Project:

Betteravia Ranches Purchase

Agreement

A.P.N.:

113-240-002

Folio:

003691

Agent:

DG

PURCHASE AGREEMENT AND ESCROW INSTRUCTIONS

This PURCHASE AGREEMENT AND ESCROW INSTRUCTIONS ("Agreement") is made and entered into by and between Betteravia Ranches, LLC, a California Limited Liability Company ("Seller"), and the LAGUNA COUNTY SANITATION DISTRICT, a political subdivision of the State of California ("Buyer"); with reference to the following:

WHEREAS, Seller is the fee simple owner of a an approximately 328.9 acre parcel of land in the unincorporated area of the County of Santa Barbara, State of California, commonly identified as Santa Barbara County Assessor's Parcel Number 113-240-002, located approximately one mile west of Black Road, and one half mile north of Highway 1, west of the City of Santa Maria, California, and more particularly described on Exhibit "A" attached hereto and incorporated herein by reference ("Betteravia Property"); and

WHEREAS, Buyer owns and operates a wastewater treatment facility ("Facility") on the property that borders the Betteravia Property on the north side and on the west side of the Betteravia Property, and desires to acquire an approximately 126.7 portion of the Betteravia Property (the "Parcel") for the purpose of expanding its capacity to discharge treated wastewater from the Facility; and

WHEREAS, Seller intends to sell the approximately 126.7 acre Parcel, which is on the north side of and excludes the creek that crosses the Betteravia Property, more particularly described and depicted on Exhibit "B", attached hereto and incorporated herein by reference, to Buyer, and Buyer intends to purchase the Parcel from Seller in order to expand its operations at the Facility.

NOW THEREFORE, in consideration of the covenants and conditions contained herein, the parties agree that Seller shall remise, release, and convey to Buyer and Buyer shall accept all right, title, and interest in and to the Parcel, subject to the following terms and conditions:

- 1. <u>SALE AND PURCHASE PRICE</u>. Subject to the terms and conditions contained in this Purchase Agreement, Buyer agrees to purchase from Seller, and Seller agrees to sell to Buyer, fee ownership of the Parcel, subject to the following:
- a. The total purchase price for the Parcel shall be EIGHT HUNDRED NINETY THOUSAND DOLLARS (\$890,000.00).
- b. Upon final execution by Buyer, Buyer shall return a duplicate original of this Agreement to Seller, and shall open escrow pursuant to Section 2 hereof, and shall deliver to the

escrow holder a copy of this Agreement.

- c. Escrow shall be open for a period of SIXTY (60) DAYS to allow Buyer to complete its investigation of the Parcel, and to satisfy all conditions described herein (the "Due Diligence Period").
- d. During the Due Diligence Period, Buyer may, in its sole and absolute discretion, elect to terminate this Agreement based upon any of the following:
 - i. its review of the condition of the Property upon its investigation of the Property, which may include but shall not be limited to a Phase One Environmental Site Assessment, a CEQA analysis, or any other studies related to the condition of the Parcel or title to the Parcel;
 - ii. a hearing before the County Planning Commission pursuant to a California Government Code Section 65402 consistency finding; or
 - iii. Buyer's inability to complete any of the studies or actions set forth above.
- e. If Buyer fails to deliver notice of its election to terminate on or before 5:00 p.m. on the last day of the Due Diligence Period, then Buyer shall be deemed to have waived this condition. If the last day of the Due Diligence Period falls on a weekend or holiday, the Due Diligence Period shall be extended until 5:00 p.m. of the following day.
- f. Within ten days of the opening of escrow, Buyer will deliver to the escrow holder the Grant Deed which has been duly executed and acknowledged by Seller, in substantially the same form shown on Exhibit "C", attached hereto and incorporated herein by reference; and a Certificate of Acceptance for the Parcel which has been executed by Buyer, in substantially the same form shown on Exhibit "D", attached hereto and incorporated herein by reference.
- g. At least one (1) day prior to the close of escrow, Buyer shall deposit with the escrow officer the purchase price plus costs of pro-rations, fees, and expenses pursuant to this Agreement.
- h. Completion of the California Environmental Quality Act (CEQA) environmental review process for this transaction, and the approval and appropriation of funding by the Laguna County Sanitation District Board of Directors are express conditions precedent to Buyer's duty to purchase. Notwithstanding any other provision in this Agreement, Buyer, at Buyer's option, may extend escrow up to sixty (60) days to permit the funding approval and appropriation by the Laguna County Sanitation District Board of Directors. In the event Buyer opts to extend the escrow period pursuant to this section, Buyer shall provide written notice to Seller no later than 5:00 p.m. of the last day of the Due Diligence Period.
- i. Issuance by the Santa Barbara County Surveyor of a Certificate of Compliance for the remaining approximately 202.2 acre portion of the Betteravia Property (Assessor Parcel Number 113-240-002), to be recorded subsequent to recordation of the Grant Deed vesting title to the Parcel in Buyer.

- 2. ESCROW AND OTHER FEES: Within TEN (10) days following the execution of this Agreement by Buyer, Buyer shall open escrow at Fidelity National Title Company, 2222 S. Broadway, Suite G, Santa Maria, California, or at such other escrow company as may be agreed to by Seller and Buyer ("Escrow Holder"); with escrow instructions to be based upon the terms and conditions set forth herein, and Buyer shall deliver a copy of this Agreement to the Escrow Holder. On behalf of Buyer, the Director of the County of Santa Barbara Department of General Services, or designee, shall execute the necessary escrow instructions and/or additional instructions, which may be required to complete the closing of this real property transaction. This Agreement shall become part of the escrow and shall constitute the basic instructions and documents as are reasonably required to complete the closing of the transaction contemplated herein, in accordance with the terms and conditions of this Agreement. In case of conflict between this Agreement and any related escrow documents, the terms of this Agreement shall control.
- a. The Closing shall be on or before June 1, 2014 (the "Closing Date"), or such other date as the parties hereto shall mutually agree in writing. The "Closing" is defined as the satisfaction of all conditions herein stated, except those conditions that may be waived by an express written waiver duly executed by Seller and the recordation of a Grant Deed which shall vest title to the Parcel in Buyer.
 - b. Escrow, title and other fees shall be paid as follows:
 - i. Buyer shall pay all County Documentary Transfer Tax ("Transfer Tax").
 - ii. A Standard California Land Title Association owner's policy of title insurance covering the Parcel shall be paid for by Buyer.
 - iii. Buyer shall pay for any additional title insurance coverage that may be required by Buyer.
 - iv. Buyer shall pay the Escrow Holder's fee, subject to the following:
 - (1) Seller shall pay Escrow Holder's fee incurred if escrow is cancelled by Seller prior to Closing.
- c. Prior to the Closing Date, Seller shall reimburse Buyer in an amount not to exceed TWENTY-FIVE HUNDRED DOLLARS (\$2,500.00) for one-half (1/2) of the costs incurred by Buyer for the preparation and processing of the Certificate of Compliance issued by the Santa Barbara County Surveyor for the remaining approximately 202.2 acre portion of the Betteravia Property (Assessor Parcel Number 113-240-002), as set forth in Section 1i above.
 - d. Escrow Holder shall be obligated as follows:
 - i. To provide a current preliminary title report covering the Parcel at Buyer's expense.
 - ii. To record prior to Closing, the Grant Deed, the Certificate of Acceptance, and a Certificate of Compliance for the remaining approximately 202.2-acre portion of

the Betteravia Property (Assessor Parcel Number 113-240-002), to be recorded subsequent to recordation of the Grant Deed vesting title to the Parcel in Buyer.

