

# Final LCCP

September 21, 2016



**Stewardship**  
Council

## **Land Conservation and Conveyance Plan**

PG&E Retained Lands at  
Lower Drum (Halsey) Planning Unit

## **Executive Summary**

### **Subject**

LCCP Lower Drum Planning Unit (Halsey Retained Parcels)  
Land Conservation Plan Identification Numbers (Parcels) 876 and 881-891 as shown on the map attached as Exhibit 1.

### **Type of Property Interest Disposition**

- PG&E to retain fee simple title to approximately 546 acres within Parcels 876 and 881-891.
- Placer Land Trust (PLT) to hold the conservation easement on the 546 acres of Parcels 876 and 881-891 retained by PG&E.

### **Summary**

Approximately 546 acres within 12 parcels (Parcels 876 and 881-891) will be retained by PG&E and are the subject of this LCCP. Pending Federal Energy Regulatory Commission (FERC) and California Public Utilities Commission (CPUC) approval, PG&E and PLT will enter into a conservation easement that will encumber 546 acres in Parcels 876 and 881-891.

The remaining acres within this planning unit have been recommended for donation to the Auburn Area Parks and Recreation District (ARD) and Placer County or will be retained by PG&E and are the subject of separate LCCPs.

### **Property Location**

The property subject to this LCCP consists of 546 acres in Placer County around Halsey Forebay and Afterbay.

### **Economic Uses and Agreements**

There are recorded encumbrances on Parcels 876 and 881-891 for water pipelines and roads. There is one existing agreement for economic uses on the lands to be retained by PG&E, a lease to Larry Krause to store and retrieve bee hives for honey production.

### **Preserving and/or Enhancing the Beneficial Public Values**

The conservation easement for Parcels 876 and 881-891 within the Lower Drum planning unit lists the following Beneficial Public Values (BPVs) that are to be protected:

- Habitat for fish, wildlife, and plants that are native to the area, including species protected under the California Endangered Species Act and/or the federal Endangered Species Act. The term “habitat” includes vegetation along banks and shorelines that contribute to maintaining watershed health. The term “native” refers to plants and animals that occur naturally on the Property, and are defined as “native” by the California Department of Fish & Wildlife and its successors.

- Forest resources on the Property. Forest resources consist of low elevation pine and mixed hardwood forests.
- The scenic viewshed of the Property in keeping with the surrounding environment, providing a scenic landscape visible to passersby on the nearby roads, as well as views of the waterbodies on the Property.
- Outdoor recreation in the form of passive recreational pursuits such as hiking, picnicking and fishing.
- Identified historical and cultural values, to the extent they are protected by state and federal law.
- Agricultural values, such as bee keeping.

### **Tax Neutrality**

PG&E will continue to own and pay property taxes on the property.

### **Hazardous Waste Disclosure**

PG&E confirmed it has provided the Lower Drum Planning Unit Summary of Potential Environmental Issues on Land to be Retained dated December 1, 2011, to PLT, fulfilling the disclosure requirements of the Land Conservation Commitment.

### **Consideration of Parcel Split**

Within Parcels 876 and 881-891, approximately 546 acres are proposed for retention by PG&E. At closing, the 546 acre property as well as the remainder of the parcels must comply with the California Subdivision Map Act (Government Code Section 66410, et seq.) as separate legal parcels. Certain exemptions to the Map Act apply to public utilities and/or to governmental entities and may apply to this conveyance.

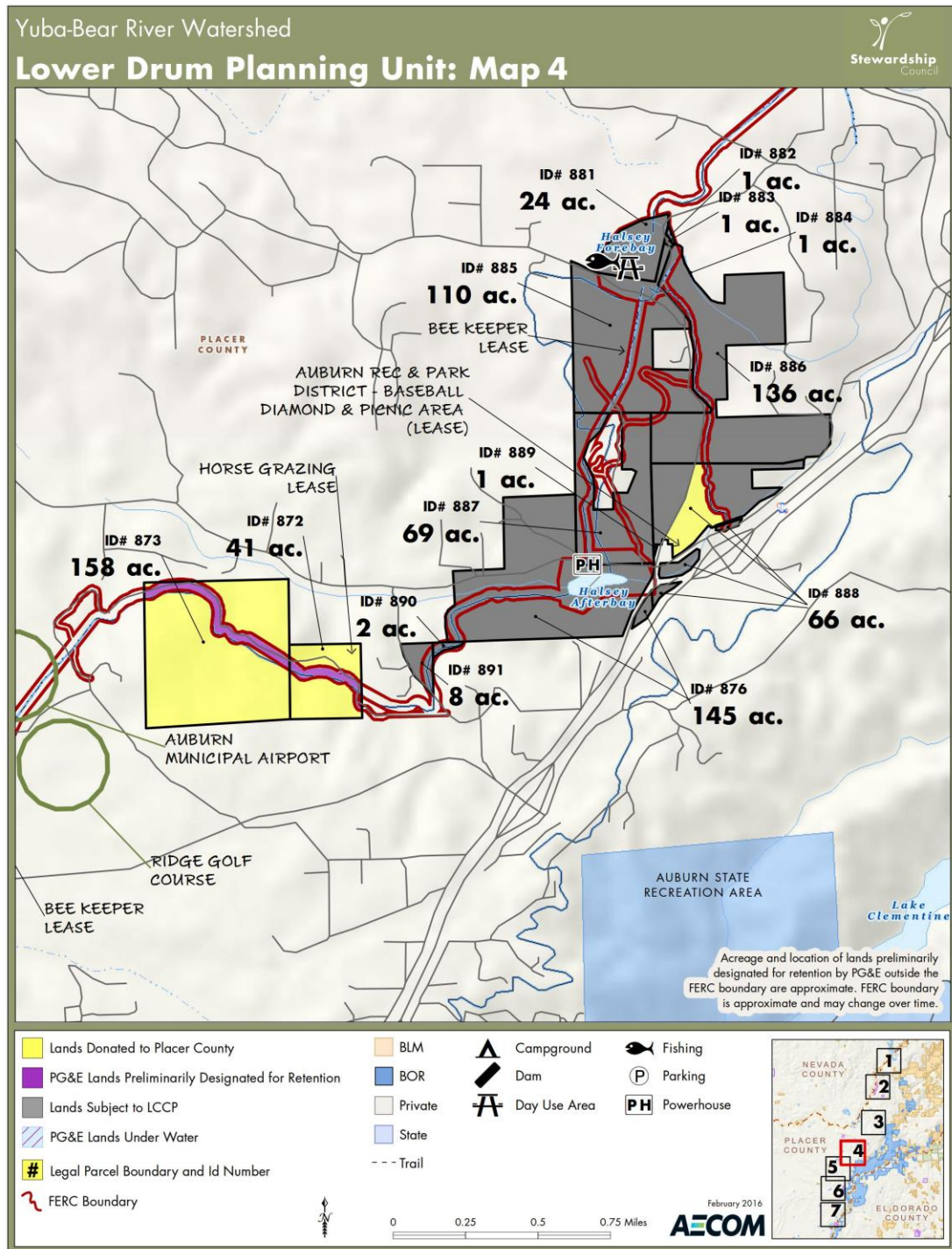
### **Applicable CEQA Exemption(s) or Reason Why Transaction is not a "Project Under CEQA"**

The establishment of a conservation easement is categorically exempt under Section 15325 of the CEQA Guidelines (CFR Title 14, Chapter 3).

The Lower Drum transaction will not result in a direct physical change or a reasonably foreseeable indirect physical change in the environment; therefore, the Stewardship Council does not believe that the transaction is a project under CEQA.



## Exhibit 1. Map of the Property



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## Introduction

The Pacific Forest and Watershed Lands Stewardship Council (Stewardship Council) is a private, nonprofit foundation established in 2004 pursuant to a Settlement Agreement and a Stipulation Resolving Issues Regarding the Land Conservation Commitment approved by the California Public Utilities Commission (CPUC) in Decision 03-12-035 (Dec. 18, 2003). The Stewardship Council Board of Directors includes appointees from state and federal agencies, water districts, Native American and rural interests, forest and farm industry groups, conservation organizations, the CPUC, and Pacific Gas and Electric Company (PG&E).

The Stewardship Council has developed a plan to protect more than 140,000 acres of watershed lands (Watershed Lands) currently owned by PG&E for the benefit of the citizens of California. Protecting the Watershed Lands will be accomplished through (1) PG&E's grant of conservation easements to one or more public agencies or qualified conservation organizations so as to protect the natural habitat of fish, wildlife, and plants, the preservation of open space, outdoor recreation by the general public, sustainable forestry, agricultural uses, and historic values (collectively the Beneficial Public Values), and in some cases, (2) PG&E's donation of the Watershed Lands in fee to one or more public entities or qualified conservation organizations, whose ownership would be consistent with these conservation objectives.

Located primarily in the Sierra Nevada and Cascade Mountain range watersheds, the Watershed Lands contain some of the most pristine and resource-rich landscapes found in the state. The properties are diverse and geographically remote, located in 21 counties from the northern reaches of the state to the southern end of the Central Valley.

As required by the Settlement and Stipulation, the Stewardship Council prepared a Land Conservation Plan (LCP) to establish a framework for the conservation and/or enhancement of the Watershed Lands, and to ensure the permanent protection of these lands for the benefit of current and future generations of Californians. To address the challenge of a conservation effort of this large scope and unique nature, and to facilitate engagement of a wide range of stakeholders and interested members of the public, the Stewardship Council grouped the Watershed Lands into 47 planning units and established a phased approach to development and implementation of the LCP.

In 2007, the Stewardship Council board adopted Volumes I and II of the LCP:

- **Volume I:** The Land Conservation Framework establishes the overall framework for the LCP, including legal requirements, the planning process, methodologies, public involvement, and relevant regulatory processes.
- **Volume II:** Planning Unit Concepts documents existing conditions and presents management objectives, potential measures, and conceptual plans to preserve and/or enhance the Beneficial Public Values (BPVs) within each planning unit. It also documents existing economic uses.

Volume III, consisting of Land Conservation and Conveyance Plans (LCCPs) to be issued serially and cumulatively, will encompass a series of real estate transaction packages that will detail the specific land conservation and/or disposition requirements for each parcel or parcel cluster. LCCPs represent the Stewardship Council's recommendations for preserving and/or enhancing the BPVs of the Watershed Lands, and are intended to support required regulatory approvals of the land transactions resulting from the Stewardship Council's recommendations. The content of the LCCP spans a number of issues required by the Settlement and Stipulation, such as an express reservation of a right for continued operation and maintenance of hydroelectric facilities and associated water delivery facilities, including project replacements and improvements required to meet existing and future water delivery requirements for power generation and consumptive water use by existing users, compliance with any Federal Energy Regulatory Commission (FERC) license, FERC license renewal, or other regulatory requirements. In addition, conservation easements will honor existing agreements for economic uses, including consumptive water deliveries, and preserve or enhance reasonable public access to the Watershed Lands.

During the development of LCP Volumes I and II and the LCCPs, the Stewardship Council implemented a public outreach program to ensure local communities, elected representatives, neighboring property owners, and other key stakeholders had many opportunities to engage in the Stewardship Council's effort to preserve and enhance the Watershed Lands. To solicit additional input from the public on potential fee title recipients or conservation easement holders (referred to as donees), the Stewardship Council hosted a series of public information meetings. These meetings were designed to (1) provide an overview and update on the Stewardship Council's Land Conservation Program, (2) outline next steps, timeline, and opportunities for additional public input, and (3) solicit public input on the desired qualifications of potential donees and the future stewardship of the planning units.

Public input that the Stewardship Council received as a result of the public outreach process, including comments on Volume II of the LCP, comments from public information meetings on the selection of donees and other issues, and correspondence received by the Stewardship Council were considered by the Stewardship Council in its evaluation of the potential donees and their land stewardship proposals. In addition to public meetings, the public was given the opportunity to participate in all of the Stewardship Council's public board meetings where decisions were made on fee title and conservation easement donees. Prior to making a decision regarding the disposition of any parcel, the Stewardship Council will provide notice to the Board of Supervisors of the affected county, each affected city, town, and water supply entity, each affected Tribe and/or co-licensee, and each landowner located within one mile of the exterior boundary of the parcel, by mail or other effective manner. A summary of the public outreach process for this subject LCCP, the Lower Drum planning unit, is provided in Appendix 1. Furthermore, the proposed LCCP will be made available for public review and comment before it is forwarded by the Watershed Planning Committee to the board for its review and approval.

**The Stewardship Council Board of Directors recommends that Placer Land Trust (PLT) hold a conservation easement encumbering the 546 acres within Parcels 876 and 881-891 in the Lower Drum planning unit that are to be retained by PG&E.**

Table 1 identifies Stipulation requirements that will be addressed in the LCCP and includes pertinent language from the Stipulation.

**Table 1 Stipulation 12(a) Requirements**

<p><b>(1) Acreage, Existing Economic Uses and Agreements</b>  <i>"Reasonably exact estimates of acreage, by parcel, within or outside licensed project boundaries, and existing economic uses (including all related agreements);"</i></p>
<p><b>(2) Objectives to Preserve and/or Enhance</b>  <i>"Objectives to preserve and/or enhance the BPVs, as defined in the Settlement Agreement, Appendix E, of each individual parcel;"</i></p>
<p><b>(3) Recommendations for Conservation Easement and Fee Simple Donation</b>  <i>"A recommendation for grant of a conservation easement or fee simple donation for each such parcel;"</i></p>
<p><b>(4) Finding of Donee Funding and Other Capacity to Maintain Lands to Preserve and/or Enhance BPVs</b>  <i>"A finding that the intended donee of such easement or fee simple has the funding and other capacity to maintain that property interest so as to preserve and/or enhance the BPVs thereof;"</i></p>
<p><b>(5) Analysis of Tax and Other Economic and Physical Impacts</b>  <i>"An analysis of tax and other economic and physical impacts of such disposition strategy, and a commitment by an appropriate entity to provide property tax revenue, other equivalent revenue source, or a lump sum payment, so that the totality of dispositions in each affected county under the LCC will be 'tax neutral' for that county;"</i></p>
<p><b>(6) Hazardous Waste Disclosure</b>  <i>"A disclosure of all known hazardous waste or substance contamination or other such environmental liabilities associated with each parcel;"</i></p>
<p><b>(7) Consideration of Parcel Split</b>  <i>"Appropriate consideration whether to split any parcel which is partly used or useful for operation of PG&amp;E's and/or a co-licensee's hydroelectric facilities, where the beneficial public values of the unused part may be enhanced by such split, provided that it is consistent with Section 12(b)(4) of this Stipulation and that, in the event that governmental approval of a parcel split imposes conditions or restrictions on other PG&amp;E property, the decision to accept or reject such conditions will be at PG&amp;E's sole discretion;"</i></p>
<p><b>(8) Strategy for Physical Measures to Enhance BPVs</b>  <i>"A strategy to undertake appropriate physical measures to enhance the BPVs of individual parcels; provided that no such measure will be in conflict with the provisions of Settlement Agreement paragraph 17(c) and Appendix E paragraph 1;"</i></p>
<p><b>(9) Monitoring Plan for the Economic and Physical Impacts of Disposition and Implementation of Enhancement Measures</b>  <i>"A plan to monitor the economic and physical impacts of disposition and implementation of enhancement measures on the applicable management objectives;"</i></p>
<p><b>(10) Implementation Schedule for Transactions and Measures</b>  <i>"A schedule for the implementing transactions and measures."</i></p>



## **1. Acreage, Existing Economic Uses and Agreements**

### **Acreage and Property Description**

The Lower Drum planning unit consists of 54 legal parcels and totals approximately 1,106 acres of land. 546 acres in 12 parcels (876 and 881-891) will be retained by PG&E and, consistent with the Settlement Agreement, will be encumbered with a perpetual conservation easement, granted by PG&E to PLT as described in Chapter 3.

The Lower Drum planning unit lies in close proximity to the City of Auburn, providing both recreation and open space opportunities in the Sierra Nevada foothills. The planning unit straddles an elevation range of 700 to 2,000 feet above mean sea level and is composed of small reservoirs, oak and pine woodlands, wetlands, and grasslands. The planning unit lands are located predominantly in Placer County with one small parcel found in Nevada County along Interstate 80. Several hydropower facilities and associated infrastructure are located in the Lower Drum planning unit.

The planning unit provides suitable habitat for a variety of species within its riparian corridors along the Bear River, oak and pine woodlands, and grasslands. Special status species found in this planning unit include the California red-legged frog, foothill yellow-legged frog, northwestern pond turtle, and numerous bat species.

Fishing and hiking are the primary recreation activities within the Lower Drum planning unit. The majority of the recreation facilities in the planning unit are focused at Halsey Forebay. The forebay is stocked with fish by the California Department of Fish and Wildlife, making it a popular fishing spot for the surrounding community. Facilities at the forebay include a parking area, picnic tables, and a restroom. In contrast, the Halsey Afterbay is lightly used and contains few recreation enhancements.

Parcels 876 and 881-891 are part of a PG&E Timber Management Unit (TMU) that contains 212 timbered acres. The TMU is managed under a Salvage prescription, which allows emergency harvesting following an insect attack or a catastrophic event.

PG&E leases one acre of Parcel 885, located south of Halsey Forebay, for the storage and retrieval of bee hives for honey production. This is the only agricultural use of Parcels 876 and 881-891.

The Southern Maidu and Washoe once lived in the area around the Lower Drum planning unit. However, limited portions of the planning unit have been inventoried for cultural resources.

### **Adjacent and Nearby Landowners**

The 12 parcels subject to this LCCP are surrounded by private property, State of California property, and Placer County Water Agency property. The parcels are accessed via Dry Creek, Bowman, Christian Valley, Bancroft, Lake Arthur, and Haines Roads and Scenic Pines Drive.

The Stewardship Council notified and invited landowners located within one mile of the subject parcels to provide comment during key phases of the land conservation and conveyance planning process.

### **Existing Economic Uses and Agreements**

There are recorded encumbrances on Parcels 876 and 881-891 for water pipelines and roads. There is one existing agreement for economic uses on the lands to be retained by PG&E, a lease to Larry Krause to store and retrieve bee hives for honey production.

PG&E's reserves rights in the conservation easement to maintain and operate existing and future utility facilities over portions of the parcels. The specific Hydro Reserved Rights are set forth in the conservation easement, which can be found in Appendix 2.

## **2. Objectives to Preserve and/or Enhance the BPVs**

The Land Conservation Commitment provides that “PG&E shall ensure that the Watershed Lands it owns... are conserved for a broad range of beneficial public values, including the protection of the natural habitat of fish, wildlife and plants, the preservation of open space, outdoor recreation by the general public, sustainable forestry, agricultural uses, and historic values. PG&E will protect these beneficial public values associated with the Watershed Lands... from uses that would conflict with their conservation. PG&E recognizes that such lands are important to maintaining the quality of life of local communities and all the people of California in many ways, and it is PG&E’s intention to protect and preserve the beneficial public values of these lands under the terms of any agreements concerning their future ownership or management.”<sup>1</sup>

The following text lists the objectives for each BPV at the Lower Drum planning unit that the Stewardship Council board approved in LCP Volume II, as well as a description of how the conservation easement addresses each objective and each applicable BPV.

The conservation easement will protect the BPVs, subject to PG&E’s hydro and other reserved rights as provided in the conservation easement.

*1. Objective: Preserve and enhance habitat in order to protect special biological resources.*

The conservation easement (Appendix 2) includes a list of BPVs that will be protected including the following BPV: “Habitat for fish, wildlife, and plants that are native to the area, including species protected under the California Endangered Species Act and/or the federal Endangered Species Act. The term “habitat” includes vegetation along banks and shorelines that contribute to maintaining watershed health. The term “native” refers to plants and animals that occur naturally on the Property, and are defined as “native” by the California Department of Fish & Wildlife and its successors.”

*2. Objective: Preserve open space in order to protect natural and cultural resources and the recreation setting.*

The conservation easement will conserve the scenic character of the property by ensuring that no further development will occur unless specifically authorized or permitted by the conservation easement.

*3. Objective: Enhance recreational facilities in order to provide additional public access, education, and recreation opportunities.*

The conservation easement includes outdoor recreation, such as fishing and hiking, as a BPV to be protected. Furthermore, the conservation easement provides that the landowner will allow public access on the property at levels substantially consistent with those existing at the time the conservation easement is recorded, subject to PG&E’s Reserved Rights (Section 7 of the conservation easement), and the landowner’s right to make reasonable rules and regulations.

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<sup>1</sup> Land Conservation Commitment I.02-04-026, Appendix E, p. 38

- 4. Objective: Develop and implement forestry practices in order to contribute to a sustainable forest, preserve and enhance habitat, as well as to ensure appropriate fuel load and fire management.*

Forest management activities will be subject to compliance with applicable laws and conducted as further described and allowed in the conservation easement (Appendix 2).

- 5. Objective: Preserve and enhance grazing in order to support associated economic benefits, as well as to protect open space and habitat resources.*

The conservation easement identifies agricultural values as a beneficial public value.

- 6. Objective: Identify and manage cultural resources in order to ensure their protection, as well as to support opportunities for public education.*

The conservation easement will protect identified historical and cultural values on the Property to the extent they are protected by state and federal law.

### **3. Recommendations for Conservation Easement and Fee Simple Donation**

The Settlement and Stipulation require that the Watershed Lands: (1) be subject to permanent conservation easements restricting development of the Watershed Lands so as to protect and preserve the BPVs, and/or (2) be donated in fee simple to one or more public entities or qualified nonprofit conservation organizations, whose ownership will ensure the protection of these BPVs.

#### **Conservation Easement**

The Settlement Agreement states that “the conservation easements shall provide for the preservation of land areas for the protection of the natural habitat of fish, wildlife and plants, the preservation of open space, outdoor recreation by the general public, sustainable forestry, agricultural uses, and historic values and, shall prevent any other uses that will significantly impair or interfere with those values. Conservation easements on the Watershed Lands will include an express reservation of a right for continued operation and maintenance of hydroelectric facilities and associated water delivery facilities, including project replacements and improvements required to meet existing and future water delivery requirements for power generation and consumptive water use by existing users, compliance with any FERC license, FERC license renewal or other regulatory requirements. In addition, conservation easements will honor existing agreements for economic uses, including consumptive water deliveries. The conservation easements shall be donated to and managed by one or more non-profit conservation trustees, qualified conservation organizations or public agencies with the experience and expertise to fully and strictly implement the conservation easements” (Land Conservation Commitment I.02-04-026, Appendix E, pp. 38-39).

For the complete text of the conservation easement, see Appendix 2.

Conservation easements must be donated to nonprofit organizations, Native American tribes, or public agencies that meet the requirements of California Civil Code section 815.3 and possess the experience and capacity to fully and strictly implement the terms of the conservation easement. Placer Land Trust (PLT) will hold the conservation easement over the lands in the Lower Drum planning unit that are the subject of this LCCP. The qualifications of PLT are described in Chapter 4.

Accordingly, immediately following the Section 851 approval of PG&E’s grant of a conservation easement over lands retained by PG&E in Parcels 876 and 881-891 of the Lower Drum planning unit, PG&E and PLT will execute the conservation easement and it will be recorded.

#### **Retention or Donation of Fee Title**

The Settlement Agreement states that PG&E will not be expected to make fee simple donations of Watershed Lands with hydroelectric project features, and conservation easements and enhancements may not interfere with hydroelectric operations. In general, PG&E will retain fee title to those Watershed Lands within the boundaries of hydroelectric projects licensed by the FERC, as well as other properties required for



continuing and future utility operations. However, these Watershed Lands will be conserved via a conservation easement. See Appendix 4 for a description of PG&E's Land Conservation Commitment.

### **Lands to be Retained by PG&E**

546 acres within 12 parcels (876 and 881-891) of the Lower Drum planning unit will be retained in fee by PG&E.

The map in Exhibit 1 shows all of the land within Parcels 876 and 881-891 in the Lower Drum planning unit that will be retained by PG&E. The map also shows key features in the planning unit and surrounding area, and the ownership of adjacent land.

### **Lands to be Donated by PG&E**

Approximately 74 acres in the Lower Drum planning unit will be donated to the Auburn Area Parks and Recreation District (ARD) and Placer County and are the subject of separate LCCPs.

#### **4. Finding of Donee Funding and Other Capacity to Maintain Lands to Preserve and/or Enhance the BPVs**

##### **Selected Organizations**

At the conclusion of the selection process referenced below, the following organization was endorsed by the Stewardship Council board on September 15, 2011:

- Placer Land Trust (PLT) to hold a conservation easement over 546 acres in 12 parcels to be retained by PG&E (Parcels 876 and 881-891) in the Lower Drum planning unit.

##### **Capacity of Selected Organizations**

The Stewardship Council board finds that PLT has the funding and other capacity to maintain the property interest so as to preserve and/or enhance the BPVs<sup>2</sup>.

- Established in 1991, PLT's mission is to work with willing landowners and conservation partners to permanently preserve natural and agricultural lands in Placer County for future generations.
- PLT holds 19 conservation easements totaling 3,493 acres, including four over lands owned by public agencies. In addition, PLT owns 16 fee properties totaling 3,573 acres.
- PLT is guided by a ten-member board of directors and is staffed by an executive director, assistant director, stewardship manager, land manager, community relations manager, program manager and office assistant. PLT's staff has expertise in strategic land acquisitions, natural resources management, forestry, habitat restoration, ecology, agriculture and community outreach and volunteer management.
- PLT is an accredited land trust.

##### **Donee Selection Process**

The Stewardship Council used a formal multi-step process to solicit and select organizations interested in becoming a conservation easement holder at the Lower Drum planning unit. The process consisted of the following key steps:

- Organizations were invited to register via the Stewardship Council's Interested Donee Registry and were invited to submit a statement of qualifications (SOQ). The Stewardship Council reviewed the SOQs that were submitted to identify organizations that: (a) were determined to be a qualified nonprofit conservation organization; a federal, state or local governmental entity; or, a recognized tribe; (b) appeared to have sufficient financial and organizational capacity relative to the property interest sought within the planning unit; and, (c) appeared to be capable of satisfying the requirements of the Settlement and Stipulation for receiving a donation of fee title or to hold the conservation easement.

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<sup>2</sup> Stipulation, Section 12(a)(4)

- Organizations interested in a fee title donation were invited to submit a land stewardship proposal (“LSP” or “proposal”) describing their capacity and interest in preserving and enhancing the BPVs. The LSPs were posted on the Stewardship Council’s website.
- Organizations demonstrating sufficient capacity and determined by the Stewardship Council to be best-suited to receive a donation of property interest (fee or conservation easement) in particular Watershed Lands within a planning unit are being recommended to PG&E to receive fee title and/or conservation easements.

## **5. Analysis of Tax and Other Economic and Physical Impacts**

The Settlement and Stipulation require that the LCCP provide “an analysis of tax and other economic and physical impacts of such disposition strategy, and a commitment by an appropriate entity (which may be PG&E, subject to being authorized by the Commission to fully recover in rates any such costs in approving PG&E’s Section 851 application or in another appropriate Commission proceeding, Stewardship Council, donee, or a third party, depending on the individual circumstances) to provide property tax revenue, other equivalent revenue source, or a lump sum payment, so that the totality of dispositions in each affected county under this Land Conservation Commitment will be ‘tax neutral’ for that county.”

### **Property Tax Analysis**

PG&E is retaining fee title ownership of approximately 546 acres within Parcels 876 and 881-891 of the Lower Drum planning unit and as such, PG&E will continue to pay property taxes to Placer County as assessed by the State Board of Equalization.

### **Other Economic and Physical Impacts**

The Settlement and Stipulation require an analysis of the physical and economic impacts of each disposition. The agreements for the conservation easement on Parcels 876 and 881-891 of the Lower Drum planning unit have not mandated any changes to the physical or economic uses and PG&E intends to manage the lands in a manner consistent with the current physical and economic uses.

No new activities are proposed that will result in physical impacts.

The conservation easement will prohibit development and other uses of the land that would significantly impair the BPVs, all subject to PG&E’s Hydro Reserved Rights. PG&E’s Hydro Reserved Rights are referenced in the conservation easement, which can be found in Appendix 2.

## **6. Hazardous Waste Disclosure**

The Stipulation states that in the transfer of fee title and conveyance of a conservation easement, PG&E will disclose all known hazardous waste, substance contamination, or other such environmental liabilities associated with each parcel and hold the donee harmless.

### **Lands to be Retained by PG&E**

PG&E is retaining fee title ownership of approximately 546 acres within Parcels 876 and 881-891 of the Lower Drum planning unit and confirmed it has provided the Summary of Potential Environmental Issues on Land to be Retained, dated December 1, 2011 to PLT, fulfilling the disclosure requirements of the Land Conservation Commitment.



## **7. Consideration of Parcel Split**

To effectuate transfer of approximately 546 acres identified for retention by PG&E within Parcels 876 and 881-891, a parcel split is required to comply with the California Subdivision Map Act (Government Code Section 66410, et seq.). Certain exemptions to the Map Act apply to public utilities and/or to governmental entities and may apply to this conveyance.

## **8. Strategy for Physical Measures to Enhance the BPVs**

The Stewardship Council developed and implemented a strategy to identify and undertake appropriate physical measures to enhance the BPVs of the Watershed Lands consistent with Settlement Agreement paragraph 17(c)<sup>3</sup> and Appendix E, paragraph 1.

During the preparation of Volume II of the LCP, a number of potential physical enhancement measures to preserve and/or enhance the BPVs were identified. These measures were identified with public input and were intended to be illustrative in nature and subject to change over time in coordination with the future landowner.

The Stewardship Council has developed a grant program to fund enhancements on the Watershed Lands in the future. Grant funding will be available to accomplish any number of potential future physical measures such as developing trails, day use areas, and other public access improvements.

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<sup>3</sup> Settlement Agreement Paragraph 17(c) states, “PG&E shall fund PG&E Environmental Enhancement Corporation with \$70 million in Cash to cover administrative expenses and the costs of environmental enhancements to the Watershed Lands... provided that no such enhancement may at any time interfere with PG&E’s hydroelectric operations maintenance or capital improvements.”

## **9. Monitoring Plan for the Economic and Physical Impacts of Disposition and Implementation of Enhancement Measures**

The Stipulation requires that the LCCP outline a plan to monitor the economic and physical impacts of disposition and implementation of enhancement measures.

The conservation easement holder is required to monitor every conservation easement that it holds to ensure that the landowner is complying with the terms of the easement. The Stewardship Council will enter into a Conservation Easement Funding Agreement (Appendix 3) with each conservation easement holder whereby the holder will receive a monitoring and enforcement endowment from the Stewardship Council to fund its monitoring activities.

To further meet the requirement of monitoring the economic and physical impacts, the Stewardship Council will enter into an agreement with the Sierra Nevada Conservancy (SNC), a state agency, whereby the agency will agree to undertake certain duties designed to monitor the impacts of PG&E's Land Conservation Commitment.

When the Stewardship Council has completed its work, it will be dissolved. Prior to its dissolution, the Stewardship Council expects to prepare a report providing an assessment of any economic and physical impacts resulting from the Land Conservation Commitment as of that time. Stewardship Council's close-out report will include, among other things, the following information:

- How the property tax neutrality requirement was satisfied with regard to each parcel donated to a tax exempt organization.
- A report regarding the enhancements that were funded by the Stewardship Council.

It is anticipated that several years after the dissolution of the Stewardship Council, SNC will prepare a report assessing the physical and economic impacts of the Land Conservation Commitment up until that time. The report is expected to cover the following topics:

- Impact of the Land Conservation Commitment on agreements for economic uses.
- Changes in entities holding conservation easements or fee title.
- Performance of duties by conservation easement holders.

In addition to preparing an assessment report, which will be submitted to the CPUC and PG&E, SNC will serve as a public repository for key transaction documents and other documents pertaining to the Land Conservation Commitment through June 2025.

## **10. Implementation Schedule for Transactions and Measures**

### **Schedule for Transaction**

- FERC review and approval (2017)
- CPUC review and approval (2017)
- Close of escrow (2017)
- Stewardship Council release of funds to PLT per conservation easement funding agreement (2017)

### **Compliance with Local Land Use Planning Requirements**

Future management of Parcels 876 and 881-891 at the Lower Drum planning unit is anticipated to comply with all applicable County ordinances and/or General Plan policies.

## Appendix 1: Summary of Public Outreach

### SUMMARY OF PUBLIC OUTREACH PROGRAM

The Stewardship Council established a comprehensive public outreach program to both inform and solicit input from the public on the development and implementation of a plan to permanently protect over 140,000 acres of PG&E watershed lands. A variety of tools and techniques are used to engage the public, including:

- Stewardship Council Website: the website provides background information on the land conservation program and is regularly updated with board meeting agendas and minutes, proposed recommendations, and other announcements.
- Stakeholder Database and E-mailing: regular e-mail notifications are sent directly to individuals and organizations that have signed-up to receive e-mails. The e-mails provide updates on the status of the land conservation program, including pending actions by the board and upcoming public meetings.
- Targeted Newspaper Noticing and Paid Advertisements: newspaper advertisements and notices are placed in local newspapers circulated in the area where a board or public meeting is taking place or in communities that may have an interest in a particular topic on an upcoming meeting agenda.
- News Releases: news releases are issued to statewide and local media outlets at key intervals during the planning process.
- Public Information Meetings and Workshops: public information meetings and workshops are conducted throughout the watershed lands to provide updates and solicit input from interested stakeholders on the land conservation program and individual planning units. In many workshops, public comments were sought on potential measures to protect and enhance the beneficial public values on specific lands as well as the desired qualifications of potential donee organizations. Individuals and organizations unable to attend are provided an opportunity to submit comments in writing and review meeting summaries posted on the web site.
- Notice by Mail of Pending Decisions Regarding the Conveyance of Individual Parcels and Invitation to Comment:
  - Noticing of Affected Governmental Entities: prior to the Watershed Planning Committee forwarding a recommendation to the board that a proposed Land Conservation and Conveyance Plan (LCCP) be adopted by the board, a notice will be mailed to the Board of Supervisors of the affected county; each affected city, town, and water supply entity; and each affected tribe and/or co-licensee.
  - Noticing of landowners: postcards or letters are sent to all landowners located within one mile of lands that are the subject of a proposed LCCP prior to the Watershed Planning Committee forwarding a recommendation to the board that the proposed LCCP be adopted by the board.
- Individual Meetings with Stakeholders: Over the course of the preparation of Volumes I and II of the Land Conservation Plan (LCP) and the LCCP, Stewardship Council staff met, and communicated via the telephone and email, with a number of stakeholders interested in the Watershed Lands.



## Appendix 1: Summary of Public Outreach

- The Stewardship Council Board of Directors meets five to six times per year, typically on a bimonthly schedule. At the board meetings, the public is invited to directly address the board on an agenda item or on any other matter. The meetings have been held at locations in northern and central California and across the watershed lands to help facilitate public participation. Agendas are available one week prior to meetings, and meeting minutes are posted on the Stewardship Council public website approximately three weeks following those meetings.

