Meeting of the Central Valley Flood Protection Board
July 25, 2014

Staff Report

Authorization to Close Escrow #602906-001

1.0 – REQUESTED ITEM

Direct the Executive Officer to issue escrow instructions to First American Title Guaranty Company to close Escrow # 602906-001 pursuant to the Land Exchange Agreement with the City of Rio Vista, pay final bill to First American of up to $52,000 from the funds in escrow at Union Bank, and remit the balance to the State General Fund.

2.0 – AUTHORITY OF THE BOARD

The Board, as the successor agency to the Reclamation Board, pursuant to the Land Exchange Agreement with the City of Rio Vista (Attachment A), has sole authority to close escrow, pay final bills, and forward the remainder in the escrow account at Union Bank to the State General Fund.

3.0 – BACKGROUND

In the 1920s, the Sacramento San Joaquin Drainage District (SSJDD) purchased thousands of acres of land near the City of Rio Vista (City) for the purpose of placement and disposal of sediment generated by the Sacramento River Flood Control Project. Following construction, SSJDD continued to hold title to the land.

In 1991, the City requested the Board sell 480 acres of land adjacent to the City for redevelopment. At the time, the Board was reluctant to sell property outright, but directed staff to enter into a Land Exchange Agreement (Agreement) with the City wherein the City would place the value of the property into escrow and the Board would choose one or more parcels of land to be “exchanged” at a later date (Attachment B).

In 1993, the City and the Board entered into the previously approved Land Exchange Agreement. The first close of escrow took place in 1997 when the City received title to the 480 acres and the Board accepted $1,235,000, which was to be held at Union Bank in the highest interest bearing account commercially available. Later that year, the Board and the U.S. Army Corps of Engineers conducted

extensive levee repairs near the City following a high water event, which required mitigation for loss of Giant Garter Snake (GGS) habitat. Suitable mitigation property was identified near the City, and the Board agreed to use $599,060 of the funds in escrow to purchase property for mitigation which was later converted to 24 GGS mitigation credits for the State (Attachment C).

There have been no further transactions from this escrow account, and the balance, which has continued to grow with interest, is currently estimated to be $1,215,500. (Attachment D). Under the Agreement, the funds may only be used to purchase real property, and any real estate transaction must include the participation of the City. Board staff did not identify any additional parcels subsequent to the Wildlands transaction, and is now requesting the Board direct the balance of these funds be transferred to the State General Fund, which was the source of the funds for the original purchase of the City property in the 1920s. Board staff also requests the Board authorize up to $52,000, subject to verification, to be paid from the escrow account to First American for the escrow holding fee agreed to by the parties in the original escrow instructions.

4.0 – CEQA ANALYSIS

This action does not have the potential for resulting in either a direct physical change in the environment or a reasonably foreseeable indirect physical change in the environment and thus is not a “project” for purposes of the California Environmental Quality Act (Public Res. Code § 21065; Guidelines § 15378(a)).

5.0 – STAFF RECOMMENDATION

Staff recommends that the Board.

- Direct the Executive Officer to issue escrow instructions to First American to close the escrow account, authorize final payment to First American Title Guaranty Company of up to $52,000 from the escrow account balance and take any other necessary actions to close the escrow account and remit the proceeds to the State General Fund.
- Adopt Draft Resolution 2014-27

11.0 – LIST OF ATTACHMENTS

A – Land Exchange Agreement

B – Board Resolution No. 93-2

C – Bill of Sale for 24 GGS Credits

D – Union Bank Statement

E – Draft Resolution No. 2014-27

Prepared by:	Leslie Gallagher, Acting Executive Officer
Document Review:	Andrea Buckley, Senior Environmental Scientist
	Eric Butler, Projects and Environmental Branch Chief
	Len Marino, Chief Engineer

Attachement A

RECORDING REQUESTED BY AND
WHEN RECORDED MAIL TO:

DEPARTMENT OF WATER RESOURCES
Division of Land and Right of Way
Real Estate Branch
1416 9th Street, Room 431
Sacramento, California 95814

Space Above This Line For Recorder's Use

LAND EXCHANGE AGREEMENT

This Agreement is hereby entered into between the SACRAMENTO AND SAN JOAQUIN DRAINAGE DISTRICT, acting by and through THE RECLAMATION BOARD OF THE STATE OF CALIFORNIA, hereinafter referred to as BOARD, and the CITY OF RIO VISTA, hereinafter referred to as CITY.

