utilities Company of California and recorded on November 21, 1995 in Santa Cruz County as Instrument No. 61043, Volume 5761, Page 702.
17. That certain Easement, dated November 20, 1995, granted by Schumacher Land & Vineyards Company unto Citizens Utilities Company of California and recorded on November 21, 1995 in Santa Cruz County as Instrument No. 61044, Volume 5761, Page 705.
18. That certain Easement, dated May 27, 2001, granted by Everett Downs and Karen Downs unto Citizens Utilities Company of California and recorded on May 29, 2001 in Santa Cruz County as Instrument No. 2001-0031722.
19. That certain Right of Way dated January 5, 1953, granted by Albert Weidemann and Elizabeth Weidemann unto Citizens Utilities Company of California and recorded on

May 17, 1956 in Santa Cruz County as Instrument No. 7760, Volume 1075, Page 267.

20. That certain Right of Way dated January 26, 1955, granted by Henry Keim unto Citizens Utilities Company of California and recorded on May 5, 1955 in Santa Cruz County as Instrument No. 6805, Volume 1015, Page 373.
21. That certain Right of Way dated February 21, 1955, granted by Henry H. Boykin and Florence C. Boykin unto Citizens Utilities Company of California and recorded in Santa Cruz County, Volume 1015, Page 635.
22. That certain Right of Way dated October 27, 1955, granted by Edward R. Miller and Frances Y. Miller unto Citizens Utilities Company of California and recorded on November 10, 1955 in Santa Cruz County as Instrument No. 18093, Volume 1046, Page 166.
23. That certain Right of Way dated October 27, 1955, granted by Theo Ulrich and Marcella Ulrich unto Citizens Utilities Company of California and recorded on November 10, 1955 in Santa Cruz County as Instrument No. 18094, Volume 1046, Page 167.
24. That certain Right of Way dated October 31, 1955, granted by Leroy Morehouse unto Citizens Utilities Company of California and recorded on November 10, 1955 in Santa Cruz County as Instrument No. 18090, Volume 1046, Page 161.
25. That certain Right of Way dated November 4, 1955, granted by H. A. Mitchell and Grace Mitchell unto Citizens Utilities Company of California and recorded on November 10, 1955 in Santa Cruz County as Instrument No. 18091, Volume 1046, Page 162.
26. That certain Right of Way dated November 4, 1955, granted by H. A. Mitchell and Grace Mitchell unto Citizens Utilities Company of California and recorded on November 10, 1955 in Santa Cruz County as Instrument No. 18092, Volume 1046, Page 164.
27. That certain Right of Way dated November 4, 1955, granted by Charles B. Hershman and Ruth M. Hershman unto Citizens Utilities Company of California and recorded on February 17, 1956 in Santa Cruz County as Instrument No. 2301, Volume 1059, Page 584.
28. That certain Right of Way dated November 7, 1955, granted by Irene Gairaud unto Citizens Utilities Company of California and recorded on November 10, 1955 in Santa Cruz County as Instrument No. 18095, Volume 1046, Page 168.
29. That certain Right of Way dated December 9, 1955, granted by Joseph A. Corrado and Rose Marie Corrado unto Citizens Utilities Company of California and recorded



on February 9, 1956 in Santa Cruz County as Instrument No. 1903, Volume 1058, Page 594.

30. That certain Right of Way dated December 29, 1955, granted by Henry Keim unto Citizens Utilities Company of California and recorded in Santa Cruz County, Volume 1053, Page 485.
31. That certain Right of Way dated March 16, 1956, granted by Manuel E. Amarol and Marie Amarol unto Citizens Utilities Company of California and recorded on March 23, 1956 in Santa Cruz County as Instrument No. 4429, Volume 1066, Page 40.
32. That certain Right of Way dated May 21, 1956, granted by Earl L. Lyon and Josephine L. Lyon unto Citizens Utilities Company of California and recorded on August 28, 1956 in Santa Cruz County as Instrument No. 13638, Volume 1091, Page 158.
33. That certain Right of Way dated August 29, 1956, granted by Douglas McAbee unto Citizens Utilities Company of California and recorded on January 18, 1957 in Santa Cruz County as Instrument No. 1069, Volume 1112, Page 304.
34. That certain Right of Way dated June 20, 1957, granted by LeRoy E. Miller and Alice Page Miller unto Citizens Utilities Company of California and recorded on June 21, 1957 in Santa Cruz County as Instrument No. 10068, Volume 1136, Page 94.
35. That certain Right of Way dated June 28, 1957, granted by Earl A. Childers and Lily M. Childers unto Citizens Utilities Company of California and recorded on July 1, 1957 in Santa Cruz County as Instrument No. 10512, Volume 1137, Page 185.
36. That certain Right of Way dated July 3, 1957, granted by Frank Portera and Beverly Portera unto Citizens Utilities Company of California and recorded on July 15, 1957 in Santa Cruz County as Instrument No. 11371, Volume 1139, Page 184.
37. That certain Right of Way dated August 8, 1957, granted by Elmer M. George and Martha F. George unto Citizens Utilities Company of California and recorded on August 15, 1957 in Santa Cruz County as Instrument No. 13336, Volume 1144, Page 248.
38. That certain Right of Way dated May 16, 1958, granted by Gene T. Limpert unto Citizens Utilities Company of California and recorded on May 19, 1958 in Santa Cruz County as Instrument No. 7969, Volume 1185, Page 365.
39. That certain Right of Way dated May 19, 1958, granted by H. A. Mitchell and Grace M. Mitchell unto Citizens Utilities Company of California and recorded on May 19, 1958 in Santa Cruz County as Instrument No. 7968, Volume 1185, Page 364.

40. That certain Right of Way dated February 9, 1976, granted by J. T. Barnett & Associates unto Citizens Utilities Company of California and recorded on February 20, 1976 in Santa Cruz County as Instrument No. 6732, Book 2586, Page 652.
41. That certain Easement, dated July 27, 1959, granted by Edward A. Hart and Marion G. Hart unto Citizens Utilities Company and recorded on August 17, 1959 in Santa Cruz County as Instrument No. 16735, Volume 1265, Page 445
42. That certain Easement, dated November 23, 1983 granted by John B. Sullivan, Rex G. Lawson and Kenneth W. Samuels unto Citizens Utilities Company and recorded on December 16, 1983 in Santa Cruz County.
43. That certain Easement, dated March 20, 1950, granted by Salvador Cristina and Santa Cruz Land Title Company unto Felton Water Company and recorded May 23, 1950 in Santa Cruz County in Book 773, page 583.
44. Omitted.
45. Omitted.
46. That certain Easement, dated November 21, 1951, granted by Santa Cruz Land Title Company, Salvador P. Cristina and Annie Cristina unto Felton Water Company and recorded July 12, 1962 in Santa Cruz County in Book 1482, Page 146.
- 47 That certain Easement, dated February 17, 1981, granted by George Dumbrava and Lucille Dumbrava unto Citizens Utilities Company of California and recorded February 25, 1981 in Santa Cruz County as Instrument No. 8197.

**PARCEL 24:**

(Additional Easements - Set No. 2)

Any easement and/or right-of-way interests in that certain real property described in the following instruments recorded in the Office of the Recorder of the County of Santa Cruz, State of California, whose legal descriptions are hereby incorporated by reference as though fully set forth herein:

1. That certain Grant Deed, dated December 21, 1951, granted by Santa Cruz Land Title Company, Salvador P. Cristina, and Annie Cristina to Felton Water Co., and recorded on July 12, 1962 in the Office of the Recorder of Santa Cruz County, Official Records Book 1482, Page 146.
2. That certain Indenture, dated March 19, 1910, granted by Thomas L. Bell and Weltha A. Bell to Tanglewood Water and Development Company, and recorded on April 4, 1910 in the Office of the Recorder of Santa Cruz County.

EXHIBIT C

CAL - AMERICAN  
EQUIPMENT INVENTORY LIST  
(partial)

Item #	Description
1	Work Light Flood
2	Work Light Flood
3	CL2 Analyzer
4	DeWalt hand held batteries (6) w/Chargers
5	repairs clamps one lot
6	fire extinguishers (2)
7	Welder buzz box
8	dolly
9	VSD Unit Allen Bradley
10	jig saw
11	drill 3/8
12	bench grinder
13	Mueller tapping tool D4
14	skill saw
15	generator 4200 watt
16	Rosemount analytical parts
17	tapping tool Aquatap tapping system complete
18	leak detector
19	screw gun battery
20	roto drill
21	Saws all
22	Dechlorination in case
23	cut off saw
24	well sounder
25	oxygen acetylene torch, hoses and tanks
26	air compressor small, electric
27	Air compressor, trailer mounted
28	Jack hammer small
29	Jack Hammer Large
30	Hoist new
31	blower hand held
32	Generator EU 1000
33	Gas Pump Diaphragm
34	J-Tamp gas
35	Large air blower VVTP
36	Spare Water Pump WTP
37	UPS (2)
38	Influent Filter Valve WTP
39	Variable Speed Drive Unit
40	shop vacuum
41	heater
42	pipe locator
43	Generator 40 KW Trailer Mounted
44	HP Computer Meter Reading W/4 handheld
45	Long File Cabinet 4 drawer
46	file cabinet 4 drawer
47	file cabinet 4 drawer W/Combo Lock
48	tower computer, monitor, key board, mouse

# CAL - AMERICAN EQUIPMENT INVENTORY LIST (partial)

49	desk radio two-way
50	Desk and chair
51	Desk and chair
52	type writer desk
53	telephones (2)
54	UPS (2)
55	Printer Laser Jet
56	table small
57	desk & Chair
58	schreader
59	tower computer, monitor, hey board, mouse
60	Book Case 4 Shelf
61	Key Box locking
62	Computer SCADA Complete
63	SCADA Printer
64	SCADA UPS
65	Shredder
66	Bookcase 6 shelves
67	legal file 4 drawer
68	tower computer, monitor, hey board, mouse
69	phone
70	desk & Chair
71	Turbidity meter
72	Ph Meter
73	Microwave oven
74	toaster
75	kitchen table round
76	folding chairs 11
77	first aid kit
78	locker 4 door
79	Refrigerator freezer
80	UPS Data switch Cisco
81	Cam Corder
82	UPS APC
83	TV DVD Player all-in-one
84	Ph Meter
85	Data Logger Portable
86	Satellite Computer Laptop "Old"
87	Dell computer laptop "Old"
88	Bookcase 3 shelf
89	Map Box W/16 maps
90	Metal Detector
91	Jar Test Analyzer
92	Drum Dolly 1000 lbs.
93	Drum Dolly 1000 lbs.
94	shop vacuum
95	Floor Jack 21/4 ton
96	Battery Charger
97	Refrigerator freezer

# CAL-AMERICAN EQUIPMENT INVENTORY LIST (partial)

98	fire Extinguisher
99	ABB Chart Recorder in box
100	Ladder step
101	Socket Set in case
102	Pressure Washer Gas
103	Air compressor, 6.0
104	ladder step 5 foot
105	CL2 Kit
106	Calibration Kit
107	digital thermometer
108	fire Extinguisher
109	pipe locator
110	Kubota Trailer
111	gas detection kit
112	fire Extinguisher
113	fire Extinguisher
114	Husky 51 Chain saw
115	Husky 51 Chain saw
116	Husky 300 weed wacker
117	Wheelbarrow
118	Homelite chain saw
119	MIU Meter Transmitter 390 W/Battery
120	Meters 18-11/2
121	Meters 17-2'
122	Meters 21- 1"
123	Meters 43-5/8"
124	desk & Chair
125	Chairs office (2)
126	Book Cases (3)
127	File cabinet 4 Drawer
128	Phone 1
125	Calculator
126	Kubota RTV

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ATTACHMENT 2  
FINAL ORDER OF CONDEMNATION  
(see attached copy)

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SUPERIOR COURT OF THE STATE OF CALIFORNIA  
FOR THE COUNTY OF SANTA CRUZ

SAN LORENZO VALLEY WATER  
DISTRICT,

Plaintiff,

vs.