- iii. To issue or have issued to Buyer the California Land Title Association policy of title insurance required herein, including an ALTA extended coverage Policy, if required by Buyer; however, issuance of the ALTA coverage shall not delay the Closing.
- 3. <u>COMMISSION</u>: It is understood that Buyer represents itself in this transaction and that any commission paid to any agent or broker representing Buyer in this transaction shall be paid by Buyer.
- 4. PROPERTY "AS IS WITH ALL FAULTS": BUYER SPECIFICALLY ACKNOWLEDGES THAT SELLER IS SELLING AND BUYER IS PURCHASING THE PARCEL ON AN "AS IS WITH ALL FAULTS" BASIS AND THAT BUYER IS NOT RELYING ON ANY REPRESENTATIONS OR WARRANTIES OF ANY KIND WHATSOEVER, EXPRESSED OR IMPLIED, FROM SELLER, ITS AGENTS, OR BROKERS AS TO ANY MATTERS CONCERNING THE PARCEL, INCLUDING WITHOUT LIMITATION: its physical condition; its geology; the development potential of the Parcel and its use, habitability, merchantability, or fitness for a particular purpose; its zoning or other legal status; its compliance with law; the presence or removal of hazardous or toxic materials, substances, or wastes on, under or about the Parcel or the neighboring property; or the condition of title to the Parcel.

Buyer's Initials

5. INSPECTION BY BUYER: Buyer shall have the right of entry onto the Parcel to conduct such non-invasive and non-intrusive inspections and testing thereon as are, in Buyer's sole discretion, necessary to reasonably determine the condition of the Parcel. The scope of any such testing or inspection which requires physical sampling of all or any part of the Parcel shall be subject to: (a) the prior written approval of Seller, which Seller may withhold or condition in its sole and absolute discretion, (b) Seller's receipt of a certificate of insurance evidencing any insurance coverage reasonably required by Seller pursuant to this Section, and (c) the requirement that Buyer conduct all such inspections and testing, including the disposal of samples taken, in accordance with applicable law and at no cost or liability to Seller. Buyer shall complete such inspections and testing within the Due Diligence Period and shall restore all areas of the Parcel to its pre-test and pre-inspection condition as near as is practicable.

If any toxins or contaminates are discovered, Buyer shall notify Seller immediately, and Seller shall have the right, but not the responsibility to take any actions in response to such notifications that it deems necessary in its sole and absolute discretion. If Seller elects not to take actions in response to such notifications, then, notwithstanding other provisions contained herein, Seller and/or Buyer shall have the right (prior to the expiration of the Due Diligence Period) to terminate this Agreement with no further liability.

Buyer shall give Seller written notice prior to the commencement of any testing or inspections in, on or about the Parcel, and Seller shall have the right to post Notices of Testing, and/or Notices of Non-responsibility as provided by law. All testing on the Parcel shall keep the Parcel free and clear of claims, charges and/or liens for labor and materials, and Buyer shall

defend, indemnify and save harmless Seller, its officials, officers, agents and employees from and against any and all claims, demands, damages, costs, expenses (including attorney's fees), judgments or liabilities arising out of, related to, or in connection with any such testing, inspection or entry by Buyer, its partners, officers, directors, members, shareholders, independent contractors, agents or employees.

- 6. <u>TITLE AND DEED:</u> Title to the Parcel is to be free of liens, encumbrances, restrictions, conditions, rights to possession or claims thereto (recorded and/or unrecorded) known to Seller, except:
 - a. All covenants, conditions, restrictions, and reservations of record approved by Buyer.
- b. All easements or rights-of-way over the Parcel for public or quasi-public utility or public street purposes, if any, approved by Buyer.
 - c. All exceptions contained in the preliminary title report as may be approved by Buyer.

Buyer shall have the right to review the preliminary title report and disapprove in writing any items disclosed in said report prior to the close of escrow. Seller shall have thirty (30) days from receipt of Buyer's notice of disapproval to correct the condition(s) that adversely affect the Parcel. Failure to so correct shall be grounds for termination of this Agreement by Buyer.

Escrow shall be automatically extended for thirty (30) days where there is a need for Seller to correct an adverse condition unless Seller refuses to correct such condition or unless correction requires more than thirty (30) days in which case escrow shall be extended to the date of refusal or date of correction respectively.

- 7. <u>TIME OF ESSENCE</u>: Time is of the essence in the performance by the parties in respect to this Agreement.
- 8. <u>NOTICES</u>: All notices, documents, correspondence, and communications concerning this transaction shall be addressed as set forth below or as either party may hereafter designate by written notice and shall be sent through the United States mail duly registered or certified with postage prepaid. Notwithstanding the above, Buyer may also provide notices, documents, correspondence or such other communications to Seller by personal delivery or by first class mail postage prepaid and any such notices, documents, correspondence and communications so given shall be deemed to have been given upon actual receipt.

IF TO SELLER:

Betteravia Ranches, LLC Attn: Joe Leonard P.O. Box 5079 Santa Maria, CA 93456-5079 (805) 459-4739 Facsimile: (805) 922-7982

IF TO BUYER:

Laguna County Sanitation District Attn: Martin J. Wilder County of Santa Barbara Public Works Department 620 West Foster Road Santa Maria, CA 93455 (805) 739-8750

Facsimile: (805) 739-8753

ESCROW HOLDER:

Fidelity National Title Insurance Company

Attn: Mary Baez

2222 S. Broadway, Suite G Santa Maria, CA 93455

(805) 922-8331

Facsimile: (805) 928-7111

- 19. <u>SUCCESSORS</u>: This Agreement shall bind and inure to the benefit of the respective heirs, personal representatives, successors and assignees of the parties to this Agreement.
- 10. <u>ASSIGNMENT PROHIBITION</u> Buyer shall not assign its rights or delegate its duties under this Agreement, without the prior written consent of Seller, which consent may be withheld. Any sale, assignment, or other transfer in violation of this Section 10 shall be null and void.
- 11. <u>WAIVERS</u>: No waiver of any breach of any covenant or provision in this Agreement shall be deemed a waiver of any other covenant or provision, and no waiver shall be valid unless in writing and executed by the waiving party.
- 12. <u>CONSTRUCTION</u>: Section headings are solely for the convenience of the parties and are not a part and shall not be used to interpret this Agreement. The singular form shall include the plural and vice-versa. This Agreement shall not be construed as if it had been prepared by one of the parties, but rather as if both parties have prepared it. Unless otherwise indicated, all references to sections are to this Agreement.
- 13. <u>FURTHER ASSURANCES</u>: Whenever requested by the other party, each party shall execute, acknowledge and deliver all further conveyances, agreements, confirmations, satisfactions, releases, powers of attorney, instruments of further assurances, approvals, consents and all further instruments and documents as may be necessary, expedient or proper to complete any conveyances, transfers, sales, and agreements covered by this Agreement, and to do all other acts and to execute, acknowledge, and deliver all requested documents to carry out the intent and purpose of this Agreement.
- 14. THIRD PARTY RIGHTS: Nothing in this Agreement, express or implied, is intended to confer on any person, other than the parties to this Agreement and their respective successors and assigns, any rights or remedies under or by reason of this Agreement.
- 15. <u>INTEGRATION</u>: This Agreement contains the entire agreement between the parties, and expressly supersedes all previous or contemporaneous agreements, understandings, representations, or statements between the parties respecting the purchase of the Parcel.
- 16. <u>COUNTERPARTS</u>: This Agreement may be executed in one or more counterparts, each of which taken together shall constitute one and the same instrument.