BOARD is owner of approximately FOUR HUNDRED EIGHTY (480) acres of real property located partly within, and adjacent to the City of Rio Vista, Solano County, California. This property is hereinafter referred to as RIO VISTA PROPERTY and is described more fully in Exhibit "A", which is attached and made a part hereof.

BOARD is willing to exchange the RIO VISTA PROPERTY for other properties on the terms set forth herein, so as to qualify as an exchange pursuant to Water Code Section 8598. This Agreement is expressly conditioned on BOARD's disposition of the RIO VISTA PROPERTY as part of an exchange for other property on terms satisfactory to BOARD. CITY agrees to cooperate in the exchange, including the execution of all documents reasonably required by BOARD's attorney.

CITY desires and is willing to acquire the RIO VISTA PROPERTY in an exchange transaction and will acquire property to be designated by BOARD, hereinafter referred to as EXCHANGE PROPERTY, and transfer it to the BOARD on the terms set forth herein.

NOW, THEREFORE, the parties hereto agree as follows:

1. EXCHANGE OF PROPERTIES: BOARD shall convey by grant deed to CITY a fee simple interest in the RIO VISTA PROPERTY, subject to existing encumbrances as shown in current preliminary title report unless such encumbrances are disapproved by CITY in writing within ten (10) days of the effective date of this Agreement, in exchange for the conveyance by grant deed by CITY to BOARD of the EXCHANGE PROPERTY under terms and conditions contained herein. Possession of the RIO VISTA PROPERTY shall be given to the CITY and possession of the EXCHANGE PROPERTY shall be given to the BOARD in accordance with Article 4 of this Agreement.

2. EXCHANGE ESCROW: The parties will enter into an escrow with First American Title Guaranty Company, Escrow No. _____, within ten (10) days of the effective date of this Agreement. The escrow instructions shall be for the purpose of implementing and supplementing the provisions of this Agreement, and except as herein set forth, the provisions contained in this Agreement shall supersede any inconsistent portions of such instructions. Each party shall provide the escrow holder with such other information, documents, and instruments as the escrow holder may reasonably require to enable it to close the

individual exchange transactions promptly. The close of the escrow account shall not be less than sixty (60) days and not later than one (1) year from the effective date of this Agreement. In addition, the BOARD shall have the right to extend the close of the escrow account for additional one-year periods.

3. COMMISSIONS: BOARD and CITY hereby acknowledge that no broker's commission or finder's fee is payable with regard to this transaction. BOARD and CITY (each as "Indemnitor") agree to indemnify and hold the other harmless from and against all liability, claims, demands, damages, or costs of any kind arising from or connected with any broker's or finder's fee or commission or charge claimed to be due any person arising from Indemnitor's conduct with respect to this transaction.

4. TERMS AND CONDITIONS OF EXCHANGE: CITY's obligation to acquire and convey to BOARD the EXCHANGE PROPERTY designated by BOARD, and subject to liabilities as acceptable to BOARD, and the BOARD's obligation to convey the RIO VISTA PROPERTY, are subject to the following terms and conditions:

(a) CITY's obligation to acquire and convey the EXCHANGE PROPERTY to BOARD shall continue in full force and effect and survive the conveyance of the RIO VISTA PROPERTY to CITY, and BOARD shall convey the RIO VISTA PROPERTY in accordance with this Agreement and as required by the escrow.

(b) CITY shall, upon BOARD's designation of the EXCHANGE PROPERTY OR PROPERTIES, acquire said real property and shall convey such property to BOARD before the close of each individual exchange transaction.

(c) The appraised value of $1,235,000 for the RIO VISTA PROPERTY was approved by the Department of General Services on March 20, 1992.