CALIFORNIA-AMERICAN WATER  
COMPANY, a California corporation, and  
DOES 1 through 50, inclusive,

Defendant.

Case No. CISCV156413

**FINAL ORDER OF CONDEMNATION**

Date Action Filed                      February 21, 2007  
Right-to-Take Trial Date:              Off Calendar  
Valuation Trial Date:                    Off Calendar

IT APPEARING, and the Court finds, that the fair market value and just compensation amount set forth in the Judgment in Condemnation for the taking of that certain real, personal, and intangible property interests located in Santa Cruz County, California, and more particularly described in Exhibits A, B, and C attached hereto (collectively, the "Felton Water System"), has been paid, and the Court being fully informed and good cause appearing therefor,

NOW, THEREFORE, IT IS ORDERED, ADJUDGED, AND DECREED that all of Defendant California-American Water Company's (the "Defendant's") right, title, and interest in and to the Felton Water System that has not previously been transferred by Defendant to Plaintiff San Lorenzo Valley Water District ("Plaintiff") pursuant to the separate Settlement and Asset Purchase Agreement entered into by and between Defendant and Plaintiff shall hereby vest in



1 Plaintiff. Plaintiff shall promptly cause a true and correct copy of this Final Order of  
2 Condemnation to be recorded in the Official Records of the Santa Cruz County Recorder's office  
3 to provide notice of the transfer of title to the real property portion of the Felton Water System.

4 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that all ad valorem real  
5 property taxes and any penalties and costs therein pertaining to the Felton Water System shall be  
6 apportioned and cancelled as of the date this Final Order of Condemnation is recorded, pursuant to  
7 Sections 4986, 5082, 5085, and 5086 of the Revenue and Taxation Code.

8 IT IS SO ORDERED.

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10 DATED: \_\_\_\_\_

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JUDGE OF THE SUPERIOR COURT

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1 **EXHIBIT A**

2 **DESCRIPTION OF FELTON WATER SYSTEM**

3 The "Felton Water System" means all of the tangible and intangible assets owned or utilized by  
4 Defendant California-American Water Company ("Defendant") solely in the operation of  
5 Defendant's water system serving the Felton community in Santa Cruz County, California,  
6 including without limitation the water sources, storage, treatment, distribution mains, service lines,  
7 hydrants, valves, real property, water pumping rights, SCADA computer software system,  
8 transferrable licenses and transferrable permits and Transferrable Records. The real property  
9 assets comprising the Felton Water System are separately described in Exhibit B hereto. The term  
10 "Felton Water System" shall also specifically include the SDWBL Surcharge. Not by way of  
11 limitation of the foregoing, the Felton Water System shall also specifically include the following  
12 personal property assets: (i) the following vehicles: 1997 Dodge 2500 4x4 VIN  
13 1B6KF2675VJ621717, 1999 Dodge 1500 4x4 VIN 1B7GG22XXS111122, 1997 Dodge 1500  
14 4x4 VIN 1B7GG23X6VS291355, and 1997 Chevrolet 2500 4x4 1GBGC24R1VE145783; (ii) the  
15 three computer towers currently located in Defendant's Felton Acres office (which may be  
16 "sanitized" by Defendant prior to the transfer to Plaintiff); (iii) the dedicated meter reading  
17 computer, four hand-helds, and associated radio-read equipment; (iv) the Neptune software (initial  
18 repository for downloaded meter data); and (v) the equipment and inventory listed in Exhibit C  
19 hereto. The term "Transferrable Record" as used herein means all of Defendant's business records  
20 (in whatever format) relating to the Felton Water System in their current condition, including  
21 without limitation all customer records and information, reports, maps, plans and specifications for  
22 all of the tangible personal property assets comprising the Felton Water System, other engineering  
23 records and drawings, equipment maintenance records, and records relating to compliance with  
24 applicable governmental requirements and regulations; provided, however, that "Transferrable  
25 Records" excludes those records that are not severable from other records of Defendant and any  
26 electronic records that are available only from unsegregated backup or disaster recovery media or  
27 are not reasonably transferrable to Plaintiff unless and to the extent Plaintiff requests such records  
28 prior to transfer of the Felton Water System to Plaintiff, pays the full cost incurred to locate,

1 segregate, and retrieve such other records, and Defendant can feasibly provide said records prior to  
2 the transfer of the Felton Water System to Plaintiff. As used herein, the term "SDWBL  
3 Surcharge" means the revenue collected by or on behalf of Defendant within one hundred twenty  
4 (120) days after the date the other Operating Assets are transferred to Plaintiff, in accordance with  
5 Defendant's tariff, as a surcharge from customers of the Felton Water System to pay that certain  
6 California Safe Drinking Water Bond Law of 1988 Loan No. E51065, as amended and assumed  
7 by Defendant upon its acquisition of the Felton Water System. For purposes of this action and  
8 Judgment, the Felton Water System specifically excludes the approximately 252 acres of real  
9 property and timber thereon that is situated on the westerly side of and adjacent to Felton Empire  
10 Road north of Shingle Mill Lane and west of the unincorporated town of Felton, and which is  
11 particularly described as Santa Cruz County Assessor's Parcel Nos. 064-011-01 and -02; 064-021-  
12 04, -07, -18, -22, and -23; 064-201-34 and -35; and 064-381-05, -06, -16, -17, and -20 (which  
13 property is sometimes referred to as the "Non-Operating Assets"). For purposes of this action and  
14 judgment, the Felton Water System also specifically excludes any tangible and intangible assets  
15 owned or used by Defendant in the operation of the Felton Water System that are not physically  
16 located within the Felton Water System service area (except for Transferrable Records) or that are  
17 not transferrable (collectively, the "Excluded Assets"). Not by way of limitation of the foregoing,  
18 the Excluded Assets include, but are not limited to: securities, rights and obligations in or arising  
19 out of lawsuits or claims made by or against third parties (whether or not such lawsuits or claims  
20 are filed or presented prior to or after the transfer of the Felton Water System to Plaintiff),  
21 intellectual property (including without limitation Defendant's trademarks, trade names, trade  
22 dress (or the rights to use them) and any rights Defendant may have in and to any computer  
23 software programs or licenses), rights and obligations with respect to the receipt of goods and/or  
24 services under contracts or open purchase orders (whether as a direct party or as a third-party  
25 beneficiary), rights in or to assets owned or controlled by any employee benefit plan, and any non-  
26 transferrable or non-assignable lien, easement, lease, license, or permit, unless Plaintiff shall have  
27 obtained consent to such transfer or assignment at its sole expense. Any record, wherever located,  
28 if it is not a Transferrable Record, is an Excluded Asset. Excluded Assets do not include the

1 SDWBL Surcharge or any of the personal property assets listed in the definition of "Felton Water  
2 System" herein.

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**EXHIBIT B**

**DESCRIPTION OF REAL PROPERTY INTERESTS**

[see following pages]

**PARCEL 1:**

PARCEL ONE:

BEING ALL OF PARCEL A AS SHOWN UPON THAT CERTAIN MAP OF THE LANDS OF CLARENCE T. ROE FILED FOR RECORD JULY 15, 1980 IN BOOK 36 OF PARCEL MAPS AT PAGE 5, SANTA CRUZ COUNTY RECORDS.

PARCEL TWO:

A NON-EXCLUSIVE EASEMENT FOR INGRESS AND EGRESS AND PUBLIC UTILITIES PURPOSES OVER, UNDER AND UPON THE FOLLOWING DESCRIBED PARCEL OF LAND.

SITUATE IN THE COUNTY OF SANTA CRUZ, CALIFORNIA, AND BEING A PART OF THE LANDS DESCRIBED IN VOLUME 1600, PAGE 279 OF SANTA CRUZ COUNTY OFFICIAL RECORDS AND A PART OF THE SOUTH 1/2 OF SECTION 21, T. 10 S., R. 2 W., M. D. B. & M. AND BEING A STRIP OF LAND 20.00 FEET WIDE, MEASURED AT RIGHT ANGLES, THE CENTERLINE OF WHICH IS DESCRIBED AS FOLLOWS:

BEGINNING IN THE CENTERLINE OF A 25.00 FOOT WIDE ROAD KNOWN AS ORCHARD DRIVE AT A STATION FROM WHICH THE SOUTHEASTERN CORNER OF THE LANDS OF ROE BEARS S 89° 45' E, 82.99 FEET DISTANT; THENCE FROM SAID POINT OF BEGINNING N 0° 15' E, 9.20 FEET TO A POINT OF CURVE; THENCE ON A CURVE TO THE RIGHT WITH A RADIUS OF 35.00 FEET, THROUGH A CENTRAL ANGLE OF 48° 24', AN ARC LENGTH OF 29.57 FEET TO A POINT OF TANGENCY; THENCE N 48° 39' E, 5.61 FEET TO A POINT OF CURVE; THENCE ON A CURVE TO THE LEFT WITH A RADIUS OF 35.00 FEET, THROUGH A CENTRAL ANGLE OF 65° 22', AN ARC LENGTH OF 39.93 FEET TO A POINT OF TANGENCY; THENCE N 16° 43' W, 48.76 FEET TO A POINT OF CURVE; THENCE ON A CURVE TO THE RIGHT, WITH A RADIUS OF 45.00 FEET, THROUGH A CENTRAL ANGLE OF 42° 42', AN ARC LENGTH OF 33.54 FEET TO A POINT OF TANGENCY; THENCE N 25° 59' E, 123.70 FEET TO A POINT OF CURVE; THENCE ON A CURVE TO THE LEFT WITH A RADIUS OF 35.00 FEET, THROUGH A CENTRAL ANGLE OF 131° 35' 20", AN ARC LENGTH OF 80.37 FEET TO A POINT OF TANGENCY; THENCE S 74° 24' 40" W. 38.58 FEET TO A POINT OF CURVE; THENCE ON A CURVE TO THE RIGHT WITH A RADIUS OF 75.00 FEET, THROUGH A CENTRAL ANGLE OF 17° 52' 20", AN ARC LENGTH OF 23.39 FEET TO A POINT OF TANGENCY; THENCE N 87° 43' W., 194.53 FEET TO A STATION ON THE EASTERN BOUNDARY OF PARCEL ONE HEREIN ABOVE DESCRIBED.