### **LOWER DRUM PLANNING UNIT PUBLIC OUTREACH**

Highlighted below are the opportunities that have been, or are being, provided for public input on key documents and decisions concerning the Lower Drum planning unit and the land conservation and conveyance process.

#### **I. PUBLIC REVIEW OF VOLUMES I AND II OF THE LCP**

The Draft Land Conservation Plan Volumes I and II were released in June 2007 for a 60-day public comment period. During this time, the Stewardship Council held ten public meetings to publicize the availability of the Draft LCP and to encourage public comment. These meetings were advertised via an e-mail sent to contacts in the Stewardship Council's database, an announcement posted on the Stewardship Council's web site, a press release issued to local newspapers, a paid advertisement in local papers, and a postcard sent to all landowners on record that reside within one mile of any PG&E parcel. Comments were received via email, the website, and hardcopy letters. The comments were reviewed, and responded to individually; and the text in the draft LCP was revised as appropriate.

No public comments were submitted concerning the Lower Drum Planning Unit during public review of Volumes I and II of the LCP.

#### **II. NOTICING OF LANDOWNERS WITHIN ONE MILE**

In the fall of 2006 a postcard was distributed to the approximately 26,000 landowners located within one mile of the exterior boundary of all the parcels to notify and invite comment on Volume I and II of the LCP. A postcard was also sent to notify and invite all landowners located within one mile of the parcels within the Lower Drum planning unit to a Public Information Meeting that was held in Auburn on April 14, 2011. In addition, simultaneous with the release of the proposed subject LCCP for public comment, adjacent landowners located within one mile of the subject parcels are noticed by mail 30 days before the Watershed Planning Committee considers forwarding the proposed subject LCCP to the board for final approval.

#### **III. PUBLIC INFORMATION MEETING**

A Public Information Meeting workshop for several planning units in the Yuba-Bear Watershed Area was hosted by the Stewardship Council on April 14, 2011, in Auburn, California. The meeting concerned six planning units: Bear River, Chili Bar, Fordyce Lake, Lake Spaulding, Lower Drum, and Narrows. Attendees at the workshop included a total of 58 individuals representing a wide variety of interests including local, state, federal, and tribal governments; and community organizations. The meeting was advertised via an e-mail sent to contacts in the Stewardship Council's database, an announcement posted on the

## Appendix 1: Summary of Public Outreach

Stewardship Council's web site, a press release issued to the local newspaper, and a postcard sent to all landowners on record located within one mile of any PG&E parcel associated with the Lower Drum planning unit.

The purpose of the workshop was to: (1) provide a review and update on the Stewardship Council's Land Conservation Program; and, (2) solicit additional public input on future stewardship of the six planning units. Stations were set up with maps, other pertinent information, and easels with blank paper. Below is a summary of comments related to the Lower Drum planning unit that were recorded on the easels and provided on comment cards.

### *Lower Drum Planning Unit*

- Develop an equestrian trail from Halsey Afterbay to Halsey Forebay, Sugar Pine Mountain Trail, and Winchester Trail
- Implement fire prevention treatments where there is a need, specifically on extremely overgrown areas.
- Support for the County's acquisition of property for development of a riparian recreation area.
- Develop a trail that would provide access to the entire planning unit
- Enhance recreation in the Rock Creek Reservoir area for nearby residents
- Develop a baseball field northeast of Halsey Afterbay on Parcel 888
- Support for a donation of lands to the Auburn Area Recreation and Park District
- Improve fishing access along the area between Rollins Reservoir and Hwy 174

### *General Comments Concerning the Yuba-Bear Watershed Area*

- Mineral resources should be included as a beneficial public value.
- Lands available for donation should be transferred to an entity that will preserve and enhance public access.
- Understand that all of the parcels have a history of land use and are no longer pristine.
- Provide adequate time for the public to review and provide comments on the land stewardship proposals, proposed donee recommendations, and conservation easements.
- Provide parcel-specific goals to promote public understanding and comment.

## **IV. PUBLIC REVIEW OF LAND STEWARDSHIP PROPOSALS**

On May 13, 2011, the Stewardship Council received three Land Stewardship Proposals from organizations interested in being considered for a donation of fee title to certain lands located within the Lower Drum planning unit. The Auburn Area Recreation and Park District, Placer County, and Placer County Water Agency. Each of the organizations prepared and submitted its proposal which was posted on the Stewardship Council's website for public review and comment, and an e-mail was sent to contacts in the Stewardship Council's database to notify them of the postings.

### **V. PUBLIC REVIEW OF LAND CONSERVATION PROGRAM POLICIES & GUIDELINES**

Public comment was sought on policies and guidelines that helped inform the Stewardship Council's land conservation and conveyance process. These documents were provided to the public in advance of being reviewed and endorsed by the Watershed Planning Committee or Fiduciary Committee and forwarded to the board for review and consideration.

#### *Land Conservation Program Funding Policy*

The Stewardship Council created a Land Conservation Program Funding Policy to help guide future planning and decision-making regarding funding of the long term management and stewardship of the watershed lands. In June and July, 2009, the draft policy was posted on the Stewardship Council's web site and made available for review and comment to a group of stakeholders consisting of all registered potential donees and representatives of the counties in which the watershed lands are located. Two comments were received during the 30-day review and comment period. Both comments were reviewed, and it was determined that neither comment necessitated a change in the draft policy. The Stewardship Council's Board of Directors adopted the policy at a public board meeting in Sonora, Calif. on September 17, 2009.

#### *Guidelines for Achieving Property Tax Neutrality*

The Stewardship Council created guidelines for achieving property tax neutrality to describe scenarios when the Stewardship Council will make property tax payments to affected counties as in lieu payments for property taxes that are lost due to the donation of PG&E watershed lands to an entity that is exempt from paying property taxes. The guidelines also defined a set of overarching assumptions regarding property tax neutrality payments. The draft guidelines were posted on the Stewardship Council's web site in December 2010. A notice inviting review and comment on the guidelines was sent to the Stewardship Council's stakeholder database. Additional targeted outreach was performed to inform the affected counties. Nine comments were received during the 60-day review and comment period. After consideration of public comments, the Stewardship Council Board adopted a set of guidelines at its public board meeting on March 30, 2011.

#### *Proposed methodology for achieving tax neutrality*

The proposed methodology for achieving tax neutrality on donated lands was e-mailed to all land stakeholders and posted on Stewardship Council's website for public review and comment on January 9, 2012. The deadline for submission of comments was March 9, 2012. The Stewardship Council received one request to extend this deadline, which was granted. By the new deadline March 30, 2012, six comments were received. Upon consideration of the comments received, the Stewardship Council board deferred adoption of the full methodology until the June 27, 2012 board meeting so that the affected counties could be notified of the proposed change to the capitalization rate. No comments were received on the revised capitalization rate. The revised methodology was adopted by the board at its June 27, 2012 meeting.

### **VI. WATERSHED PLANNING COMMITTEE RECOMMENDATIONS OF FEE TITLE AND CONSERVATION EASEMENT DONEES**

Staff recommendations for prospective fee title donees and conservation easement holders that are endorsed by the Watershed Planning Committee are posted on the Stewardship Council's website for public review and comment. The proposed board action is noticed via an e-mail sent to contacts in the Stewardship Council's database. In addition, public board meetings are advertised via an e-mail sent to contacts in the Stewardship Council's database, an announcement posted on the Stewardship Council's web site, a press release issued to local papers, and an advertisement placed in local newspapers in the area where a board or public meeting is taking place or in communities that may have an interest in a particular topic on an upcoming meeting agenda. The board action taken is also noted in the meeting minutes that are posted on the Stewardship Council's website following each meeting.

All public comments received by staff concerning the fee and conservation easement recommendations at the Lower Drum planning unit were provided to the board for consideration at the relevant public board meetings.

### **VII. PUBLIC REVIEW OF THE LAND CONSERVATION AND CONVEYANCE PLANS**

The public is provided an opportunity to review and comment on the proposed Land Conservation and Conveyance Plans (LCCPs), and the comments received are shared with board members prior to the Watershed Planning Committee's forwarding the proposed LCCP to the board for its review and approval. The 30-day public review and comment periods are announced via an e-mail sent to contacts in the Stewardship Council's database, a posting on the Stewardship Council's web site, and an advertisement placed in local newspapers in communities that may have an interest in a particular planning unit. A notice inviting review and comment on the proposed LCCP is also sent to all landowners on record located within one mile of the subject PG&E parcels and to PG&E leaseholders. In addition, a notice is mailed to the board of supervisors of the affected county; each affected city, town, and water supply entity; and each affected tribe and/or co-licensee. After receiving public comment, the Watershed Planning Committee may make revisions to a proposed LCCP prior to forwarding a recommendation to the board.

### **VIII. STEWARDSHIP COUNCIL BOARD OF DIRECTORS MEETINGS**

Proposed LCCPs endorsed by the Watershed Planning Committee are posted on the Stewardship Council's website for additional public review and comment approximately 30 days prior to being considered by the board at a public board meeting. The posting of proposed LCCPs is advertised via an e-mail sent to contacts in the Stewardship Council's database. In addition, public board meetings are advertised via an e-mail sent to contacts in the Stewardship Council's database, an announcement posted on the Stewardship Council's web site, a press release issued to local papers, and an advertisement placed in local newspapers in the area where a board or public meeting is taking place or in communities that may have an interest in a particular topic on an upcoming meeting agenda. The board action taken is noted in the meeting minutes that are posted on the Stewardship Council's website following each meeting.

## Appendix 1: Summary of Public Outreach

All public comments received will be provided to the board. There is also an additional opportunity for public comment at the public board meeting when the board considers approval of the proposed LCCP. Adoption of an LCCP by the board would be the final step in the Stewardship Council's process for selecting donees. The prospective donees are responsible for securing its own internal approvals prior to the transaction being completed. Transactions will be finalized upon LCCP review and transaction approval by the California Public Utilities Commission.

RECORDING REQUESTED BY	
WHEN RECORDED MAIL TO	

(Space Above this Line for Recorder's Use)

A.P.N. 077-081-006, 077-060-023, 077-050-056, 077-050-057, 053-160-042, 053-160-043, 077-050-029, 077-050-030, 053-010-005, 053-010-009, 077-041-001 077-050-058

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

DEED OF CONSERVATION EASEMENT AND AGREEMENT  
(HALSEY, LOWER DRUM PLANNING UNIT)

Between

PACIFIC GAS AND ELECTRIC COMPANY, a California corporation,  
as Grantor

and

PLACER LAND TRUST, a California non-profit public benefit corporation,  
as Grantee

**Note to the County Recorder:** This is a conservation easement within the meaning given to such term in California Government Code §27255 and is to be included in the index developed and maintained pursuant to such section.

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**DEED OF CONSERVATION EASEMENT AND AGREEMENT  
(HALSEY, LOWER DRUM PLANNING UNIT)**

THIS DEED OF CONSERVATION EASEMENT AND AGREEMENT (this "**Easement**") is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_ (the "**Effective Date**") by and between PACIFIC GAS AND ELECTRIC COMPANY, a California corporation ("**Grantor**"), and PLACER LAND TRUST, a California non-profit public benefit corporation ("**Grantee**"), with reference to the following facts:

**RECITALS**

A. The Property. Grantor is the owner of approximately 545 acres of real property located in Placer County, State of California, as more particularly described in the attached Exhibit A (the "**Property**").

B. FPA and FERC Jurisdiction. Portions of the Property lie within the boundaries of one or more hydroelectric projects licensed to Grantor pursuant to Part I of the Federal Power Act, 16 U.S.C. §§792-823d ("**FPA**").

1. FPA and FERC Requirements. The FPA requires regulation of the construction, operation, and maintenance of non-federal hydroelectric power projects pursuant to licenses issued by the Federal Power Commission, or its successor, the Federal Energy Regulatory Commission ("**FERC**"). Each such license requires the licensee to undertake appropriate measures on behalf of both developmental and environmental public interest uses of a waterway, including as relevant fish and wildlife protection and enhancement, irrigation, flood control, water supply, and recreation, together with whatever other beneficial public uses the license identifies as a "Project Purpose." The license requires the licensee to acquire and retain all interests in non-federal lands and other property necessary or appropriate to carry out the Project Purposes.

2. FPA and FERC Non-Project Uses. The FPA provides FERC with authority to regulate the use of a licensed project's lands and waters not only by the licensee but also by any other entity. FERC refers to such third-party use as "non-project use of project lands and waters." Even where the third-party use may be compatible with and even promote a specified Project Purpose, such use is "non-project," because it is not in the license as a direct obligation of the licensee. As a FERC licensee for the Property which is the subject of this Easement, Grantor must (except for very minor matters) apply to FERC for approval to convey to a third party any easement over project lands. FERC approval requires conveyance instruments to contain recorded covenants providing that the non-project use will not interfere with Project Purposes, and requires its licensees to enforce such covenants and protect the project values.

3. Removal of FERC Jurisdiction. FERC jurisdiction and authority over a licensed hydropower project is removed if and when (1) the project is decommissioned and the project license is surrendered or otherwise terminated; or (2) FERC determines that the project does not require a license to continue to operate, and the license expires or is otherwise terminated. Neither FERC nor the hydropower project license can bestow, remove, or alter water or other property rights; therefore, the end of FERC jurisdiction over the project has no effect on existing property rights in project lands and waters, including any conservation easements on such lands.

C. Grantor Party to Settlement Agreement. Grantor is a party to that certain Settlement Agreement (the "**Settlement Agreement**") as modified and approved by the Public Utilities Commission of the State of California (the "**Commission**") in its Opinion and Order of December 18, 2003 (Decision 03-12-035).

D. Grantor Party to Stipulation. In furtherance of the Settlement Agreement, and to provide additional detail regarding the implementation of the "Land Conservation Commitment" (defined below), the parties to the Settlement Agreement and other interested parties entered into that certain Stipulation Resolving Issues Regarding the Land Conservation Commitment dated September 25, 2003 (the "**Stipulation**").

E. Governing Documents and Beneficial Public Values. The Settlement Agreement and the Stipulation (collectively, the "**Governing Documents**") require Grantor to ensure that approximately 140,000 acres of watershed lands, all owned by Grantor (collectively, the "**Watershed Lands**"), including the Property, are conserved for a broad range of beneficial public values, including the protection of the natural habitat of fish, wildlife and plants; the preservation of open space; outdoor recreation by the general public; sustainable forestry; agricultural uses; and historic values. The obligations of Grantor to convey conservation easements and protect such beneficial public values on the Watershed Lands, as well as certain other obligations related thereto, are set forth in detail in Appendix E of the Settlement Agreement (as further explicated in Section 12 of the Stipulation), and are defined therein as the "**Land Conservation Commitment**."

F. Stewardship Council and Land Conservation Plan. Pursuant to the Governing Documents, the Pacific Forest and Watershed Lands Stewardship Council, a California non-profit public benefit corporation (the "**Stewardship Council**"), was created to oversee and carry out the Land Conservation Commitment. Pursuant to the Governing Documents, the Stewardship Council developed a plan for protection of the Watershed Lands for the benefit of the citizens of California (the "**Land Conservation Plan**" or "**LCP**"). The LCP includes, among other things, objectives to preserve and/or enhance the beneficial public values identified on each parcel of Watershed Lands.

G. California Civil Code §815. The Legislature of the State of California, as set forth in California Civil Code §815 *et seq.*, has found and declared it to be the public policy and in the public interest of this state to encourage the preservation of land in its predominantly natural, scenic, agricultural, historical, forested, or open-space condition,

and that it is "the public policy and in the public interest of this state to encourage the voluntary conveyance of conservation easements to qualified nonprofit organizations."

H. Grantee Qualified Nonprofit Organization. Grantee is a tax-exempt nonprofit organization qualified under §501(c)(3) of the Internal Revenue Code and is eligible to acquire and hold a perpetual conservation easement pursuant to §815.3(a) of the California Civil Code.

I. Grantor's Continuing Hydro Project Activities. Grantor has used and continues to use the Property for the purposes related to the generation of electricity from hydropower facilities and related to the delivery, storage, and consumptive and nonconsumptive use of water as described more fully on attached Exhibit B (the "**Hydro Project Activities**"). In furtherance of the Hydro Project Activities, Grantor has improved portions of the Property with some of all of the following: water- and power-related facilities, access roads, recreational facilities, buildings and other structures. The Governing Documents provide that "[c]onservation easements on Watershed Lands will include an express reservation of a right for continued operation and maintenance of hydroelectric facilities and associated water delivery facilities, including project replacements and improvements required to meet existing and future water delivery requirements for power generation and consumptive water use by existing users, compliance with any FERC license, FERC license renewal or other regulatory requirements."

J. Perpetual Protection of Beneficial Public Values. Grantee and Grantor intend through this Easement to ensure the perpetual protection of the beneficial public values on the Property as generally identified in the LCP, on and subject to the terms and conditions of this Easement. Specifically, the parties intend to assure that the beneficial public values as generally identified in the LCP that specifically exist on this Property and set forth on Exhibit D (the "**Beneficial Public Values**") will be protected and preserved in perpetuity and that uses of the Property that are inconsistent with protecting and preserving these Beneficial Public Values will be restricted, all as set forth in this Easement; provided, however, that Grantor shall retain all interests not transferred to Grantee by this Easement, including, but not limited to Grantor's Hydro Reserved Rights described in Section 7 below.

### **AGREEMENT**

In consideration of the above recitals and the mutual covenants, terms, conditions, and restrictions contained herein, and pursuant to California Civil Code §815 et seq., Grantor and Grantee further hereby agree as follows:

1. Grant of Easement. Grantor hereby grants to Grantee a perpetual "conservation easement" as defined by §815.1 of the Conservation Easement Act of 1979 (California Civil Code §815 et seq.) in gross, in, on, over and across the Property (the "**Conservation Easement**"), subject to and in accordance with the terms and conditions of this Easement.

2. Purpose. It is the purpose of this Easement to protect and preserve in perpetuity the Beneficial Public Values on the Property by restricting any use of the Property that will significantly impair the Beneficial Public Values, all subject to and in accordance with the terms and conditions of this Easement (the "**Purpose**"). As used in this Easement, the terms "impair" and "impairment" mean to diminish in quantity, quality, value, strength or viability. As used in this Easement, the terms "significant" and "significantly," when used with "impair" and "impairment," respectively, mean a greater than negligible adverse impact, for more than a transient period. The parties agree that Grantor's retention of certain rights specified in this Easement, including the Hydro Reserved Rights, is consistent with the Purpose of this Easement.

3. Baseline Documentation Report. The parties acknowledge that certain existing conditions particularly relevant to the Property are documented in a baseline documentation report (the "**Baseline Documentation Report**"). Grantor and Grantee each have a copy of the signed Baseline Documentation Report, executed by both parties to acknowledge their approval and receipt of the Baseline Documentation Report. The parties agree that the Baseline Documentation Report contains an accurate representation of such existing conditions of the Property as of the Effective Date, and is intended to serve as an objective, though non-exclusive, information baseline for monitoring compliance with the terms of this Easement. The foregoing notwithstanding, if a dispute arises with respect to any of the conditions of the Property, the parties shall not be foreclosed from utilizing any and all other relevant documents, surveys, or other evidence or information to assist in the resolution of the dispute.

4. Commission and FERC. The terms and conditions of this Easement are subject to any conditions imposed by the Commission pursuant to **[Note: citation to decision/resolution to be inserted]** or by FERC pursuant to any hydroelectric project license for the Property or any applicable orders or regulations that FERC may issue from time to time. Notwithstanding anything to the contrary in this Easement, Grantor, its successors, and assigns have the right to perform any and all acts required by an order of FERC, or its successors, without the prior approval of Grantee or any other person. Grantor expressly reserves the right to comply with all FERC orders and regulations as they may be amended from time to time. In addition, Grantee shall comply with any information requests or reporting obligations required by the Commission or FERC, whether directly to the Commission or FERC, or through Grantor; provided that Grantor shall reimburse the reasonable costs and expenses incurred by Grantee in responding to such requests. Execution of this Easement by Grantor does not imply tacit Commission or FERC approval of a non-project use on the Property nor does it obligate Grantor to seek Commission or FERC approval for non-project uses proposed by Grantee.

5. Rights Conveyed to Grantee. Subject to the terms and conditions of this Easement, Grantor grants and conveys to Grantee the following affirmative rights:

5.1 Identification, Monitoring and Enforcement. The right to identify with Grantor the Beneficial Public Values of the Property, the right to monitor and enforce the protection and preservation of such Beneficial Public Values in accordance

with the terms of this Easement, the right to enforce the terms of this Easement, the right to enjoin any activity on the Property or other use of the Property which violates the terms of this Easement, and the right to enforce the restoration of such areas or features of the Property as may hereafter be damaged in violation of this Easement.

**5.2 Access.** The right for Grantee and Grantee's directors, officers, partners, members, managers, employees, contractors, subcontractors, consultants, representatives, agents, permittees and invitees ("**Grantee's Representatives**") to enter onto the Property at reasonable times, during normal business hours, not more than twice per calendar year and upon not less than ten (10) business days' advance written notice in order to monitor and inspect the Property, to enforce the rights which are granted herein, to determine whether the activities conducted on the Property are in compliance with the terms of this Easement, and to enforce the restoration of such areas or features of the Property as may have been damaged in violation of this Easement, all in compliance with the provisions of Section 10. Grantee will limit the number of Grantee Representatives entering the Property to those who are reasonably necessary to undertake the inspections, and such entry will be for no more days than are reasonably necessary to carry out the inspections. Grantor's representatives shall have the right to accompany Grantee's Representatives during bi-annual monitoring visits or on any other visit permitted by this Section 5.2. Notwithstanding the foregoing, Grantee shall also have the right of entry upon the Property upon not less than twenty-four (24) hours' advance written notice where such entry is necessary to (i) prevent, terminate, or mitigate a violation of the terms of this Easement; or (ii) monitor actions taken pursuant to the bi-annual inspections contemplated by this Section 5.2. All access and entry allowed under this Section 5.2 will be made in a manner that will not unreasonably interfere with the permitted use(s) of the Property by Grantor, its successors in interest, and any occupant(s) or user(s) of the Property and shall comply with any entry and access guidelines established by Grantor and restrictions contained in any Third Party Use Agreements.

**5.3 Grantee Signs.** Grantee shall have the right, but not the obligation, at its sole cost and expense, to erect, maintain, and/or remove, one or more reasonable, non-illuminated signs or other appropriate markers in locations on the Property visible from any public roads or other adjoining property, bearing information indicating (a) that the Property is protected by the Conservation Easement, and/or (b) the participation of Grantee and of any funder in the stewardship of the Conservation Easement, the wording, size, number, design, and location of which shall be decided upon by Grantee and Grantor, each exercising its reasonable discretion.



6. Prohibited Uses. Grantor will not engage in, or permit others to engage in, the prohibited uses set forth on Exhibit F hereto, except as otherwise provided therein (the "**Prohibited Uses**"), which Grantor and Grantee agree are inconsistent with the Purpose of this Easement.

7. Grantor's Reserved Rights.

7.1 Hydro and Other Reserved Rights. As provided in California Civil Code §815.4, all interests not expressly transferred and conveyed to Grantee by this Easement shall remain in Grantor, including the right to engage in and permit or invite others to engage in all uses of the Property not affected by this Easement nor prohibited by this Easement or by law. In compliance with §815.4, Grantor and Grantee acknowledge and agree that Grantor expressly reserves all rights accruing from the ownership of the Property and not expressly transferred and conveyed to Grantee by this Easement, including without limitation the right to engage in or permit or invite others to engage in all uses of the Property that do not significantly impair the Beneficial Public Values and are not expressly prohibited by this Easement. Without limiting the foregoing, Grantor shall have the right to engage in and permit or invite others to engage in the permitted uses set forth in Exhibit I (the "**Permitted Uses**"). In addition and notwithstanding any other provision of this Easement, Grantor expressly reserves the right to engage in or permit or invite others to engage in those uses set forth in Exhibit C ("**Hydro Reserved Rights**"), subject to the restrictions set forth in Sections 7.3 and 7.4 below.

7.2 Definitions. As used in this Section 7, the following defined terms shall have the meanings set forth below:

7.2.1 Anticipated Significant Actions. As used herein, "**Anticipated Significant Actions**" are (a) those Required Actions (which include Specified Required Actions pursuant to Section 7.2.3), that involve a Prohibited Use and/or that Grantor determines in Grantor's reasonable discretion exercised in good faith are likely to significantly impair one or more of the Beneficial Public Values, (b) Discretionary Actions that Grantor determines in Grantor's reasonable discretion exercised in good faith are likely to significantly impair one or more of the Beneficial Public Values, and (c) Permitted Uses that Grantor determines in Grantor's reasonable discretion exercised in good faith are likely to significantly impair one or more of the Beneficial Public Values. Except as provided in Section 7.3.1, no Grantee notification, consultation or consent shall be required for actions, activities or improvements that are not Anticipated Significant Actions.

7.2.2 Required Actions. As used herein, "**Required Actions**" are those intended actions, activities or improvements that Grantor determines in Grantor's sole discretion exercised in good faith are required on the Property by any one or more of the following: (a) the Commission, FERC, or any other governmental entity having jurisdiction over Grantor's use, ownership, operation, or management of the Property, including the Hydro Project Activities, or (b) any Applicable Law (as defined in Section 8), or (c) any Third Party Use Agreements, or (d) to comply with professional practices,

standards and/or policies governing the Hydro Project Activities. All references in this Agreement to "Required Actions" shall include Specified Required Actions (as defined below) unless otherwise noted.

**7.2.3 Specified Required Actions.** As used herein, "**Specified Required Actions**" are those Required Actions that require a specified action, activity or improvement on the Property, with respect to which Grantor has no material discretion over the specific details of implementation, including, without limitation, the manner, timing, and location of the Specified Required Action. Without limiting Grantor's notification obligations pursuant to Section 7.3.1 below, no Grantee consultation or consent shall be required with respect to any Specified Required Action.

**7.2.4 Discretionary Action.** As used herein, a "**Discretionary Action**" is an intended action, activity or improvement that is not a Required Action or a Permitted Use, and does not involve a Prohibited Use.

**7.2.5 Hydro Operating Zone.** As used herein, a "**Hydro Operating Zone**" is a spatially delineated area of the Property intended to primarily contain (or immediately adjacent to an area of the Property containing) Hydroelectric Facilities and Associated Water Delivery Facilities, as defined and described on Exhibit B hereto. The delineated Hydro Operating Zones, if any, are set forth on Exhibit G hereto; provided, however, that, subject to Sections 7.3 and 7.4 below, Grantor shall have the right, as a Discretionary Action governed by Sections 7.3 and 7.4 below, to expand, contract, add or remove Hydro Operating Zones from time to time.

**7.3 Annual Work Plan Notification, Consultation and Consent Requirements.**

**7.3.1 Delivery and Contents of Annual Work Plan.** No later than February 15th of each calendar year after the Effective Date, Grantor shall prepare and deliver to Grantee an annual work plan for the Property (an "**Annual Work Plan**"). In the Annual Work Plan, Grantor shall inform Grantee of the Anticipated Significant Actions Grantor anticipates undertaking on the Property during such calendar year. The Annual Work Plan shall include the following:

(a) a reasonably detailed description of the Anticipated Significant Actions Grantor intends to commence within such calendar year, together with a bullet point list of those actions Grantor intends to commence during such calendar year that Grantor determines do not constitute Anticipated Significant Actions;

(b) a bullet point list of all actions undertaken by Grantor during the immediately preceding calendar year that Grantor determined did not constitute Anticipated Significant Actions and were not described in a previous Annual Work Plan (or otherwise disclosed to Grantee);

(c) an indication of whether the Anticipated Significant Actions will occur within or outside of a Hydro Operating Zone;

(d) Grantor's determination of which Anticipated Significant Actions are Discretionary Actions;

(e) Grantor's determination of which Anticipated Significant Actions are Required Actions, including a reasonably detailed explanation of the basis for Grantor's determination;

(f) Grantor's determination of which Anticipated Significant Actions are Specified Required Actions, including a reasonably detailed explanation of the basis for Grantor's determination;

(g) Grantor's determination of which Anticipated Significant Actions are Permitted Uses, including a reasonably detailed explanation of the basis for Grantor's determination;

(h) Grantor's estimated timeline for commencement and completion of each of the Anticipated Significant Actions;

(i) a description of Grantor's anticipated efforts to avoid or minimize harm to or impairment of the Beneficial Public Values from the Anticipated Significant Actions;

(j) if and when available, Grantor shall use reasonable efforts to provide copies of any underlying filings (including filings, if any, under the California Environmental Quality Act), permits (e.g., burn permits, stream alteration permits, or timber harvest plans), orders or rulings associated with the Anticipated Significant Actions; and

(k) any Third Party Use Agreement renewals or replacements as contemplated by Section 9.1.2 below.

**7.3.2 Review of Annual Work Plan.** Grantor and Grantee shall meet (in person or electronically) within sixty (60) days after Grantee's receipt of the Annual Work Plan to review the Annual Work Plan. Grantee has the right to request reasonable additional information regarding actions identified in the Annual Work Plan. As part of the Annual Work Plan review process, Grantor and Grantee will consult on Express Third Party Uses as contemplated by Section 9.1 below and Informal Uses as contemplated by Section 9.2 below. Periodically, at such annual review meetings, the content requirements for the Annual Work Plan as set forth in Section 7.3.1 above may be modified, confirmed by mutual written agreement of the parties.

**7.3.3 Anticipated Significant Actions within Hydro Operating Zones.** Without limiting Grantor's notification obligations pursuant to Section 7.3.1 above, no Grantee consultation or consent shall be required with respect to any Anticipated Significant Actions within a Hydro Operating Zone.

**7.3.4 Anticipated Significant Actions Outside Hydro Operating Zones.** The following provisions shall apply with respect to Anticipated Significant Actions outside of a Hydro Operating Zone:

(a) **Specified Required Actions.** Without limiting Grantor's notification obligations pursuant to Section 7.3.1 above, no Grantee consultation or consent shall be required with respect to any Specified Required Actions outside of a Hydro Operating Zone.

(b) **Other Required Actions and Permitted Uses.** With respect to Required Actions and Permitted Uses disclosed in the Annual Work Plan that are not Specified Required Actions and are to be undertaken outside of a Hydro Operating Zone, Grantor and Grantee agree that, at or prior to the meeting to review the Annual Work Plan, Grantee may (but shall be under no obligation to) propose alternative methods and practices to avoid or minimize harm to or impairment of one or more Beneficial Public Values by such Anticipated Significant Actions ("**Proposed Methods and Practices**"). Grantor shall implement the Proposed Methods and Practices, to the extent Grantor determines in its sole discretion exercised in good faith that the Proposed Methods and Practices (i) may be implemented in a commercially reasonable manner balancing the harm to Beneficial Public Values with any increased cost or burden to Grantor, (ii) where applicable, will allow for the completion of a Required Action in a timely manner, and (iii) are reasonably likely to avoid potential harm to or impairment of one or more Beneficial Public Values. If Grantor determines that one or more of the foregoing conditions has not been satisfied, Grantor shall specify the reasons for this determination in detail, and Grantor and Grantee shall cooperate in good faith and with diligence to attempt to resolve Grantor's objections to Grantee's Proposed Methods and Practices consistent with this paragraph.

(c) **Discretionary Actions.** With respect to Discretionary Actions disclosed in the Annual Work Plan that are to be undertaken outside of a Hydro Operating Zone, such Discretionary Actions shall be subject to Grantee's prior written consent, which consent shall not be unreasonably withheld, conditioned or delayed by Grantee. If Grantee fails to grant or deny Grantor's request for consent within one hundred eighty (180) days following Grantee's receipt of Grantor's request for consent, Grantee shall be deemed to have consented to the particular Discretionary Action described in the request. If Grantee withholds its consent to such proposed Discretionary Action to be undertaken outside of a Hydro Operating Zone, Grantee shall specify its objections in detail and, wherever possible, propose commercially reasonable alternatives, methods and/or practices to avoid or mitigate harm to or impairment of the Beneficial Public Values while substantially achieving the purposes of Grantor's proposed Discretionary Action. Grantor and Grantee shall cooperate in good faith and with diligence to attempt to resolve Grantee's objections in a manner that sufficiently mitigates Grantee's objections to its reasonable satisfaction.

**7.4 Anticipated Significant Actions Not Identified in Annual Work Plan.** If Grantor intends to undertake an Anticipated Significant Action not identified in an Annual Work Plan, Grantor shall notify Grantee (a "**Notice of Action**"), and include the

information required by Section 7.3.1 above. Additionally, Grantor and Grantee shall meet (in person or electronically) within sixty (60) days after Grantee's receipt of the Notice of Action to review Grantor's proposed Anticipated Significant Actions. Any Anticipated Significant Action (other than a Specified Required Action) identified in a Notice of Action which is proposed to occur outside of a Hydro Operating Zone shall be subject to Section 7.3.4 above. Where this Section 7.4 applies, references to the "Annual Work Plan" in Section 7.3.4 above shall be deemed to be references to the applicable Notice of Action except that Grantor shall not be required to provide the list of actions set forth in Section 7.3.1(b) above.

**7.5 Emergency Actions.** Notwithstanding any other provisions of this Section 7, in the case of an emergency or other exigent circumstance affecting the safety of persons and/or property, Grantor may exercise its Hydro Reserved Rights and take any other remedial actions in an unrestricted manner on all or any portion of the Property within or outside of a Hydro Operating Zone without consultation with Grantee and without Grantee's consent. Grantor shall provide copies of any required notifications to applicable regulatory agencies of the emergency action and shall notify Grantee of those emergency actions taken, such notice to be provided to Grantee as soon as practicable but in any event within thirty (30) days after the emergency action has occurred.

**7.6 Water Rights.** The Parties acknowledge that Grantor's exercise of water rights relating to water located or flowing on or under the Property, including those described in Exhibit C, are governed by this Section 7.

**8. Responsibility for Operations.** Nothing in this Easement shall be construed as giving any right or ability to Grantee to exercise physical or managerial control of the day-to-day operations of the Property or of Grantor's activities on the Property. Grantor shall have and retain all responsibility for, and shall bear all costs and liabilities of, the ownership of the Property. In connection with Grantor's use or occupancy of the Property, Grantor shall have and retain all responsibility for, and shall bear all costs and liabilities of, compliance with any present and future applicable laws, ordinances, rules, regulations, permits, licenses, authorizations, orders and requirements, whether or not in the current contemplation of the parties, which may affect or be applicable to the Property or any part of the Property (including, without limitation, any subsurface area), all consents or approvals required to be obtained from, and all rules and regulations of, and all building and zoning laws of, all federal, state, county and municipal governments, the departments, bureaus, agencies or commissions thereof, or any other governmental or quasi-governmental body or bodies exercising similar functions, having or acquiring jurisdiction of the Property (in each case, an "**Applicable Law**"), except as expressly stated otherwise in this Easement. Without placing any limitation on the foregoing sentence, the parties agree as follows:

**8.1 Condition of Property.** Grantee shall have no duty or responsibility for (a) the operation or maintenance of the Property except to the extent specifically undertaken by Grantee as permitted under this Easement, (b) the monitoring of any



hazardous conditions thereon, or (c) the protection of Grantor, the public, or any other person or entity from any risks relating to conditions on the Property.