- 17. <u>AMENDMENT</u>: This Agreement may not be amended or altered except by a written instrument executed by Buyer and Seller.
- 18. <u>PARTIAL INVALIDITY</u>: Any provision of this Agreement that is unenforceable or invalid or the inclusion of which would adversely affect the validity, legality, or enforceability of this Agreement shall be of no effect, but all the remaining provisions of this Agreement shall remain in full force and effect.
- 19. <u>EXHIBITS</u>: All attached exhibits are incorporated in this Agreement by reference.
- 20. <u>AUTHORITY OF PARTIES</u>: All persons executing this Agreement on behalf of any party to this Agreement warrant that they have the authority to execute this Agreement on behalf of that party.
- 21. GOVERNING LAW: The validity, meaning, and effect of this Agreement shall be determined in accordance with California laws.
- 22. FACSIMILE/ELECTRONICALLY TRANSMITTED SIGNATURES: In the event that the parties hereto utilize facsimile transmitted documents or electronically transmitted documents which include signatures, such documents shall be accepted as if they bore original signatures provided that documents bearing original signatures are provided within seventy-two (72) hours of transmission; however, funds shall not be released nor shall documents be accepted for recordation by the Santa Barbara County Recorder's Office until such documents bearing original signatures are received by Seller.

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Project:

Betteravia Ranches Purchase

Agreement

A.P.N.:

113-240-002

Folio:

003691

Agent:

DG

IN WITNESS WHEREOF, Buyer and Seller have executed this Purchase Agreement and Escrow Instructions by the respective authorized officers as set forth below to be effective as of the date executed by Buyer.

BUYER: LAGUNA COUNTY SANITATION DISTRICT a political subdivision of the State of California

ATTEST:	Ву:
MONA MIYASATO	Steve Lavagnino
EX OFFICIO CLERK OF THE BOARD	Chair, Board of Directors
LAGUNA COUNTY SANITATION DISTRI	
By:	Date:
Deputy	
APPROVED AS TO FORM:	APPROVED AS TO ACCOUNTING FORM:
MICHAEL C. GHIZZONI	ROBERT W. GEIS, CPA
COUNTY COUNSEL	AUDITOR-CONTROLLER
By: Julian & Hudty Deputy Counsel	By: Deputy Auditor-Controller

SELLER:

BETTERAVIA RANCHES, LLC a California Limited Liability Company

By: Path tem

Date: 3/3/14

CONSENT OF ESCROW HOLDER

The undersigned	l Escrow 1	Holder he	ereby agrees to	
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- A. Accept the foregoing Purchase Agreement;
- B. Act as the Escrow Holder under the Purchase Agreement for the fees herein described;
- C. Be bound by the Purchase Agreement in the performance of its duties as Escrow Holder.

However, the undersigned will have no obligation, liability or responsibility under this consent or otherwise, unless and until the Purchase Agreement, fully signed by the parties has been delivered to the undersigned. Further, the undersigned will have no obligation, liability or responsibility under any amendment to the Purchase Agreement unless and until the amendment is accepted by the undersigned in writing.

FIDELITY NATIONAL TITLE COMPANY

By:		
	Mary Baez	
Date: _		

EXHIBIT A

APN 113-240-002

Those portions of Subdivision No. 13 of the partition of the Rancho Punta de la Laguna, in the County of Santa Barbara, State of California, allotted to Maria Ygnacia Elizalde in the final decree of partition in Santa Barbara County Superior Court Action No. 12. Entitled "S. I. Jamison, et al., vs. Luis Arellanes, et al.," a certified copy of which decree is recorded in Book "W", Page 333 of Deeds, records of said County, and as shown on the map of said partition referred to as "Exhibit A" in Commissioner's Report in said matter, described as follows:

Beginning at the Northeast corner of said Subdivision No. 13, being the quarter section corner common to Section 31, Township 10 North, Range 34 West and Section 36, Township 10 North, Range 35 West, San Bernardino Meridian, as shown on the map of the partition above referred to; thence North 89 degrees 52 minutes West through the center of said Section 36, 5374.4 feet to the quarter section corner of said Section 36 in the center of Guadalupe Lake, being the Northwesterly corner of that portion of said Subdivision No. 13 allotted and set apart to Eliza Pauline Elizalde in the final decree of partition in Santa Barbara County Superior Court Action No. 3255, entitled "Louisa Elizalde De Quintero, Plaintiff vs. Victoria C. Elizalde, et al., Defendants", a certified copy of said decree being recorded December 19, 1896 in Book 58, Page 602 of Deeds, Records of said County; thence South 45 degrees 18 minutes East along the Westerly line of said last mentioned tract of land, 3544.7 feet to an angle point in said line and the Northeast corner of the tract of land allotted and set apart to Ernest C. Graves by said decree last above referenced to; thence South 36 degrees 15 minutes West continuing along said Westerly line of said tract of land set apart to Eliza Pauline Curletti, above referred to 443.05 feet to the Northeasterly line of State Highway No. 1 described in the deed to the State of California from Eliza Pauline Elizalde, also known as Eliza Pauline Curletti, recorded July 10, 1948, in Book 793, Page 284 of Official Records, Records of said County; thence along said Northeasterly line, as described in said deed, the following courses and distances:

South 50 degrees 04 minutes 30 seconds East 194.90 feet; South 51 degrees 30 minutes 30 seconds East 2400.00 feet; South 55 degrees 19 minutes 20 seconds East 300.67 feet;

South 51 degrees 30 minutes 30 seconds East 1045.91 feet to a point in the Easterly line of said Subdivision No. 13 hereinbefore referred to; thence north along said Easterly line of said Subdivision No. 13, 5210.88 feet, more or less, to the point of beginning.

