

Pajaro River Watershed Flood Prevention Authority Board of Directors Agenda

c/o RAPS, Inc.
P.O. Box 2453
Seaside, CA 93955
(831) 883-3750

PRWFPA Chair – Nancy Bilicich
PRWFPA Vice Chair – John Varela

DATE: September 5, 2025

TIME: 9:00 AM

LOCATION: Zoom Webinar

Please click the link below to join the meeting:

<https://us06web.zoom.us/j/84291965480?pwd=AFHPfeyfsx1p8rFTyY93Ov8MCSZc3X.1>

Or Telephone:

Dial: +16694449171

Webinar ID: 842 9196 5480

Passcode: 377674

Persons who wish to address the PRWFPA Board of Directors on an item to be considered at this meeting are encouraged to submit comments in writing at info@ambag.org by 5:00 PM, Thursday, September 4, 2025. The subject line should read "Public Comment for the September 5, 2025 Board of Directors Meeting". The agency clerk will read up to 2 minutes of any public comment submitted.

If you have any questions, please contact Ana Flores, Clerk of the Board at aflores@ambag.org or at 831-883-3750.

PRWFPA Board Member(s) Meeting Remotely:

Sylvia Arenas:	70 West Hedding Street, 10th Floor, San Jose, CA 95110	408-299-5010
John Baillie:	346 W. Market Street, Salinas, CA 93901	831-998-8511
Nancy Bilicich:	294 Green Valley Road, Watsonville, CA 95076	831-786-2160
Glenn Church:	11140 Speegle St., Castroville, CA 95012	831-755-5022
Sonny Flores:	30 Mansfield Rd., Hollister, CA 95023	831-637-8218
Felipe Hernandez:	150 Westridge, Watsonville, CA 95076	831-737-4392
Richard Santos:	3580 Sierra Road, San Jose, CA 95132	408-630-2277
Mindy Sotelo:	481 4th St., 1st Floor, Hollister, CA 95023	831-636-4000
John Varela:	15685 La Bella Court, Morgan Hill, CA 95037	408-630-2277

1. **CALL TO ORDER**
2. **PLEDGE OF ALLEGIANCE**
3. **ROLL CALL**
4. **ORAL COMMUNICATIONS FROM THE PUBLIC ON ITEMS NOT ON THE AGENDA**
(A maximum of two minutes on any subject not on the agenda)
5. **ORAL COMMUNICATIONS FROM THE BOARD ON ITEMS NOT ON THE AGENDA**
6. **CONSENT AGENDA**

Recommended Action: APPROVE

Note: Action listed for each Agenda item represents the staff recommendation. The Board of Directors may, at its discretion, take any action on the items listed in the agenda.

A. Minutes of the June 6, 2025 Board of Directors Meeting

- Ana Flores, RAPS, Inc.

Approve the minutes of the June 6, 2025 Board of Directors meeting. (Page 5)

B. Approval of Payment to Gutierrez Consultants

- Lidia Gutierrez, Gutierrez Consultants

Approve the April 2025 - July 2025 invoices for services rendered by Gutierrez Consultants. (Page 9)

C. Approval of Payment to RAPS, Inc.

- Maura Twomey, RAPS, Inc.

Approve the May 2025 and June 2025 invoices for services rendered by RAPS, Inc. (Page 13)

D. Approval of Payment to ABC Law

- Maura Twomey, RAPS, Inc.

Approve the May 2025 and June 2025 invoices for services rendered by ABC Law. (Page 19)

E. Financial Update Report

- Jessica Agee, RAPS, Inc.

Accept the financial update report which provides an update on PRWFPA's current financial position and accompanying financial statements. (Page 23)

7. **ITEMS REMOVED FROM CONSENT CALENDAR FOR DISCUSSION AND POSSIBLE ACTION**

8. ADMINISTRATION

A. Soap Lake Floodplain Preservation Project – Gonzales Property Sale

Recommended Action: APPROVE

- Lidia Gutierrez, Gutierrez Consultants

Approve the TNC sale of the Gonzales Ranch to POST and authorize the Executive Coordinator to sign the Assignment and Assumption Agreement. (Page 29)

9. OTHER BUSINESS

10. ADJOURN

REFERENCE ITEMS:

- A. 2025 Calendar of Meetings (Page 139)
- B. Acronym Guide (Page 141)

NEXT BOARD OF DIRECTORS MEETING:

Date: November 7, 2025
Location: Zoom Webinar
Time: 9:00 AM

If requested, the agenda shall be made available in appropriate alternative formats to persons with a disability, as required by Section 202 of the Americans with Disabilities Act of 1990 (42 USC Sec. 12132), and the federal rules and regulations adopted in implementation thereof. If you have a request for disability-related modification or accommodation, including auxiliary aids or services, contact Ana Flores at 831-883-3750, or by email aflores@ambag.org, at least 48 hours prior to the meeting date.

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**DRAFT MINUTES OF THE PROCEEDINGS
OF THE BOARD OF DIRECTORS OF THE
PAJARO RIVER WATERSHED FLOOD PREVENTION AUTHORITY**

June 6, 2025

1. CALL TO ORDER

The Board of Directors of the Pajaro River Watershed Flood Prevention Authority, Chair Bilicich presiding, convened via Zoom Webinar at 9:03 am on Friday, June 6, 2025.

2. PLEDGE OF ALLEGIANCE

Director Flores led the Pledge of Allegiance.

3. ROLL CALL

Members – Board of Directors	Representative	Present	Absent
County of San Benito	Supervisor Mindy Sotelo	X	
County of Santa Cruz	Supervisor Felipe Hernandez	X	
County of Monterey	Supervisor Glenn Church	X	
County of Santa Clara	Supervisor Sylvia Arenas	X	
Monterey County Water Resources Agency	Director John Baillie	X	
San Benito County Water District	Director Sonny Flores		X
Santa Clara Valley Water District	Director John Varela	X	
Zone 7 Flood Control District	Director Nancy Bilicich	X	
City of Gilroy (Associate Member)	Vacant	n/a	n/a
City of Hollister (Associate Member)	Vacant	n/a	n/a
City of Morgan Hill (Associate Member)	Vacant	n/a	n/a

Others Present: Richard Santos, PRWFPA Alternate, Valley Water; Lidia Gutierrez, Gutierrez Consultants; Mark Strudley, Roxanne Grillo and Forrest Revere, PRFMA; Antonella Gentile, County of Santa Cruz; CJ Miller; Elizabeth Lippa, Will Condon, Maura Twomey, and Ana Flores, Regional Analysis and Planning Services, Inc. (RAPS, Inc.).

4. ORAL COMMUNICATIONS FROM THE PUBLIC ON ITEMS NOT ON THE AGENDA

There were no written or oral comments.

5. ORAL COMMUNICATIONS FROM THE BOARD ON ITEMS NOT ON THE AGENDA

There were no comments from the Board.

6. CONSENT

A. Minutes of the February 7, 2025 Board of Directors Meeting

The minutes of the February 7, 2025 Board of Directors meeting were approved.

B. Approval of Payment to Gutierrez Consultants

The invoices for services rendered by Gutierrez Consultants from January 2025 through March 2025 were approved.

C. Approval of Payment to RAPS, Inc.

The invoices for services rendered by RAPS, Inc. in January 2025 through March 2025 were approved.

D. Approval of Payment to RAPS, Inc.

The invoice for services rendered by ABC Law in April 2025 was approved.

E. Gutierrez Consultants Contract Extension for FY 2025-2026

The FY 2025-2026 contract extension with Gutierrez Consultants was approved.

F. RAPS, Inc. Contract Extension for FY 2025-2026

The FY 2025-2026 contract extension with RAPS, Inc. was approved.

G. ABC Law Contract Extension for FY 2025-2026

The FY 2025-2026 contract extension with ABC Law was approved.

H. Draft Contract for Audit Services

The contract for audit services with Moss, Levy & Hartzheim LLP was approved.

I. Financial Update Report

The financial update report was accepted.

**Motion made by Director Varela, seconded by Director Baillie to approve the consent agenda.
Motion passed unanimously.**

7. ITEMS REMOVED FROM CONSENT CALENDAR FOR DISCUSSION AND POSSIBLE ACTION

None.

8. ADMINISTRATION

A. Draft FY 2025-2026 Budget

The FY 2025-2026 budget was adopted.

Motion made by Director Church, seconded by Director Hernandez to adopt the FY 2025-2026 budget. Motion passed unanimously.

9. PLANNING

A. Pajaro River Flood Risk Reduction Project Update

Dr. Mark Strudley, PRFMA Executive Director gave an update on the Pajaro River Flood Risk Reduction Project.

10. OTHER BUSINESS

None.

11. Conference with Legal Council – Liability Claims (Gov't Code Section 54956.9) regarding claims against the Authority:

1. Claimant: Kurasaki – Mission Farm RV Park, Inc.

12. RECONVENE FROM CLOSED SESSION

Chair Bilicich reported that the Authority rejected the claim.

13. ADJOURNMENT

The meeting adjourned at 9:53 a.m.

**DRAFT PRWFPA BOARD OF DIRECTORS MEETING ATTENDANCE &
VOTING RECORD**

BOARD MEETING DATE: June 6, 2025

Attendance (X= Present; AB= Absent) Voting (Y= Yes; N=No; A=Abstain)				
MEMBER	PRWFPA REP	Attendance	Item 6	Item 8.A
County of Monterey	Glenn Church	X	Y	Y
County of San Benito	Mindy Sotelo	X	Y	Y
County of Santa Clara	Sylvia Arenas	X	Y	Y
County of Santa Cruz	Felipe Hernandez	X	Y	Y
Monterey County Water Resources Agency	John Baillie	X	Y	Y
San Benito County Water District	Sonny Flores	AB	n/a	n/a
Santa Clara Valley Water District	Richard Varela	X	Y	Y
Zone 7 Flood Control	Nancy Bilicich	X	Y	Y
Associate Members (Non-Voting Members)				
City of Gilroy (Associate Member)	Vacant	n/a		
City of Hollister (Associate Member)	Vacant	n/a		
City of Morgan Hill (Associate Member)	Vacant	n/a		

(* = Board Members that arrived late, therefore, did not vote on the item. Please refer the minutes)



Gutierrez Consultants

July 22, 2025

Ms. Maura Twomey, Executive Director
Pajaro River Watershed FPA
Post Office Box 2453
Seaside, CA 93955-2453

Dear Maura:

Attached is an invoice from Gutierrez Consultants for professional services provided from April 1, 2025 through June 30, 2025. The services were provided in accordance with the Soap Lake Floodplain Preservation Project Contract, Amendment 15. The invoice amount is \$1,449.00 and the balance remaining is \$62,479.00.

Sincerely,

Lidia Gutierrez
Principal

Gutierrez Consultants
 118 Diablo Ranch Court
 Danville, CA 94506

Invoice

Bill To:
Pajaro River Watershed FPA PO Box 2453 Seaside, CA 93955-2453

Date	Invoice No.	P.O. Number	Service Period
07/22/25	1987		4/1/25-6/30/25

Item	Description	Quantity	Rate	Amount
FPA Subtask 1.9 Partner Facilit	Review and edit 2024-2025 contract and update scope and fee; prepare for and participate in May 20, 2025 SWG Meeting; prepare for and participate in June 6, 2025 FPA Board of Directors meeting; coordination regarding Watershed Resilience participation and FPA role	5.25	276.00	1,449.00
			Total	\$1,449.00



Gutierrez Consultants

August 15, 2025

Ms. Maura Twomey, Executive Director
Pajaro River Watershed FPA
Post Office Box 2453
Seaside, CA 93955-2453

Dear Maura:

Attached is an invoice from Gutierrez Consultants for professional services provided from July 1, 2025 through July 31, 2025. The services were provided in accordance with the Soap Lake Floodplain Preservation Project Contract, Amendment 16. The invoice amount is \$2,431.00 and the budget remaining is \$67,569.00.

Sincerely,

Lidia Gutierrez
Principal

Gutierrez Consultants
 118 Diablo Ranch Court
 Danville, CA 94506

Invoice

Bill To:
Pajaro River Watershed FPA PO Box 2453 Seaside, CA 93955-2453

Date	Invoice No.	P.O. Number	Service Period
08/15/25	2008		7/1/25-7/31/25

Item	Description	Quantity	Rate	Amount
FPA Subtask 1.9 Partner Facilit	Prepare for and participate in Pajaro River Watershed Resilience Planning meeting on July 10, 2025; review watershed resilience presentation and vulnerability scoring; review The Nature Conservancy Gonzales property transfer documents; prepare for and participate in July 29, 2025 call with The Nature Conservancy regarding the sale of the Gonzales property; review purchase and sale agreement, FPA-TNC agreement; PVWMA-FPA agreement, PVWMA-DWR agreement; coordinate with PVWMA and FPA; review past Open Space Alliance sale documents	8.5	286.00	2,431.00
			Total	\$2,431.00

REGIONAL ANALYSIS PLANNING SERVICES, INC.

A non-profit corporation chartered by the Association of Monterey Bay Area Governments

PO Box 2453
Seaside, CA 93955-2453

(831)883-3750
(831)883-3755

May 31, 2025

Board of Directors
Pajaro River Watershed Flood Prevention Authority

RE: Contract for Service Dated July 1, 2000, and amended July 6, 2001, August 9, 2002, July 11, 2003, July 2, 2004, July 1, 2005, September 22, 2006, July 6, 2007, June 27, 2008, January 9, 2009, May 1, 2009, June 4, 2010, May 6, 2011, May 4, 2012, May 3, 2013, June 6, 2014, June 30, 2015, June 3, 2016, June 30, 2017, June 1, 2018, June 7, 2019, June 5, 2020, June 4, 2021, June 3, 2022, June 2, 2023, **and June 24, 2024.**

This letter is our billing for services rendered in the period **May 1 through May 31, 2025.** The services included work under items 1 through 9 of the Exhibit A of the referenced contract. The following breakdown of charges is summarized in accordance with Exhibit B of the referenced contract. Data is from the official time records under Work Element No. 530.

This invoice will be reviewed by the Staff Working Group, and a recommendation will be presented at the Board of Directors Meeting on **September 5, 2025.**

The services included work under items 1 through 9 of Exhibit A of the referenced contract. The following

Work Element 530 - Agency Administration

Executive Coordinator	1 hours @	\$ 303.00	\$ 303.00
Director of Finance & Administration	4 hours @	\$ 250.00	\$ 1,000.00
Principal Accountant	4 hours @	\$ 185.00	\$ 740.00
Associate Planner	0 hours @	\$ 195.00	\$ -
GIS Coordinator	0 hours @	\$ 195.00	\$ -
Clerk of the Board	10.5 hours @	\$ 198.00	\$ 2,079.00
Total	<u>19.5</u>	Subtotal	<u>\$ 4,122.00</u>

* Rates approved by the board on 5/6/10 and modified 11/4/2011, 6/3/2016, 6/7/2019, 6/5/2020, 6/4/2021, 6/3/2022, 6/2/2023 and 6/24/2024.

Total now due: \$ 4,122.00

Sincerely,

Maura F. Twomey
Executive Coordinator

**Regional Analysis and Planning Services
(RAPS)**

Invoice for PRWFPA
May 1 - May 31, 2025

Position Title	Total Hours	Billing Rate	Total Cost
Executive Coordinator			
Project 530 Admin	1.00	303.00	303.00
Subtotal	<u>1.00</u>	<u>303.00</u>	<u>303.00</u>
Director of Finance & Administration			
Project 530 Admin	4.00	250.00	1,000.00
Subtotal	<u>4.00</u>	<u>250.00</u>	<u>1,000.00</u>
Princial Accountant			
Project 530 Admin	4.00	185.00	740.00
Subtotal	<u>4.00</u>	<u>185.00</u>	<u>740.00</u>
Associate Planner			
Project 530 Admin	-	195.00	-
Subtotal	<u>-</u>	<u>195.00</u>	<u>-</u>
GIS Coordinator			
Project 530 Admin	-	195.00	-
Subtotal	<u>-</u>	<u>195.00</u>	<u>-</u>
Clerk of the Board			
Project 530 Admin	10.50	198.00	2,079.00
Subtotal	<u>10.50</u>	<u>198.00</u>	<u>2,079.00</u>
Total	<u>19.50</u>		<u>4,122.00</u>

Tasks Completed:

Executive Coordinator

Review of the draft PRWFPA FY 2025-2026 contract extensions with RAPS, Inc., ABC Law & Gutierrez Consultants; Preparation of the May 20, 2025 Staff Working Group agenda; Attendance of the May 20, 2025 Staff Working Group meeting; Preparation of the June 6, 2025 PRWFPA Board of Directors agenda; Correspondence with Anthony Condotti, PRWFPA legal counsel regarding the Kurasaki Mission Farm RV Park, Inc. claim.

Director of Finance Administration

Preparation of Board items and agenda review.

Principal Accountant

Preparation of Board items and agenda review.

GIS Coordinator

Associate Planner

Clerk of the Board

Preparation of the PRWFPA FY 2025-2026 contract extensions with ABC Law & Gutierrez Consultants; Preparation & distribution of the May 20, 2025 Staff Working Group meeting; Attendance of the May 20, 2025 Staff Working Group meeting; Preparation & distribution of the June 6, 2025 PRWFPA Board of Directors agenda; Website update.

REGIONAL ANALYSIS PLANNING SERVICES, INC.

A non-profit corporation chartered by the Association of Monterey Bay Area Governments

	<u>WE 530 Admin</u>	<u>Remaining</u>
Budget*	\$ 45,000.00	\$ 45,000.00
Amount Spent:		
July, 2024	\$ -	\$ 45,000.00
August, 2024	\$ 501.00	\$ 44,499.00
September, 2024	\$ 1,782.00	\$ 42,717.00
October, 2024	\$ 4,107.00	\$ 38,610.00
November, 2024	\$ 2,470.00	\$ 36,140.00
December, 2024	\$ 303.00	\$ 35,837.00
January, 2025	\$ 1,788.00	\$ 34,049.00
February, 2025	\$ 3,900.00	\$ 30,149.00
March, 2025	\$ 2,126.00	\$ 28,023.00
April, 2025	\$ 844.00	\$ 27,179.00
May, 2025	\$ 4,122.00	\$ 23,057.00
June, 2025	\$ -	\$ 23,057.00
Subtotal	\$ 21,943.00	\$ 23,057.00
Balance Available		<u>\$ 23,057.00</u>

REGIONAL ANALYSIS PLANNING SERVICES, INC.

A non-profit corporation chartered by the Association of Monterey Bay Area Governments

PO Box 2453
Seaside, CA 93955-2453

(831)883-3750
(831)883-3755

June 30, 2025

Board of Directors
Pajaro River Watershed Flood Prevention Authority

RE: Contract for Service Dated July 1, 2000, and amended July 6, 2001, August 9, 2002, July 11, 2003, July 2, 2004, July 1, 2005, September 22, 2006, July 6, 2007, June 27, 2008, January 9, 2009, May 1, 2009, June 4, 2010, May 6, 2011, May 4, 2012, May 3, 2013, June 6, 2014, June 30, 2015, June 3, 2016, June 30, 2017, June 1, 2018, June 7, 2019, June 5, 2020, June 4, 2021, June 3, 2022, June 2, 2023, and June 24, 2024.

This letter is our billing for services rendered in the period **June 1 through June 30, 2025.** The services included work under items 1 through 9 of the Exhibit A of the referenced contract. The following breakdown of charges is summarized in accordance with Exhibit B of the referenced contract. Data is from the official time records under Work Element No. 530.

This invoice will be reviewed by the Staff Working Group, and a recommendation will be presented at the Board of Directors Meeting on **September 5, 2025.**

The services included work under items 1 through 9 of Exhibit A of the referenced contract. The following

Work Element 530 - Agency Administration

Executive Coordinator	5 hours @	\$ 303.00	\$ 1,515.00
Director of Finance & Administration	0 hours @	\$ 250.00	\$ -
Principal Accountant	0 hours @	\$ 185.00	\$ -
Associate Planner	1 hours @	\$ 195.00	\$ 195.00
GIS Coordinator	0 hours @	\$ 195.00	\$ -
Clerk of the Board	5 hours @	\$ 198.00	\$ 990.00
Total	<u>11</u>	Subtotal	<u>\$ 2,700.00</u>

* Rates approved by the board on 5/6/10 and modified 11/4/2011, 6/3/2016, 6/7/2019, 6/5/2020, 6/4/2021, 6/3/2022, 6/2/2023 and 6/24/2024.

Total now due: \$ 2,700.00

Sincerely,

Maura F. Twomey
Executive Coordinator

**Regional Analysis and Planning Services
(RAPS)**

Invoice for PRWFPA
June 1 - June 30, 2025

Position Title	Total Hours	Billing Rate	Total Cost
Executive Coordinator			
Project 530 Admin	5.00	303.00	1,515.00
Subtotal	<u>5.00</u>	<u>303.00</u>	<u>1,515.00</u>
Director of Finance & Administration			
Project 530 Admin	-	250.00	-
Subtotal	<u>-</u>	<u>250.00</u>	<u>-</u>
Principal Accountant			
Project 530 Admin	-	185.00	-
Subtotal	<u>-</u>	<u>185.00</u>	<u>-</u>
Associate Planner			
Project 530 Admin	1.00	195.00	195.00
Subtotal	<u>1.00</u>	<u>195.00</u>	<u>195.00</u>
GIS Coordinator			
Project 530 Admin	-	195.00	-
Subtotal	<u>-</u>	<u>195.00</u>	<u>-</u>
Clerk of the Board			
Project 530 Admin	5.00	198.00	990.00
Subtotal	<u>5.00</u>	<u>198.00</u>	<u>990.00</u>
Total	<u>11.00</u>		<u>2,700.00</u>

Tasks Completed:

Executive Coordinator

Attendance of the June 6, 2025 PRWFPA Board of Directors meeting; Review of Board meeting documents; Consultation with ABC Law.

Director of Finance Administration

Principal Accountant

GIS Coordinator

Associate Planner

Set up and running the Zoom for the June 6, 2025 PRWFPA Board meeting

Clerk of the Board

Attendance of the June 6, 2025 PRWFPA Board of Directors meeting; Travel to Watsonville for Chair's signature on contract extension, audit engagement letter, and checks; Mailout of contract extensions for legal counsel signature.

REGIONAL ANALYSIS PLANNING SERVICES, INC.

A non-profit corporation chartered by the Association of Monterey Bay Area Governments

	<u>WE 530 Admin</u>	<u>Remaining</u>
Budget*	\$ 45,000.00	\$ 45,000.00
Amount Spent:		
July, 2024	\$ -	\$ 45,000.00
August, 2024	\$ 501.00	\$ 44,499.00
September, 2024	\$ 1,782.00	\$ 42,717.00
October, 2024	\$ 4,107.00	\$ 38,610.00
November, 2024	\$ 2,470.00	\$ 36,140.00
December, 2024	\$ 303.00	\$ 35,837.00
January, 2025	\$ 1,788.00	\$ 34,049.00
February, 2025	\$ 3,900.00	\$ 30,149.00
March, 2025	\$ 2,126.00	\$ 28,023.00
April, 2025	\$ 844.00	\$ 27,179.00
May, 2025	\$ 4,122.00	\$ 23,057.00
June, 2025	\$ 2,700.00	\$ 20,357.00
Subtotal	\$ 24,643.00	\$ 20,357.00
Balance Available		<u>\$ 20,357.00</u>

Atchison Barisone & Condotti

PO Box 481
Santa Cruz, CA 95061
TAX ID 94-2809338

June 16, 2025

Pajaro River Watershed Flood
Prevention Authority
Attn: Maura Twomey
PO Box 2453
Seaside, CA 93955-2453

Re:

Dear Pajaro River Watershed Flood
Prevention Authority,

Enclosed is invoice 34802, which covers services from 5/1/2025 to 5/31/2025. This invoice, dated 6/16/2025, is for \$568.00. Your total balance, including past charges, is \$1136.00. Prompt payment of your total balance is appreciated.

Billing Summary

Total for services rendered	\$568.00
Total expenses	\$0.00
Total interest and finance charges	\$0.00
Total payments and other transactions	\$0.00
Total previous balance	\$568.00
Balance Due	\$1,136.00

Thank you for your confidence in our work and our commitment to serving you.

If you have questions, please call us at 831 423 8383.

Sincerely,
Jennifer Quek

Atchison Barisone & Condotti

PO Box 481
 Santa Cruz, CA 95061
 TAX ID 94-2809338

Invoice submitted to:
 Pajaro River Watershed Flood Prevention Authority
 Attn: Maura Twomey
 PO Box 2453
 Seaside, CA 93955-2453

June 16, 2025

Invoice #34802

Professional Services

Hrs/Rate Amount

General

5/5/2025	APC	Follow-up email corresp. w/ M. Twomey re status of B. Liddicoat communications; email corresp. w/ B. Liddicoat re potential resolution discussion; follow-up email corresp. w/ B. Liddicoat re same. General	0.40 355.00/hr	142.00
5/7/2025	APC	Prepare for and attend Zoom conf. w/ B. Liddicoat re Mission Farm RV Park liability claim; follow-up email corresp. w/ B. Liddicoat re same. General	0.80 355.00/hr	284.00
5/9/2025	APC	Status update to M. Twomey re outcome of conf. w/ B. Liddicoat re Mission Farm RV Park liability claim. General	0.40 355.00/hr	142.00
SUBTOTAL:			[1.60	568.00]
For professional services rendered			1.60	\$568.00
For professional services rendered			1.60	\$568.00
Previous balance				\$568.00
Balance due				<u>\$1,136.00</u>

Payments are due by the last day of each month. A finance charge may be assessed pursuant to agreement. A \$25 in addition to any bank fees will be charged for any returned checks.

831 423 8383

CONFIDENTIAL & PRIVILEGED ATTORNEY-CLIENT
 COMMUNICATION

Atchison Barisone & Condotti

PO Box 481
Santa Cruz, CA 95061
TAX ID 94-2809338

July 16, 2025

Pajaro River Watershed Flood
Prevention Authority
Attn: Maura Twomey
PO Box 2453
Seaside, CA 93955-2453

Re:

Dear Pajaro River Watershed Flood
Prevention Authority,

Enclosed is invoice 34825, which covers services from 6/1/2025 to 6/30/2025. This invoice, dated 7/16/2025, is for \$923.00. Your total balance, including past charges, is \$1491.00. Prompt payment of your total balance is appreciated.

Billing Summary

Total for services rendered	\$923.00
Total expenses	\$0.00
Total interest and finance charges	\$0.00
Total payments and other transactions	(\$568.00)
Total previous balance	\$1,136.00
Balance Due	\$1,491.00

Thank you for your confidence in our work and our commitment to serving you.

If you have questions, please call us at 831 423 8383.

Sincerely,
Jennifer Quek

Atchison Barisone & Condotti

PO Box 481
Santa Cruz, CA 95061
TAX ID 94-2809338

Invoice submitted to:
Pajaro River Watershed Flood Prevention Authority
Attn: Maura Twomey
PO Box 2453
Seaside, CA 93955-2453

July 16, 2025

Invoice #34825

Professional Services

		<u>Hrs/Rate</u>	<u>Amount</u>
	<u>General</u>		
6/1/2025	APC Reply to M. Twomey re status of Mission Farms RV Park claim. General	0.10 355.00/hr	35.50
6/2/2025	APC Email corresp. w/ M. Twomey re Mission Farms RV Park claim; draft claim rejection letter; email corresp. w/ M. Twomey re same; draft status update to BOD; email corresp. w/ M. Twomey re same. General	1.30 355.00/hr	461.50
6/6/2025	APC Prepare for and attend BOD meeting; monitor follow-up corresp. re same. General	1.20 355.00/hr	426.00
SUBTOTAL:		[2.60	923.00]
For professional services rendered		2.60	\$923.00
For professional services rendered		2.60	\$923.00
Previous balance			\$1,136.00
Accounts receivable transactions			
6/13/2025	Payment for April 2025 Legal Fees (Invoice 34775) Thank You. Check No. 0991		(\$568.00)
Total payments and adjustments			(\$568.00)
Balance due			<u>\$1,491.00</u>

831 423 8383

CONFIDENTIAL & PRIVILEGED ATTORNEY-CLIENT
COMMUNICATION

MEMORANDUM

TO: PRWFPA Board of Directors

FROM: Maura F. Twomey, Executive Coordinator

RECOMMENDED BY: Jessica Agee, Director of Finance and Administration

SUBJECT: Financial Update Report

MEETING DATE: September 5, 2025

RECOMMENDATION:

It is recommended that the Board of Directors accept the financial update report.

BACKGROUND/DISCUSSION:

Regional Analysis & Planning Services, Inc. (RAPS) provides contract staffing services to the Pajaro River Watershed Flood Prevention Authority (PRWFPA). The contract includes administrative and financial services for the Board as well as the Staff Working Group (SWG). The Board packet includes the year-to-date financial reports through June 30, 2025, as well as a budget-to-actual comparison for fiscal year (FY) 2024-2025. Amounts in the financial update report are unaudited.

The Balance Sheet reflects a cash balance of \$760,401.82. There were no accounts receivables outstanding as of June 30, 2025. The current liabilities balance is \$9,867.58. PRWFPA has sufficient current assets on hand to pay all known current obligations.

During the period of July 1, 2024 through June 30, 2025, PRWFPA incurred routine operational expenditures for contractual services. The services provided are summarized as follows:

- RAPS, Inc.: Staff Working Group (SWG) preparation and Board of Director's (BOD) agenda preparation and meeting attendance.
- Gutierrez Consultants: Work associated with Soap Lake Project, Gonzales sale, Willoughby Claim, and SWG & BOD meetings preparation and attendance.
- Atchinson Barisone & Condotti: Legal services regarding of Gonzales sale, Willoughby and Kurasaki claim.
- Planeteria Media: Maintain website.

Expenses for the period of July 1, 2024, through June 30, 2025 totaled \$43,169.89, which included professional services and other expenses.

PRWFPA’s Profit and Loss Statement reflects an excess of revenue over expense of \$43,727.83 for the period July 1, 2024, through June 30, 2025.