**8.2 Taxes.** Grantee shall have no duty or responsibility for real property taxes and assessments levied on the Property.

**8.3 Permits and Approvals.** Grantor shall be solely responsible for obtaining any and all applicable governmental permits and approvals for, and otherwise complying with all Applicable Laws relating to, any activity or use of the Property by Grantor which is permitted by this Easement; provided, however, Grantor shall have no responsibility pursuant to this Easement for obtaining permits and approvals required on behalf of unrelated third parties who occupy or use the Property or for an unrelated third party's failure to comply with Applicable Laws. Grantee shall be solely responsible for obtaining any and all applicable governmental permits and approvals for, and otherwise complying with all Applicable Laws relating to, any activity or use of the Property by Grantee which is permitted by this Easement.

**8.4 Limitation on Restoration Obligations.** Nothing in this Easement shall require Grantor to take any action to restore the condition of the Property after (a) any Act of God, which includes, without limitation, fire, climate change, flood, storm, earth movement, or natural evolutionary changes in the condition of the Property from that described in the Baseline Documentation Report; (b) any prudent action taken by Grantor under emergency conditions to prevent, abate, or mitigate significant injury to the Property or to any person resulting from such causes; or (c) the non-permitted acts of unrelated third parties so long as Grantor has satisfied its obligations under Section 9.3.

**9. Third Party Use of the Property.**

**9.1 Express Third Party Uses.** Exhibit H hereto describes the existing third party uses of the Property permitted with the express agreement of Grantor ("**Express Third Party Uses**"). Subject to Section 7 above, Express Third Party Uses shall also include any future third party use implemented by Grantor as a Required Action or as a Discretionary Action approved by Grantee in accordance with Section 7. Grantor retains the right to maintain, renew, and replace all agreements memorializing the Express Third Party Uses ("**Third Party Use Agreements**") and to engage in all activities reasonably required to comply with Grantor's obligations with respect to the Express Third Party Uses, subject to the following conditions:

**9.1.1 Increases in Intensity or Expansion of Location or Size or Change in Use.** Any (i) increase in the intensity, or (ii) expansion of the location or size, or (iii) a change in the use, of an Express Third Party Use (whether through a new agreement or an amendment to an existing agreement), that Grantor determines in Grantor's reasonable discretion exercised in good faith is likely to significantly impair the Beneficial Public Values shall be subject to Grantee's prior written consent, which consent shall not be unreasonably withheld, conditioned or delayed by Grantee, except

if such change in Express Third Party Use constitutes a Required Action in which case the consultation provisions of Section 7 above shall apply.

**9.1.2 Renewal or Replacement of Third Party Use Agreements.**

All Third Party Use Agreements existing on the date hereof are identified on Exhibit H. As Third Party Use Agreements are renewed or replaced (either with the existing user or a new user), Grantor, in consultation with Grantee as part of the Annual Work Plan consultation in accordance with Section 7.3 above, shall include contractual provisions to bring the continuation of the Express Third Party Use and the preservation of the Beneficial Public Values into alignment to the fullest extent reasonably practicable.

**9.1.3 Consultation on Express Third Party Uses.**

As part of the Annual Work Plan review process under Section 7.3 above, Grantor and Grantee will consult on existing Express Third Party Uses, including recommendations, if any, on how to bring the Express Third Party Uses and the preservation of the Beneficial Public Values into alignment to the fullest extent reasonably practicable.

**9.1.4 Enforcement of Third Party Use Agreements.**

If Grantor or Grantee discovers any default under a Third Party Use Agreement that significantly impairs the Beneficial Public Values (and if Grantee makes such discovery, Grantee gives Grantor written notice thereof), Grantor shall use reasonable efforts to enforce such Third Party Use Agreement or otherwise remedy such violation, at Grantor's sole expense.

**9.2 Informal Uses and Public Access.**

Grantor and Grantee recognize that the Property has been used by third parties for recreational, cultural, and other non-commercial or informal purposes without formal written agreements to conduct such activities (the "**Informal Uses**"). Grantor and Grantee further recognize that access is inherent or may be inherent in the enjoyment of the Beneficial Public Values and the Informal Uses. Consistent with the objectives articulated in the Governing Documents to provide continued reasonable access by the public to the Watershed Lands, Grantor shall allow public access to the Property (other than Hydro Operating Zones) that is substantially consistent with the public access existing on the Effective Date, subject to Section 7 and the following limitations:

**9.2.1 Rules and Regulations.**

Grantor reserves the right to make reasonable rules and regulations to control, limit, or, as necessary, exclude Informal Uses and public access.

**9.2.2 Liability Limitation.**

Grantor and Grantee claim all of the rights and immunities against liability for injury to the public to the fullest extent allowable by law.

**9.2.3 Periodic Review of Informal Uses.**

As part of the Annual Work Plan review process under Section 7.3 above, Grantor and Grantee will consult on Informal Uses, including recommendations made by Grantor or Grantee, if any,

regarding the necessity of controlling, limiting or excluding the Informal Uses to ensure the preservation of the Beneficial Public Values.

**9.3 Unauthorized Third-Party Uses.** If Grantor or Grantee discovers any unauthorized third-party use or activity on the Property (not including any third party violation covered by Section 9.1.4 above) that violates the terms of this Easement (and if Grantee makes such discovery, Grantee gives Grantor written notice thereof), Grantor shall use reasonable efforts, in consultation with Grantee, to stop or prevent any such unauthorized use of the Property, at Grantor's sole expense; provided that in no event shall Grantor's obligations under this Section 9.3 require Grantor to pursue legal action or incur other substantial costs. If Grantee demonstrates that Grantor's efforts in compliance with this Section 9.3 have not prevented, or are unlikely to prevent, the unauthorized third-party use or activity on the Property that violates the terms of this Easement, Grantee may meet and confer with Grantor to propose additional efforts to prevent such use or activity which Grantee may undertake, at Grantee's sole expense. Grantor shall consider such proposal in good faith and, if Grantor permits Grantee to use such additional efforts, the scope and duration of such efforts shall be determined by Grantor, and Grantee shall comply with any requirements imposed by Grantor in connection with such efforts.

## **10. Enforcement and Remedies.**

**10.1 Procedures Upon Violation.** If a party hereto (the "**Non-Breaching Party**") determines there is a breach of the terms of this Easement or that a breach is threatened, written notice of such breach (the "**Notice of Breach**") and a demand for corrective action sufficient to cure the breach shall be given by the Non-Breaching Party to the party allegedly breaching this Easement (the "**Breaching Party**"). Within fourteen (14) days after delivery of a Notice of Breach, Grantor and Grantee shall meet at a location in the County where the Property is located or as otherwise agreed to by the parties to discuss the circumstances of the alleged or threatened breach and to attempt to agree on appropriate corrective action. If the parties mutually determine that it is appropriate and desirable, a duly qualified expert in the subject matter of the alleged breach (the "**Consulting Expert**") shall attend the meeting. Grantor and Grantee shall each pay one-half of the costs of retaining the services of the Consulting Expert for such discussion; provided, however, that if Grantor and Grantee are unable to agree upon a Consulting Expert, each party may retain the services of an expert at its own expense. If Grantor and Grantee are unable to agree on appropriate corrective action (or if any such corrective action is required) within thirty (30) days after such meeting, then the Non-Breaching Party may, at its election, deliver a further written notice to the Breaching Party to demand reasonable, particular corrective action to cure the breach (the "**Notice of Easement Violation**"). If a violation is not cured within thirty (30) days after the delivery of the Notice of Easement Violation, or if the cure reasonably requires more than thirty (30) days to complete and there is failure to begin the cure within the 30-day period or failure to continue diligently to complete the cure, the Non-Breaching Party may commence litigation in accordance with Section 10.2 below.



**10.2 Litigation.** If the parties are not able to resolve a claim or dispute pursuant to Section 10.1 above, the Non-Breaching Party may bring an action at law or in equity in a court of competent jurisdiction to enforce compliance with the terms of this Easement, to recover any damages to which Non-Breaching Party may be entitled for violation of the terms of this Easement, or for any other legal or equitable relief available under California law, including, but not limited to, temporary or permanent injunctive relief, monetary damages and/or any other form of relief required to achieve the restoration of the Property to the condition in which it existed prior to any violation. To the extent that Grantee recovers any monetary damages for the cost of restoring any injury or damage to a portion of the Property that is caused by Grantor's breach of this Easement, all such damages recovered by Grantee (after appropriate costs of suit are reimbursed) shall be applied to the cost of undertaking any corrective action to the applicable portion of the Property. Notwithstanding anything to the contrary contained in this Easement, in no event shall the Breaching Party be liable to the Non-Breaching Party for, and the parties each hereby waive their right to, any indirect, special, punitive, or consequential damages resulting from the Breaching Party's breach of this Easement, whether foreseeable or unforeseeable.

**10.3 Emergency Injunctive Relief.** If circumstances require immediate action to prevent or mitigate a violation of this Easement and the Non-Breaching Party reasonably determines that irreparable harm would result if the Non-Breaching Party were required to complete the process set forth in Section 10.1, the Non-Breaching Party may proceed immediately to seek an injunction to stop the violation, temporarily or permanently.

**10.4 Remedies Cumulative.** The remedies described in this Section 10 shall be cumulative and shall be in addition to all remedies now or hereafter existing at law or in equity, including but not limited to, the remedies set forth in Civil Code §815 *et seq.*, inclusive. The failure of a party to discover a violation or to take immediate legal action shall not bar taking such action at a later time. Nothing in this Section 10 precludes Grantor and Grantee from agreeing to mediation or another non-judicial dispute resolution process.

**10.5 Costs of Enforcement.** All costs incurred in enforcing the terms of this Easement, including, but not limited to, costs of suit and reasonable attorneys' fees as set forth in Section 20.11, shall be borne by the Breaching Party, but only to the extent that a breach of this Easement is determined to have occurred. If, after the Non-Breaching Party delivers a Notice of Easement Violation, it is determined that there was no breach of this Easement by the Breaching Party, the Non-Breaching Party shall pay all of the Breaching Party's costs and expenses incurred in connection with the alleged breach.

**10.6 No Waiver.** Enforcement of this Easement against a party shall be at the discretion of the Non-Breaching Party, and any forbearance by the Non-Breaching Party to exercise its rights under this Easement in the event of any breach of any term of this Easement shall not be deemed or construed to be a waiver by the Non-Breaching Party of such term or of any subsequent breach of the same or any other

term of this Easement or of any of such party's rights under this Easement. No delay or omission by the Non-Breaching Party in the exercise of any right or remedy shall impair such right or remedy or be construed as a waiver. A party's permission to the other party to carry out, or failure to object to, any proposed use or activity by the other party shall not constitute consent to any subsequent use or activity of the same or different nature.

## **11. Indemnification and Insurance.**

**11.1 Indemnification by Grantee.** Grantee shall, to the maximum extent permitted by law, indemnify, protect, defend and hold harmless Grantor, its parent corporation, subsidiaries, affiliates, and their respective officers, managers, directors, representatives, agents, employees, transferees, successors and assigns (collectively, "**Grantor Indemnitees**") from and against all claims, losses, actions, demands, damages, costs, expenses (including, but not limited to, experts' fees and reasonable attorneys' fees and costs) and liabilities of whatever kind or nature (collectively, "**Claims**") arising out of or in connection with this Easement or the Property to the extent caused by the negligence or willful misconduct of the Grantee Indemnitees.

**11.2 Indemnification by Grantor.** Grantor shall, to the maximum extent permitted by law, indemnify, protect, defend and hold harmless Grantee, its parent corporation, subsidiaries, affiliates, and their respective officers, managers, directors, representatives, agents, employees, transferees, successors and assigns (collectively, "**Grantee Indemnitees**") from and against all Claims arising out of or in connection with this Easement or the Property except to the extent caused by the negligence or willful misconduct of the Grantee Indemnitees.

**11.3 Release.** Entry onto the Property by Grantee and Grantee's Representatives shall be at Grantee's sole risk and expense, and Grantee accepts all risk relating to the condition of the Property. Notwithstanding the provisions of Section 11.2, Grantor shall not be liable to Grantee for, and to the maximum extent permitted by law, Grantee hereby waives and releases Grantor and the other Grantor Indemnitees from, any and all liability, whether in contract, tort or on any other basis, for any injury, damage, or loss to Grantee and/or Grantee's Representatives resulting from or attributable to any occurrence relating to the condition of the Property, except if arising solely from Grantor's gross negligence or willful misconduct.

**11.4 Insurance.** Grantee shall procure, carry and maintain in effect during all access to the Property throughout the term of this Easement the insurance specified in Exhibit E hereto, provided that Grantor reserves the right to periodically review and reasonably modify the insurance requirements specified in Exhibit E in effect to be generally consistent with requirements of other prudent property owners allowing access to their properties by conservation easement holders. All insurance shall be written on forms and with insurance carriers acceptable to Grantor in its commercially reasonable judgment. Prior to Grantee's initial entry onto the Property, and thereafter at least thirty (30) days prior to the expiration date of any policy, Grantee shall provide Grantor with evidence of the insurance coverage, or continuing coverage, as applicable,

satisfying the requirements of this Section 11.4 and Exhibit E. Grantee is also responsible for causing Grantee's agents and contractors entering the Property to comply with the insurance requirements of this Easement at all relevant times, the insurance being specified in Exhibit E. Grantee shall, to the maximum extent permitted by law, indemnify, protect, defend and hold the Grantor Indemnitees harmless against claims, losses, costs (including attorneys' fees and costs), liabilities and damages resulting from the failure of Grantee, or any of Grantee's consultants, contractors or subcontractors, to comply with the insurance requirements set forth in this Section 11.4 and Exhibit E. Except for the right to access the Property under Section 5.2 above, which shall be conditioned upon carrying insurance required herein, no failure to carry such insurance or to provide a certificate thereof by any such deadline shall alter or affect in any manner any of the rights or obligations of the parties under or with respect to this Easement. The foregoing insurance requirements shall not apply in the event that the Grantee is a governmental agency with a self-insurance program reasonably acceptable to Grantor.

## 12. Grantee Transfer of Easement.

### 12.1 Voluntary Transfer.

12.1.1 If Grantee desires to assign its interest under this Easement, Grantee shall provide Grantor and the Sierra Nevada Conservancy, a California state agency ("**SNC**") with written notice of such intention to transfer to an assignee which is (a) qualified to hold a conservation easement under §815.3 of the California Civil Code; and (b) willing and with the financial capability (taking into account any stewardship funds to be transferred by Grantee with this Easement) and organizational experience to assume all of the responsibilities imposed on Grantee under this Easement; and (c) acceptable to Grantor in its reasonable discretion. Grantee shall allow the SNC, in consultation with Grantor, a period of not less than sixty (60) days within which to approve the proposed assignee, which approval shall not be unreasonably withheld and shall be based on whether the proposed assignee meets the designation criteria specified in this Section 12.1.1.

12.1.2 Grantee is responsible for identifying a suitable assignee pursuant to Section 12.1.1. However, if a suitable assignee is not identified, then SNC shall have sole discretion to elect to become the assignee of Grantee's interest hereunder.

12.1.3 As conditions to any assignment of Grantee's interest under this Easement, Grantee shall (a) require the assignee to expressly agree in writing to assume Grantee's obligations hereunder, and (b) ensure that such assignee has the resources to fulfill its obligations under this Easement. Notwithstanding anything in this Section 12.1 to the contrary, this Easement shall not be transferred by Grantee to any governmental entity, public agency or Native American tribe without the consent of the Grantor, which consent shall be in Grantor's sole discretion exercised in good faith.

**12.2 Involuntary Transfer.** If Grantee ever ceases to exist or no longer qualifies under §815.3 of the California Civil Code, the Stewardship Council (or its designee), or if the Stewardship Council (or its designee) shall cease to exist, the Attorney General of the State of California, shall petition a court of competent jurisdiction to transfer this Easement to an organization that meets all of the designation criteria specified in Section 12.1.

**13. Subsequent Property Transfers by Grantor.**

**13.1 Rights of Grantor.** Subject to the provisions of Sections 7 and 9 above, this Section 13, Section 20.12 below, and Exhibit F, Paragraph 1 below, Grantor shall have the unrestricted right to sell, encumber, or otherwise transfer the Property or portions thereof to anyone Grantor chooses. Notwithstanding the foregoing, Grantor shall disclose the existence of this Easement (including reference to the recording information) in any deed or other legal instrument by which Grantor divests itself of a real property interest in all or a portion of the Property, including, without limitation, a leasehold interest, and all such conveyances shall be made expressly subject to the terms of this Easement. Grantor shall notify Grantee periodically of any contemplated grants by Grantor to any third party of any interest in any portion of the Property, whether such interest is a fee, easement, lease, mortgage or other interest. Additionally, Grantor shall notify Grantee in writing not more than thirty (30) days after any grant by Grantor to any third party of any interest in any portion of the Property, whether such interest is a fee, easement, lease, mortgage or other interest. The failure of Grantor to perform any act required by this Section 13 shall not impair the validity of this Easement or limit its enforcement in any way or create any obligation on the part of Grantee. Grantor recognizes that Grantee may incur direct and indirect costs for monitoring and administration of the Conservation Easement in the event fee title to the Property is transferred under this provision. Accordingly, upon Grantor's sale, transfer or conveyance of fee title of the Property, partially or in its entirety, Grantor shall pay, or cause to be paid, to Grantee a one-time payment of a sum representing the increased cost of such Conservation Easement stewardship, as reasonably determined at such time by Grantee. Such one-time payment shall be in addition to any reimbursements required pursuant to Section 13.2.4 or Section 17 of this Easement.

**13.2 Potential Release of Hydro Reserved Rights.**

**13.2.1 Conveyance of Entire Property.** In the event:

(a) Grantor intends to transfer fee title to the entire Property to an unaffiliated third party;

(b) the Hydro Project Activities and any uses and facilities that are unrelated to the Hydro Project Activities but undertaken as a Required Action at the Property have been formally and permanently terminated by Grantor and, as appropriate, decommissioned pursuant to a regulatory proceeding; and

(c) no Hydroelectric Facilities and Associated Water Delivery Facilities, nor other facilities unrelated to Hydro Project Activities installed pursuant to a Required Action are located at the Property,

then, subject to any final orders or decommissioning requirements issued by the FERC and/or other agency(ies) with jurisdiction over the Hydro Project Activities and such other unrelated uses prior to said transfer of the entire Property, Grantor shall release, relinquish and forever terminate, in a manner that shall be binding upon all successors in interest to the Property, (i) all rights of Grantor described in Exhibit C, (ii) the exceptions to the Prohibited Uses for Required Actions and Specified Required Actions set forth in Exhibit F, (iii) the exceptions to the Prohibited Uses in Exhibit F relating to activities within the Hydro Operating Zone, and (iv) Permitted Uses, to the extent related to the Hydro Project Activities, as set forth in Exhibit I (items (i), (ii), (iii) and (iv) being referred to collectively as the "**Reservations**"). Following such release, relinquishment and termination of Reservations, all Anticipated Significant Actions (except for Prohibited Uses and continuing Permitted Uses) shall be subject to Grantee's consent as Discretionary Actions and the Easement shall be interpreted more restrictively in a manner recognizing the release of Reservations. Additionally, following such release, relinquishment and termination of Reservations, the forest management activities specified in Section 9 of Exhibit I shall continue as Permitted Uses, but shall be subject to Grantee's consent as Discretionary Actions.

**13.2.2 Partial Conveyance.** In the event:

(a) Grantor intends to transfer fee title to less than the entire Property (the "**Transferred Parcel**") to an unaffiliated third party;

(b) the Hydro Project Activities and any uses and facilities that are unrelated to the Hydro Project Activities but undertaken as a Required Action at the Transferred Parcel have been formally and permanently terminated by Grantor and, as appropriate, decommissioned pursuant to a regulatory proceeding; and

(c) no Hydroelectric Facilities and Associated Water Delivery Facilities, nor other facilities unrelated to Hydro Project Activities installed pursuant to a Required Action are located at the Transferred Parcel,

then, subject to any final orders or decommissioning requirements issued by the FERC and/or other agency(ies) with jurisdiction over the Hydro Project Activities and such other unrelated uses, prior to said transfer of the Transferred Parcel, Grantor shall release, relinquish and forever terminate, in a manner that shall be binding upon all successors in interest to the Transferred Parcel, the Reservations with respect to the Transferred Parcel. Following such release, relinquishment and termination of Reservations, all Anticipated Significant Actions (except for Prohibited Uses and continuing Permitted Uses) on the Transferred Parcel shall be subject to Grantee's consent as Discretionary Actions and the Easement shall be interpreted more restrictively in a manner recognizing the release of Reservations as to the Transferred

Parcel. Additionally, following such release, relinquishment and termination of Reservations, the forest management activities specified in Section 9 of Exhibit I on the Transferred Parcel shall continue as Permitted Uses, but shall be subject to Grantee's consent as Discretionary Actions.

**13.2.3 Grantor's Continuing Reserved Rights.** Nothing in Section 13.2.2 shall limit the rights of Grantor in this Easement with respect to the portion of the Property retained by Grantor.

**13.2.4 Easement Amendment.** In the event of a conveyance and release of Reservations pursuant to this Section 13.2, Grantor and Grantee may agree to amend this Easement, or to create a separate Easement for the Transferred Parcel and for the remaining portion of the Property in accordance with Section 17, to reflect the release of Reservations and, where appropriate, to reflect separate ownership of the Transferred Parcel and the remainder of the Property. In accordance with Section 17 below, Grantor shall reimburse Grantee for all reasonable costs incurred in connection with the drafting, review, negotiation, approval and recording of any amendment or separate Easement pursuant to this Section, including costs incurred in consideration of whether an amendment and/or new Easement(s) is/are necessary or appropriate.

**13.2.5 Transfer Restrictions Remain Applicable.** Nothing herein shall affect Grantor's obligations under Section 1 of Exhibit F.

#### **14. Extinguishment and Condemnation.**

**14.1 Extinguishment.** If circumstances arise in the future such as render the Purpose of this Easement impossible to accomplish, this Easement shall only be terminated or extinguished, whether in whole or in part, by judicial proceedings in a court of competent jurisdiction. Grantor's economic hardship shall not be a reason to extinguish this Easement.

**14.2 Condemnation.** If all or part of the Property is taken by the exercise of the power of eminent domain by a public, corporate, or other authority, whether permanent or temporary, including a private sale in lieu of eminent domain, so as to abrogate the restrictions imposed by the Conservation Easement, Grantor and Grantee shall join in appropriate actions at the time of such taking to recover the full value of the taking and all incidental or direct damages resulting from the taking. All compensation thereby awarded will belong and be paid to Grantor and Grantee in proportion to their respective interests in the Property as determined pursuant to Section 14.3, it being expressly agreed that the Conservation Easement constitutes a compensable property right. All expenses incurred by Grantor and Grantee in such action shall be paid out of the recovered proceeds. Grantor and Grantee acknowledge that any and all awards to Grantor and Grantee may be subject to the approval of the Commission and/or the FERC.

**14.3 Proceeds.** Pursuant to California Civil Code §815.2(a) this Easement constitutes a real property interest immediately vested in Grantee. It is



acknowledged by the parties that the purposes of establishing the value of this property right and enforcing the rights of Grantee with respect thereto is to prevent a private windfall and to protect the public investment which is involved in the conveyance of the Conservation Easement. That being the case, the parties stipulate that, for the purpose of determining the ratio for proportionate value of each party's respective interest in the Property at the time of termination or extinguishment of the Conservation Easement, the value of the Conservation Easement shall be the difference between (a) the current fair market value of the fee interest in the Property at the time of termination, as if unencumbered by the Conservation Easement, but taking into account all other existing restrictions on the improvement, construction, alteration, expansion, development, use, maintenance or operation of all or any portion of the Property (e.g., zoning laws, land use laws or other governmental laws, codes, regulations or ordinances, and private restrictions such as covenants, restrictions and agreements), and (b) the current fair market value of the Property at the time of termination, as encumbered by the Conservation Easement, but taking into account all other existing restrictions on the improvement, construction, alteration, expansion, development, use, maintenance or operation of all or any portion of the Property (e.g., zoning laws, land use laws or other governmental laws, codes, regulations or ordinances, and private restrictions such as covenants, restrictions and agreements). The values shall be determined by an appraisal prepared by a qualified appraiser familiar with appraising conservation easements jointly selected by Grantor and Grantee. The cost of the appraisal shall be paid out of proceeds in proportion to the recoveries of Grantor and Grantee. There shall be no restriction on Grantor's or Grantee's use of proceeds received pursuant to this Section 14.3.

**15. Estoppel Certificates.** Grantee shall, within thirty (30) days after receiving Grantor's written request therefor (not to exceed once during any twelve (12) month period), execute and deliver to Grantor a document certifying, to the actual knowledge of the person executing the document without any duty of investigation, that Grantor is in compliance with any obligation of Grantor contained in this Easement, or otherwise evidencing the status of such obligation to the extent of Grantee's actual knowledge thereof, as may be reasonably requested by Grantor.

**16. Notices.** **[Confirm PG&E's notices address are current.]** Any notice or other communication required or permitted under this Easement shall be in writing and shall be either personally delivered or transmitted by registered or certified mail, return receipt requested, postage prepaid, or by a nationally recognized overnight courier, such as FedEx, UPS, or Airborne Express, addressed to the parties as follows:

If to Grantor: If by registered or certified mail, return receipt requested:

Director, Land Management  
Pacific Gas and Electric Company  
P.O. Box 770000, Mail Code N10A  
San Francisco, CA 94177  
Re: Land Conservation Commitment

With a copy to:

Law Department  
Pacific Gas and Electric Company  
P.O. Box 7442  
San Francisco, CA 94120  
Attn: Senior Director & Lead Counsel, Corporate and  
Commercial Group (Real Estate)  
Re: Land Conservation Commitment

If by personal delivery or overnight courier:

Director, Land Management  
Pacific Gas and Electric Company  
245 Market Street, Room 1051  
San Francisco, CA 94105  
Re: Land Conservation Commitment

With a copy to:

Law Department  
Pacific Gas and Electric Company  
77 Beale Street, Mail Code B30A  
San Francisco, CA 94105  
Attn: Senior Director & Lead Counsel, Corporate and  
Commercial Group (Real Estate)  
Re: Land Conservation Commitment

If to Grantee:

Placer Land Trust  
11641 Blocker Drive, Suite 220  
Auburn, CA 95603  
Attn: Executive Director

The date of any notice or communication shall be deemed to be the date of receipt if delivered personally, or the date of the receipt or refusal of delivery if transmitted by mail or overnight courier. Any party may change the address for notice by giving notice to the other party in accordance with this Section 16.

**17. Amendment.** This Easement may not be amended, except by written amendment executed by Grantor and Grantee or their respective successors and assigns and recorded in the official public records of the jurisdiction where the Property is located. If circumstances arise under which an amendment would be appropriate, any such amendment shall be consistent with Grantee's conservation easement amendment policy(ies), and the Purpose of this Easement, including continuing to protect and preserve the Beneficial Public Values, and shall not affect the perpetual duration of this Easement or the qualification of the Conservation Easement as a



conservation easement under California Civil Code §815 *et seq.* (or successor thereto). Grantee shall promptly record the amendment in the official records of the County in which the Property is located, and shall thereafter promptly provide a conformed copy of the recorded amendment to Grantor. The party requesting the amendment shall reimburse the non-requesting party for all reasonable costs incurred in connection with the drafting, review, negotiation, approval and recording of such amendment. Grantor shall be deemed to be the "party requesting the amendment" in connection with any amendment and/or new conservation easement(s) pursuant to Section 13 above and the "reasonable costs incurred" shall include consideration of whether an amendment and/or new conservation easement(s) is/are necessary or appropriate.

**18. Hazardous Substances.**

**18.1 Definitions.** The following terms have the meanings ascribed to them below for purposes of this Easement:

**18.1.1 "Environmental Requirements"** means all applicable present and future laws, statutes, regulations, rules, ordinances, codes, licenses, permits, orders, approvals, plans, authorizations, judicial, administrative and regulatory decrees, directives and judgments of all governmental agencies, departments, commissions and boards, relating to the protection of human health or safety, or regulating or relating to industrial hygiene or environmental conditions, or the protection of the environment, or pollution or contamination of the air, soil, surface water or groundwater, including, without limitation, all requirements and regulations pertaining to reporting, licensing, permitting, investigating and remediating emissions, discharges, releases or threatened releases of Hazardous Substances, whether solid, liquid or gaseous in nature, into the air, surface water, or land, or relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling of Hazardous Substances, whether solid, liquid or gaseous in nature.

**18.1.2 "Hazardous Substances"** means any hazardous or toxic material or waste which is or becomes regulated by any local governmental authority, the State of California or the United States Government under any Environmental Requirements, including, without limitation, any material or substance:

(a) now or hereafter defined as a "hazardous substance," "hazardous waste," "hazardous material," "extremely hazardous waste," "restricted hazardous waste" or "toxic substance" or words of similar import under any applicable local, state or federal law or under the regulations adopted or promulgated pursuant thereto; and all rules and regulations of the United States or California Environmental Protection Agency or any successor agency, or any other state or federal department, board or agency, or any other agency or governmental board or entity having jurisdiction, as any of the foregoing have been, or are hereafter amended from time to time; or

(b) which is toxic, explosive, corrosive, flammable, infectious, radioactive, carcinogenic, mutagenic or otherwise hazardous, and is now or hereafter regulated as a Hazardous Substance by any governmental authority, agency, department,

commission, board, agency or instrumentality of the United States, any State of the United States or any political subdivision thereof; or which cause, or are listed by the State of California as being known to the State of California to cause, cancer or reproductive toxicity; or

(c) the presence of which on the Property poses or threatens to pose a hazard to the health or safety of persons or to the environment; or

(d) which contains gasoline, diesel fuel or other petroleum hydrocarbons; or

(e) which contains lead-based paint or other lead contamination, polychlorinated biphenyls or asbestos or asbestos-containing materials or urea formaldehyde foam insulation; or

(f) which contains radon gas.

18.1.3 **"Necessary Remediation"** means Remediation required by any governmental agency which has jurisdiction over the Remediation pursuant to the Environmental Requirements.

18.1.4 **"Remediation"** refers to the process of, and all work and planning performed in connection with, the investigation, testing for, monitoring, remediation, containment, transportation, removal and disposal or recycling of Hazardous Substances from the Property and any other property to which Hazardous Substances originating on the Property have migrated or may migrate in the future, and the repair and restoration of the Property, and restoration and mitigation of affected natural resources, regardless of whether such actions are required by Environmental Requirements.

## **18.2 Allocation of Responsibility for Hazardous Substances.**

**18.2.1 Generally.** Grantor shall (as between Grantor and Grantee) bear the cost for the Necessary Remediation of Hazardous Substances.

**18.2.2 Environmental Reports.** Grantor, as part of the Land Conservation Commitment has prepared certain environmental reports concerning the Property. Copies of these environmental reports have been provided to Grantee.

**18.2.3 Grantor Responsibility for the Cost of Necessary Remediation.** Grantor shall retain responsibility for the cost of Necessary Remediation of Hazardous Substance releases in soil and groundwater, whether occurring in the past or at any time in the future, which are present on the Property, provided that Grantee did not cause, in whole or in part, such Hazardous Substance contamination.

**18.2.4 No Owner or Operator Liability.** The parties do not intend this Easement to be, and this Easement shall not be, construed such that it creates in or gives to Grantee any of the following solely as the result of being a holder of the Conservation Easement:

- (a) The obligations or liability of an "owner" or "operator" or "arranger," as those terms are defined and used in Environmental Requirements;
- (b) The obligations or liabilities of a person described in 42 U.S.C. §9607(a)(3) or (4);
- (c) The obligations of a responsible person under any applicable Environmental Requirements;
- (d) The right to investigate and remediate any Hazardous Substances associated with the Property; or
- (e) Any control over Grantor's ability to investigate, remove, remediate or otherwise clean up any Hazardous Substances associated with the Property.

### **18.3** Hazardous Substances Indemnification.

**18.3.1 By Grantor.** Grantor agrees and covenants, at its sole cost and expense, to indemnify, protect, defend and hold Grantee harmless, from and against any and all losses (including diminution in the value of the Property and other consequential damages), costs, claims, demands, actions, suits, orders, causes of action, penalties, fines, taxes, obligations, controversies, debts, expenses, accounts, damages (including, without limitation, punitive damages), judgments and liabilities of whatever kind or nature, and by whomsoever asserted, in law, equity or otherwise, including, without limitation, the actual fees and expenses of experts, attorneys and others and the payment of "response costs" under CERCLA or any other Environmental Requirements, arising from or relating, in whole or in part, to Hazardous Substances present at the Property, alleged to be present there, or otherwise connected in any way to the Property, whether before, on, or after the date of this Easement (collectively, "**Environmental Claims**"), except to the extent caused, in whole or in part, by the negligent or intentional act of Grantee.

**18.3.2 By Grantee.** Grantee agrees and covenants, at its sole cost and expense, to indemnify, protect, defend and hold Grantor harmless, from and against any and all Environmental Claims, to the extent caused, in whole or in part, by the negligent or intentional act of Grantee.

## **19.** Carbon Rights.

**19.1 Promotion of Climate Stability.** Grantor and Grantee anticipate that the protection and preservation of the Beneficial Public Values will promote climate stability, especially the ability of the forest to store atmospheric carbon as a means to mitigate global warming, which is recognized as being of public benefit by the 1993 United Nations Framework Convention on Climate Change, the federal Energy Policy Act of 1992, section 1605(a) and (b), the United States Climate Challenge Program, the

2007 reports of the International Panel on Climate Change, and California legislation such as that embodied in Fish and Game Code Section 1356.

**19.2 Reservation of Carbon Rights.** Grantor exclusively reserves to itself, and to its personal representatives, heirs, successors and assigns, any and all carbon rights and obligations appurtenant to or accruing from the Property as may exist as of the date of recordation of this Easement or as may be granted, discovered, created, declared or developed in the future, including, but not limited to, the right to (subject to and in accordance with Section 7 hereof) use, store, sequester, accumulate, and/or depreciate carbon within or on the Property and the right to trade, sell, transfer, or lease these rights. Grantor and Grantee acknowledge and agree that these carbon rights are consistent with the Beneficial Public Values, and this Easement shall not extinguish or otherwise impair the carbon rights and obligations appurtenant to or accruing from the Property.