EXCEPTING THEREFROM that portion thereof conveyed to the State of California by deed recorded July 16, 1948 as Instrument No. 9890 in Book 793 at Page 284 of Official Records, also EXCEPTING THEREFROM any portion lying southerly of the northerly line of the 60.00 foot strip of land allotted for road purposes defined in paragraph No. 3 by the final decree of partition of the Superior Court in and for said County, wherein said Louisa Elizalde de Ouintero was sole plaintiff and Victoria C. Elizalde and Eliza Pauline Elizalde and others were

defendants, recorded June 8, 1896 in Book 57 of Deeds, Page 469, in the office of the County Recorder of said County and State,

End of Description

This description was prepared by me or under my direction in conformance with the requirements of the Professional Land Surveyor's Act this 9th day or March, 2011

Jon VicKellar

7LY 7578

igense Expiration Date: 31 December 2011

OF CALLED

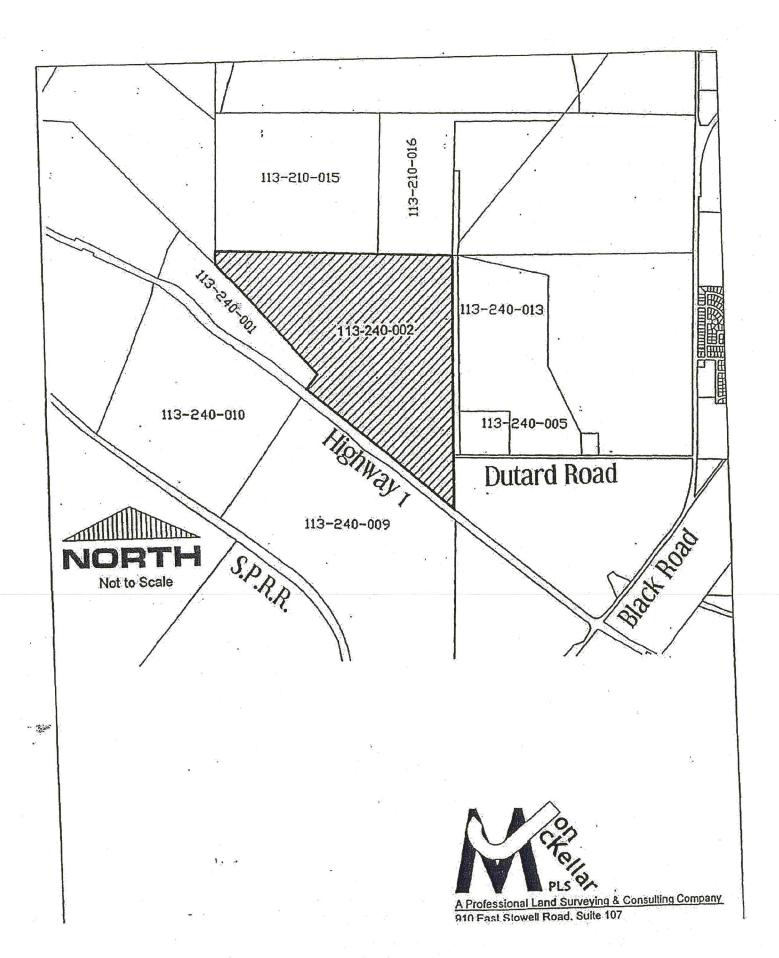


Exhibit A
Betteravia Property
3 of 3

PARCEL ACQUISITION LAGUNA COUNTY SANITATION DISTRICT

EXHIBIT B

LEGAL DESCRIPTION

That portion of the Rancho Punta de la Laguna, in the County of Santa Barbara, State of California and being a portion of Parcel One in Grant Deed to Betteravia Properties, a California general partnership, recorded April 6, 1995 as Instrument Number 95-017981 of Official Records in the Office of the County Recorder of said County described as follows:

Beginning at the Northeast corner of said Parcel One, being a 1-1/2" iron pipe with tag marked L.S. 3485 set on centerline of section 36 as shown on map filed in Book 87, Page 95 of Records of Surveys in the Office of said County Recorder;

- 1) Thence, S 00°46'02" W, 2163.87 feet along the easterly line of said Parcel One to a point being the intersection of the easterly line of said Parcel One with the southeasterly prolongation of a barbed wire fence bearing N 77°49'59" W;
- 2) Thence, leaving said easterly line of Parcel One, N 77°49'59" W, 376.35 feet to and along an existing barbed wire fence; Thence, along said existing barbed wire fence the following 22 courses:
- 3) N 86°22'45" W, 132.06 feet;
- 4) S 82°57'27" W, 266.20 feet;
- 5) N 76°27'41" W, 145.40 feet;
- 6) N 58°11'09" W, 270.97 feet;
- 7) N27° 39' 59"W, 48.30 feet;
- 8) N86° 06' 18"W, 18.24 feet;
- 9) S34° 56' 30"W, 23.91 feet;
- 10) N55° 07' 38"W, 170.01 feet;
- 11) N46° 01' 16"W, 329.09 feet;
- 12) N48° 15' 57"W, 171.78 feet;
- 13) N51° 46' 10"W, 63.82 feet;
- 14) N69° 42' 50"W, 63.87 feet;
- 15) N61° 07' 49"W, 873.52 feet;
- 16) N53° 11' 33"W, 430.18 feet;
- 17) N61° 53' 22"W, 132.07 feet;
- 18) N66° 50' 25"W, 269.33 feet;
- 19) N70° 00' 35"W, 533.56 feet;
- 20) N64° 43' 31"W, 286.40 feet;
- 21) N66° 46' 23"W, 304.19 feet;
- 22) N75° 07' 58"W, 108.54 feet;
- 23) N67° 40' 40"W, 110.04 feet;
- 24) N56° 51' 59"W, 111.24 feet;

S736 Portion of APN 113-240-002

25) Thence, leaving said existing barbed wire fence, N56° 51' 59"W, 139.91 feet along the northwesterly prolongation of said existing barbed wire fence to the northerly line of said Parcel One:

26) Thence, S89° 06' 55"E, 4,764.33 feet along said northerly line of said Parcel One to the point of

beginning.

Area contains 126.70 acres, more or less.

END

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This legal description was prepared by me or under my direction in conformance with the requirements of the Professional Land Surveyors Act.