The following table highlights key Budget to Actual financial data:

**Budget to Actual Financial Highlights For
Period July 1, 2024 Through June 30, 2025**

Expense	Budget June 2025	Actual June 2025	Difference
Professional Services	\$ 141,190.00	\$ 40,481.40	\$ 100,708.60
Insurance	\$ 1,400.00	\$ 1,171.09	\$ 228.91
Supplies	\$ 9,950.00	\$ 1,398.54	\$ 8,551.46
Travel	\$ 8,500.00	\$ 118.86	\$ 8,381.14
Total	<u>\$ 161,040.00</u>	<u>\$ 43,169.89</u>	<u>\$ 117,870.11</u>
Revenue			
State/Local Revenue *	\$ 85,000.00	\$ 86,897.72	\$ 1,897.72
* State/Local Revenue does not include \$76,040.00 which will be used from reserves as needed			

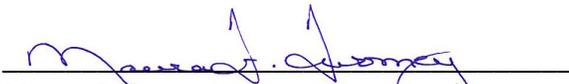
Professional Services are under budget primarily due to the timing of work provided by contractual obligation. Revenues are primarily member dues and are received at the start of the year.

The budget reflects a linear programming of funds while actual work and related expenses are contingent on a variety of factors. As a result, there will be fluctuations from budget-to-actual during the fiscal year.

ATTACHMENTS:

1. Balance Sheet as of June 30, 2025
2. Profit and Loss Statement: July 1, 2024 through June 30, 2025
3. Accounts Payable Aging Detail as of June 30, 2025
4. Check Register: May 1, 2025 through June 30, 2025

APPROVED BY:



 Maura F. Twomey, Executive Coordinator

Pajaro River Watershed Flood Prevention Authority

Balance Sheet - Attachment 1

As of June 30, 2025

	<u>June 30, 2025</u>
ASSETS	
Current Assets	
Cash and Cash Equivalents	
Cash in Bank Checking	606,839.45
LAIF Account	153,562.37
Total Cash and Cash Equivalents	<u>\$ 760,401.82</u>
Accounts Receivable	
Accounts Receivable	-
Total Accounts Receivable	<u>\$ -</u>
TOTAL ASSETS	<u><u>\$ 760,401.82</u></u>
LIABILITIES & FUND BALANCE	
Liabilities	
Current Liabilities	
Accounts Payable	9,867.58
Total Current Liabilities	<u>\$ 9,867.58</u>
Total Liabilities	<u>\$ 9,867.58</u>
Fund Balance - Unrestricted	
Fund Balance - Beginning of Fiscal Year	706,806.41
Net Income/(Loss)	43,727.83
Total Fund Balance - Unrestricted	<u>750,534.24</u>
TOTAL LIABILITIES & FUND BALANCE	<u><u>760,401.82</u></u>

Pajaro River Watershed Flood Prevention Authority

Profit & Loss - Attachment 2

July 1, 2024 through June 30, 2025

	<u>July 1, 2024 - June 30, 2025</u>	<u>July 1, 2024 - June 30, 2025</u>
Income		
Interest		6,897.72
Member Dues		80,000.00
Total Income	\$	86,897.72
Expense		
Audit Expense		6,200.00
Gutierrez Consultants		7,521.00
Regional Analysis & Planning Services, Inc. (RAPS)		24,643.00
Insurance		1,171.09
Legal Services		2,117.40
Other Expense		
Web Hosting/Maintenance Co:	1,392.96	
Postage/Supplies	5.58	
Travel	118.86	
Total Other Expense		1,517.40
Total Expense	\$	43,169.89
Net Income/(Loss)	\$	43,727.83

Pajaro River Watershed Flood Prevention Authority

A/P Aging Detail - Attachment 3

As of June 30, 2025

Date	Num	Name	Due Date	Open Balance
05/31/2025	34802	Atchison Barisone & Condotti	06/30/2025	568.00
06/30/2025	2526	AMBAG	06/30/2025	50.00
05/31/2025	1170	Regional Analysis & Planning Services	07/30/2025	4,122.00
06/30/2025	34825	Atchison Barisone & Condotti	07/30/2025	923.00
06/30/2025	1172	Regional Analysis & Planning Services	08/29/2025	2,700.00
06/30/2025	1987	Gutierrez Consultants	09/28/2025	1,449.00
05/31/2025	22442	AMBAG	05/31/2025	50.00
06/06/2025	316045	AMBAG	06/06/2025	5.58
Total				<u><u>\$9,867.58</u></u>

Pajaro River Watershed Flood Prevention Authority
Check Register - Attachment 4
 May 1, 2025 through June 30, 2025

Unaudited

Date	Num	Name	Memo	Amount
05/28/2025	990	AMBAG	Website Monthly Maintenance - February through April 2025	150.00
05/28/2025	991	Atchison Barisone & Condotti	Legal services provided for the month of April 2025	568.00
05/28/2025	992	Gutierrez Consultants	January - March 2025 Lake Floodplain Preservation Project Services & Meetings	2,898.00
05/28/2025	993	Regional Analysis & Planning Services	RAPS WE 530 Agency Administration for the months of January through April 2025	8,658.00
TOTAL				<u>\$ 12,274.00</u>

MEMORANDUM

TO: PRWFPA Board of Directors

FROM: Lidia Gutierrez, Gutierrez Consultants

SUBJECT: Soap Lake Floodplain Preservation Project – Gonzales Property Sale

MEETING DATE: September 5, 2025

RECOMMENDATION:

Approve the TNC sale of the Gonzales Ranch to POST and authorize the Executive Coordinator to sign the Assignment and Assumption Agreement (Attachment 4).

BACKGROUND:

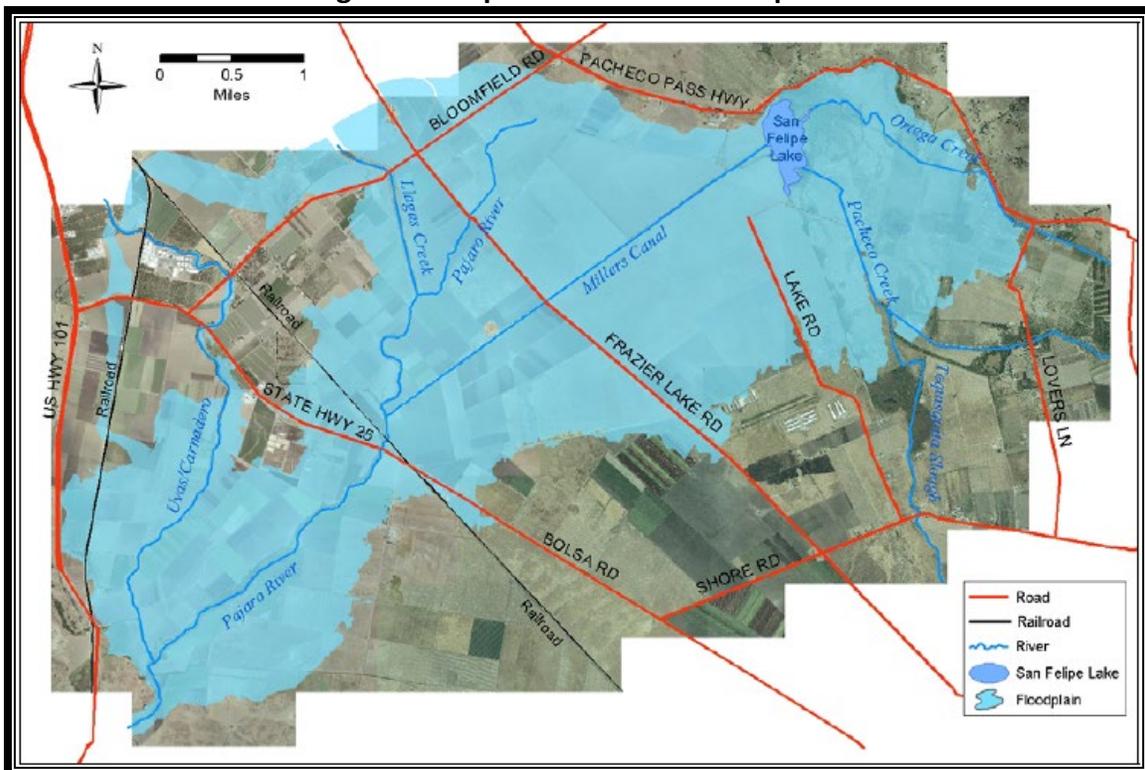
In 2012, the Pajaro River Watershed Flood Prevention Authority (FPA) awarded a Soap Lake Floodplain Preservation Project grant to support, along with other funding agencies, The Nature Conservancy (TNC) temporary fee title acquisition of a 165-acre farm and ranch property in the floodplain. After holding the property for 13 years and completing restoration activities, TNC now plans to sell the property to the Peninsula Open Space Trust (POST) subject to the terms and conditions of the FPA's and other funding agencies' grant agreements. Per Section 5.4 of the FPA grant agreement, approval for this sale is required by the FPA (Attachment 1).

DISCUSSION:

Flooding throughout the lower Pajaro River Watershed is a hazard to public and private property, including residences, agriculture, highways, watercourses and environmental resources. Lower Pajaro River watershed communities, such as Watsonville, Pajaro, Freedom, and surrounding areas, have experienced millions of dollars in flood damages over the years. The FPA Pajaro River Watershed Study demonstrated that the ultimate solution to flooding will require coordination of the structural downstream Pajaro River Flood Risk Management Project and the Soap Lake Floodplain Preservation Project (Soap Lake Project). The combination of these two projects will help maintain current storm flow water levels downstream and is considered to be the most feasible flood protection alternative to protect the region.

The Soap Lake Floodplain lies along the Pajaro River within San Benito and Santa Clara Counties between Highway 152 and Highway 101. The main land use is agriculture, including row crops and pasture land. San Felipe Lake, a permanent body of water, is located in the upper Soap Lake area. Soap Lake is not a true lake, however, during significant rainfall events, the low-lying areas of Soap Lake become flooded and storm flow backs up on the Pajaro River upstream of its confluence with the San Benito River. Soap Lake disappears as the floodwaters recede and low-lying areas are drained. Functioning in this manner, the Soap Lake floodplain is a natural detention basin in the upper Pajaro River watershed, storing water and reducing peak flows that could otherwise increase flooding in the lower portions of the Pajaro River watershed.

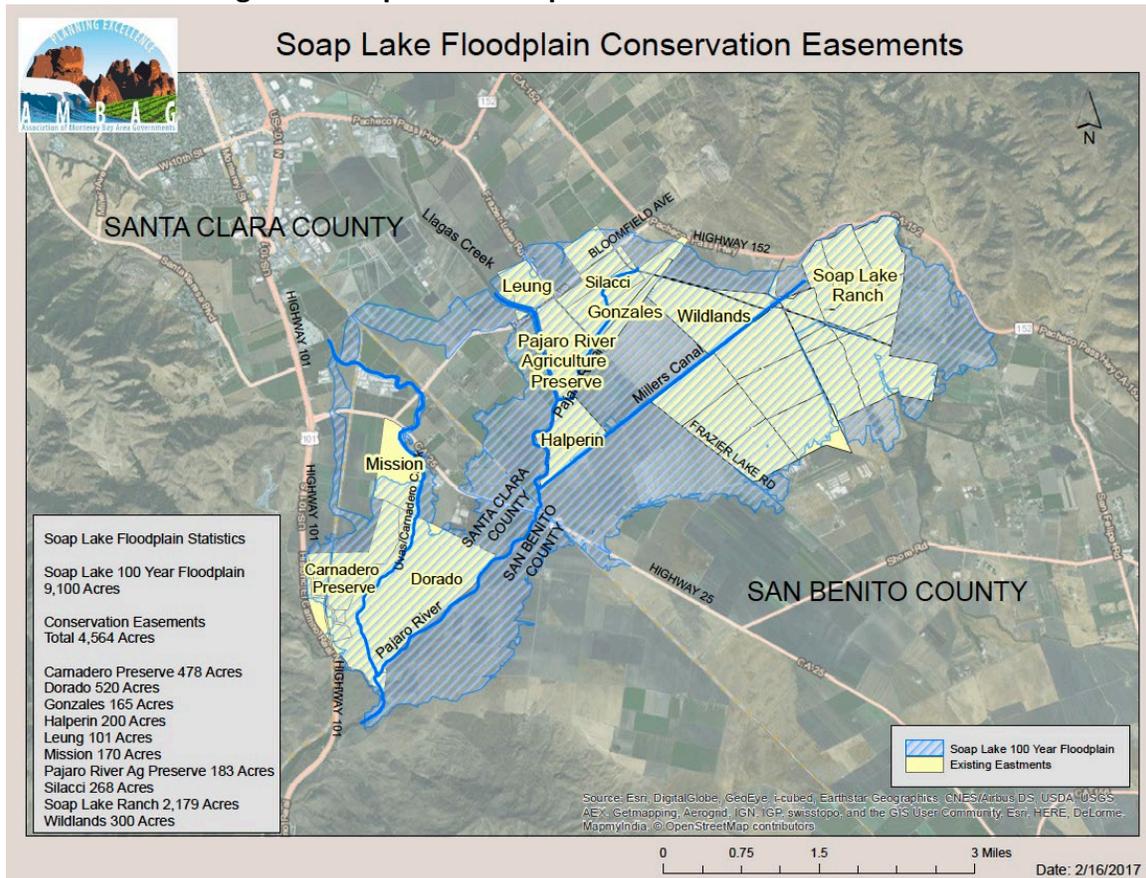
Figure 1. Soap Lake 100-Year Floodplain



While the Soap Lake Project does not decrease the magnitude of flood flows downstream, the project will preserve the floodplain to help protect against potential flow increases due to loss of flood storage. If the Soap Lake Floodplain was to be developed, the existing natural flood storage characteristics would be eliminated and flood flows would increase downstream. It is estimated that the loss of the existing Soap Lake Floodplain could increase the 100-year peak flow downstream from 44,400 cubic feet per second (cfs) to 60,000 cfs. Working in conjunction with the Pajaro River Flood Risk Reduction Project, the Soap Lake Floodplain Preservation Project helps reduce flood risks downstream.

The Soap Lake Project is designed to preserve the natural floodplain characteristics through the acquisition of land and flood conservation easements and, where the purchase of an easement is not feasible, the fee title purchase of the property. Beginning in 2008, the FPA encouraged the floodplain acquisitions by providing grant funds to agencies and organizations pursuing acquisitions within the Soap Lake floodplain. The funds were made available through a Proposition 50 Integrated Regional Water Management Grant from the Department of Water Resources (DWR). The total grant was for approximately \$4.1 million, of which, approximately \$3.5 million was to be used for land acquisitions. The FPA used grant funds to support land and easement acquisitions in the Soap Lake Floodplain through the award of grants to reimburse acquisition costs incurred by the participating agencies and organizations. Currently, approximately 4,600 acres of the 9,100 acre floodplain are protected by conservation easements (Figure 2).

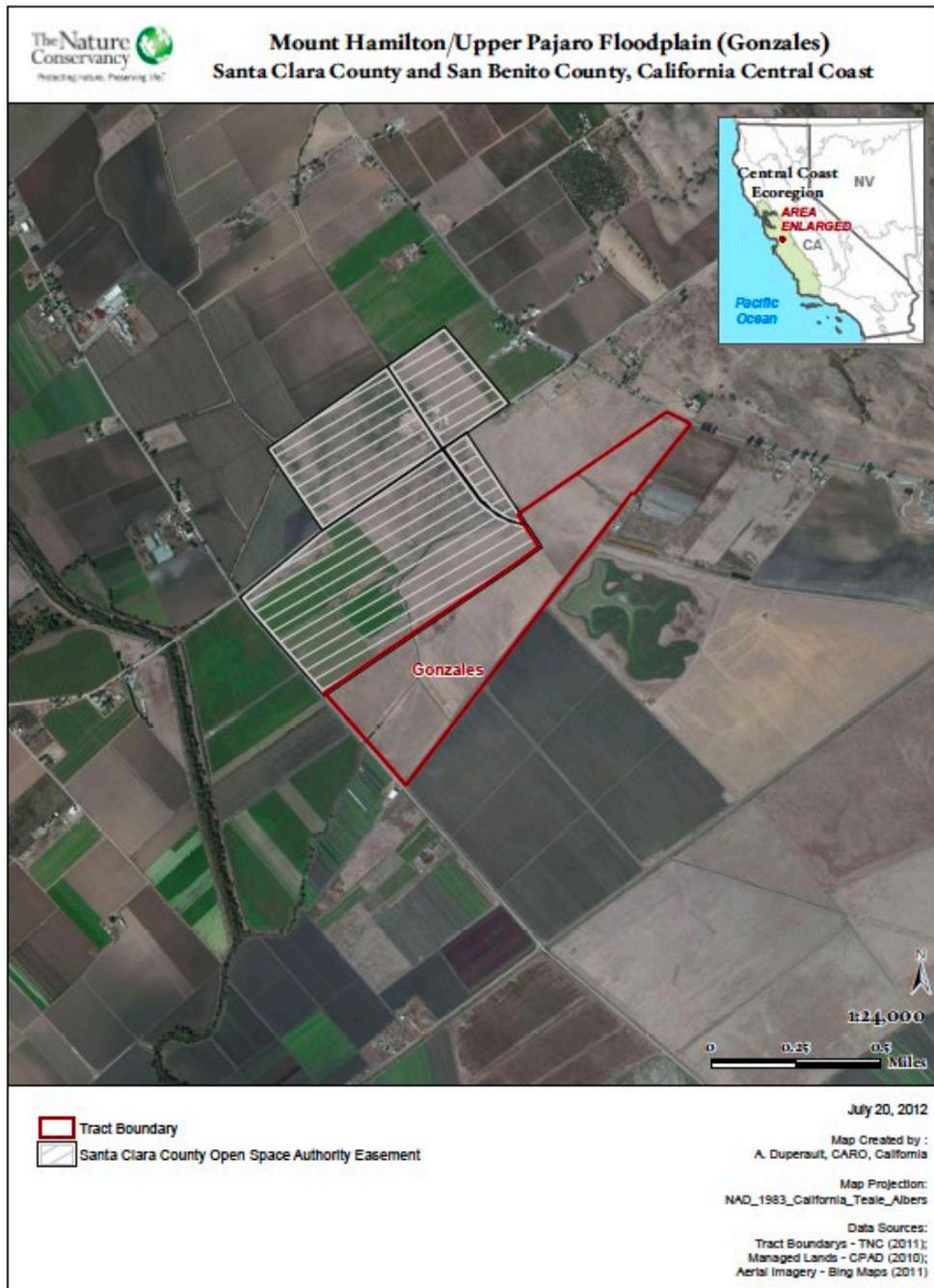
Figure 2. Soap Lake Floodplain Conservation Easements



In 2012, TNC combined their funds with the FPA’s contribution and other funding to pay the \$1,652,500 purchase price for the Gonzales property (Figure 3). The property is a 165-acre parcel along the Upper Pajaro River. The mostly flat parcel contained more than a mile of the historical Upper Pajaro river channel with almost no remaining

riparian or wetlands vegetation. The property was fallow at the time of purchase but had supported cattle and goat grazing as well as row crops.

Figure 3. Gonzales Ranch Property Map



TNC plans for the property were to protect its existing hydrologic function and values, restore the riparian and wetland vegetation near the river channel, and allow “wildlife friendly agriculture” outside of the restoration area that will protect the land and water.

Over the last decade, TNC created and implemented a restoration plan for the approximate one mile section of the Pajaro River channel that traverses the property. The restoration activities included the installation of irrigation, fencing (TNC received a \$25,000 grant from the USFWS for the riparian fencing) and a plant palette appropriate for the site conditions. TNC worked in collaboration with Point Blue's STRAW program which educated local school children about the benefit of the river, floodplain and restoration. School groups were part of the restoration project putting plants in the ground. The land outside of the restoration area was leased to a local rancher, Open Space Meats, who continues there today, growing organic hay for their sustainable beef operation. See Attachment 2 for additional detail regarding TNC conservation activities on the Gonzales Ranch.

After holding the property for 13 years and completing some restoration activities, TNC now plans to sell the property at the discounted price of \$667,000 to the Peninsula Open Space Trust (POST) subject to the terms and conditions of the FPA grant agreement. While TNC's initial plan at the time of purchasing the property was to sell the property to a conservation buyer that would acquire the property subject to a conservation easement to be held by TNC, TNC now plans to sell the property to POST to be held and used for the purposes of floodplain and habitat preservation, and preservation of existing floodplain characteristics and compatible agricultural, which are consistent with the grant terms. POST is a local California non-profit organization with almost 50 years of experience protecting over 93,000 acres of open space in San Mateo, Santa Clara, and Santa Cruz counties. POST is currently engaged with a larger partnership including the Santa Clara Valley's Habitat Agency and Open Space Authority and the Amad Mutsun tribe, who together plan to continue to protect the Pajaro watershed corridor for floodplain and habitat preservation and compatible agriculture. POST is accredited by the Land Trust Accreditation Commission and is a member of the California Council of Land Trusts with a long history of working with and receiving funding from public agencies in California.

As specified in Section 5.4 of the Grant Agreement, TNC is seeking FPA approval of the property sale to POST. The Purchase and Sale Agreement (Attachment 3) and other related property transfer documents have been reviewed by the FPA attorney, consultant, and Executive Director and found to be consistent with the terms of the grant agreement.

FISCAL DISCUSSION:

The property sale does not include the award of funds from the FPA or receipt of any funds to the FPA; there is no fiscal impact.

ATTACHMENTS:

1. Attachment 1 Pajaro River Watershed Flood Prevention Authority Grant Agreement for Acquisition of Fee Interest
2. Attachment 2 Conserving the Gonzales Property – past and future
3. Attachment 3 Agreement for the Purchase and Sale of Real Property – Gonzales Ranch
4. Attachment 4 Assignment and Assumption Agreement

APPROVED BY:


Maura F. Twomey, Executive Coordinator

Attachment 1

PAJARO RIVER WATERSHED FLOOD PREVENTION AUTHORITY

GRANT AGREEMENT FOR ACQUISITION OF FEE INTEREST

WG
MAY 28,
2013

This Grant Agreement for Acquisition of Fee Interest ("Agreement") entered into effective ~~January 25, 2013~~, by and between Pajaro River Watershed Flood Prevention Authority, a joint powers authority created by a special act of the California Legislature ("Authority") and The Nature Conservancy, a District of Columbia non-profit corporation ("Grantee"), is to contribute towards the acquisition of 165.26 acres of property in fee title that will be held and used for the purposes of floodplain and habitat preservation, preservation of existing floodplain characteristics and compatible agriculture.

RECITALS:

- A. The Authority was established in July 2000 by State Assembly Bill 807 in order to "identify, evaluate, fund, and implement flood prevention and control strategies in the Pajaro River Watershed, on an intergovernmental basis."
- B. The Authority is implementing Phase 1 of the Soap Lake Floodplain Preservation Project (Soap Lake Project), a project to preserve the natural floodplain characteristics of the Soap Lake Basin by acquiring land and flood conservation easements.
- C. Funding for the Soap Lake Project is being made available through a Proposition 50 Integrated Regional Water Management Grant (the "Prop. 50 Grant") from the Department of Water Resources ("DWR") in the amount of \$4.1 million, of which approximately \$3.5 million will be used for land acquisitions.
- D. In accordance with the terms of the Prop. 50 Grant, in 2008 the Authority's Board of Directors adopted the Soap Lake Floodplain Preservation Grant Guidelines ("Guidelines"), establishing the terms and conditions for distribution of the Prop. 50 Grant funds. The Guidelines were updated and amended in May, 2012.
- E. The 165.26-acre Gonzales Property ("Property") lies within the Soap Lake Floodplain Preservation Project area.
- F. On June 16, 2012, Grantee submitted an Application to the Authority in accordance with the Guidelines, and seeking a grant in the amount of \$355,520, to be applied toward the total estimated acquisition cost of a fee simple interest in the Property in amount of \$1,699,600, with the balance of the funding to be from a variety of other sources, including, temporarily borrowing approximately \$991,560 from Grantee's internal reserves pending sale of the fee simple interest in the Property, encumbered by a floodplain and conservation easement as specified herein.
- G. On August 3, 2012, the Authority Board of Directors authorized an award of \$355,520 to Grantee, contingent upon:
 - 1. Results of a Phase 2 Environmental Assessment for the Property;
 - 2. Waiver of San Benito County Williamson Act restrictions on the Property for certain portions of the Property along the historical Pajaro River channel planned for restoration from agricultural usage to riparian habitat and wetlands; and

3. Execution of a mutually acceptable Grant Agreement.
- H. The conditions set forth in Recital G.1-2 have been satisfied.
- I. On September 28, 2012, Grantee acquired the fee simple interest in the Property for an acquisition cost of \$1,652,600.

NOW, THEREFORE, the parties agree to the following terms and conditions:

1. SCOPE OF AGREEMENT

The Authority ("Grantor") hereby grants to Grantee Three Hundred Fifty-five Thousand Five Hundred Twenty Dollars (\$355,520.00) ("Grant Funds"), upon and subject to the terms and conditions of this Grant Agreement for Acquisition of Fee Interest in the Property ("Agreement").

2. PURPOSES OF GRANT

Grantor is entering into this Agreement, and the Grant Funds shall be used, only for the purpose of Grantee's acquisition of fee title to approximately 165.26 acres of land known as the Gonzales Property at 4945 Frazier Lake Road, Gilroy, California, containing the historic alignment of the upper Pajaro River. The Property is more particularly described in Exhibit A attached to this Agreement.

Grantee covenants and agrees that, in consideration of Grantor's providing the Grant Funds under the terms and conditions set forth herein, the Property shall be held and used for the purposes of floodplain and habitat preservation, and preservation of existing floodplain characteristics and compatible agriculture.

3. CONDITIONS OF GRANT

Grantor's obligation to disburse Grant Funds under this Agreement is conditioned upon and subject to the satisfaction of all of the following conditions precedent:

3.1. Grantor shall have reviewed and approved all documents pertaining to Grantee's acquisition of the Property, including, without limitation, appraisals, preliminary title reports and items referenced therein, options, agreements for purchase and sale, escrow instructions, and instruments of conveyance. Such review and approval by Grantor shall not be unreasonably withheld or delayed. Grantee shall have removed or caused to be removed, or otherwise addressed to the satisfaction of Grantor, any encumbrances or defects of title that Grantor determines are inconsistent, or could interfere, with the Purposes of Grant. Any outstanding security interests or monetary encumbrances affecting the Property shall have been terminated.

3.2. Grantee shall acquire the Property from a willing seller for a purchase price that does not exceed the fair market value of the Property, as established by an appraisal that is conducted by an appraiser who is licensed pursuant to Part 3 (commencing with Section 11300) of Division 4 of the Business and Professions Code. The appraisal shall be prepared pursuant to the Uniform Standards of Professional Appraisal Practice ("USPAP"). The appraisal shall become part of the project file maintained by Grantor and shall be retained for no less than three years from the date of value.

3.3. Grantor shall have reviewed and approved a certification of corporate action or other appropriate action of the governing board or governing body of Grantee, authorizing the execution and performance of this Agreement and the acquisition of the Property by Grantee. Upon approval by Grantor, the authorizing certification or other action shall be attached to this Agreement as Exhibit B.

3.4. Grantee shall have completed the acquisition of the Property in fee title by October 31, 2012.

4. DISBURSEMENT PROCEDURE

Except as provided in paragraph 17, upon satisfaction of all of the above Conditions of Grant, Grantor shall disburse the Grant Funds according to the following procedure:

4.1. Grantee shall request disbursement of Grant Funds by sending a letter to the Grantor ("Disbursement Request"). The Disbursement Request shall be signed by an authorized representative of Grantee and shall contain all of the following:

- a. Name and address of Grantee;
- b. Project Name;
- c. Dollar amount and purpose of disbursement;
- d. A certification by Grantee that all funds (exclusive of the Grant Funds to be provided under this Agreement) needed to complete the Project have been secured and have been or will be deposited to escrow prior to or at the same time as the requested Grant Funds.

4.2. After receipt of a Disbursement Request that Grantor deems in conformity with the requirements of this Agreement, Grantor will promptly forward the Disbursement Request to the Pajaro Valley Water Management Agency ("PVWMA"), as Project Sponsor under the terms of the Prop. 50 Grant.

4.3. The Disbursement Request will be for the sum of \$330,520 to be applied toward reimbursement of the purchase price of the Property.

4.4. Subsequent Disbursement Requests in the amount of up to \$25,000 may be submitted for additional eligible costs as described in the grant application and after Grantee has incurred such costs, bringing the total amount of Grant Funds to the sum of \$355,520.

4.5. Upon verification that a request is in conformance with all Prop. 50 Grant requirements, PVWMA will forward the request to DWR. Funds received from DWR for eligible Project Costs will be forwarded to Grantee, less a 10% retention to be released upon completion of the Soap Lake Project.

4.6. Nothing contained herein shall be deemed to obligate Grantor to disburse funds from any source other than Prop. 50 Grant Funds received from DWR and specifically designated for disbursement to Grantee.

5. GRANTEE'S COVENANTS

In consideration of Grantor's disbursement of the Grant Funds, Grantee hereby covenants and agrees as follows:

WZ
\$330,520

5.1. The Grant Funds shall be used as specified in Section 4, above, with ~~\$335,020~~ applied towards reimbursement of the purchase price of the Property and the balance of Grant Funds applied only towards Eligible Costs as defined in Paragraph 6 of the Proposition 50 Implementation Agreement between the Authority and PVWMA, including the preparation of:

- Qualified Appraisal
- Sales Agreement
- Baseline Documentation
- Title Search
- Environmental Assessment
- Easement Documents
- Surveys
- Closing/Recording Documents

5.2. The Property shall be held, used or transferred only in a manner that is consistent with this Agreement, including the "Purposes of Grant" set forth in Section 2, above.

5.3. Grantee shall recognize the cooperative nature of the acquisition and shall provide credit to Grantor, DWR and PVWMA on signs, demonstrations, promotional materials, advertisements, publications or exhibits prepared or approved by Grantee referencing the Project. Subject to the mutual agreement of Grantor and Grantee regarding text, design and location, Grantee shall post sign(s) on the Property containing Grantor's logo, as shown on Exhibit- E, and indicating the participation of Grantor in Grantee's purchase of the Property. Additionally, Grantee shall include appropriate acknowledgement of credit to the State of California, the Pajaro Valley Water Management Agency, and to all cost-sharing partners for their support when promoting the grant funded project or using any data and/or information developed under this Agreement. During implementation of this project, Grantee shall install a sign at a prominent location which shall include a statement that the project is financed under California Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002, administered by State of California, Department of Water Resources. Grantee shall notify Grantor, PVWMA and DWR as each sign has been erected by providing them with a site map with the sign location noted and a photograph of each sign.

5.4. The Property (including any portion of it or any interest in it) shall not be sold, transferred, exchanged or otherwise conveyed without the written approval of the Authority. Such approval shall not be unreasonably withheld as long as the Property shall continue to be held and used only in a manner consistent with this Agreement, including the Purposes of Grant set forth in Section 2, and each successor-in-interest assumes and agrees in writing to be bound by the terms, covenants and conditions of this Agreement.