(d) The CITY shall place into the interest bearing escrow account $1,235,000, established for the purpose of the acquisition of the EXCHANGE PROPERTY contemplated by this agreement pursuant to this Article. The Board shall have the right to all such interest proceeds. If the appraised fair market value of the EXCHANGE PROPERTY is below $1,235,000, BOARD shall have the right to direct the escrow officer to disburse said monetary differences. If the appraised fair market value of the EXCHANGE PROPERTY is above $1,235,000, BOARD shall have the right to place additional monies into escrow. Prior to any exchange Department of General Services shall review and approve appraisal(s) of any EXCHANGE PROPERTY and exceptions of title thereto, unless such EXCHANGE PROPERTY satisfies Department of General Services Exemption No. 34.3.

(e) CITY shall by grant deed convey to BOARD a fee simple interest in the EXCHANGE PROPERTY free and clear of all title defects, liens, encumbrances, assessments, deeds of trust, mortgages and taxes, except:

(1) Taxes for the fiscal year in which the individual exchange transaction closes, a portion of which may be collectible against the Grantor(s) as provided by Section 4986 of the Revenue and Taxation Code.

(2) Exceptions listed in the Preliminary California Land Title Report prepared for the EXCHANGE PROPERTY in connection with this transaction, unless disapproved by BOARD

in writing within ten (10) days of the BOARD'S receipt of a Preliminary Title Report or disapproved by Department of General Services pursuant to its review.

(f) Upon the close of each individual exchange transaction, CITY shall procure a California Land Title Association standard policy of title insurance in the amount of ONE MILLION TWO HUNDRED THIRTY-FIVE THOUSAND DOLLARS ($1,235,000) to be paid by CITY and to be issued by, First American Title Guaranty Company, 2300 Boynton, Suite 101, Fairfield, CA 94533. showing fee simple absolute title to the EXCHANGE PROPERTY vested in BOARD.

(g) BOARD shall convey by grant deed to CITY its interest in the RIO VISTA PROPERTY, free and clear of all title defects, liens, encumbrances, deeds of trust, and mortgages except real property taxes, a lien not delinquent, but subject to all exceptions listed in Exhibit "B", which is attached hereto and incorporated herein by reference; and in accordance with the California Water Code Section 8677, all oil, gas, oil shale, coal, phosphate, sodium, gold, silver, and all other mineral deposits, except water, below FIVE HUNDRED FEET (500') are hereby reserved to BOARD and persons authorized by it to prospect for, mine, and remove such deposits, without the right of surface entry; provided that the limitation concerning the right of surface entry shall not apply to or in any way affect Reclamation Board Oil and Gas Lease No. 361 or any assignments thereof. CITY is not acquiring any right, title, or interest in or to such mineral deposits.

(h) CITY acknowledges, approves and agrees to honor licenses previously granted to Pacific Gas and Electric and Citizens Utilities for the purpose of constructing underground utility facilities on the RIO VISTA PROPERTY which will accommodate the CITY's proposed widening of Airport Road.

(i) If CITY so desires, CITY shall procure at CITY expense title insurance.

(j) Title and possession of the RIO VISTA PROPERTY shall be given to the CITY when it has deposited into escrow the ONE MILLION TWO HUNDRED THIRTY-FIVE THOUSAND DOLLARS ($1,235,000), plus all applicable escrow fees and the title insurance premiums.

(k) Possession of any particular EXCHANGE PROPERTY shall be given to BOARD at the close of each individual exchange transaction with respect to that particular parcel. CITY shall not be obligated to pay more than these amounts held in escrow for the acquisition of the exchange parcel.

5. ASSIGNMENT: Neither BOARD nor CITY may assign its rights nor delegate its duties hereunder; unless said party receives the other party's prior written consent to any such proposed assignment and delegation, such consent not to be unreasonably withheld.

6. SURVIVAL: The terms of this Agreement shall survive transfer and delivery of the deed to the CITY of the RIO VISTA PROPERTY and the deed to the BOARD of the EXCHANGE PROPERTY.

7. TIME: Time is of the essence of this Agreement.

8. ENTIRE AGREEMENT: This Agreement supersedes all prior agreements between the parties and represents their full

and complete agreement. It shall not be amended or modified, except by a further written agreement executed by all parties hereto.