E. Teñell Matlovsky, PLS 8629

PLS 8629

02/26/2014 Date

S736 Portion of APN 113-240-002

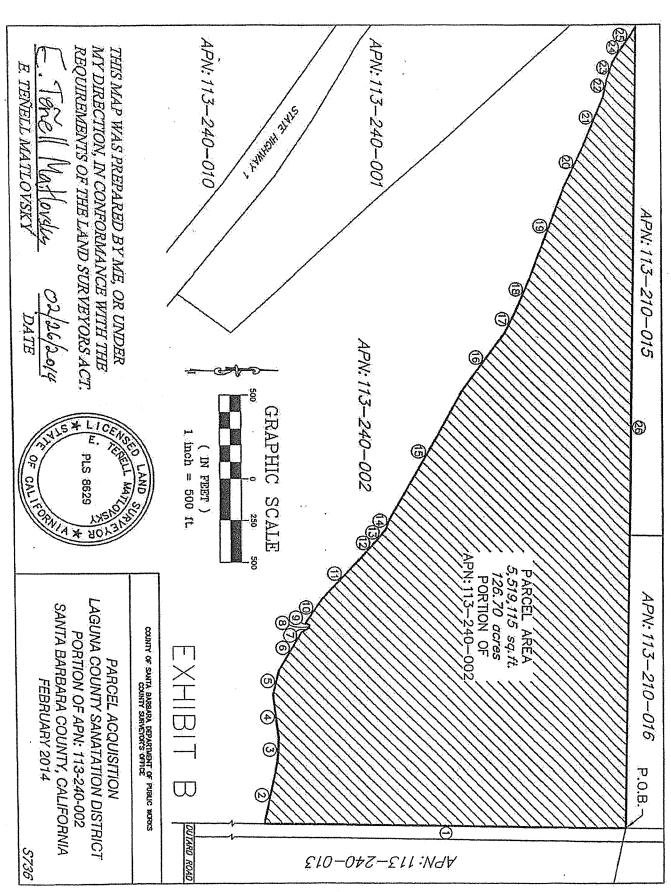


Exhibit B Parcel 3 of 3

EXHIBIT C GRANT DEED

Recorded at request of and when recorded mail to:

County of Santa Barbara General Services Department Office of Real Estate Services Will Call

COUNTY OF SANTA BARBARA OFFICIAL BUSINESS

No fee pursuant to California Government Code §6103 and §27383

SPACE ABOVE THIS LINE FOR RECORDER'S USE A.P.N. 113-240-002 (Portion)

GRANT DEED

For valuable consideration, receipt of which is hereby acknowledged, BETTERAVIA RANCHES, LLC, a California Limited Liability Company, as "Grantor" herein hereby grants to LAGUNA COUNTY SANITATION DISTRICT, a political subdivision of the State of California, as "Grantee" herein, fee title to all of that certain real property located in the unincorporated area of the County of Santa Barbara, State of California, more particularly described in Attachment "1" hereto, incorporated herein by this reference (the "Property").

IN WITNESS WHEREOF,	BETTERAVIA	RANCHES,	LLC has	executed	this Grant
Deed on the day of	·				
GRANTOR					
BETTERAVIA RANCHES, LLC			*		*

ACKNOWLEDGEMENT

State of California

County of Santa Barbara

I certify under PENALTY OF PERJURY under the laws of State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

CANDICE C. TRUJILLO
COMM. #1901715
Notary Public · California
Santa Barbara County
My Comm. Expires Aug. 28, 2014

By: Condict City

PROPERTY

LEGAL DESCRIPTION

That portion of the Rancho Punta de la Laguna, in the County of Santa Barbara, State of California and being a portion of Parcel One in Grant Deed to Betteravia Properties, a California general partnership, recorded April 6, 1995 as Instrument Number 95-017981 of Official Records in the Office of the County Recorder of said County described as follows:

Beginning at the Northeast corner of said Parcel One, being a 1-1/2" iron pipe with tag marked L.S. 3485 set on centerline of section 36 as shown on map filed in Book 87, Page 95 of Records of Surveys in the Office of said County Recorder;

- 1) Thence, S 00°46'02" W, 2163.87 feet along the easterly line of said Parcel One to a point being the intersection of the easterly line of said Parcel One with the southeasterly prolongation of a barbed wire fence bearing N 77°49'59" W;
- 2) Thence, leaving said easterly line of Parcel One, N 77°49'59" W, 376.35 feet to and along an existing barbed wire fence; Thence, along said existing barbed wire fence the following 22 courses:
- 3) N 86°22'45" W, 132.06 feet;
- 4) S 82°57'27" W, 266.20 feet;
- 5) N 76°27'41" W, 145.40 feet;
- 6) N 58°11'09" W, 270.97 feet;
- 7) N27° 39' 59"W, 48.30 feet;
- 8) N86° 06' 18"W, 18.24 feet;
- 9) S34° 56' 30"W, 23.91 feet;
- 10) N55° 07' 38"W, 170.01 feet;
- 11) N46° 01' 16"W, 329.09 feet;
- 12) N48° 15' 57"W, 171.78 feet;
- 13) N51° 46' 10"W, 63.82 feet;
- 14) N69° 42' 50"W, 63.87 feet;
- 15) N61° 07' 49"W, 873.52 feet;
- 16) N53° 11' 33"W, 430.18 feet;
- 17) N61° 53' 22"W, 132.07 feet;
- 18) N66° 50' 25"W, 269.33 feet;
- 19) N70° 00' 35"W, 533.56 feet;
- 20) N64° 43' 31"W, 286.40 feet;
- 21) N66° 46' 23"W, 304.19 feet;
- 22) N75° 07' 58"W, 108.54 feet;
- 23) N67° 40' 40"W, 110.04 feet;
- 24) N56° 51' 59"W, 111.24 feet;

- 25) Thence, leaving said existing barbed wire fence, N56° 51' 59"W, 139.91 feet along the northwesterly prolongation of said existing barbed wire fence to the northerly line of said Parcel One;
- 26) Thence, S89° 06' 55"E, 4,764.33 feet along said northerly line of said Parcel One to the point of beginning.

Area contains 126,70 acres, more or less.

END

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This legal description was prepared by me or under my direction in conformance with the requirements of the Professional Land Surveyors Act.

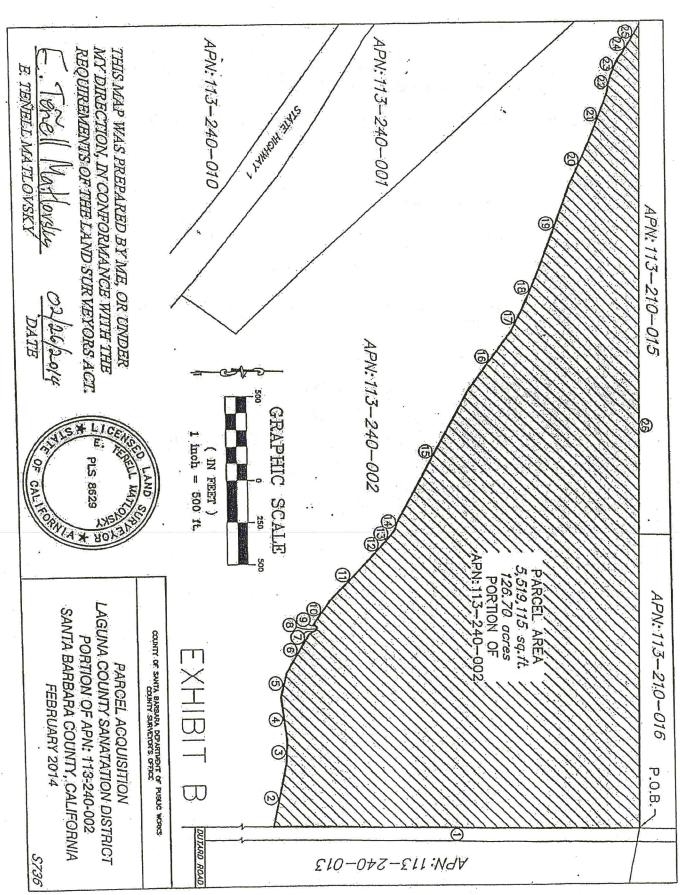
E. Teñell Matlovsky, PLS 8629

PLS 8629

PLS 8629

PLS 8629

Date



Attachment 1 3 of 3

EXHIBIT "D" (Certificate of Acceptance follows on next page)

CERTIFICATE OF ACCEPTANCE

STATE OF CALIFORNIA, COUNTY OF SANTA BARBARA: SS.