**19.3 Carbon Certification.** In furtherance of Grantor's exercise of the carbon rights reserved hereunder, Grantor may elect to enter into an agreement not inconsistent with this Easement respecting such reserved rights as may be required by a third party that Grantor chooses ("**Carbon Certification Party**") in order to facilitate the sale, transfer or lease of the carbon rights and may record such agreement in the official records of any County where the Property is located. To the extent reasonably required by any Carbon Certification Party and requested by Grantor, Grantee, at Grantor's cost and expense, shall cooperate with Grantor by accommodating Grantor's establishment, verification or certification of the carbon rights in connection with the Property. Grantor agrees to notify Grantee at least thirty (30) days prior to any sale, transfer or lease of these carbon rights or the recording of an agreement with respect thereto, unless Grantor has previously notified Grantee in an Annual Work Plan.

## **20. General Provisions.**

**20.1 Governing Laws.** This Easement shall be governed by, and construed and enforced in accordance with, the laws of the State of California.

**20.2 No Public Dedication.** Nothing contained in this Easement shall be construed or deemed to be an express or implied dedication or gift of all or any portion of the Property for use or access by the general public nor shall this Easement or any of the rights granted hereunder be construed as an acknowledgement of any claim of prescriptive or other similar rights in or over the Property.

**20.3 Liberal Construction.** Any general rule of construction to the contrary notwithstanding, this Easement shall be liberally construed to effect the Purpose of this Easement and the policy and purpose of California Civil Code §815 *et seq.*, while recognizing Grantor's reserved rights. If any provision in this Easement is found to be ambiguous, an interpretation consistent with the Purpose of this Easement, which recognizes Grantor's reserved rights and that would render the provision valid shall be favored over any interpretation that would render it invalid.

**20.4 Further Assurances.** Each party hereto agrees to execute and deliver to the other party such further documents or instruments as may be necessary or appropriate in order to carry out the intentions of the parties as contained in this Easement.

**20.5 Severability.** If any provision of this Easement shall be unenforceable or invalid, the same shall not affect the remaining provisions of this Easement, and to this end the provisions of this Easement are intended to be and shall be severable.

**20.6 Entire Agreement.** This Easement sets forth the entire agreement of the parties with respect to the Conservation Easement and supersedes all prior discussions, negotiations, understandings, or agreements relating to the Conservation Easement, all of which are merged herein.

**20.7 No Forfeiture.** Nothing contained herein will result in a forfeiture or reversion of Grantor's title in any respect.

**20.8 Successors.** The easement created by this instrument shall be a servitude running with the land in perpetuity. The covenants, terms, conditions, and restrictions of this Easement shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors and assigns and shall run with the Property. However, this Easement shall not create or bestow any lien or property right in any third party. Grantor and Grantee agree that no third party beneficiary to this Easement exists and that nothing contained herein shall be construed as giving any person third party beneficiary status or any right of enforcement hereunder.

**20.9 Recordation.** Grantee shall promptly record this Easement in the official records of the County in which the Property is located, and shall thereafter promptly provide to Grantor a copy hereof showing the recording information. Grantee may re-record this Easement at any time as may be required to preserve its rights in this Easement.

**20.10 Termination of Rights and Obligations.** A party's rights and obligations under this Easement shall terminate only upon transfer of the party's interest in all or portions of either the Conservation Easement or the Property, except that liability for acts or omissions occurring prior to transfer shall survive the transfer.

**20.11 Attorneys' Fees.** In the event that any party shall bring an action to enforce its rights under this Easement, or relating to the interpretation hereof, whether for declaratory, injunctive or other relief, the prevailing party in any such proceeding shall be entitled to recover from the other party reasonable attorneys' fees and all costs, expenses and disbursements that the prevailing party incurred in connection with such proceeding, including appeals, remands and any other subsequent proceeding (including, but not limited to, the reasonable costs of discovery, investigation, preparation for trial, professional or expert consultation and testimony). A party shall be deemed to have prevailed in any such action (without limiting the generality of the

foregoing) if such action is dismissed upon the payment by the other party of the sums allegedly due or the performance of obligations allegedly not complied with, or if such party obtains substantially the relief sought by it in the action, irrespective of whether such action is prosecuted to judgment. The non-prevailing party shall also pay the attorneys' fees and costs incurred by the prevailing party in any post-judgment proceedings to collect and enforce the judgment. Any such fees and costs incurred prior to judgment, award, or decree may be included in any judgment, award or decree entered in such proceeding in favor of the prevailing party. Any such fees, costs and expenses incurred by the prevailing party in enforcing a judgment, award or decree in its favor shall be recoverable separately from and in addition to any other amount included in such judgment, award or decree. This provision is separate and several and shall survive the merger of this Easement into any judgment on this Easement.

**20.12 Mortgage Liens Subordinate.** No provision of this Easement is to be construed as impairing the ability of Grantor to use the Property as collateral for any loan, provided that any lien securing such loan (a "**Mortgage Lien**"), regardless of date, shall be subordinate to the terms of this Easement and Grantee's rights under this Easement. Under no circumstances may Grantee's rights be extinguished or otherwise affected by the recording, foreclosure, or any other action taken concerning any Mortgage Lien.

**20.13 Pre-Existing Water Rights.** In accordance with Section 12(e) of the Stipulation, this Easement does not impact the authority of third-party holders of water rights to exercise those rights.

**20.14 Table of Contents and Captions.** The table of contents and captions in this Easement have been inserted solely for convenience of reference and are not a part of this Easement and shall have no effect upon construction or interpretation.

**20.15 Incorporation of Recitals.** All Recitals are incorporated herein by this reference.

**20.16 List of Exhibits.** The following exhibits are attached hereto and incorporated herein by this reference:

<u>Exhibit A</u>	Property Description
<u>Exhibit B</u>	Description of Hydro Project Activities and Hydroelectric Facilities and Associated Water Delivery Facilities
<u>Exhibit C</u>	Hydro Reserved Rights
<u>Exhibit D</u>	Beneficial Public Values
<u>Exhibit E</u>	Insurance Requirements
<u>Exhibit F</u>	Prohibited Uses
<u>Exhibit G</u>	Hydro Operating Zone
<u>Exhibit H</u>	Express Third Party Uses and Third Party Use Agreements
<u>Exhibit I</u>	Expressly Permitted Uses

[20.17 Counterparts](#). This Easement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. In the event of a discrepancy between counterparts, the recorded Easement shall be controlling.

[Signature page follows]

IN WITNESS WHEREOF, Grantor has granted to Grantee, and Grantee has accepted, this Easement, and the parties mutually agree to the terms and covenants set forth above, as of the Effective Date.

GRANTOR:

PACIFIC GAS AND ELECTRIC COMPANY,  
a California corporation

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

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

GRANTEE:

PLACER LAND TRUST,  
a California non-profit public benefit  
corporation

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

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

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

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



A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

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

On \_\_\_\_\_, before me, \_\_\_\_\_, a Notary Public, 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 \_\_\_\_\_

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

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

On \_\_\_\_\_, before me, \_\_\_\_\_, a Notary Public, 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 \_\_\_\_\_

EXHIBIT A

## Legal Description of Property

**[REPLACE WITH CLEARER VERSION]****EXHIBIT "A"  
LEGAL DESCRIPTION**

THE LAND DESCRIBED HEREIN IS SITUATED IN THE STATE OF CALIFORNIA, COUNTY OF PLACER, UNINCORPORATED AREA, AND IS DESCRIBED AS FOLLOWS:

**PARCEL 1**

2310-CFR-00292

SBE 135-31-73D-4, 135-31-73D-6, 135-31-73D-5

LCP ID#0876

ALL THOSE CERTAIN PARCELS OF LAND SITUATE IN SECTIONS 23, 25, AND 26, TOWNSHIP 13 NORTH, RANGE 8 EAST, MOUNT DIABLO BASE AND MERIDIAN, AS RECORDED APRIL 3, 1915 IN BOOK 156, PAGE 267 OF DEEDS OF THE COUNTY OF PLACER, STATE OF CALIFORNIA, PARTICULARLY DESCRIBED THEREIN AS FOLLOWS:

THE SOUTHEAST ONE-QUARTER OF THE SOUTHEAST ONE-QUARTER OF SAID SECTION 23, THE NORTHWEST ONE-QUARTER OF THE NORTHWEST ONE-QUARTER OF SAID SECTION 25, AND THE NORTH ONE-HALF OF THE NORTHEAST ONE-QUARTER OF SAID SECTION 26.

EXCEPTING THEREFROM ALL THAT CERTAIN PARCEL OF LAND SITUATE IN SAID SECTION 26, AS RECORDED JUNE 7, 1867 IN BOOK "N", PAGE 378 OF DEEDS, AND RECONFIGURED AND MORE PRECISELY DESCRIBED IN BOOK 394, PAGE 398 OF OFFICIAL RECORDS OF THE SAID COUNTY OF PLACER, PARTICULARLY DESCRIBED THEREIN AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF THE NORTHEAST ONE-QUARTER OF SAID SECTION 26 AND RUNNING THENCE NORTH 89 ° 57' EAST 330.00 FEET ALONG THE NORTH LINE OF THE NORTHEAST ONE-QUARTER OF SAID SECTION 26; THENCE SOUTH 9 ° 56 1/2' EAST 648.00 FEET TO THE FILL BANK OF THE PACIFIC GAS AND ELECTRIC COMPANY'S DITCH; THENCE ALONG THE FILL BANK THE FOLLOWING COURSES AND DISTANCES:

SOUTH 66 ° 24' WEST 46.94 FEET,  
SOUTH 56 ° 02' WEST 167.35 FEET,  
SOUTH 41 ° 19' WEST 68.47 FEET,  
SOUTH 17 ° 59' WEST 66.23 FEET,  
SOUTH 6 ° 54' EAST 128.09 FEET,  
SOUTH 20 ° 56' EAST 94.79 FEET,  
SOUTH 28 ° 39' EAST 204.81 FEET,  
SOUTH 7 ° 43' WEST 54.16 FEET,  
SOUTH 87 ° 44' WEST 67.80 FEET,  
SOUTH 85 ° 17' WEST 125.37 FEET,  
SOUTH 71 ° 48' 30" WEST 156.28 FEET TO THE WEST LINE OF THE EAST HALF OF SAID SECTION 26; THENCE  
NORTH 0 ° 14 1/2' EAST 1375.56 FEET ALONG THE WEST LINE OF THE EAST HALF OF SAID SECTION 26 TO THE POINT OF BEGINNING.

ALSO EXCEPTING THEREFROM ALL THAT CERTAIN PARCEL OF LAND, DESIGNATED PARCEL NO. 1, AND SITUATE IN THE NORTHWEST ONE-QUARTER OF THE NORTHWEST ONE-QUARTER OF SAID SECTION 25, AS RECORDED OCTOBER 4, 1951 IN BOOK 596, PAGE 215 OF OFFICIAL RECORDS OF THE COUNTY OF PLACER, STATE OF CALIFORNIA, PARTICULARLY

Version 2

EXHIBIT "A"  
LEGAL DESCRIPTION continued

## DESCRIBED THEREIN AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE NORTH LINE OF THE SOUTH ONE-HALF OF THE NORTHWEST ONE-QUARTER OF SAID SECTION 25 WITH THE EAST LINE OF THE STATE HIGHWAY AS SAID HIGHWAY EXISTED IN THE YEAR 1948, DISTANT NORTH 87° 56' 30" WEST 181.12 FEET FROM ENGINEER'S STATION "A" 174+22.00 OF THE BASE LINE OF THE DEPARTMENT OF PUBLIC WORKS' 1948 SURVEY BETWEEN ONE MILE EAST OF AUBURN AND ONE MILE WEST OF APPEGATE, ROAD III-PLA-37-A, FROM WHICH POINT THE WEST ONE-QUARTER CORNER OF SAID SECTION 25 BEARS SOUTH 34° 05' 20" WEST 1595.36 FEET; THENCE SOUTH 87° 56' 30" EAST 277.38 FEET ALONG SAID NORTH LINE; THENCE NORTH 29° 16' 10" EAST 27.78 FEET LEAVING SAID NORTH LINE TO A POINT THAT IS DISTANT 80 FEET SOUTHEASTERLY, MEASURED AT RIGHT ANGLES FROM ENGINEER'S STATION 175+00.00 OF THE BASE LINE OF SAID SURVEY; THENCE NORTH 48° 50' 30" EAST 155.50 FEET; THENCE NORTH 37° 51' EAST 331.15 FEET TO A POINT THAT IS DISTANT 124.66 FEET SOUTHEASTERLY, MEASURED RADially FROM ENGINEER'S STATION 180+00.00 OF THE BASE LINE OF SAID SURVEY; THENCE NORTH 40° 23' 30" EAST 308.86 FEET; THENCE NORTH 49° 56' 30" EAST 375.45 FEET TO A POINT THAT IS DISTANT 80 FEET SOUTHEASTERLY, MEASURED AT RIGHT ANGLES FROM ENGINEER'S STATION 187+00.00 OF THE BASE LINE OF SAID SURVEY; THENCE NORTH 51° 28' EAST 1951.78 FEET RUNNING PARALLEL WITH THE BASE LINE OF SAID SURVEY; THENCE NORTH 62° 34' 10" EAST 155.79 FEET TO A POINT, THAT IS DISTANT 110 FEET SOUTHEASTERLY, MEASURED AT RIGHT ANGLES FROM ENGINEER'S STATION 208+04.65 OF THE BASE LINE OF SAID SURVEY; THENCE NORTH 51° 28' EAST 417.88 FEET RUNNING PARALLEL WITH THE BASE LINE OF SAID SURVEY TO A POINT ON THE WEST LINE OF LOT 2 OF THE SOUTHEAST ONE-QUARTER OF SAID SECTION 24; THENCE NORTH 0° 07' EAST 220.85 FEET ALONG SAID WEST LINE; THENCE SOUTH 89° 41' WEST 28.32 FEET LEAVING SAID WEST LINE AND ALONG THE SOUTHERLY LINE OF THAT CERTAIN PARCEL OF LAND ACQUIRED BY CLARENCE SIMPKINS AND ALICE E. SIMPKINS, HIS WIFE, BY DEED DATED JUNE 3, 1944, RECORDED JUNE 3, 1944 IN BOOK 446 AT PAGE 198, OFFICIAL RECORDS OF PLACER COUNTY TO A POINT, DISTANT 80.00 FEET NORTHWESTERLY MEASURED AT RIGHT ANGLES FROM ENGINEER'S STATION "A" 213+38.21 OF THE BASE LINE OF SAID SURVEY; THENCE SOUTH 51° 28' WEST 2338.31 FEET RUNNING PARALLEL WITH THE BASE LINE OF SAID SURVEY; THENCE SOUTH 73° 16' WEST 53.85 FEET TO A POINT, THAT IS DISTANT 100 FEET NORTHWESTERLY, MEASURED AT RIGHT ANGLES FROM ENGINEER'S STATION 189+50.00 OF THE BASE LINE OF SAID SURVEY; THENCE NORTH 66° 51' 10" WEST 71.14 FEET, THENCE SOUTH 70° 18' WEST 70.00 FEET, THENCE SOUTH 55° 07' 20" WEST 236.55 FEET, THENCE SOUTH 70° 18' 30" WEST 50.99 FEET, THENCE SOUTH 8° 23' EAST 60.00 FEET, THENCE NORTH 81° 37' EAST 50.00 FEET, THENCE SOUTH 8° 23' EAST 57.28 FEET TO A POINT, THAT IS DISTANT 90.25 FEET NORTHWESTERLY, MEASURED AT RIGHT ANGLES FROM ENGINEER'S STATION 185+50.00 OF THE BASE LINE OF SAID SURVEY; THENCE SOUTH 48° 51' 40" WEST 225.55 FEET; THENCE ALONG A CURVE TO THE LEFT WITH A RADIUS OF 2080 FEET, THROUGH AN ANGLE OF 17° 54' 30", A DISTANCE OF 650.12 FEET TO A POINT, THAT IS DISTANT 80 FEET NORTHWESTERLY, MEASURED AT RIGHT ANGLES FROM ENGINEER'S STATION 176+99.56 OF THE BASE LINE OF SAID SURVEY, THE CHORD OF WHICH CURVE BEARS SOUTH 42° 30' 45" WEST 647.48 FEET; THENCE

EXHIBIT "A"  
LEGAL DESCRIPTION continued

SOUTH 55° 26' 30" WEST 107.29 FEET,  
 SOUTH 46° 06' WEST 244.81 FEET,  
 NORTH 85° 30' WEST 60.00 FEET,  
 SOUTH 18° 21' 10" WEST 42.70 FEET,  
 SOUTH 87° 56' 30" EAST 70.28 FEET TO THE POINT OF BEGINNING; EXCLUDING ANY  
 PART THEREOF OUTSIDE OF SAID NORTHWEST ONE-QUARTER OF THE NORTHWEST  
 ONE-QUARTER OF SECTION 25.

ALSO EXCEPTING THEREFROM ALL THOSE CERTAIN PARCELS OF LAND DESIGNATED PARCEL 1  
 AND PARCEL 2, AND SITUATE IN THE NORTHWEST ONE-QUARTER OF THE NORTHWEST  
 ONE-QUARTER OF SAID SECTION 25, AS RECORDED JANUARY 25, 1971 IN BOOK 1358,  
 PAGE 209 OF OFFICIAL RECORDS OF THE SAID COUNTY OF PLACER, PARTICULARLY  
 DESCRIBED THEREIN AS FOLLOWS:

## PARCEL 1:

BEGINNING AT A POINT WITHIN THE BOUNDARY LINES OF THE NORTHWEST ONE-QUARTER OF  
 THE NORTHWEST ONE-QUARTER OF SECTION 25, TOWNSHIP 13 NORTH, RANGE 8 EAST,  
 MOUNT DIABLO BASE AND MERIDIAN, FROM WHICH THE NORTHWEST CORNER OF SAID  
 SECTION 25 BEARS NORTH 39° 06' 20" WEST 1477.17 FEET DISTANT, SAID POINT  
 BEING ALSO DISTANT 190.00 FEET NORTHWESTERLY FROM (MEASURED RADIALLY TO THE  
 BASE LINE) ENGINEER'S STATION "A61" 177+ 50.00 OF THE DEPARTMENT OF PUBLIC  
 WORKS SURVEY ON ROAD 03-PLA-80 FROM POST MILE 18.5 TO POSE MILE 32.2, AND  
 RUNNING THENCE FROM SAID POINT OF BEGINNING, THE FOLLOWING 7 COURSES, NAMELY:  
 NORTH 56° 10' 33" EAST 164.35 FEET; THENCE NORTH 45° 53' 29" EAST  
 188.52 FEET TO A POINT IN THE NORTHWESTERLY BOUNDARY LINE OF THE PARCEL OF  
 LAND DESCRIBED AND DESIGNATED PARCEL NO. 1 IN THE DEED FROM PACIFIC GAS AND  
 ELECTRIC COMPANY TO THE STATE OF CALIFORNIA DATED JUNE 26, 1951, AND RECORDED  
 OCTOBER 4, 1951 IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY OF PLACER  
 IN BOOK 596 OF OFFICIAL RECORDS AT PAGE 215; THENCE SOUTHWESTERLY ON A CURVE  
 TO THE LEFT ALONG THE NORTHWESTERLY BOUNDARY LINE OF SAID PARCEL OF LAND  
 DESIGNATED PARCEL NO. 1, WITH A RADIUS OF 2080.00 FEET, THROUGH A CENTRAL  
 ANGLE OF 3° 10' 02", AND TANGENT AT THE NORTHEASTERLY TERMINUS THEREOF TO  
 A LINE WHICH HAS A BEARING OF SOUTH 36° 09' 02" WEST AN ARC DISTANCE OF  
 114.98 FEET; THENCE  
 SOUTH 54° 51' 56" WEST 107.29 FEET; THENCE  
 SOUTH 45° 31' 26" WEST 244.81 FEET; THENCE  
 NORTH 86° 04' 34" WEST 1.41 FEET; THENCE  
 NORTH 28° 32' 00" EAST 119.67 FEET, MORE OR LESS, LEAVING THE  
 NORTHWESTERLY BOUNDARY LINE OF SAID PARCEL OF LAND DESIGNATED PARCEL NO. 1  
 AND RUNNING TO THE POINT OF BEGINNING.

## PARCEL 2:

BEGINNING AT A POINT WITHIN THE BOUNDARY LINES OF THE NORTHEAST ONE-QUARTER OF  
 THE NORTHWEST ONE-QUARTER OF SAID SECTION 25 FROM WHICH THE NORTHWEST  
 ONE-QUARTER OF SAID SECTION 25 BEARS NORTH 77° 31' 53" WEST 1728.69 FEET  
 DISTANT, SAID POINT BEING ALSO DISTANT 140.66 FEET NORTHWESTERLY FROM  
 (MEASURED RADIALLY TO THE BASE LINE) ENGINEER'S STATION "A61" 187+ 97.61 OF  
 SAID DEPARTMENT OF PUBLIC WORKS SURVEY, AND RUNNING THENCE FROM SAID POINT OF  
 BEGINNING THE FOLLOWING 7 COURSES, NAMELY:  
 NORTH 47° 04' 07" EAST 58.44 FEET TO A POINT IN THE NORTHWESTERLY BOUNDARY



**EXHIBIT "A"**  
**LEGAL DESCRIPTION continued**

LINE OF SAID PARCEL OF LAND DESIGNATED PARCEL NO. 1; THENCE SOUTH 8° 57' 20" EAST 54.09 FEET ALONG THE NORTHWESTERLY BOUNDARY LINE OF SAID PARCEL OF LAND DESIGNATED PARCEL NO. 1; THENCE SOUTH 48° 16' 20" WEST 225.55 FEET; THENCE SOUTHWESTERLY ON A CURVE TO THE LEFT WITH A RADIUS OF 2080.00 FEET, THROUGH A CENTRAL ANGLE OF 14° 20' 09" AND TANGENT AT THE NORTHEASTERLY TERMINUS THEREOF TO A LINE WHICH HAS A BEARING OF SOUTH 50° 53' 26" WEST AN ARC DISTANCE OF 520.43 FEET; THENCE NORTH 25° 15' 23" EAST 163.56 FEET THENCE LEAVING THE NORTHWESTERLY BOUNDARY LINE OF SAID PARCEL OF LAND DESIGNATED PARCEL NO. 1; THENCE NORTH 50° 41' 05" EAST 259.24 FEET; THENCE NORTH 42° 11' 47" EAST 306.02 FEET, MORE OR LESS, TO THE POINT OF BEGINNING; EXCLUDING ANY PART THEREOF OUTSIDE OF THE NORTHWEST ONE-QUARTER OF THE NORTHWEST ONE-QUARTER OF SAID SECTION 25.

ALSO EXCEPTING THEREFROM ALL THAT CERTAIN PARCEL OF LAND DESIGNATED PARCEL II, AND SITUATE IN THE NORTHWEST ONE-QUARTER OF THE NORTHWEST ONE-QUARTER OF SAID SECTION 25, AS RECORDED AUGUST 15, 1961 IN VOLUME 886, PAGE 692 OF OFFICIAL RECORDS OF THE SAID COUNTY OF PLACER, PARTICULARLY DESCRIBED THEREIN AS FOLLOWS:

THAT PORTION OF THE NORTH ONE-HALF OF THE NORTHWEST ONE-QUARTER OF SAID SECTION 25, LYING ON THE SOUTHEASTERLY SIDE OF THE SOUTHEASTERLY BOUNDARY LINE OF THE SAID PARCEL OF LAND DESIGNATED PARCEL NO. 1 IN THE DEED FROM PACIFIC GAS AND ELECTRIC COMPANY TO STATE OF CALIFORNIA DATED JUNE 26, 1951 AND RECORDED OCTOBER 4, 1951 IN BOOK 596, PAGE 215 OF OFFICIAL RECORDS OF THE SAID COUNTY OF PLACER; EXCLUDING ANY PART THEREOF OUTSIDE OF THE NORTHWEST ONE-QUARTER OF THE NORTHWEST ONE-QUARTER OF SAID SECTION 25.

ALSO EXCEPTING THEREFROM ALL THAT CERTAIN PARCEL OF LAND SITUATE IN THE NORTHWEST ONE-QUARTER OF THE NORTHWEST ONE-QUARTER OF SAID SECTION 25, DESIGNATED PARCEL NO. 2 IN THE DEED FROM PACIFIC GAS AND ELECTRIC COMPANY TO COUNTY OF PLACER, DATED NOVEMBER 13, 1975 AND, AS RECORDED JANUARY 15, 1976 IN BOOK 1695, PAGE 379 OF OFFICIAL RECORDS OF THE SAID COUNTY OF PLACER, MORE PARTICULARLY DESCRIBED THEREIN AS FOLLOWS:

PARCEL 2. BEGINNING AT THE MOST SOUTHERLY CORNER OF THE REAL PROPERTY DESCRIBED AND DESIGNATED PARCEL 1 IN THE SAID DEED DATED NOVEMBER 13, 1975, SAID MOST SOUTHERLY CORNER BEING A POINT IN THE EASTERLY BOUNDARY LINE OF THE NORTHWEST ONE-QUARTER OF THE NORTHWEST ONE-QUARTER OF SAID SECTION 25 AND RUNNING THENCE SOUTH 34° 44' 56" WEST 537.34 FEET; THENCE ALONG A CURVE SOUTHWESTERLY TO THE LEFT WITH A RADIUS OF 469.93 FEET, THROUGH A CENTRAL ANGLE OF 12° 51' 24" AND TANGENT AT THE SOUTHWESTERLY TERMINUS THEREOF TO THE SUCCEEDING COURSE, AN ARC DISTANCE OF 105.45 FEET; THENCE SOUTH 21° 53' 32" WEST 99.60 TO A POINT HEREIN FOR CONVENIENCE CALLED POINT A; THENCE SOUTH 21° 53' 32" WEST 17.84 FEET; THENCE SOUTH 18° 04' 40" WEST 150.31 FEET; THENCE SOUTH 20° 52' 08" WEST 148.65 FEET TO A POINT IN THE GENERAL NORTHWESTERLY BOUNDARY LINE OF THE PARCEL OF LAND DESCRIBED AND DESIGNATED PARCEL NO. 1 IN THE DEED FROM PACIFIC GAS AND ELECTRIC COMPANY TO THE STATE OF CALIFORNIA RECORDED OCTOBER 4, 1951 IN BOOK 596 OF OFFICIAL RECORDS AT PAGE 215, PLACER COUNTY RECORDS; THENCE SOUTH 17° 46' 36" WEST 55.04 FEET RUNNING ALONG SAID GENERAL NORTHWESTERLY BOUNDARY LINE TO A POINT

**EXHIBIT "A"**  
**LEGAL DESCRIPTION continued**

IN THE SOUTHERLY BOUNDARY LINE OF THE NORTHWEST ONE-QUARTER OF THE NORTHWEST ONE-QUARTER OF SAID SECTION 25; THENCE SOUTH 89° 17' 20" WEST 109.03 FEET LEAVING SAID GENERAL NORTHWESTERLY BOUNDARY LINE AND RUNNING ALONG THE SOUTHERLY BOUNDARY LINE OF THE NORTHWEST ONE-QUARTER OF THE NORTHWEST ONE-QUARTER OF SAID SECTION 25; THENCE NORTH 21° 07' 41" EAST 295.45 FEET LEAVING THE SOUTHERLY BOUNDARY LINE OF THE NORTHWEST ONE-QUARTER OF THE NORTHWEST ONE-QUARTER OF SAID SECTION 25; THENCE NORTH 24° 10' 59" EAST 200.13 FEET; THENCE NORTH 31° 09' 57" EAST 107.60 FEET; THENCE NORTH 39° 48' 11" EAST 102.74 FEET; THENCE NORTH 34° 44' 56" EAST 495.28 FEET; THENCE ALONG A CURVE NORTHEASTERLY TO THE LEFT WITH A RADIUS OF 269.96 FEET, THROUGH A CENTRAL ANGLE OF 16° 08' 13" AND TANGENT AT THE SOUTHWESTERLY TERMINUS THEREOF TO THE PRECEDING COURSE, AN ARC DISTANCE OF 76.03 FEET TO A POINT IN THE WESTERLY BOUNDARY LINE OF SAID REAL PROPERTY DESIGNATED PARCEL 1, BEING ALSO A POINT IN THE EASTERLY BOUNDARY LINE OF THE NORTHWEST ONE-QUARTER OF THE NORTHWEST ONE-QUARTER OF SAID SECTION 25; THENCE SOUTH 0° 23' 26" WEST 125.14 FEET, MORE OR LESS, RUNNING ALONG THE WESTERLY BOUNDARY LINE OF SAID REAL PROPERTY DESIGNATED PARCEL 1 TO THE POINT OF BEGINNING OF THIS DESCRIPTION.

THE BEARINGS AND DISTANCES USED IN THE ABOVE DESCRIPTION ARE BASED ON DATA DERIVED FROM THE DESCRIPTION OF SAID REAL PROPERTY DESIGNATED PARCEL 1.

A.P.N. 053-010-05-100 PORTION, 053-160-042-000 PORTION, 053-160-043-000 PORTION, 077-041-001-000

**PARCEL 2**  
2310-CFX-00285  
SBE 135-31-73D- 11  
LCP ID#0881

ALL THAT CERTAIN PARCEL OF LAND SITUATE IN SECTIONS 13 AND 24, TOWNSHIP 13 NORTH, RANGE 8 EAST, MOUNT DIABLO BASE AND MERIDIAN, AS RECORDED OCTOBER 21, 1917 IN BOOK 149, PAGE 4 OF DEEDS OF THE COUNTY OF PLACER, STATE OF CALIFORNIA, PARTICULARLY DESCRIBED THEREIN AS FOLLOWS:

BEGINNING AT A POINT FROM WHICH THE SECTION CORNER COMMON TO SECTIONS 23, 24, 13 AND 14, TOWNSHIP 13 NORTH, RANGE 8 EAST, MOUNT DIABLO BASE AND MERIDIAN BEARS SOUTH 54° 32' WEST 429.20 FEET DISTANT, THE SAID POINT BEING IN THE CENTER LINE OF CLIPPER GAP AND HOTALING ROAD, AND RUNNING THENCE SOUTH 71° 48' EAST 644.50 FEET ALONG THE CENTER LINE OF SAID ROAD; THENCE SOUTH 73° 10' EAST 391.70 FEET FURTHER ALONG THE SAID CENTER LINE OF SAID ROAD; THENCE NORTH 19° 33' EAST 704.50 FEET FURTHER ALONG THE SAID CENTER LINE OF SAID ROAD; THENCE NORTH 12° 01' 12" EAST 272.60 FEET FURTHER ALONG THE SAID CENTER LINE OF SAID ROAD; THENCE NORTH 17° 19' EAST 397.20 FEET; THENCE NORTH 88° 44' WEST 323.95 FEET; THENCE

Version 2

**EXHIBIT "A"**  
**LEGAL DESCRIPTION continued**

SOUTH 74 ° 46' WEST 185.55 FEET; THENCE  
 SOUTH 69 ° 48' WEST 296.58 FEET; THENCE  
 SOUTH 56 ° 22' WEST 329.78 FEET; THENCE  
 SOUTH 39 ° 33' WEST 328.64 FEET; THENCE  
 SOUTH 17 ° 50' WEST 434.24 FEET TO POINT OF BEGINNING.

APN 077-081-006-000 PORTION

**PARCEL 3**  
 2310-CFX-00286  
 SBE 135-31-73E-1  
 LCP ID#0882

ALL THAT CERTAIN PARCEL OF LAND SITUATE IN SECTION 13, TOWNSHIP 13 NORTH, RANGE 8 EAST, MOUNT DIABLO BASE AND MERIDIAN, AS RECORDED JULY 10, 1924 IN BOOK 204, PAGE 410 OF DEEDS OF THE COUNTY OF PLACER, STATE OF CALIFORNIA, PARTICULARLY DESCRIBED THEREIN AS FOLLOWS:

BEGINNING AT A POINT AT THE MOST SOUTHERLY CORNER OF THE CERTAIN TRACT OF LAND CONVEYED BY SARAH ELLEN STEELE TO PACIFIC GAS AND ELECTRIC COMPANY, BY DEED DATED SEPTEMBER 25, 1915, AND RECORDED SEPTEMBER 29, 1915 IN THE OFFICE OF THE COUNTY RECORDER OF PLACER COUNTY, STATE OF CALIFORNIA, IN BOOK 158 OF DEEDS, AT PAGE 499 (FROM WHICH SAID CORNER THE SOUTHWEST CORNER OF SAID SECTION 13 BEARS SOUTH 73 ° 38 3/4' WEST 1846.4 FEET DISTANT), AND RUNNING THENCE  
 NORTH 10 ° 15' WEST 85 FEET, THENCE  
 NORTH 66 ° 15' WEST 37 FEET, THENCE  
 NORTH 21 ° 15' WEST 87 FEET, THENCE  
 NORTH 18 ° 30' WEST 70 FEET, THENCE  
 NORTH 23 FEET, THENCE  
 NORTH 76 ° 30' WEST 33.6 FEET, THENCE  
 NORTH 19 ° 27 1/2' EAST 211.5 FEET, THENCE  
 SOUTH 17 ° 01' EAST 387.6 FEET; THENCE  
 SOUTH 25 ° 50' EAST 111.4 FEET, THENCE  
 SOUTH 83 ° WEST 55.2 FEET, THENCE  
 NORTH 88 ° 04 1/2' WEST 42.3 FEET, MORE OR LESS, TO THE POINT OF BEGINNING.

APN 077-081-006-000 PORTION

**PARCEL 4**  
 2310-CFX-00287  
 SBE 135-31-73E-1  
 LCP ID#0883

ALL THAT CERTAIN PARCEL OF LAND SITUATE IN SECTION 13, TOWNSHIP 13 NORTH, RANGE 8 EAST, MOUNT DIABLO BASE AND MERIDIAN, AS RECORDED SEPTEMBER 29, 1915 IN BOOK 158, PAGE 499 OF DEEDS OF THE COUNTY OF PLACER, STATE OF CALIFORNIA, PARTICULARLY DESCRIBED THEREIN AS FOLLOWS:

BEGINNING AT A POINT ON THE HOTALING AND CLIPPER GAP ROAD IN THE SOUTHEAST



Version 2

**EXHIBIT "A"**  
**LEGAL DESCRIPTION continued**

ONE-QUARTER OF THE SOUTHWEST ONE-QUARTER OF SAID SECTION 13, FROM WHICH THE CENTER OF SAID SECTION 13 BEARS NORTH 29° EAST 2205.16 FEET, AND AN OAK TREE 2 1/2 FEET IN DIAMETER IS NORTH 75° 30' WEST 16.9 FEET; AND RUNNING THENCE SOUTH 16° 30' WEST 240 FEET; THENCE SOUTH 76° 30' EAST 195 FEET; THENCE NORTH 10° 15' WEST 85 FEET; THENCE NORTH 66° 15' WEST 37 FEET, THENCE NORTH 21° 15' WEST 87 FEET; THENCE NORTH 18° 30' WEST 70 FEET; AND THENCE NORTH 76° 30' WEST 20 FEET TO THE PLACE OF BEGINNING.