9. COUNTERPARTS: This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

10. SUCCESSORS: All terms of this Agreement shall be binding on and shall inure to the benefit of and be enforceable by the parties to the Agreement and to their respective legal representatives, successors, and assigns.

11. OBLIGATIONS: The obligations contained in this Agreement shall not merge with transfer of title but shall remain in effect until fulfilled.

12. BOARD REPRESENTATIONS: BOARD represents the following, each of which shall be true in all respects as of the date hereof and as of the date of close of escrow:

(a) Until possession of the RIO VISTA PROPERTY is transferred to CITY, BOARD will, at its sole cost, maintain the RIO VISTA PROPERTY, other than that presently subject to lease with CITY, in good condition and repair until possession is taken by CITY.

(b) BOARD shall not remove any fixtures or personal property from the RIO VISTA PROPERTY.

(c) Except for the State of California Regional Water Quality Control Board's letters and notices of violation of waste discharge and letters/notices from the Integrated Waste Management Board to the City of Rio Vista regarding the landfill

site on the RIO VISTA PROPERTY, BOARD has no knowledge of any violation of applicable law or ordinances in connection with the RIO VISTA PROPERTY, and there is no other known hazardous waste on, under or in the vicinity of the property. BOARD represents it has no knowledge of any underground storage tanks located on the property.

(d) BOARD has no knowledge of any pending or threatened claims or litigation against the RIO VISTA PROPERTY and BOARD has not received any notice from any governmental authority relating to defects in the RIO VISTA PROPERTY or noncompliance with any applicable law, code or regulation, except those referred to in Article 12(c) of this Agreement.

(e) Until possession of the RIO VISTA PROPERTY is transferred to CITY, BOARD shall not enter into a new lease, or option to lease, or extension of an existing lease, or any other contract or agreement pertaining to the RIO VISTA PROPERTY, without obtaining the prior written approval of the CITY which shall not be unreasonably withheld.

(f) Pursuant to Health and Safety Code Sections 25359.7 and 25915 et. seq., BOARD hereby gives notice to CITY that:

(1) as a result of CITY's use of a portion of the RIO VISTA PROPERTY as a municipal solid waste facility, there may have been releases of hazardous substances;

(2) as a result of gas production or other related use of that portion of the RIO VISTA PROPERTY leased to or otherwise used pursuant to Reclamation Board Oil and Gas Lease No. 361, there may have been releases of hazardous substances, and;

(3) the dwelling and associated out buildings on the RIO VISTA PROPERTY may contain asbestos.

13. ATTORNEY'S FEES: In the event that an action is brought to enforce any of the provisions of this Agreement, the prevailing party shall be entitled to reasonable attorney's fees in addition to any other court costs or damages.

14. INDEMNIFICATION: Anything in this Agreement to the contrary notwithstanding, and as a major inducement for the BOARD's conveyance of the RIO VISTA PROPERTY, it is expressly understood and agreed that CITY, for itself, successors, assigns, employees, agents and contractors, does hereby agree and assume to be responsible for, and CITY hereby agrees to indemnify, hold harmless and release BOARD and State of California from and against any and all claims, obligations and liabilities and all costs, expenses and attorneys' fees incurred based upon or arising out of any obligation, liability, loss, damage or expense, of whatever kind or nature, contingent or otherwise, known or unknown, past, present or future with respect to that portion of the RIO VISTA PROPERTY used for or affected by waste disposal, incurred under, or imposed by, any provision of Federal, State or local law or regulation, or common law, including those laws pertaining to health, safety or environmental protection, including without limitation, such laws or regulations pertaining to the operation of a solid waste facility, storage, transportation, handling, disposal, discharge, presence or use of any waste or hazardous waste or material. It is expressly understood that CITY's obligation to indemnify, hold harmless and release survives close of escrow and shall be a continuing obligation.

CITY, for itself, successors, assigns, employees, agents and contractors, hereby agrees to indemnify, hold harmless, defend and release the BOARD and its Lessee from any claims or damages to the RIO VISTA PROPERTY or improvements thereon arising out of the BOARD's, or its Lessee's, dredge, spoil and sand recovery operations under Reclamation Board Lease No. 87-2 or otherwise caused by uncontrollable forces.