THIS IS TO CERTIFY that the interest in real property conveyed	l by the GRANT DEED dated
March 3, , 2014, from BETTERAVIA RANCHES	
Liability Company, as Grantor, to LAGUNA COUNTY SANITA	
subdivision of the State of California, as Grantee, is hereby accepted	
	2014 and the Laguna County
Sanitation District consents to recordation thereof by its duly author	orized officer.

WITNESS my hand and official seal

this 3ed day of March, 2014

CLERK

EX-OFFICO CLERK OF THE BOARD OF DIRECTORS LAGUNA COUNTY SANITATION DISTRICT

Denuity

APPROVED AS TO FORM: MICHAEL C. GHIZZONI COUNTY COUNSEL

Deputy Counsel

GRANT DEED

Recorded at request of and when recorded mail to:

County of Santa Barbara General Services Department Office of Real Estate Services Will Call

b

COUNTY OF SANTA BARBARA OFFICIAL BUSINESS



No fee pursuant to California Government Code §6103 and §27383

SPACE ABOVE THIS LINE FOR RECORDER'S USE A.P.N. 113-240-002 (Portion)

GRANT DEED

For valuable consideration, receipt of which is hereby acknowledged, BETTERAVIA RANCHES, LLC, a California Limited Liability Company, as "Grantor" herein hereby grants to LAGUNA COUNTY SANITATION DISTRICT, a political subdivision of the State of California, as "Grantee" herein, fee title to all of that certain real property located in the unincorporated area of the County of Santa Barbara, State of California, more particularly described in Attachment "1" hereto, incorporated herein by this reference (the "Property").

IN WITNESS WHEREOF, BETTERAVIA RANCHES, LLC has executed this Grant Deed on the 32d day of March, 2014.

GRANTOR

BETTERAVIA RANCHES, LLC

ACKNOWLEDGEMENT

State of California

County of Santa Barbara

personally appeared Potrick Town, who proved to me on the basis of satisfactory evidence to be the person(s) whose names(s) is/ere 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

I certify under PENALTY OF PERJURY under the laws of State of California that the foregoing paragraph is true and correct.

the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

CANDICE C. TRUJILLO
COMM. #1901715
Notary Public · California
Santa Barbara County
My Comm. Expires Aug. 28, 2014

By: Cardicl Civil

PROPERTY

LEGAL DESCRIPTION

That portion of the Rancho Punta de la Laguna, in the County of Santa Barbara, State of California and being a portion of Parcel One in Grant Deed to Betteravia Properties, a California general partnership, recorded April 6, 1995 as Instrument Number 95-017981 of Official Records in the Office of the County Recorder of said County described as follows:

Beginning at the Northeast corner of said Parcel One, being a 1-1/2" iron pipe with tag marked L.S. 3485 set on centerline of section 36 as shown on map filed in Book 87, Page 95 of Records of Surveys in the Office of said County Recorder;

- 1) Thence, S 00°46'02" W, 2163.87 feet along the easterly line of said Parcel One to a point being the intersection of the easterly line of said Parcel One with the southeasterly prolongation of a barbed wire fence bearing N 77°49'59" W;
- 2) Thence, leaving said easterly line of Parcel One, N 77°49'59" W, 376.35 feet to and along an existing barbed wire fence;
 Thence, along said existing barbed wire fence the following 22 courses:
- 3) N 86°22'45" W, 132.06 feet;
- 4) S 82°57'27" W, 266.20 feet;
- 5) N 76°27'41" W, 145.40 feet;
- 6) N 58°11'09" W, 270.97 feet;
- 7) N27° 39' 59"W, 48.30 feet;
- 8) N86° 06' 18"W, 18.24 feet;
- 9) S34° 56' 30"W, 23.91 feet;
- 10) N55° 07' 38"W, 170.01 feet;
- 11) N46° 01' 16"W, 329.09 feet;
- 12) N48° 15' 57"W, 171.78 feet;
- 13) N51° 46' 10"W, 63.82 feet;
- 14) N69° 42' 50"W, 63.87 feet;
- 15) N61° 07' 49"W, 873.52 feet;
- 16) N53° 11' 33"W, 430.18 feet;
- 17) N61° 53' 22"W, 132.07 feet;
- 18) N66° 50' 25"W, 269.33 feet;
- 19) N70° 00' 35"W, 533.56 feet;
- 20) N64° 43' 31"W, 286.40 feet;
- 21) N66° 46' 23"W, 304.19 feet;
- 22) N75° 07' 58"W, 108.54 feet;
- 23) N67° 40' 40"W, 110.04 feet;
- 24) N56° 51' 59"W, 111.24 feet;

S736 Portion of APN 113-240-002

- 25) Thence, leaving said existing barbed wire fence, N56° 51' 59"W, 139.91 feet along the northwesterly prolongation of said existing barbed wire fence to the northerly line of said Parcel
- 26) Thence, S89° 06' 55"E, 4,764.33 feet along said northerly line of said Parcel One to the point of beginning.

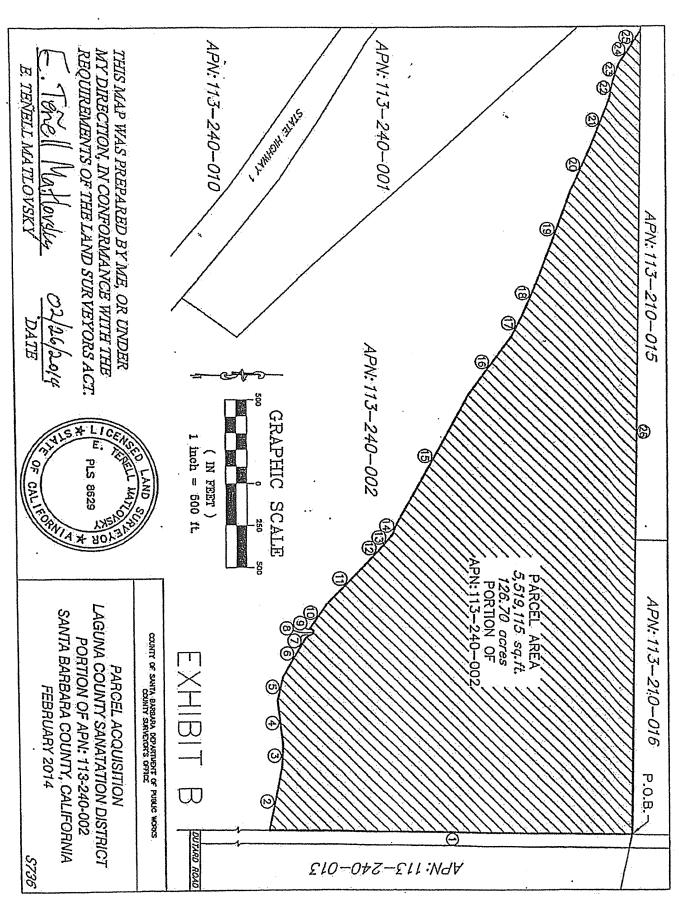
Area contains 126.70 acres, more or less.