5.4.1. Grantee has disclosed to Grantor that after Grantee acquires the Property it intends to market it to a conservation buyer that would acquire fee title subject to the Conservation Easement in favor of Grantee ("Conservation Buyer Transaction"). Any Conservation Buyer Transaction shall be subject to the terms and conditions of this Agreement, including written approval of the Authority or its successor as provided in this Section 5.4 (the "Approval"). Without limiting the preceding sentence, the Approval shall encompass not only the proposed Conservation Easement but also its fair market value as set forth in an appraisal conducted by an appraiser who is licensed pursuant to Part 3 (commencing with Section 11300) of Division 4 of the Business and Professions Code. The appraisal shall be prepared pursuant to the Uniform Standards of Professional Appraisal Practice and applicable State standards.

5.4.2. Grantee shall notify Grantor of any proposed Conservation Buyer Transaction in writing as soon as possible but at least 90 days prior to the anticipated closing date. Grantee's notice shall include copies of all documents pertaining to the Conservation Buyer Transaction including, without limitation, appraisals, preliminary title reports and items referenced therein, agreements for purchase and sale, escrow instructions and instruments of conveyance including the proposed Conservation Easement. Grantor will not unreasonably withhold its approval of the Conservation Buyer Transaction as long as Grantee is not in breach or default of this Agreement, the approved appraised fair market value of the Conservation Easement is at least equal to the amount of Grant Funds provided under this Agreement, and the Conservation Easement (a) meets the Minimum Requirements for Conservation Easements set forth in Exhibit- D; and (b) ensures that the Property will continue to be held and used for the Purposes of Grant set forth in section 2, above.

5.4.3. If Grantor approves a Conservation Buyer Transaction, then as a condition of such approval, Grantee shall enter into an amendment to this Agreement, or an amended and restated Grant Agreement, incorporating such changes to this Agreement (including without limitation changes to Section 7, Remedies) as Grantor deems necessary or appropriate to protect the interests of the Authority. Prior to or concurrent with close of escrow of the Conservation Buyer Transaction, Grantee shall execute and record, or cause to be recorded, an Amendment to the Notice recorded pursuant to Section 5.6 of this Agreement or a Notice of Amended and Restated Grant Agreement, or the Conservation Easement, in form and substance acceptable to Grantor. Any sale, transfer, exchange or conveyance of the Property shall be subject to the terms and conditions of this Agreement as so amended or amended and restated, or of the Conservation Easement.

5.5. The Property (including any portion of it or interest in it) may not be used as security for any debt without the written approval of the Authority.

5.6. Grantee shall record or cause to be recorded, within thirty (30) days of the Effective Date, a Notice of Unrecorded Grant Agreement (the "Notice"), incorporating by reference this Agreement and giving public notice that Grantee received funds under this Agreement in order to assist Grantee in acquiring the Property and that, in consideration for the receipt of the Grant Funds, Grantee has agreed to the terms of this Agreement. The Notice shall be in the form of Exhibit C.

5.7. Grantee shall provide to Grantor, within thirty (30) days of the Effective Date, a conformed copy of the recorded deed(s) and Notice, with all recording information, as well as a copy of the final closing or settlement statement and the title insurance policy insuring Grantee as the owner of fee simple title to the Property. Grantee shall also provide copies of such other documents related to the closing of the above transaction as requested by Grantor. These documents shall become part of the project file maintained by Grantor.

5.8. Grantee shall be responsible for monitoring and enforcing the terms of the Conservation Easement, including parcel compliance monitoring and reporting to Grantor at least annually, and the Conservation Easement shall allow designated staff of Grantee or Grantor to access the Property at all reasonable times to assess compliance with the terms, covenants and conditions of the Conservation Easement and this Agreement.

5.9. Grantor shall be notified of events, opening ceremonies, or ribbon cuttings, associated with the acquisition for inclusion and representation by the Grantor. Invitation will include a speaking role for members of Grantor's Board of Directors.

6. BREACH AND DEFAULT

6.1. In the event of a breach of any of the terms, covenants or conditions of this Agreement, Grantor shall give written notice to Grantee describing the breach. Notice shall be deemed given when personally delivered or deposited in the United States Mail, postage prepaid, or with a reliable over-night courier, addressed to Grantee at Grantee's address for notices set forth in Paragraph 13 below.

6.2. If Grantee does not cure the breach within 90 days of the date a notice of breach is given or, if the breach is not curable within said 90-day period, Grantee does not commence the cure within the 90-day period and diligently pursue it to completion, then Grantee shall be in default ("Default") under this Agreement.

6.3. Grantee shall also be in Default under this Agreement upon the discovery that information given to Grantor by or on behalf of Grantee under or in connection with obtaining this Agreement was materially false or misleading. Notice of a Default under this Section 6.3 shall be given in accordance with Section 6.1.

7. REMEDIES

In the event of a Default under this Agreement, in addition to any and all remedies available at law or in equity, Grantor shall have the following remedies:

7.1. Grantor may seek specific performance of this Agreement. Grantee agrees that payment by Grantee to Grantor of an amount equal to the Grant Funds disbursed under this Agreement would be inadequate compensation to Grantor for any Default because the benefit to be derived by Grantor from full compliance by Grantee with the terms of this Agreement is the purposes of the protection of floodplain and habitat preservation, preservation of existing floodplain characteristics and compatible agriculture.

7.2. Notwithstanding contrary provisions of Article 6 of this Agreement, if Grantor determines that circumstances require immediate action to prevent or mitigate interference with the Purposes of Grant arising from a breach of this Agreement, then Grantor may pursue its remedies without waiting for the period provided for cure to expire.

8. NONPROFIT ORGANIZATION GRANTEE

If Grantee is a nonprofit organization and the existence of Grantee is terminated for any reason, title to all interest in real property acquired with state funds shall immediately vest in the State of California. However, prior to that termination, upon approval of Grantor, which approval shall not be unreasonably withheld, another public agency or nonprofit organization may receive title to all or a portion of that interest in real property by recording its acceptance of title in writing. Any deed or other instrument of conveyance whereby real property is being acquired by another nonprofit organization pursuant to this Section 8 shall be recorded and shall set forth the executory interest or right of entry on the part of the State of California.

9. EFFECTIVE DATE

9.1. This Agreement shall be deemed effective on ~~January 25, 2013~~ ^{MAY 28, 2013}. Grantee and Grantor shall each sign four original Agreements. Grantee shall receive one completely executed original and Grantor shall receive three completely executed originals.

10. LIABILITY; MODIFICATIONS; INTERPRETATION

10.1. Grantee shall indemnify, protect and hold harmless Grantor and its directors, officers, agents, and employees (each an "Indemnified Party"), from and against any and all claims, demands, damages, liabilities, losses, costs (including attorneys' fees) and expenses (collectively, "Claims") arising out of, connected with, or incident to this Agreement or the acquisition, ownership, use, management, operation or maintenance of the Property, except that Grantee shall have no obligation to indemnify or hold harmless an Indemnified Party for Claims caused by the negligent or wrongful act of that Indemnified Party.

10.2. This Agreement may be modified only by written amendment signed by Grantor and Grantee. No prior or contemporaneous oral understanding or agreement not incorporated in this Agreement shall be binding on either of the parties.

10.3. All references herein to "Grantee" are intended to refer to Grantee or its designee, successor or assignee as may be approved by Grantee.

10.4. If any provision of this Agreement or the application thereof to any person or circumstance is held to be invalid or unenforceable, that shall not affect any other provision of this Agreement or applications of the Agreement that can be given effect without the invalid provision or application and to this end the provisions of this Agreement are severable.

10.5. Grantee, its officers, directors, employees, agents and representatives, are each acting in an independent capacity in entering into and carrying out this Agreement, and not as a partner, member, director, officer, agent, employee or representative of Grantor.

10.6. This Agreement is not assignable or transferable by Grantee, either in whole or in part, except in connection with a transfer of the Property approved by Grantor under Section 5.4 of this Agreement.

10.7. Any costs incurred by Grantor, where Grantor is the prevailing party, in enforcing the terms of this Agreement against Grantee, including but not limited to costs of suit, attorneys' and experts' fees, at trial and on appeal, and costs of enforcing any judgment, shall be borne by Grantee.

10.8. Enforcement of the terms of this Agreement by Grantor shall be at the discretion of Grantor, and any forbearance by Grantor to exercise its rights under this Agreement shall not be deemed or construed to be a waiver of such term or of any subsequent breach of the same or any other term of this Agreement or any of the rights of Grantor under it.

11. CONDEMNATION

If all or any part of the Property is taken by exercise of the power of eminent domain, or acquired by purchase in lieu of condemnation, Grantor and Grantee shall act jointly to recover from the condemning authority the full value of the Property so taken or purchased, and all direct or incidental damages resulting therefrom. Grantor shall be entitled to the share of the Award (as defined below) which equals the ratio of the Grant Funds provided by Grantor to the purchase price Grantee paid to acquire the Property (e.g., if Grantor provided \$50,000.00 of Grant Funds and the purchase price was \$75,000.00, then Grantor would be entitled to two-thirds of the Award). For purposes of this Agreement, the "Award" shall mean all compensation awarded, paid or received on account of the Property so taken or purchased, and all direct or incidental damages resulting from the taking or purchase, less all out-of-pocket expenses reasonably incurred by Grantee in connection with the taking or purchase. Nothing contained herein shall be deemed to prevent Grantor from challenging any attempt by any third party agency to acquire the Property by eminent domain, and Grantee hereby covenants and agrees that it shall not enter into an agreement to convey the Property under threat of condemnation without the express written consent of Grantor.

12. AUDIT

Grantee shall maintain complete and accurate records of its actual Project costs, in accordance with generally accepted accounting principles and practices, and shall retain said records for at least three years after final disbursement by Grantor. During such time, Grantee shall make said records available (or cause them to be made available) to the State of California for inspection and audit purposes during normal business hours. Expenditures not documented, and expenditures not allowed under this Agreement or otherwise authorized in writing by Grantor shall be borne by Grantee. The audit shall be confined to those matters connected with this Agreement, including but not limited to administration and overhead costs.

13. NOTICES

All notices and other communication required or permitted to be given under this Agreement shall be in writing and shall be personally serviced or mailed, postage prepaid and return receipt requested, or with a reliable over-night courier, addressed to the respective parties as follows:

If to Grantor:

Pajaro River Watershed Flood Prevention Authority
Attn.: Chair
445 Reservation Road, Suite G P.O. Box 809
Marina, CA 93933

If to Grantee:

Legal Department/Mt. Hamilton Project Director
The Nature Conservancy
201 Mission Street, 4th Floor
San Francisco, CA 94105

14. NON-DISCRIMINATION

During the performance of this Agreement, Grantee shall not unlawfully discriminate against, harass, or allow harassment against any employee or applicant for employment because of race, religion, color, national origin, ancestry, mental or physical disability (including HIV and AIDS), mental disability, medical condition, marital status, age (over 40), sex, sexual orientation, gender identity, gender expression, special disabled veteran status, Vietnam Era Veteran and all other Veteran status, or use of family-care leave, medical- care leave, or pregnancy- disability leave. Grantee shall take affirmative action to ensure that the evaluation and treatment of its employees and applicants for employment are free of such discrimination and harassment. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer; recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. Grantee shall comply with the provisions of the Fair Employment and Housing Act (Government Code Section 12900 (a- f) *et seq.*), and applicable regulations (California Code of Regulations, Title 2, Section 7285 *et seq.*). The regulations of the Fair Employment and Housing Commission regarding Contractor Nondiscrimination and Compliance (Chapter 5 of Division 4 of Title 2 of the California Code of Regulations) are incorporated by reference into this Agreement. Grantee shall give written notice of its obligations under this non-discrimination clause to labor organizations with which Grantee has a collective bargaining or other agreement, and shall post in conspicuous places available to employees and applicants for employment, notice setting forth the provisions of this section. Grantee shall also include the nondiscrimination and compliance provisions of this Agreement in all contracts related to the Project.

15. EXHIBITS

Each of the Exhibits referenced in this Agreement is incorporated by reference as though set forth in full herein. The following Exhibits are attached to this Agreement:

- Exhibit A - Property Description
- Exhibit B - Certified Resolution or Other Action of Governing Body of Grantee
- Exhibit C - Form of Notice of Unrecorded Grant Agreement
- Exhibit D - Minimum Standards for Conservation Easements
- Exhibit E - Pajaro River Watershed Flood Prevention Authority Logo

16. SEVERABILITY

If any provision of this Agreement is held invalid, that invalidity shall not affect other provisions of the Agreement which can be given effect without the invalid provision, and to this end the provisions of this Agreement are severable.

17. ENTIRE AGREEMENT

This Agreement contains the entire Agreement between Authority and Grantee relating to the acquisition of the Property. Any prior agreements, promises, negotiations, or representations not expressly set forth in this Agreement are of no force or effect.

18. GOVERNING LAW

This Agreement shall be governed and construed in accordance with the laws of the State of California.

IN WITNESS WHEREOF, this Agreement is made and entered into by and between the Pajaro River Watershed Flood Prevention Authority and The Nature Conservancy, each of which hereby agrees to the terms and conditions referenced on pages 1 through 10, along with Exhibits A through E, of this Agreement.

THE NATURE CONSERVANCY

Date: 5/28/13 By: 
[Name of Authorized] [Title]

APPROVED AS TO FORM:


TNC Legal Counsel

PAJARO RIVER WATERSHED FLOOD PREVENTION AUTHORITY

Date: 3/1/13 By: 
FPA Chair

APPROVED AS TO FORM:


Anthony P. Condotti
Legal Counsel

EXHIBIT A

LEGAL DESCRIPTION

Real property in the City of unincorporated, County of Santa Clara, State of California, described as follows:

THAT PART OF THE SAN YSIDRO RANCH, BEING A PORTION OF LOT NO. 5, UPON THE MAP ACCOMPANYING THE REPORT OF COMMISSIONERS IN THE ACTION IN PARTITION, WHEREIN JOHN W. CLIFTON, ET AL, WERE PLAINTIFFS, AND J. H. ELLIS WAS DEFENDANT, BROUGHT IN THE DISTRICT COURT OF THE THIRD JUDICIAL DISTRICT OF THE STATE OF CALIFORNIA, IN AND FOR THE COUNTY OF SANTA CLARA, CASE NO. 3085, BOUNDED AND PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE POINT OF INTERSECTION OF THE CENTER LINE OF THE FRAZIER LAKE ROAD WITH THE SOUTHEASTERLY LINE OF THAT PORTION OF THE SAN YSIDRO RANCHO, PATENTED TO QUINTIN ORTEGA AND FROM WHICH A 2" X 3" STAKE MARKED "W.P.E.B." BEARS NORTH 37° 45' EAST 0.495 CHAINS; THENCE ALONG THE SOUTHEASTERLY LINE OF SAID RANCHO, NORTH 37° 45' EAST 108.53 CHAINS TO A STAKE MARKED "E. P. 1" STANDING IN THE WESTERLY LINE OF THE PACHECO PASS ROAD; THENCE ALONG THE WESTERLY LINE OF SAID ROAD NORTH 62° 20' WEST 6.12 CHAINS TO A 2" X 3" STAKE MARKED "E.P.2" STANDING IN THE SOUTHEASTERLY LINE OF LANDS NOW OR FORMERLY OF S. M. MAZE; THENCE ALONG THE SOUTHEASTERLY LINE OF LAST MENTIONED LANDS, SOUTH 54° 41' WEST 42.61 CHAINS TO A FENCE CORNER IN THE SMALL SLOUGH; THENCE NORTH 34° 33' WEST 7.22 CHAINS TO A 2" X 4" STAKE MARKED "2"; THENCE ALONG THE LINE BETWEEN LANDS FORMERLY OF A. WATSON AND LANDS OF MARION ELLIS, SOUTH 54° 53' WEST 63.814 CHAINS TO THE CENTER LINE OF THE FRAZIER LAKE ROAD, FROM WHICH A 2" X 3" STAKE MARKED "W.P.E." STANDING IN THE EASTERLY SIDE OF SAID ROAD, BEARS NORTH 54° 53' EAST 0.443 CHAINS; THENCE ALONG THE CENTER LINE OF SAID ROAD, SOUTH 42° 7' EAST 44.81 CHAINS TO THE POINT OF BEGINNING.

EXCEPTING THEREFROM SO MUCH THEREOF DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT IN THE CENTER LINE OF FRAZIER LAKE ROAD AT THE SOUTHERNMOST CORNER OF THE CERTAIN PARCEL OF LAND CONVEYED BY ALEXANDER WATSON, ET UX, TO ALEXANDER JAMES WATSON, BY DEED DATED MAY 16, 1916, RECORDED JANUARY 4, 1917 IN BOOK 451 OF DEEDS, PAGE 534 SAID POINT OF BEGINNING BEING THE WESTERNMOST CORNER OF THAT CERTAIN 274.70 ACRE TRACT OF LAND SET APART TO MARION ELLIS BY THAT CERTAIN DECREE IN PARTITION, A CERTIFIED COPY OF WHICH WAS RECORDED DECEMBER 23, 1926 IN BOOK 289 OF OFFICIAL RECORDS, PAGE 234, FROM WHICH POINT OF BEGINNING A 2" X 3" STAKE MARKED "W.P.L." STANDING ON THE EASTERLY LINE OF SAID ROAD, BEARS NORTH 54° 53' EAST 0.443 CHAINS; THENCE FROM SAID POINT OF BEGINNING ALONG THE SOUTHEASTERLY LINE OF THE LAND SO CONVEYED TO ALEXANDER JAMES WATSON, NORTH 54° 53' EAST 63.8144 CHAINS TO A 2" X 4" STAKED MARKED "2" STANDING IN THE SOUTHWESTERLY LINE OF THAT CERTAIN 200 ACRE PARCEL OF LAND CONVEYED BY VIRGINIA MAZE, ET VIR, TO ERNEST H. WOON, ET UX, BY DEED DATED MARCH 18, 1925, RECORDED MAY 27, 1925 IN BOOK 143 OF OFFICIAL RECORDS, PAGE 210; THENCE ALONG SAID SOUTHWESTERLY LINE OF THE LAND OF WOON, AND THE CONTINUATION THEREOF, SOUTH 34° 33' EAST 16.300 CHAINS TO AN AUTOMOBILE EXCEL (AT 7.22 CHAINS ON THIS COURSE AS A 1 INCH PIPE AT THE FENCE CORNER IN A SMALL SLOUGH AT THE SOUTHERLY CORNER OF THE LAND OF WOON); THENCE SOUTH 54° 53' WEST 61.655 CHAINS TO A POINT IN THE CENTER LINE OF FRAZIER LAKE ROAD, FROM WHICH POINT A ¾" PIPE STANDING ON THE EASTERLY LINE OF SAID ROAD, BEARS NORTH 64° 64' 62" EAST 0.443 CHAINS; THENCE ALONG THE CENTER LINE OF SAID ROAD, NORTH 42° 7' WEST 16.432 CHAINS TO THE POINT OF BEGINNING. CONTAINING APPROXIMATELY 102.255 ACRES AND BEING A PORTION OF THE RANCHO SAN YSIDRO.

ALSO EXCEPTING THEREFROM THAT PORTION THEREOF AS CONVEYED TO THE UNITED STATES OF AMERICA, BY DEED RECORDED JULY 22, 1983 IN BOOK H741 PAGE 589, OFFICIAL RECORDS, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

A STRIP OF LAND HAVING A UNIFORM WIDTH OF 52.49 FEET, WHERE MEASURABLE AT RIGHT ANGLES, LYING 16.4 FEET ON THE NORTHERLY SIDE, AND LYING 36.09 FEET ON THE SOUTHERLY SIDE OF THE FOLLOWING DESCRIBED CENTERLINE; BEGINNING AT A POINT IN THE SOUTHWESTERLY BOUNDARY LINE OF SAID PARCEL (288 OR 304, SANTA CLARA), DISTANT THERE ALONG SOUTH 33° 52' 08" EAST 171.60 FEET FROM A ONE INCH IRON PIPE, TAGGED "LS2550", MARKING A WESTERLY CORNER OF SAID PARCEL; SAID POINT OF BEGINNING BEING IN THE SANTA CLARA COUNTY PORTION OF RANCHO SAN YSIDRO (ORTEGA); THENCE FROM SAID POINT OF BEGINNING, SOUTH 74° 37' 19" EAST 1,145.75 FEET TO THE POINT OF TERMINUS IN THE SOUTHEASTERLY BOUNDARY LINE OF SAID PARCEL, (54 OR 135, SAN BENITO), DISTANT THERE ALONG SOUTH 41° 08' 34" WEST 39.70 FEET FROM A ONE INCH IRON PIPE MARKING THE MOST NORTHERLY CORNER OF THE MENDOZA PROPERTY (391 OR 836, SAN BENITO); SAID POINT OF TERMINUS BEING IN SAN BENITO COUNTY; THE SIDELINE BOUNDARIES ARE TO BE LENGTHENED OR SHORTENED, AS THE CASE MAY BE, SO AS TO BEGIN IN THE SOUTHWESTERLY BOUNDARY LINE OF SAID PARCEL (288 OR 304, SANTA CLARA COUNTY) AND TERMINATE IN THE SOUTHEASTERLY BOUNDARY LINE OF SAID PARCEL (54 OR 135, SAN BENITO); SAID SOUTHEASTERLY BOUNDARY LINE OF WHICH IS COINCIDENT WITH THE GRANT LINE COMMON TO RANCHO LLANO DEL TEQUISQUITA AND SAID RANCHO SAN YSIDRO (ORTEGA).

ALSO EXCEPTING THEREFROM ALL THAT PORTION THAT LIES WITHIN THE COUNTY AT SAN BENITO.

Real property in the unincorporated area of the County of San Benito, State of California, described as follows:

BEGINNING AT THE POINT OF INTERSECTION OF THE CENTER LINE OF THE FRAZIER LAKE ROAD WITH THE SOUTH EASTERLY LINE OF THE SAN YSIDRO RANCHO, FROM WHICH POINT THE SOUTHERNMOST CORNER OF SAID RANCHO BEARS SOUTH 37° 40' WEST 40.78 CHS. DISTANT; RUNNING THENCE ALONG SAID LINE OF SAID RANCHO NORTH 37° 40' EAST 109.035 CHS. TO A POINT IN THE CENTER LINE OF THE PACHECO PASS ROAD; RUNNING THENCE ALONG SAID CENTER LINE OF SAID PACHECO PASS ROAD NORTH 63° 24' WEST 5.947 CHS. TO A POINT, THENCE SOUTH 54° 27' WEST 43.135 CHS. TO A POINT; THENCE NORTH 34° 41' WEST 7.24 CHS. TO THE SOUTH EASTERLY CORNER OF LANDS OF ALEXANDER WATSON; THENCE ALONG THE SOUTHERLY LINE OF SAID LANDS OF ALEXANDER WATSON SOUTH 54° 45' WEST 63.80 CHS. TO THE CENTER LINE OF THE FRAZIER LAKE ROAD; AND THENCE ALONG SAID CENTER LINE OF SAID FRAZIER LAKE ROAD SOUTH 42° 30' EAST 44.80 CHS. TO THE PLACE OF BEGINNING, AND CONTAINING 244.40 ACRES, MORE OR LESS, AND BEING A PORTION OF LOT NUMBERED 5, UPON THE MAP ACCOMPANYING THE REPORT OF THE COMMISSIONERS IN THE ACTION IN PARTITION WHEREIN JOHN W. CLIFTON, ET AL, WERE PLAINTIFFS, AND J.H. ELLIS, WAS DEFENDANT, BROUGHT IN THE DISTRICT COURT OF THE THIRD JUDICIAL DISTRICT OF THE STATE OF CALIFORNIA, IN AND FOR THE COUNTY OF SANTA CLARA, CASE NO. 3985 AND BEING A PART OF THE SAN YSIDRO RANCHO.

EXCEPTING THEREFROM THE FOLLOWING DESCRIBED PARCEL IN SANTA CLARA COUNTY:

BEGINNING AT A POINT IN THE CENTERLINE OF FRAZIER LAKE ROAD AT THE SOUTHERNMOST CORNER OF THAT CERTAIN PARCEL OF LAND CONVEYED BY ALEXANDER WATSON, ET UX, TO ALEXANDER JAMES WATSON, BY DEED DATED MAY 16, 1916 AND RECORDED JANUARY 4, 1917 IN BOOK 451 OF DEEDS AT PAGE 534, SAID POINT OF BEGINNING BEING THE WESTERNMOST CORNER OF THAT CERTAIN 274.70 ACRE TRACT OF LAND SET APART TO MARION ELLIS BY THAT CERTAIN DECREE IN PARTITION A CERTIFIED COPY OF WHICH WAS RECORDED DECEMBER 23, 1926 IN BOOK 289 OF OFFICIAL RECORDS, AT PAGE 234 FROM WHICH POINT OF BEGINNING 2" X 3" STAKE MARKED "W.P.E.D." STANDING ON THE EASTERLY LINE OF SAID ROAD, BEARS NORTH 54° 53' EAST 0.443 CHAINS; THENCE, FROM SAID POINT OF BEGINNING ALONG THE SOUTHEASTERLY LINE OF LAND SO CONVEYED TO ALEXANDER JAMES WATSON, NORTH 54° 53' EAST 63.814 CHAINS TO A 2" X 4" STAKE MARKED "2" STANDING IN THE SOUTHWESTERLY LINE OF THAT CERTAIN 200 ACRE PARCEL OF LAND CONVEYED BY VIRGINIA

MAZE, ET VIR TO ERNEST H. WOON, ET UX, BY DEED DATED MARCH 18, 1925 AND RECORDED MARCH 27, 1925 IN BOOK 143 OF OFFICIAL RECORDS, AT PAGE 210; THENCE ALONG SAID SOUTHWESTERLY LINE OF THE LAND OF WOON AND THE CONTINUATION THEREOF, SOUTH 34° 33' EAST 16.300 CHAINS TO AN AUTOMOBILE AXLE (AT 7.22 CHAINS ON THIS COURSE IS A 1 INCH PIPE AT THE FENCE CORNER IN A SMALL SLOUGH AT THE SOUTHERLY CORNER OF THE LAND OF WOON); THENCE, SOUTH 54° 53' WEST 61.655 CHAINS TO A POINT IN THE CENTERLINE OF FRAZIER LAKE ROAD FROM WHICH POINT A ¾" PIPE STANDING ON THE EASTERLY LINE OF SAID ROAD BEARS NORTH 54° 52' EAST 0.443 CHAINS; THENCE, ALONG THE CENTERLINE OF SAID ROAD, NORTH 42° 7" WEST 16.432 CHAINS TO THE POINT OF BEGINNING.

ALSO EXCEPTING THEREFROM THAT 0.92 ACRES OF LAND CONVEYED TO THE UNITED STATES OF AMERICA FOR AN UNDERGROUND PIPELINE.

BY DEED RECORDED JUNE 08, 1983 IN VOL.495, PAGE 120, SAN BENITO COUNTY RECORDS.

APN: 841-40-006 and 841-40-008 ARB: 841-40-001(Santa Clara County)
013-010-029 and 013-010-031 (San Benito County)

EXHIBIT-B

CERTIFICATION OF CORPORATE ACTION

Regarding: Grant Agreement with the Pajaro River Watershed Flood Prevention Authority for receipt by The Nature Conservancy of Three Hundred Fifty-five Thousand Five Hundred Twenty Dollars (\$355,520.00) for the acquisition of the 165.26 acres of land known as the Gonzales Property at 4945 Frazier Lake Road, Gilroy, Gonzales Property.

The undersigned hereby certifies, as of the date of execution set forth below, that The Nature Conservancy, a District of Columbia non-profit corporation:

- (1) is duly organized, validly existing and in good standing under the laws of the District of Columbia;
- (2) is qualified to transact business in the State of California;
- (3) has taken the requisite corporate action to approve the transaction described above and the performance by The Nature Conservancy of all required obligations of The Nature Conservancy pertaining to the transaction described above;
- (4) has taken appropriate action to authorize _____ or _____ for The Nature Conservancy, to execute and deliver all required documents and to perform all required obligations of The Nature Conservancy pertaining to the transaction described above;
- (5) has the ability to carry out the acquisition of the Gonzales Property;
- (6) has or will have sufficient funds to acquire the Gonzales Property; and
- (7) certifies that The Nature Conservancy has reviewed, understands and agrees to the Special Provisions, General Provisions and Financial Provisions contained in the Grant Agreement.

Executed as of _____, 20__.

THE NATURE CONSERVANCY

By: _____
Sharon Wasserman
Assistant Secretary

EXHIBIT-C

MEMORANDUM OF UNRECORDED GRANT AGREEMENT

Recording requested by,)
and when recorded, return to:)
Pajaro River Watershed Flood)
Prevention Authority)
P.O. Box 809)
Marina, CA 93933)

Space above this line for Recorder's use

MEMORANDUM OF UNRECORDED GRANT AGREEMENT

This Memorandum of Unrecorded Grant Agreement ("Memorandum"), dated as of _____, is recorded to provide notice of an agreement between The Nature Conservancy ("TNC") and the Pajaro River Watershed Flood Prevention Authority, a joint powers authority created by a special act of the California Legislature ("Authority").

RECITALS

A. On or about _____ TNC and Authority entered into that certain Grant Agreement (the "Grant"), pursuant to which Authority granted to TNC certain funds for the acquisition of a conservation easement (the "Conservation Easement") in that certain real property, portions of which are located in unincorporated Santa Clara and San Benito Counties, a portion of which is designated in the records of the Santa Clara County Assessor as APN: 841-40-006 and 841-40-008; ARB 841-40-001; and a portion of which is designated in the records of the San Benito County Assessor as APN: 013-010-029 and 013-010-031, and more particularly described in the Official Records of Santa Clara and San Benito Counties as set forth in Exhibit A, attached hereto and incorporated herein by this reference.

B. Under the terms of the Grant, Authority reserved certain rights with respect to the Conservation Easement.

C. TNC is required under the terms of the Grant to execute this Memorandum to provide constructive notice to all third parties of certain of rights reserved by Authority under the Grant.

NOTICE

1. The Conservation Easement (including any portion of it or any interest in it) may not be sold or exchanged without the prior written approval of Authority, provided that such approval shall not be unreasonably withheld as long as the purposes for which the Grant was awarded are maintained.

2. The Real Property encumbered by the Conservation Easement (including any portion of it or any interest in it) may be used as security for any debt, provided however, that any such debt shall be subordinate to the terms and conditions contained in the Conservation Easement.