To the extent permitted by law, each party as indemnitor, shall hold harmless, indemnify and defend the other party from any and all loss, damage, expense and liability resulting from injuries to or death of persons, including but not limited to employees of either party hereto, and damage to or destruction of property or hazardous waste contamination, including but not limited to the property of either party hereto, arising out of or in any way connected with the performance of this Agreement, or the actions of its agents or employees, excepting only such injury, death, damage or destruction as may be caused by the sole negligence or willful misconduct of the indemnitee, its agents or employees.

It is the intent of the parties hereto that, where negligence is determined to have been contributory, principles of comparative negligence will be followed and each party shall bear the proportionate cost of any loss, damage, expense and liability attributable to that party's negligence.

16. NOTICE: Any notices or documents required pursuant to this Agreement should be delivered to:

General Manager
The Reclamation Board
State of California
1416 Ninth Street, Room 455-6
Sacramento, California 95814-5594
Phone: (916) 653-5434; FAX: (916) 653-5805

City Manager
City of Rio Vista
One Main Street
Rio Vista, California 94571
Phone: (707) 374-6451; FAX: (707) 374-5063

17. APPROVAL: This Agreement shall have no force or effect unless it is approved by a vote of the majority of The Reclamation Board and approved by the Department of General Services.

18. SALE OF RIO VISTA PARCEL: In order to obtain funds for the acquisition of the EXCHANGE PROPERTY, the CITY has entered into negotiations with Frank Andrews, Jr. for the sale of forty (40) acres of the RIO VISTA PROPERTY to Mr. Andrews, Jr. If the transaction is successful, the sale of that portion of the RIO VISTA PROPERTY would occur immediately upon transfer of title by the BOARD to the CITY of the entire RIO VISTA PROPERTY. The CITY has informed the BOARD of these negotiations and possible sale, and the BOARD has no objection to same. It is hereby agreed by the CITY and the BOARD that the entire LAND EXCHANGE AGREEMENT is subject to the conditions precedent that the sale of the forty (40) acre parcel is completed successfully, the necessary funds are placed into escrow on behalf of the CITY and transfer of title to the CITY of the RIO VISTA PROPERTY occurs as soon as possible thereafter, but in no event later than two (2) years from the approval of this LAND EXCHANGE AGREEMENT by the

Department of General Services. Notwithstanding the foregoing, CITY agrees that it will not acquire any portion of the RIO VISTA PROPERTY until and unless it acquires fee title to the land fill located on the RIO VISTA PROPERTY.

Dated as of this _____ day of _____, 1993.

IN WITNESS WHEREOF, the parties have executed this Agreement of the date written above.

SACRAMENTO AND SAN JOAQUIN DRAINAGE DISTRICT, acting by and through The Reclamation Board of the State of California

By:_____
Raymond E. Barsch
General Manager

CITY OF RIO VISTA

_____

Approved as to Legal Form and Sufficiency

By:_____
Counsel for The Reclamation Board

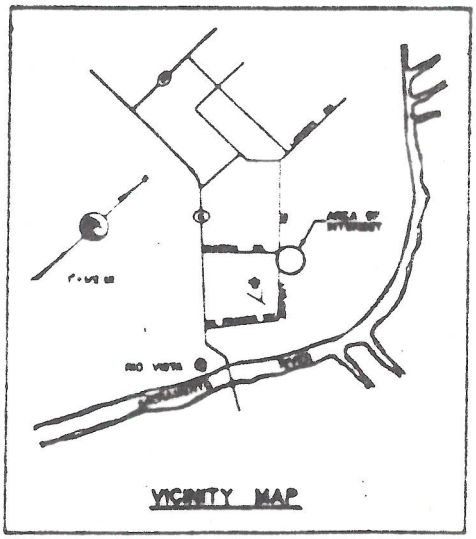
T. 4N., R. 2E. & 3E.

RIO VISTA'S PROPOSED LAND ACQUISITION BOUNDARY 480 ± Acres

WATER POLLUTION PROPOSED CONTROL FACILITY

EXISTING LANDFILL DUMPSITE 20 Ac.