ALSO ALL THAT SMALL TRIANGULAR STRIP OF LAND ADJOINING THE ABOVE SAID DESCRIPTION, DESCRIBED AS FOLLOWS:

BEGINNING AT THE EASTERN END OF THE ABOVE DESCRIBED COURSE "SOUTH 76° 30' EAST 195 FEET", THENCE SOUTHWESTERLY 35 FEET NORTH 66° 30' WEST, MORE OR LESS, 182 FEET TO THE WESTERN END OF THE SAID ABOVE DESCRIBED COURSE OF "SOUTH 76° 30' EAST 195 FEET", THENCE SOUTH 76° 30' EAST 195 ALONG SAID COURSE TO THE POINT OF BEGINNING.

APN 077-081-006-000 PORTION

**PARCEL 5**  
2310-CFX-00288  
SBE 135-31-73E-1  
LCP ID#0884

ALL THAT CERTAIN PARCEL OF LAND SITUATE IN THE SOUTHEAST ONE-QUARTER OF THE SOUTHWEST ONE-QUARTER OF SECTION 13, TOWNSHIP 13 NORTH, RANGE 8 EAST, MOUNT DIABLO BASE AND MERIDIAN, AS RECORDED OCTOBER 23, 1973 IN VOLUME 1527, PAGE 643 OF OFFICIAL RECORDS OF THE COUNTY OF PLACER, STATE OF CALIFORNIA, PARTICULARLY DESCRIBED THEREIN AS FOLLOWS:

ALL THAT PORTION OF THE PARCEL OF LAND DESCRIBED IN THE DEED FROM DAVID MERVIN KINDOPP, TRUSTEE, AND OTHERS TO MICHAEL S. MAPA AND OTHERS DATED DECEMBER 7, 1971 AND RECORDED IN A DOCUMENT RECORDED DECEMBER 21, 1971 IN BOOK 1390 OF OFFICIAL RECORDS AT PAGE 432, RECORDS OF SAID COUNTY, LYING ON THE WESTERLY SIDE OF A LINE WHICH IS PARALLEL WITH AND DISTANT 3 FEET EASTERLY FROM (MEASURED AT A RIGHT ANGLE TO) THE TOP OF THE BANK OR TOE OF THE FILL ON THE UPHILL (EASTERLY) SIDE OF IRON MINE DITCH, WHICH EXTENDS BEYOND THE BOUNDARY LINES OF SAID DOCUMENT .

THE DESCRIPTION OF THE TWO WESTERLY LINES OF THE PARCEL OF LAND FROM SAID BOOK 1390, PAGE 432 OF OFFICIAL RECORDS, ALONG WHICH THE SUBJECT PARCEL IS TAKEN IS AS FOLLOWS:

BEGINNING AT AN IRON PIN 3/4 INCHES IN DIAMETER, FROM WHICH POINT OF BEGINNING THE SECTION CORNER COMMON TO SECTIONS 13, 14, 23 AND 24, SAID TOWNSHIP AND RANGE, BEARS THE FOLLOWING FOUR COURSES:

EXHIBIT "A"  
LEGAL DESCRIPTION continued

NORTH 02 ° 11' EAST A DISTANCE OF 33.65 FEET; THENCE  
SOUTH 86 ° 43' WEST A DISTANCE OF 170.61 FEET; THENCE  
NORTH 25 ° 50' WEST A DISTANCE OF 111.40 FEET AND THENCE SOUTH 71 °  
02' WEST A DISTANCE OF 1924.66 FEET; SAID POINT OF BEGINNING ALSO BEING AN  
ANGLE POINT ON THE WESTERLY BOUNDARY OF THAT CERTAIN PARCEL OF LAND CONVEYED  
TO KINDOPP BY DEED AS RECORDED FEBRUARY 28, 1968 IN VOLUME 1189 OF OFFICIAL  
RECORDS AT PAGE 9 IN THE OFFICE OF THE PLACER COUNTY RECORDER; FROM SAID  
POINT OF BEGINNING THE SAID WESTERLY BOUNDARY RUNS ALONG THE EASTERLY SIDE OF  
THE IRON MINE DITCH SOUTH 2 ° 11' WEST 192.15 FEET; THENCE SOUTH 26 °  
19' EAST 390.00 FEET CONTINUING ALONG THE EASTERLY SIDE OF IRON MINE DITCH TO  
THE SOUTHWESTERLY CORNER OF THE PARCEL OF LAND DESCRIBED IN SAID VOLUME 1390,  
PAGE 432 OF OFFICIAL RECORDS.

APN 077-081-006-000 PORTION

PARCEL 6  
2310-CFX-00289  
SBE 135-31-73E-1  
LCP ID#0885

ALL THAT CERTAIN PARCEL OF LAND SITUATE IN SECTION 13 AND SECTION 24, TOWNSHIP  
13 NORTH, RANGE 8 EAST, MOUNT DIABLO BASE AND MERIDIAN, AS RECORDED MARCH 28,  
1913 IN BOOK 137, PAGE 319 OF DEEDS OF THE COUNTY OF PLACER, STATE OF  
CALIFORNIA, PARTICULARLY DESCRIBED THEREIN AS FOLLOWS:

THE SOUTHWEST ONE-QUARTER OF SAID SECTION 13 AND THE NORTHWEST ONE-QUARTER OF  
SAID SECTION 24.

LESS AND EXCEPT THEREFROM THE FOLLOWING 6 PORTIONS THEREOF CONVEYED TO  
DIFFERENT PERSONS BY DEEDS RECORDED IN THE RECORDS OF PLACER COUNTY,  
CALIFORNIA, AS FOLLOWS:

(1) ALL THAT CERTAIN PARCEL OF LAND SITUATE IN SAID SOUTHWEST ONE-QUARTER OF  
SAID SECTION 13 AND SAID NORTHWEST ONE-QUARTER OF SAID SECTION 24, AS  
RECORDED APRIL 30, 1890 IN BOOK 54, PAGE 508 OF DEEDS OF SAID COUNTY,  
PARTICULARLY DESCRIBED THEREIN AS FOLLOWS:

BOUNDED AS FOLLOWS: ON THE WEST BY THE PREMISES KNOWN AS TYLER BROTHERS RANCH;  
ON THE NORTH BY PREMISES KNOWN AS SEVI SMITHS RANCH; ON THE EAST BY PREMISES  
KNOWN AS THE IRON COMPANY'S LAND, AND ON THE SOUTH BY THE PUBLIC ROAD LEADING  
FROM HOTALING TO CLIPPER GAP, THE WHOLE BEING A PART OF THE BANCROFT RANCH.

(2) ALL THAT CERTAIN PARCEL OF LAND SITUATE IN SAID NORTHWEST ONE-QUARTER OF  
SAID SECTION 24, AS RECORDED JANUARY 9, 1891 IN BOOK 55, PAGE 714 AND  
RECORDED APRIL 25, 1891 IN BOOK 77, PAGE 212 OF DEEDS OF SAID COUNTY,  
PARTICULARLY DESCRIBED THEREIN AS FOLLOWS:

BEGINNING AT THE SOUTHEAST CORNER OF THE NORTHWEST ONE-QUARTER OF SAID SECTION  
24, THENCE RUNNING NORTH 80 RODS, MORE OR LESS, TO A ROAD KNOWN AS THE SCOTT

EXHIBIT "A"  
LEGAL DESCRIPTION continued

MINE ROAD. THENCE IN A WESTERLY DIRECTION ALONG THE LINE OF SAID ROAD TO THE POINT WHERE SAID ROAD INTERSECTS THE AUBURN AND HOTALING ROAD. THENCE FOLLOWING SAID ROAD IN A SOUTHERLY DIRECTION TO WHERE SAID ROAD CROSSES THE DIVISION LINE BETWEEN THE NORTHWEST ONE-QUARTER AND THE SOUTHWEST ONE-QUARTER OF SAID SECTION 24. THENCE EAST TO THE POINT OF BEGINNING.

(3) ALL THAT CERTAIN PARCEL OF LAND SITUATE IN SAID SOUTHWEST ONE-QUARTER OF SAID SECTION 13, AS RECORDED OCTOBER 10, 1892 IN BOOK 61, PAGE 104 OF DEEDS OF SAID COUNTY, PARTICULARLY DESCRIBED THEREIN AS FOLLOWS:

BOUNDED ON THE EAST AND NORTH BY LAND OWNED BY CALIFORNIA IRON AND STEEL COMPANY, ON THE WEST BY COUNTY ROAD, ON THE SOUTH BY LAND OWNED BY S. A. H. BANCROFT.

(4) ALL THAT CERTAIN PARCEL OF LAND SITUATE IN SAID SOUTHWEST ONE-QUARTER OF SAID SECTION 13 AND SAID NORTHWEST ONE-QUARTER OF SAID SECTION 24, AS RECORDED OCTOBER 10, 1892 IN BOOK 61, PAGE 105 OF DEEDS OF SAID COUNTY, PARTICULARLY DESCRIBED THEREIN AS FOLLOWS:

COMMENCING AT THE CORNER WHERE THE ROAD BELONGING TO THE CALIFORNIA IRON AND STEEL COMPANY COMES INTO THE COUNTY ROAD HEADING TO HOTALING. THENCE IN A WESTERLY DIRECTION TO DOOR YARD FENCE OWNED BY S.A. H. BANCROFT. THENCE IN A NORTHERLY DIRECTION TO DITCH OWNED BY SOUTH YUBA COMPANY. THENCE IN AN EASTERLY DIRECTION ALONG SAID DITCH TO THE LAND OWNED BY CALIFORNIA IRON AND STEEL COMPANY. THENCE IN A SOUTHERLY DIRECTION TO PLACE OF BEGINNING.

(5) ALL THAT CERTAIN PARCEL OF LAND SITUATE IN SAID NORTHWEST ONE-QUARTER OF SAID SECTION 24, AS RECORDED DECEMBER 18, 1915 IN BOOK 67, PAGE 606 OF DEEDS OF SAID COUNTY, DESCRIBED THEREIN AS FOLLOWS:

BEGINNING AT A POINT IN THE IRON MINE DITCH WHERE BANCROFT'S EAST FENCE LINE INTERSECTS SAID DITCH AND FROM WHICH THE NORTHEAST CORNER OF THE SOUTHEAST ONE-QUARTER OF THE NORTHWEST ONE-QUARTER OF SAID SECTION 24 BEARS SOUTH 646 FEET DISTANT AND RUNNING THENCE ALONG SAID FENCE (VAR. 17 ° EAST)

NORTH 2 ° EAST 131 FEET; THENCE  
NORTH 6 ° EAST 103 FEET; THENCE  
NORTH 16 ° EAST 137 FEET; THENCE  
NORTH 22 ° EAST 131 FEET; THENCE  
NORTH 27 ° EAST 103 FEET; THENCE  
NORTH 16 ° EAST 100 FEET; THENCE  
NORTH 8 ° EAST 206 FEET; THENCE  
NORTH 6 ° WEST 384 FEET; THENCE  
SOUTH 76 ° WEST 164 FEET; THENCE  
NORTH 3 ° WEST 209 FEET; THENCE  
NORTH 1 ° EAST 354 FEET TO HOTALING AND CLIPPER GAP ROAD; THENCE  
SOUTH 73 ° WEST 961 FEET ALONG SAID ROAD; THENCE  
SOUTH 17 ° WEST 670 FEET ALONG SAID ROAD; THENCE  
SOUTH 76 ° EAST 195 FEET TO THE IRON MINE DITCH; THENCE  
SOUTH 80 ° EAST 67 FEET ALONG SAID DITCH; THENCE  
NORTH 83 ° EAST 195 FEET ALONG SAID DITCH; THENCE



EXHIBIT "A"  
LEGAL DESCRIPTION continued

SOUTH 3 ° WEST 226 FEET ALONG SAID DITCH; THENCE  
SOUTH 25 ° EAST 446 FEET ALONG SAID DITCH; THENCE  
SOUTH 32 ° EAST 337 FEET ALONG SAID DITCH; THENCE  
SOUTH 46 ° EAST 326 FEET TO PLACE OF BEGINNING.

(6) ALL THAT CERTAIN PARCEL OF LAND SITUATE IN SAID NORTHWEST ONE-QUARTER OF SAID SECTION 24, AS RECORDED OCTOBER 17, 1898 IN BOOK 70, PAGE 284 OF DEEDS OF SAID COUNTY, AND DESCRIBED MORE PRECISELY IN A DOCUMENT FILED IN THE RECORDS OF THE PACIFIC GAS AND ELECTRIC COMPANY AS LD 2113-08-0211, PARTICULARLY DESCRIBED THEREIN AS FOLLOWS:

BEGINNING AT A POINT IN THE NORTHWEST ONE-QUARTER OF SAID SECTION 24, FROM WHICH THE NORTHWEST CORNER OF SAID SECTION 24 BEARS NORTH 54 ° 25' WEST 1696.63 FEET DISTANT, AND RUNNING THENCE  
SOUTH 4 ° 16' EAST 624.32 FEET; THENCE  
SOUTH 88 ° 39' EAST 653.36 FEET TO A POINT IN THE WESTERLY BOUNDARY LINE OF A COUNTRY ROAD; THENCE  
NORTH 9 ° 41 1/2' EAST 290.06 FEET; THENCE  
NORTH 14 ° 44' WEST 230.84 FEET; THENCE  
NORTH 11 ° 17' WEST 181.85 FEET; THENCE  
SOUTH 85 ° 40' WEST 656.11 FEET, MORE OR LESS, TO THE POINT OF BEGINNING;  
BEING THE PARCEL OF LAND BOUNDED ON THE EAST BY THE WESTERLY BOUNDARY LINE OF THE COUNTY ROAD EXTENDING NORTHERLY AND SOUTHERLY ACROSS THE NORTHWEST ONE-QUARTER OF SAID SECTION 24, AND ON THE NORTH, WEST AND SOUTH BY THE PARCEL OF LAND CONVEYED BY JESSIE A. ADAMS AND HUSBAND TO PACIFIC GAS AND ELECTRIC COMPANY BY DEED DATED MARCH 5, 1913, AND RECORDED MARCH 22, 1913 IN BOOK 137, PAGE 319 OF DEEDS OF SAID COUNTY OF PLACER.

ALSO LESS AND EXCEPT ALL THAT CERTAIN PARCEL OF LAND SITUATE IN THE SOUTHWEST ONE-QUARTER OF THE SOUTHWEST ONE-QUARTER OF SAID SECTION 13, AS RECORDED NOVEMBER 2, 1976 IN BOOK 1778, PAGE 40 OF OFFICIAL RECORDS OF SAID COUNTY, PARTICULARLY DESCRIBED THEREIN AS FOLLOWS:

THAT PORTION OF SAID SECTION 13, CONVEYED BY JESSIE A. ADAMS AND HUSBAND TO PACIFIC GAS AND ELECTRIC COMPANY BY DEED DATED MARCH 5, 1913 AND RECORDED MARCH 22, 1913 IN BOOK 137 OF DEEDS AT PAGE 319, PLACER COUNTY RECORDS, BOUNDED ON THE NORTHEASTERLY SIDE BY THE NORTHERLY BOUNDARY LINE OF THE PARCEL OF LAND CONVEYED BY SAID DEED DATED MARCH 5, 1913, SAID NORTHERLY BOUNDARY LINE BEING THE CENTERLINE OF THE PUBLIC ROAD LEADING FROM HOTALING TO CLIPPER GAP AS IT EXISTED ON MARCH 5, 1913, BOUNDED ON THE EASTERLY SIDE BY THE SOUTHERLY PROLONGATION OF A COURSE IN THE BOUNDARY LINE OF THE PARCEL OF LAND DESCRIBED AND DESIGNATED PARCEL III IN THE FINAL ORDER OF CONDEMNATION, WHEREIN PACIFIC GAS AND ELECTRIC COMPANY IS PLAINTIFF, DATED OCTOBER 20, 1913 AND RECORDED OCTOBER 25, 1913 IN BOOK 149 OF DEEDS AT PAGE 4, PLACER COUNTY RECORDS, WHICH COURSE ACCORDING TO THE DESCRIPTION CONTAINED IN SAID FINAL ORDER OF CONDEMNATION DATED OCTOBER 20, 1913 HAS A BEARING OF SOUTH 17 ° 50' WEST AND A LENGTH OF 434.24 FEET, AND BOUNDED ON THE SOUTHWESTERLY SIDE BY THE CENTERLINE OF THE COUNTY ROAD KNOWN AS CHRISTIAN VALLEY ROAD AS IT EXISTS AT THE TIME OF EXECUTION OF THIS INSTRUMENT (OCTOBER 12, 1976).

EXHIBIT "A"  
LEGAL DESCRIPTION continued

EXCEPTING THEREFROM ALL THAT CERTAIN PARCEL OF LAND SITUATE IN THE WEST ONE-HALF OF SAID SECTION 24 AS RECORDED OCTOBER 22, 1979 IN BOOK 2184, PAGE 564 OF OFFICIAL RECORDS OF SAID COUNTY OF PLACER, PARTICULARLY DESCRIBED THEREIN AS FOLLOWS:

BEGINNING AT A POINT IN A LINE WHICH IS PARALLEL WITH AND DISTANT 50 FEET EASTERLY FROM (MEASURED AT A RIGHT ANGLE TO) THE CENTER LINE OF THE PACIFIC GAS AND ELECTRIC COMPANY'S EXISTING PENSTOCK TRAVERSING THE SOUTHWEST ONE-QUARTER OF SECTION 24, TOWNSHIP 13 NORTH, RANGE 8 EAST, MOUNT DIABLO BASE AND MERIDIAN, AND RUNNING THENCE ALONG SAID PARALLEL LINE. NORTHERLY ON A CURVE TO THE LEFT WITH A RADIUS OF 450.00 FEET, THROUGH A CENTRAL ANGLE OF 19° 30' 00" AND TANGENT AT THE NORTHERLY TERMINUS THEREOF TO THE SUCCEEDING COURSE, AN ARC DISTANCE OF 153.15 FEET; THENCE NORTH 27° 11' 46" WEST 96.94 FEET; THENCE NORTHERLY ON A CURVE TO THE RIGHT WITH A RADIUS OF 350.00 FEET, THROUGH A CENTRAL ANGLE OF 47° 19' 49" AND TANGENT AT THE SOUTHERLY TERMINUS THEREOF TO THE PRECEDING COURSE, AN ARC DISTANCE OF 289.12 FEET; THENCE NORTH 20° 08' 03" EAST 190.11 FEET; THENCE NORTHEASTERLY ON A CURVE TO THE RIGHT WITH A RADIUS OF 350.00 FEET, THROUGH A CENTRAL ANGLE OF 10° 31' 50" AND TANGENT AT THE SOUTHWESTERLY TERMINUS THEREOF TO THE PRECEDING COURSE, AN ARC DISTANCE OF 64.33 FEET; THENCE NORTH 30° 39' 53" EAST 474.59 FEET; THENCE LEAVING SAID PARALLEL LINE EAST 331.77 FEET; THENCE SOUTH 74.72 FEET TO A POINT HEREIN FOR CONVENIENCE CALLED POINT "A"; THENCE CONTINUING SOUTH 827.61 FEET; THENCE SOUTH 65° 32' 31" WEST 614.66 FEET, MORE OR LESS, TO THE POINT OF BEGINNING, SAID POINT OF BEGINNING BEARS NORTH 9° 27' 37" EAST 1523.53 FEET DISTANT FROM THE FOUND 2-INCH CAPPED IRON PIPE SHOWN UPON THE MAP FILED FOR RECORD SEPTEMBER 16, 1974 IN BOOK 6 OF PARCEL MAPS AT PAGE 20, PLACER COUNTY RECORDS, AS MARKING THE SOUTHWEST CORNER OF SAID SECTION 24; BEING A PORTION OF THE WEST HALF OF SAID SECTION 24.

THE BEARINGS AND DISTANCES USED IN THE ABOVE DESCRIPTION ARE BASED ON DATA DERIVED FROM SAID MAP.

APN 077-060-023-000 PORTION & 077-081-006-000 PORTION

**PARCEL 7**  
2310-CFX-00290  
SBE 135-31-73E-1  
LCP ID#0886

ALL THAT CERTAIN PARCEL OF LAND SITUATE IN SECTIONS 13 AND 24, TOWNSHIP 13 NORTH, RANGE 8 EAST, MOUNT DIABLO BASE AND MERIDIAN, AS RECORDED JULY 7, 1926 IN BOOK 263, PAGE 117 OF OFFICIAL RECORDS OF THE COUNTY OF PLACER, STATE OF CALIFORNIA, PARTICULARLY DESCRIBED THEREIN AS FOLLOWS:

THE NORTHWEST ONE-QUARTER OF THE NORTHEAST ONE-QUARTER, THE NORTHEAST ONE-QUARTER OF THE SOUTHWEST ONE-QUARTER AND THE NORTHWEST ONE-QUARTER OF THE SOUTHEAST ONE-QUARTER OF SAID SECTION 24, AND ALSO ALL THAT PORTION OF THE NORTHWEST ONE-QUARTER OF SAID SECTION 24 AND THE SOUTHWEST ONE-QUARTER OF SAID SECTION 13, BOUNDED BY A LINE WHICH BEGINS AT A POINT IN THE EASTERLY BOUNDARY LINE OF THE SAID NORTHWEST ONE-QUARTER OF SAID SECTION 24, FROM

EXHIBIT "A"  
LEGAL DESCRIPTION continued

WHICH THE NORTHEAST CORNER OF SAID SECTION 24, BEARS NORTH 71 ° 01 3/4' EAST 2154.2 FEET DISTANT, AND RUNS THENCE SOUTH 1 ° 11' 30" WEST, 1945.0 FEET ALONG THE EASTERLY BOUNDARY LINE OF THE NORTHWEST ONE-QUARTER OF SAID SECTION 24, TO THE SOUTHEAST CORNER OF THE NORTHWEST ONE-QUARTER OF SAID SECTION 24; THENCE SOUTH 89 ° 27' WEST 346.9 FEET ALONG THE SOUTHERLY BOUNDARY LINE OF SAID NORTHWEST ONE-QUARTER OF SECTION 24, TO A POINT IN THE COUNTY ROAD; THENCE NORTH 10 ° 34' EAST 70.1 FEET; THENCE NORTH 2 ° 30 1/2' EAST 174.3 FEET; THENCE NORTH 19 ° 40 1/2' WEST 99.7 FEET; THENCE NORTH 46 ° 06 1/2' WEST 134.0 FEET; THENCE NORTH 61 ° 40' WEST 173.7 FEET; THENCE NORTH 1 ° 21' EAST 122.4 FEET; THENCE NORTH 8 ° 42' EAST 240.0 FEET; THENCE NORTH 10 ° 20' EAST 374.3 FEET; THENCE NORTH 22 ° 40' WEST 122.8 FEET; THENCE NORTH 11 ° 44 1/2' WEST 419.1 FEET; THENCE NORTH 27 ° 13 1/2' WEST 225.7 FEET; THENCE NORTH 30 ° 32' WEST 108.4 FEET; THENCE NORTH 39 ° 16 1/2' WEST 353.0 FEET; THENCE NORTH 58 ° 42' WEST 123.1 FEET; THENCE NORTH 27 ° 54' EAST 792.7 FEET; THENCE NORTH 78 ° 33 1/2' EAST 48.0 FEET; THENCE SOUTH 77 ° 24 1/2' EAST 79.4 FEET; THENCE SOUTH 29 ° 47' EAST 48.3 FEET; THENCE SOUTH 10 ° 55' WEST 80.7 FEET; THENCE SOUTH 138.6 FEET; THENCE SOUTH 16 ° 30' EAST 61.2 FEET; THENCE SOUTH 22 ° 41' EAST 67.6 FEET; THENCE SOUTH 59 ° 55 1/2' EAST 59.4 FEET; THENCE SOUTH 37 ° 41' EAST 50.2 FEET; THENCE SOUTH 13 ° 20' EAST 109.0 FEET; THENCE SOUTH 29 ° 01' EAST 171.1 FEET; THENCE SOUTH 34 ° 49' EAST 198.8 FEET; THENCE SOUTH 40 ° 59 1/2' EAST 119.1 FEET; THENCE SOUTH 49 ° 06' EAST 147.7 FEET; THENCE SOUTH 43 ° 04 1/2' EAST 97.9 FEET; THENCE SOUTH 76 ° 56 1/2' EAST 58.3 FEET, MORE OR LESS, TO THE POINT OF BEGINNING AND CONTAINING THAT CERTAIN TRACT OF LAND CONVEYED BY S. A. H. BANCROFT TO JAMES L. BANCROFT BY DEED DATED SEPTEMBER 27, 1892 AND RECORDED OCTOBER 10, 1892 IN BOOK 61 OF DEEDS, AT PAGE 105, RECORDS OF SAID PLACER COUNTY AND OTHER LANDS.

EXCEPTING THEREFROM THAT CERTAIN PORTION IN THE NORTHWEST ONE-QUARTER OF SAID SECTION 24, CONVEYED BY JAMES L. BANCROFT TO NELLIE S. YOUNG BY DEED DATED AUGUST 8, 1917, AND RECORDED AUGUST 22, 1917 IN BOOK 106 OF DEEDS, AT PAGE 266, RECORDS OF SAID PLACER COUNTY, PARTICULARLY DESCRIBED THEREIN AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF THE NORTHEAST ONE-QUARTER OF SAID SECTION 24; THENCE



Version 2

EXHIBIT "A"  
LEGAL DESCRIPTION continued

NORTH 430 FEET; THENCE  
WEST 260 FEET; THENCE  
SOUTH 430 FEET; THENCE  
EAST 260 FEET TO THE POINT OF BEGINNING.

ALSO EXCEPTING THEREFROM THAT CERTAIN PORTION OF THE NORTHWEST ONE-QUARTER OF THE FRACTIONAL SOUTHEAST ONE-QUARTER OF SAID SECTION 24, CONVEYED BY JAMES L. BANCROFT TO LUCY A. BISHOP BY DEED DATED SEPTEMBER 11, 1925, AND RECORDED OCTOBER 5, 1925 IN BOOK 219 OF OFFICIAL RECORDS, AT PAGE 416, RECORDS OF SAID PLACER COUNTY, PARTICULARLY DESCRIBED THEREIN AS FOLLOWS:

BEGINNING AT THE SOUTHEAST CORNER OF THE NORTHWEST ONE-QUARTER OF THE FRACTIONAL SOUTHEAST ONE-QUARTER OF SAID SECTION 24, FROM WHICH POINT A CONCRETE POST IN THE NORTHWESTERLY LINE OF THE STATE HIGHWAY, SET OPPOSITE STATION 226+43.9 BEARS SOUTH 43 ° 17' WEST 58.5 FEET; THENCE  
SOUTH 89 ° 36' WEST 660.0 FEET; THENCE  
NORTH 0 ° 43' WEST 330.0 FEET; THENCE  
NORTH 89 ° 36' EAST 660.0 FEET; THENCE  
SOUTH 0 ° 43' EAST 330.0 FEET TO THE POINT OF BEGINNING, AND FURTHER DESCRIBED AS BEING THE SOUTH ONE-HALF OF THE SOUTHEAST ONE-QUARTER OF THE NORTHWEST ONE-QUARTER OF THE FRACTIONAL SOUTHEAST ONE-QUARTER OF SAID SECTION 24.

APN 077-050-056-000 PORTION, 077-060-023-000 PORTION, 077-081-006-000 PORTION,  
077-050-057-000 PORTION

**PARCEL 8**  
2310-CFX-00291  
SBE 135-31-73E-1  
LCP ID#0887

ALL THAT CERTAIN PARCEL OF LAND SITUATE IN SECTION 24, TOWNSHIP 13 NORTH, RANGE 8 EAST, MOUNT DIABLO BASE AND MERIDIAN, AS RECORDED OCTOBER 10, 1913 IN BOOK 143, PAGE 116 OF DEEDS OF THE COUNTY OF PLACER, STATE OF CALIFORNIA, PARTICULARLY DESCRIBED THEREIN AS FOLLOWS:

THE WEST ONE-HALF OF THE SOUTHWEST ONE-QUARTER OF SAID SECTION 24.

EXCEPTING THEREFROM ALL THAT CERTAIN PARCEL OF LAND SITUATE IN THE WEST ONE-HALF OF SAID SECTION 24 AS RECORDED OCTOBER 22, 1979 IN BOOK 2184, PAGE 564 OF OFFICIAL RECORDS OF SAID COUNTY OF PLACER, PARTICULARLY DESCRIBED THEREIN AS FOLLOWS:

BEGINNING AT A POINT IN A LINE WHICH IS PARALLEL WITH AND DISTANT 50 FEET EASTERLY FROM (MEASURED AT A RIGHT ANGLE TO) THE CENTER LINE OF THE PACIFIC GAS AND ELECTRIC COMPANY'S EXISTING PENSTOCK TRAVERSING THE SOUTHWEST ONE-QUARTER OF SECTION 24, TOWNSHIP 13 NORTH, RANGE 8 EAST, MOUNT DIABLO BASE AND MERIDIAN, AND RUNNING THENCE ALONG SAID PARALLEL LINE. NORTHERLY ON A CURVE TO THE LEFT WITH A RADIUS OF 450.00 FEET, THROUGH A CENTRAL ANGLE OF 19 30' 00" AND TANGENT AT THE NORTHERLY TERMINUS THEREOF TO THE SUCCEEDING

EXHIBIT "A"  
LEGAL DESCRIPTION *continued*

COURSE, AN ARC DISTANCE OF 153.15 FEET; THENCE NORTH 27 ° 11' 46" WEST 96.94 FEET; THENCE NORTHERLY ON A CURVE TO THE RIGHT WITH A RADIUS OF 350.00 FEET, THROUGH A CENTRAL ANGLE OF 47 ° 19' 49" AND TANGENT AT THE SOUTHERLY TERMINUS THEREOF TO THE PRECEDING COURSE, AN ARC DISTANCE OF 289.12 FEET; THENCE NORTH 20 ° 08' 03" EAST 190.11 FEET; THENCE NORTHEASTERLY ON A CURVE TO THE RIGHT WITH A RADIUS OF 350.00 FEET, THROUGH A CENTRAL ANGLE OF 10 ° 31' 50" AND TANGENT AT THE SOUTHWESTERLY TERMINUS THEREOF TO THE PRECEDING COURSE, AN ARC DISTANCE OF 64.33 FEET; THENCE NORTH 30 ° 39' 53" EAST 474.59 FEET; THENCE LEAVING SAID PARALLEL LINE EAST 331.77 FEET; THENCE SOUTH 74.72 FEET TO A POINT HEREIN FOR CONVENIENCE CALLED POINT "A"; THENCE CONTINUING SOUTH 827.61 FEET; THENCE SOUTH 65 ° 32' 31" WEST 614.66 FEET, MORE OR LESS, TO THE POINT OF BEGINNING, SAID POINT OF BEGINNING BEARS NORTH 9 ° 27' 37" EAST 1523.53 FEET DISTANT FROM THE FOUND 2-INCH CAPPED IRON PIPE SHOWN UPON THE MAP FILED FOR RECORD SEPTEMBER 16, 1974 IN BOOK 6 OF PARCEL MAPS AT PAGE 20, PLACER COUNTY RECORDS, AS MARKING THE SOUTHWEST CORNER OF SAID SECTION 24; BEING A PORTION OF THE WEST HALF OF SAID SECTION 24.

THE BEARINGS AND DISTANCES USED IN THE ABOVE DESCRIPTION ARE BASED ON DATA DERIVED FROM SAID MAP.

ALSO EXCEPTING THEREFROM ALL THAT CERTAIN PARCEL OF LAND SITUATE IN THE WEST ONE-HALF OF THE SOUTHWEST ONE-QUARTER OF SECTION 24, TOWNSHIP 13 NORTH, RANGE 8 EAST, MOUNT DIABLO BASE AND MERIDIAN, AS RECORDED AUGUST 9, 1991 IN DOCUMENT 91-048429 OF OFFICIAL RECORDS OF THE SAID COUNTY OF PLACER, PARTICULARLY DESCRIBED THEREIN AS FOLLOWS:

BEGINNING AT THE SOUTHEAST CORNER OF THE PARCEL OF LAND DESCRIBED IN THE DEED FROM PACIFIC GAS AND ELECTRIC COMPANY TO PLACER COUNTY WATER AGENCY DATED SEPTEMBER 14, 1979 AND RECORDED OCTOBER 22, 1979 IN BOOK 2184, PAGE 564 OF OFFICIAL RECORDS OF THE SAID COUNTY OF PLACER; THENCE SOUTH 299.00 FEET RUNNING ALONG THE SOUTHERLY PROJECTION OF THE EASTERLY BOUNDARY LINE OF THE PARCEL OF LAND DESCRIBED IN SAID DEED DATED SEPTEMBER 14, 1979; THENCE WEST 179.50 FEET LEAVING SAID SOUTHERLY PROJECTION; THENCE SOUTH 250.48 FEET; THENCE WEST 394.28 FEET; THENCE NORTH 7 ° 02' 51" EAST 63.67 FEET TO A POINT DISTANT 51 FEET EASTERLY AT A RIGHT ANGLE TO THE CENTERLINE OF PACIFIC GAS AND ELECTRIC COMPANY'S EXISTING PENSTOCK TO HALSEY AFTERBAY; THENCE NORTH 7 ° 02' 51" EAST 244.35 FEET CONTINUING ALONG A LINE PARALLEL WITH SAID CENTERLINE TO A POINT IN THE SOUTHERLY BOUNDARY LINE OF THE PARCEL OF LAND DESCRIBED IN SAID DEED DATED SEPTEMBER 14, 1979; THENCE NORTH 65 ° 32' 31" EAST 588.83 FEET, MORE OR LESS, LEAVING SAID PARALLEL LINE AND RUNNING ALONG SAID SOUTHERLY BOUNDARY LINE TO SAID POINT OF BEGINNING.