3. For additional terms and conditions of the Grant, reference should be made to the Grant Agreement which is on file with the Authority at the following address:

Pajaro River Watershed Flood Prevention Authority
Attn.: Chair
445 Reservation Road, Suite G P.O. Box 809
Marina, CA 93933

Executed on this ___ day of _____, 20___, at [location].

THE NATURE CONSERVANCY

By: _____

[insert name]

Its: [insert title]

State of California

County of _____

On _____, before me, _____, 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.

(seal)

EXHIBIT-D

MINIMUM STANDARDS FOR CONSERVATION EASEMENTS

SCOPE, PURPOSE and RECITALS OF CONSERVATION EASEMENT

1. PURPOSES OF CONSERVATION EASEMENT: The conservation easement and grant agreement shall contain a definition of Purpose that is consistent with the fiscal, legislative and programmatic requirements of the funding source(s) used to pay for the conservation easement. The defined purpose of the grant and conservation easement must be consistent, and identify the resources and conservation values to be protected.
2. PUBLIC POLICY: The conservation easement should provide a statement(s) of state and local public policies the conservation easement supports.
3. CONSERVATION VALUES: The conservation easement shall contain a definition and description of the resources and conservation values protected by the easement.

The definition of the conservation values shall include sufficient detail that explains habitat types, particular species or resources identified for protection, i.e., wildlife, nature of the working landscape, agricultural, historical, cultural, archaeological or recreational values.

4. STANDARD RECITALS. WITNESSETH: Describe the owner in fee simple; provide a brief and general description of property; landowner's willingness to grant a conservation easement with restrictions; statement describing landowner's willingness to use property consistent with stated purpose, and adherence to terms, covenants and conditions of conservation easement.
5. GRANTEE AUTHORITY: Statement describing the easement holders authority to hold the conservation easement as defined by Section 170(h) (3) of the Internal Revenue Code, Section 815.3 of the California Civil Code and as certified by governing body of easement holder. Statement should express responsibility to monitoring and enforce the terms and conditions of the conservation easement.
6. LANDOWNER CONVEYANCE: Statement of what the landowner desires to convey for valuable consideration to assure the protection of the defined conservation values and purpose of the conservation easement.
7. BASELINE CONDITIONS REPORT: The conservation easement shall contain reference to the Baseline Conditions Report (Report). The Report must be signed and certified by the Landowner and Grantee, as representing a current and accurate description and representation of the protected property, its resources and conservation values.
8. COMPLIANCE MONITORING: The conservation easement shall contain language that requires the easement area to be monitored by the easement holder at least annually to assess the condition of the property, including without limitation the conservation values and compliance with the conservation easement and purposes of the grant. The easement must also contain language that allows Authority access to the property no less than once in any period of three calendar years, to assess compliance with the terms, covenants, and conditions of the Grant Agreement between Authority and the easement holder.

9. MONITORING PROTOCOLS: Prior to the close of escrow, the easement holder shall develop monitoring protocols. At a minimum, the protocols shall address the terms and conditions of the conservation easement, the purpose of the easement and the conservation values. The protocols shall include a definition of impairment that in-part includes a statement that if the conservation values are reduced to such level they are no longer sustainable and render the purpose of the conservation easement void. The monitoring protocols shall be reviewed and approved by Authority. NOTE: Monitoring protocols do not have to be identified in the conservation easement; however, they must be consistent with the defined purpose of the conservation easement and the defined conservation values.
10. MONITORING REPORT: Commencing one year after the close of escrow and every year thereafter, the easement holder shall provide a written report to Authority describing and assessing the condition of the Easement Area and condition of the conservation values. The monitoring report shall address each of the approved monitoring protocols, including an assessment of the conservation values. NOTE: The monitoring report is not part of the conservation easement, however, the Report must capture the information outlined in the monitoring protocols and shall include sufficient detail to explain the condition of the conservation easement and the defined conservation values.

TERMS, CONDITIONS AND RESTRICTIONS

11. GRANTOR RIGHTS: Statements describing the rights of the landowner to engage in land use practices that are consistent with and complimentary to the purpose(s) of the easement and the conservation values. Such statements shall prohibit activities that significantly impair, interfere or otherwise burden the sustainability of the conservation values.
12. GRANTEE RIGHTS: Statements of what the Grantor (Landowner) grants and conveys to the Grantee (either NGO, State and/or third party) to accomplish the purposes of the conservation easement. Specific rights should be detailed, specific, enforceable and consistent with the purpose of the easement and applicable provisions of the Authority grant agreement.
13. PERMITTED USES: Statements of allowable or permitted uses of the property that are consistent with and complimentary to the defined purpose of the easement and the defined conservation values.
14. PROHIBITED USES: Statement of prohibited uses that would result in damage to or loss of value to the conservation values and purpose of the conservation easement. Statements shall include a general provision that specifies that prohibited uses are not an inclusive and exhaustive list and any activity or use that deters from or impairs the conservation values of easement is prohibited.
15. PRIOR APPROVED ACTIVITIES: Some land uses may or may not impair the conservation values. Prior approval from the easement holder must be obtained on questionable or unstated land uses. The easement should describe the process for obtaining prior approval from the easement holder and/or state.
16. APPLICABLE LAWS: The conservation easement shall contain a statement the landowner is responsible for complying with applicable laws.

17. PUBLIC ACCESS: If public access is allowed, the conservation easement should contain language stating that public access rights are created with the easement and specifically define those rights. If public access is not allowed, the easement should contain language stating that public access has not been created.
18. INDEMNIFICATION AND HOLD HARMLESS: The conservation easement shall contain language of indemnification and hold harmless on the part of the landowner.
19. OPERATION AND MAINTENANCE: The conservation easement shall contain language identifying the landowner as the responsible entity for all maintenance and operations of the property including the payment of applicable state, local and federal taxes.
20. TRANSFER OF EASEMENT RIGHTS: The conservation easement shall contain language prohibiting the sale, transfer, or exchange of easement interest (or portions thereof) without the prior approval of the Authority or its successor.
21. SUBORDINATE LIENS ON PROPERTY: Easement shall contain language that all liens must be subordinate to the Authority.
22. SECURITY FOR DEBT: The conservation easement shall contain language stating the easement may not be used as security for any debt without the written approval of the Authority.
23. NOTICES: The conservation easement shall contain all applicable information for notifying the easement holder and the Authority. Notices must be in writing.
24. BREACH OF ESSENTIAL CONDITIONS: The conservation easement shall contain a description of the notification process in the event any terms, conditions, or covenants of easement are violated. The language shall describe conditions that constitute a default, i.e., cure within 90 days, if possible.
25. REMEDIES: The conservation easement shall describe in the event of a default, all remedies available to cure default. One such remedy must include the option that Authority may require the easement holder to convey its interests in the conservation easement to Authority or, at the election of Authority, to another entity or organization authorized by California law to acquire and hold conservation easements and which is willing and financially able to assume all of the obligations and responsibilities of the former easement holder.
26. TERMINATION OF EASEMENT HOLDER: If the easement holder is a nonprofit organization and the existence of the easement holder is terminated for any reason, title to all interest in real property acquired with state funds shall immediately vest in the State of California. However, prior to that termination, upon approval of Authority, another public agency or nonprofit organization may receive title to all or a portion of that interest in real property by recording its acceptance of title in writing. Any deed or other instrument of conveyance whereby the real property is being acquired by a nonprofit organization shall be recorded and shall set forth the executory interest or right of entry on the part of the State of California.

27. COST OF ENFORCEMENT: The conservation easement shall contain a statement that any costs incurred by either party for purposes of correcting a default on the part of the landowner or the easement holder shall be borne by the losing party.
28. EXTINGUISHMENT: The conservation easement shall contain language stating the easement shall not be terminated or extinguished, in whole or in part, except through appropriate legal proceedings in a court of competent jurisdiction.
29. TERMINATION AND EXTINGUISHMENT: The conservation easement shall contain language that specifies how the distribution of funds will be made if any part of the property is taken by the exercise of eminent domain, or acquired by purchase in lieu of condemnation, to terminate the conservation easement in whole or in part. The language shall further specify that Authority and the easement holder may act jointly to recover from the condemning authority the full value of the easement holder's interest in the property. Authority shall be entitled to the share of the award, which equals the ratio of the Authority Grant Funds to the purchase price the easement holder paid to acquire the conservation easement.
30. SIGNAGE: The conservation easement must contain language that recognizes Authority participation in funding the easement and permits the posting of one or more sign(s) on the Property displaying the Authority logo.
31. AMENDING CONSERVATION EASEMENT: The conservation easement must contain language that specifies any amendment is subject to the approval of the Authority, and that any amendment made without this approval is void. If the easement is modified (and approved by Authority), the easement shall be re-recorded with the County and a copy of the modified recorded easement provided to the State.
32. SALE OF CARBON CREDITS: Grantee shall ensure that the terms and conditions of the Conservation Easement are taken into account when calculating the baseline/business as usual of the Property for purposes of establishing carbon credits or other emissions offsets that the Grantee proposes to authorize, create, sell, exchange or transfer with respect to the Property. Grantee further agrees to notify Grantor at least 45 days prior to any such proposed establishment.

Further, the Conservation Easement shall require the Landowner to ensure that the terms and conditions of the Conservation Easement are taken into account when calculating the baseline/business as usual of the Property for purposes of establishing carbon credits or other emissions offsets that the Landowner proposes to authorize, create, sell, exchange or transfer, and to notify the Grantee at least 45 days prior to any such proposed establishment. Upon receipt of any such notice Grantee shall promptly furnish a copy of the same to Grantor.

Consistent with the provisions of Section 5, GRANTEE'S COVENANTS, Grantee agrees to include in the required annual monitoring report, a summary of any activity by the Landowner or Grantee to establish carbon credits or other emissions offsets with respect to the Property, and to provide Grantor with such further information as Grantor may request regarding such activity.

EXHIBIT-E
AUTHORITY LOGO



Conserving the Gonzales property- past and future



The Nature
Conservancy



Gonzales Property- The Past

- Property was purchased in 2012.
- TNC created and implemented a restoration plan for the ~ 1 mile section of the Pajaro River channel that traverses the property. The restoration included irrigation, fencing (TNC received a \$25,000 grant from the USFWS for the riparian fencing) and a plant palette appropriate for the site conditions. TNC worked in collaboration with Point Blue's STRAW program which educated local school children about the benefit of the river, floodplain and restoration. School groups were part of the restoration project putting plants in the ground.
- The land outside of the restoration was leased to a local rancher who continues there today- growing organic hay for his sustainable beef operation, Open Space Meats.



School group participating in restoration work as part of Point Blue's STRAW program Image Credit © Ethan Inlander

Pajaro Ranch—What We're Doing Here



Making Landscapes Work for People and for Wildlife

The Nature Conservancy purchased this property in 2012 as part of an effort to preserve agricultural lands in the Upper Pajaro River floodplain. Since then, the Conservancy has worked with a local rancher to upgrade infrastructure for agriculture such as fencing and irrigation. The historic river corridor, a critical part of this watershed, has been restored with native vegetation. Native shrubs and trees will provide food and shelter for animals and birds while helping to improve water and air quality.

The purchase of this land and the restoration project were made possible through the generous support of these partners:



Participating schools and organizations include Bradley Elementary, Cirra Vista Elementary, Rucker Elementary, R.O. Hardin Elementary, Tres Pinos Elementary, San Benito High School, Pacheco Pass 4-H, San Benito Arts Council, and San Benito Working Landscapes Group.

Connecting Kids with Nature

Between 2014 and 2017, the Conservancy teamed up with Point Blue's Students and Teachers Restoring A Watershed (STRAW) program to engage local students and volunteers as partners to plant over 1,200 new native plants across the property. This includes two dozen species of native trees, shrubs, and grasses. Over 450 enthusiastic students from kindergarteners to high school seniors received watershed science education and participated in hands-on restoration activities.



The Community and the Environment Win!

This multi-year climate-smart project includes three years of planting with students and volunteers, three years of monitoring and maintenance, followed by long-term protection of the riparian corridor (habitat along the river) and upland area. In addition to checking on plant health, biologists will perform wildlife surveys and soil scientists will test changes in the soil. Through their involvement students and volunteers learned how working landscapes and conservation can coexist. Their work will grow into a wildlife haven that attracts animals away from fields and crops and makes the land better able to withstand changes in climate.

The many plant species were chosen to provide diversity and climate change resilience. Some are drought tolerant. Others do well in wet conditions. This wide variety of vegetation will ensure year-round food and shelter for wildlife.



The Future

- Peninsula Open Space Trust (POST) seeks to plan and implement restoration in the Upper Pajaro River Valley (UPRV) focused on three adjacent conserved properties in the Soap Lake floodplain, including Gonzales Ranch. Habitats to be restored include floodplains, riparian, wetlands, and pond habitat.



Successful restoration plantings

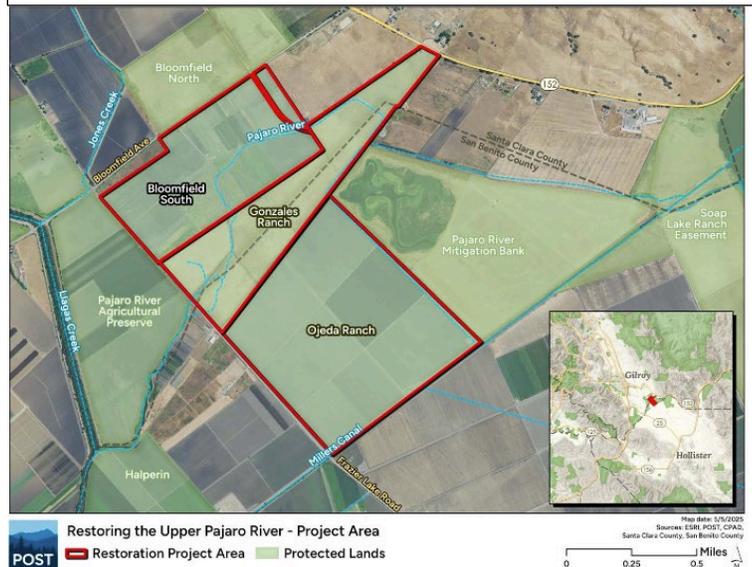
Image Credit © Ethan Inlander

- Building on past studies and restoration scenario work by The Nature Conservancy, this three-year planning phase involves the completion of the following tasks: baseline assessments, collaborative restoration visioning, restoration plan development, designs, and adaptive management and monitoring plan creation.



Aerial imagery of restoration planning area. Gonzales Ranch is in the middle foreground. Image Credit © Teddy Miller

- Expected outcomes include enhanced wildlife connectivity, restored riparian and wetland habitats for diverse taxa, reduced downstream flood risk, flood attenuation, improved water quality, protection and stewardship of cultural resources, and sustainable, wildlife-friendly agriculture.



Gonzales Property

Attachment 3

AGREEMENT FOR THE PURCHASE AND SALE OF REAL PROPERTY

Gonzales Ranch

This **AGREEMENT FOR THE PURCHASE AND SALE OF REAL PROPERTY** (“Agreement”) is made by and between THE NATURE CONSERVANCY, a District of Columbia non-profit corporation (“Seller”) and PENINSULA OPEN SPACE TRUST, a California non-profit public benefit corporation (“Buyer”) (collectively Seller and Buyer are referred to in this Agreement as the “Parties” or individually as a “Party”) with regards to the purchase and sale of the Property (as defined below).

Buyer, Seller, and the Santa Clara Valley Habitat Agency (“VHA”) (not a Party to this Agreement) are all interested in protecting this Property (defined below in Section 1(w)) for conservation. Buyer, Seller, and VHA all have missions to protect and conserve lands and waters. This Land (defined below in Section 1(r)) serves as an important habitat linkage and riparian area, which makes it an important conservation target for all three entities. To that end, Seller has agreed to a reduce the price to below market value to contribute to the long-term protection of the Land, and Buyer is also seeking additional funding from VHA to apply to the Purchase Price (defined below). Accordingly, the Parties agree as follows:

1. Defined Terms: For purposes of this Agreement, and in addition to the capitalized terms defined elsewhere in this Agreement, the following terms shall have the following meanings:

(a) Agricultural Lease: The term “Agricultural Lease” shall mean that certain Grazing and Farming Lease dated as of January 18, 2021, as amended by that certain Grazing and Farming Lease Amendment dated January 24, 2024, and that certain Ratification and Second Amendment to Grazing and Farming Lease dated May 23, 2025, between Open Space Meats, LLC, as lessee (“Tenant”) and Seller, as lessor, a copy of which is appended as Exhibit B.

(b) Buyer’s Conditions Precedent: The term “Buyer’s Conditions Precedent” shall mean each of the conditions upon which Buyer’s obligation to purchase the Property is conditioned as specified in Paragraph 8(a) of this Agreement.

(c) Buyer Indemnified Parties: The term “Buyer Indemnified Parties” shall mean Buyer and its officers, directors, employees, consultants, agents, and representatives.

(d) Buyer's Parties: The term "Buyer's Parties" shall mean Buyer and its contractors, inspectors, agents, invitees and employees.

(e) Close of Escrow: The term "Close of Escrow" shall mean the recording of all documents required for recording to consummate the transaction described by this Agreement in the Official Records of San Benito and Santa Clara Counties.

(f) Closing Date: The term "Closing Date" shall mean the date on which Close of Escrow occurs, which shall be on or before the date that is fifteen (15) calendar days after the end of the Examination Period, or such other later date provided by this Agreement or that the Parties may mutually agree to in writing.

(g) Closing Statement: The term "Closing Statement" shall mean the closing statement prepared by Escrow Holder and acceptable to the Parties acting reasonably.

(h) Deposit: The term "Deposit" shall have the meaning attributed to it in Paragraph 5(a) of this Agreement.

(i) Disapproved Exceptions: The term "Disapproved Exceptions" shall mean any objections Buyer has with respect to the title exceptions, vesting, or legal description shown on the Preliminary Title Report.

(j) Effective Date: The term "Effective Date" shall mean the date of the execution of the last signatory to this Agreement whose execution is required to make this Agreement binding on the Parties.

(k) Environmental Laws: The term "Environmental Laws" shall mean any applicable foreign, federal, state, or local law, statute, regulation, rule, ordinance, permit, prohibition, restriction, license, order, requirement, agreement, consent, or approval, or any decision, opinion, determination, judgment, directive, decree or order of any executive, administrative or judicial authority at any applicable foreign, federal, state or local level relating to pollution or the protection of the environment, ecology, natural resources or public health and safety or that purport to regulate Hazardous Materials.

(l) Escrow Holder: The term "Escrow Holder" shall mean Old Republic Title Insurance Company, whose address is 167 South San Antonio Road, Suite 5, Los Altos, CA 94022, (650) 941-5700), through which the purchase and sale of the Property shall be consummated via Close of Escrow.

(m) Examination Period: The term "Examination Period" shall mean a period beginning on the Effective Date and ending at 5:00pm on the date that

is ninety (90) calendar days after the Effective Date, or such later date provided by this Agreement. The Parties understand and agree that Buyer shall have the entire Examination Period in which to conduct all due diligence by Buyer with respect to the Property.

(n) Grant Deed: The term “Grant Deed” shall mean a duly executed and acknowledged California standard grant deed conveying to Buyer fee title to the Property, subject only to the Permitted Exceptions, as defined in Section 6(a)(i) of this Agreement.

(o) Grant Agreements: The term “Grant Agreements” shall mean both of the following: that certain Grant Agreement for Acquisition of Fee Interest entered into effective August 10, 2012, by and between Santa Clara Valley Water District and Seller, and that certain Grant Agreement for Acquisition of Fee Interest entered into effective May 28, 2013, by and between the Pajaro River Watershed Flood Prevention Authority and Seller.

(p) Hazardous Materials: The term “Hazardous Materials” shall mean any substance whose nature and/or quantity of existence, use, manufacture, disposal or effect, render it subject to any Environmental Law, federal, state or local regulation, investigation, remediation, or removal as potentially injurious to public health or welfare including, without limitation, petroleum (including but not limited to crude oil or any fraction thereof, refined oil, gasoline or diesel), asbestos and asbestos containing materials, and any substance, material waste, pollutant, or contaminant listed or defined as hazardous or toxic under any Environmental Laws.

(q) Independent Consideration: The term “Independent Consideration” shall have the meaning attributed to it in Paragraph 5(b)(ii) of this Agreement.

(r) Land: The term “Land” shall mean that certain real property situated in San Benito and Santa Clara Counties, California, comprising approximately 165-acres, commonly known as Santa Clara County Assessor’s Parcel Numbers (“APN”) 841-40-006 and APN 841-40-008 as well as San Benito County APN 013-010-029 and APN 013-010-031, and more particularly described in Exhibit A.

(s) Losses: The term “Losses” shall mean claims, demands, losses, costs, damages, liabilities and obligations (including, without limitation, reasonable attorneys’ fees).

(t) Permitted Exception: The term “Permitted Exception” shall have the meaning attributed to it in Paragraph 6(a)(i) of this Agreement.

(u) Personal Property: The term “Personal Property” shall mean any and all tangible personal property including, without limitation, any apparatus, equipment, and appliances that are owned by Seller and located on the Land.

(v) Preliminary Title Report: The term “Preliminary Title Report” shall mean a preliminary title report from Title Insurer for the Property.

(w) Property: The term “Property” shall mean: (i) the Land; (ii) all rights, entitlements, and governmental approvals owned by Seller affecting the real property, including all water, oil, gas, and mineral rights appurtenant to the Property; (iii) all standing and fallen timber, vegetation and other natural resources; and (iv) all improvements and fixtures located thereon (e.g., wells, water tanks, etc.).

(x) Property Documents: The term “Property Documents” shall have the meaning attributed to it in Paragraph 6(b)(i) of this Agreement.

(y) Purchase Price: The term “Purchase Price” shall have the meaning attributed to it in Paragraph 3 of this Agreement.

(z) Seller’s Conditions Precedent: The term “Seller’s Conditions Precedent” shall mean each of the conditions upon which Seller’s obligation to sell the Property is conditioned as specified in Paragraph 9(a) of this Agreement.

(aa) Tenant Estoppel Certificate: The term “Tenant Estoppel Certificate” shall mean a tenant estoppel certificate substantially in the form shown in Exhibit C with such amendments as may be acceptable to Buyer.

(bb) Title Insurer: The term “Title Insurer” shall mean Old Republic Title Insurance Company, whose address is 167 South San Antonio Road, Suite 5, Los Altos, CA 94022, (650) 941-5700.

(cc) Title Notice: The term “Title Notice” means Buyer’s written notice stating any Disapproved Exceptions, and any vesting, legal description and title exceptions that Buyer approves.

(dd) Title Policy: The term “Title Policy” shall mean a standard CLTA coverage title policy, with coverage in the amount of the Purchase Price, showing fee title vested in Buyer, subject only to the Permitted Exceptions.

2. Agreement to Purchase and Sell: Buyer agrees to purchase from Seller, and Seller agrees to sell and convey to Buyer, the Property on the terms and conditions contained in this Agreement.

3. Purchase Price: The total purchase price for the Property is Six Hundred Sixty-Seven Thousand Dollars (\$667,000) (“Purchase Price”), subject to the termination right set forth in Paragraph 6(g).

4. Payment: At Close of Escrow, Buyer shall pay the Purchase Price, to which the Deposit (as defined below) shall be applied, to be delivered into escrow together with all other costs allocable to Buyer pursuant to Paragraph 13 of this Agreement.

5. Deposit: The Parties agree as follows:

(a) Amount of Deposit. On or before the date, which is five (5) business days following the Effective Date, Buyer shall:

(i) open an escrow for the purchase and sale of the Property with the Escrow Holder by depositing a fully executed copy of this Agreement; and

(ii) deposit with the Escrow Holder the sum of Ten Thousand Dollars (\$10,000) (“Deposit”).

(b) Handling of Deposit.

(i) The Deposit shall be held by Escrow Holder.

(ii) If this Agreement terminates (for any reason) on or before the end of the Examination Period, Escrow Holder shall pay One Hundred Dollars (\$100.00) from the Deposit to Seller, which shall be independent consideration for this Agreement (“Independent Consideration”), and shall return the remainder of the Deposit, along with any accrued interest, to Buyer. Seller and Buyer hereby mutually acknowledge and agree that the Independent Consideration represents adequate, bargained-for consideration for Seller’s execution and delivery of this Agreement and Buyer’s right to inspect the Property pursuant to the terms of this Agreement.

(iii) If Buyer has not terminated this Agreement on or before the end of the Examination Period, then the Deposit shall become non-refundable and will be credited by the Escrow Holder towards the Purchase Price as set forth in Paragraph 13(a)(iii) of this Agreement except in the instance of termination:

(1) by Buyer following a Seller default or failure of a Buyer’s Conditions Precedent or in any of the circumstances referred to in Paragraph 6(b)(ii), Paragraph 10(a)(i), Paragraph 10(b)(vi), or Paragraph 12 of this Agreement where the Deposit (less the Independent Consideration) will be returned, along with any accrued interest, to Buyer;

(2) by Seller following a Buyer default or the failure of a Seller's Conditions Precedent, the Deposit, along with any accrued interest, will be paid to Seller, which shall be deemed Liquidated Damages in accordance with Paragraph 14 of this Agreement;

(3) as a result of failures of both Seller's Conditions Precedent and Buyer's Conditions Precedent, the Deposit (less the Independent Consideration) will be returned, along with any accrued interest, to Buyer.

(c) Survival: Any obligation under this Agreement to return or pay the Deposit or any portion thereof shall survive termination of this Agreement.

6. Examination Period:

(a) Approval of Title:

(i) During the Examination Period, Buyer shall obtain a Preliminary Title Report along with copies of all documents referred to in the Preliminary Title Report. At least fifteen (15) business days prior to the end of the Examination Period, Buyer shall provide to Seller the Title Notice. Seller shall notify Buyer within five (5) business days of receipt of the Title Notice whether Seller will remove the Disapproved Exceptions prior to the Closing Date. If Buyer has provided a Title Notice to Seller, and Seller has agreed to remove all Disapproved Exceptions, or otherwise address the Disapproved Exceptions to the satisfaction of Buyer, then each of the title matters approved by Buyer in the Title Notice, and only those title matters, shall be deemed a "Permitted Exception". If Seller elects not to remove or otherwise address a title matter to which Buyer has objected, Buyer may either terminate this Agreement during the Examination Period or proceed with the Close of Escrow. If Buyer proceeds with the Close of Escrow, such exceptions shall be deemed Permitted Exceptions. If any new title exception is added to the Preliminary Title Report or revealed by an updated title commitment, or if any changes to the vesting or legal description are made without Buyer's written consent, after the Examination Period, Buyer shall have five (5) business days from receipt of the revision to the Preliminary Title Report or the updated title commitment to make any objections to such new information. Seller shall notify Buyer within five (5) business days of receipt of any such objection whether Seller will remove such exception or satisfactorily address the changes prior to the Closing Date, and the Closing Date shall be extended, if necessary, to provide sufficient time for the Parties to comply with this and the preceding sentence. If Seller elects not to remove a new exception or satisfactorily address those changes to which Buyer has objected, Buyer may either terminate this Agreement within five (5) business days of Seller's election or proceed with the Close of Escrow. If Buyer

proceeds with the Close of Escrow, such exceptions shall be deemed Permitted Exceptions. Notwithstanding the foregoing, the following shall apply:

(1) The lien of current real property taxes not yet delinquent shall be deemed a Permitted Exception, subject to proration in accordance with Paragraph 13(a)(i) of this Agreement.

(2) The Grant Agreements and any recorded notices of the Grant Agreements shall be deemed Permitted Exceptions, subject to the requirements that (1) Buyer and Seller shall enter into assignment and assumption agreements assigning the Grant Agreements to Buyer (“Grant Agreements Assignment and Assumption Agreements”), substantially in the forms shown in Exhibit D and Exhibit E, and (2) Seller shall obtain written approval of such assignments by the grantors of each Grant Agreement in the form of grantors’ signatures on the Grant Agreements Assignment and Assumption Agreements (“Grantors’ Approvals”).

(3) In no event shall any delinquent real property taxes, or any mortgage, deed of trust or lien upon the Property which secures a debt or obligation, be deemed a Permitted Exception.

(b) Seller’s Disclosure of Property Information:

(i) On or before the date, which is three (3) business days following the Effective Date, Seller shall make available for Buyer’s review and duplication, via a Seller-established electronic virtual document repository accessible to Buyer the information and written documentation relating to the physical and title condition of the Property list on Exhibit F (collectively, “Property Documents”) and will order a report prepared by a commercially recognized professional consultant (e.g., GeoAssurance, First American Natural Hazard Disclosures, or JCP Property Disclosure Reports) to provide all applicable disclosures required by law (to comply with State law concerning disclosures). Buyer acknowledges that some of the Property Documents are not current, are being provided by Seller to Buyer for informational purposes only, and can only be relied upon by the parties identified in the Property Documents (e.g. Appraisal Reports, Phase I and Phase II ESA, Title Report and Title Policy).

(ii) From the Effective Date until the Closing Date or earlier termination of this Agreement, Seller shall make available for Buyer’s review and duplication any updated or new Property Documents that Seller may receive or discover. If Seller provides Buyer with new or updated Property Documents after the end of the Examination Period, and Buyer determines based on the new or updated Property Documents that the Property is not suitable for Buyer’s

objectives, Buyer shall have the right, in its sole and absolute discretion, to terminate this Agreement by written notice to Seller. If this Agreement is terminated pursuant to this Paragraph 6(b)(ii) the Deposit shall be handled in accordance with Paragraph 5(b) of this Agreement.

(iii) Buyer may copy any or all of the Property Documents. In the event this Agreement terminates prior to Close of Escrow, and at Seller's written request, Buyer shall return to Seller all copies of records and documents obtained by Buyer pursuant to this paragraph, which obligation shall survive termination of this Agreement.

(iv) If Seller fails to make all relevant Property Documents available for Buyer's review within the three (3) business day period referred to in Paragraph 6(b)(i) of this Agreement, then in addition to any other remedy available to Buyer pursuant to this Agreement, the Examination Period shall be automatically extended by a period of time equivalent to the period of delay.