PARCEL THREE:

A NON-EXCLUSIVE EASEMENT FOR TURN AROUND PURPOSES THE BOUNDARIES OF WHICH ARE DESCRIBED AS FOLLOWS:

BEGINNING AT A STATION ON THE CENTERLINE OF THE HEREIN DESCRIBED 20 FOOT WIDE RIGHT OF WAY WHICH THE WESTERN TERMINUS

BEARS N 87° 43' W, 15.00 FEET DISTANT; THENCE FROM SAID POINT OF BEGINNING AND ALONG SAID CENTERLINE S 87° 43' E, 40.00 FEET; THENCE LEAVE SAID CENTERLINE S 2° 17' W, 10.00 FEET TO A POINT OF CURVE; THENCE ON A CURVE TO THE LEFT FROM A TANGENT BEARING N 87° 43' W, WITH A RADIUS OF 10.00 FEET, THROUGH A CENTRAL ANGLE OF 90° 00', AN ARC LENGTH OF 15.71 FEET TO A POINT OF TANGENCY; THENCE S 2° 17' W, 15.00 FEET; THENCE N 87° 41' W, 20.00 FEET; THENCE N 2° 17' E, 15.00 FEET TO A POINT OF CURVE; THENCE ON A CURVE TO THE LEFT WITH A RADIUS OF 10.00 FEET, THROUGH A CENTRAL ANGLE OF 90° 00', AN ARC DISTANCE OF 15.71 FEET; THENCE N 2° 17' E, 10.00 FEET TO THE POINT OF BEGINNING.

PARCEL FOUR:

SLOPE EASEMENTS OVER PARCEL B AS SAID PARCEL IS SHOWN UPON THE MAP REFERRED TO IN PARCEL ONE HEREIN ABOVE AS REQUIRED TO ACCOMMODATE THE CUT AND FILL SECTIONS AS REQUIRED BY THE ENGINEERED PLANS ACCEPTABLE TO THE COUNTY OF SANTA CRUZ IN JUNE, 1980.

PARCEL FIVE:

A DRAINAGE EASEMENT 10 FEET WIDE MEASURED AT RIGHT ANGLES THE CENTERLINE OF WHICH IS DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT FROM WHICH THE WESTERN TERMINUS OF THE HEREIN DESCRIBED CENTERLINE OF THE 20 FOOT WIDE RIGHT OF WAY BEARS S 89° 45' E, 12.00 FEET AND S 0° 15' W, 27 FEET, A LITTLE MORE OR LESS; THENCE FROM SAID POINT OF BEGINNING N 38° 45' E, 40.00 FEET.

PARCEL SIX:

A DRAINAGE EASEMENT 10 FEET WIDE MEASURED AT RIGHT ANGLES THE CENTERLINE OF WHICH IS DESCRIBED AS FOLLOWS:

BEGINNING AT A STATION ON THE CENTERLINE OF THE HEREIN DESCRIBED 20 FOOT WIDE RIGHT OF WAY FROM WHICH THE EASTERN TERMINUS OF TANGENT SHOWN BEARING S 74° 24' 40" W, BEARS WESTERLY 3.0 FEET DISTANT, ALONG A CURVE TO THE LEFT WITH A 45.0 FOOT RADIUS; THENCE FROM SAID POINT OF BEGINNING N 4° 35' E, 37.00 FEET.

PARCEL SEVEN:

A DRAINAGE EASEMENT 10 FEET WIDE MEASURED AT RIGHT ANGLES, THE CENTERLINE OF WHICH IS DESCRIBED AS FOLLOWS:

BEGINNING AT A STATION IN THE CENTERLINE OF THE HEREIN DESCRIBED 20 FOOT WIDE RIGHT OF WAY THAT BEARS N 48° 39' E, 5.61 FEET FROM WHICH THE SOUTHWESTERN TERMINUS OF SAID COURSE BEARS S 48° 39' W, 2.0 FEET

DISTANT; THENCE FROM SAID POINT OF BEGINNING S 30° 20' E, 36.00 FEET TO THE EXISTING GUTTER ON THE NORTHERN SIDE OF ORCHARD DRIVE.

PARCEL EIGHT:

A NON-EXCLUSIVE EASEMENT FOR INGRESS AND EGRESS, PUBLIC UTILITY AND WATER PIPE LINE PURPOSES OVER, UNDER AND UPON THAT PORTION OF PARCEL "B" AS SHOWN UPON THE MAP REFERRED TO IN PARCEL ONE HEREIN, LYING WITHIN THE BOUNDS OF ORCHARD ROAD.

APN: 064-041-18



**PARCEL 2:**

Situate in the County of Santa Cruz, State of California and described as follows:

PARCEL ONE:

Lot 148 of Felton Acres, as shown upon the map entitled, "Subdivision No. 3 Felton Acres", recorded August 10, 1925, in Map Book 18, Page 65, Santa Cruz County Records.

PARCEL TWO:

Being a part of the Rincon Rancho and more particularly bounded and described as follows, to wit:

Beginning at the most Northerly corner of Lot No. 148 in Subdivision No. 3 of Felton Acres, filed in the Office of the County Recorder of Santa Cruz County, August 10, 1925, in Map Book 18, at Page 65, of Maps; thence North 89° 58' West 101.42 feet to a station; thence South 13° 20' East 86.66 feet to a station; thence North 86° 05' East 53.13 feet to the most Westerly corner of said Lot 148; thence along the Northwesterly side of said lot North 19° 25' East 85.50 feet to the Place of Beginning.

APN: 064-051-03

**PARCEL 3:**

**SITUATE IN THE COUNTY OF SANTA CRUZ, STATE OF CALIFORNIA AND DESCRIBED AS FOLLOWS:**

BEING a portion of Lot 116, as shown and designated on that certain map entitled "Subdivision No. 2 Felton Acres, being a part of Rancho Canada del Rincon and Zayante Rancho, Santa Cruz Co., California, subdivided in September 1924, by Lloyd Bowman, County Surveyor", filed for record in the office of the County Recorder September 19th, 1924 in Map Book 18, page 52, Santa Cruz County Records and more particularly described as follows:

BEGINNING at the Northwestern corner of Lot 116, as shown upon said map on the Southerly line of Hillcrest Drive; thence along the Southerly line of Hillcrest Drive North 50° 42' East 15.0 feet to the Northwestern corner of the land conveyed to George W. Simpson, et ux., by Deed recorded November 18, 1925 in Volume 49, page 256, Official Records of Santa Cruz County; thence along the Southwesterly line of said lands of Simpson South 39° 18' East 115.94 feet to the most Southerly corner of said lands; thence along the Southeasterly boundary of said land of Simpson North 49° 33' East 35.57 feet to an angle in said boundary; thence continuing along the Southwesterly line of said land South 28° 18' East 15.34 feet to the Northwestern line of Lot 75 as shown on said map; thence along the Northwestern line of Lot 75 and Lot 74 as shown upon said map South 49° 33' West 47.34 feet to the Southerly corner of Lot 116 as aforementioned; thence along the Southwesterly line of Lot 116 North 39° 18' West 130.94 feet to the Point of Beginning.

APN: 064-052-18

**PARCEL 4:**

Situate in the County of Santa Cruz, State of California, described as follows:

Lot 63 of "Subdivision No. 1, Felton Acres, being a part of Rancho Canada del Rincon, and Zayante Rancho, Santa Cruz County, California", subdivided in June 1924, by Lloyd Bowman, County Surveyor", Filed for record in the office of the County Recorder June 7, 1924 in Map Book 18, Page 47, Santa Cruz County Records.

APN: 064-083-05

**PARCEL 5:**

**PARCEL ONE:**

BEING a part of Lot 18, as shown on the map entitled, "Tract No. 74, Felton Forest Subdivision No. 2", filed for record December 30, 1947 in Volume 28 of Maps at Page 67, Santa Cruz County Records, and further described as follows:

BEGINNING on the Western line of said Lot 18, at the most Southern corner of the land conveyed to Margaret K. Harriss, by Deed recorded May 29, 1951 in Volume 825 of Official Records, at Page 106, Santa Cruz County Records; thence along the Southeast line of said land of Harriss North 59° 32' East 50.0 feet to a station; thence leaving said line South 30° 30' East 110.00 feet to a station in the center of a 20 foot right of way; thence along the center line of said Right of Way, South 59° 32' West 50.0 feet to the Western line of said Lot 18; thence along last mentioned line North 30° 30' West 110.00 feet to the Place of Beginning.

**PARCEL TWO:**

A right of way, appurtenant to Parcel One over the following described strip of land:

BEGINNING at the most Easterly corner of Lot 21 as shown on said above mentioned map; and running thence along the Easterly boundary of said Lot North 30° 43' West 120.00 feet to a station; thence North 59° 32' East 250.47 feet to a station; thence South 30° 30' East 20.0 feet to a station; thence South 59° 32' West 210.29 feet to the beginning of a curve to the left; thence curving to the left with a radius of 20.0 feet through an angle of 90° 15' for a distance of 31.50 feet to a station; thence South 30° 43' East 79.91 feet to Blair Street; thence along Blair Street South 59° 32' West 20.0 feet to the Place of Beginning.

**PARCEL THREE:**

BEING a portion of Lot 19, as said Lot is shown and designated on map entitled, "Tract No. 74, Felton Forest Subdivision No. 2", filed for record December 30, 1947 in Volume 28 of Maps, at Page 67, Santa Cruz County Records, and more particularly bounded and described as follows:

BEGINNING at the most Northerly corner of Lot 19, as shown on said above mentioned map and running thence along the Easterly boundary thereof South 30° 30' East 410.67 feet to the center line of a 20 foot right of way; from which the most Easterly corner of said Lot 19, bears South 30° 30' East 110.00 feet distant; thence leaving said Easterly boundary of said lot and parallel to Blair Street as shown on said map and along the centerline of said 20 foot right of way, South 59° 32' West 50 feet; thence North 30° 30' West parallel with the Easterly boundary of said Lot 19, 358.96 feet to the Easterly side of Farmer Street as shown on said above mentioned map; thence along said boundary line North 13° 34' East 71.92 feet to the Place of Beginning.

**PARCEL FOUR:**

A Right of Way, appurtenant to Parcel Three, over the following described strip of land:

BEGINNING at the most Easterly corner of Lot 21 as shown on said above mentioned map; and running thence along the Easterly boundary of said Lot North 30° 43' West 120.00 feet to a station; thence North 59° 32' East 250.47 feet to a station; thence South 30° 30' East 20.0 feet to a station; thence South 59° 32' West 210.29 feet to the beginning of a curve to the left; thence curving to the left with a radius of 20.0 feet through an angle of 90° 15' for a distance of 31.50 feet to a station; thence South 30° 43' East 79.91 feet to Blair Street; thence along Blair Street South 59° 32' West 20.00 feet to the Place of Beginning.

PARCEL FIVE:

BEING a part of Lot 19, as shown on the map entitled, "Tract No. 74, Felton Forest Subdivision No. 2", filed for record December 30, 1947 in Volume 28 of Maps at Page 67, Santa Cruz County Records, and further described as follows:

BEGINNING at a station on the Western line of said Lot 19, from which the most Squthern corner thereof bears South 30° 30' East 110.00 feet distant; thence leaving said line running along the center line of a 20 foot right of way, North 59° 32' East 50.0 feet to a station; thence leaving said Right of Way, North 30° 30' West 358.96 feet to the Northern line of said Lot 19, on the Southeast line of Farmer Street; thence along the Northern line of said Lot 19, South 13° 34' West 43.24 feet to a station; thence curving to the right with a radius of 418.61 feet through an angle of 3° 47' for a distance of 27.64 feet to the Western line of said Lot 19; thence along said line, South 30° 30' East 308.67 feet to the Place of Beginning.