SAND LEASE 87-2 407.60 Acres



LEGEND

- RIO VISTA'S PROPOSED LAND ACQUISITION BOUNDARY 480 ± ACRES
- RIO VISTA'S PROPOSED WATER POLLUTION CONTROL FACILITY LOCATION
- REMAINING STATE RECLAMATION BOARD LAND 550 ± ACRES

RECLAMATION BOARD LAND
RIO VISTA, SOLANO COUNTY

Attachement A

LAND EXCHANGE AGREEMENT

AMENDMENT NO. 1

WHEREAS, The Reclamation Board (hereinafter referred to as "Board") and the City of Rio Vista (hereinafter referred to as "City") entered into a Land Exchange Agreement dated September 8, 1993, and recorded October 22, 1993, at Volume 1993, page 99459;

WHEREAS, pursuant to paragraph 17 of the Land Exchange Agreement, the City had two years (until October 19, 1995) to place the appraised value of the Board's Rio Vista property, which is the subject of the exchange and other money, into escrow, as specified in paragraph 4;

WHEREAS, by letter dated June 16, 1995, the City has requested a one-year extension of the time specified in paragraph 17.

NOW, THEREFORE, the parties hereto agree as follows:

The fourth sentence of paragraph 17 is amended to read:

> It is hereby agreed by CITY and BOARD that the entire LAND EXCHANGE AGREEMENT is subject to the conditions precedent that the sale of the forty- (40-) acre parcel is completed successfully and the necessary funds are placed into escrow on behalf of the CITY, but in no event later than <u>three (3)</u> years from the approval of this LAND EXCHANGE AGREEMENT by the Department of General Services.

Original Attachement A

LAND EXCHANGE AGREEMENT
AMENDMENT NO. 2

WHEREAS, The Reclamation Board (hereinafter referred to as "BOARD") and the City of Rio Vista (hereinafter referred to as "CITY") entered into a Land Exchange Agreement dated September 8, 1993, and recorded October 22, 1993, at Volume 1993, page 99459;

WHEREAS, pursuant to paragraph 17 of the Land Exchange Agreement, City had two years (until October 19, 1995) to place the appraised value of Board's Rio Vista property, which is the subject of the exchange and other money, into escrow, as specified in paragraph 4;

WHEREAS, by LAND EXCHANGE AGREEMENT, AMENDMENT NO. 1, BOARD approved a one-year extension of the time in paragraph 17.

WHEREAS, CITY has requested an additional one-year extension.

NOW, THEREFORE, the parties hereto agree as follows:

The fourth sentence of paragraph 17 is amended to read:

It is hereby agreed by CITY and BOARD that the entire LAND EXCHANGE AGREEMENT is subject to the conditions precedent that the sale of the forty- (40-) acre parcel is completed successfully and the necessary funds are placed into escrow on behalf of CITY, but in no event later than four (4) years from the approval of this LAND EXCHANGE AGREEMENT by the Department of General Services.

This amendment shall be effective only after the approval by the Department of General Services.

Dated this 1st day of October, 1996.

Attachement A

IN WITNESS WHEREOF, the parties have executed this Agreement on the date written above.

SACRAMENTO AND SAN JOAQUIN DRAINAGE DISTRICT, acting by and through The Reclamation Board of the State of California

By: _____
Raymond E. Barsch
General Manager

CITY OF RIO VISTA

By: _____
Jerry Rubier
Mayor

ACKNOWLEDGMENT

STATE OF CALIFORNIA}
County of Solano }

On September 20, 1996, before me, the undersigned, a Notary Public in and for said State, personally appeared JERRY RUBIER, personally known to me to be the person whose name is subscribed to the within instrument, as a witness thereto, who, being by me duly sworn, deposes and says: That this witness resides in _____, _____, and that said witness was present and saw _____, personally known to said witness to be the same person described in, and whose name is subscribed to the within and annexed instrument as a party thereto, execute and deliver same, and that affiant subscribed his/her name to the within instrument as witness.

WITNESS my hand and official seal.