ALSO EXCEPTING THEREFROM ALL THAT PORTION AS CONDEMNED TO PLACER COUNTY WATER AGENCY IN INSTRUMENT RECORDED MAY 20, 2011 AS DOCUMENT NO. 2011-0039287 OFFICIAL RECORDS DESCRIBED AS FOLLOWS:

A PORTION OF LAND DESCRIBED IN THE TWO GRANT DEEDS TO PACIFIC GAS AND ELECTRIC COMPANY, RECORDED APRIL 10, 1913 IN VOLUME 143 OF DEEDS AT PAGE 116, APRIL 5, 1913 AND VOLUME 260 OFFICIAL RECORDS OF PLACER COUNTY AT PAGE 496, JUNE 1,



EXHIBIT "A"  
LEGAL DESCRIPTION continued

1928; LOCATED IN THE SOUTHWEST ONE-QUARTER OF SECTION 24, TOWNSHIP 13 NORTH, RANGE 8 EAST, MOUNT DIABLO BASELINE AND MERIDIAN, PLACER COUNTY, CALIFORNIA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF THE TRACT OF LAND GRANTED TO PLACER COUNTY WATER AGENCY RECORDED OCTOBER 22, 1979 IN BOOK 2184 OFFICIAL RECORDS AT PAGE 564 AND AS SHOWN AND ILLUSTRATED ON THE RECORD OF SURVEY FILED FEBRUARY 4, 1992 IN BOOK 12 OF SURVEYS AT PAGE 127, PLACER COUNTY RECORDS. THENCE FROM SAID POINT OF COMMENCEMENT, SOUTH ALONG THE EAST LINE FOR A DISTANCE OF 750.82 FEET TO THE POINT OF BEGINNING OF THIS DESCRIPTION; THENCE LEAVING SAID EAST LINE, EAST FOR A DISTANCE OF 255.79 FEET; THENCE SOUTH 53° 16'38" EAST FOR A DISTANCE OF 147.53 FEET; THENCE SOUTH 36° 43'22" WEST FOR A DISTANCE OF 452.00 FEET; THENCE WEST FOR A DISTANCE OF 103.77 FEET TO THE EAST-SOUTHEASTERLY MOST CORNER OF THE TRACT OF LAND TO PLACER COUNTY WATER AGENCY DESCRIBED IN DOCUMENT NUMBERED 1991-048429; THENCE SOUTH 60° 52'40" WEST FOR A DISTANCE OF 205.48 FEET TO THE EAST LINE OF SAID TRACT; THENCE ALONG THE LANDS OF PCWA THE FOLLOWING THREE CONSECUTIVE COURSES AND DISTANCES; NORTH FOR A DISTANCE OF 100.00 FEET; EAST FOR A DISTANCE OF 179.50 FEET; NORTH FOR A DISTANCE OF 450.51 FEET TO THE POINT OF BEGINNING OF THIS LEGAL DESCRIPTION .

APN 077-050-057-000 PORTION 077-050-058-000

PARCEL 9

2310-CFX-00293 -20  
SBE 135-31-73D, 135-31-73D-8, 135-31-73D-9, 135-31-73E-1  
LCP ID#0888

ALL THAT CERTAIN PARCEL OF LAND SITUATE IN SECTIONS 24 AND 25, TOWNSHIP 13 NORTH, RANGE 8 EAST, MOUNT DIABLO BASE AND MERIDIAN, AS RECORDED AUGUST 12, 1916 IN BOOK 163, PAGE 166 OF DEEDS OF THE COUNTY OF PLACER, STATE OF CALIFORNIA, PARTICULARLY DESCRIBED THEREIN AS FOLLOWS:

THE SOUTHEAST ONE-QUARTER OF THE SOUTHWEST ONE-QUARTER AND THE SOUTHWEST ONE-QUARTER OF THE SOUTHEAST ONE-QUARTER OF SAID SECTION 24 AND THE NORTHWEST ONE-QUARTER OF THE NORTHEAST ONE-QUARTER AND THE NORTHEAST ONE-QUARTER OF THE NORTHWEST ONE-QUARTER OF SAID SECTION 25, EXCEPTING THEREFROM, HOWEVER, THOSE TWO PARCELS OF LAND DESCRIBED AS FOLLOWS:

(1) BEGINNING AT A POINT SOUTH 58.7 FEET FROM THE NORTHWEST CORNER OF THE NORTHEAST ONE-QUARTER OF NORTHWEST ONE-QUARTER OF SAID SECTION 25; THENCE EAST 45.5 FEET TO A POINT; THENCE SOUTH 11 ° 45' WEST 223.7 FEET TO THE WEST LINE OF SAID NORTHEAST ONE-QUARTER OF NORTHWEST ONE-QUARTER OF SAID SECTION 25, THENCE NORTH 219.1 FEET ALONG SAID LINE TO THE PLACE OF BEGINNING.

(2) THAT PORTION THEREOF CONVEYED TO CHRISTIAN VALLEY SCHOOL DISTRICT, DESCRIBED AS BEGINNING AT THE SOUTHWEST CORNER OF THE SOUTHEAST ONE-QUARTER OF SOUTHWEST ONE-QUARTER OF SAID SECTION 24, THENCE NORTH 250 FEET; THENCE

EXHIBIT "A"  
LEGAL DESCRIPTION continued

EAST 125 FEET; THENCE  
NORTH 80 FEET; THENCE  
EAST 133 FEET; THENCE  
SOUTH 287 FEET (330 FEET REQUIRED TO CLOSE PARCEL); THENCE  
WEST 258 FEET TO PLACE OF BEGINNING.

ALSO EXCEPTING THAT PARCEL DESCRIBED IN THE DEED TO AUBURN AREA RECREATION AND PARK DISTRICT, DATED AUGUST 8, 1979 AND RECORDED AUGUST 23, 1979 IN BOOK 2161 PAGE 374, OFFICIAL RECORDS OF PLACER COUNTY.

ALSO LESS AND EXCEPT THEREFROM ALL THAT CERTAIN PARCEL OF LAND, DESIGNATED PARCEL NO. 1, SITUATE IN THE NORTHEAST ONE-QUARTER OF THE NORTHWEST ONE-QUARTER OF SAID SECTION 25 AND THE SOUTHEAST ONE-QUARTER OF THE SOUTHWEST ONE-QUARTER AND THE SOUTHWEST ONE-QUARTER OF THE SOUTHEAST ONE-QUARTER OF SAID SECTION 24, AS RECORDED OCTOBER 4, 1951 IN BOOK 596, PAGE 215 OF OFFICIAL RECORDS OF THE COUNTY OF PLACER, STATE OF CALIFORNIA, PARTICULARLY DESCRIBED THEREIN AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE NORTH LINE OF THE SOUTH ONE-HALF OF THE NORTHWEST ONE-QUARTER OF SAID SECTION 25 WITH THE EAST LINE OF THE STATE HIGHWAY AS SAID HIGHWAY EXISTED IN THE YEAR 1948, DISTANT NORTH 87° 56' 30" WEST 181.12 FEET FROM ENGINEER'S STATION "A" 174+ 22.00 OF THE BASE LINE OF THE DEPARTMENT OF PUBLIC WORKS' 1948 SURVEY BETWEEN ONE MILE EAST OF AUBURN AND ONE MILE WEST OF APPLGATE, ROAD III-PLA-37-A, FROM WHICH POINT THE WEST ONE-QUARTER CORNER OF SAID SECTION 25 BEARS SOUTH 34° 05' 20" WEST 1595.36 FEET; THENCE  
SOUTH 87° 56' 30" EAST 277.38 FEET ALONG SAID NORTH LINE; THENCE  
NORTH 29° 16' 10" EAST 27.78 FEET LEAVING SAID NORTH LINE TO A POINT THAT IS DISTANT 80 FEET SOUTHEASTERLY, MEASURED AT RIGHT ANGLES FROM ENGINEER'S STATION 175+ 00.00 OF THE BASE LINE OF SAID SURVEY; THENCE  
NORTH 48° 50' 30" EAST 155.50 FEET; THENCE  
NORTH 37° 51' EAST 331.15 FEET TO A POINT THAT IS DISTANT 124.66 FEET SOUTHEASTERLY, MEASURED RADially FROM ENGINEER'S STATION 180+ 00.00 OF THE BASE LINE OF SAID SURVEY; THENCE  
NORTH 40° 23' 30" EAST 308.86 FEET; THENCE  
NORTH 49° 56' 30" EAST 375.45 FEET TO A POINT THAT IS DISTANT 80 FEET SOUTHEASTERLY, MEASURED AT RIGHT ANGLES FROM ENGINEER'S STATION 187+ 00.00 OF THE BASE LINE OF SAID SURVEY; THENCE  
NORTH 51° 28' EAST 1951.78 FEET RUNNING PARALLEL WITH THE BASE LINE OF SAID SURVEY; THENCE  
NORTH 62° 34' 10" EAST 155.79 FEET TO A POINT, THAT IS DISTANT 110 FEET SOUTHEASTERLY, MEASURED AT RIGHT ANGLES FROM ENGINEER'S STATION 208+ 04.65 OF THE BASE LINE OF SAID SURVEY; THENCE  
NORTH 51° 28' EAST 417.88 FEET RUNNING PARALLEL WITH THE BASE LINE OF SAID SURVEY TO A POINT ON THE WEST LINE OF LOT 2 OF THE SOUTHEAST ONE-QUARTER OF SAID SECTION 24; THENCE  
NORTH 0° 07' EAST 220.85 FEET ALONG SAID WEST LINE; THENCE  
SOUTH 89° 41' WEST 28.32 FEET LEAVING SAID WEST LINE AND ALONG THE SOUTHERLY LINE OF THAT CERTAIN PARCEL OF LAND ACQUIRED BY CLARENCE SIMPKINS AND ALICE E. SIMPKINS, HIS WIFE, BY DEED DATED JUNE 3, 1944, RECORDED JUNE 3,

EXHIBIT "A"  
LEGAL DESCRIPTION continued

1944 IN BOOK 446 AT PAGE 198, OFFICIAL RECORDS OF PLACER COUNTY TO A POINT, DISTANT 80.00 FEET NORTHWESTERLY MEASURED AT RIGHT ANGLES FROM ENGINEER'S STATION "A" 213+38.21 OF THE BASE LINE OF SAID SURVEY; THENCE SOUTH 51° 28' WEST 2338.31 FEET RUNNING PARALLEL WITH THE BASE LINE OF SAID SURVEY; THENCE SOUTH 73° 16' WEST 53.85 FEET TO A POINT, THAT IS DISTANT 100 FEET NORTHWESTERLY, MEASURED AT RIGHT ANGLES FROM ENGINEER'S STATION 189+50.00 OF THE BASE LINE OF SAID SURVEY; THENCE NORTH 66° 51' 10" WEST 71.14 FEET, THENCE SOUTH 70° 18' WEST 70.00 FEET, THENCE SOUTH 55° 07' 20" WEST 236.55 FEET, THENCE SOUTH 70° 18' 30" WEST 50.99 FEET, THENCE SOUTH 8° 23' EAST 60.00 FEET, THENCE NORTH 81° 37' EAST 50.00 FEET, THENCE SOUTH 8° 23' EAST 57.28 FEET TO A POINT, THAT IS DISTANT 90.25 FEET NORTHWESTERLY, MEASURED AT RIGHT ANGLES FROM ENGINEER'S STATION 185+50.00 OF THE BASE LINE OF SAID SURVEY; THENCE SOUTH 48° 51' 40" WEST 225.55 FEET; THENCE ALONG A CURVE TO THE LEFT WITH A RADIUS OF 2080 FEET, THROUGH AN ANGLE OF 17° 54' 30", A DISTANCE OF 650.12 FEET TO A POINT, THAT IS DISTANT 80 FEET NORTHWESTERLY, MEASURED AT RIGHT ANGLES FROM ENGINEER'S STATION 176+99.56 OF THE BASE LINE OF SAID SURVEY, THE CHORD OF WHICH CURVE BEARS SOUTH 42° 30' 45" WEST 647.48 FEET; THENCE SOUTH 55° 26' 30" WEST 107.29 FEET, SOUTH 46° 06' WEST 244.81 FEET, NORTH 85° 30' WEST 60.00 FEET, SOUTH 18° 21' 10" WEST 42.70 FEET, SOUTH 87° 56' 30" EAST 70.28 FEET TO THE POINT OF BEGINNING; EXCLUDING ANY PART THEREOF OUTSIDE OF SAID NORTHEAST ONE-QUARTER OF THE NORTHWEST ONE-QUARTER OF SAID SECTION 25 AND THE SOUTHEAST ONE-QUARTER OF THE SOUTHWEST ONE-QUARTER AND THE SOUTHWEST ONE-QUARTER OF THE SOUTHEAST ONE-QUARTER OF SAID SECTION 24.

ALSO LESS AND EXCEPT THEREFROM ALL THOSE CERTAIN PARCELS I, II, AND III OF LAND SITUATE IN SAID SECTIONS 24 AND 25, AS RECORDED AUGUST 19, 1961 IN VOLUME 886, PAGE 692 OF OFFICIAL RECORDS OF THE SAID COUNTY OF PLACER, PARTICULARLY DESCRIBED THEREIN AS FOLLOWS:

PARCEL I THAT PORTION OF THE SOUTHWEST ONE-QUARTER OF THE SOUTHEAST ONE-QUARTER, AND OF THE SOUTHEAST ONE-QUARTER OF THE SOUTHWEST ONE-QUARTER, OF SECTION 24, TOWNSHIP 13 NORTH, RANGE 8 EAST, MOUNT DIABLO BASE AND MERIDIAN, LYING ON THE SOUTHEASTERLY SIDE OF THE SOUTHEASTERLY BOUNDARY LINE OF THE SAID PARCEL OF LAND DESCRIBED AND DESIGNATED PARCEL NUMBER I IN THE DEED DATED JUNE 26, 1951 AND RECORDED OCTOBER 4, 1951 IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY OF PLACER IN BOOK 596 OF OFFICIAL RECORDS AT PAGE 215.

PARCEL II THAT PORTION OF THE NORTHEAST ONE-QUARTER OF THE NORTHWEST ONE-QUARTER OF SAID SECTION 25, LYING ON THE SOUTHEASTERLY SIDE OF THE SOUTHEASTERLY BOUNDARY LINE OF THE SAID PARCEL OF LAND DESIGNATED PARCEL



Version 2

**EXHIBIT "A"**  
**LEGAL DESCRIPTION continued****NUMBER 1.**

**PARCEL 1. THAT PORTION OF THE NORTHWEST ONE-QUARTER OF THE NORTHEAST ONE-QUARTER OF SAID SECTION 25 LYING ON THE NORTHWESTERLY SIDE OF THE NORTHWESTERLY BOUNDARY LINE OF THE RAILROAD RIGHT OF WAY OF SOUTHERN PACIFIC COMPANY TRAVERSING SAID SECTION 25.**

**ALSO LESS AND EXCEPT THEREFROM ALL THOSE CERTAIN PARCELS OF LAND DESIGNATED PARCEL 2 AND PARCEL 3, AND SITUATE IN THE NORTHEAST ONE-QUARTER OF THE NORTHWEST ONE-QUARTER OF SAID SECTION 25 AND THE SOUTH ONE-HALF OF SAID SECTION 24, AS RECORDED JUNE 25, 1971 IN BOOK 1358, PAGE 209 OF OFFICIAL RECORDS OF THE SAID COUNTY OF PLACER, PARTICULARLY DESCRIBED THEREIN AS FOLLOWS:**

**PARCEL 2:**

**BEGINNING AT A POINT WITHIN THE BOUNDARY LINES OF THE NORTHEAST ONE-QUARTER OF THE NORTHWEST ONE-QUARTER OF SAID SECTION 25 FROM WHICH THE NORTHWEST CORNER OF SAID SECTION 25 BEARS NORTH 77° 31' 53" WEST 1728.69 FEET DISTANT, SAID POINT BEING ALSO DISTANT 140.66 FEET NORTHWESTERLY FROM (MEASURED RADially TO THE BASE LINE) ENGINEER'S STATION "A61" 187+97.61 OF SAID DEPARTMENT OF PUBLIC WORKS SURVEY, AND RUNNING THENCE FROM SAID POINT OF BEGINNING THE FOLLOWING 7 COURSES, NAMELY:**

**NORTH 47° 04' 07" EAST 58.41 FEET TO A POINT IN THE NORTHWESTERLY BOUNDARY LINE OF THE PARCEL OF LAND DESIGNATED PARCEL NO. 1 IN SAID DOCUMENT; THENCE  
SOUTH 8° 57' 20" EAST 54.09 FEET ALONG THE NORTHWESTERLY BOUNDARY LINE OF SAID PARCEL OF LAND DESIGNATED PARCEL NO. 1; THENCE  
SOUTH 48° 16' 20" WEST 225.55 FEET; THENCE  
SOUTHWESTERLY ON A CURVE TO THE LEFT WITH A RADIUS OF 2080.00 FEET, THROUGH A CENTRAL ANGLE OF 14° 20' 09" AND TANGENT AT THE NORTHEASTERLY TERMINUS THEREOF TO A LINE WHICH HAS A BEARING OF SOUTH 50° 53' 26" WEST AN ARC DISTANCE OF 520.43 FEET; THENCE  
NORTH 25° 15' 23" EAST 163.56 FEET LEAVING THE NORTHWESTERLY BOUNDARY LINE OF SAID PARCEL OF LAND DESIGNATED PARCEL NO. 1; THENCE  
NORTH 50° 41' 05" EAST 259.24 FEET; THENCE  
NORTH 42° 11' 47" EAST 306.02 FEET, MORE OR LESS, TO THE POINT OF BEGINNING; EXCLUDING ANY PART THEREOF OUTSIDE OF THE SAID NORTHEAST ONE-QUARTER OF THE NORTHWEST ONE-QUARTER OF SAID SECTION 25.**

**PARCEL 3:**

**BEGINNING AT A POINT IN THE SOUTHERLY BOUNDARY LINE OF SECTION 24, TOWNSHIP 13 NORTH, RANGE 8 EAST, MOUNT DIABLO BASE AND MERIDIAN, FROM WHICH THE SOUTHWEST CORNER OF SAID SECTION 24 BEARS SOUTH 89° 12' 30" WEST 1377.53 FEET DISTANT, SAID POINT BEING ALSO DISTANT 639.98 FEET NORTHWESTERLY FROM (MEASURED RADially TO THE BASE LINE) ENGINEER'S STATION "A61" 188+27.58 OF SAID DEPARTMENT OF PUBLIC WORKS SURVEY, AND RUNNING THENCE THE FOLLOWING 28 COURSES, NAMELY:**

EXHIBIT "A"  
LEGAL DESCRIPTION continued

SOUTH 4 ° 10' 34" EAST 119.62 FEET; THENCE  
 NORTH 52 ° 22' 03" EAST 102.05 FEET; THENCE  
 ALONG A CURVE NORTHEASTERLY TO THE LEFT WITH A RADIUS OF 540.00 FEET, THROUGH  
 A CENTRAL ANGLE OF 34 ° 49' 46" AND TANGENT AT THE SOUTHWESTERLY TERMINUS  
 THEREOF TO A LINE WHICH HAS A BEARING OF NORTH 88 ° 22' 57" EAST AN ARC  
 DISTANCE OF 328.26 FEET; THENCE  
 NORTH 53 ° 33' 11" EAST 557.71 FEET; THENCE  
 NORTH 79 ° 14' 48" EAST 32.93 FEET; THENCE  
 SOUTH 39 ° 07' 28" EAST 70.00 FEET; THENCE  
 SOUTH 25 ° 35' 20" WEST 170.79 FEET; THENCE  
 SOUTH 33 ° 45' 21" WEST 48.80 FEET; THENCE  
 ALONG A CURVE SOUTHWESTERLY TO THE RIGHT WITH A RADIUS OF 1935.00 FEET,  
 THROUGH A CENTRAL ANGLE OF 7 ° 11' 46" AND TANGENT AT THE NORTHEASTERLY  
 TERMINUS THEREOF TO A LINE WHICH HAS A BEARING OF SOUTH 33 ° 45' 21" WEST  
 AN ARC DISTANCE OF 243.03 FEET;  
 SOUTH 47 ° 04' 07" WEST 94.41 FEET TO A POINT IN THE NORTHWESTERLY  
 BOUNDARY LINE OF SAID PARCEL OF LAND DESIGNATED PARCEL NO. 1; RUNNING THENCE  
 SOUTH 67 ° 26' 30" EAST 67.76 FEET ALONG THE NORTHWESTERLY BOUNDARY LINE  
 OF SAID PARCEL OF LAND DESIGNATED PARCEL NO. 1; THENCE  
 NORTH 72 ° 40' 40" EAST 53.85 FEET; THENCE  
 NORTH 50 ° 52' 40" EAST 2338.20 FEET TO A POINT IN THE SOUTHERLY BOUNDARY  
 LINE OF THE PARCEL OF LAND ACQUIRED BY CLARENCE SIMPKINS AND WIFE BY DEED  
 DATED JUNE 3, 1944, AND RECORDED JUNE 3, 1944 IN THE OFFICE OF SAID COUNTY  
 RECORDER IN BOOK 446 OF OFFICIAL RECORDS AT PAGE 198; THENCE  
 SOUTH 89 ° 05' 40" WEST 133.16 FEET LEAVING THE NORTHWESTERLY BOUNDARY  
 LINE OF SAID PARCEL OF LAND DESIGNATED PARCEL NO. 1 AND RUNNING ALONG THE  
 SOUTHERLY BOUNDARY LINE OF SAID PARCEL OF LAND ACQUIRED BY CLARENCE SIMPKINS  
 AND WIFE; THENCE  
 SOUTH 50 ° 14' 00" WEST 234.87 FEET LEAVING THE LAST MENTIONED SOUTHERLY  
 BOUNDARY LINE; THENCE  
 SOUTH 31 ° 27' 22" WEST 52.81 FEET; THENCE  
 SOUTH 50 ° 14' 00" WEST 168.53 FEET; THENCE  
 ALONG A CURVE SOUTHWESTERLY TO THE RIGHT WITH A RADIUS OF 2972.00 FEET,  
 THROUGH A CENTRAL ANGLE OF 5 ° 31' 01" AND TANGENT AT THE NORTHEASTERLY  
 TERMINUS THEREOF TO THE PRECEDING COURSE, AN ARC DISTANCE OF 286.17 FEET;  
 THENCE  
 SOUTH 55 ° 45' 01" WEST 247.72 FEET; THENCE  
 ALONG A CURVE SOUTHWESTERLY TO THE RIGHT WITH A RADIUS OF 572.00 FEET, THROUGH  
 A CENTRAL ANGLE OF 29 ° 38' 08" AND TANGENT AT THE NORTHEASTERLY TERMINUS  
 THEREOF TO THE PRECEDING COURSE, AN ARC DISTANCE OF 295.86 FEET; THENCE  
 SOUTH 85 ° 23' 09" WEST 223.72 FEET; THENCE  
 ALONG A CURVE SOUTHWESTERLY TO THE LEFT WITH A RADIUS OF 328.00 FEET, THROUGH  
 A CENTRAL ANGLE OF 31 ° 49' 58" AND TANGENT AT THE NORTHEASTERLY TERMINUS  
 THEREOF TO THE PRECEDING COURSE, AN ARC DISTANCE OF 182.23 FEET; THENCE  
 NORTH 58 ° 52' 05" WEST 115.75 FEET; THENCE  
 SOUTH 40 ° 11' 34" WEST 411.13 FEET; THENCE  
 SOUTH 53 ° 33' 11" WEST 307.71 FEET; THENCE  
 ALONG A CURVE SOUTHWESTERLY TO THE RIGHT WITH A RADIUS OF 460.00 FEET, THROUGH  
 A CENTRAL ANGLE OF 21 ° 31' 40" AND TANGENT AT THE NORTHEASTERLY TERMINUS

EXHIBIT "A"  
LEGAL DESCRIPTION continued

THEREOF TO THE PRECEDING COURSE, AN ARC DISTANCE OF 172.84 FEET TO A POINT IN THE EASTERLY BOUNDARY LINE OF THE PARCEL OF LAND DESCRIBED IN, UNDER THE DESIGNATION (2), AND EXCEPTED FROM THE DEED FROM CARL ELGES AND WIFE TO PACIFIC GAS AND ELECTRIC COMPANY DATED AUGUST 2, 1916, AND RECORDED AUGUST 2, 1916 IN THE OFFICE OF SAID COUNTY RECORDER IN BOOK 163 OF DEEDS AT PAGE 166;  
THENCE

SOUTH 0 ° 47' 30" EAST 35.63 FEET RUNNING ALONG THE LAST MENTIONED EASTERLY BOUNDARY LINE TO A POINT IN THE SOUTHERLY BOUNDARY LINE OF SAID SECTION 24; THENCE  
SOUTH 89 ° 12' 30" WEST 193.23 FEET, MORE OR LESS, LEAVING THE LAST MENTIONED EASTERLY BOUNDARY LINE AND RUNNING ALONG THE SOUTHERLY BOUNDARY LINE OF SAID SECTION 24 TO THE POINT OF BEGINNING; EXCEPTING THEREFROM THE PORTION THEREOF BOUNDED BY THE LINE WHICH BEGINS AT A POINT FROM WHICH THE WESTERLY TERMINUS OF THE COURSE HEREIN BEFORE STATED WITH A BEARING OF SOUTH 85 ° 23' 09" WEST 223.72 FEET, BEARS NORTH 4 ° 36' 51" WEST 68.00 FEET DISTANT AND RUNS THENCE THE FOLLOWING 6 COURSES; NAMELY:

ALONG A CURVE SOUTHWESTERLY TO THE LEFT WITH A RADIUS OF 260.00 FEET, THROUGH A CENTRAL ANGLE OF 31 ° 49' 58" AND TANGENT AT THE NORTHEASTERLY TERMINUS THEREOF TO A LINE WHICH HAS A BEARING OF SOUTH 85 ° 23' 09" WEST AN ARC DISTANCE OF 144.45 FEET;

SOUTH 45 ° 05' 28" WEST 65.29 FEET; THENCE

SOUTH 39 ° 07' 28" EAST 70.00 FEET; THENCE

NORTH 82 ° 08' 22" EAST 123.96 FEET TO A POINT DISTANT 245.66 FEET

NORTHWESTERLY FROM (MEASURED AT RIGHT ANGLES TO THE BASE LINE) FROM ENGINEER'S STATION "A60" 199+55.85 OF SAID DEPARTMENT OF PUBLIC WORKS SURVEYS; THENCE

ALONG A CURVE NORTHEASTERLY TO THE LEFT WITH A RADIUS OF 2500.00 FEET, THROUGH A CENTRAL ANGLE OF 8 ° 47' 53" AND TANGENT AT THE SOUTHWESTERLY TERMINUS THEREOF TO A LINE WHICH HAS A BEARING OF NORTH 69 ° 39' 14" EAST AN ARC DISTANCE OF 383.89 FEET; THENCE

SOUTH 85 ° 23' 09" WEST 336.57 FEET, MORE OR LESS, TO THE POINT OF BEGINNING.

ALSO LESS AND EXCEPT THEREFROM ALL THAT CERTAIN PARCEL OF LAND DESIGNATED PARCEL NO. 1 IN THE DEED FROM PACIFIC GAS AND ELECTRIC COMPANY TO COUNTY OF PLACER DATED NOVEMBER 13, 1975 AND SITUATE IN THE NORTHEAST ONE-QUARTER OF THE NORTHWEST ONE-QUARTER OF SAID SECTION 25, AS RECORDED JANUARY 15, 1976 IN BOOK 1695, PAGE 379 OF OFFICIAL RECORDS OF THE SAID COUNTY OF PLACER, MORE PARTICULARLY DESCRIBED THEREIN AS FOLLOWS:

PARCEL 1. AT A POINT IN THE NORTHERLY BOUNDARY LINE OF SAID SECTION 25, AS SAID NORTHERLY BOUNDARY LINE IS SHOWN UPON THE RECORD OF SURVEY FILED FOR RECORD MAY 17, 1978 IN BOOK 5 OF SURVEYS AT PAGE 39, PLACER COUNTY RECORDS, AND RUNNING THENCE

NORTH 88 52' 46" EAST (NORTH 89 ° 28' 54" EAST, GEODETIC) 49.87 FEET ALONG SAID NORTHERLY BOUNDARY LINE TO A POINT IN THE NORTHERLY PROLONGATION OF THE COURSE DESIGNATED (1) IN THE BOUNDARY LINE OF THE PARCEL OF LAND DESCRIBED AND DESIGNATED PARCEL 3 IN THE DEED FROM PACIFIC GAS AND ELECTRIC COMPANY TO THE STATE OF CALIFORNIA DATED MARCH 2, 1971 AND RECORDED JUNE 25, 1971 IN



EXHIBIT "A"  
LEGAL DESCRIPTION continued

BOOK 1358 OF OFFICIAL RECORDS AT PAGE 209, PLACER COUNTY RECORDS; THENCE SOUTH 4 ° 10' 34" EAST 7.80 FEET LEAVING SAID NORTHERLY BOUNDARY LINE AND RUNNING ALONG SAID NORTHERLY PROLONGATION PARCEL OF LAND DESIGNATED PARCEL 3; THENCE SOUTH 4 ° 10' 34" EAST 119.62 FEET LEAVING SAID NORTHERLY BOUNDARY PROLONGATION AND RUNNING ALONG THE COURSE DESIGNATED (1) IN THE BOUNDARY LINE OF SAID PARCEL OF LAND DESIGNATED PARCEL 3 TO THE SOUTHERLY TERMINUS OF THE COURSE DESIGNATED (1) IN THE BOUNDARY LINE OF SAID PARCEL OF LAND DESIGNATED PARCEL 3; THENCE SOUTH 4 ° 34' 23" WEST 40.95 FEET, LEAVING SAID BOUNDARY LINE; THENCE SOUTHERLY ON A CURVE TO THE RIGHT WITH A RADIUS OF 329.95 FEET, THROUGH A CENTRAL ANGLE OF 29 ° 32' 03" AND TANGENT AT THE SOUTHERLY TERMINUS THEREOF TO THE SUCCEEDING COURSE, AN ARC DISTANCE OF 170.08 FEET; THENCE SOUTH 34 ° 44' 56" WEST 28.28 FEET TO A POINT IN THE WESTERLY BOUNDARY LINE OF THE NORTHEAST ONE-QUARTER OF THE NORTHWEST ONE-QUARTER OF SAID SECTION 25; THENCE NORTH 0 ° 23' 26" EAST 125.14 FEET RUNNING ALONG THE WESTERLY BOUNDARY LINE OF THE NORTHEAST ONE-QUARTER OF THE NORTHWEST ONE-QUARTER OF SAID SECTION 25; THENCE ALONG A CURVE NORTHERLY TO THE LEFT LEAVING THE WESTERLY BOUNDARY LINE OF THE NORTHEAST ONE-QUARTER OF THE NORTHWEST ONE-QUARTER OF SAID SECTION 25 WITH A RADIUS OF 269.96 FEET, THROUGH A CENTRAL ANGLE OF 20 ° 14' 14" AND TANGENT AT THE NORTHERLY TERMINUS THEREOF TO THE SUCCEEDING COURSE, AN ARC DISTANCE OF 95.35 FEET; THENCE NORTH 1 ° 37' 30" WEST 129.34 FEET, MORE OR LESS, TO THE POINT OF BEGINNING; SAID POINT OF BEGINNING BEARS NORTH 88 ° 52' 46" EAST 1327.00 FEET DISTANT FROM THE FOUND MONUMENT SHOWN UPON SAID RECORD OF SURVEY AS MARKING THE NORTHWEST CORNER OF SAID SECTION 25; EXCLUDING ANY PART THEREOF OUTSIDE OF SAID NORTHEAST ONE-QUARTER OF THE NORTHWEST ONE-QUARTER OF SAID SECTION 25.

THE BEARINGS AND DISTANCES USED IN THE ABOVE DESCRIPTION (EXCEPT WHERE OTHERWISE NOTED) ARE ON THE CALIFORNIA COORDINATE SYSTEM, ZONE 11. TO OBTAIN GEODETIC BEARINGS AT THE POINT OF BEGINNING OF THIS DESCRIPTION, ADJUST ALL CALIFORNIA COORDINATE BEARINGS 0 ° 36' 08" TO THE RIGHT. TO OBTAIN GROUND DISTANCES, MULTIPLY ALL DISTANCES SHOWN BY 0.99984.

ALSO LESS AND EXCEPT THEREFROM ALL THAT CERTAIN PARCEL OF LAND SITUATE IN THE SOUTHEAST ONE-QUARTER OF THE SOUTHWEST ONE-QUARTER OF SAID SECTION 24, AS RECORDED AUGUST 23, 1979 IN BOOK 2161, PAGE 374 OF OFFICIAL RECORDS OF THE SAID COUNTY OF PLACER, PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT OF INTERSECTION OF THE EASTERLY BOUNDARY LINE OF THE PARCEL OF LAND DESCRIBED IN AND EXCEPTED FROM THE PARCEL OF LAND DESCRIBED IN THE DEED FROM CARL ELGES AND WIFE TO PACIFIC GAS AND ELECTRIC COMPANY DATED AUGUST 2, 1916 AND RECORDED AUGUST 2, 1916 IN BOOK 163 OF DEEDS AT PAGE 166, PLACER COUNTY RECORDS, AND THEREIN DESIGNATED (2) WITH A COURSE IN THE LINE DESCRIBED IN THE DEED FROM CHRISTIAN VALLEY COMMUNITY CLUB TO THE STATE OF CALIFORNIA DATED SEPTEMBER 3, 1971 AND RECORDED NOVEMBER 24, 1971 IN BOOK 1386 OF OFFICIAL RECORDS AT PAGE 222, PLACER COUNTY RECORDS, WHICH COURSE ACCORDING

Version 2

**EXHIBIT "A"**  
**LEGAL DESCRIPTION continued**

TO THE DESCRIPTION CONTAINED IN SAID DEED DATED SEPTEMBER 3, 1971 IS ALONG A CURVE TO THE LEFT WITH A RADIUS OF 460.00 FEET, THROUGH AN ANGLE OF 34 ° 49' 46", AN ARC LENGTH OF 279.63 FEET, AND RUNNING THENCE NORTH 170.0 FEET ALONG SAID EASTERLY BOUNDARY LINE; THENCE EAST 77.0 FEET LEAVING SAID EASTERLY BOUNDARY LINE; THENCE SOUTH 140.0 FEET PARALLEL WITH SAID EASTERLY BOUNDARY LINE TO A POINT IN SAID COURSE; THENCE SOUTHWESTERLY ALONG SAID COURSE LEAVING SAID PARALLEL LINE APPROXIMATELY 82 FEET TO THE POINT OF BEGINNING.