PARCEL SIX:

A right of way, appurtenant to Parcel Five, over the following described strip of land:

BEGINNING at the most Easterly corner of Lot 21 as shown on said above mentioned map; and running thence along the Easterly boundary of said Lot North 30° 43' West 120.00 feet to a station; thence North 59° 32' East 250.47 feet to a station; thence South 30° 30' East 20.0 feet to a station; thence South 59° 32' West 210.29 feet to the beginning of a curve to the left thence curving to the left with a radius of 20.0 feet through an angle of 90° 15' for a distance of 31.50 feet to a station; thence South 30° 43' East 79.91 feet to Blair Street; thence along Blair Street South 59° 32' West 20.0 feet to the Place of Beginning.

PARCEL SEVEN:

BEING a part of Lot 20, as shown on the map entitled, "Tract No. 74, Felton Forest Subdivision No. 2", filed for record December 30, 1947 in Volume 28 of Maps at Page 67, Santa Cruz County Records; and further described as follows:

BEGINNING on the Northeastern line of said Lot 20 at a station from which the most Eastern corner thereof bears South 30° 30' East 110.00 feet distant; thence along the center line of a 20 foot right of way South 59° 32' West 50.0 feet to a station; thence leaving said right of way, parallel to the Southwestern line of said Lot 20, North 30° 43' West 269.56 feet to the Northern line of said Lot 20 on the Southern line of Farmer Street; thence along the Northern line of said Lot 20, Northeasterly on a curve to the left from a tangent bearing North 26° 02' East, with a radius of 418.61 feet, through an angle of 8° 41' for a distance of 63.14 feet to the North

corner of said Lot 20; thence along the Northeastern line of said Lot 20, South 30° 30' East 308.67 feet to the Place of Beginning.

PARCEL EIGHT:

A right of way, appurtenant to Parcel Seven, over the following described strip of land:

BEGINNING at the most Easterly corner of Lot 21 as shown on said above mentioned map; and running thence along the Easterly boundary of said Lot North 30° 43' West 120.00 feet to a station; thence North 59° 32' East 250.47 feet to a station; thence South 30° 30' East 20.0 feet to a station; thence South 59° 32' West 210.29 feet to the beginning of a curve to the left; thence curving to the left with a radius of 20.0 feet through an angle of 90° 15' for a distance of 31.50 feet to a station; thence South 30° 43' East 79.91 feet to Blair Street; thence along Blair Street South 59° 32' West 20.0 feet to the Place of Beginning.

APN: 065-013-12

**PARCEL 6:**

BEING a portion of Lot 27 of Tract Number 74 Felton Forest Subdivision Number 2 and filed in Volume 28, page 67 of Maps, in the office of the Santa Cruz County Recorder and being a part of the Zayante Rancho, Santa Cruz County, California, and a part of the lands described in Volume 1138, page 163 of Santa Cruz County Official Records, and being more particularly described as follows:

BEGINNING at a ½ inch pipe at the Northwestern corner of said lands, at a station on the Western boundary of the Zayante Rancho; thence along said boundary, South 0° 03' East 67.66 feet to a ½ inch pipe; thence leave said line North 75° 26' East 37.97 feet to a ¾ inch pipe found at the Southwestern corner of Lot 28 of said Subdivision; thence along the Western boundary of said Lot, North 6° 43' West 62.02 feet to a ½ inch pipe found at the Northwestern corner of Lot 28, being also a point of the Southern boundary line of Farmer Street; thence along said line South 83° 17' West 29.76 feet to the Point of Beginning.

Surveyed in February 1971 by Robert R. Baldwin, L.S. 2678.

APN: 065-013-34 (portion)

**PARCEL 7:**

Situate in the County of Santa Cruz, State of California, described as follows:

Lot 28, as the same is shown and designated on that certain map entitled "Felton Forest Subdivision 2, Tract 74" filed for record in the office of the County Recorder on December 30, 1947, in Volume 28 of Maps at Page 67, Santa Cruz County Records.

APN: 065-013-34



**PARCEL 8:**

SITUATE IN THE COUNTY OF SANTA CRUZ, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF THAT CERTAIN 16.37 ACRE TRACT OF LAND CONVEYED BY F. A. HIHN COMPANY TO FRANK MACHADO SALVADOR BY DEED DATED JANUARY 17, 1899, AND RECORDED IN DEED BOOK 127, PAGE 392, SANTA CRUZ COUNTY RECORDS, SAID CORNER BEING SITUATE UPON THE SOUTHERN BANK OF SHINGLE MILL CREEK; THENCE FROM SAID POINT OF BEGINNING ALONG THE NORTHWESTERLY BOUNDARY OF SAID TRACT OF LAND IN A SOUTHWESTERLY DIRECTION, MEANDERING UPON AND ALONG THE SOUTHERLY BANK OF SAID SHINGLE MILL GULCH 1510 FEET MORE OR LESS TO THE NORTHWESTERLY CORNER OF SAID TRACT; THENCE NORTH 0 DEGREES 15' EAST TWELVE FEET MORE OR LESS TO THE SOUTHWEST CORNER OF LANDS CONVEYED BY F. A. HIHN COMPANY TO WM. RUSSELL AND H. T. HOLMES BY DEED DATED MARCH 27, 1895, AND RECORDED IN DEED BOOK 106, PAGE 106, SANTA CRUZ COUNTY RECORDS; THENCE IN A NORTHEASTERLY DIRECTION ALONG THE SOUTHEASTERLY BOUNDARY OF SAID LAST MENTIONED LANDS ABOUT 1490 FEET TO A POINT ON THE NORTHERLY PRODUCTION OF THE EASTERLY BOUNDARY OF SAID FIRST MENTIONED TRACT OF LAND; THENCE LEAVING SAID BOUNDARY OF LANDS CONVEYED TO RUSSELL AND HOLMES AND ALONG THE PRODUCTION OF THE EASTERLY BOUNDARY OF SAID FIRST MENTIONED TRACT OF LAND, SOUTHEASTERLY TWELVE FEET MORE OR LESS TO THE POINT OF BEGINNING.

EXCEPTING THEREFROM ALL THAT PORTION LYING SOUTHWESTERLY OF THE NORTHEASTERLY BOUNDARY OF THE LANDS CONVEYED IN THE DEED FROM FELTON WATER CO., TO GEORGE E. MORTENSEN, ET UX., RECORDED SEPTEMBER 15, 1941 IN BOOK 416, PAGE 453, OFFICIAL RECORDS OF SANTA CRUZ COUNTY.

APN: 065-202-15

**PARCEL 9:**

Situate in the County of Santa Cruz, State of California, described as follows:

Lot 2, in Block "P", as numbered and designated upon the map entitled, "Bell's Addition to Tanglewood, near Felton, Santa Cruz Co., Cal.," filed June 7th, 1909, in Volume 15 of Maps, page 27, Records of Santa Cruz County.

APN: 065-234-16

**PARCEL 10:**

The land referred to herein is described as follows:

Situate in the Town of Felton as said town and streets are shown on that map filed in Book 10 of Deed at Page 793, Santa Cruz County Records.

Being part of the lands conveyed to Schumacher Land and Vineyard Company by Deed recorded in Volume 5220 of Official Records at Page 501, Santa Cruz County Records and being more particularly described as follows, to wit:

PARCEL ONE:

Commencing at a ½ inch iron pipe tagged RCE 6270 at the Northeastern corner of the lands conveyed to M. Macken by Deed recorded in Volume 1422 of Official Records at Page 466, Santa Cruz County Records, on the Western boundary of Gushee Street, as said street is shown on said map of Felton, from which a ½ inch iron pipe tagged RCE 6270 bears Southerly along the Western line of Gushee Street, South 1° 20' West 60.00 feet distant;

Thence from said Point of Commencement Northerly along said Western line of Gushee Street, North 1° 20' East 444.88 feet to the Southeastern corner of the lands conveyed to Ernst Genovesi, Trustee, by Deed recorded in Volume 4772 of Official Records at Page 763, Santa Cruz County Records; thence leaving said Western Line of Gushee Street along the Southern boundary of said lands of Genovesi, North 88° 43' 18" West 198.97 feet to a ½ inch iron pipe, no tag, at the Southwestern corner of said lands of Genovesi on the Eastern line of Boston Street (as said street is shown on said map of Felton), and the True Point of Beginning.

Thence from said true Point of Beginning, along the Western prolongation of the Southern boundary of said lands of Genovesi, North 88° 43' 18" West 29.95 feet to a ½ inch iron pipe, tagged RCE 6270; thence North 1° 00' 10" East 108.12 feet to a ½ inch iron pipe, tagged RCE 6270, on the Eastern prolongation of the Southern line of Donneel Street (now abandoned), as shown on said Map of Felton; thence along said line of Donneel Street and its Eastern prolongation; South 59° 30' 12" West (at 35.31 feet a point hereinafter designated "Point A") a total of 246.49 feet to a ½ inch iron pipe, tagged LS 5615; thence leaving said line of Donneel Street, parallel with said Western line of Gushee Street, South 1° 20' 00" West (at 254.84 feet a point hereinafter designated "Point B") a total of 316.00 feet to a ½ inch iron pipe, tagged LS 5615; thence at right angles to said last mentioned line, South 88° 40' 00" East 240.00 feet to a ½ inch iron pipe, tagged LS 5615 on the Eastern line of said Boston Street (portions of which are now abandoned); thence Northerly along said Eastern line of Boston Street, North 1° 20' 00" East 337.91 feet, more or less, to the True Point of Beginning.

PARCEL TWO:

Being an easement for ingress, egress, raw and potable water lines and appurtenances, and public utilities and being more particularly described as follows, to wit:

Beginning at "Point A" hereinabove described:

Thence from said Point of Beginning, North 1° 20' East 70.62 feet, more or less, to the Southern boundary of the lands of Penry Griffiths by Deed recorded in Volume 5170 of Official Records at Page 509, Santa Cruz County Records, thence along said last mentioned boundary South 59° 30' 00" West 47.08 feet; thence leaving said boundary South 1° 20' 00" West 70.62 feet, more or less, to the Southern line of Donneel Street (now abandoned); thence Easterly, along said Southern line of Donneel Street North 59° 30' 12" East 47.08 feet, more or less to the Point of Beginning.

PARCEL THREE:

Being an easement for ingress, egress, raw and potable water line and appurtenances, and public utilities, 25.00 feet in width, measured at right angle, the centerline of which is more particularly described as follows, to wit:

Beginning at "Point B" hereinabove described:

Thence from said Point of Beginning South 59° 33' 00" West 37.02 feet to the beginning of a tangent curve; thence Southwesterly, curving to the left with a radius of 150.00 feet through a central angle of 35° 13' 24" a distance of 92.21 feet; thence South 24° 19' 45" West 125.10 feet to the beginning of a tangent curve; thence Southerly, curving to the left with a radius of 75.00 feet through a central angle of 25° 59' 15" a distance of 47.49 feet, more or less to the Northern line of Hihn Street.

PARCEL FOUR:

Being an Easement for the construction and maintenance of a french drain (and appurtenances) and landscaping and irrigation, and being more particularly described as follows, to wit:

Commencing at "Point A" hereinabove described; thence from said Point of Commencement, along the Northern line of Parcel One herein described S 59° 30' 12" West 27.80 feet to the True Point of Beginning.