JULIE WALDIE
COMM. #1078991
NOTARY PUBLIC - CALIFORNIA
SOLANO COUNTY
My Commission Expires Dec. 3, 1999

Julie Waldie
NOTARY PUBLIC IN AND FOR THE STATE OF CALIFORNIA

Attachment B

RESOLUTION NO. 93-2
RESOLUTION OF THE STATE RECLAMATION BOARD
ADOPTED MAY 21, 1993
CITY OF RIO VISTA LAND EXCHANGE

Submitted for consideration is a proposal for the Reclamation Board to exchange land with the City of Rio Vista.

The Board staff has been negotiating a Land Exchange Agreement whereby The Reclamation Board proposes to exchange 480 acres of its land with the City of Rio Vista for other lands.

Board staff believes an exchange of land is the best way to meet both the Board's and City's needs.

NOW, THEREFORE, IT IS RESOLVED that The Reclamation Board approves the Land Exchange Agreement and authorizes the General Manager of The Reclamation Board to execute the Land Exchange Agreement, Reclamation Board Deed and other related documents. The General Manager is further authorized to identify exchange properties.

Date May 21, 1993

George E. Rebbeck
for
President

Jane F. Carter
Secretary

Approved as to Legal Form
and Sufficiency

Ward Stone
Counsel for The Reclamation
Board

Attachment C

June 13, 2001

WILDLANDS, INC.

Ms. Jan Knight
U.S. FISH AND WILDLIFE SERVICE
Sacramento Office
2800 Cottage Way, Suite W-2605
Sacramento, CA 95825

Re: Pope Ranch Conservation Bank

Dear Jan,

Enclosed for your record is the following document that confirms the first sales transaction of giant garter snake credits from the Pope Ranch Conservation Bank.

1. A copy of the Bill of Sale for the purchase of 24.0 giant garter snake credits by The Reclamation Board of the State of California for the past mitigation requirements of PL 84-99:FY 1997 Project. This transaction occurred on June 7, 2001.

Please note that the actual Agreement for purchasing mitigation credits between Wildlands and the Reclamation Board of the State of California is lengthy and a copy will be provided upon request.

Please feel free to contact either Steve Morgan or myself if you have any questions. Thank you.

Sincerely,

Kellie Berry

Kellie Berry
Sales and Marketing Director

Enclosure

Cc: Larry Bergmooser, USACE
Stephen Bradley, CA Reclamation Board
Larry Eng, DFG (Sac Valley Region)
Terry Roscoe, DFG (Sac Valley Region)
Ward A. Tabor, DWR
Wayne White, USFWS

z:marketing\Agreements-Doc\POPEsales

5910 Auburn Boulevard, Suite 17 ✦ Citrus Heights, CA 95621 ✦ (916) 331-8810 ✦ Fax: (916) 331-8755

Attachment C

Exhibit 3
to
Land Purchase/Exchange for Mitigation Credits Agreement
Credit purchase for past mitigation requirements
of PL 84-99: FY 1997

BILL OF SALE

(Pope Ranch Mitigation Bank)
Control # POPE 01-01

For a valuable consideration, receipt of which is hereby acknowledged, WILDLANDS, INC., a California corporation, does hereby bargain, sell and transfer to THE RECLAMATION BOARD OF THE STATE OF CALIFORNIA the following credits in the Pope Ranch Mitigation Bank:

Giant Garter Snake	24 credits

Wildlands represents and warrants that it has good title to the credits, has good right to sell the same, and that they are free and clear of all claims, liens or encumbrances.

Wildlands covenants and agrees with the buyer to warrant and defend the sale of the credits hereinbefore described against all and every person and persons whomsoever lawfully claiming or to claim the same.

DATED: June 7, 2001

WILDLANDS, INC.,
a California corporation

By: [signature]

Attachment D

UnionBank

STATEMENT OF ACCOUNTS

FIRST AMERICAN TITLE GUARANTY CO
Statement Number: 2710031781
03/01/14 - 03/31/14

UNION BANK
TITLE ACCOMMODATORS 0271
POST OFFICE BOX 513840
LOS ANGELES CA 90051-3840

Customer Inquiries
800-849-6466

Thank you for banking with us
since 1984

FIRST AMERICAN TITLE GUARANTY CO
ATF THE RECLAMATION BOARD
THE RESOURCES AGCY STATE OF CA/REGIONAL
ESC#284-05/602906-001/ESCROW BANKING
560 SOUTH 300 EAST
SALT LAKE CITY UT 84111