END

###

This legal description was prepared by me or under my direction in conformance with the requirements of the Professional Land Surveyors Act.

PLS 8629



Attachment 1 3 of 3

CERTIFICATE OF ACCEPTANCE

STATE OF CALIFORNIA, COUNTY OF SANTA BARBARA: SS.

Liability (subdivision the Lagur	Company, a on of the State County S	FY that the interest in real property conveyed by the GRANT DEED dated, 2014, from BETTERAVIA RANCHES LLC, a California Limited as Grantor, to LAGUNA COUNTY SANITATION DISTRICT, a political ate of California, as Grantee, is hereby accepted by the Board of Directors of Sanitation District on, 2014 and the Laguna County onsents to recordation thereof by its duly authorized officer.
WITNES	S my hand a	and official seal
this	day of	, 2014
		CLERK EX-OFFICO CLERK OF THE BOARD OF DIRECTORS OF THE the LAGUNA COUNTY SANITATION DISTRICT
		By: Deputy

APPROVED AS TO FORM: MICHAEL C. GHIZZONI COUNTY COUNSEL

Deputy Councel

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Budget Journal Entry

Printed: 4/10/2014 9:54:16 AM

Budget Journal Entry

Document Description: FY 2013/14 Laguna Sanitation Land Purchase BJE - 0003292 Document Number:

1671624 Processed On: Processed By: Batch ID:

Created On: 3/6/2014 3:59:44 PM Created By: Colleen Hankins

References

Post On:

Audit Trail:

Budget Revision Request

Has Board Letter: Yes Agenda Date: 4/22/2014 Approval: BOS 3/5 Agenda Item:

Laguna County Sanitation District - Increase appropriations for Land Capital Asset Title:

Transfer appropriation of \$890,000 in Public Works Laguna County Sanitation District Fund from Capital Assets - Structures & Improvements to Capital Assets - Land for the Betteravia Ranches Land Aquisition. **Budget Action:**

Justification:

This budget revision transfers appropriations from 'Capital Assets - Structures & Improvements' Account to 'Capital Assets - Land' Account to fund a land purchase by the Laguna County Sanitation District (District) from Betteravia Ranches, LLC. Betteravia Ranches, LLC has recently offered to sell a portion of APN 113-240-002 to the District. The land consists of 126.7 acre portion of a 328.9 acre parcel and has historically been used for dry and irrigated cattle pasture. The District is pursuing both offsite and on-site discharge alternatives in order to ensure it has adequate capacity. The acquisition of this portion of the property by the District would assist in meeting the District's on-sight discharge capacity needs.

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Use Amount	0.00	0.00
Source Amount	0.00	0.0
Object Level	65 - Capital Assets	rtment: 054 - Public Works Total:
Project		tment: 05
Department	054 - Public Works	ınitation-General, Depar
Fund	2870 - Laguna Co Sanitation-General	Fund: 2870 - Laguna Co Sa

Accounting

County of Santa Barbara, FIN

	(8.)	
Description	Decrease appropriations Stuctures & Improvements	Increase appropriations Land Aquisition
Budget Period	201406	201404
Proj	020000	110000
OUnit		
Prog	0009	6300
Credit Amount Prog	0009	890,000.00 6300
It Prog	0009	_
t Debit Amount Credit Amount Prog		890,000.00
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GL Acct LI Acct Debit Amount Credit Amount Prog	2530 8200 890,000.00	2530 8100 890,000.00

Budget Journal Entry

	Total 86	890,000.00 890,000.00	
Signatures			
Signed By	Signed On	Department/Agency	Approval Level
Thomas Alvarez	3/20/2014 9:10:18 AM	012 - County Executive Office	Budget Director
John Jayasinghe	4/3/2014 1:04:24 PM	012 - County Executive Office	CEO Analyst
Mark Paul	4/3/2014 1:26:47 PM	054 - Public Works	Fund/Department
Julie Hagen	4/3/2014 1:30:10 PM	061 - Auditor-Controller	Chief Deputy Controller
Andrew Myung	4/3/2014 1:41:27 PM	061 - Auditor-Controller	FACS
Thomas Alvarez	4/4/2014 9:44:29 AM	012 - County Executive Office	Budget Director

Valid

NOTICE OF EXEMPTION

TO: Ex Officio Clerk of the Laguna County Sanitation District

FROM: Laguna County Sanitation District

Based on a preliminary review of the project the following activity is determined to be exempt from further environmental review requirements of the California Environmental Quality Act (CEQA) of 1970, as defined in the State and County Guidelines for the implementation of CEQA.

APN(s) 113-240-002

Case No. Real Property File No. 003691

LOCATION: The Laguna County Sanitation District is acquiring a portion of the property known as APN 113-240-002, owned by Betteravia Ranches, LLC, located approximately one mile west of Black Road, one half mile north of Highway 1, west of the city of Santa Maria, in the unincorporated area of the County of Santa Barbara.

PROJECT TITLE: Betteravia Ranches Parcel Acquisition.

PROJECT DESCRIPTION: Acquisition by Laguna County Sanitation District of an approximately 126.7-acre portion of the 328.9-acre property known as APN 113-240-002.

EXEMP	'STATUS:(Check One)
	_ Ministerial
********	_ Statutory
	_ Categorical Exemption
********	_ Emergency Project
X	No Possibility of Significant Effect (Sec. 15061(b)(3)

Cite specific CEQA Guideline Section: 15061(b)(3) The activity is covered by the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA.

Reasons to support exemption findings: The project is to acquire a portion of the property that borders the Laguna County Sanitation District Treatment Facility, west of the city of Santa Maria, for the purpose of expanding the District's capacity to discharge treated recycled water. The acquisition will not change the current or historic use of the subject property. The acquired parcel has been used previously for discharge pursuant to an agreement with the current owners, and will continue to be used for activities consistent with agricultural use. The action will have no possibility of significant effect on the environment and is therefore not subject to CEOA.

Department/Division Representative Date

NOTE: A copy of this document must be posted with the County's Planning and Development Department at least 6 days prior to consideration of the activity by the decision-makers to comply with County CEQA guidelines, and a copy must be filed with the County Clerk of the Board after project approval to begin a 35 day statute of limitations on legal challenges.

Distribution:

NOTICE OF EXEMPTION

TO: Santa Barbara County Clerk of the Board of Supervisors

FROM: Public Works Department

Based on a preliminary review of the project the following activity is determined to be exempt from further environmental review requirements of the California Environmental Quality Act (CEQA) of 1970, as defined in the State and County Guidelines for the implementation of CEQA.