Thence from said True Point of Beginning, South 80° 35' 09" West 44.30 feet; thence South 73° 02' 37" West 58.11 feet; thence South 60° 26' 52" West 63.17 feet; thence South 51° 23' 26" West 39.03 feet; thence South 20° 51' 26" West 41.77 feet; thence South 00° 08' 55" West 37.67 feet; thence South 12° 45' 01" East 40.83 feet; thence South 20° 57' 36" East 79.29 feet, more or less to the Western boundary of Parcel One herein described; thence along said Western boundary North 1° 20' 00" East 177.26 feet to the Northwestern corner of Parcel One herein described; thence along the Northern boundary of Parcel One herein described North 59° 30' 12" East 183.38 feet, more or less to the Point of Beginning.

APN: 065-281-03

**PARCEL 11:**

SITUATE IN THE COUNTY OF SANTA CRUZ STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

BEING THAT CERTAIN TANK SITE AS CONVEYED IN THE DEED FROM SANTA CRUZ LAND TITLE COMPANY, A CALIFORNIA CORPORATION, ET AL., TO FELTON WATER COMPANY, A CALIFORNIA CORPORATION, RECORDED MAY 23, 1950, IN VOLUME 773, PAGE 583, OFFICIAL RECORDS OF SANTA CRUZ COUNTY.

APN: 071-031-003

**PARCEL 12:**

The land referred to herein is situated in the State of California, County of Santa Cruz, Unincorporated Area and is described as follows:

PARCEL ONE:

Being a strip of land 60 feet in width, 30 feet on each side of the following described center line:

Beginning at an iron pipe from which the most Northerly corner of land conveyed to Frank E. Morley and Eleanor Morley by deed recorded June 2, 1943 in Volume 453 at Page 236 of Official Records of Santa Cruz County, bears the following courses and distances: South 39° 46' East 92.14 feet; South 14° 53' East 50.77 feet and South 23° 33' West 113.21 feet, and South 40° 42' East 61.01 feet distant, and from said Place of Beginning a spike in a "W" on a 16" oak tree bears North 5° 28' East 17.51 feet distant; and a "W" in a spike on an 8" double oak tree bears South 80° East 17.86 feet distant; thence running North 65° 42' West 108.20 feet to an iron pipe from which a spike in a "W" on an 18" redwood tree bears North 25° 15' East 12.44 feet distant; and a spike in a "W" on a 24" redwood tree bears North 62° 15' West 4.37 feet distant.

PARCEL TWO:

A right of way 30 feet in width at right angles 15 feet on either said of the following described center line:

Beginning at the iron pipe standing in the center of the Southeasterly boundary of said above described parcel of land running thence South 39° 46' East 92.14 feet to a spike; South 14° 53' East 50.77 feet to a spike; and South 23° 33' West 113.21 feet to a spike in the road known as the Felton Quarry Road.

PARCEL THREE:

An open and unobstructed right of way over said Felton Quarry Road.

PARCEL FOUR:

Being a part of the Rancho Canada del Rincon and more particularly bounded and described as follows, to wit:

Beginning at a 3/8" pipe standing on the produced Southerly boundary of Pine Drive as shown on Sheet 2 of 3 Sheets of "Subdivision No. 3 of Felton Acres, being a part of Rancho Canada del Rincon, Santa Cruz Co., Cal., subdivided in Aug. 1925 by Lloyd Bowman, County Surveyor," filed for record in the office of the County Recorder on August 10th, 1925, in map book 18, page 65, Santa Cruz County Records, and from which the Northwest corner of Lot No. 141, as shown on said map, bears South 84° 34' East 107.99 feet distant and a nail in a circle on a 44" redwood stump bears North 5° 26' East 36.32 feet distant; thence running along the produced Southerly side of Pine Drive, North 84° 34' West 80.0 feet to a station; thence leaving said produced line of Pine Drive South 5° 26' West 100.00 feet to a station; thence South 84° 34' East 80.00 feet to a 3/8" iron pipe from which a nail in a circle on a 29" redwood stump bears South

5° 26' West 14.26 feet distant; thence running North 5° 26' East 100.00 feet to the Place of Beginning.

PARCEL FIVE:

A Right of Way over Pine Drive produced North 84° 34' West to the produced Westerly boundary of said described parcel.

APN: 064-201-22 (Parcel One)  
064-201-33 (Parcel Four)

**PARCEL 13:**

All that real property situated in the County of Santa Cruz, State of California, described as follows:

BEING a portion of Zayante Rancho in the projected SW  $\frac{1}{4}$  of Section 15, and SE  $\frac{1}{4}$  of Section 16, T. 10S., R.2W., M.D.B.&M.

COMMENCING at a point on the southwest corner of Lot 11 of "Coolidge Subdivision No. 1, TR. 59" as said Lot is laid out and delineated in Map Book 28 at Page 25, Official Records of Santa Cruz County, said point also being the easterly boundary of State Highway Rte. 9; thence in a southerly direction along the boundary of said Rte. 9 to a point in the centerline of Fall Creek; thence in a northerly direction along the centerline of Fall Creek to a point in the centerline of San Lorenzo Creek; thence in a northerly direction along the centerline of San Lorenzo Creek to a point being the southeast corner of said Lot 11; thence in a southwesterly direction along the south boundary of Lot 11 to the point of beginning.

EXCEPTING THEREFROM that portion thereof which was conveyed to Juan Serrato by Tax Deed recorded May 5, 1993, in Book 5252, at Page 625, Official Records of Santa Cruz County, California.

APN: 71-161-16



**PARCEL 14:**

All that real property situated in the County of Santa Cruz, State of California, particularly described as follows:

Being a tank site situated in Section 16, Township 10 South, Range 2 West and beginning at a 2 x 2 hub and tack from which a chiseled cross in a concrete foundation bears West 17.00 feet distant and another cross in a concrete foundation bears North 54° 19' West 19.00 feet distant, and a pipe standing at the intersection of the Easterly side of El Solyo Heights Drive with the Northerly boundary of Parcel 12 as said intersection is shown on map entitled "Record of Survey Map of El Solyo Acres" filed for record September 7, 1950 in Volume 30 at Page 14 of Maps in the office of County Recorder of Santa Cruz County bears the following courses and distances: South 58° 48' East 40.61 feet; South 6° 43' East 110.55 feet; South 49° 55' East 84.80 feet; South 69° 38' East 270.95 feet; North 8° 59' West 24.67 feet; North 81° 01' East 31.63 feet distant; thence from said Place of Beginning running South 54° 25' West 40' to a 2 x 2 hub and tack; thence North 35° 35' West 40 feet to a station; thence N. 54° 25' E. 40.0 feet to a station; thence South 35° 35' East 40 feet to the Place of Beginning.

TOGETHER with the following described open and unobstructed easements 5 feet in width, the center line of which is described as follows:

1. Beginning at the most Easterly corner of said above described tank site and running thence South 58° 48' East 40.61 feet to a station; South 6° 43' East 110.55 feet to a station; South 49° 55' East 84.80 feet to a station; South 69° 38' East 270.95 feet to a station.
2. An open and unobstructed easement over a strip of land 5 feet in width, the center line of which is described as follows: Beginning at a station in El Solyo Heights Drive as shown and designated on map entitled "Record of Survey Map of El Solyo Acres" filed for record September 7, 1950 in Volume 30 at Page 14 of Maps in the Office of the County Recorder of Santa Cruz County and from which a pipe standing at the intersection of the Easterly side of El Solyo Heights Drive with the Northerly boundary of Parcel 14 as shown on said map, bears South 8° 59' East 10.00 feet, and North 81° 01' East 8.63 feet distant and running thence South 8° 59' East 257.00 feet to a station; thence South 81° 01' West 23.00 feet to a station; thence South 8° 01' East 200.01 feet to a station; thence Southeasterly curving to the left with a radius of 60 feet from a tangent bearing South 8° 59' East through an angle of 76° 41' for a distance of 80.30 feet to a station; thence South 85° 41' East 213.05 feet to the beginning of a curve to the left; thence curving to the left with a radius of 210 feet through an angle of 22° 23' for a distance of 82.04 feet to a station; thence South 42° 50' East 40 feet, a little more or less, to the Westerly boundary of a tank site as described in Volume 773 at Page 583 of Official Records of Santa Cruz County.

TOGETHER with the right to lay, maintain and replace pipeline along said easements, etc.

TOGETHER with 15,000 gallon tank- all pipelines - 1 horsepower booster pump and electrical installation.

APN: 071-031-33

**PARCEL 15:**

**PARCEL ONE:**

BEING a part of the Rancho Canada del Rincon and being a portion of that strip of land conveyed to Felton Water Co., a corporation, by Deed recorded in Volume 363, page 81, Official Records of Santa Cruz County, and more particularly described as follows:

BEGINNING at the most Southern corner of Lot 39 as shown upon the map entitled, "Subdivision No. 1 Felton Acres, Being a part of Rancho Canada del Rincon and Zayante Rancho, Santa Cruz County, Cal.," filed for record June 7, 1924 in Map Book 18, page 47, Santa Cruz County Records, said corner being also the most Northern corner of Parcel 2 of the lands conveyed to Harvey E. Robinson, et ux, by Deed recorded in Volume 1221, page 189, Official Records of Santa Cruz County; thence from said Point of Beginning along the Northeastern boundary of said lands of Robinson South 32° 11' East 30.19 feet to the most Eastern corner thereof on the Eastern boundary of above mentioned strip of land of Felton Water Co.; thence Northerly along said Eastern boundary to a point on the Southeastern boundary of aforementioned Lot 39; thence along said Southeastern boundary and the center line of Shingle Mill Creek, South 54° 29' West 33 feet, more or less, to a point and South 25° 46' West 94.61 feet to the Point of Beginning.

**PARCEL TWO:**

BEING a part of the Rancho Canada del Rincon and being a portion of that strip of land conveyed to Felton Water Co., a corporation, by Deed recorded in Volume 363, page 81, Official Records of Santa Cruz County, and more particularly described as follows:

BEGINNING at the most Southern corner of Lot 42 on the center line of Shingle Mill Creek, as said Lot and Creek are shown upon that map entitled, "Subdivision No. 1 Felton Acres, Being a part of Rancho Canada del Rincon and Zayante Rancho, Santa Cruz County, Cal.," filed for record June 7, 1924 in Map Book 18, page 47, Santa Cruz County Records; thence from said Point of Beginning along the center line of said creek North 60° 54' East 94.51 feet to a point and North 21 ° 32' East 5.15 feet to the most Western corner of Parcel 3 of the lands conveyed to Louella C. Ritter, by Deed recorded in Volume 909, page 188, Official Records of Santa Cruz County; thence leaving said center line and along the Southwestern boundary of said Parcel 3, South 32° 11' East 23.29 feet to the most Southern corner thereof on the Eastern boundary of above mentioned strip of land of Felton Water Co.; thence along said Eastern boundary South 56° 02' West 53.8 feet to a point and South 65° 49' West 34.01 feet to the most Eastern corner of Parcel 1 of the lands conveyed to Minnie E. McConaha, by Deed recorded in Volume 527, page 491, Official Records of Santa Cruz County; thence along the Northeastern boundary of said Parcel 1, North 39° 27' West 19.55 feet to the Point of Beginning.