Account Number: 2710031781

Business MoneyMarket Account Summary

Days in statement period: Days in statement period: 31

Balance on 3/ 1	$		1,215,453.95
Total Credits			41.29
Other credits (1)		41.29	
Total Debits			0.00
Balance on 3/31	$		1,215,495.24

Interest		
Paid this period	$	41.29
Paid year-to-date	$	119.85
Interest Rates		
3/1/14-3/31/14		0.04%

CREDITS

Other credits and adjustments

Date	Description/Location	Reference		Amount
3/31	INTEREST PAYMENT		$	41.29

DEBITS

Daily Ledger Balance

Date		Ledger Balance	Date		Ledger Balance
3/1-3/30	$	1,215,453.95	3/31	$	1,215,495.24

STATE OF CALIFORNIA
THE RESOURCES AGENCY
CENTRAL VALLEY FLOOD PROTECTION BOARD

RESOLUTION NO. 2014-27

DIRECTIVE TO BOARD EXECUTIVE OFFICER TO CLOSE ESCROW NO. 602906-001

WHEREAS, in the 1920's, the Sacramento San Joaquin Drainage District (SSJDD) purchased thousands of acres of land near the city of Rio Vista for the purpose of placement and disposal of sediment generated by the Sacramento River Flood Control project, and;

WHEREAS, the Central Valley Flood Protection Board (Board) manages and controls the property owned by SSJDD pursuant to California Water Code Section 8502, and;

WHEREAS, the Board was formed by statute in 2008 as the successor agency to the Reclamation Board pursuant to California Water Code Section 8521, and;

WHEREAS, in 1991, in order to facilitate municipal improvements in the city, the City of Rio Vista requested the Board sell 480 acres of SSJDD land to the City, and after determining that the sale of land to adjacent landowners was allowable under state law then in effect, the Board authorized Board staff to negotiate an exchange agreement with the City (Board Resolution No. 92-3), and;

WHEREAS, on October 22, 1993, the Land Exchange Agreement (Agreement) with the City was recorded, which required the City to place $1,235,000 into escrow with First American Title Company and the Board to place a grant deed for the fee simple interest of the property, and;

WHEREAS the Agreement contemplated at least two closes of escrow, the first being the property sale to the City and subsequent, as yet to be determined sales of property to the SSJDD, and;

WHEREAS, the money deposited by the City was to be placed in the highest commercially available interest-bearing escrow account with Union Bank, with all interest proceeds accumulating to the benefit of the Board, and;

WHEREAS, the first close of escrow took place in March 1997, when the 480 acres was transferred to the City and the City placed $1,235,000 into escrow and the second close of escrow took place in 2003 when the US Army Corps of Engineers and the State utilized $599,060 to purchase property near the City as mitigation for rehabilitation impacts on the federally-listed Giant Garter Snake, which was later converted to mitigation credits used by the State, and;

WHEREAS, there has been no further escrow closings and no further parcels of property identified by the Board as suitable to purchase under the Agreement, and;

WHEREAS, the balance of the escrow account held in trust at Union Bank is approximately $1,215,294.20, and;

WHEREAS, First American Title Insurance Company, as holder of the escrow account has requested payment of $52,000 upon close of escrow as the fee for services since 1997, and;

WHEREAS, the Board intends the balance of the funds to be transferred to the State of California General Fund as soon as possible.

NOW THEREFORE the Board resolves and directs the Executive Officer to:

1. Issue final escrow instructions to First American to close the escrow account.
2. Upon verification, pay from the escrow funds up to $52,000 to First American pursuant to previously issued escrow instructions, for servicing the escrow account from 1997 to 2014.
3. Direct the remainder of the escrow account, after deduction of closing costs to First American, to the State of California General Fund.
4. Execute such other documents and take such other action as may be necessary to carry out the intent of the Board in closing this escrow account and forwarding the remainder of the funds to the State General Fund.

PASSED AND ADOPTED by vote of the Board on _____, 2014

_____
William H. Edgar
President

_____
Jane Dolan
Secretary