(c) Buyer's Investigations: During the Examination Period, Buyer shall make such investigations as Buyer deems necessary to evaluate the Property Documents and condition of the Property, including, without limitation, the following: (i) Buyer's physical inspection and testing of the Property including (without limitation) land surveys or environmental site assessments; (ii) any and all applicable governmental ordinances, rules and regulations, including (without limitation) zoning, environmental and building regulations, and any and all governmental approvals and/or authorizations evidence of Seller compliance therewith, and evidence that Buyer shall be able to obtain all necessary governmental permits to be in compliance therewith; (iii) real property taxes and assessments; (iv) soils, water and engineering data; (v) any and all governmentally approved or processed documents or requirements relating to the Property (vi) matters contained in the Property Documents and other disclosures made by Seller; (vii) the condition of the soils and of groundwater beneath the Property with respect to the stability and load bearing capacity of the soil; and (viii) the presence of any Hazardous Materials in, on or under the Property or the potential for future migration of Hazardous Materials from adjacent and any other land into, onto or under the Property. Seller agrees to cooperate with such investigations, including (without limitation) by timely responding to requests for information from Buyer or Buyer's consultants and by completing the Peninsula Open Space Trust Seller Property Questionnaire.

(d) Agricultural Lease: If Buyer, acting in its sole and absolute discretion, elects to proceed to Close of Escrow, then: (1) prior to Closing, Buyer and Seller shall enter into a commercially reasonable assignment and assumption agreement assigning the Agricultural Lease to Buyer ("Lease Assignment and

Assumption Agreement”) and Seller shall deliver the Tenant Estoppel Certificate and (2) the Agricultural Lease shall be deemed a Permitted Exception subject to the Lease Assignment and Assumption Agreement and Tenant Estoppel Certificate.

(e) Personal Property: There is no Personal Property on the Land.

(f) Appraisal by Buyer: The Parties agree and acknowledge that Buyer intends to commission an appraiser to determine fair market value of the Property. Seller agrees to reasonably cooperate with any requests from the selected appraiser. If the appraisal is lower than the Purchase Price, Buyer shall provide a copy of the final appraisal to Seller once received from the appraiser and shall have a right to terminate this Agreement pursuant to Paragraph 6(g).

(g) Buyer Termination Rights: If Buyer has not timely provided a Title Notice to Seller, or if Seller has not timely responded to Buyer’s Title Notice, then this Agreement shall automatically terminate, except as the Parties may otherwise agree in writing. If Buyer, in its sole and absolute discretion, and for any reason, disapproves of any aspect of the Property, including (without limitation) any of the matters referred to in Paragraphs 6(a) - 6(e) (inclusive) above, then Buyer shall have the right to terminate this Agreement by written notice to Seller on or before the last day of the Examination Period. If this Agreement is terminated pursuant to this Paragraph 6(g), the Deposit shall be handled in accordance with Paragraph 5(b) of this Agreement.

7. Buyer’s Right of Entry:

(a) After the Effective Date and prior to the Close of Escrow or earlier termination of this Agreement, Buyer’s Parties shall have the right to enter upon the Property to inspect the Property, and to conduct such tests thereon as may be necessary or appropriate in connection with the Buyer’s investigation of the matters set forth in Paragraph 6 of this Agreement. Buyer shall provide Seller with not less than twenty-four (24) hours prior notice (which may be given verbally or by electronic mail) before Buyer or Buyer’s Parties exercise the right to enter the Property. Buyer shall also have the right pursuant to this Paragraph to enter upon the Property with representatives of VHA and/or representatives of potential funders of the purchase of the Property or other interested parties as Buyer’s invitees, upon no less than forty-eight (48) hours prior notice (which may be given verbally or by electronic mail) to Seller. Seller shall facilitate access to the Property for all such investigations. Without limiting the foregoing, prior to any entry to perform any on-site testing, Buyer shall give Seller notice thereof (which may be given by electronic mail) of the identity of the company or persons who will

perform such testing and the proposed scope of the testing. Buyer shall maintain, and shall ensure that its contractors maintain, commercial general liability insurance providing for a combined single limit of not less than Two Million Dollars (\$2,000,000) per occurrence and in aggregate for liability arising out of any entry or inspections of the Property pursuant to the provisions hereof, and Buyer shall provide Seller with evidence of such insurance coverage upon written request by Seller.

(b) Buyer shall indemnify, defend and hold Seller harmless from and against any and all Losses directly arising out of or relating to any entry upon or inspection of the Property by Buyer or Buyer's Parties pursuant to Paragraph 7(a) of this Agreement, except to the extent the injury was caused by the negligence or willful misconduct of Seller or Seller's contractors, inspectors, agents, tenants, employees and invitees. Buyer shall repair, at its own expense, any damage to the Property directly caused by Buyer or Buyer's Parties in connection with Buyer's investigations; provided however that Buyer shall not be responsible for any Losses caused by the mere discovery of an existing condition or violation of law. The indemnification provisions of this Paragraph 7(b) of this Agreement shall survive Close of Escrow or earlier termination of this Agreement.

8. Buyer's Conditions Precedent:

(a) Buyer's obligation to purchase the Property is expressly conditioned upon the satisfaction, or waiver by Buyer, of each of the following Buyer's Conditions Precedent on or before the Closing Date, each of which is solely for the benefit of Buyer and may be waived by Buyer in its sole and absolute discretion:

(i) Title Insurer is prepared and committed to issue to Buyer the Title Policy. To the extent Seller has agreed to take action to address a Disapproved Exception pursuant to Paragraph 6(a)(i), Seller shall have completed that act.

(ii) Seller shall have delivered to Escrow Holder all of the items required to be delivered to Escrow Holder by Seller pursuant to this Agreement.

(iii) There has been no material adverse change in the physical condition of the Property between the end of the Examination Period and the Closing Date.

(iv) Seller shall have disclosed all material facts relating to the condition of the Property as and to the extent such disclosure is required under California law.

(v) Seller shall have performed and observed all covenants and obligations under this Agreement to be performed and observed by Seller as of the Closing Date or shall have timely cured any breach thereof.

(vi) All of the representations and warranties of Seller contained in this Agreement shall be true and correct in all material respects as of the Closing Date.

(vii) Seller shall have vacated the Property. From Close of Escrow, Seller agrees to indemnify Buyer for any claims or actions for any personal property alleged by any prior tenants, subtenants or any other person occupying, residing on or in possession of the Property and this subparagraph shall survive Close of Escrow.

(viii) Any tenant or subtenant under any lease excluding the Agricultural Lease or any other person occupying or in possession of the Property excepting the Permitted Exceptions shall have vacated the Property no later than 9:00am on the day prior to the Closing Date.

(ix) All contracts, leases, and other agreements (express or implied, oral or written), except the Permitted Exceptions (which includes the Agricultural Lease provided the terms of Paragraph 6(d) have been satisfied), affecting or related to the Property shall have been terminated by Seller at Seller's sole cost and expense.

(x) Seller shall deliver a complete set of all keys and security codes to locks and gates on the Property to the Buyer upon Close of Escrow.

(xi) There will exist no actions, suits, arbitrations, claims, attachments, proceedings, assignments for the benefit of creditors, insolvency, bankruptcy, reorganization, or other proceedings, pending or threatened, against the Property that would materially and adversely affect Seller's ability to perform its obligations under this Agreement or Buyer's title to the Property, and there will exist no pending or threatened action, suit, or proceeding regarding the Seller before or by any court or administrative agency that seeks to restrain or prohibit, or to obtain damages or a discovery order with respect to, this Agreement or the consummation of the transactions contemplated by this Agreement.

(xii) Seller and Buyer shall have executed a Lease Assignment and Assumption Agreement and Seller shall have delivered a Tenant Estoppel Certificate.

(xiii) Seller and Buyer shall have executed the Grant Agreements Assignment and Assumption Agreements and Seller shall have delivered Grantors' Approval.

(b) If any of the Buyer's Conditions Precedent are not satisfied, or waived by Buyer in writing, on or before the Closing Date, Buyer in its sole and absolute discretion can terminate this Agreement by giving written notice to Seller and the Deposit shall be handled in accordance with Paragraph 5(b) of this Agreement.

9. Seller's Conditions Precedent:

(a) Seller's obligation to sell the Property is expressly conditioned upon the satisfaction, or waiver by Seller, of each of the following Seller's Conditions Precedent on or before the Closing Date, each of which is solely for the benefit of Seller and may be waived by Seller in its sole and absolute discretion:

(i) Buyer shall have delivered to Escrow Holder all of the funds and items required to be delivered to Escrow Holder by Buyer pursuant to this Agreement.

(ii) Buyer shall have performed and observed all covenants and obligations under this Agreement to be performed and observed by Buyer as of the Closing Date or shall have timely cured any breach thereof.

(iii) All of the representations and warranties of Buyer contained in this Agreement shall be true and correct in all material respects as of the Closing Date.

(iv) Seller and Buyer shall have executed the Grant Agreements Assignment and Assumption Agreements and Grantors' Approval shall have been obtained.

(b) If any of the Seller's Conditions Precedent are not satisfied, or waived by Seller in writing, on or before the Closing Date, Seller in its sole and absolute discretion can terminate this Agreement by giving written notice to Buyer and the Deposit shall be handled in accordance with Paragraph 5(b) of this Agreement.

10. Representations, Warranties and Covenants of Seller:

(a) Seller's Representations: For purposes of this Section 10, "Seller's actual knowledge" means the actual, current knowledge of Seller's employees Ethan Inlander and Mike Conner without any representation or warranty regarding investigation or inquiry completed by either employee. Seller makes the following representations and warranties to Buyer:

(i) Seller is the sole owner of the Property and has full right to convey the Property to Buyer subject to the terms and conditions of the Grant Agreements. To the extent the Preliminary Title Report or any update thereto reveals that Seller is not the sole owner of the Property, Seller shall work in good faith to add such additional owners to this Agreement via an addendum. If such owners do not agree to be added to this Agreement, Buyer may elect, in its sole and absolute discretion, to terminate this Agreement by written notice to Seller, in which instance the Deposit shall be handled in accordance with Paragraph 5(b) of this Agreement

(ii) This Agreement has been, duly authorized, executed and delivered by Seller, and constitutes the legal, valid and binding obligations of Seller enforceable against it in accordance with its terms. No further authorization (whether individual, corporate, or otherwise) is necessary or required as a condition to Seller entering into and/or performing its obligations pursuant to this Agreement. The persons signing on behalf of Seller are authorized to do so by Seller and have the authority to legally bind Seller to the obligations set forth in this Agreement.

(iii) Seller has good and marketable title to the Property, and except for this Agreement, the Agricultural Lease, and the Grant Agreements, there is no lease, license, concession, option, or any other agreement (written or oral) to convey, sell, assign, transfer, encumber, or grant any interest in or right to use or occupy the Property that is still in force.

(iv) Seller is not aware of or has not received any notice of any no pending or threatened litigation affecting the Property or Seller's right to enter into this Agreement and sell the Property to Buyer.

(v) Seller is not aware of or has not received any notice of any violations of law, ordinances or regulations of any applicable governmental authority at or concerning the Property.

(vi) To Seller's actual knowledge, except for agricultural chemicals, there is no environmental contamination or presence of any Hazardous Materials or waste at the Property, and Seller has not used or installed any underground tank on the Property for the storage of Hazardous Materials,

including, but not limited to, hydrocarbons and oil wells. Seller has not received any notice that any real property within two thousand (2,000) feet of the borders of the Property contains Hazardous Materials thereon or in the groundwater thereunder. To Seller's actual knowledge, except for agricultural chemicals, no Hazardous Materials have been stored, used, released or found on, under or about the Property. Seller has not received any notices that the Property is in violation of any Environmental Laws.

(vii) The information that has been furnished to Buyer by Seller pursuant to this Agreement does not contain any material misrepresentation as to any material fact, and Seller has not omitted any material fact or information which would reasonably affect a prudent person's decision to consummate the purchase in the manner herein set forth.

(viii) There are no service contracts related to the use, ownership or operation of the Property that are still in force and no services, material or work have been supplied to the Property which payment has not been made in full in a timely manner.

(ix) No lessee or licensee of the Property has any claim, offset, or counterclaim against Seller under any lease or license to use the Property.

(x) No attachments, executions, assignments for the benefit of creditors or voluntary or involuntary proceedings in bankruptcy are threatened or pending against or contemplated by Seller, or any of the persons or entities constituting Seller, or any of the beneficiaries of the trusts constituting Seller, and Seller is not, and never has been, a "foreign person" within the meaning of Section 1445(f)(3) and 7701(a)(30) of the Internal Revenue Code of 1954, as amended, or California Revenue and Taxation Code Section 18662. Section 1445 of the Internal Revenue Code provides that a transferee of a U.S. real property interest must withhold tax if the transferor is a foreign person, and accordingly, Seller agrees to provide Escrow Holder with a certification establishing that no federal income tax is required to be withheld under the act, or to consent to withholding of tax from the proceeds of sale as required, as well as Seller further agrees to provide Escrow Holder with a California Real Estate Withholding Certificate (Form-593-C) establishing that no state income tax is required to be withheld.

(xi) Seller is not and will not become a person or entity with whom U.S. persons or entities are restricted from doing business under regulations of the Office of Foreign Asset Control ("OFAC") of the Department of the Treasury (including, but not limited to, those named on OFAC's Specially Designated and Blocked Persons List) or under any statute, executive order (including the September 23, 2001, Executive Order Blocking Property and Prohibiting

Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism), or other governmental action.

(b) Seller Covenants: Seller covenants and agrees as follows:

(i) On or before the Closing Date, Seller shall pay any delinquent property taxes and cause to be removed any mortgage, deed of trust, or lien upon the Property.

(ii) During the pendency of this Agreement, Seller shall manage and maintain the Property in accordance with the same standards of maintenance as Buyer observed prior to the Effective Date and in accordance with applicable law.

(iii) Except with express written permission granted by Buyer, in its sole and absolute discretion, Seller shall not cause or allow any physical changes on the Property. Such changes shall include, but not be limited to, grading, excavating or other earthmoving activities, and cutting or removing trees, shrubs, brush or other vegetation on the Property.

(iv) Seller shall not grant or enter into any lease or other agreement affecting the Property not terminable prior to Close of Escrow, and any such agreement must be first approved by Buyer, in Buyer's sole and absolute discretion.

(v) During the pendency of this Agreement, Seller shall not create or permit any exception to fee title with respect to the Property.

(vi) If, after the Effective Date, any portion of the Property is taken by condemnation or eminent domain (or is the subject of a pending taking which has not yet been consummated), Seller shall promptly notify Buyer in writing of such fact and Buyer shall have the right to terminate this Agreement by giving written notice to Seller no later than ten (10) business days after the giving of Seller's notice, in which instance the Deposit shall be handed in accordance with Paragraph 5(b) of this Agreement, and the Closing Date shall be extended, if necessary, to provide sufficient time for Buyer to make such election.

(vii) Seller shall not seek from any public entity approval of any development, building, improvement, subdivision, entitlement, zoning or land use designation, or other matter affecting the use and development of the Property.

(viii) Seller shall give Buyer prompt notice of the institution of any litigation, arbitration or administrative proceeding involving Seller or the Property of which it obtains knowledge prior to Close of Escrow.

(c) General Representation: No representation, warranty or statement of Seller in this Agreement or in any document, certificate or schedule furnished or to be furnished to Buyer pursuant hereto contains or will contain any untrue statement of a material fact or omits or will omit to state a material fact necessary to make the statements or facts contained therein not misleading. The truth and accuracy of Seller's representations and warranties made herein shall constitute a condition for the benefit of Buyer to Close of Escrow (as elsewhere provided herein) and shall not merge into Close of Escrow or the recordation of the Grant Deed.

(d) Seller's Indemnities:

(i) Seller agrees to indemnify, defend and hold harmless Buyer Indemnified Parties for any costs, claims, fines, penalties or other liabilities (including, without limitation, attorney's fees) arising from activities occurring on the Property prior to the Close of Escrow, except as provided in Paragraph 7(b).

(ii) Seller agrees to indemnify, defend, and hold harmless Buyer Indemnified Parties for any Losses resulting from any misrepresentation or breach of warranty or covenant made by Seller in this Agreement or in any document, certificate, or exhibit given or delivered to Buyer pursuant to or in connection with this Agreement, except to the extent arising from the gross negligence or willful misconduct of Buyer.

(e) Survival: All representations, warranties, covenants and indemnities of Seller contained in this Agreement shall survive Close of Escrow or termination of this Agreement for a period of twelve (12) months after the Close of Escrow or termination of this Agreement.

11. Representations and Warranties of Buyer: Buyer warrants and represents to Seller, which warranty and representation shall survive Close of Escrow for a period of twelve (12) months after the Close of Escrow, as follows:

(a) This Agreement has been duly authorized, executed, and delivered by Buyer, and constitutes the legal, valid, and binding obligations of Buyer enforceable against it in accordance with its terms.

(b) No further authorization (whether individual, corporate, or otherwise) is necessary or required as a condition to Buyer entering into and/or performing its obligations pursuant to this Agreement.

(c) The person signing on behalf of Buyer is authorized to do so by Buyer and has the authority to legally bind Buyer to the obligations set forth in this Agreement.

12. Risk of Loss: Should the Property, or any part thereof, be materially damaged by any casualty, whether or not covered by insurance, prior to Close of Escrow, Seller shall promptly notify Buyer, and Buyer may elect, in its sole and absolute discretion, to terminate this Agreement by written notice to Seller, in which instance the Deposit shall be handled in accordance with Paragraph 5(b) of this Agreement.

13. Close of Escrow: Close of Escrow shall occur in accordance with the following:

(a) Prorations and Credits:

(i) All rents and real property taxes, including special taxes or assessments for public improvements, services or benefits secured by the Property, and any water and sewer charges, shall be prorated and apportioned between Seller and Buyer as of 11:59PM on the day before the Closing Date, and the net amount thereof either shall be paid by Buyer to Seller or credited to Buyer, as the case may be, at Close of Escrow. If the foregoing prorations cannot be calculated accurately as of the Closing Date, then the same shall be estimated for the purposes of Closing and, once sufficient information is available to permit the Parties to effectively calculate such prorations, either Party owing the other Party a sum of money based on such subsequent prorations shall pay such sum to the other Party within ten (10) days after such calculation; provided, however, any final adjustments shall be made within six (6) months after the Closing Date to the extent precise figures are determined or become available within that period. The obligations in this paragraph shall survive Close of Escrow.

(ii) No insurance proration shall be made since Buyer will obtain its own policies of insurance at Close of Escrow.

(iii) The Deposit shall be applied in full to the Buyer's obligations due at Close of Escrow.

(b) Closing Charges: All Escrow fees, premium for Buyer's Title Policy, and county transfer tax are to be paid by Seller. Any survey and costs for extended coverage title insurance and endorsements are to be paid by Buyer. Any other closing costs, including recording fees, shall be charged to the parties in accordance with custom and usage in San Benito and Santa Clara Counties.

(c) Possession of Property: Except as otherwise provided herein, Seller shall deliver possession of the Property to Buyer at Close of Escrow free of all occupants and tenancies except for the tenancy under the Agricultural Lease, which obligation shall survive Close of Escrow.

(d) Seller Deposits to Escrow: On or before the Closing Date, Seller shall deliver to Escrow Holder each of the following:

- (i) a duly executed and acknowledged Grant Deed;
- (ii) any documents required pursuant to Paragraph 6(d) to be executed or delivered by Seller;
- (iii) duly executed and acknowledged Grant Agreements Assignment and Assumption Agreements by Seller, as well as Grantors' Approvals, both as provided under Paragraph 6(a)(i)(2);
- (iv) a duly completed and executed California form 593-C or equivalent;
- (v) a duly completed and executed Foreign Investment Real Property Tax Act (FIRPTA) certificate of non-foreign status;
- (vi) such affidavits, duly executed, as may be customarily and reasonably required by the Title Insurer;
- (vii) all transfer tax forms and any other filings, forms or documents required in order to record the Grant Deed; and
- (viii) a signed copy of the Closing Statement.

(e) Buyer Deposits to Escrow: On or before the Closing Date, Buyer shall deliver to Escrow Holder each of the following:

- (i) the funds necessary to pay the Purchase Price (less the Deposit) and any charges or costs that are the responsibility of Buyer under this Agreement, subject to the prorations and adjustments described in this Agreement;
- (ii) any documents required pursuant to Paragraph 6(d) to be executed or delivered by Buyer;
- (iii) duly executed and acknowledged Grant Agreements Assignment and Assumption Agreements by Buyer as provided under Paragraph 6(a)(i)(2);

(iv) a duly completed and executed preliminary change of ownership report in the form prescribed by the San Benito and Santa Clara Counties Recorders;

(v) such affidavits, duly executed, as may be customarily and reasonably required by the Title Insurer;

(vi) all transfer tax forms and any other filings, forms or documents required in order to record the Grant Deed; and

(vii) a signed copy of the Closing Statement.

(f) Additional Information: The Parties shall furnish to Escrow Holder their taxpayer identification numbers or equivalents and any additional information as is reasonably required by the Escrow Holder to comply with all reporting requirements of federal and state authorities. Seller understands that if Seller is unable to certify that it is a United States citizen or a resident of the State of California at the time of Close of Escrow, Buyer shall be entitled to withhold from the Purchase Price such amounts as are necessary to satisfy Buyer's withholding obligations under FRPTA and the California Revenue and Taxation Code.

14. Default and Remedies; Liquidated Damages:

(a) Buyer Default:

(i) Prior to Close of Escrow. If Buyer breaches any of the terms of this Agreement prior to Close of Escrow, or there is a failure of a Seller's Conditions Precedent, and such breach is not cured within five (5) business days of receipt of written notice thereof from Seller, then Buyer shall be in default. In the event of a Buyer default prior to Close of Escrow, Seller may, as its sole and exclusive remedy, terminate this Agreement and retain the Deposit, plus any accrued interest, as liquidated damages arising from Seller having taken the Property off the market prior to Buyer's default, and not as a penalty.

THE DEPOSIT SHALL BE RETAINED BY SELLER AS LIQUIDATED DAMAGES IN THE EVENT THE SALE OF THE PROPERTY AS CONTEMPLATED HEREUNDER IS NOT CONSUMMATED DUE TO BUYER'S DEFAULT OR A FAILURE OF A SELLER'S CONDITIONS PRECEDENT. THE PARTIES ACKNOWLEDGE THAT SELLER'S ACTUAL DAMAGES IN THE EVENT THAT THE SALE IS NOT SO CONSUMMATED WOULD BE EXTREMELY DIFFICULT OR IMPRACTICABLE TO DETERMINE. THEREFORE, BY SEPARATELY INITIALING BELOW, THE PARTIES ACKNOWLEDGE THAT THE DEPOSIT HAS BEEN AGREED UPON, AFTER NEGOTIATION, AS THE PARTIES' REASONABLE ESTIMATE OF SELLER'S DAMAGES, AND AS SELLER'S

SOLE AND EXCLUSIVE REMEDY AGAINST BUYER, IN THE EVENT THE CLOSING DOES NOT OCCUR DUE TO BUYER'S DEFAULT OR A FAILURE OF A SELLER'S CONDITIONS PRECEDENT. SELLER HEREBY WAIVES ANY RIGHTS TO SEEK SPECIFIC PERFORMANCE AGAINST BUYER IN THE EVENT THE CLOSING DOES NOT OCCUR DUE TO BUYER'S DEFAULT OR A FAILURE OF A SELLER'S CONDITIONS PRECEDENT. BY THEIR SEPARATE INITIALING OF THIS PARAGRAPH, BUYER AND SELLER ACKNOWLEDGE THAT THEY HAVE READ AND UNDERSTOOD THE ABOVE PROVISION COVERING LIQUIDATED DAMAGES, AND THAT EACH PARTY WAS REPRESENTED BY COUNSEL WHO EXPLAINED THE CONSEQUENCES OF THIS LIQUIDATED DAMAGES PROVISION AT THE TIME THIS AGREEMENT WAS EXECUTED.

^{Initial}
BW

Buyer's Initials

^{Initial}
SM

Seller's Initials

(ii) After Close of Escrow. If, after Close of Escrow, Buyer fails to perform any obligation of Buyer that survives Close of Escrow, and such breach is not cured within five (5) business days of receipt of written notice thereof from Seller, then Buyer shall be in default, and Seller shall have the right to seek any and all legal and equitable remedies for the breach available under the law, subject however to the limitations set forth in this Agreement, including, without limitation, Paragraph 14(a)(iii).

(iii) Waiver of Damages. Except for (A) liquidated damages as expressly provided in Paragraph 14(a)(i); (B) the recovery by Seller of any sums which an express term of this Agreement provides Seller is entitled to receive; or (C) attorney's fees and court costs recoverable by Seller pursuant to the provisions of this Agreement, Seller shall not be entitled to damages or any other monetary recovery of any type or kind, including without limitation consequential or punitive damages, and Seller hereby waives any claim to such damages in the event of a Buyer default.

(b) Seller Default:

(i) Prior to Close of Escrow. If, prior to Close of Escrow, Seller breaches any of the terms of this Agreement and such breach is not cured within five (5) business days of receipt of notice thereof from Buyer, then Seller shall be in default. In the event of a Seller default, Buyer may elect in Buyer's sole and absolute discretion the following as Buyer's sole and exclusive remedies: (A) to terminate this Agreement by written notice to Seller and Escrow Holder (whereupon the Deposit (less the Independent Consideration) shall be immediately returned to Buyer); or (B) to pursue any legal and equitable remedies available under the law, including without limitation, to compel Seller's specific performance

hereunder, and to consummate the transaction contemplated by this Agreement in accordance with the provisions of this Agreement.

(ii) After Close of Escrow. If, after Close of Escrow, Seller is in breach of any duty or fails to perform any obligation of Seller that survives Close of Escrow, or Buyer discovers a breach of any Seller representation or warranty first brought to Buyer's attention after Close of Escrow, Buyer shall have the right to seek any and all legal and equitable remedies for the breach available under the law.

(iii) Seller Acknowledgement. Seller acknowledges and agrees that the Property is unique, that Buyer's remedy at law for Seller's default is inadequate, that Seller's obligations under this Agreement are sufficiently clear and specifically enforceable, that there is adequate consideration for specific performance, and that the terms of the Agreement are just and reasonable. Accordingly, Seller agrees that Buyer may seek specific performance.

(c) Indemnification: Nothing in this Paragraph 14 shall be construed as limiting the indemnification obligations of any Party under this Agreement.

(d) Survival: The provisions of this Paragraph 14 shall survive Close of Escrow or earlier termination of this Agreement.

15. No Brokers: Each Party represents and warrants that it has not dealt with any real broker, finder, or like agent in connection with this transaction. Each Party hereby indemnifies and holds the other Party harmless from and against any and all claims for any commission, fee, costs or other compensation by any person or entity who shall claim to have dealt with the indemnifying Party in connection with this transaction and for any and all costs incurred by the indemnified Party in connection with any such claims including reasonable attorneys' fees and disbursements. The provisions of this Paragraph 15 shall survive Close of Escrow or any earlier termination of this Agreement.

16. Reserved

17. Notices:

(a) Form of Notice; Deemed delivery of Notice:

(i) Unless otherwise specified in this Agreement, all notices required by this Agreement shall be in writing and (A) served personally; or (B) sent by first-class mail, postage prepaid; or (C) registered or certified mail, registered or

certified return receipt requested; or (D) by overnight delivery by reputable courier service (such as, but not limited to, Federal Express, DHL or UPS) with tracking capability; or (E) sent by electronic mail.

(ii) The notice shall be deemed to have been given and received as follows:

Method of Notice	When Deemed Given and Received
Personal delivery	on personal delivery
First-class mail	on the second business day after deposit into the mail
Registered or certified mail	on the date the courier indicates the mailing was delivered to, or delivery was refused at, the address of the receiving Party
Overnight delivery	the date upon which the courier service indicates that the mailing was delivered to, or delivery was refused at, the address of the receiving Party
Electronic communication	the date the notice was sent by electronic mail, unless sent on a weekend or holiday, or after 5:00PM on a business day, in which case the notice shall be deemed to have been given and received upon the next business day.

(b) Address for Notice: Notices shall be given to each of the representatives of the noticed party as follows:

If to Seller:

Mike Conner
 Land Program
 The Nature Conservancy 830 S Street,
 Sacramento, CA 95811
mconner@tnc.org [mailto:](#)

With a copy to:

Cathy Norlie
 Legal Department
 The Nature Conservancy
 830 S Street,
 Sacramento, CA 95811
Notices_CAlegal@tnc.org [mailto:](#)

If to Buyer:

Director of Land Transactions
Peninsula Open Space Trust
222 High Street
Palo Alto, CA 94301
transactions@openspacetrust.org

With a copy to:

Caitlin Brown
Shute, Mihaly & Weinberger LLP
396 Hayes Street
San Francisco, CA 94102
brown@smwlaw.com

(c) Change of Address for Notice: Either Party may, by written notice to the other, change the persons or addresses to which notices to that Party shall be given.

18. Mutual Cooperation and Fair Dealings: Each Party agrees to execute and deliver such other and further instruments and documents as may reasonably be requested by the other to carry out this Agreement. Each Party covenants to use its best efforts to cause satisfaction of all conditions of its obligations under this Agreement, and to exercise good faith in fulfilling its obligations under this Agreement. The Parties acknowledge that they are experienced in the ownership, purchase and sale of real property, and that they each have determined for themselves the necessity of being independently represented by counsel. This document shall be deemed to have been drafted in equal degrees by counsel of all Parties so that the legal doctrine of construing instruments as against the drafting party shall have no application.

19. Attorneys' Fees: If any Party brings an action or proceeding (including arbitration) against the other for breach of this Agreement, the prevailing party in such action or proceeding shall be entitled to reasonable attorneys' fees. The prevailing party is the Party who substantially obtains or defeats the relief sought, as the case may be, whether by compromise, settlement, final non-appealable judgment, or the abandonment by the other Party of its claim or defense. The attorneys' fees award shall include all attorneys' fees reasonably incurred by the prevailing party.

20. Seller's Proceeds: Seller shall separately instruct the Escrow Holder how to allocate net final sales proceeds. Buyer shall have no obligation with

respect to the forgoing allocations, and Close of Escrow shall not be delayed by any issues relating to the Seller's allocation of proceeds.

21. Discharge; Termination: The acceptance of the Grant Deed by Buyer and Close of Escrow shall be deemed to be full performance and discharge of any and all obligations on the part of the Parties to be performed pursuant to the provisions of this Agreement, excepting the representations and warranties and any other provisions that are specified in this Agreement to survive Close of Escrow. If this Agreement is terminated prior to Close of Escrow in accordance with its terms, no Party shall have any further rights or obligations hereunder, except as to those provisions which are specified in this Agreement to survive termination.