APN: 065-202-15

**PARCEL 16:**

**PARCEL FIVE:**

BEING a strip of land 125 feet in width at right angles 62.5 feet in width at right angles on each side of the following described center line.

BEGINNING at an iron pipe from which the most Northerly corner of land conveyed to Frank E. Morley and Eleanor Morley by deed recorded June 2, 1943, in Volume 453 at Page 236 of Official Records of Santa Cruz County bears the following courses and distances: North 56° 49' West 38.70 feet; North 67° 55' East 373.07 feet and South 40° 42' East 61.01 feet distant; and from said Point of Beginning a spike in a "W" on an 8" Oak tree bears South 46° 12' East 18.69 feet distant; and a spike in a "W" on a 3 foot Fir tree bears South 55° 22' West 37.58 feet distant; thence from said Place of Beginning running North 56° 49' West 38.70 feet to a spike; North 62° 31' West 120.29 feet to a spike; North 45° 33' West 85.54 feet to a spike; North 47° 50' West 264.08 feet to a spike; and South 84° 40' West 124.28 feet to an iron pipe from which a spike in a "W" on a 12" Oak tree bears North 46° 39' West 10.94 feet distant; and a spike in a "W" on a 24" Redwood tree bears South 84° 40' West 37.16 feet distant and containing 1.82 acres, a little more or less.

TOGETHER with and subject to, and open and unobstructed right of way over Felton Quarry Road.

ALSO SUBJECT to an open and unobstructed right of way over a road leading Southerly from the Felton Quarry Road over the Southerly end of said above described parcel of land.

**PARCEL SIX:**

BEING a part of the Rancho Canada del Rincon and more particularly bounded and described as follows:

BEGINNING at a point on the Northerly boundary of Rancho Canada del Rincon and from which a stake marked "S" standing at the Southwest corner of lands in quitclaim deed from A.L. Jensen, et al, to the Santa Cruz Land Title Company, a corporation, by deed dated February 15, 1947, and recorded April 25, 1947, in Volume 582 at Page 64, of Official Records of Santa Cruz County, bears North 82° 13' East 555.60 feet distant; thence leaving said boundary South 47° 13' East 872.88 feet to an iron pipe standing in Shingle Mill Gulch and from which a spike in a "W" in a triple Redwood tree bears North 15° 34' East 2.50 feet distant; and a spike in a "W" on an 18" Redwood tree bears South 64° 00' East 18.49 feet distant; thence leaving said gulch South 15° 34' West 693.18 feet to an iron pipe standing on top of a ridge and from which a spike in a "W" on a 24" Oak tree bears South 8° 35' East 5.17 feet distant, and a spike in a "W" on a 6" Redwood tree bears South 75° 05' West 20.13 feet distant; thence running along the top of said ridge the following courses and distances: North 60° 59' West 107.95 feet to a spike; North 83° 24' West 90.79 feet to a spike; North 81° 58' West 78.9 feet to a spike; South 88° 29' West 54.70 feet to a spike; North 77° 24' West 81.29 feet to a spike; thence North 75° 07' West 122.49 feet to an iron pipe from which a spike in a

"W" on a 24" Fir tree bears North 69° 30' East 13.34 feet distant, and a spike in a "W" on a 30" Fir tree bears South 57° 13' East 14.33 feet distant; thence North 59° 14' West 90.70 feet to a stake and brad; thence North 27° 46' West 156.56 feet to a spike; thence North 54° 08' West 108.66 feet to a pipe from which a spike in a "W" on a 10" Oak tree bears South 5° 15' East 4.64 feet distant and a spike in a "W" on a 10" Madrone tree bears North 86° 30' East 13.80 feet distant; thence South 82° 42' West 122.12 feet to a hub and brad; thence North 88° 17' West 110.28 feet to a spike; thence North 84° 05' West 109.94 feet to a spike; thence South 75° 02' West 149.37 feet to a hub and brad; thence North 81° 49' West 172.68 feet to a pipe from which a spike in a "W" on an 8" Madrone tree bears North 27° West 3.05 feet distant, a spike in a "W" on a 12" Redwood tree bears North 25° 45' East 7.17 feet distant, and a spike in a "W" on a 30" Fir tree bears North 64° 30' East 4.18 feet distant; thence North 64° 49' West 113.93 feet to a spike; North 84° 53' West 124.41 feet to a brad in a hub; thence North 77° 36' West 76.99 feet to a brad in a hub; thence South 64° 48' West 110.79 feet to an iron pipe from which a spike in a "W" on a 42" Fir tree bears North 4° 30' West 8.07 feet distant; thence South 82° 26' West 133.57 feet to a spike; thence South 83° 35' West 54.62 feet to a brad in a hub; thence North 88° 51' West 76.15 feet to a brad in a hub; thence North 66° 42' West 67.07 feet to an iron pipe from which a spike in a "W" on a 6" Redwood tree bears North 63° 15' East 9.43 feet distant, and a spike in a "W" on a 6" Oak tree bears South 21° 30' East 6.65 feet distant; thence North 55° 44' West 75.45 feet to a brad in a hub; thence North 65° 11' West 88.23 feet to a spike; thence North 67° 11' West 129.72 feet to a brad in a hub; thence North 68° 45' West 64.18 feet to a pipe standing on top of a divide and from which a spike in a "W" on a 4" Pine tree bears South 71° 30' West 8.11 feet distant; and a spike in a "W" on a 6" Pine tree bears South 72° 0' East 11.41 feet distant; thence North 9° 54' West 440.00 feet, a little more or less, to the Northerly boundary of said above mentioned Rancho Canada del Rincon; thence along said boundary North 82° 13' East 2100 feet, a little more or less, to the Place of Beginning and containing 48.04 acres, a little more or less.

RESERVING an open and unobstructed right of way to William H. Fetherston over a strip of land 50 feet in width leading from the Northerly boundary to the Southerly boundary of said above described parcel of land, the location of which is to be made by said William H. Fetherston.

APN: 064-083-05

**PARCEL 17:**

A STRIP OF LAND 5 feet in wide on either side of the following described lines, to wit:

EASEMENT NO. 1: COMMENCE at a point on the Northerly line of the land of Frank Capelli, et al, as described in deed recorded in Volume 472, Page 349, Official Records of Santa Cruz County, 10 feet West of the San Lorenzo State Highway running thence Northerly parallel to and 10 feet Westerly of said State Highway line 271 feet to a point in El Solyo Heights Drive; thence Westerly parallel to and distant 5 feet North of the Southern line of said El Solyo Heights Drive and the extent thereof 1175 feet to a point; thence at a right angle Southerly 87 feet to the center line of the Northerly end of the hereinafter described Tank Site.

EASEMENT NO. 2: COMMENCING at a point in the Southerly end of Hacienda Way 5 feet East of the Westerly line of Hacienda Way; running thence North 8° 44' East parallel to and distant 5 feet East of the said line of Hacienda Way 700 feet to the Northerly end of said Hacienda Way.

FEE TITLE TO:

TANK SITE: COMMENCING at the Southerly end of the West line of Easement No. 1 hereinabove described; running thence West 15 feet ; thence at a right angle South 50 feet; thence at a right angle East 30 feet; thence at a right angle North 50 feet; thence at a right angle West 15 feet to the Point of Beginning.

APN: 071-031-03

PARCEL 18:

BEING A PART OF THE NORTHEAST ONE-QUARTER OF SECTION 21, TOWNSHIP 10 SOUTH, RANGE 2 WEST, M.D.B.&M. AND ALSO BEING A PORTION OF THE LANDS CONVEYED TO FELTON WATER CO. BY DEED RECORDED AUGUST 16, 1933 IN BOOK 248, PAGE 331 OFFICIAL RECORDS COUNTY OF SANTA CRUZ AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

THAT PORTION OF THE ABOVE MENTION LANDS OF FELTON WATER CO. BOUNDED ON THE SOUTH BY THE LANDS CONVEYED TO JOHN KENISON ET UX. BY DEED RECORDED SEPTEMBER 25, 1944 IN BOOK 486, PAGE 147; ON THE NORTH BY THE LANDS CONVEYED TO FRED J. WALDOOGEL BY DEED RECORDED MARCH 11, 1946 IN BOOK 639, PAGE 130; ON THE EAST BY THE LANDS CONVEYED TO M. REX HUNT ET UX. BY DEED RECORDED AUGUST 14, 1947 IN BOOK 588, PAGE 268 AND ON THE WEST BY THE LANDS CONVEYED TO FLORENCE FETHERSTON BY DEED RECORDED JUNE 16, 1953 IN BOOK 918, PAGE 191 ALL OF THE OFFICIAL RECORDS COUNTY OF SANTA CRUZ.

A.P. NO: 064-031-28

PARCEL 19:

BEING A PART OF THE NORTHEAST ONE-QUARTER OF SECTION 21, TOWNSHIP 10 SOUTH, RANGE 2 WEST, M.D.B&M. AND ALSO BEING A PORTION OF THE LANDS CONVEYED TO FELTON WATER CO. BY DEED RECORDED AUGUST 16, 1993 IN BOOK 248, PAGE 331 OFFICIAL RECORDS COUNTY OF SANTA CRUZ AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

THAT PORTION OF THE ABOVE MENTION LANDS OF FELTON WATER CO. BOUNDED ON THE SOUTH BY THE LANDS CONVEYED TO GEORGE N. LEY ET UX. BY DEED RECORDED JUNE 1, 1922 IN BOOK 318 OF DEEDS, PAGE 28; ON THE NORTH BY THE LANDS CONVEYED TO BOSSO SECONDO ET UX. BY DEED RECORDED AUGUST 27, 1941 IN BOOK 423, PAGE 201; ON THE EAST BY THE LANDS CONVEYED TO BOSSO SECONDO EX UX. BY DEED RECORDED NOVEMBER 6, 1943 IN BOOK 459, PAGE 415 AND ON THE WEST BY THE LANDS CONVEYED TO JOHN KENISON ET UX. BY DEED RECORDED SEPTEMBER 25, 1944 IN BOOK 486, PAGE 147 ALL OF OFFICIAL RECORDS COUNTY OF SANTA CRUZ.

A.P. NO: 064-031-23 .



PARCEL 20:

BEING A PART OF THE NORTHEAST ONE-QUARTER OF SECTION 21, TOWNSHIP 10 SOUTH, RANGE 2 WEST, M.D.B&M. AND ALSO BEING A PORTION OF THE LANDS CONVEYED TO FELTON WATER CO. BY DEED RECORDED AUGUST 16, 1993 IN BOOK 248, PAGE 331 OFFICIAL RECORDS COUNTY OF SANTA CRUZ AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

THAT PORTION OF THE ABOVE MENTION LANDS OF FELTON WATER CO. BOUNDED ON THE SOUTH AND THE SOUTHWEST BY THE LANDS CONVEYED TO SECONDO BOSSO ET UX. BY DEED RECORDED FEBRUARY 6, 1945 IN BOOK 491, PAGE 488; ON THE NORTH BY ONE-SIXTEENTH SECTION LINE RUNNING EAST AND WEST THROUGH THE MIDDLE OF THE NORTHEAST ONE-QUARTER OF SAID SECTION 21 AND ON THE EAST BY THE LANDS CONVEYED TO DONALD E. LEY ET UX. BY DEED RECORDED MARCH 19, 1954 IN BOOK 959, PAGE 172 AND ON THE SOUTHERN PROLONGATION OF THE EASTERN BOUNDARY OF SAID LANDS OF LEY, ALL OF OFFICIAL RECORDS COUNTY OF SANTA CRUZ.