ALSO LESS AND EXCEPTING THEREFROM A PORTION OF THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SAID SECTION 24, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT AN ANGLE POINT IN THE NORTHERLY RIGHT OF WAY OF DRY CREEK ROAD (E7106) AS DESCRIBED IN THE GRANT DEED RECORDED ON JUNE 25, 1971 IN BOOK 1358 AT PAGE 209, O.R.P.C., AND AS SHOWN ON THE DIVISION OF HIGHWAYS MONUMENT MAP, 03 PLA 80, P.M. 22.2-22.7, PAGES 8-9, SAID ANGLE POINT BEING DISTANT 135.00 FEET NORTHERLY, MEASURED AT RIGHT ANGLES FROM BASE LINE AT ENGINEER'S STATION "FS198+00.00" AND FROM WHICH THE EAST QUARTER CORNER OF SECTION 24 BEARS NORTH 28° 40' 02" EAST 833.97 FEET;

THENCE, FROM SAID POINT OF BEGINNING, ALONG SAID NORTHERLY RIGHT OF WAY THE FOLLOWING THREE (3) COURSES:

1. SOUTH 40° 11' 34" WEST 411.13 FEET,
2. SOUTH 53° 33' 11" WEST 307.71 FEET TO THE BEGINNING OF A TANGENTIAL CURVE,
3. SAID CURVE TURNING TO THE RIGHT THROUGH AN ANGLE OF 10° 31' 17", HAVING A RADIUS OF 460.00 FEET, AND AN ARC LENGTH OF 84.47 FEET MORE OR LESS TO A POINT OF INTERSECTION WITH A NON-TANGENTIAL LINE, BEING ALSO THE SOUTHEAST CORNER OF THE LANDS OF AUBURN AREA RECREATION AND PARK DISTRICT (AAR&PD) AS DESCRIBED IN THE GRANT DEED RECORDED ON AUGUST 23, 1979 IN BOOK 2161 AT PAGE 374, O.R.P.C;

THENCE, ALONG SAID LANDS OF AAR&PD THE FOLLOWING TWO (2) COURSES:

1. NORTH 00° 22' 08" WEST 141.31 FEET,
2. SOUTH 89° 37' 52" WEST 77.00 FEET TO A POINT ON THE EAST LINE OF THE CHRISTIAN VALLEY SCHOOL DISTRICT (CVSD) AS DESCRIBED IN THE GRANT DEED RECORDED ON AUGUST 23, 1979 IN BOOK 2161 AT PAGE 423, O.R.P.C;

THENCE, ALONG SAID LANDS OF CVSD THE FOLLOWING TWO (2) COURSES:

1. NORTH 00° 22' 08" WEST 128.43 FEET,
2. SOUTH 89° 37' 52" WEST 104.31 FEET TO THE BEGINNING OF A NON-TANGENTIAL CURVE, BEING ALSO A POINT OF INTERSECTION WITH THE EXISTING CENTERLINE OF CHRISTIAN VALLEY ROAD (F8120);

THENCE, ALONG SAID CENTERLINE FOLLOWING EIGHT (8) COURSES:



Version 2

EXHIBIT "A"  
LEGAL DESCRIPTION continued

1. SAID CURVE HAVING A RADIAL BEARING OF NORTH 69° 27' 56" WEST, TURNING TO THE LEFT THROUGH AN ANGLE OF 04° 03' 56", HAVING A RADIUS OF 980.00 FEET, AND AN ARC LENGTH OF 69.54 FEET TO A POINT OF INTERSECTION WITH A TANGENTIAL LINE,
2. NORTH 16° 28' 08" EAST 124.67 FEET TO THE BEGINNING OF A TANGENTIAL CURVE,
3. SAID CURVE TURNING TO THE RIGHT THROUGH AN ANGLE OF 18° 14' 22", HAVING A RADIUS OF 395.00 FEET, AND AN ARC LENGTH OF 125.74 FEET TO A POINT OF INTERSECTION WITH A TANGENTIAL LINE,
4. NORTH 34° 42' 30" EAST 174.88 FEET TO THE BEGINNING OF A TANGENTIAL CURVE,
5. SAID CURVE TURNING TO THE LEFT THROUGH AN ANGLE OF 08° 01' 43", HAVING A RADIUS OF 2780.00 FEET, AND AN ARC LENGTH OF 389.55 FEET TO A POINT OF INTERSECTION WITH A TANGENTIAL LINE,
6. NORTH 26° 40' 47" EAST 87.67 FEET TO THE BEGINNING OF A TANGENTIAL CURVE,
7. SAID CURVE TURNING TO THE LEFT THROUGH AN ANGLE OF 09° 49' 25", HAVING A RADIUS OF 265.00 FEET, AND AN ARC LENGTH OF 45.44 FEET TO A POINT OF INTERSECTION WITH A TANGENTIAL LINE,
8. NORTH 16° 51' 22" EAST 94.34 FEET TO A POINT ON THE NORTH LINE OF THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SAID SECTION 24 AND FROM WHICH THE SOUTHWEST CORNER OF SECTION 24 BEARS SOUTH 55° 35' 51" EAST 2379.43 FEET;

THENCE, ALONG SAID NORTH LINE, NORTH 88° 38' 14" EAST 330.86 FEET TO A POINT OF INTERSECTION WITH A LINE PARALLEL AND DISTANT SOUTHWESTERLY, 25 FEET, MEASURED AT RIGHT ANGLES FROM THE CENTERLINE OF THE SPILLWAY SERVING HALSEY FOREBAY;

THENCE, ALONG SAID LINE AS DESCRIBED ABOVE THE FOLLOWING FIFTEEN (15) COURSES:

1. SOUTH 06° 38' 50" EAST 109.70 FEET,
2. SOUTH 22° 03' 21" WEST 70.54 FEET,
3. SOUTH 31° 26' 51" EAST 143.45 FEET,
4. SOUTH 25° 16' 57" EAST 94.49 FEET,
5. SOUTH 63° 59' 34" EAST 69.05 FEET,
6. NORTH 63° 43' 17" EAST 129.85 FEET,
7. SOUTH 80° 11' 11" EAST 23.67 FEET,
8. SOUTH 06° 32' 03" EAST 150.39 FEET,
9. SOUTH 00° 11' 11" EAST 77.14 FEET,
10. SOUTH 31° 22' 39" WEST 57.52 FEET,
11. SOUTH 76° 06' 13" WEST 45.08 FEET,
12. SOUTH 89° 11' 59" WEST 104.97 FEET,
13. SOUTH 59° 43' 11" WEST 47.46 FEET,
14. SOUTH 35° 12' 21" WEST 54.34 FEET,
15. SOUTH 25° 54' 04" WEST 72.33 FEET TO A POINT ON SAID NORTHERLY RIGHT-OF-WAY LINE OF DRY CREEK ROAD (E7106);

THENCE, ALONG SAID RIGHT-OF-WAY LINE, NORTH 58° 52' 05" WEST A DISTANCE OF 109.81 FEET TO THE POINT OF BEGINNING.

Version Z

**EXHIBIT "A"**  
**LEGAL DESCRIPTION continued**

APN 053-160-042-000 PORTION, 053-160-043-000 PORTION, 077-050-029-000,  
077-050-030-000, 077-050-056-000 PORTION, 077-050-057-000 PORTION

**PARCEL 10**  
2310-CFX-0294  
SBE 135-31-73E-1  
LCP ID#0889

ALL THAT CERTAIN PARCEL OF LAND SITUATE IN THE SOUTHWEST ONE-QUARTER OF SECTION 24, TOWNSHIP 13 NORTH, RANGE 8 EAST, MOUNT DIABLO BASE AND MERIDIAN, AS RECORDED AUGUST 23, 1979, BOOK 2161, PAGE 423 OF OFFICIAL RECORDS OF THE COUNTY OF PLACER, STATE OF CALIFORNIA, PARTICULARLY DESCRIBED THEREIN AS FOLLOWS:

THE PARCEL OF LAND CONVEYED BY CHRISTIAN VALLEY COMMUNITY CLUB TO AUBURN AREA RECREATION AND PARK DISTRICT RECORDED JUNE 18, 1974 IN BOOK 1574, PAGE 464, OFFICIAL RECORDS OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF THE SOUTHEAST ONE-QUARTER OF THE SOUTHWEST ONE-QUARTER OF SAID SECTION 24, THENCE  
NORTH 250 FEET; THENCE  
EASTERLY 125 FEET; THENCE  
NORTHERLY 80 FEET; THENCE  
EASTERLY 133 FEET; THENCE  
SOUTHERLY 287 FEET (330 FEET REQUIRED TO CLOSE PARCEL); THENCE  
WESTERLY 258 FEET TO THE POINT OF BEGINNING.

EXCEPTING THEREFROM THAT PORTION DESCRIBED IN DEED TO THE STATE OF CALIFORNIA, RECORDED NOVEMBER 24, 1971 IN VOLUME 1386, PAGE 222, PLACER COUNTY RECORDS, ON NOVEMBER 24, 1971. SAID PORTION IS ALL THAT PART THEREOF LYING SOUTHEASTERLY FROM THE LINE DESCRIBED THEREIN AS FOLLOWS:

BEGINNING AT A POINT ON THE SOUTH LINE OF SAID SECTION 24 FROM WHICH THE SOUTHWEST CORNER OF SAID SECTION 24 BEARS SOUTH 89° 12' 30" WEST 1377.53 FEET, SAID POINT IS ALSO DISTANT 639.98 FEET NORTHWESTERLY, MEASURED RADIALLY FROM THE BASE LINE AT ENGINEER'S STATION "A61" 188+ 27.58 OF THE DEPARTMENT OF PUBLIC WORKS' SURVEY ON ROAD 03-PLA-80 FROM POST MILE 18.5 TO POST MILE 32.2; THENCE  
NORTH 4° 10' 34" WEST 20.15 FEET; THENCE  
NORTH 15° 48' 31" EAST 47.55 FEET; THENCE  
SOUTH 60° 30' 08" EAST 87.07 FEET; THENCE  
ALONG A CURVE TO THE LEFT WITH A RADIUS OF 460.00 FEET, FROM A TANGENT THAT BEARS NORTH 88° 22' 57" EAST, THROUGH AN ANGLE OF 34° 49' 46", AN ARC LENGTH OF 279.63 FEET TO A POINT DISTANT 501.61 FEET NORTHWESTERLY, MEASURED AT RIGHT ANGLES FROM SAID BASELINE AT ENGINEER'S STATION "A60" 191+ 67.66.

ALSO EXCEPTING THEREFROM THE PORTION THEREOF LYING ON THE EASTERLY SIDE OF THE WESTERLY BOUNDARY LINE OF THE COUNTY ROAD (40 FEET WIDE) KNOWN AS CHRISTIAN

Version 2

EXHIBIT "A"  
LEGAL DESCRIPTION continued

VALLEY ROAD.

APN 077-050-057-000 PORTION

PARCEL 11

2310-CFX-00295

SBE 135-31-73D-4

LCP ID#0890

ALL THAT CERTAIN PARCEL OF LAND SITUATE IN SECTION 26, TOWNSHIP 13 NORTH, RANGE 8 EAST, MOUNT DIABLO BASE AND MERIDIAN, AS RECORDED OCTOBER 22, 1913 IN VOLUME 148, PAGE 42 OF DEEDS OF THE COUNTY OF PLACER, STATE OF CALIFORNIA, PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF THE SOUTH HALF OF THE NORTHEAST ONE-QUARTER OF SAID SECTION 26 AND RUNNING THENCE EAST 428 FEET, MORE OR LESS, ON THE ONE-QUARTER SECTION LINE TO A POINT 25 FEET EAST OF THE CENTER LINE OF THE NEW POWER DITCH, SURVEYED AND LAID OUT OVER SAID LANDS; THENCE SOUTH 3° 40' WEST 47.6 FEET; THENCE SOUTH 47° 33' WEST 57.1 FEET; THENCE SOUTH 5° 18' WEST 105 FEET, MORE OR LESS, TO WHAT IS CALLED FIDDLER GREEN DITCH, THENCE SOUTH AND SOUTHWEST ALONG THE MEANDERINGS OF SAID FIDDLER GREEN DITCH UNTIL SAID DITCH INTERSECTS THE NORTH AND SOUTH CENTER LINE OF SAID SECTION 26 AND THENCE NORTH ALONG SAID CENTER LINE OF SAID SECTION 26, TO THE PLACE OF BEGINNING.

EXCEPTING THEREFROM ALL THAT CERTAIN PARCEL OF LAND SITUATE IN SAID SECTION 26, AS RECORDED JUNE 7, 1867 IN BOOK "N", PAGE 378 OF DEEDS, AND RECONFIGURED AND MORE PRECISELY DESCRIBED IN BOOK 394, PAGE 398 OF OFFICIAL RECORDS OF THE SAID COUNTY OF PLACER, PARTICULARLY DESCRIBED THEREIN AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF THE NORTHEAST ONE-QUARTER OF SAID SECTION 26 AND RUNNING THENCE NORTH 89° 57' EAST 330.00 FEET ALONG THE NORTH LINE OF THE NORTHEAST ONE-QUARTER OF SAID SECTION 26; THENCE SOUTH 9° 56 1/2' EAST 648.00 FEET TO THE FILL BANK OF THE PACIFIC GAS AND ELECTRIC COMPANY'S DITCH; THENCE ALONG THE FILL BANK THE FOLLOWING COURSES AND DISTANCES:

SOUTH 66° 24' WEST 46.94 FEET,  
SOUTH 56° 02' WEST 167.35 FEET,  
SOUTH 41° 19' WEST 68.47 FEET,  
SOUTH 17° 59' WEST 66.23 FEET,  
SOUTH 6° 54' EAST 128.09 FEET,  
SOUTH 20° 56' EAST 94.79 FEET,  
SOUTH 28° 39' EAST 204.81 FEET,  
SOUTH 7° 43' WEST 54.16 FEET,  
SOUTH 87° 44' WEST 67.80 FEET,  
SOUTH 85° 17' WEST 125.37 FEET,  
SOUTH 71° 48' 30" WEST 156.28 FEET TO THE WEST LINE OF THE EAST HALF OF SAID SECTION 26; THENCE  
NORTH 0° 14 1/2' EAST 1375.56 FEET ALONG THE WEST LINE OF THE EAST HALF OF SAID SECTION 26 TO THE POINT OF BEGINNING.

EXHIBIT "A"  
LEGAL DESCRIPTION continued

APN 053-010-005-000 PORTION

PARCEL 12  
2310-CFX-00296  
SBE 135-31-73D -19  
LCP ID#0891

ALL THAT CERTAIN PARCEL OF LAND SITUATE IN THE NORTHWEST ONE-QUARTER OF SECTION 26, TOWNSHIP 13 NORTH, RANGE 8 EAST, MOUNT DIABLO BASE AND MERIDIAN, AS RECORDED APRIL 4, 1913 N BOOK 142, PAGE 118 OF DEEDS OF THE COUNTY OF PLACER, STATE OF CALIFORNIA, PARTICULARLY DESCRIBED AS FOLLOWS:

THE PORTION OF THE SOUTHEAST ONE-QUARTER OF THE NORTHWEST ONE-QUARTER OF SAID SECTION 26 WHICH LIES ON THE NORTHEASTERLY SIDE OF THE COUNTY ROAD LEADING FROM THE AUBURN AND COLFAX ROAD TO THE LINCOLN AND COLFAX ROAD.

APN 053-010-009-000

EXHIBIT B

Description of Hydro Project Activities  
and  
Hydroelectric Facilities and Associated Water Delivery Facilities

As used in this Easement, "**Hydro Project Activities**" are those existing and future uses of the Property, and the existing and future Hydroelectric Facilities and Associated Water Delivery Facilities (as defined below) now or hereafter located on, above, or under the Property, associated with the operation of the Drum-Spaulding FERC Project (FERC Project No. 2310), and shall include any future uses of the Property, and the existing and future Hydroelectric Facilities and Associated Water Delivery Facilities now or hereafter located on, above, or under the Property, associated with compliance with the current and/or any future FERC License, FERC License renewal or other regulatory requirements.

As used in this Easement, "**Hydroelectric Facilities and Associated Water Delivery Facilities**" are those existing and future facilities, structures, buildings, and improvements now or hereafter located on, above, or under the Property, and associated with the operation of the Drum-Spaulding FERC Project (FERC Project No. 2310), including, but not limited to, the following existing and future improvements: powerhouse, afterbay, forebay, switchyard, spill channels, canals, spillways, canal tunnels, penstock, stream gages, buildings, helipads, laydown areas, staging areas, and any other infrastructure and facilities necessary for the operation of the Drum-Spaulding FERC Project; and other improvements for existing and future water delivery and other requirements of power generation, transmission, distribution, and storage for consumptive and non-consumptive water use; electric transmission lines, electrical distribution lines, electric service lines, and communication lines.



EXHIBIT C

## Hydro Reserved Rights

Grantor's reserved rights on the Property include the following, which are expressly excluded from the transfer and conveyance of the easement granted in this Easement and reserved to Grantor:

Subject to the provisions of Section 7, the right to conduct Hydro Project Activities on the Property, including construction, operation, repair, alteration, maintenance, removal, replacement and expansion of existing and future Hydroelectric Facilities and Associated Water Delivery Facilities, including project replacements and improvements required for existing and future water delivery and other requirements for power generation, transmission, distribution, and storage, for nonconsumptive and consumptive water, and for communications in connection with the foregoing and for compliance with any future FERC License, FERC License renewal or other regulatory requirements. In furtherance of and without in any way limiting the generality of the foregoing, the following rights are expressly reserved:

(1) The right to conduct any and all uses and activities now or at any time in the future deemed necessary or appropriate by Grantor in Grantor's sole discretion exercised in good faith in connection with the generation of hydroelectric energy, including, but not limited to the construction, operation, repair, alteration, maintenance, removal, replacement and expansion of existing Hydroelectric Facilities and Associated Water Delivery Facilities, and the construction, operation, repair, alteration, maintenance, removal, replacement and expansion of new Hydroelectric Facilities and Associated Water Delivery Facilities; and

(2) The right to use, maintain, establish, construct, alter, expand and improve water sources, courses, and bodies within the Property, and to take, divert, store, convey and appropriate water; and

(3) The right to increase or otherwise modify water diversion, storage and transmission capacities of Hydroelectric Facilities and Associated Water Delivery Facilities; and

(4) The right to exercise: all riparian water rights inherent in and part and parcel of the Property; all appropriative surface water rights (including, but not limited to, any appropriative surface water rights having a point of diversion, place of storage, or place of use on the Property); all prescriptive surface water rights; and all other right, title and interest of any nature whatsoever in and to the surface waters which are now or hereafter located or flowing on, under or abutting the Property; and

(5) The right to decommission all or any portion of existing and future Hydroelectric Facilities and Water Delivery Facilities in accordance with the applicable license issued by the FERC, or as otherwise allowed by Applicable Law; and

(6) The right to enlarge, improve, reconstruct, relocate and replace said Grantor's existing facilities and additional facilities with any other number, size, or type of transformers, poles, towers, or structures, or underground wires, cables, pipelines and conduits, or other devices and equipment either in the original location or at any location or locations within the Property; and

(7) The right to construct, operate, use, repair, alter, maintain, remove, replace and expand Grantor's existing and future facilities for transformation, transmission and distribution of electric energy and for communication purposes and also the rights to reconstruct, replace, remove, maintain and use the same as Grantor shall at any time and from time to time deem necessary in Grantor's sole discretion exercised in good faith, together with the rights to excavate for, construct, install, repair, reconstruct, replace, remove, maintain and use, at any time and from time to time, additional facilities for the transformation, transmission and distribution of electric energy and for communication purposes, consisting of such devices and equipment with suitable concrete pads and adequate protection therefore necessary for transforming electric energy, one or more lines of underground wires and cables (enclosed at Grantor's option within conduits), and one or more lines of towers, poles and/or other structures, wires and cables, including both underground and overhead ground wires, and all necessary and proper foundations, footings, cross arms and other appliances and fixtures for use in connection with said towers, poles and/or other structures, wires and cables.



EXHIBIT D

## Beneficial Public Values

The Purpose of the Conservation Easement for the Property is to protect the Beneficial Public Values of the Property, as summarized below and described in more detail in the Baseline Documentation Report:

(a) Habitat for fish, wildlife, and plants that are native to the area, including species protected under the California Endangered Species Act and/or the federal Endangered Species Act. The term “habitat” includes vegetation along banks and shorelines that contribute to maintaining watershed health. The term “native” refers to plants and animals that occur naturally on the Property, and are defined as “native” by the California Department of Fish & Wildlife and its successors.

(b) Forest resources on the Property. Forest resources consist of low elevation pine and mixed hardwood forests.

(c) The scenic viewshed of the Property in keeping with the surrounding environment, providing a scenic landscape visible to passersby on the nearby roads, as well as views of the waterbodies on the Property.

(d) Outdoor recreation in the form of passive recreational pursuits such as hiking, picnicking and fishing.

(e) Identified historical and cultural values, to the extent they are protected by state and federal law.

(f) Agricultural values, such as bee keeping.

EXHIBIT E

Grantee Insurance Requirements

Grantee shall procure, carry and maintain the following insurance coverage:

A. Workers' Compensation and Employers' Liability

1. Workers' Compensation insurance or self-insurance indicating compliance with any applicable labor codes, acts, laws or statutes, state or federal.
2. Employers' Liability insurance shall not be less than One Hundred Thousand Dollars (\$100,000) for injury or death each accident.

B. Commercial General Liability

1. Coverage shall be at least as broad as the Insurance Services Office (ISO) Commercial General Liability Coverage "occurrence" form, with no coverage deletions.
2. The limit shall not be less than One Million Dollars (\$1,000,000) each occurrence/ Two Million Dollars (\$2,000,000) aggregate for bodily injury, property damage and personal injury.
3. Coverage shall: a) By "Additional Insured" endorsement add as insureds Grantor, its directors, officers, agents and employees with respect to liability arising out of work performed by or for Grantee; b) Be endorsed to specify that Grantee's insurance is primary.

C. Business Auto

1. Coverage shall be at least as broad as the Insurance Services Office (ISO) Business Auto Coverage form covering Automobile Liability, code 1 "any auto."
2. The limit shall not be less than One Million Dollars (\$1,000,000) each accident for bodily injury and property damage.

D. Additional Insurance Provisions

1. Upon change in carrier or coverage, or otherwise upon Grantor's request, Grantee shall furnish Grantor with certificates of insurance and endorsements of all required insurance for Grantee.
2. The documentation shall state that coverage shall not be canceled except after thirty (30) days prior written notice has been given to Grantor.

3. The documentation must be signed by a person authorized by that insurer to bind coverage on its behalf and shall be submitted to:

Pacific Gas and Electric Company  
Insurance Department - B24H  
Post Office Box 770000  
San Francisco, CA 94177

A copy of all such insurance documents shall be sent to Grantor's Land Agent as specified under Notices in the body of this Easement.

4. Upon request, not to exceed once annually, Grantee shall furnish Grantor complete copies of policies.
5. Upon request, not to exceed once annually, Grantee shall furnish Grantor the same evidence of insurance for Grantee's agents or contractors as Grantor requires of Grantee.

EXHIBIT F

## Prohibited Uses

As provided in Section 6 of this Easement, Grantor will not engage in, or permit others to engage in, the following Prohibited Uses:

1. Number of Fee Owners; Subdivision.

(a) Limit on Number of Fee Owners. Except for Specified Required Actions, notwithstanding the fact that the Property, at any time, might be comprised of more than three (3) separate legal parcels, fee title to the Property shall be held by no more than two (2) separate owners at any given time, provided, however, that the foregoing shall not prohibit undivided ownership of the Property by multiple owners (e.g. tenants in common), subject to the restrictions on the rights of undivided owners provided below, and the terms and conditions of this Easement shall perpetually apply to the Property as a whole. The existence of any separate legal parcels shall not be interpreted to permit any use or activity on an individual legal parcel that would not have been permitted on said parcel under the terms and conditions of this Easement as applied to the Property as a whole. This section only applies to conveyances of fee ownership and not to conveyances of any property interests other than fee ownership (e.g. leasehold interests). In respect to ownership of the Property or permitted separate legal parcels, as the case may be, ownership may be (among others) in the form of a partnership, limited partnership, limited liability company, corporation or other legal entity or as undivided interests such as tenants in common, whether by choice or by operation of any Applicable Laws, but no owner of an undivided interest shall thereby have (i) the right of exclusive occupancy or exclusive use of any separate portion of the Property (or permitted separate legal parcel), or (ii) any right to have the Property (or permitted separate legal parcel), partitioned in kind, whether pursuant to California Code of Civil Procedure §872.010 et seq. ("**CCP**") or any successor statute or otherwise. In the event that a partition action is brought and a court determines that the remedy of partition must be granted, Grantor, on behalf of itself and its successors and assigns hereby irrevocably agrees the remedy shall not be a physical subdivision of the Property (or permitted separate legal parcel), but instead may be a partition by appraisal pursuant to CCP §873.910 or any successor statute or a judicially supervised sale of Grantor's entire estate in the Property (or permitted separate legal parcel) pursuant to CCP §873.510 or any successor statute, subject, however, to this Easement, followed by a division of sales proceeds among the parties entitled thereto. Grantor recognizes that Grantee will incur direct and indirect costs for monitoring and administration of the Conservation Easement in the event fee title to a portion of the Property is transferred under this provision. Accordingly, upon Grantor's sale, transfer or conveyance of fee title to less than all of the Property in accordance with this subsection (a), Grantor shall pay, or cause to be paid, to Grantee a one-time payment of a sum representing the increased cost of such Conservation Easement stewardship, as reasonably determined at such time by Grantee. Such one-time payment shall be in addition to any reimbursements required pursuant to Section 13.2.4 or Section 17 of this Easement.

(b) Limit on Subdivision. Except for Specified Required Actions, Grantor shall not subdivide the Property with the result of frustrating the ownership restrictions set forth in subsection (a) above. For example, the following actions would not frustrate the ownership restrictions in subsection (a) above: (i) merger and reduction of the number of separate legal parcels comprising the Property; or (ii) reconfiguring by lot line adjustment the existing internal boundaries of legal parcels within the outer boundaries of the Property; or (iii) clarifying boundary lines with adjacent landowners; or (iv) subdivisions to facilitate Hydro Project Activities. Grantor shall (i) as part of the Annual Work Plan review in accordance with Section 7, or at least ninety (90) days prior to any Grantor subdivision activity (whether or not prohibited hereunder), furnish Grantee with the subdivision application or filings; and (ii) provide to Grantee reasonably sufficient information to identify the boundaries of each legal parcel. This information will become part of the Baseline Documentation Report. At the election of either party, the parties shall execute and record an amendment of this Easement to reflect any change to the legal description of the Property set forth in Exhibit A or any other changes and allocations resulting from permitted subdivision that are not established to the reasonable satisfaction of the parties by recordation in the Public Records of the plan of subdivision approved under Applicable Law.

2. Development Rights. Except for Specified Required Actions provided in Section 7, the development rights associated with all or any portion of the Property may not be transferred to, or used or exercised in connection with, any property other than the Property, such rights of transfer, use and exercise being hereby terminated and extinguished in perpetuity. The phrase "development rights" means any and all rights, however designated, now or hereafter associated with the Property or any portion thereof that may be used pursuant to applicable zoning laws, land use laws or other governmental laws or regulations, to compute permitted size, height, bulk, or number of structures, development density, lot yield, or any similar development variable on or pertaining to the Property or any other property.

3. Mining and Drilling. There shall be no mining, drilling, removing, fracking, or exploring for or extracting of minerals, oil, gas, coal, or other hydrocarbons, soils, sands, gravel, loam, rocks or any other material on, under, or at the Property. Notwithstanding the foregoing, the following shall not be Prohibited Uses:

- (a) Specified Required Actions provided in Section 7;
- (b) Drilling, removal and extraction of soils, sands, gravel, loam, rocks or any other material on, under, or at the Property in connection with studies and testing to the extent related to Grantor's exercise of the Hydro Reserved Rights;
- (c) Testing, drilling and operating groundwater wells; and construction or placement of any structures or improvements within the Hydro Operating Zone to the extent related to Grantor's exercise of the Hydro Reserved Rights; and
- (d) The use of soil, sand, gravel and other similar material located on the Property as appropriate for road maintenance, erosion control and in connection

with a Required Action subject to the following limitations: (i) such disturbance shall be kept to the minimum necessary to exercise such rights, (ii) any such soils, sands, and other materials shall not be removed from the Property, and (iii) all such utilization activities shall be conducted in a manner that minimizes to the greatest extent practicable impacts to the Beneficial Public Values.

4. Construction and Placement of Structures and Improvements. There shall be no construction or placement of any structures or improvements on the Property, including (but not limited to) residential, industrial, office, or other buildings, underground or aboveground tanks. Notwithstanding the foregoing, the following shall not be Prohibited Uses:

- (a) Required Actions provided in Section 7;
- (b) Permitted Uses under Exhibit I;
- (c) Construction or placement of any structures or improvements within the Hydro Operating Zone which Grantor has determined relate to Grantor's exercise of the Hydro Reserved Rights; and
- (d) Structures and improvements made in the course of prudent and customary land management activities and/or to protect, preserve, or enhance the Beneficial Public Values (including, for example, garbage enclosures, benches, interpretive kiosks, and appropriately located and sized caretaker structure).

5. Vehicles. Except for Required Actions provided in Section 7, or in the case of an emergency or other occurrence affecting the safety of persons and/or property, there shall be no use of any motorized vehicles off of existing roadways on the Property except vehicles used as necessary to carry out prudent and customary land management activities and/or to protect, preserve, or enhance the Beneficial Public Values. Motorized off-road recreational use shall not constitute an activity "related to the protection or preservation of the Beneficial Public Values" as provided in the preceding sentence.

6. Dumping or Salvage. Except for Required Actions provided in Section 7, there shall be no dumping, storage or other disposal on the Property of soil, trash or garbage except for (a) refuse generated on the Property which may be disposed of on the Property on a temporary basis prior to its removal from the Property in areas where the Beneficial Public Values of the Property are not significantly impaired, or (b) compostable refuse generated on the Property which may be disposed of on the Property in a responsible manner which does not significantly impair the Beneficial Public Values of the Property. Except for Required Actions provided in Section 7, there shall be no dumping, storage (other than on a temporary basis) or other disposal of ashes, sludge, Hazardous Substances, or other unsightly or dangerous materials outside of the Hydro Operating Zone. Except for Required Actions provided in Section 7, there shall be no storage or disassembly of inoperable automobiles, trucks, or other

vehicles or equipment for purposes of sale, or rental of space for that purpose outside of the Hydro Operating Zone.

7. Non-Native Animal Species. Except for Required Actions provided in Section 7, there shall be no release anywhere on the Property of non-native animal species other than livestock without Grantee's prior written approval in accordance with Section 7, as required.

8. Vegetation. Except for Required Actions provided in Section 7, there shall be no removal, cutting or destruction on the Property of native vegetation except (a) in an emergency and/or for purposes of disease or insect control or (b) to prevent property damage, personal injury, or flooding or (c) as permitted in Exhibit I, Sections 4 and 9, or (d) with Grantee's prior written approval in accordance with Section 7, as required.

9. Roads and Trails. Except for Required Actions provided in Section 7 or as required to implement a Required Action, or in the case of an emergency or other occurrence affecting the safety of persons and/or property, there shall be no construction of any new roads or trails on the Property; provided, however, the construction of new roads and trails (or the relocation of existing road and trails) on the Property to protect, preserve or enhance the Beneficial Public Values shall be permitted with Grantee's prior written approval in accordance with Section 7, as required. As used herein, the term "construction" shall not include the creation of roads or trails through repeated use, although such activities shall be governed by this Easement.

10. Commercial Uses. There shall be no office, industrial, or other commercial use on the Property that is likely to significantly impair Beneficial Public Values. Notwithstanding the foregoing, the following shall not be Prohibited Uses:

- (a) Required Actions provided in Section 7;
- (b) Uses permitted by Third Party Use Agreements; and
- (c) Office, industrial, or other commercial uses within the Hydro Operating Zone which Grantor has determined relate to Grantor's exercise of the Hydro Reserved Rights.

11. Alteration of Land or Excavation. Except for Required Actions provided in Section 7 or as otherwise explicitly permitted by the terms of this Easement, there shall be no filling, excavating, grading, draining or dredging outside of the Hydro Operating Zone, nor any change in the general topography of the Property; provided, however, such activities shall be permitted outside of the Hydro Operating Zone in the course of prudent and customary land management activities and/or to protect, preserve, or enhance the Beneficial Public Values.

12. Billboards. Except for Required Actions provided in Section 7 or permitted uses under Exhibit I or Grantee's signs permitted under Section 5.3, there shall be no placement of billboards or advertising facilities. The use of Grantor's logo and/or trade



style on a sign will not in and of itself constitute a billboard or advertising facility under this provision.

EXHIBIT G

## Hydro Operating Zone

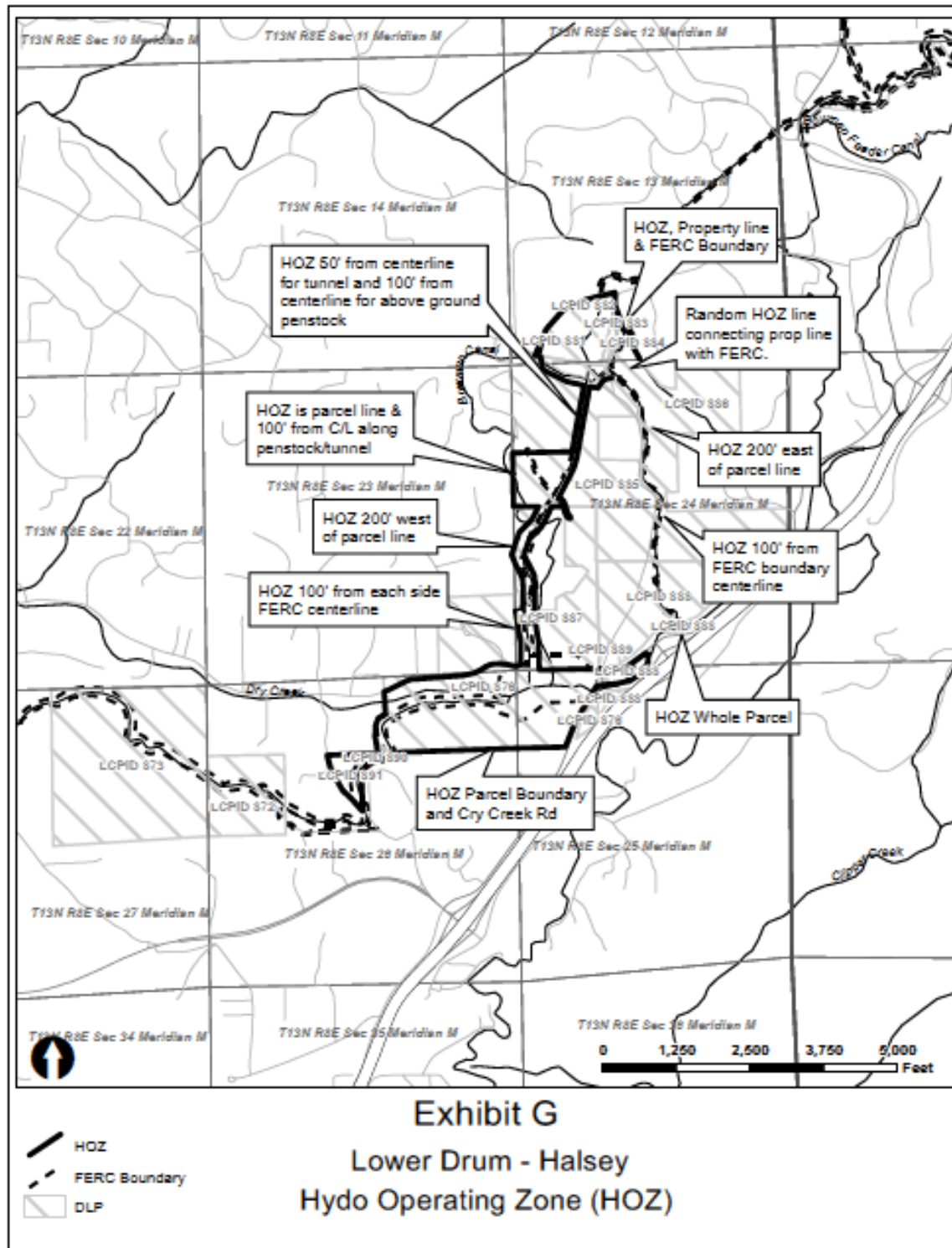
**[Subject to replacement]**

EXHIBIT H

Express Third Party Uses and Third Party Use Agreements

**1. Express Third Party Uses**

The Express Third Party Uses on the Property are all uses permitted by and pursuant to the Third Party Use Agreements.