22. Entire Agreement: Upon the Effective Date of this Agreement, this Agreement shall constitute the entire agreement between the Parties and shall supersede all other agreements respecting the subject matter of this Agreement. Unless otherwise specified in this Agreement, no subsequent change, amendment, or addition to this Agreement shall be binding unless in writing and signed by the Parties hereto.

23. Joint and Several Liability: The signatories on behalf of Seller shall be jointly and severally liable for the obligations, representations and warranties of Seller under this Agreement.

24. Assignment: Buyer may assign its rights and obligations hereunder to any third party with the consent of Seller, where such consent shall not be unreasonably withheld or delayed. In no event, shall any assignment be effective unless and until the assignee assumes in writing all of Buyer's obligations, and a signed copy of such assignment is delivered by Buyer to Seller. Subject to the foregoing, this Agreement shall inure to the benefit of and be binding upon the Parties and their respective successors, heirs, and assignees.

25. Seller's Cooperation Regarding Funding: Seller agrees to reasonably cooperate with Buyer's efforts to secure third party grants or other sources of funding for Buyer's purchase of the Property; however, Close of Escrow shall not be conditioned upon Buyer obtaining such funding.

26. Miscellaneous:

(a) Should any provisions of this Agreement be deemed, found or held to be invalid or illegal, such invalidity or illegality shall in no way affect, impair or invalidate any other provision hereof and such remaining provisions of this Agreement shall remain in full force and effect.

(b) The provisions of this Agreement and of the documents to be executed and delivered at Close of Escrow are and will be for the benefit of Seller and Buyer only and are not for the benefit of any third party; and, accordingly, no third party shall have the right to enforce the provisions of this Agreement or of the documents to be executed and delivered at Close of Escrow.

(c) Time is of the essence with respect to the performance of every provision of this Agreement in which time of performance is a factor.

(d) Any executed copy of this Agreement shall be deemed an original for all purposes. This Agreement may be executed in counterparts, which counterparts shall together constitute one Agreement if signed by both Parties. This Agreement may be signed and transmitted electronically, including by electronic mail or using generally recognized e-signature technology (e.g., DocuSign), and signatures delivered electronically shall be binding and shall have the same force and effect as an original.

(e) The waiver by any Party to this Agreement of a breach of any provision of this Agreement shall not be deemed a continuing waiver or a waiver of any subsequent breach of that or any provision of this Agreement.

(f) This Agreement shall be construed and enforced in accordance with the laws of the State of California.

(g) The language in all parts of this Agreement shall in all cases be construed as a whole according to its fair meaning, and not strictly for or against either Buyer or Seller.

(h) The captions used in this Agreement are for convenience only and shall not be considered in the construction or interpretation of any provision hereof.

(i) As used herein, "business day" means any day that is not a Saturday, Sunday, or holiday. The term "holiday" shall mean all and only those State holidays specified in Sections 6700 and 6701 of the California Government Code. When the day upon which performance would otherwise be required or permitted is on a day that is not a business day, then the time for performance shall be extended, without action by either Party, to the succeeding business day.

(j) The terms "shall", "will", and "agree" are mandatory. The term "may" is permissive. Words of a singular number shall be held to include the plural and vice versa, unless the context requires otherwise.

(k) When a Party is required to perform under this Agreement, it shall do so at its sole cost and expense without the right of reimbursement from the other Party unless specific provision is made herein.

(l) Nothing contained in this Agreement shall be deemed or construed by the Parties to create the relationship of principal and agent, a partnership, joint venture, or any other association between Buyer and Seller.

(m) Where any Party is obligated not to perform any act, such Party is also obligated to restrain any others within its control from performing such act, including its agents, invitees, contractors, subcontractors, and employees.

(n) The following exhibits are attached to this Agreement and incorporated by reference herein:

Exhibit A	Legal Description of the Land
Exhibit B	Agricultural Lease
Exhibit C	Form of Tenant Estoppel Certificate
Exhibit D	ASSIGNMENT AND ASSUMPTION OF GRANT AGREEMENT FOR ACQUISITION OF FEE INTEREST AND CONSENT TO TRANSFER OF FEE INTEREST (Mt. Hamilton Project – Gonzales Ranch – Santa Clara Valley Water District)
Exhibit E	ASSIGNMENT AND ASSUMPTION OF GRANT AGREEMENT FOR ACQUISITION OF FEE INTEREST AND CONSENT TO TRANSFER OF FEE INTEREST (Mt. Hamilton Project – Gonzales Ranch – Pajaro River Watershed Flood Prevention Authority)
Exhibit F	List of Property Documents

[Signatures on following page]

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement on the respective dates set forth below.

BUYER:

PENINSULA OPEN SPACE TRUST,
a California non-profit public benefit
corporation

Signed by:
By: Benjamin Wright Date: 6/17/2025
7E3DC4203B78468...
Benjamin Wright, Director of Land Transactions

SELLER:

THE NATURE CONSERVANCY,
a District of Columbia non-profit corporation

Signed by:
By: Scott Morrison Date: 6/19/2025
1F0BA4190E0949B...
Scott Morrison, Interim California Business Unit Director

Exhibit A

ORDER NO. : 0623019962

EXHIBIT A - San Benito Portion

The land referred to is situated in the unincorporated area of the County of San Benito, State of California, and is described as follows:

Beginning at the point of intersection of the center line of the Frazier Lake Road with the South Easterly line of the San Ysidro Rancho, from which point the Southernmost corner of said Rancho bears South 37 degrees 40 min. West 40.78 chs. distant; running thence along said line of said Rancho North 37degrees 40 min. East 109.035 chs. to a point in the center line of the Pacheco Pass Road; running thence along said center line of said Pacheco Pass Road North 63 degrees 24 min. West 5.947 chs. to a point, thence South 54 degrees 27 min. West 43.135 chs. to a point; thence North 34 deg. 41 min. West 7.24 chs. to the South Easterly corner of lands of Alexander Watson; thence along the Southerly line of said lands of Alexander Watson South 54 degrees 45 min. West 63.80 chs. to the center line of the Frazier Lake Road; and thence along said center line of said Frazier Lake Road South 42 degrees 30 min. East 44.80 chs. to the place of beginning, and containing 244.40 acres, more or less, and being a portion of Lot numbered 5, upon the Map accompanying the Report of the Commissioners in the Action in Partition wherein John W. Clifton, et al, were plaintiffs, and J.H. Ellis, was defendant, brought in the District Court of the Third Judicial District of the State of California, in and for the County of Santa Clara, Case No. 3985 and being a part of the San Ysidro Rancho.

Excepting therefrom the following described Parcel in Santa Clara County:

Beginning at a point in the centerline of Frazier Lake Road at the Southernmost corner of that certain parcel of land conveyed by Alexander Watson, et ux, to Alexander James Watson, by Deed dated May 16, 1916 and recorded January 4, 1917 in Book 451 of Deeds at Page 533, said point of beginning being the Westernmost corner of that certain 274.70 acre tract of land set apart to Marion Ellis by that certain Decree in Partition a certified copy of which was recorded December 23, 1926 in Book 289 of Official Records, at Page 234 from which point of beginning 2" x3" stake marked "W.P.E.D." standing on the Easterly line of said Road, bears North 54 deg. 53' East 0.443 chains; thence, from said point of beginning along the Southeasterly line of land so conveyed to Alexander James Watson, North 54 deg. 53' East 63.814 chains to a 2"x4" stake marked "2" standing in the Southwesterly line of that certain 200 acre parcel of land conveyed by Virginia Maze, et vir to Ernest H. Woon, et ux, by Deed dated March 18, 1925 and recorded March 27, 1925 in Book 143 of Official Records, at Page 210; thence along said Southwesterly line of the land of Woon and the continuation thereof, South 34 deg. 33' East 16.300 chains to an automobile axle (at 7.22 chains on this course is a 1 inch pipe at the fence corner in a small slough at the Southerly corner of the land of Woon); thence, South 54 deg. 53' West 61.655 chains to a point in the centerline of Frazier Lake Road from which point a 3/4" pipe standing on the Easterly line of said road bears North 54 deg. 52' East 0.443 chains; thence, along the centerline of said road, North 42 deg. 7' West 16.432 chains to the point of beginning.

Also excepting therefrom that 0.92 acres of land conveyed to the United States of America for an underground pipeline.

By Deed recorded June 08, 1983 in Vol. 495, Page 120, San Benito County Records.

APN: 013-010-029-000 and 013-010-031-000

ORDER NO. : 0623019961

EXHIBIT A - Santa Clara Portion

The land referred to is situated in the unincorporated area of the County of Santa Clara, State of California, and is described as follows:

THAT PART OF THE SAN YSIDRO RANCH, BEING A PORTION OF LOT NO. 5, UPON THE MAP ACCOMPANYING THE REPORT OF COMMISSIONERS IN THE ACTION IN PARTITION, WHEREIN JOHN W. CLIFTON, ET AL, WERE PLAINTIFFS, AND J. H. ELLIS WAS DEFENDANT, BROUGHT IN THE DISTRICT COURT OF THE THIRD JUDICIAL DISTRICT OF THE STATE OF CALIFORNIA, IN AND FOR THE COUNTY OF SANTA CLARA, CASE NO. 3085, BOUNDED AND PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE POINT OF INTERSECTION OF THE CENTER LINE OF THE FRAZIER LAKE ROAD WITH THE SOUTHEASTERLY LINE OF THAT PORTION OF THE SAN YSIDRO RANCHO, PATENTED TO QUINTIN ORTEGA AND FROM WHICH A 2" X 3" STAKE MARKED "W.P.E.B." BEARS NORTH 37° 45' EAST 0.495 CHAINS; THENCE ALONG THE SOUTHEASTERLY LINE OF SAID RANCHO, NORTH 37° 45' EAST 108.53 CHAINS TO A STAKE MARKED "E. P. 1" STANDING IN THE WESTERLY LINE OF THE PACHECO PASS ROAD; THENCE ALONG THE WESTERLY LINE OF SAID ROAD NORTH 62° 20' WEST 6.12 CHAINS TO A 2" X 3" STAKE MARKED "E.P.2" STANDING IN THE SOUTHEASTERLY LINE OF LANDS NOW OR FORMERLY OF S. M. MAZE; THENCE ALONG THE SOUTHEASTERLY LINE OF LAST MENTIONED LANDS, SOUTH 54° 41' WEST 42.61 CHAINS TO A FENCE CORNER IN THE SMALL SLOUGH; THENCE NORTH 34° 33' WEST 7.22 CHAINS TO A 2" X 4" STAKE MARKED "2"; THENCE ALONG THE LINE BETWEEN LANDS FORMERLY OF A. WATSON AND LANDS OF MARION ELLIS, SOUTH 54° 53' WEST 63.814 CHAINS TO THE CENTER LINE OF THE FRAZIER LAKE ROAD, FROM WHICH A 2" X 3" STAKE MARKED "W.P.E." STANDING IN THE EASTERLY SIDE OF SAID ROAD, BEARS NORTH 54° 53' EAST 0.443 CHAINS; THENCE ALONG THE CENTER LINE OF SAID ROAD, SOUTH 42° 7' EAST 44.81 CHAINS TO THE POINT OF BEGINNING.

EXCEPTING THEREFROM SO MUCH THEREOF DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT IN THE CENTER LINE OF FRAZIER LAKE ROAD AT THE SOUTHERNMOST CORNER OF THE CERTAIN PARCEL OF LAND CONVEYED BY ALEXANDER WATSON, ET UX, TO ALEXANDER JAMES WATSON, BY DEED DATED MAY 16, 1916, RECORDED JANUARY 4, 1917 IN BOOK 451 OF DEEDS, PAGE 534 SAID POINT OF BEGINNING BEING THE WESTERNMOST CORNER OF THAT CERTAIN 274.70 ACRE TRACT OF LAND SET APART TO MARION ELLIS BY THAT CERTAIN DECREE IN PARTITION, A CERTIFIED COPY OF WHICH WAS RECORDED DECEMBER 23, 1926 IN BOOK 289 OF OFFICIAL RECORDS, PAGE 234, FROM WHICH POINT OF BEGINNING A 2" X 3" STAKE MARKED "W.P.L." STANDING ON THE EASTERLY LINE OF SAID ROAD, BEARS NORTH 54° 53' EAST 0.443 CHAINS; THENCE FROM SAID POINT OF BEGINNING ALONG THE SOUTHEASTERLY LINE OF THE LAND SO CONVEYED TO ALEXANDER JAMES WATSON, NORTH 54° 53' EAST 63.8144 CHAINS TO A 2" X 4" STAKED MARKED "2" STANDING IN THE SOUTHWESTERLY LINE OF THAT CERTAIN 200 ACRE PARCEL OF LAND CONVEYED BY VIRGINIA MAZE, ET VIR, TO ERNEST H. WOON, ET UX, BY DEED DATED MARCH 18, 1925, RECORDED MAY 27, 1925 IN BOOK 143 OF OFFICIAL RECORDS, PAGE 210; THENCE ALONG SAID SOUTHWESTERLY LINE OF THE LAND OF WOON, AND THE CONTINUATION THEREOF, SOUTH 34° 33' EAST 16.300 CHAINS TO AN AUTOMOBILE EXCEL (AT 7.22 CHAINS ON THIS COURSE AS A 1 INCH PIPE AT THE FENCE

CORNER IN A SMALL SLOUGH AT THE SOUTHERLY CORNER OF THE LAND OF WOON); THENCE SOUTH 54° 53' WEST 61.655 CHAINS TO A POINT IN THE CENTER LINE OF FRAZIER LAKE ROAD, FROM WHICH POINT A 3/4" PIPE STANDING ON THE EASTERLY LINE OF SAID ROAD, BEARS NORTH 64° 64' 62" EAST 0.443 CHAINS; THENCE ALONG THE CENTER LINE OF SAID ROAD, NORTH 42° 7' WEST 16.432 CHAINS TO THE POINT OF BEGINNING. CONTAINING APPROXIMATELY 102.255 ACRES AND BEING A PORTION OF THE RANCHO SAN YSIDRO.

ALSO EXCEPTING THEREFROM THAT PORTION THEREOF AS CONVEYED TO THE UNITED STATES OF AMERICA, BY DEED RECORDED JULY 22, 1983 IN BOOK H741 PAGE 589, OFFICIAL RECORDS, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

A STRIP OF LAND HAVING A UNIFORM WIDTH OF 52.49 FEET, WHERE MEASURABLE AT RIGHT ANGLES, LYING 16.4 FEET ON THE NORTHERLY SIDE, AND LYING 36.09 FEET ON THE SOUTHERLY SIDE OF THE FOLLOWING DESCRIBED CENTERLINE; BEGINNING AT A POINT IN THE SOUTHWESTERLY BOUNDARY LINE OF SAID PARCEL (288 OR 304, SANTA CLARA), DISTANT THERE ALONG SOUTH 33° 52' 08" EAST 171.60 FEET FROM A ONE INCH IRON PIPE, TAGGED "LS2550", MARKING A WESTERLY CORNER OF SAID PARCEL; SAID POINT OF BEGINNING BEING IN THE SANTA CLARA COUNTY PORTION OF RANCHO SAN YSIDRO (ORTEGA); THENCE FROM SAID POINT OF BEGINNING, SOUTH 74° 37' 19" EAST 1,145.75 FEET TO THE POINT OF TERMINUS IN THE SOUTHEASTERLY BOUNDARY LINE OF SAID PARCEL, (54 OR 135, SAN BENITO), DISTANT THERE ALONG SOUTH 41° 08' 34" WEST 39.70 FEET FROM A ONE INCH IRON PIPE MARKING THE MOST NORTHERLY CORNER OF THE MENDOZA PROPERTY (391 OR 836, SAN BENITO); SAID POINT OF TERMINUS BEING IN SAN BENITO COUNTY; THE SIDELINE BOUNDARIES ARE TO BE LENGTHENED OR SHORTENED, AS THE CASE MAY BE, SO AS TO BEGIN IN THE SOUTHWESTERLY BOUNDARY LINE OF SAID PARCEL (288 OR 304, SANTA CLARA COUNTY) AND TERMINATE IN THE SOUTHEASTERLY BOUNDARY LINE OF SAID PARCEL (54 OR 135, SAN BENITO); SAID SOUTHEASTERLY BOUNDARY LINE OF WHICH IS COINCIDENT WITH THE GRANT LINE COMMON TO RANCHO LLANO DEL TEQUISQUITA AND SAID RANCHO SAN YSIDRO (ORTEGA).

ALSO EXCEPTING THEREFROM ALL THAT PORTION THAT LIES WITHIN THE COUNTY AT SAN BENITO.

APN: 841-40-006 and 841-40-008

Exhibit B

Grazing and Farming Lease

THIS GRAZING AND FARMING LEASE (the "Lease") is made effective as of the date of complete execution of this Lease (the "Agreement Date"), by and between The Nature Conservancy, a District of Columbia nonprofit corporation, hereinafter called "Lessor," and Open Space Meats, LLC, a California limited liability company, hereinafter called "Lessee."

1. PREMISES.

Lessor hereby leases to Lessee and Lessee hereby leases from Lessor upon the following terms and conditions to which the parties hereby agree: That certain property situated in San Benito and Santa Clara Counties, California commonly known as the Gonzales Farm, consisting of approximately 165 acres as more particularly described in Exhibit A attached hereto (the "Premises"). The Premises do NOT include 6 acres more or less, consisting of a fenced riparian corridor and a fenced hedgerow, depicted in Exhibit B attached hereto (the "Excluded Areas"), on and through the Premises. If the Excluded Areas pose a significant barrier to cattle movement throughout the Premises, then means for passage through the Excluded Areas may be developed by the Lessee with the prior written consent of the Lessor, which consent may be given in the Lessor's sole and absolute discretion.

2. TERM.

The term of this Lease (the "Term") shall start on the Agreement Date and end on the third anniversary of the Agreement Date.

3. RENT.

The rent for the Premises for the Term (the "Rent") will be \$6,000 per year. Lessee will pay Rent to Lessor on a quarterly basis in arrears in the amount of \$1,500 the first day of every third month, following the Agreement Date, at the address of Lessor set forth in Paragraph 20. Any Rent not paid when due will bear interest at the rate of ten percent (10%) per annum (or the maximum rate permitted by applicable law, if less).

4. USE AND OCCUPATION.

a. Lessee shall have the use and occupation of the Premises for the purpose of grazing cattle as dryland or irrigated pastures, or for growing and harvesting forage crops. Lessee shall make no other use of the Premises without written consent of the Lessor having first been obtained. Lessee agrees to use the best practices as is customary in the area for cattle grazing, farming forage crops, or managing irrigated pastures. Lessee shall at all times conform to all applicable and governmental laws, statutes, ordinances and regulations, and shall neither commit nor permit waste of or nuisance on the Premises.

b. Lessee may apply biocides or commercial fertilizers only with review and prior written consent by the Lessor.

c. The number of cattle permitted at any one time (the "Stocking Rate") will be set in collaboration with Lessor on or before the Agreement Date, or any time before cattle are brought on to the Premises.

d. Lessee shall pay all costs related to its cattle grazing and agricultural operations on the Premises, including, but not limited to all costs for power, water and other utilities related to Lessee's agricultural operations.

5. RESERVATION OF USE.

Lessor reserves the right to enter upon and travel on the Premises by foot, horse or vehicle, provided that such travel does not cause damage to fences, gates, cattle guards, water troughs or crops, and shall not hinder or interfere with Lessee's grazing or farming operations. Lessor will coordinate with Lessee when planning restoration, educational, or other activities on the Premises, which will primarily take place within the Excluded Areas. Lessor and its contractors will provide at least seven (7) days' written notice to Lessee for planned activities with large groups of adults or children and will contact Lessee with 24 hours' telephonic or email notice for unplanned or short-notice visits to the Premises.

6. WARRANTIES AND DISCLAIMERS.

a. Lessor expressly warrants that it is the owner of the Premises and has the right to enter into this Lease.

b. Lessor makes no warranty with regard to the quality or quantity of water, which is or may be available on the Premises at any time during the Term of this Lease.

7. IMPROVEMENTS.

Lessee shall be entitled to install such water tanks, pumps, troughs, fences, gates and other improvements as may be necessary or advisable to carry on Lessee's grazing or farming operations. Such improvements will be under a written agreement, signed by Lessor and Lessee, and shall remain on the Premises and shall belong to Lessor upon the termination of this Lease.

8. MAINTENANCE OR IMPROVEMENTS.

a. Lessee, at Lessee's sole cost and expense, shall keep in good condition and repair the gates, fences, water holds, springs, and troughs in as good order, condition, and repair as they are in as of the Agreement Date, reasonable wear and tear expected. Lessee shall provide help in brushing and maintaining ranch roads on a regular basis. Lessor shall provide material to be used in fencing and spring repairs and other improvements except when such repairs are caused by neglect or damage of Lessee.

b. If Lessor decides to replace large portions of exterior fence, Lessor shall pay for materials and labor, and coordinate with the Lessee.

c. Lessor will be responsible for all costs and improvements related to restoration and maintenance activities in the Excluded Areas.

9. LIENS.

Lessee shall not cause or permit any lien to accrue on or against the Premises or equipment or any part thereof by reason of anything done or omitted to be done by it or by any person entering

upon the Premises by or with its permission. If Lessee shall not immediately cause the release and discharge of any lien placed against the Premises, the Lessor, at its option, may terminate this Lease.

10. **INDEMNIFICATION.**

Lessee shall hold Lessor harmless of and from, any and all claims, liabilities, losses, costs, damages, and expenses of any kind or nature whatsoever (including, but not limited to, attorneys' and experts fees and expenses, as well as costs of suit, whether incurred at the trial, appellate, or administrative level) which Lessor may sustain, incur, or suffer, or to which Lessor may be subjected, as a result of or in connection with the use or operation of the Premises or equipment by Lessee or any of Lessee's employees, agents, or invitees, whether or not such use is permitted under this Lease or for any failure of Lessee or its employees, agents or invitees to comply with all the terms of this Lease.

11. **RESERVATION OF OIL, GAS AND MINERAL RIGHTS.**

All oil, gas and mineral rights are excepted from this Lease.

12. **ASSIGNMENT AND SUBLEASING.**

Lessee shall not assign this Lease nor sublet hereunder, in whole or in part, voluntarily or by operation of law, without the prior written consent of Lessor. Any assignment or sublease without such consent shall be void and shall, at the option of Lessor, terminate this Lease.

13. **MECHANICS' LIENS.**

Lessee shall keep the Premises free from any liens arising out of any work performed, materials furnished or obligation incurred by Lessee. Lessee shall give Lessor five (5) days' notice in writing prior to commencing any construction on the Premises costing in excess of one thousand dollars (\$1,000) or prior to having any mechanic, material man or contractor to perform work upon or deliver materials to the Premises in excess of one thousand dollars (\$1,000) for any one job. Lessor may, at Lessor's option, pay and discharge any such lien which Lessee may cause to accrue against the Premises, and all such amounts shall be reimbursed to Lessor as herein provided.

14. **NONLIABILITY OF LESSOR.**

This Lease is made on the express condition that Lessor is to be free from all liability with respect to any claims for damages by reason of any injury to any person or persons, including Lessee, or any injury to property of any kind whatsoever and to whomever belonging, including Lessee, from any cause or causes whatsoever, while in, upon or in any way connected with the Premises during the term of this Lease or any occupancy hereunder. Lessee hereby covenants and agrees to indemnify and save harmless Lessor from all liability, loss, cost and obligations on account of or arising out of any such injuries or losses however occurring.

15. **INSURANCE.**

Lessee shall maintain public liability insurance with a company approved by Lessor for protection against liability to the public arising as an incident of the use of, or any interest in, the Premises. The limits of liability under this insurance shall have a combined single limit of two

million dollars (\$2,000,000). Such insurance shall insure the contingent liability of Lessor. Should Lessee fail to maintain such insurance, Lessor may obtain it on behalf of Lessee and Lessee thereof shall pay the cost upon demand. All such insurance policies shall be delivered to and held by Lessor, or a certificate of such insurance shall be provided to Lessor. All such insurance companies shall be obligated to notify Lessor at least ten (10) days prior to any change or cancellation thereof.

16. RELATIONSHIP OF PARTIES.

This Lease shall not be deemed to give rise to any partnership relation between Lessor and Lessee, and neither party shall have any authority to obligate the other without prior written consent of the other except as specifically provided in this Lease.

17. DEFAULT AND REMEDIES.

a. Default. Lessee shall be in default under this Lease if and when any of the following occurs (in each case, a "Default"): (i) Lessee fails to make any payment of Rent within ten (10) days of the date as and when due under this Lease; (ii) Lessee uses the Premises, or any part thereof, in a manner inconsistent with the provisions of this Lease; (iii) Lessee fails to perform or observe any one or more of Lessee's obligations under this Lease within ten (10) days after written notice of such failure is given to Lessee, it being understood that such notice shall be in lieu of, and not in addition to, the notice required by Section 1161 of the California Code of Civil Procedure, or any successor thereto; (iv) Lessee abandons the Premises; (v) Lessee becomes insolvent or generally fails to pay its debts as they become due; (vi) a receiver is appointed to take possession of all or substantially all of the assets of Lessee; (vii) Lessee makes a general assignment for the benefit of creditors; or (viii) Lessee voluntarily files a petition in bankruptcy.

b. Remedies. If a Default occurs, Lessor may elect to exercise any of the following remedies, to the fullest extent permitted under applicable law:

(i) Lessor may continue this Lease in effect and enforce all Lessor's rights under this Lease, including the right to recover the Rent as it becomes due.

(ii) Lessor may, upon giving notice to Lessee, terminate Lessee's right to possession of the Premises, and may take possession of the Premises. Upon such termination, Lessor may remove all persons and property from the Premises and may store any property so removed in a public warehouse or elsewhere at Lessee's sole expense and for Lessee's account. Upon such termination, Lessor shall have the right to recover from Lessee, in addition to the costs of recovering the Premises:

(A) the worth at the time of the award of the unpaid Rent that had been earned at the time of termination of this Lease;

(B) the worth at the time of the award of the amount by which the unpaid Rent that would have been earned after the date of termination of this Lease until the time of the award exceeds the amount of the loss of Rent that Lessee proves could have been reasonably

avoided;

(C) the worth at the time of the award of the amount by which the unpaid rental for the balance of the Term after the time of award exceeds the amount of the loss of Rent that Lessee proves could have been reasonably avoided; and

(D) any other amount and court costs necessary to compensate Lessor fully for all detriment proximately caused by Lessee's default.

The "worth at the time of award" of the amounts referred to in clauses (A) and (B) above shall be computed by allowing interest at the maximum annual interest rate allowed by law for business loans (not primarily for personal, family or household purposes) not exempt from the usury law at the time of termination or, if there is no such maximum annual interest rate, at the rate of ten percent (10%) per annum. The "worth at the time of award" of the amount referred to in clause (C) above shall be computed by discounting such amount at the discount rate of the Federal Reserve Bank of San Francisco at the time of award plus one percent (1%).

18. DUTY TO QUIT.

On the expiration or sooner termination of this Lease, or any extension hereof, Lessee shall peaceably and quietly quit, surrender, and yield up to Lessor all of the Premises in as good and clean state and condition of repair as the same may be on the first day of the term hereof or may thereafter be put into, reasonable use and wear thereof excepted.

19. ATTORNEY'S FEES.

Should action be brought by the Lessor for recovery or possession of the Premises or should either party bring an action for the enforcement of any of the provisions of this Lease or on account of the breach thereof, the prevailing party shall recover from the other party its expenses of litigation and reasonable attorney's fees incurred by it in such action. The right to such attorney's fees and expenses shall be deemed to have accrued on the commencement of such action, and shall be paid whether or not such action is prosecuted to judgment, and if prosecuted to judgment, such fees and expenses shall be included in said judgment. In the event either party hereto is made a defendant in such action by a third party arising out of the act, default, or omission of the other party, said other party hereby agrees to pay all reasonable costs incurred by the parties so made a defendant, including but limited to his attorney's fees therein.

20. NOTICES.

Any notice provided herein shall be in writing and may be made personally or by certified mail, to Lessor at Mt. Hamilton Stewardship Manager, The Nature Conservancy, 201 Mission Street, 4th Floor, San Francisco, CA 94105, and to Lessee, Seth Nitschke at Open Space Meats LLC, PO Box 209, Newman CA 95360.

21. SUCCESSION.

Subject to the limitation of the right of Lessee to assign or sublease, this Lease shall inure to the benefit of and bind the heirs, representatives, successors, and assigns of the parties hereto.

22. ASSIGNMENT BY LESSOR AND LESSOR'S LIABILITY.

In the event of any conveyance of title to the Premises, Lessor may assign this Lease to the new owner of the Premises. The term "Lessor" as used in this Lease, means only the owner or owners of the Premises at the time in question. In the event of any conveyance of title to the Premises, then from and after the date of such conveyance, the transferring lessor will be relieved of all liability with respect to Lessor's obligations to be performed under this Lease after the date of such transfer.

23. ESTOPPEL CERTIFICATE.

No later than ten (10) days after Lessor gives Lessee written notice requesting it, Lessee shall execute and deliver an estoppel certificate, in such form as Lessor may reasonably request, acknowledging that this Lease is unmodified and in full force and effect, or that it is in full force and effect as modified and stating the modifications. Failure to comply shall be deemed Lessee's acknowledgment that the certificate as submitted by Lessor is true and correct and may be relied upon by a lender, purchaser, or other third party.

24. CONFLICT OF INTEREST.

The information provided on the Disclosure Form which Lessee submitted to Lessor prior to the execution of this Lease, is true and correct to the best of Lessee's knowledge. In the event that any material misrepresentation in the Disclosure Form is discovered during the Term, Lessor may elect to declare this Lease null and void and immediately terminate this Lease and/or may elect to pursue the remedies provided in Paragraph 17(b). In the case of an intentional material misrepresentation, Lessor may, at its option, recover damages resulting from the termination.

25. COUNTERTERRORISM, ANTI-MONEY LAUNDERING & ECONOMIC SANCTIONS LAW.

The Lessee certifies that, to the best of the Lessee's knowledge, the Lessee and its subsidiaries, principals and beneficial owners, if any:

- a. are not presently debarred, suspended, proposed for debarment, or declared ineligible for the award of contracts by any government agency;
- b. (i) are not included on the Specially Designated Nationals and Blocked Persons lists maintained by the U.S. Treasury's Office of Foreign Assets Control, the United Nations Security Council Consolidated List, or similar lists of proscribed entities identified as associated with terrorism, and (ii) will not engage in transactions with, or provide resources or support to, any such individuals or organizations or anyone else associated with terrorism; and
- c. are not a person or entity with whom transacting is prohibited by any trade embargo, economic sanction, or other prohibition of law or regulation; and
- d. have not conducted, and will not conduct, its operations in violation of applicable money laundering laws, including but not limited to, the U.S. Bank Secrecy Act and the money laundering statutes of any and all jurisdictions to which the Lessee or any Lessee

subsidiary, principal or beneficial owner is subject, and no action or inquiry concerning money laundering by or before any authority involving the Lessee or any Lessee subsidiary, principal or beneficial owner is pending.