A.P. NO: 064-031-37

**PARCEL 21:**

All that certain parcel of land more particularly described in the Deed to Felton Water Company recorded, July 12, 1962 in Book 1482, Page 146, Official Records of Santa Cruz County, said parcel being shown as the tank site on the Parcel Map filed for record November 4, 1971 in Book 4 of Parcel Maps, Page 31, Santa Cruz County Records.

A.P. NO: 071-031-33

**PARCEL 22:**

The right on, over, and through certain lands situate in the County of Santa Cruz, State of California, and described as follows:

A strip of land five feet in width on either side of the following described lines, to wit:

Easement No. 1: Commencing at a point on the Northerly line of the land of Frank Capelli, et al, as described in deed recorded in Volume 472 of Official Records, at Page 340, Records of Santa Cruz County, 10 feet West of the San Lorenzo State Highway; running thence Northerly parallel to and 10 feet Westerly of said State Highway line 271 feet to a point in El Solyo Heights Drive; thence Westerly parallel to and distant 5 feet North of the South line of said El Solyo Heights Drive and the extension thereof 1175 feet to a point; thence at a right angle Southerly 87 feet to the center line of the Northerly end of the hereinafter described Tank Site.

Easement No. 2: Commencing at a point in the Southerly end of Hacienda Way 5 feet East of the Westerly line of Hacienda Way; running thence North 8° 44' West parallel to and distant 5 feet East of the said line of Hacienda Way 700 feet to the Northerly end of said Hacienda Way.

All that certain parcel of land situate in the said County of Santa Cruz, State of California, and more particularly described as follows:

Tank Site: Commencing at the Southerly end of the West line of Easement No. 1 hereinbefore described; running thence West 15 feet; thence at a right angle South 50 feet; thence at a right angle East 30 feet; thence at a right angle North 50 feet; thence at a right angle West 15 feet to the Point of Beginning.

APN: 071-031-03

**PARCEL 23:**

The water from the spring which flows through that certain lot, piece, or parcel of land situate in the county of Santa Cruz, in the State of California, described as follows:

Being a part of the northwest quarter of the northwest quarter of section 21, and the northeast quarter of the northeast quarter of section 20, in township 10 south, range 2 west, Mount Diablo base and meridian, and particularly described as beginning at a station from which the corner to sections 16, 17, 20, and 21, in said township, bears north  $20^{\circ} 05'$  west, 532.5 feet distant; thence from said place of beginning, due south 50 feet, to a station; thence south  $70^{\circ}$  west, 120 feet to a station; thence due north 50 feet to a station; and thence north  $70^{\circ}$  east, 120 feet to the place of beginning:

Together with the right to run a water pipe line from the above described premises, across lands of Holmes Lime and Cement Company, along the most practicable route for the purpose of conducting such water to the reservoir of said Felton Water Company, (such pipe line to be buried not less than twelve inches under ground):

Reserving, however, to Holmes Lime and Cement Company, so much of said water as will flow through a pipe two inches in diameter, at a point on said above described premises.

**PARCEL 24:**

(Additional Easements - Set No. 1)

Any easement and/or right-of-way interests in that certain real property described in the following instruments recorded in the Office of the Recorder of the County of Santa Cruz, State of California, whose legal descriptions are hereby incorporated by reference as though fully set forth herein:

1. That certain Easement, dated November 2, 1954, granted by Alice Hesse and Vesta Florence Hesse unto Citizens Utilities Company of California and recorded on November 18, 1954 in Santa Cruz County as Instrument No. 16344, Book 991, Page 475.
2. That certain Easement, dated March 29, 1955, granted by Charles Kalnin and Annette Kalnin unto Citizens Utilities Company of California and recorded in Santa Cruz County in Book 1010, Page 560.
3. That certain Easement, dated September 20, 1966, granted by R. Borgman and Grace Borgman unto Citizens Utilities Company of California and recorded on September 30, 1966 in Santa Cruz County as Instrument No. 25812, Book 1787, Page 24.
4. That certain Easement, dated December 16, 1971, granted by Raymond B. Kelly and Patricia J. Kelly unto Citizens Utilities Co. of California and recorded on December 17, 1971 in Santa Cruz County as Instrument No. 046543, Book 2155, Page 540.
5. That certain Easement, dated August 17, 1972, granted by Leslie S. Fairbanks and Willemmina Fairbanks unto Citizens Utilities Company of California and recorded on August 21, 1972 in Santa Cruz County as Instrument No. 035094, Book 2232, Page 369.
6. That certain Easement, dated February 20, 1973, granted by Sutter Hill Limited unto Citizens Utilities Company of California and recorded on February 27, 1973 in Santa Cruz County as Instrument No. 007414, Book 2287, Page 80.
7. That certain Easement, dated February 20, 1973, granted by Sutter Hill Limited unto Citizens Utilities Company of California and recorded on February 27, 1973 in Santa Cruz County as Instrument No. 007415, Book 2287, Page 82.
8. That certain Easement, dated February 20, 1973, granted by Sutter Hill Limited unto Citizens Utilities Company of California and recorded on February 27, 1973 in Santa Cruz County as Instrument No. 007416, Book 2287, Page 84.

9. That certain Easement, dated April 28, 1975, granted by County Bank of Santa Cruz unto Citizens Utilities Company of California and recorded on May 2, 1975 in Santa Cruz County as Instrument No. 014676, Book 2497, Page 606.
10. That certain Easement, dated January 10, 1978, granted by Lester C. Brooks and Donna L. Brooks unto Citizens Utilities Company of California and recorded on January 23, 1978 in Santa Cruz County as Instrument No. 3482, Book 2864, Page 387.
11. That certain Easement, dated October 20, 1978, granted by Kate A. Robinson unto Citizens Utilities Company of California and recorded on January 25, 1979 in Santa Cruz County as Instrument No. 004530, Book 3014, Page 549.
12. That certain Easement, dated January 25, 1979, granted by Stuart J. Brinck and Betty L. Brinck unto Citizens Utilities Company of California and recorded on January 25, 1979 in Santa Cruz County as Instrument No. 004529, Book 3014, Page 548.
13. That certain Easement, dated April 23, 1979, granted by May B. Ley unto Citizens Utilities Company of California and recorded on April 25, 1979 in Santa Cruz County as Instrument No. 19818.
14. That certain Easement, dated May 1, 1986, granted by Robert A. Crawford and Joan Lee Crawford unto Citizens Utilities Company of California and recorded on May 7, 1986 in Santa Cruz County as Instrument No. 024082, Book 3974, Page 778.
15. That certain Easement, dated November 20, 1995, granted by Schumacher Land & Vineyards Company unto Citizens Utilities Company of California and recorded on November 21, 1995 in Santa Cruz County as Instrument No. 61042, Volume 5761, Page 699.
16. That certain Easement, dated November 20, 1995, granted by Schumacher Land & Vineyards Company unto Citizens Utilities Company of California and recorded on November 21, 1995 in Santa Cruz County as Instrument No. 61043, Volume 5761, Page 702.
17. That certain Easement, dated November 20, 1995, granted by Schumacher Land & Vineyards Company unto Citizens Utilities Company of California and recorded on November 21, 1995 in Santa Cruz County as Instrument No. 61044, Volume 5761, Page 705.
18. That certain Easement, dated May 27, 2001, granted by Everett Downs and Karen Downs unto Citizens Utilities Company of California and recorded on May 29, 2001 in Santa Cruz County as Instrument No. 2001-0031722.
19. That certain Right of Way dated January 5, 1953, granted by Albert Weidemann and Elizabeth Weidemann unto Citizens Utilities Company of California and recorded on

May 17, 1956 in Santa Cruz County as Instrument No. 7760, Volume 1075, Page 267.

20. That certain Right of Way dated January 26, 1955, granted by Henry Keim unto Citizens Utilities Company of California and recorded on May 5, 1955 in Santa Cruz County as Instrument No. 6805, Volume 1015, Page 373.
21. That certain Right of Way dated February 21, 1955, granted by Henry H. Boykin and Florence C. Boykin unto Citizens Utilities Company of California and recorded in Santa Cruz County, Volume 1015, Page 635.
22. That certain Right of Way dated October 27, 1955, granted by Edward R. Miller and Frances Y. Miller unto Citizens Utilities Company of California and recorded on November 10, 1955 in Santa Cruz County as Instrument No. 18093, Volume 1046, Page 166.
23. That certain Right of Way dated October 27, 1955, granted by Theo Ulrich and Marcella Ulrich unto Citizens Utilities Company of California and recorded on November 10, 1955 in Santa Cruz County as Instrument No. 18094, Volume 1046, Page 167.
24. That certain Right of Way dated October 31, 1955, granted by Leroy Morehouse unto Citizens Utilities Company of California and recorded on November 10, 1955 in Santa Cruz County as Instrument No. 18090, Volume 1046, Page 161.
25. That certain Right of Way dated November 4, 1955, granted by H. A. Mitchell and Grace Mitchell unto Citizens Utilities Company of California and recorded on November 10, 1955 in Santa Cruz County as Instrument No. 18091, Volume 1046, Page 162.
26. That certain Right of Way dated November 4, 1955, granted by H. A. Mitchell and Grace Mitchell unto Citizens Utilities Company of California and recorded on November 10, 1955 in Santa Cruz County as Instrument No. 18092, Volume 1046, Page 164.
27. That certain Right of Way dated November 4, 1955, granted by Charles B. Hershman and Ruth M. Hershman unto Citizens Utilities Company of California and recorded on February 17, 1956 in Santa Cruz County as Instrument No. 2301, Volume 1059, Page 584.
28. That certain Right of Way dated November 7, 1955, granted by Irene Gairaud unto Citizens Utilities Company of California and recorded on November 10, 1955 in Santa Cruz County as Instrument No. 18095, Volume 1046, Page 168.
29. That certain Right of Way dated December 9, 1955, granted by Joseph A. Corrado and Rose Marie Corrado unto Citizens Utilities Company of California and recorded

on February 9, 1956 in Santa Cruz County as Instrument No. 1903, Volume 1058, Page 594.