**2. Third Party Use Agreements**

The Third Party Use Agreements on the Property are the following:

- A License Agreement for Agricultural Purposes dated January 1, 2014 granted to John R. Miller d.b.a. Miller's Honey Farms, Inc., LD 2113-08-2816
- B The following preliminary report items:

THE FACT THAT THE OWNERSHIP OF SAID LAND DOES NOT INCLUDE RIGHTS OF INGRESS AND EGRESS TO OR FROM THE STREET OR HIGHWAY ABUTTING SAID LAND (EXCEPT AT CERTAIN POINTS DESIGNATED THEREIN), SUCH RIGHTS HAVING BEEN SEVERED BY INSTRUMENT:

RECORDED: OCTOBER 4, 1951 IN BOOK 596 OF OFFICIAL RECORDS AT PAGE 215, PLACER COUNTY RECORDS

AFFECTS PARCEL 1 AND 9

SAID INSTRUMENT FURTHER CONTAINS A WAIVER IN FAVOR OF THE STATE OF CALIFORNIA OF ANY CLAIMS FOR DAMAGES TO SAID LAND BY REASON OF THE LOCATION, CONSTRUCTION, LANDSCAPING OR MAINTENANCE OF SAID STREET OR HIGHWAY.

THE TERMS, CONDITIONS AND PROVISIONS AS CONTAINED IN THE INSTRUMENT ENTITLED "AGREEMENT", BY AND BETWEEN PACIFIC GAS AND ELECTRIC COMPANY, A CALIFORNIA CORPORATION, AND COUNTY OF PLACER, RECORDED DECEMBER 30, 1969, BOOK 1276, PAGE 341, PLACER COUNTY RECORDS.

AFFECTS PARCEL 6

AN EASEMENT OVER SAID LAND TO CONSTRUCT, MAINTAIN AND USE A ROAD AND INCIDENTAL PURPOSES, AS GRANTED TO CALVIN V. EDLUND, ET UX, IN DEED RECORDED JULY 23, 1970, BOOK 1304, PAGE 579, PLACER COUNTY RECORDS.

AFFECTS: PARCEL 7

NO REPRESENTATION IS MADE AS TO THE CURRENT OWNERSHIP OF SAID EASEMENT.

AN EASEMENT OVER SAID LAND TO CONSTRUCT, MAINTAIN AND USE A ROAD AND INCIDENTAL PURPOSES, AS GRANTED TO FRED P. TUTTLE III, ET UX, IN DEED RECORDED DECEMBER 07, 1970, BOOK 1326, PAGE 55, PLACER COUNTY RECORDS.

AFFECTS: PARCEL 7

NO REPRESENTATION IS MADE AS TO THE CURRENT OWNERSHIP OF SAID EASEMENT.

THE TERMS, CONDITIONS AND PROVISIONS AS CONTAINED IN THE INSTRUMENT ENTITLED "AGREEMENT", BY AND BETWEEN PACIFIC GAS AND ELECTRIC COMPANY, A CALIFORNIA CORPORATION, AND THE PACIFIC TELEPHONE AND TELEGRAPH COMPANY, A CALIFORNIA CORPORATION, RECORDED JANUARY 21, 1971, BOOK 1332, PAGE 30, PLACER COUNTY RECORDS.

AFFECTS PARCEL 9

LACK OF ABUTTERS RIGHTS IN AND TO THE FREEWAY OR HIGHWAY ADJACENT TO SAID PROPERTY, SAID RIGHTS HAVING BEEN RELEASED AND RELINQUISHED BY DEED TO THE STATE OF CALIFORNIA, RECORDED JUNE 25, 1971, BOOK 1358, PAGE 209, PLACER COUNTY RECORDS.

AFFECTS PARCEL 1 AND 9

AN EASEMENT OVER SAID LAND TO CONSTRUCT, MAINTAIN AND USE A ROAD AND INCIDENTAL PURPOSES, AS GRANTED TO MAYFIELD INVESTMENT COMPANY, A CALIFORNIA CORPORATION, IN DEED RECORDED JULY 15, 1974, BOOK 1580, PAGE 61, PLACER COUNTY RECORDS.

AFFECTS: PARCELS 6 AND 8

NO REPRESENTATION IS MADE AS TO THE CURRENT OWNERSHIP OF SAID EASEMENT.

AN EASEMENT OVER SAID LAND TO EXCAVATE FOR, INSTALL, REPLACE, MAINTAIN AND USE SUCH PIPE LINES FOR CONVEYING WATER AND INCIDENTAL PURPOSES, AS GRANTED TO DONALD L. BAKER, ET UX, IN DEED RECORDED AUGUST 05, 1975, BOOK 1658, PAGE 648, PLACER COUNTY RECORDS.

AFFECTS: PARCEL 7

NO REPRESENTATION IS MADE AS TO THE CURRENT OWNERSHIP OF SAID EASEMENT.

AN EASEMENT OVER SAID LAND TO CONSTRUCT, PAVE, MAINTAIN AND USE A ROAD AND INCIDENTAL PURPOSES, AS GRANTED TO CLIFTON A. POWELL, ET AL, IN DEED RECORDED JANUARY 10, 1978, BOOK 1929, PAGE 101, PLACER COUNTY RECORDS.

AFFECTS: PARCEL 1

NO REPRESENTATION IS MADE AS TO THE CURRENT OWNERSHIP OF SAID EASEMENT.

AN EASEMENT OVER SAID LAND TO CONSTRUCT, RECONSTRUCT, MAINTAIN AND USE A ROAD OF VARIOUS WIDTHS AND INCIDENTAL PURPOSES, AS GRANTED TO PLACER COUNTY WATER AGENCY, IN DEED RECORDED OCTOBER 22, 1979, BOOK 2184, PAGE 564, PLACER COUNTY RECORDS.

AFFECTS: PARCEL 8 AND 9

NO REPRESENTATION IS MADE AS TO THE CURRENT OWNERSHIP OF SAID EASEMENT.

AN EASEMENT OVER SAID LAND TO EXCAVATE FOR, INSTALL, REPLACE, MAINTAIN AND USE A PIPE LINE FOR CONVEYING WATER AND INCIDENTAL PURPOSES, AS GRANTED TO PLACER COUNTY WATER AGENCY, A PUBLIC BODY OF THE STATE OF CALIFORNIA, IN DEED RECORDED MARCH 26, 1981, BOOK 2370, PAGE 593, PLACER COUNTY RECORDS.

AFFECTS: PARCEL 1 AND 8

NO REPRESENTATION IS MADE AS TO THE CURRENT OWNERSHIP OF SAID EASEMENT.

THE TERMS, CONDITIONS AND PROVISIONS AS CONTAINED IN THE INSTRUMENT ENTITLED "AGREEMENT", BY AND BETWEEN PACIFIC GAS AND ELECTRIC COMPANY, A CALIFORNIA CORPORATION, AND PLACER COUNTY WATER AGENCY, A PUBLIC BODY OF THE STATE OF CALIFORNIA, RECORDED MARCH 26, 1981, BOOK 2370, PAGE 601, PLACER COUNTY RECORDS.

AFFECTS PARCEL 1 AND 8

AN EASEMENT OVER SAID LAND TO EXCAVATE FOR, INSTALL, REPLACE, MAINTAIN AND USE AN UNDERGROUND PIPE LINE FOR CONVEYING WATER AND INCIDENTAL PURPOSES, AS GRANTED TO WALO CORPORATION, INC., IN DEED RECORDED APRIL 20, 1986, BOOK 2963, PAGE 121, PLACER COUNTY RECORDS.

AFFECTS: PARCEL 8 AND 1

NO REPRESENTATION IS MADE AS TO THE CURRENT OWNERSHIP OF SAID EASEMENT.

AN EASEMENT OVER SAID LAND TO CONSTRUCT, MAINTAIN, AND USE A ROAD AND INSTALL NECESSARY UTILITIES AND INCIDENTAL PURPOSES, AS GRANTED TO THE COUNTY OF PLACER, IN DEED RECORDED JULY 19, 1988, BOOK 3439, PAGE 386, PLACER COUNTY RECORDS.

AFFECTS: PARCEL 1

NO REPRESENTATION IS MADE AS TO THE CURRENT OWNERSHIP OF SAID EASEMENT

AN EASEMENT OVER SAID LAND TO RECONSTRUCT, MAINTAIN AND USE A ROAD AND INCIDENTAL PURPOSES, AS GRANTED TO ERVIS L. NAVE, ET UX, IN DEED RECORDED NOVEMBER 02, 1989, BOOK 3510, PAGE 154, PLACER COUNTY RECORDS.

AFFECTS: PARCEL 1

NO REPRESENTATION IS MADE AS TO THE CURRENT OWNERSHIP OF SAID EASEMENT.



AN EASEMENT OVER SAID LAND TO EXCAVATE FOR, CONSTRUCT, RECONSTRUCT, INSTALL, REPLACE, MAINTAIN AND USE PIPELINES FOR CONVEYING WATER AND INCIDENTAL PURPOSES, AS GRANTED TO HENRY ZOBLITNY, ET AL., IN DEED RECORDED JUNE 25, 1993, INSTRUMENT NO. 1993-034189, PLACER COUNTY RECORDS.

AFFECTS: PARCEL 1

NO REPRESENTATION IS MADE AS TO THE CURRENT OWNERSHIP OF SAID EASEMENT.

THE TERMS, CONDITIONS AND PROVISIONS AS CONTAINED IN THE INSTRUMENT ENTITLED "CONSENT AGREEMENT", BY AND BETWEEN PACIFIC GAS AND ELECTRIC COMPANY, A CALIFORNIA CORPORATION, AND MARK A. INMAN, RECORDED AUGUST 03, 1994, INSTRUMENT NO. 1994-056331, PLACER COUNTY RECORDS.

AFFECTS PARCEL 12

THE TERMS, CONDITIONS AND PROVISIONS AS CONTAINED IN THE AGREEMENT ENTITLED "ASSIGNMENT AND EASEMENT", BY AND BETWEEN PACIFIC GAS AND ELECTRIC COMPANY, A CALIFORNIA CORPORATION, AND PLACER COUNTY WATER AGENCY, A CALIFORNIA WATER AGENCY, RECORDED DECEMBER 31, 1997, AS INSTRUMENT NO. 97-0083402, OFFICIAL RECORDS.

AN ASSIGNMENT FOR A PORTION OF THE RIGHTS GRANTED IN THE ASSIGNMENT AND EASEMENT RECORDED MAY 2, 2000, AS INSTRUMENT NO. 2000-0029722, OFFICIAL RECORDS.

THE TERMS, CONDITIONS AND STIPULATIONS AS CONTAINED IN THE FEDERAL ENERGY REGULATORY COMMISSION LICENSE, DATED JUNE 24, 1963, RELICENSING THE DRUM SPILLWAY HYDROELECTRIC PROJECT NO. 2310.

***[Subject to update.]***



EXHIBIT I

## Permitted Uses

The following are Permitted Uses:

1. The Express Third Party Uses.
2. The uses and activities expressly permitted under Exhibit F.
3. Except as otherwise limited by this Easement, the right to sell, encumber, or otherwise transfer the Property, portions thereof, or interests therein, to anyone Grantor chooses.
4. The right to trim and cut down and clear away any and all trees, brush and vegetation (a) which constitute a hazard to persons or property, and/or (b) for purposes of fire management, disease or insect control or otherwise as necessary or appropriate for prudent land management (i.e., not motivated by commercial benefit), and/or (c) for other vegetation management operations, including but not limited to fuel reduction projects, thinning of tree stands and meadow restoration projects. The foregoing may include pesticide use to control vegetation (brush, grass, weeds, etc.) and/or insects.
5. Consistent with Section 9.2, the right to install, maintain, repair, replace and maintain gates and fences.
6. The right to perform all activities required to comply with any and all Applicable Laws.
7. The right to maintain, repair, restore, replace and reconstruct all structures and improvements now or hereafter located on the Property, provided any replacement structures or improvements shall be located in substantially the same location and within the same footprint as the structure or improvement being replaced, and shall be substantially the same height as the structure or improvement being replaced.
8. The right to install minor, temporary structures necessary or appropriate in connection with the performance of prudent and customary land management activities, Hydro Project Activities, or the protection, preservation, or enhancement of the Beneficial Public Values.
9. (a) The right to undertake commercial and/or non-commercial forest management activities on the Property for any of the following purposes: (1) to promote the health and sustainability of the Property's natural resources; (2) to protect and enhance the Property's riparian resources; (3) to maintain an ecologically appropriate species mix of overstory and understory vegetation; (4) to protect and enhance wildlife habitat for native species historically present on the Property; (5) to protect cultural resources on the Property; (6) to control invasive and non-native vegetation; and (7) to

prevent, mitigate, and/or respond to any natural disaster (such as wildfire, significant insect and disease outbreak, or significant wind damage).

(b) Forest management activities for the purposes outlined in Paragraph (a) may include, but shall not be limited to, timber harvesting; salvage logging; conversion of vegetation types; prescribed fire; pre-commercial and commercial thinning of conifer and hardwood trees; fuels management; tree planting; control of undesirable vegetation and pests; habitat maintenance and enhancement; and road and watercourse crossing construction, maintenance, repair, and enhancement. Grantor shall carry out all such forest management activities in compliance with Applicable Law.

(c) Grantor shall provide to Grantee any existing or future forest management plan as part of the Annual Work Plan review process pursuant to Section 7.3 of this Easement. Grantor and Grantee shall review and discuss such plan (along with any proposals Grantee may have regarding this Permitted Use by Grantor pursuant to Section 7.3.4(b) of this Easement) periodically as part of such Annual Work Plan review process. Said forest management plan shall be updated periodically, as appropriate.

10. The right to construct, reconstruct, replace, remove, maintain and use the types of facilities and improvements described in Paragraph (7) of Exhibit C that are unrelated to Hydro Project Activities and do not constitute a Required Action provided that such facilities shall be subject to Grantee's approval in the manner provided for Discretionary Actions.

11. In accordance with Applicable Laws, the right to control or eliminate noxious weeds and non-native plant species on the Property, and the right to control animals that (a) pose or threaten to pose a hazard to persons or property, including Hydroelectric Facilities and Associated Water Delivery Facilities, or (b) adversely impact or threaten to adversely impact (i) one or more of the Beneficial Public Values, (ii) Grantor's Hydro Reserved Rights or Hydro Project Activities, (iii) the Hydroelectric Facilities and Associated Water Delivery Facilities, or (iv) an Express Third Party Use.

12. The right to erect reasonably sized signs (illuminated and non-illuminated) to support and manage safety and permitted uses of the Property, including signs regarding authorized and unauthorized entry and uses or other appropriate markers in prominent locations on the Property, such as boundary fences, trails, and access roads.

**Conservation Easement Funding Agreement  
Lower Drum Planning Unit  
(Parcel #876, 881-891, Halsey)**

**This Conservation Easement Funding Agreement** (“Agreement”) is entered into as of the Effective Date (defined below) by and between the **Pacific Forest and Watershed Lands Stewardship Council**, a California nonprofit public benefit corporation (the “Stewardship Council”) and **Placer Land Trust**, a California nonprofit public benefit corporation (“Grantee”) with reference to the following facts:

A. The Stewardship Council was created to oversee the “Land Conservation Commitment” described in (1) that certain Settlement Agreement among Pacific Gas and Electric Company (“PG&E”), PG&E Corporation, and the California Public Utilities Commission (the “Commission”) as modified and approved by the Commission in its Opinion and Order of December 18, 2003 (Decision 03-12-035) (the “Settlement Agreement”); and (2) that certain Stipulation Resolving Issues Regarding the Land Conservation Commitment dated September 25, 2003 (the “Stipulation”).

B. Pursuant to the Settlement and Stipulation, certain lands owned by PG&E at the time of the Settlement (the “PG&E Watershed Lands”) are to be conserved for a broad range of beneficial public values, including the protection of the natural habitat of fish, wildlife and plants; the preservation of open space; outdoor recreation by the general public; sustainable forestry; agricultural uses; and historic values. The Stewardship Council is charged with developing a Land Conservation Plan for the protection and enhancement of the PG&E Watershed Lands.

C. Grantee is a publicly-supported, tax exempt nonprofit organization, qualified under Section 501 (c)(3) of the Internal Revenue Code (“IRC”), whose primary purpose is to preserve, protect or enhance, land in its natural scenic, historical agricultural, forested or open space condition or use and conserve natural areas for aesthetic, scientific, charitable and educational purposes. Grantee is eligible to hold a conservation easement pursuant to California Civil Code Section 815.3.

D. In connection with the Land Conservation Commitment, Grantee has agreed to accept a perpetual conservation easement created pursuant to California Civil Code Section 815 *et seq.* (the “Conservation Easement”) over a portion of the PG&E Watershed Lands that is being retained by PG&E consisting of approximately 546 acres of real property located in the County of Placer, State of California, as more particularly described in Exhibit A attached hereto and incorporated herein by reference (the “Property”).

E. In consideration of Grantee’s agreement to accept the Conservation Easement and assume the duties and obligations of the easement holder, the Stewardship Council has agreed to provide funding to Grantee in the amounts and subject to the terms and conditions described below.

**NOW, THEREFORE**, the Stewardship Council and Grantee agree as follows:

1. Effective Date. This Agreement shall become effective upon the recording of the Conservation Easement in favor of Grantee in the Official Records of Placer County (the “Effective Date”). It is understood and agreed that if for any reason whatsoever the recording of the Conservation Easement does not occur on or before June 30, 2018, this Agreement shall be

### Appendix 3: Conservation Easement Funding Agreement

of no further force or effect and the parties shall thereupon be released from any obligations under this Agreement.

2. Grant Amount and Payment Terms. Effective upon the Effective Date, the Stewardship Council grants **Two Hundred Eight Thousand Six Hundred Dollars (\$208,600)** (the “Grant Funds”) to Grantee. The Grant Funds shall be payable to Grantee within thirty (30) days of the Effective Date. Grantee will use the Grant Funds for the purposes described in this Agreement and for no other purpose without the prior written consent of the Stewardship Council. The Stewardship Council reserves the right to require the total or partial return of Grant Funds in the event Grantee fails to comply with the terms and conditions of this Agreement.

3. Grant Restrictions. The use of the Grant Funds shall be restricted as follows:

a. No less than Ninety Nine Thousand Three Hundred Dollars (\$99,300) of the Grant Funds shall be deposited into a non-wasting endowment restricted solely for the purpose of funding Grantee’s costs for the stewardship and monitoring of conservation easements on the PG&E Watershed Lands (the “Monitoring and Stewardship Endowment”). The types of allowable expenditures of these funds is described in Section 5 below.

b. Ten Thousand Dollars (\$10,000) of the Grant Funds shall be restricted to the legal defense and enforcement of conservation easements held by Grantee, including, but not limited to, the conservation easements established on the PG&E Watershed Lands (the “Defense and Enforcement Funds”). The types of allowable expenditures of these funds is described in Section 6 below.

c. The remainder of the Grant Funds shall be restricted for the purpose of funding Grantee’s costs for the stewardship and monitoring of any conservation easements held by Grantee, including but not limited to the conservation easements on the PG&E Watershed Lands (the “General Monitoring and Stewardship Funds”). Grantee may use the General Monitoring and Stewardship Funds to monitor any of its conservation easements as long as Grantee meets its obligations as described in Section 5 below.

4. Grant Deposit Requirements.

a. Within thirty (30) days of receipt of funds, Grantee will provide the Stewardship Council with evidence of deposit of the Monitoring and Stewardship Endowment into an account which shall be restricted solely for the purpose of funding Grantee’s costs for the stewardship and monitoring of conservation easements on the PG&E Watershed Lands and shall be treated as a non-wasting endowment.

b. Within thirty (30) days of receipt of funds, Grantee will provide the Stewardship Council with evidence of deposit of (1) the General Monitoring and Stewardship Funds into an account which shall be restricted to the stewardship and monitoring of conservation easements held by the Grantee, including but not limited to the Conservation Easement on the Property; and (2) the Defense and Enforcement Funds into an account which shall be restricted to the legal defense or enforcement of conservation easements held by the Grantee, including but not limited to the Conservation Easement on the Property.

### Appendix 3: Conservation Easement Funding Agreement

c. The requirement to provide evidence of deposit will be satisfied when Grantee submits to the Stewardship Council the form attached as Exhibit B.

5. Conservation Easement Monitoring. From and after the Effective Date, Grantee agrees to conduct regular monitoring of the Property to ensure compliance with the terms of the Conservation Easement. Grantee shall conduct on-site monitoring of the Property not less than annually to assess compliance with the terms and conditions of the Conservation Easement and note any material changes to the Property compared to the baseline documentation report and prior monitoring reports. Upon written request, the Stewardship Council or its designee shall be permitted to accompany the Grantee on its monitoring visits and to receive a copy of any monitoring report prepared by Grantee. Permissible uses of the Monitoring Funds shall include, for example:

a. Regular on-site inspection and monitoring to ensure that the terms of Conservation Easement are being met;

b. Recordkeeping and preparation of reports, notices of violation, any written consent to be submitted to the fee title owner of the property which is subject to the easement, and other documentation related to the Conservation Easement and the Property;

c. Communications with the fee title owner of the property which is subject to the easement regarding the provisions of the Conservation Easement and planned or completed activities on the lands to be performed or allowed by the fee title owner or a licensee/lessee;

d. Responding to any inquiries or concerns raised by entities that have leases or licenses on the Property or other stakeholders who have an interest in ensuring the beneficial public values are protected.

6. Defense and Enforcement Funds. Grantee shall be permitted to use the Defense and Enforcement Funds for the following purposes:

a. To make direct expenditures of attorneys' fees, costs and disbursements incurred in connection with proceedings to enforce and/or defend the provisions of the Conservation Easement against legal challenge, including any claims by third parties;

b. To "pool" funds for legal expenses to enforce and/or defend against legal challenge conservation easements held by the Grantee, including without limitation the Conservation Easement on the Property;

c. To pay premiums into a Conservation Defense Insurance Program offered through the Land Trust Alliance, or other nationally-recognized conservation organization of which Grantee is a member for the enforcement and defense of conservation easements held by member organizations, or to cover deductibles or similar costs related to such insurance.

7. Grant Report. Grantee agrees to submit to the Stewardship Council and/or its designee the following grant Status Reports pursuant to this Agreement. The initial Status Report shall be submitted to the Stewardship Council by the third quarter of the 2018 calendar

### Appendix 3: Conservation Easement Funding Agreement

year and include data up to the date of the initial Status Report. The final Status Report shall be submitted to the Stewardship Council or its designee on or before December 31, 2023. The due dates of the initial and final Status Reports can be changed by the Stewardship Council or its designee with at least 60 days written notice to Grantee. The Stewardship Council or its designee shall notify Grantee in a timely manner of the form and content of each Status Report, which shall include, at a minimum:

- a. Copies of annual monitoring reports pertaining to the Conservation Easement for years selected by the Stewardship Council or its designee;
- b. A statement as to whether any violations of the Conservation Easement were observed during the reporting period, and the outcome of any action taken to correct such violation;
- c. A statement as to whether any amendments to the Conservation Easement were approved during the reporting period, with copies of any such amendments included in the Status Reports;
- d. A statement as to whether fee title of the property was conveyed, the date of such conveyance, and the identity of the transferee; and
- e. A report providing an accounting of how the Grant Funds have been invested or expended in furtherance of the purposes of this Agreement.

8. Records. Grantee will indicate the Grant Funds separately on its books of account, and maintain such records in accordance with generally accepted accounting principles. Grantee shall additionally maintain written records including the baseline documentation report, the Deed of Conservation Easement, any amendments to the Conservation Easement, other transaction documents, and copies of monitoring reports, notices to the landowner, and other communications pursuant to the Conservation Easement in accordance with the practices generally accepted in the land trust community.

9. Inspection. The Stewardship Council or its designee shall have the right to inspect the books and records of Grantee and evaluate Grantee's use of Grant Funds, so long as (i) such inspection or evaluation occurs during regular business hours; (ii) such inspection or evaluation does not unreasonably interfere with Grantee's regular operations; and (iii) the Stewardship Council or its designee provides at least three (3) days prior notice of any such inspection or evaluation.

10. Assignment and Transfer of Funds. Grantee shall not assign its interest under the Conservation Easement except in accordance with the provisions of the Conservation Easement relating to permitted assignments. In the event that Grantee assigns its interest under the Conservation Easement to a successor conservation easement holder, Grantee shall transfer the remaining balance of the Grant Funds to the successor conservation easement holder. Assignee's receipt of any funds from Grantee shall be conditioned upon the assignee's agreement in writing to assume all of Grantee's obligations under this Agreement.

11. Publicity. The Stewardship Council may include information regarding this Agreement and Grantee in its periodic public reports, press releases, or other public communications.



### Appendix 3: Conservation Easement Funding Agreement

12. Representations and Warranties. Grantee warrants and represents that it is a tax exempt organization under Section 501(c)(3) of the IRC, and is not a private foundation as defined in section 509(a) of the IRC or is an exempt operating foundation described in Section 4940(d)(2) of the IRC. Grantee further represents and warrants that it shall not use the Grant Funds to attempt to influence legislation or otherwise carry out lobbying activities within the meaning of Sections 501(h), 4911, 4945(d)(1) or 4945(e) of the IRC. No part of the Grant Funds may be used to attempt to influence the outcome of any specific public election, or to carry on, directly or indirectly, any voter registration drive. No part of the Grant Funds may be used for purposes other than charitable, scientific, literary, or educational purposes within the meaning of IRC Section 170(c)(2)(B).

Grantee does not knowingly employ individuals or contribute funds to organizations found on any terrorist-related list prepared by the U.S. Government, the United Nations, or the European Union, including the Department of Treasury's Office of Foreign Assets Control Specially Designated Nationals List, the Department of Justice's Terrorist Exclusion List, or the list attached to Executive Order 13224. Should any change occur with respect to the preceding sentence, Grantee will notify the Stewardship Council within 7 days of such change.

13. Indemnification. Grantee hereby agrees to indemnify, defend, and hold harmless the Stewardship Council, and the Stewardship Council's past, present and future officers, directors, and employees, from and against any and all claims, demands, losses, costs, expenses, obligations, liabilities, damages, recoveries, and deficiencies, including interest, penalties, and reasonable attorney fees and costs, that they may incur or suffer and that result from, or are related to, the receipt and use of the Grant Funds by Grantee.

14. Limit of Stewardship Council Obligations. The Stewardship Council's obligations under this Agreement shall under no circumstances exceed the Grant Funds amount set forth in Section 2 above.

15. Assignment. This Agreement may not be assigned by the Grantee in whole or in part except as provided in Section 10 above. The Stewardship Council may assign its rights and delegate its obligations under this Agreement to a third party at the Stewardship Council's sole discretion, but must provide written notice to Grantee prior to such assignment. Subject to the foregoing, this Agreement shall be binding upon and inure to the benefit and burden of the parties and their respective heirs, successors and assigns.

16. Amendment; Entire Agreement. This Agreement may not be amended or modified except by written instrument signed by both parties. This Agreement constitutes the entire understanding of the parties concerning the subject matter hereof, and supersedes any and all previous negotiations, agreements, or understandings, if any, regarding the matters contained herein.

17. Governing Law. This Agreement shall be governed by the laws of the State of California.

### Appendix 3: Conservation Easement Funding Agreement

18. Counterparts. This Agreement may be executed in counterparts which together shall constitute a single agreement.

**Pacific Forest and Watershed Lands Stewardship Council,**  
a California Nonprofit Public Benefit Corporation

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

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

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

**Placer Land Trust,**  
a California Nonprofit Public Benefit Corporation

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

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

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

**Exhibit A**

**Legal Description of Property**

THE LAND DESCRIBED HEREIN IS SITUATED IN THE STATE OF CALIFORNIA,  
COUNTY OF PLACER, UNINCORPORATED AREA, AND IS DESCRIBED AS FOLLOWS:

**EXHIBIT B TO CONSERVATION EASEMENT FUNDING AGREEMENT****Evidence of Grant Fund Deposit and Restriction of Use Certification**

<b>Date:</b>	<b>Planning Unit/Property Title:</b>
<b>Grantee Name:</b>	<b>Grantee Address:</b>

<b>*Date of Deposit of Grant Funds:</b>		<b>Amount Deposited:</b>	
<b>Bank Name:</b>	<b>Account Name:</b>	<b>Account #:</b>	
<b>Certification of Deposit of Grant Funds and Restricted Use of Monitoring of Conservation Easement Funds</b>			
I, hereby state that the above referenced information is true and accurate, and understand that the above information, if misrepresented, or incomplete, may be grounds for immediate repayment of grant funds. I also agree that account activity will be restricted to the permissible uses of General Monitoring and Stewardship Funds as set forth in Section 3c and 5 of the Grant Agreement.			
<b>Name:</b>		<b>Title:</b>	
<b>Signature:</b>		<b>Date:</b>	

<b>*Date of Deposit of Grant Funds:</b>		<b>Amount Deposited:</b>	
<b>Bank Name:</b>	<b>Account Name:</b>	<b>Account #:</b>	
<b>Certification of Deposit of Monitoring and Stewardship Endowment Funds in Non-Wasting Endowment</b>			
I, hereby state that the above referenced information is true and accurate, and understand that the above information, if misrepresented, or incomplete, may be grounds for immediate repayment of grant funds. I also agree that account activity will be restricted solely for the purpose of funding Grantee's costs for the stewardship and monitoring of conservation easements on the Watershed Properties and shall be treated as a non-wasting endowment as set forth in Section 3a of the Grant Agreement.			
<b>Name:</b>		<b>Title:</b>	
<b>Signature:</b>		<b>Date:</b>	

For third section, see page 2

**EXHIBIT B TO CONSERVATION EASEMENT FUNDING AGREEMENT – Page 2**

<b>*Date of Deposit of Grant Funds:</b>			<b>Amount Deposited:</b>		
<b>Bank Name:</b>		<b>Account Name:</b>		<b>Account #:</b>	
<p align="center"><b>Certification of Deposit of Grant Funds and Restricted Use of Defense &amp; Enforcement Funds</b></p> <p>I, hereby state that the above referenced information is true and accurate, and understand that the above information, if misrepresented, or incomplete, may be grounds for immediate repayment of grant funds. I also agree that account activity will be restricted to the permissible uses of the Defense and Enforcement Funds as set forth in Section 6 of the Grant Agreement.</p>					
<b>Name:</b>			<b>Title:</b>		
<b>Signature:</b>			<b>Date:</b>		

**Return to:**  
 Stewardship Council  
 155 Bovet Road, Suite 405  
 San Mateo, CA 94402  
**Phone:** (650) 372-9047  
**Fax:** (650) 372-9303

\*Please include a copy of the bank statement referencing the above deposit.

I.02-04-026

**APPENDIX E**  
**LAND CONSERVATION COMMITMENT**

**STATEMENT OF PURPOSE**

PG&E shall ensure that the Watershed Lands it owns and Carizzo Plains are conserved for a broad range of beneficial public values, including the protection of the natural habitat of fish, wildlife and plants, the preservation of open space, outdoor recreation by the general public, sustainable forestry, agricultural uses, and historic values. PG&E will protect these beneficial public values associated with the Watershed Lands and Carizzo Plains from uses that would conflict with their conservation. PG&E recognizes that such lands are important to maintaining the quality of life of local communities and all the people of California in many ways, and it is PG&E's intention to protect and preserve the beneficial public values of these lands under the terms of any agreements concerning their future ownership or management.

PG&E Environmental Enhancement Corporation will develop a plan for protection of these lands for the benefit of the citizens of California. Protecting such lands will be accomplished through either (1) PG&E's donation of conservation easements to one or more public agencies or qualified conservation organizations consistent with these objectives, or (2) PG&E's donation of lands in fee to one or more public entities or qualified conservation organizations, whose ownership would be consistent with these conservation objectives.

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**COMMITMENTS**

1. PG&E Shall Place Permanent Conservation Easements on or Donate Watershed Lands: The Watershed Lands and Carizzo Plains shall (1) be subject to permanent conservation easements restricting development of the lands so as to protect and preserve their beneficial public values, and/or (2) be donated in fee simple to one or more public entities or qualified non-profit conservation organizations, whose ownership will ensure the protection of these beneficial public values. PG&E will not be expected to make fee simple donations of Watershed Lands that contain PG&E's or a joint licensee's hydroelectric project features. In instances where PG&E has donated land in fee, some may be sold to private entities subject to conservation easements and others, without significant public interest value, may be sold to private entities with few or no restrictions.

The conservation easements shall provide for the preservation of land areas for the protection of the natural habitat of fish, wildlife and plants, the preservation of open space, outdoor recreation by the general public, sustainable forestry, agricultural uses, and historic values and, shall prevent any other uses that will significantly impair or interfere with those values. Conservation easements on the Watershed Lands will include an express reservation of a right for continued operation and maintenance of hydroelectric facilities and associated water delivery facilities, including project replacements and improvements required to meet existing and



**I.02-04-026**

future water delivery requirements for power generation and consumptive water use by existing users, compliance with any FERC license, FERC license renewal or other regulatory requirements. In addition, easements will honor existing agreements for economic uses, including consumptive water deliveries. The conservation easements shall be donated to and managed by one or more non-profit conservation trustees, qualified conservation organizations or public agencies with the experience and expertise to fully and strictly implement the conservation easements.

2. Process For Development of the Conservation Easements and Land Donation Plan: PG&E will work with PG&E Environmental Enhancement Corporation and the Commission in the development and implementation of the conservation easements and land donation plan. PG&E Environmental Enhancement Corporation will recommend to PG&E (1) conservation objectives for the properties, including identification of conservation values, (2) criteria for ultimate disposition of the properties, (3) conservation easements guidelines, and (4) land disposition plans.
3. Reporting Responsibilities: PG&E Environmental Enhancement Corporation will prepare a report to the Commission within 18 months of the Effective Date describing the status of the conservation easement and land disposition plan. PG&E Environmental Enhancement Corporation will make the report available to the public upon request. Every two years following the first report, PG&E Environmental Enhancement Corporation will prepare a report to the Commission on the implementation of the conservation easement and land disposition plan.