Should the Lessee become aware that the Lessee or any Lessee subsidiary, principal, or beneficial owner is subject to any of the above conditions during the term of this Lease, the Lessee must notify Lessor immediately. If Lessor determines that the Lessee or any such subsidiary, principal or beneficial owner is subject to any of the above conditions, Lessor may terminate this Lease effective immediately, and shall have no further obligations hereunder. In the case of an intentional material misrepresentation, Lessor may, at its option, recover damages resulting from the termination. The terms of this Paragraph must be included in all permitted assignments of this Lease, if any.

26. **MISCELLANEOUS**

a. The marginal headings throughout this instrument are for the convenience of the parties and are not intended to construe the intent of this Lease or any part thereof, or to modify, amplify, or aid in the interpretation of meaning of the provision hereof.

b. The waiver by Lessor of any breach of any term, covenant, or condition herein contained shall not be deemed to be a waiver of the same term, covenant, or condition of any subsequent breach of the same. Subsequent acceptance of Rent hereunder by Lessor shall not be deemed to be a waiver of any preceding breach by Lessee of the term, covenant, or condition of this Lease other than the failure of Lessee to pay the particular Rent so accepted, regardless of Lessor's knowledge of such preceding breach at the time of acceptance of such Rent.

c. Time is of the essence hereof.

d. If any provision of this Lease is held invalid, the other provisions will not be affected by such invalidity. This Lease represents the entire agreement of the parties and may not be amended except by a writing signed by each party to this Lease. Each party acknowledges that it and its counsel have reviewed and revised this Lease and that no rule of construction that ambiguities are to be resolved against the drafting party will be employed in the interpretation of this Lease. This Lease is governed by the laws of the State of California.

e. Each party to this Lease warrants to the other that, if it is a business entity, it is duly organized, validly existing and, if a business entity, qualified to do business in the State of California, and that it and the respective signatories have full right and authority to enter into and consummate this Lease and all related documents.

f. This Lease may be executed in several counterparts, and all counterparts so executed will constitute one agreement, which will be binding on all of the parties, notwithstanding that all of the parties are not signatory to the original or the same counterpart. Signed signature pages of this Lease may be transmitted by fax, by email, or by any other electronic means, and any such signature will have the same legal effect as an original signature.

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement as of the Agreement Date.

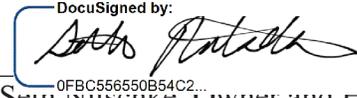
LESSOR:

LESSEE:

THE NATURE CONSERVANCY, a District of Columbia non-profit corporation

OPEN SPACE MEATS, LLC, a California limited liability company

By:  _____
0A951CEF5694459...

By:  _____
0FBC556550B54C2...
Seth INISNICK, Owner and head Cowboy

Ethan Inlander Stewardship Director

Date: 1/18/2021

Date: 1/18/2021

EXHIBIT A
THE PREMISES

[The legal description for the Premises underlies this Exhibit A cover page]

LEGAL DESCRIPTION

Real property in the unincorporated area of the County of Santa Clara, State of California, described as follows:

THAT PART OF THE SAN YSIDRO RANCH, BEING A PORTION OF LOT NO. 5, UPON THE MAP ACCOMPANYING THE REPORT OF COMMISSIONERS IN THE ACTION IN PARTITION, WHEREIN JOHN W. CLIFTON, ET AL, WERE PLAINTIFFS, AND J. H. ELLIS WAS DEFENDANT, BROUGHT IN THE DISTRICT COURT OF THE THIRD JUDICIAL DISTRICT OF THE STATE OF CALIFORNIA, IN AND FOR THE COUNTY OF SANTA CLARA, CASE NO. 3085, BOUNDED AND PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE POINT OF INTERSECTION OF THE CENTER LINE OF THE FRAZIER LAKE ROAD WITH THE SOUTHEASTERLY LINE OF THAT PORTION OF THE SAN YSIDRO RANCHO, PATENTED TO QUINTIN ORTEGA AND FROM WHICH A 2" X 3" STAKE MARKED "W.P.E.B." BEARS NORTH 37° 45' EAST 0.495 CHAINS; THENCE ALONG THE SOUTHEASTERLY LINE OF SAID RANCHO, NORTH 37° 45' EAST 108.53 CHAINS TO A STAKE MARKED "E. P. 1" STANDING IN THE WESTERLY LINE OF THE PACHECO PASS ROAD; THENCE ALONG THE WESTERLY LINE OF SAID ROAD NORTH 62° 20' WEST 6.12 CHAINS TO A 2" X 3" STAKE MARKED "E.P.2" STANDING IN THE SOUTHEASTERLY LINE OF LANDS NOW OR FORMERLY OF S. M. MAZE; THENCE ALONG THE SOUTHEASTERLY LINE OF LAST MENTIONED LANDS, SOUTH 54° 41' WEST 42.61 CHAINS TO A FENCE CORNER IN THE SMALL SLOUGH; THENCE NORTH 34° 33' WEST 7.22 CHAINS TO A 2" X 4" STAKE MARKED "2"; THENCE ALONG THE LINE BETWEEN LANDS FORMERLY OF A. WATSON AND LANDS OF MARION ELLIS, SOUTH 54° 53' WEST 63.814 CHAINS TO THE CENTER LINE OF THE FRAZIER LAKE ROAD, FROM WHICH A 2" X 3" STAKE MARKED "W.P.E." STANDING IN THE EASTERLY SIDE OF SAID ROAD, BEARS NORTH 54° 53' EAST 0.443 CHAINS; THENCE ALONG THE CENTER LINE OF SAID ROAD, SOUTH 42° 7' EAST 44.81 CHAINS TO THE POINT OF BEGINNING.

EXCEPTING THEREFROM SO MUCH THEREOF DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT IN THE CENTER LINE OF FRAZIER LAKE ROAD AT THE SOUTHERNMOST CORNER OF THE CERTAIN PARCEL OF LAND CONVEYED BY ALEXANDER WATSON, ET UX, TO ALEXANDER JAMES WATSON, BY DEED DATED MAY 16, 1916, RECORDED JANUARY 4, 1917 IN BOOK 451 OF DEEDS, PAGE 534 SAID POINT OF BEGINNING BEING THE WESTERNMOST CORNER OF THAT CERTAIN 274.70 ACRE TRACT OF LAND SET APART TO MARION ELLIS BY THAT CERTAIN DECREE IN PARTITION, A CERTIFIED COPY OF WHICH WAS RECORDED DECEMBER 23, 1926 IN BOOK 289 OF OFFICIAL RECORDS, PAGE 234, FROM WHICH POINT OF BEGINNING A 2" X 3" STAKE MARKED "W.P.L." STANDING ON THE EASTERLY LINE OF SAID ROAD, BEARS NORTH 54° 53' EAST 0.443 CHAINS; THENCE FROM SAID POINT OF BEGINNING ALONG THE SOUTHEASTERLY LINE OF THE LAND SO CONVEYED TO ALEXANDER JAMES WATSON, NORTH 54° 53' EAST 63.8144 CHAINS TO A 2" X 4" STAKED MARKED "2" STANDING IN THE SOUTHWESTERLY LINE OF THAT CERTAIN 200 ACRE PARCEL OF LAND CONVEYED BY VIRGINIA MAZE, ET VIR, TO ERNEST H. WOON, ET UX, BY DEED DATED MARCH 18, 1925, RECORDED MAY 27, 1925 IN BOOK 143 OF OFFICIAL RECORDS, PAGE 210; THENCE ALONG SAID SOUTHWESTERLY LINE OF THE LAND OF WOON, AND THE CONTINUATION THEREOF, SOUTH 34° 33' EAST 16.300 CHAINS TO AN AUTOMOBILE EXCEL (AT 7.22 CHAINS ON THIS COURSE AS A 1 INCH PIPE AT THE FENCE CORNER IN A SMALL SLOUGH AT THE SOUTHERLY CORNER OF THE LAND OF WOON); THENCE SOUTH 54° 53' WEST 61.655 CHAINS TO A POINT IN THE CENTER LINE OF FRAZIER LAKE ROAD, FROM WHICH POINT A ¾" PIPE STANDING ON THE EASTERLY LINE OF SAID ROAD, BEARS NORTH 64° 64' 62" EAST 0.443

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CHAINS; THENCE ALONG THE CENTER LINE OF SAID ROAD, NORTH 42° 7' WEST 16.432 CHAINS TO THE POINT OF BEGINNING. CONTAINING APPROXIMATELY 102.255 ACRES AND BEING A PORTION OF THE RANCHO SAN YSIDRO.

ALSO EXCEPTING THEREFROM THAT PORTION THEREOF AS CONVEYED TO THE UNITED STATES OF AMERICA, BY DEED RECORDED JULY 22, 1983 IN BOOK H741 PAGE 589, OFFICIAL RECORDS, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

A STRIP OF LAND HAVING A UNIFORM WIDTH OF 52.49 FEET, WHERE MEASURABLE AT RIGHT ANGLES, LYING 16.4 FEET ON THE NORTHERLY SIDE, AND LYING 36.09 FEET ON THE SOUTHERLY SIDE OF THE FOLLOWING DESCRIBED CENTERLINE; BEGINNING AT A POINT IN THE SOUTHWESTERLY BOUNDARY LINE OF SAID PARCEL (288 OR 304, SANTA CLARA), DISTANT THERE ALONG SOUTH 33° 52' 08" EAST 171.60 FEET FROM A ONE INCH IRON PIPE, TAGGED "LS2550", MARKING A WESTERLY CORNER OF SAID PARCEL; SAID POINT OF BEGINNING BEING IN THE SANTA CLARA COUNTY PORTION OF RANCHO SAN YSIDRO (ORTEGA); THENCE FROM SAID POINT OF BEGINNING, SOUTH 74° 37' 19" EAST 1,145.75 FEET TO THE POINT OF TERMINUS IN THE SOUTHEASTERLY BOUNDARY LINE OF SAID PARCEL, (54 OR 135, SAN BENITO), DISTANT THERE ALONG SOUTH 41° 08' 34" WEST 39.70 FEET FROM A ONE INCH IRON PIPE MARKING THE MOST NORTHERLY CORNER OF THE MENDOZA PROPERTY (391 OR 836, SAN BENITO); SAID POINT OF TERMINUS BEING IN SAN BENITO COUNTY; THE SIDELINE BOUNDARIES ARE TO BE LENGTHENED OR SHORTENED, AS THE CASE MAY BE, SO AS TO BEGIN IN THE SOUTHWESTERLY BOUNDARY LINE OF SAID PARCEL (288 OR 304, SANTA CLARA COUNTY) AND TERMINATE IN THE SOUTHEASTERLY BOUNDARY LINE OF SAID PARCEL (54 OR 135, SAN BENITO); SAID SOUTHEASTERLY BOUNDARY LINE OF WHICH IS COINCIDENT WITH THE GRANT LINE COMMON TO RANCHO LLANO DEL TEQUISQUITA AND SAID RANCHO SAN YSIDRO (ORTEGA).

ALSO EXCEPTING THEREFROM ALL THAT PORTION THAT LIES WITHIN THE COUNTY AT SAN BENITO.

Real property in the unincorporated area of the County of San Benito, State of California, described as follows:

BEGINNING AT THE POINT OF INTERSECTION OF THE CENTER LINE OF THE FRAZIER LAKE ROAD WITH THE SOUTH EASTERLY LINE OF THE SAN YSIDRO RANCHO, FROM WHICH POINT THE SOUTHERNMOST CORNER OF SAID RANCHO BEARS SOUTH 37° 40' WEST 40.78 CHS. DISTANT; RUNNING THENCE ALONG SAID LINE OF SAID RANCHO NORTH 37° 40' EAST 109.035 CHS. TO A POINT IN THE CENTER LINE OF THE PACHECO PASS ROAD; RUNNING THENCE ALONG SAID CENTER LINE OF SAID PACHECO PASS ROAD NORTH 63° 24' WEST 5.947 CHS. TO A POINT, THENCE SOUTH 54° 27' WEST 43.135 CHS. TO A POINT; THENCE NORTH 34° 41' WEST 7.24 CHS. TO THE SOUTH EASTERLY CORNER OF LANDS OF ALEXANDER WATSON; THENCE ALONG THE SOUTHERLY LINE OF SAID LANDS OF ALEXANDER WATSON SOUTH 54° 45' WEST 63.80 CHS. TO THE CENTER LINE OF THE FRAZIER LAKE ROAD; AND THENCE ALONG SAID CENTER LINE OF SAID FRAZIER LAKE ROAD SOUTH 42° 30' EAST 44.80 CHS. TO THE PLACE OF BEGINNING, AND CONTAINING 244.40 ACRES, MORE OR LESS, AND BEING A PORTION OF LOT NUMBERED 5, UPON THE MAP ACCOMPANYING THE REPORT OF THE COMMISSIONERS IN THE ACTION IN PARTITION WHEREIN JOHN W. CLIFTON, ET AL, WERE PLAINTIFFS, AND J.H. ELLIS, WAS DEFENDANT, BROUGHT IN THE DISTRICT COURT OF THE THIRD JUDICIAL DISTRICT OF THE STATE OF CALIFORNIA, IN AND FOR THE COUNTY OF SANTA CLARA, CASE NO. 3985 AND BEING A PART OF THE SAN YSIDRO RANCHO.

EXCEPTING THEREFROM THE FOLLOWING DESCRIBED PARCEL IN SANTA CLARA COUNTY:

BEGINNING AT A POINT IN THE CENTERLINE OF FRAZIER LAKE ROAD AT THE SOUTHERNMOST

CORNER OF THAT CERTAIN PARCEL OF LAND CONVEYED BY ALEXANDER WATSON, ET UX, TO ALEXANDER JAMES WATSON, BY DEED DATED MAY 16, 1916 AND RECORDED JANUARY 4, 1917 IN BOOK 451 OF DEEDS AT PAGE 534, SAID POINT OF BEGINNING BEING THE WESTERNMOST CORNER OF THAT CERTAIN 274.70 ACRE TRACT OF LAND SET APART TO MARION ELLIS BY THAT CERTAIN DECREE IN PARTITION A CERTIFIED COPY OF WHICH WAS RECORDED DECEMBER 23, 1926 IN BOOK 289 OF OFFICIAL RECORDS, AT PAGE 234 FROM WHICH POINT OF BEGINNING 2" X 3" STAKE MARKED "W.P.E.D." STANDING ON THE EASTERLY LINE OF SAID ROAD, BEARS NORTH 54° 53' EAST 0.443 CHAINS; THENCE, FROM SAID POINT OF BEGINNING ALONG THE SOUTHEASTERLY LINE OF LAND SO CONVEYED TO ALEXANDER JAMES WATSON, NORTH 54° 53' EAST 63.814 CHAINS TO A 2" X 4" STAKE MARKED "2" STANDING IN THE SOUTHWESTERLY LINE OF THAT CERTAIN 200 ACRE PARCEL OF LAND CONVEYED BY VIRGINIA MAZE, ET VIR TO ERNEST H. WOON, ET UX, BY DEED DATED MARCH 18, 1925 AND RECORDED MARCH 27, 1925 IN BOOK 143 OF OFFICIAL RECORDS, AT PAGE 210; THENCE ALONG SAID SOUTHWESTERLY LINE OF THE LAND OF WOON AND THE CONTINUATION THEREOF, SOUTH 34° 33' EAST 16.300 CHAINS TO AN AUTOMOBILE AXLE (AT 7.22 CHAINS ON THIS COURSE IS A 1 INCH PIPE AT THE FENCE CORNER IN A SMALL SLOUGH AT THE SOUTHERLY CORNER OF THE LAND OF WOON); THENCE, SOUTH 54° 53' WEST 61.655 CHAINS TO A POINT IN THE CENTERLINE OF FRAZIER LAKE ROAD FROM WHICH POINT A ¾" PIPE STANDING ON THE EASTERLY LINE OF SAID ROAD BEARS NORTH 54° 52' EAST 0.443 CHAINS; THENCE, ALONG THE CENTERLINE OF SAID ROAD, NORTH 42° 7" WEST 16.432 CHAINS TO THE POINT OF BEGINNING.

ALSO EXCEPTING THEREFROM THAT 0.92 ACRES OF LAND CONVEYED TO THE UNITED STATES OF AMERICA FOR AN UNDERGROUND PIPELINE.

BY DEED RECORDED JUNE 08, 1983 IN VOL.495, PAGE 120, SAN BENITO COUNTY RECORDS.

APN: 841-40-006 and 841-40-008 (Santa Clara County)
013-010-029 and 013-010-031 (San Benito County)

First American Title Insurance Company

EXHIBIT B

THE RIPARIAN EXCLUDED AREA AND THE HEDGEROW EXCLUDED AREA

[The depiction of the Excluded Areas underlies this Exhibit B cover page]



Palarno Ranch
Property Boundary, Hedgerow
and Riparian Excluded Areas
Imagery Date: 2017-03-13
Map Date: 2017-10-05

Legend
Boundary Palarno Ranch Property
Hedgerow Excluded Area
Riparian Excluded Area

GRAZING AND FARMING LEASE AMENDMENT

(Mt. Hamilton • Gonzales)

THIS GRAZING AND FARMING LEASE AMENDMENT (the “Amendment”) is dated effective as of the date last signed below (the “Amendment Date”) and is by and between THE NATURE CONSERVANCY, a District of Columbia nonprofit corporation (“Lessor”), and OPEN SPACE MEATS, LLC, a California limited liability company (“Lessee”).

Recitals

- A. Lessor and Lessee previously entered into that certain Grazing and Farming Lease dated as of January 18, 2021 (the “Lease”).
- B. Lessor is anticipating conveying the Premises to the Santa Clara Valley Open Space Authority (the “Authority”) and the Authority has expressed interest in assuming the Lease upon the acquisition of the Premises.
- C. Lessor and Lessee desire to amend the Lease as more fully described below.

Agreement

In consideration of the mutual covenants contained in this Amendment and other valuable consideration, the receipt and sufficiency of which are acknowledged, Lessor and Lessee agree as follows:

- 1. Defined Terms. All capitalized terms used in this Amendment, unless defined in this Amendment or unless context dictates otherwise, have those meanings set forth in the Lease.
- 2. Lease Term. The Term of the Lease is extended one (1) year (the “Extended Term”) commencing on January 18, 2024 (the “Extended Term Commencement Date”) and, unless terminated earlier pursuant to the terms of the Lease or pursuant to law, expiring on January 18, 2025.
- 3. No Rodenticides. Lessee may not apply any rodenticides on the Premises.
- 4. Additional Costs to be Paid by Lessee After Conveyance. If the Premises are conveyed to the Authority and the Authority assumes the Lease, a possessory interest subject to property tax may be created and Lessee, as the party in whom the possessory interest is vested, may be subject to the payment of property taxes levied on the possessory interest. Lessee acknowledges and agrees to pay, as part of the consideration for the Lease, all possessory interest taxes, if any, which may be levied or assessed on the right to possess or to farm the Premises, whether levied or assessed to Lessee or Lessor.
- 5. Lessor’s Right to Terminate and Proration of Rent. In the event of any conveyance of title to the Premises, in addition to the right of Lessor in Paragraph 22 of the Lease to

assign the Lease to the new owner of the Premises, Lessor may alternatively elect to terminate the Lease with at least sixty (60) days written notice (the "Termination Notice"). If Lessor terminates the Lease pursuant to its rights under this paragraph, then the termination shall be effective on the date specified in the Termination Notice (the "Termination Date"), and any outstanding Rent shall be prorated on a daily basis to the Termination Date and Lessee shall pay such outstanding Rent by the Termination Date.

6. Notices. Paragraph 20 of the Lease is deleted in its entirety and replaced with the following:

"Any notice provided herein shall be in writing and may be made personally or by certified mail to Lessor at The Nature Conservancy, Attn. Mt. Hamilton Stewardship Manager, 830 S Street, Sacramento, CA 95811, and to Lessee, Seth Nitschke at Open Space Meats, LLC, PO Box 209, Newman, CA 95360.

7. Validity. The Lease, as modified by this Amendment, remains in full force and effect, and Lessor and Lessee, by this Amendment, ratify the same. The Lease, as modified by this Amendment, together with any documents incorporated by reference, constitutes the entire agreement of the parties with respect to the subject matter of the Lease and supersedes all prior agreements and understandings of the parties. The Lease, as modified by this Amendment, is binding upon and inures to the benefit of the parties and their respective permitted successors and assigns. This Amendment may be executed in counterparts, which, taken together, will constitute one original. Electronic signatures are acceptable for this Amendment.

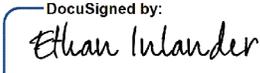
Lessor and Lessee have executed this Amendment effective as of the Amendment Date.

LESSOR:

LESSEE:

THE NATURE CONSERVANCY,
a District of Columbia nonprofit corporation

OPEN SPACE MEATS, LLC,
a California limited liability company

By: 
0A951CEF5694459...

By: 
8F02C6C28C59486...

Name: Ethan Inlander

Name: Seth Nitschke

Title: Stewardship Director

Title: President

Date: 01/17/2024

Date: 1/24/2024

**RATIFICATION AND SECOND AMENDMENT
TO GRAZING AND FARMING LEASE**

(Mt. Hamilton • Gonzales)

THIS RATIFICATION AND SECOND AMENDMENT TO GRAZING AND FARMING LEASE (the “Second Amendment”) is dated as of the date last signed below (the “Second Amendment Date”) and is by and between THE NATURE CONSERVANCY, a District of Columbia nonprofit corporation (“Lessor”), and OPEN SPACE MEATS, LLC, a California limited liability company (“Lessee”).

Recitals

- A. Lessor and Lessee previously entered into that certain Grazing and Farming Lease dated as of January 18, 2021, and that certain Grazing and Farming Lease Amendment dated January 24, 2024 (collectively the “Lease”).
- B. Through inadvertence, the Lease expired on January 18, 2025, and the parties’ intent at all times was to extend the Lease prior to the expiration of the Lease Term. The parties have been operating with this intent and with the intent that the Lease has continued to govern the parties’ actions with regards to the Premises (as defined in the Lease).
- C. Lessor is no longer anticipating conveying the Premises to the Santa Clara Valley Open Space Authority (the “Authority”) and is now anticipating conveying the Premises to the Peninsula Open Space Trust (“POST”).
- D. Lessor and Lessee desire to reinstate and ratify the Lease, subject to the modifications agreed to below.

Agreement

In consideration of the mutual covenants contained in this Second Amendment and other valuable consideration, the receipt and sufficiency of which are acknowledged, Lessor and Lessee agree as follows:

- 1. Defined Terms. All capitalized terms used in this Second Amendment, unless defined in this Second Amendment or unless context dictates otherwise, have those meanings set forth in the Lease.
- 2. Lease Reinstatement, Ratification & Extension. All terms, conditions, and stipulations contained in the Lease are hereby reinstated and ratified by the parties. The parties acknowledge and agree that the Lease was at all times in full force and effect, and shall remain in full force and effect, from January 18, 2021, the date the Lease was fully executed by the parties and became effective, until December 31, 2025 (the “Lease Expiration Date”) unless terminated earlier in accordance with the Lease.

- 3. Validity. The Lease, as modified by this Second Amendment, remains in full force and effect, and Lessor and Lessee, by this Second Amendment, ratify the same. The Lease, as modified by this Second Amendment, together with any documents incorporated by reference, constitutes the entire agreement of the parties with respect to the subject matter of the Lease and supersedes all prior agreements and understandings of the parties. The Lease, as modified by this Second Amendment, is binding upon and inures to the benefit of the parties and their respective permitted successors and assigns. This Second Amendment may be executed in counterparts, which, taken together, will constitute one original. Electronic signatures are acceptable for this Second Amendment.

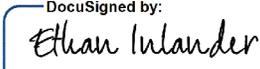
Lessor and Lessee have executed this Second Amendment as of the Second Amendment Date.

LESSOR:

LESSEE:

THE NATURE CONSERVANCY,
a District of Columbia nonprofit corporation

OPEN SPACE MEATS, LLC,
a California limited liability company

By:  _____
0A951CEF5694459...

By:  _____

Name: Ethan Inlander

Name: Seth Nitschke

Title: Stewardship Director

Title: President

Date: 5/23/2025

Date: 5/23/25

Exhibit C

TENANT ESTOPPEL CERTIFICATE

Tenant Name and Address:

[●●●]

The undersigned is a tenant (“Tenant”) of THE NATURE CONSERVANCY (“TNC”) property known as Gonzales Ranch. TNC, as landlord (hereafter referred to as “Landlord”) has leased property (the “Premises”) to Tenant pursuant to the [●Agricultural Lease●] dated [●Month●] [●Date●], [●Year●] (“Lease”), and it is intended that the Lease will be assigned to PENINSULA OPEN SPACE TRUST (“POST”). The undersigned certifies to POST, for its benefit and reliance, as follows:

1. A complete, true, and correct copy of the Lease (inclusive of all addenda, exhibits and riders thereto and all amendments and modifications thereof to date), is attached hereto as **Exhibit A**.

2. The Lease as attached hereto has not been modified, amended, or supplemented. There are no understandings, oral or written, amending, supplementing, or changing the terms of the Lease except as so attached hereto.

3. The Lease is in full force and effect, having been duly executed and delivered by Tenant.

4. Tenant has accepted possession of the Premises.

5. All Rent payable by Tenant as of the date hereof has been paid.

6. Landlord is not in default under any of the terms, conditions, or covenants of the Lease.

7. No notice has been given by Tenant of any default under the Lease which has not been cured by Landlord, and to the best of Tenant’s actual knowledge, without any duty to investigate, there are no circumstances that, with the passage of time or giving of notice, or both, would constitute a default by Landlord.

8. The address for notices to Tenant is as follows:

[●Tenant Name●]

[●Tenant Address●]

9. Tenant has no charge, lien, or claim of offset under the Lease or against rent or other charges due under the Lease.

10. Tenant has no right or option to purchase the Premises or any part thereof or to renew or extend the Lease, or to expand the Premises.

11. Tenant has not received notice of any assignment, hypothecation, mortgage or pledge of Landlord’s interest in the Lease or the rents or other amounts payable under the

Lease.

12. The amount of any security or other deposit returnable to Tenant pursuant to the Lease is set forth in the Lease.

13. Tenant has not assigned or entered into any subleases or licenses, whether oral or written, of the Premises.

14. On Landlord's notice to Tenant of the Landlord's intent to assign the Lease, and on the condition that POST has, for the benefit of Tenant, assumed in writing the obligations of the Landlord under the Lease, Tenant shall attorn to and recognize POST as the Landlord under the Lease and shall be bound by and perform all of the obligations imposed by the Lease on Tenant, and POST shall succeed to all of the rights of the Landlord under the Lease. Tenant acknowledges and agrees that POST shall not be liable for any act or omission of any person or party, who may have been a Landlord under the Lease prior to POST, and POST shall not be subject to any defenses or offsets or claims Tenant may have against TNC or any prior Landlord.

15. Tenant makes the foregoing statements to POST with the understanding that POST may take certain actions based on the POST's material reliance on this Estoppel Certificate, including but not limited to POST's purchase of the Premises.

Dated: _____

Signed: _____

Name: [TENANT NAME & NAME OF AUTHORIZED SIGNATORY]

Exhibit A
Lease

Exhibit D

RECORDING REQUESTED BY:
Santa Clara Valley Water District, a Special
District, created by the California Legislature

AND WHEN RECORDED, RETURN TO:
Peninsula Open Space Trust
222 High Street
Palo Alto, CA 94301

Space Above for Recorder’s Use Only

Exempt from recording fees per Govt. Code Section 27383
APNs: San Benito County 013-010-029, -031
Santa Clara County 841-40-006, -008

**ASSIGNMENT AND ASSUMPTION OF GRANT AGREEMENT FOR
ACQUISITION OF FEE INTEREST
AND
CONSENT TO TRANSFER OF FEE INTEREST
(Mt. Hamilton Project – Gonzales Ranch – Santa Clara Valley Water District)**

This Assignment and Assumption of Santa Clara Valley Water District Grant Agreement for Acquisition of Fee Interest (“**Assignment**”) is made as of the last date of execution set forth in the signature blocks below, by and between the Santa Clara Valley Water District, a Special District, created by the California Legislature (“**District**”), The Nature Conservancy, a District of Columbia nonprofit corporation (“**TNC**”) and the Peninsula Open Space Trust, a California nonprofit public benefit corporation (“**POST**”), with reference to the following facts:

A. District and TNC are parties to the following grant agreement:

Santa Clara Valley Water District Grant Agreement for Acquisition of Fee Interest, dated effective August 10, 2012 (Agreement A3605A, File BT3535) (“**Grant Agreement**”), pursuant to which District granted to TNC funds to facilitate TNC’s acquisition of approximately 165 acres of real property located in Santa Clara and San Benito Counties, California, more particularly described in **Exhibit A** attached to this Assignment and incorporated herein by reference (“**Property**”). Memorandums of Unrecorded Grant Agreement giving public notice that TNC received funds from District to assist TNC in acquiring the Property and of certain rights of District under

the Grant Agreement, were recorded in the Official Records of Santa Clara County on September 28, 2012 as Document No. 21880623 and San Benito County on November 2, 2012 as Document No. 2012-0010621.

- B. Grant Deeds transferring the Property, made by Joe F. Gonzales, a single man, as Grantor, to TNC, were recorded in the Official Records of Santa Clara County, California on September 28, 2012, as Document No. 21880622, and the Official Records of San Benito County, California on September 28, 2012, as Document No. 2012-0009190.
- C. TNC now desires to transfer to POST all of its rights, title and interest in the Property acquired with funding by District, and POST desires to accept transfer of the Property from TNC.
- D. TNC desires, concurrently with the transfer of its interest in the Property, to assign and transfer to POST all of its obligations and responsibilities under the Grant Agreement.
- E. POST desires, and is ready, willing and able, to assume all of the obligations and responsibilities of TNC under the Grant Agreement.
- F. District is willing to consent to the transfer of the Property and assignment of the Grant Agreement from TNC to POST upon and subject to the terms and conditions set forth in this Assignment.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, District, TNC and POST hereby agree as follows:

1. Effective Date. This Assignment shall be deemed effective as of the date of the recording of this Assignment in the Official Records of Santa Clara and San Benito Counties, California, which recording shall take place concurrently with recording of the deeds transferring the Property from TNC to POST (“**Effective Date**”).
2. Assignment and Assumption. TNC hereby assigns and transfers to POST all obligations and responsibilities of TNC under the Grant Agreement. POST hereby accepts the assignment and assumes and agrees to perform, from and after the Effective Date, as a direct obligation to District, all the provisions of the Grant Agreement (“**Assumed Obligations**”).