30. That certain Right of Way dated December 29, 1955, granted by Henry Keim unto Citizens Utilities Company of California and recorded in Santa Cruz County, Volume 1053, Page 485.
31. That certain Right of Way dated March 16, 1956, granted by Manuel E. Amarol and Marie Amarol unto Citizens Utilities Company of California and recorded on March 23, 1956 in Santa Cruz County as Instrument No. 4429, Volume 1066, Page 40.
32. That certain Right of Way dated May 21, 1956, granted by Earl L. Lyon and Josephine L. Lyon unto Citizens Utilities Company of California and recorded on August 28, 1956 in Santa Cruz County as Instrument No. 13638, Volume 1091, Page 158.
33. That certain Right of Way dated August 29, 1956, granted by Douglas McAbee unto Citizens Utilities Company of California and recorded on January 18, 1957 in Santa Cruz County as Instrument No. 1069, Volume 1112, Page 304.
34. That certain Right of Way dated June 20, 1957, granted by LeRoy E. Miller and Alice Page Miller unto Citizens Utilities Company of California and recorded on June 21, 1957 in Santa Cruz County as Instrument No. 10068, Volume 1136, Page 94.
35. That certain Right of Way dated June 28, 1957, granted by Earl A. Childers and Lily M. Childers unto Citizens Utilities Company of California and recorded on July 1, 1957 in Santa Cruz County as Instrument No. 10512, Volume 1137, Page 185.
36. That certain Right of Way dated July 3, 1957, granted by Frank Portera and Beverly Portera unto Citizens Utilities Company of California and recorded on July 15, 1957 in Santa Cruz County as Instrument No. 11371, Volume 1139, Page 184.
37. That certain Right of Way dated August 8, 1957, granted by Elmer M. George and Martha F. George unto Citizens Utilities Company of California and recorded on August 15, 1957 in Santa Cruz County as Instrument No. 13336, Volume 1144, Page 248.
38. That certain Right of Way dated May 16, 1958, granted by Gene T. Limpert unto Citizens Utilities Company of California and recorded on May 19, 1958 in Santa Cruz County as Instrument No. 7969, Volume 1185, Page 365.
39. That certain Right of Way dated May 19, 1958, granted by H. A. Mitchell and Grace M. Mitchell unto Citizens Utilities Company of California and recorded on May 19, 1958 in Santa Cruz County as Instrument No. 7968, Volume 1185, Page 364.



40. That certain Right of Way dated February 9, 1976, granted by J. T. Barnett & Associates unto Citizens Utilities Company of California and recorded on February 20, 1976 in Santa Cruz County as Instrument No. 6732, Book 2586, Page 652.
41. That certain Easement, dated July 27, 1959, granted by Edward A. Hart and Marion G. Hart unto Citizens Utilities Company and recorded on August 17, 1959 in Santa Cruz County as Instrument No. 16735, Volume 1265, Page 445
42. That certain Easement, dated November 23, 1983 granted by John B. Sullivan, Rex G. Lawson and Kenneth W. Samuels unto Citizens Utilities Company and recorded on December 16, 1983 in Santa Cruz County.
43. That certain Easement, dated March 20, 1950, granted by Salvador Cristina and Santa Cruz Land Title Company unto Felton Water Company and recorded May 23, 1950 in Santa Cruz County in Book 773, page 583.
44. Omitted.
45. Omitted.
46. That certain Easement, dated November 21, 1951, granted by Santa Cruz Land Title Company, Salvador P. Cristina and Annie Cristina unto Felton Water Company and recorded July 12, 1962 in Santa Cruz County in Book 1482, Page 146.
- 47 That certain Easement, dated February 17, 1981, granted by George Dumbrava and Lucille Dumbrava unto Citizens Utilities Company of California and recorded February 25, 1981 in Santa Cruz County as Instrument No. 8197.

**PARCEL 24:**

(Additional Easements - Set No. 2)

Any easement and/or right-of-way interests in that certain real property described in the following instruments recorded in the Office of the Recorder of the County of Santa Cruz, State of California, whose legal descriptions are hereby incorporated by reference as though fully set forth herein:

1. That certain Grant Deed, dated December 21, 1951, granted by Santa Cruz Land Title Company, Salvador P. Cristina, and Annie Cristina to Felton Water Co., and recorded on July 12, 1962 in the Office of the Recorder of Santa Cruz County, Official Records Book 1482, Page 146.
2. That certain Indenture, dated March 19, 1910, granted by Thomas L. Bell and Weltha A. Bell to Tanglewood Water and Development Company, and recorded on April 4, 1910 in the Office of the Recorder of Santa Cruz County.

## EXHIBIT C

### CAL - AMERICAN EQUIPMENT INVENTORY LIST (partial)

Item #	Description
1	Work Light Flood
2	Work Light Flood
3	CL2 Analyzer
4	DeWalt hand held batteries (6) w/Chargers
5	repairs clamps one lot
6	fire extinguishers (2)
7	Welder buzz box
8	dolly
9	VSD Unit Allen Bradley
10	jig saw
11	drill 3/8
12	bench grinder
13	Mueller tapping tool D4
14	skill saw
15	generator 4200 watt
16	Rosemount analytical parts
17	tapping tool Aquatap tapping system complete
18	leak detector
19	screw gun battery
20	roto drill
21	Saws all
22	Dechlornation in case
23	cut off saw
24	well sounder
25	oxygen acetylene torch, hoses and tanks
26	air compressor small, electric
27	Air compressor, trailer mounted
28	Jack hammer small
29	Jack Hammer Large
30	Hoist new
31	blower hand held
32	Generator EU 1000
33	Gas Pump Diaphragm
34	J-Tamp gas
35	Large air blower VVTP
36	Spare Water Pump WTP
37	UPS (2)
38	Influent Filter Valve WTP
39	Variable Speed Drive Unit
40	shop vacuum
41	heater
42	pipe locator
43	Generator 40 KW Trailer Mounted
44	HP Computer Meter Reading W/4 handheld
45	Long File Cabinet 4 drawer
46	file cabinet 4 drawer
47	file cabinet 4 drawer W/Combo Lock
48	tower computer, monitor, key board, mouse

# CAL - AMERICAN EQUIPMENT INVENTORY LIST (partial)

49	desk radio two-way
50	Desk and chair
51	Desk and chair
52	type writer desk
53	telephones (2)
54	UPS (2)
55	Printer Laser Jet
56	table small
57	desk & Chair
58	schreader
59	tower computer, monitor, hey board, mouse
60	Book Case 4 Shelf
61	Key Box locking
62	Computer SCADA Complete
63	SCADA Printer
64	SCADA UPS
65	Shredder
66	Bookcase 6 shelves
67	legal file 4 drawer
68	tower computer, monitor, hey board, mouse
69	phone
70	desk & Chair
71	Turbidity meter
72	Ph Meter
73	Microwave oven
74	toaster
75	kitchen table round
76	folding chairs 11
77	first aid kit
78	locker 4 door
79	Refrigerator freezer
80	UPS Data switch Cisco
81	Cam Corder
82	UPS APC
83	TV DVD Player all-in-one
84	Ph Meter
85	Data Logger Portable
86	Satellite Computer Laptop "Old"
87	Dell computer laptop "Old"
88	Bookcase 3 shelf
89	Map Box W/16 maps
90	Metal Detector
91	Jar Test Analyzer
92	Drum Dolly 1000 lbs.
93	Drum Dolly 1000 lbs.
94	shop vacuum
95	Floor Jack 2 1/4 ton
96	Battery Charger
97	Refrigerator freezer

# CAL-AMERICAN EQUIPMENT INVENTORY LIST (partial)

98	fire Extinguisher
99	ABB Chart Recorder in box
100	Ladder step
101	Socket Set in case
102	Pressure Washer Gas
103	Air compressor, 6.0
104	ladder step 5 foot
105	CL2 Kit
106	Calibration Kit
107	digital thermometer
108	fire Extinguisher
109	pipe locator
110	Kubota Trailer
111	gas detection kit
112	fire Extinguisher
113	fire Extinguisher
114	Husky 51 Chain saw
115	Husky 51 Chain saw
116	Husky 300 weed wacker
117	Wheelbarrow
118	Homelite chain saw
119	MIU Meter Transmitter 390 W/Battery
120	Meters 18-11/2
121	Meters 17-2'
122	Meters 21- 1"
123	Meters 43-5/8"
124	desk & Chair
125	Chairs office (2)
126	Book Cases (3)
127	File cabinet 4 Drawer
128	Phone 1
125	Calculator
126	Kubota RTV

# EXHIBIT 7

**Exhibit "A"**  
**Quitclaim of a portion of a 12-foot Strip of Land**

All that real property situated in the County of Santa Cruz, State of California, described as follows:

Being a portion of that 12 foot wide strip of land as described in the deed recorded in Volume 544 Official Records, at Page 364, Records of Santa Cruz County, lying entirely within the parcel of land as described in Document No. 2001-0078069, and being more particularly described as follows:

A strip of land, 12 feet in width, the northerly line of which shall be 3.0 feet measured at right angles, and the southerly line shall be 9.0 feet measured at right angles from the following described line:

Commencing at a point on the westerly line of Hillside Drive, said point also being the southeasterly corner of the parcel described in Document Number 2001-0078069, Santa Cruz County Records; thence running along the easterly line of said parcel

- a) North 07°49'00" West, 190.66 feet to the **TRUE POINT OF BEGINNING**;  
thence leaving said line
- 1) South 73°34'00" West, 94.38 feet; thence
- 2) South 74°46'00" West, 47.50 feet; thence
- 3) South 75°52'00" West, 51.20 feet; thence
- 4) South 64°19'00" West, 29.00 feet; thence
- 5) South 61°14'00" West, 25.00 feet; thence
- 6) South 56°54'00" West, 50.20 feet; thence
- 7) South 61°38'00" West, 45.71 feet; thence
- 8) South 57°35'00" West, 30.80 feet; thence
- 9) South 49°25'00" West, 24.20 feet; thence
- 10) South 50°10'00" West, 44.91 feet to a point on the southerly line of the parcel described in Document Number 2001-0078069, Santa Cruz County Records and distant North 89°40'00" West 421.17 feet from the point of commencement for this description.

END OF DESCRIPTION

Dated: October 10, 2006

Bestor Engineers, Inc

John W. Pettley  
PLS #6202  
Exp: 3/31/08

S 00°20'00" W 253.87'

12.00' ROW  
VOL. 544 O.R. PG.364  
SANTA CRUZ COUNTY RECORDS

VOL. 5219 PG. 436  
DOC. NO. 2001-0078069  
SANTA CRUZ COUNTY RECORDS

DOC. NO. 2004-0047730  
SANTA CRUZ COUNTY RECORDS

### LEGEND

T.P.O.B. TRUE POINT OF BEGINNING  
P.O.C. POINT OF COMMENCEMENT

#	BEARING	LENGTH
1	S 73°34'00" W	94.38'
2	S 74°46'00" W	47.50'
3	S 75°52'00" W	51.20'
4	S 64°19'00" W	29.00'
5	S 61°14'00" W	25.00'
6	S 56°54'00" W	50.20'
7	S 61°38'00" W	45.71'
8	S 57°35'00" W	30.80'
9	S 49°25'00" W	24.20'
10	S 20°10'00" W	44.91'

N 89°40'00" W 614.11'  
421.17'

N 89°40'00" W 577.72'

P.O.C.

190.66'  
N 07°49'00" W

256.46'

T.P.O.B.

276.15'

HILLSIDE DRIVE



SCALE: 1"=80'



**BESTOR ENGINEERS, INC.**  
CIVIL ENGINEERING - SURVEYING - LAND PLANNING  
8701 BLUE LARKSPUR LANE, MONTEREY, CALIFORNIA 93940

PREPARED FOR: CALIFORNIA AMERICAN WATER

### EXHIBIT B

PLAT TO ACCOMPANY A LEGAL DESCRIPTION  
OF A QUITCLAIM DEED

COUNTY OF SANTA CRUZ,

CALIFORNIA

SCALE: 1"=80'  
DATE: 10/10/2008  
SHEET:  
**1 OF 1**  
VOLUME: 0359.00