APN(s) <u>113-240-002</u>

Case No. Real Property File No. 003691

LOCATION: APN 113-240-002 is located approximately one mile west of Black Road, one half mile north of Highway 1, west of the city of Santa Maria, in the unincorporated area of the County of Santa Barbara, to the Laguna County Sanitation District.

PROJECT TITLE: Certificate of Compliance for Betteravia Ranches, LLC.

PROJECT DESCRIPTION: Betteravia Ranches, LLC is selling an approximately 126.7-acre portion of the 328.9-acre property known as APN 113-240-002 to the Laguna County Sanitation District, and is requesting a Certificate of Compliance be issued by the Santa Barbara County Surveyor to validate the remaining approximately 202.2-acre portion.

EXEMP	I.	S	1	ΑΊ	US:	(Ct	ieck	One))

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- Statutory
- ___ Categorical Exemption
- ___ Emergency Project
- X No Possibility of Significant Effect (Sec. 15061(b)(3)

Cite specific CEQA Guideline Section: 15061(b)(3) The activity is covered by the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA.

Reasons to support exemption findings: The project is to direct the County Surveyor to issue a Certificate of Compliance for an approximately 202.2-acre remainder of the parent parcel known as APN 113-240-002, which currently consists of approximately 328.9 acres. The Laguna County Sanitation District is purchasing an approximately 126.7-acre portion of the property, adjacent to the District's Treatment Facility, west of the city of Santa Maria. Issuance of the Certificate of Compliance will not change the use of the remainder property, will have no possibility of significant effect on the environment, and is therefore not subject to CEQA.

Department/Division Representative

Date

NOTE: A copy of this document must be posted with the County's Planning and Development Department at least 6 days prior to consideration of the activity by the decision-makers to comply with County CEQA guidelines, and a copy must be filed with the County Clerk of the Board after project approval to begin a 35 day statute of limitations on legal challenges.

Recorded at request of and when recorded mail to:

County of Santa Barbara General Services Department Office of Real Estate Services Will Call

COUNTY OF SANTA BARBARA OFFICIAL BUSINESS

No fee pursuant to California Government Code §6103 and §27383

SPACE ABOVE THIS LINE FOR RECORDER'S USE A.P.N. 113-240-002 (portion)

COUNTY OF SANTA BARBARA

CERTIFICATE OF COMPLIANCE ON

PORTION OF ASSESSOR'S PARCEL NO 113-240-002

Notice is hereby filed, as public record, that the real property described in Exhibit "A: and shown as the shaded parcel on the map marked Exhibit "B" attached hereto and made a part hereof, is incorporated herein by this reference, and that said real property and the division creating said real property comply with the applicable provisions of the State Subdivision Map Act and County Ordinances enacted pursuant thereto.

This certificate relates only to issues of compliance or noncompliance with the Subdivision Map Act and local ordinances enacted pursuant thereto. The parcel described herein may be sold, leased, or financed without further compliance with the Subdivision Map Act or any local ordinance enacted pursuant thereto. Development of the parcel may require issuance of a permit or permits, or other grants of approval.

Owners: BETTERAVIA RANCHES, LLC, a California Limited Liability Company, owners of all the real property in the unincorporated area of the County of Santa Barbara, State of California as described and shown on the attached exhibits, both attached hereto and incorporated herein by this reference.

Alaksandan Iannan ani	
Aleksandar Jevremovic	Date
County Surveyor	

APPROVED AS TO FORM: MICHAEL C. GHIZZONI COUNTY COUNSEL

By: Julium L Hurtly
Deputy County Counsel

EXHIBIT A

14-CC-

LEGAL DESCRIPTION

That portion of Subdivision No. 13 of the Partition of the Rancho Punta de la Laguna, in the County of Santa Barbara, State of California, allotted to Maria Ygnacia Elizalde in the Final Decree of Partition in Santa Barbara County Superior Court Action No. 12, entitled "S. I. Jamison, et al., vs. Luis Arellanes, et al., "a certified copy of which decree is recorded in Book "W", Page 333 of Deeds, records of said County, and as shown on map of said partition referred to as "Exhibit A" in commissioners report in said matter, described as follows:

Beginning at the Northeast corner of said Subdivision No. 13, being the quarter section corner common to Section 31, Township 10 North, Range 34 West and Section 36, Township 10 North, Range 35 West, San Bernardino Meridian, as shown on Map of Partition above referred to;

thence North 89° 52' West through the center of said Section 36, 5374.4 feet to the quarter section corner of said Section 36 in the center of Guadalupe Lake, being the Northwesterly corner of that portion of said Subdivision No. 13 allotted and set apart to Eliza Pauline Elizalde in Final Decree of Partition in Santa Barbara County Superior Court Action No. 3255, entitled "Louisa Elizalde de Quintero, Plaintiff vs. Victoria C. Elizalde, et al., Defendants", a certified copy of said decree being recorded December 19, 1896 in Book 58, Page 602 of Deeds, records of said County;

thence South 45° 18' East along the Westerly line of said last mentioned tract of land 3544.7 feet to an angle point in said line and the Northeast corner of the tract of land allotted and set apart to Ernest C. Graves by said Decree last above referred to;

thence South 36° 15' West continuing along said Westerly line of said tract and land set apart to Eliza Pauline Curletti, above referred to 443.05 feet to the Northeasterly line of State Highway No. 1 described in deed to the State of California from Eliza Pauline Elizalde, also known as Eliza Pauline Curletti, recorded July 16, 1948 in Book 793, Page 284 of Official Records, records of said County;

thence along said Northeasterly line, as described in said deed, the following courses and distances:

South 50° 04' 30" East 194.90 feet;

South 51° 30' 30" East 2400.00 feet;

South 55° 19' 20" East 300.67 feet; and

South 51° 30' 30" East 1045.91 feet to a point in the Easterly line of said Subdivision No. 13 hereinbefore referred to;

thence North along said Easterly line of said Subdivision No. 13, 5210.88 feet, more or less, to the point of beginning.

EXCEPTING THEREFROM that portion thereof conveyed to the State of California by deed recorded July 16, 1948 as Instrument No. 9890 in Book 793 at Page 284 of Official Records.

ALSO EXCEPTING THEREFROM any portion lying southerly of the northerly line of the 60.00 foot strip of land allotted for road purposes defined in paragraph No. 3 by final decree of partition of the Superior Court in and for said County, wherein said Louisa Elizalde de Quintero was sole plaintiff and Victoria C. Elizalde and Eliza Pauline Elizalde and others were defendants, recorded June 8, 1896 in Book 57 of Deeds, Page 469, in the office of the County Recorder of said County and State.

ALSO EXCEPTING THEREFROM that portion conveyed to Laguna County Sanitation District by Grant Deed recorded _______, 2014 as Instrument No. ______ of Official Records in the office of the County Recorder of said County and State.

END

This legal description was prepared by me or under my direction in conformance with the requirements of the Professional Land Surveyors Act.

F. Tenell Matlovsky PIS 8629

PLS 8629

PLS 8629

PLS 8629

9<u>(|28|20|4</u> Date