POST represents and warrants to District that POST has all necessary and appropriate right, power and authority to hold title to the Property; enter into and perform this Assignment and assume and carry out the Assumed Obligations.

3. Indemnification. TNC indemnifies and holds POST harmless from all loss, cost, liability and expense incurred by POST from claims arising under the Grant Agreement to the extent the claims are based on events occurring prior to the Effective Date. POST

indemnifies TNC and holds TNC harmless from all loss, costs, liability and expense incurred by TNC from claims arising under the Grant Agreement to the extent the claims are based on events occurring from and after the Effective Date.

- 4. District’s Consent. Upon the Effective Date, in consideration of the assumption of the Assumed Obligations, District consents to the transfer of the Property and assignment of the Grant Agreement as described in this Assignment to POST, without waiver of any restriction upon further transfer and assignment, and releases TNC from any obligations under the Grant Agreement that accrue from and after the Effective Date.
- 5. Successors. This Assignment shall be binding upon and inure to the benefit of TNC, POST and District and their respective successors and assigns.
- 6. Effectiveness of Grant Agreement. The terms and conditions of the Grant Agreement and related recorded documents (e.g., Memorandums of Unrecorded Grant Agreement) remain unmodified and in full force and effect except that any notices for the grantee under the Grant Agreement shall, as of the Effective Date, be addressed to:

Director of Conservation and Stewardship
 Peninsula Open Space Trust
 222 High Street
 Palo Alto, CA 94301

- 7. Additional Documents. TNC and POST shall execute, acknowledge and deliver any further assignments, conveyances and other assurances, documents and instruments as District may reasonably request, and shall take any other action consistent with the terms of this Assignment that District may reasonably request to carry out the Assignment.

IN WITNESS WHEREOF, the undersigned have executed this Assignment on the dates set forth below.

TNC:

POST:

THE NATURE CONSERVANCY,
a District of Columbia nonprofit corporation

PENINSULA OPEN SPACE TRUST,
a California nonprofit public benefit corporation

By: _____
 Name: _____
 Title: _____
 Date: _____

By: _____
 Name: Gordon Clark
 Title: President
 Date: _____

DISTRICT:

SANTA CLARA VALLEY WATER DISTRICT,

a Special District, created by the California Legislature

By: _____

Name: _____

Title: _____

Date: _____

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, _____, 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 _____

(Seal)

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, _____, 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 _____

(Seal)

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, _____, 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 _____

(Seal)

EXHIBIT A
LEGAL DESCRIPTION OF THE PROPERTY

[THE LEGAL DESCRIPTION UNDERLIES THIS EXHIBIT A COVER PAGE]

Exhibit E

RECORDING REQUESTED BY:
Pajaro River Watershed Flood Prevention
Authority, a joint powers authority created by
a special act of the California Legislature

AND WHEN RECORDED, RETURN TO:
Peninsula Open Space Trust
222 High Street
Palo Alto, CA 94301

Space Above for Recorder’s Use Only

Exempt from recording fees per Govt. Code Section 27383
APNs: San Benito County 013-010-029, -031
Santa Clara County 841-40-006, -008

**ASSIGNMENT AND ASSUMPTION OF GRANT AGREEMENT FOR
ACQUISITION OF FEE INTEREST
AND
CONSENT TO TRANSFER OF FEE INTEREST
(Mt. Hamilton Project – Gonzales Ranch – Pajaro River Watershed Flood Prevention
Authority)**

This Assignment and Assumption of Pajaro River Watershed Flood Prevention Authority Grant Agreement for Acquisition of Fee Interest (“**Assignment**”) is made as of the last date of execution set forth in the signature blocks below, by and between the Pajaro River Watershed Flood Prevention Authority, a joint powers authority created by a special act of the California Legislature (“**FPA**”), The Nature Conservancy, a District of Columbia nonprofit corporation (“**TNC**”) and the Peninsula Open Space Trust, a California nonprofit public benefit corporation (“**POST**”), with reference to the following facts:

G. FPA and TNC are parties to the following grant agreement:

Pajaro River Watershed Flood Prevention Authority Grant Agreement for Acquisition of Fee Interest, dated effective May 28, 2013 (“**Grant Agreement**”), pursuant to which FPA granted to TNC funds to facilitate TNC’s acquisition of approximately 165 acres of real property located in Santa Clara and San Benito Counties, California, more particularly described in **Exhibit A** attached to this Assignment and incorporated herein by reference (“**Property**”). Memorandums of Unrecorded Grant Agreement giving public notice that TNC received funds from FPA to assist TNC in

acquiring the Property and of certain rights of FPA under the Grant Agreement, were recorded in the Official Records of Santa Clara County on March 1, 2016, as Document No. 23233692 and San Benito County on March 7, 2016, as Document No. 2016-0002107.

- H. Grant Deeds transferring the Property, made by Joe F. Gonzales, a single man, as Grantor, to TNC, were recorded in the Official Records of Santa Clara County, California on September 28, 2012, as Document No. 21880622, and the Official Records of San Benito County, California on September 28, 2012, as Document No. 2012-0009190.
- I. TNC now desires to transfer to POST all of its rights, title and interest in the Property acquired with funding by FPA and POST desires to accept transfer of the Property from TNC.
- J. TNC desires, concurrently with the transfer of its interest in the Property, to assign and transfer to POST all of its obligations and responsibilities under the Grant Agreement.
- K. POST desires, and is ready, willing and able, to assume all of the obligations and responsibilities of TNC under the Grant Agreement.
- L. FPA is willing to consent to the transfer of the Property and assignment of the Grant Agreement from TNC to POST upon and subject to the terms and conditions set forth in this Assignment.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, FPA, TNC and POST hereby agree as follows:

- 8. Effective Date. This Assignment shall be deemed effective as of the date of the recording of this Assignment in the Official Records of Santa Clara and San Benito Counties, California, which recording shall take place concurrently with recording of the deeds transferring the Property from TNC to POST (“**Effective Date**”).
- 9. Assignment and Assumption. TNC hereby assigns and transfers to POST all obligations and responsibilities of TNC under the Grant Agreement. POST hereby accepts the assignment and assumes and agrees to perform, from and after the Effective Date, as a direct obligation to FPA, all the provisions of the Grant Agreement (“**Assumed Obligations**”).

POST represents and warrants to FPA that POST has all necessary and appropriate right, power and authority to hold title to the Property; enter into and perform this Assignment; and assume and carry out the Assumed Obligations.

- 10. Indemnification. TNC indemnifies and holds POST harmless from all loss, cost, liability and expense incurred by POST from claims arising under the Grant Agreement to the

extent the claims are based on events occurring prior to the Effective Date. POST indemnifies TNC and holds TNC harmless from all loss, cost, liability and expense incurred by TNC from claims arising under the Grant Agreement to the extent the claims are based on events occurring from and after the Effective Date.

- 11. FPA's Consent. Upon the Effective Date, in consideration of the assumption of the Assumed Obligations, FPA consents to the transfer of the Property and assignment of the Grant Agreement as described in this Assignment to POST, without waiver of any restriction upon further transfer and assignment, and releases TNC from any obligations under the Grant Agreement that accrue from and after the Effective Date.
- 12. Successors. This Assignment shall be binding upon and inure to the benefit of TNC, POST and FPA and their respective successors and assigns.
- 13. Effectiveness of Grant Agreement. The terms and conditions of the Grant Agreement and related recorded documents (e.g., Memorandums of Unrecorded Grant Agreement) remain unmodified and in full force and effect except that any notices for the grantee under the Grant Agreement shall, as of the Effective Date, be addressed to:

Director of Conservation and Stewardship
 Peninsula Open Space Trust
 222 High Street
 Palo Alto, CA 94301

- 14. Additional Documents. TNC and POST shall execute, acknowledge and deliver any further assignments, conveyances and other assurances, documents and instruments as FPA may reasonably request, and shall take any other action consistent with the terms of this Assignment that FPA may reasonably request to carry out the Assignment.

IN WITNESS WHEREOF, the undersigned have executed this Assignment on the dates set forth below.

TNC:

THE NATURE CONSERVANCY, a District of Columbia nonprofit corporation

By: _____
 Name: _____
 Title: _____
 Date: _____

POST:

PENINSULA OPEN SPACE TRUST, a California nonprofit public benefit corporation

By: _____
 Name: Gordon Clark
 Title: President
 Date: _____

FPA:

PAJARO RIVER WATERSHED FLOOD

PREVENTION AUTHORITY, a joint powers
authority created by a special act of the
California Legislature

By: _____
Name: _____
Title: _____
Date: _____

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, _____, 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 _____

(Seal)

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, _____, 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 _____

(Seal)

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State of California
County of _____)

On _____ before me, _____, 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 _____

(Seal)

EXHIBIT A
LEGAL DESCRIPTION OF THE PROPERTY

[THE LEGAL DESCRIPTION UNDERLIES THIS EXHIBIT A COVER PAGE]

Exhibit F

List of Property Documents

1. Appraisal Report: Hulberg and Associates, December 28, 2011 (Valuation Date: November 18, 2011)
2. Appraisal Report: Valbridge Property Advisors, July 19, 2021
3. Assessor Parcel Maps
4. Court Order Authorizing Sale to TNC May 2012
5. Grant Agreement: Pajaro River Watershed Flood Prevention Authority, May 28, 2013
6. Grant Agreement: Santa Clara Valley Water District, August 10, 2012
7. High Speed Rail Access Request April 2019
8. Invoice for Work June 9 2023 Bloomfield Road Replace Booster Pump
9. Invoice for Work June 30 2023 Bloomfield Road Replace Pressure Tank
10. Invoice for Work May – June 2023 Frazier Land Road Ag Pump
11. Lease – Open Space Meats
12. Lease Amendment 2024 – Open Space Meats
13. Memorandum of Unrecorded Grant Agreements: Pajaro River Watershed Flood Prevention Authority, May 28, 2013 (Santa Clara and San Benito Counties)
14. Memorandum of Unrecorded Grant Agreements: Santa Clara Valley Water District, September 28, 2012 (Santa Clara and San Benito Counties)
15. Phase I ESA: Diablo Green Consulting, June 28, 2012
16. Phase II ESA: Diablo Green Consulting, August 18, 2012
17. Policy of Title Insurance: First American Title Company, September 28, 2012
18. Preliminary Title Report: First American Title Company, May 9, 2023 Update with supporting documents
19. Seller Completed POST Property Questionnaire
20. Survey - August 2012 (unrecorded)
21. Tax Bills FY24-25
22. USDA Farm and Tract Number Correspondence
23. USFWS Partners in Restoration Grant – EXPIRED July 8 2023
24. USFWS Partners in Restoration Grant – Intra-Service Section 7 Biological Evaluation
25. Williamson Act Contract – San Benito County – Interpretation of Resolution No. 67-58

1925550.3

Attachment 4

RECORDING REQUESTED BY:

Pajaro River Watershed Flood Prevention Authority, a joint powers authority created by a special act of the California Legislature

AND WHEN RECORDED, RETURN TO:

Peninsula Open Space Trust
222 High Street
Palo Alto, CA 94301

Space Above for Recorder’s Use Only

Exempt from recording fees per Govt. Code Section 27383

APNs: San Benito County 013-010-029, -031

Santa Clara County 841-40-006, -008

**ASSIGNMENT AND ASSUMPTION OF GRANT AGREEMENT FOR
ACQUISITION OF FEE INTEREST
AND
CONSENT TO TRANSFER OF FEE INTEREST**

(Mt. Hamilton Project – Gonzales Ranch – Pajaro River Watershed Flood Prevention Authority)

This Assignment and Assumption of Pajaro River Watershed Flood Prevention Authority Grant Agreement for Acquisition of Fee Interest (“**Assignment**”) is made as of the last date of execution set forth in the signature blocks below, by and between the Pajaro River Watershed Flood Prevention Authority, a joint powers authority created by a special act of the California Legislature (“**FPA**”), The Nature Conservancy, a District of Columbia nonprofit corporation (“**TNC**”) and the Peninsula Open Space Trust, a California nonprofit public benefit corporation (“**POST**”), with reference to the following facts:

A. FPA and TNC are parties to the following grant agreement:

Pajaro River Watershed Flood Prevention Authority Grant Agreement for Acquisition of Fee Interest, dated effective May 28, 2013 (“**Grant Agreement**”), pursuant to which FPA granted to TNC funds to facilitate TNC’s acquisition of approximately 165 acres of real property located in Santa Clara and San Benito Counties, California, more particularly described in **Exhibit A** attached to this Assignment and incorporated herein by reference (“**Property**”). Memorandums of Unrecorded Grant Agreement giving public notice that TNC received funds from FPA to assist TNC in

acquiring the Property and of certain rights of FPA under the Grant Agreement, were recorded in the Official Records of Santa Clara County on March 1, 2016, as Document No. 23233692 and San Benito County on March 7, 2016, as Document No. 2016-0002107.

- B. Grant Deeds transferring the Property, made by Joe F. Gonzales, a single man, as Grantor, to TNC, were recorded in the Official Records of Santa Clara County, California on September 28, 2012, as Document No. 21880622, and the Official Records of San Benito County, California on September 28, 2012, as Document No. 2012-0009190.
- C. TNC now desires to transfer to POST all of its rights, title and interest in the Property acquired with funding by FPA and POST desires to accept transfer of the Property from TNC.
- D. TNC desires, concurrently with the transfer of its interest in the Property, to assign and transfer to POST all of its obligations and responsibilities under the Grant Agreement.
- E. POST desires, and is ready, willing and able, to assume all of the obligations and responsibilities of TNC under the Grant Agreement.
- F. FPA is willing to consent to the transfer of the Property and assignment of the Grant Agreement from TNC to POST upon and subject to the terms and conditions set forth in this Assignment.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, FPA, TNC and POST hereby agree as follows:

1. Effective Date. This Assignment shall be deemed effective as of the date of the recording of this Assignment in the Official Records of Santa Clara and San Benito Counties, California, which recording shall take place concurrently with recording of the deeds transferring the Property from TNC to POST (“**Effective Date**”).
2. Assignment and Assumption. TNC hereby assigns and transfers to POST all obligations and responsibilities of TNC under the Grant Agreement. POST hereby accepts the assignment and assumes and agrees to perform, from and after the Effective Date, as a direct obligation to FPA, all the provisions of the Grant Agreement (“**Assumed Obligations**”).

POST represents and warrants to FPA that POST has all necessary and appropriate right, power and authority to hold title to the Property; enter into and perform this Assignment; and assume and carry out the Assumed Obligations.

3. Indemnification. TNC indemnifies and holds POST harmless from all loss, cost, liability and expense incurred by POST from claims arising under the Grant Agreement to the

extent the claims are based on events occurring prior to the Effective Date. POST indemnifies TNC and holds TNC harmless from all loss, cost, liability and expense incurred by TNC from claims arising under the Grant Agreement to the extent the claims are based on events occurring from and after the Effective Date.

4. FPA's Consent. Upon the Effective Date, in consideration of the assumption of the Assumed Obligations, FPA consents to the transfer of the Property and assignment of the Grant Agreement as described in this Assignment to POST, without waiver of any restriction upon further transfer and assignment, and releases TNC from any obligations under the Grant Agreement that accrue from and after the Effective Date.
5. Successors. This Assignment shall be binding upon and inure to the benefit of TNC, POST and FPA and their respective successors and assigns.
6. Effectiveness of Grant Agreement. The terms and conditions of the Grant Agreement and related recorded documents (e.g., Memorandums of Unrecorded Grant Agreement) remain unmodified and in full force and effect except that any notices for the grantee under the Grant Agreement shall, as of the Effective Date, be addressed to:

Director of Conservation and Stewardship
Peninsula Open Space Trust
222 High Street
Palo Alto, CA 94301

7. Additional Documents. TNC and POST shall execute, acknowledge and deliver any further assignments, conveyances and other assurances, documents and instruments as FPA may reasonably request, and shall take any other action consistent with the terms of this Assignment that FPA may reasonably request to carry out the Assignment.

IN WITNESS WHEREOF, the undersigned have executed this Assignment on the dates set forth below.

TNC:

THE NATURE CONSERVANCY, a District
of Columbia nonprofit corporation

By: _____
Name: _____
Title: _____
Date: _____

POST:

PENINSULA OPEN SPACE TRUST,
a California nonprofit public benefit
corporation

By: _____
Name: Gordon Clark
Title: President
Date: _____

FPA:

PAJARO RIVER WATERSHED FLOOD
PREVENTION AUTHORITY, a joint powers
authority created by a special act of the California Legislature

By: _____
Name: _____
Title: _____
Date: _____

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, _____, 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 _____

(Seal)

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State of California
County of _____)

On _____ before me, _____, 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 _____

(Seal)

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State of California
County of _____)

On _____ before me, _____, 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 _____

(Seal)

ORDER NO. : 0623019962**EXHIBIT A - San Benito Portion**

The land referred to is situated in the unincorporated area of the County of San Benito, State of California, and is described as follows:

Beginning at the point of intersection of the center line of the Frazier Lake Road with the South Easterly line of the San Ysidro Rancho, from which point the Southernmost corner of said Rancho bears South 37 degrees 40 min. West 40.78 chs. distant; running thence along said line of said Rancho North 37degrees 40 min. East 109.035 chs. to a point in the center line of the Pacheco Pass Road; running thence along said center line of said Pacheco Pass Road North 63 degrees 24 min. West 5.947 chs. to a point, thence South 54 degrees 27 min. West 43.135 chs. to a point; thence North 34 deg. 41 min. West 7.24 chs. to the South Easterly corner of lands of Alexander Watson; thence along the Southerly line of said lands of Alexander Watson South 54 degrees 45 min. West 63.80 chs. to the center line of the Frazier Lake Road; and thence along said center line of said Frazier Lake Road South 42 degrees 30 min. East 44.80 chs. to the place of beginning, and containing 244.40 acres, more or less, and being a portion of Lot numbered 5, upon the Map accompanying the Report of the Commissioners in the Action in Partition wherein John W. Clifton, et al, were plaintiffs, and J.H. Ellis, was defendant, brought in the District Court of the Third Judicial District of the State of California, in and for the County of Santa Clara, Case No. 3985 and being a part of the San Ysidro Rancho.

Excepting therefrom the following described Parcel in Santa Clara County:

Beginning at a point in the centerline of Frazier Lake Road at the Southernmost corner of that certain parcel of land conveyed by Alexander Watson, et ux, to Alexander James Watson, by Deed dated May 16, 1916 and recorded January 4, 1917 in Book 451 of Deeds at Page 533, said point of beginning being the Westernmost corner of that certain 274.70 acre tract of land set apart to Marion Ellis by that certain Decree in Partition a certified copy of which was recorded December 23, 1926 in Book 289 of Official Records, at Page 234 from which point of beginning 2" x3" stake marked "W.P.E.D." standing on the Easterly line of said Road, bears North 54 deg. 53' East 0.443 chains; thence, from said point of beginning along the Southeasterly line of land so conveyed to Alexander James Watson, North 54 deg. 53' East 63.814 chains to a 2"x4" stake marked "2" standing in the Southwesterly line of that certain 200 acre parcel of land conveyed by Virginia Maze, et vir to Ernest H. Woon, et ux, by Deed dated March 18, 1925 and recorded March 27, 1925 in Book 143 of Official Records, at Page 210; thence along said Southwesterly line of the land of Woon and the continuation thereof, South 34 deg. 33' East 16.300 chains to an automobile axle (at 7.22 chains on this course is a 1 inch pipe at the fence corner in a small slough at the Southerly corner of the land of Woon); thence, South 54 deg. 53' West 61.655 chains to a point in the centerline of Frazier Lake Road from which point a 3/4" pipe standing on the Easterly line of said road bears North 54 deg. 52' East 0.443 chains; thence, along the centerline of said road, North 42 deg. 7' West 16.432 chains to the point of beginning.

Also excepting therefrom that 0.92 acres of land conveyed to the United States of America for an underground pipeline.

By Deed recorded June 08, 1983 in Vol. 495, Page 120, San Benito County Records.

APN: 013-010-029-000 and 013-010-031-000

ORDER NO. : 0623019961

EXHIBIT A - Santa Clara Portion

The land referred to is situated in the unincorporated area of the County of Santa Clara, State of California, and is described as follows:

THAT PART OF THE SAN YSIDRO RANCH, BEING A PORTION OF LOT NO. 5, UPON THE MAP ACCOMPANYING THE REPORT OF COMMISSIONERS IN THE ACTION IN PARTITION, WHEREIN JOHN W. CLIFTON, ET AL, WERE PLAINTIFFS, AND J. H. ELLIS WAS DEFENDANT, BROUGHT IN THE DISTRICT COURT OF THE THIRD JUDICIAL DISTRICT OF THE STATE OF CALIFORNIA, IN AND FOR THE COUNTY OF SANTA CLARA, CASE NO. 3085, BOUNDED AND PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE POINT OF INTERSECTION OF THE CENTER LINE OF THE FRAZIER LAKE ROAD WITH THE SOUTHEASTERLY LINE OF THAT PORTION OF THE SAN YSIDRO RANCHO, PATENTED TO QUINTIN ORTEGA AND FROM WHICH A 2" X 3" STAKE MARKED "W.P.E.B." BEARS NORTH 37° 45' EAST 0.495 CHAINS; THENCE ALONG THE SOUTHEASTERLY LINE OF SAID RANCHO, NORTH 37° 45' EAST 108.53 CHAINS TO A STAKE MARKED "E. P. 1" STANDING IN THE WESTERLY LINE OF THE PACHECO PASS ROAD; THENCE ALONG THE WESTERLY LINE OF SAID ROAD NORTH 62° 20' WEST 6.12 CHAINS TO A 2" X 3" STAKE MARKED "E.P.2" STANDING IN THE SOUTHEASTERLY LINE OF LANDS NOW OR FORMERLY OF S. M. MAZE; THENCE ALONG THE SOUTHEASTERLY LINE OF LAST MENTIONED LANDS, SOUTH 54° 41' WEST 42.61 CHAINS TO A FENCE CORNER IN THE SMALL SLOUGH; THENCE NORTH 34° 33' WEST 7.22 CHAINS TO A 2" X 4" STAKE MARKED "2"; THENCE ALONG THE LINE BETWEEN LANDS FORMERLY OF A. WATSON AND LANDS OF MARION ELLIS, SOUTH 54° 53' WEST 63.814 CHAINS TO THE CENTER LINE OF THE FRAZIER LAKE ROAD, FROM WHICH A 2" X 3" STAKE MARKED "W.P.E." STANDING IN THE EASTERLY SIDE OF SAID ROAD, BEARS NORTH 54° 53' EAST 0.443 CHAINS; THENCE ALONG THE CENTER LINE OF SAID ROAD, SOUTH 42° 7' EAST 44.81 CHAINS TO THE POINT OF BEGINNING.

EXCEPTING THEREFROM SO MUCH THEREOF DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT IN THE CENTER LINE OF FRAZIER LAKE ROAD AT THE SOUTHERNMOST CORNER OF THE CERTAIN PARCEL OF LAND CONVEYED BY ALEXANDER WATSON, ET UX, TO ALEXANDER JAMES WATSON, BY DEED DATED MAY 16, 1916, RECORDED JANUARY 4, 1917 IN BOOK 451 OF DEEDS, PAGE 534 SAID POINT OF BEGINNING BEING THE WESTERNMOST CORNER OF THAT CERTAIN 274.70 ACRE TRACT OF LAND SET APART TO MARION ELLIS BY THAT CERTAIN DECREE IN PARTITION, A CERTIFIED COPY OF WHICH WAS RECORDED DECEMBER 23, 1926 IN BOOK 289 OF OFFICIAL RECORDS, PAGE 234, FROM WHICH POINT OF BEGINNING A 2" X 3" STAKE MARKED "W.P.L." STANDING ON THE EASTERLY LINE OF SAID ROAD, BEARS NORTH 54° 53' EAST 0.443 CHAINS; THENCE FROM SAID POINT OF BEGINNING ALONG THE SOUTHEASTERLY LINE OF THE LAND SO CONVEYED TO ALEXANDER JAMES WATSON, NORTH 54° 53' EAST 63.8144 CHAINS TO A 2" X 4" STAKED MARKED "2" STANDING IN THE SOUTHWESTERLY LINE OF THAT CERTAIN 200 ACRE PARCEL OF LAND CONVEYED BY VIRGINIA MAZE, ET VIR, TO ERNEST H. WOON, ET UX, BY DEED DATED MARCH 18, 1925, RECORDED MAY 27, 1925 IN BOOK 143 OF OFFICIAL RECORDS, PAGE 210; THENCE ALONG SAID SOUTHWESTERLY LINE OF THE LAND OF WOON, AND THE CONTINUATION THEREOF, SOUTH 34° 33' EAST 16.300 CHAINS TO AN AUTOMOBILE EXCEL (AT 7.22 CHAINS ON THIS COURSE AS A 1 INCH PIPE AT THE FENCE

CORNER IN A SMALL SLOUGH AT THE SOUTHERLY CORNER OF THE LAND OF WOON); THENCE SOUTH 54° 53' WEST 61.655 CHAINS TO A POINT IN THE CENTER LINE OF FRAZIER LAKE ROAD, FROM WHICH POINT A 3/4" PIPE STANDING ON THE EASTERLY LINE OF SAID ROAD, BEARS NORTH 64° 64' 62" EAST 0.443 CHAINS; THENCE ALONG THE CENTER LINE OF SAID ROAD, NORTH 42° 7' WEST 16.432 CHAINS TO THE POINT OF BEGINNING. CONTAINING APPROXIMATELY 102.255 ACRES AND BEING A PORTION OF THE RANCHO SAN YSIDRO.

ALSO EXCEPTING THEREFROM THAT PORTION THEREOF AS CONVEYED TO THE UNITED STATES OF AMERICA, BY DEED RECORDED JULY 22, 1983 IN BOOK H741 PAGE 589, OFFICIAL RECORDS, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

A STRIP OF LAND HAVING A UNIFORM WIDTH OF 52.49 FEET, WHERE MEASURABLE AT RIGHT ANGLES, LYING 16.4 FEET ON THE NORTHERLY SIDE, AND LYING 36.09 FEET ON THE SOUTHERLY SIDE OF THE FOLLOWING DESCRIBED CENTERLINE; BEGINNING AT A POINT IN THE SOUTHWESTERLY BOUNDARY LINE OF SAID PARCEL (288 OR 304, SANTA CLARA), DISTANT THERE ALONG SOUTH 33° 52' 08" EAST 171.60 FEET FROM A ONE INCH IRON PIPE, TAGGED "LS2550", MARKING A WESTERLY CORNER OF SAID PARCEL; SAID POINT OF BEGINNING BEING IN THE SANTA CLARA COUNTY PORTION OF RANCHO SAN YSIDRO (ORTEGA); THENCE FROM SAID POINT OF BEGINNING, SOUTH 74° 37' 19" EAST 1,145.75 FEET TO THE POINT OF TERMINUS IN THE SOUTHEASTERLY BOUNDARY LINE OF SAID PARCEL, (54 OR 135, SAN BENITO), DISTANT THERE ALONG SOUTH 41° 08' 34" WEST 39.70 FEET FROM A ONE INCH IRON PIPE MARKING THE MOST NORTHERLY CORNER OF THE MENDOZA PROPERTY (391 OR 836, SAN BENITO); SAID POINT OF TERMINUS BEING IN SAN BENITO COUNTY; THE SIDELINE BOUNDARIES ARE TO BE LENGTHENED OR SHORTENED, AS THE CASE MAY BE, SO AS TO BEGIN IN THE SOUTHWESTERLY BOUNDARY LINE OF SAID PARCEL (288 OR 304, SANTA CLARA COUNTY) AND TERMINATE IN THE SOUTHEASTERLY BOUNDARY LINE OF SAID PARCEL (54 OR 135, SAN BENITO); SAID SOUTHEASTERLY BOUNDARY LINE OF WHICH IS COINCIDENT WITH THE GRANT LINE COMMON TO RANCHO LLANO DEL TEQUISQUITA AND SAID RANCHO SAN YSIDRO (ORTEGA).

ALSO EXCEPTING THEREFROM ALL THAT PORTION THAT LIES WITHIN THE COUNTY AT SAN BENITO.

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2025 PRWFPA Meeting Calendar

November 7, 2025:

Zoom Webinar

Meeting Time: 9 am

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PRWFPA Acronym Guide	
ABC Law	Atchison Barisone & Condotti
AEP	Annual Exceedance Probability
AFB	Alternate Formulation Briefing
ASA-CW	Assistant Secretary of the Army, Civil Works
cfs	Cubic feet per second
CEQA	California Environmental Quality Act
DWR	Department of Water Resources
EIR	Environmental Impact Report
EIS	Environmental Impact Statement
EPA	Environmental Protection Agency
ESA	Environmental Science Associates
FCSA	Federal Cost Sharing Agreement
FEIS	Final Environmental Impact Statement
FRM	Flood Risk Management
FRRP	Flood Risk Reduction Project
FY	Fiscal Year
FFY	Federal Fiscal Year
GRR	General Reevaluation Report
LPP	Locally Preferred Plan
LRP	Locally Requested Plan
MCWRA	Monterey County Water Resources Agency
NED	National Economic Development
NFS	Non-Federal Sponsors
NEPA	National Environmental Policy Act
OMB	Office of Management & Budget
OSA	Santa Clara County Open Space Authority
PED	Preconstruction Engineering and Design
PDT	Project Delivery Team

PRWFPA	Pajaro River Watershed Flood Prevention Authority
RAPS, Inc.	Regional Analysis Planning Services, Inc.
RWQCB	Regional Water Quality Control Board
SBCWD	San Benito County Water District
SCVWD	Santa Clara Valley Water District
SF	San Francisco
SMART Planning	Specific, Measurable, Attainable, Risk Informed, Timely Planning
SWG	Staff Working Group
SWRCB	State Water Resources Control Board
TNC	The Nature Conservancy
TSP	Tentatively Selected Plan
USACE	U.S. Army Corps of Engineers
WRDA	Water Resources Development Act