



County of Los Angeles
CHIEF ADMINISTRATIVE OFFICE

713 KENNETH HAHN HALL OF ADMINISTRATION • LOS ANGELES, CALIFORNIA 90012
(213) 974-1101
<http://cao.co.la.ca.us>

DAVID E. JANSSEN
Chief Administrative Officer

May 16, 2006

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Board of Supervisors
GLORIA MOLINA
First District

YVONNE B. BURKE
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

Dear Supervisors:

**CONVEYANCE OF COUNTY-OWNED REAL PROPERTY
TO THE COUNTY SANITATION DISTRICT NO. 14 OF LOS ANGELES COUNTY
UNINCORPORATED TERRITORY OF ANTELOPE VALLEY
(FIFTH) (4 VOTES)**

IT IS RECOMMENDED THAT YOUR BOARD:

1. Find that the properties located at 90th Street East, south of Avenue E in the unincorporated territory of the Antelope Valley and as shown on the attached map (Attachment 1) and legally described in Exhibit A to the Attachment 2 agreements, are not required for present or future County use.
2. Find that the proposed direct sale of the surplus properties is categorically exempt from the California Environmental Quality Act (CEQA).
3. Approve the conveyance of the properties for \$49,500 to County Sanitation District No. 14 (District).
4. Approve and instruct the Mayor to sign the two attached Agreements for Acquisition of Real Property and Escrow Instructions (Attachment 2) and upon presentation the Grant Deeds in a format similar to Attachment 3, all of which have been approved as to form by County Counsel.
5. Instruct the Auditor-Controller to deposit the sale proceeds into the Asset Development Implementation Fund as directed by the Chief Administrative Office (CAO).

6. Authorize the CAO to execute any other documents necessary to complete the sales transaction upon approval by County Counsel.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Originally acquired by the County in the 1950's via the tax deed process and designated for soil and water conservation purposes, these parcels have remained vacant and unused during the entire period of County ownership. The concept of land banking for conservation purposes has evolved since it was initiated with the focus now being on retaining property that has significant ecological value. These particular parcels have not been identified as having significant ecological value and as a result these lands are considered surplus to the County's needs.

As part of the District's long range plans to effectively manage the overflow water resulting from waste water treatment activities under its jurisdiction, a program of acquiring acreage for agricultural purposes has been initiated. Specifically, the District's intent is to acquire the subject lands along with about 4,000 other acres in the northern Antelope Valley area bounded by 50th Street East to the east, Avenue G to the south, 100th Street East to the west and Avenue D to the north for the purpose of transforming these areas into productive agricultural uses promoted via the irrigation of these lands with treated water.

The sale of these properties to the District provides an opportunity for the County to sell these assets at their fair market value.

Implementation of Strategic Plan Goals

The approval of this sale will provide funds that can be used to improve the physical infrastructure of the County's existing real estate assets which is in accordance with the stated goal of strengthening the County's fiscal capacity as provided in the County of Los Angeles Strategic Plan (Goal 4).

FISCAL IMPACT/FINANCING

The District has agreed to pay the County a total of \$49,500 in cash for the properties. The sales price was determined by the appraisal commissioned by the District from the appraisal firm of Mason & Mason. CAO staff has reviewed the appraisal and concurs that the amount offered by the District is reflective of the property's estimated market value.

Proceeds from the sale will be deposited into the Asset Development Implementation Fund.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The conveyance of the properties to the District is authorized by Section 25365 of the California Government Code which authorizes real property transfers to other governmental agencies. Notification of your Board's intended action has been published in compliance with Government Code Section 6061.

Parcel 1 is 8.82 net acres and Parcel 2 is 0.12 net acres in size. In accordance with your Board's policy, a restriction has been placed upon the deed reserving the mineral rights upon the property to the County.

Notice of the proposed sale was provided to the Department of Regional Planning pursuant to Section 65402 of the Government Code and no adverse response was received.

County Counsel has reviewed the Agreements for Acquisition of Real Property and Escrow Instructions and the Quitclaim Deeds related to the conveyance and has approved them as to form.

ENVIRONMENTAL DOCUMENTATION

The sale of surplus governmental property is a Class 12 categorical exemption from CEQA pursuant to Section 15312 of the State CEQA guidelines and the revised Environmental Document Reporting Procedures and Guidelines adopted by your Board on November 17, 1987.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Sale of these parcels will allow the District to implement their stated effluent management plan which provides that the subject parcels will be used for agricultural purposes irrigated with excess treated water from the Lancaster Water Reclamation Point.

The Honorable Board of Supervisors
May 16, 2006
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CONCLUSION

It is requested that the Executive Officer, Board of Supervisors, return each original executed Grant Deed, and each executed original Agreement for Acquisition of Real Property and Escrow Instructions, two certified copies of the Minute Order, and the adopted, stamped Board letter to the CAO Real Estate Division at 222 South Hill Street, 3rd Floor, Los Angeles, CA 90012 for further processing.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "David E. Janssen", with a stylized flourish at the end.

DAVID E. JANSSEN
Chief Administrative Officer

DEJ:WLD
CB:CK:dd

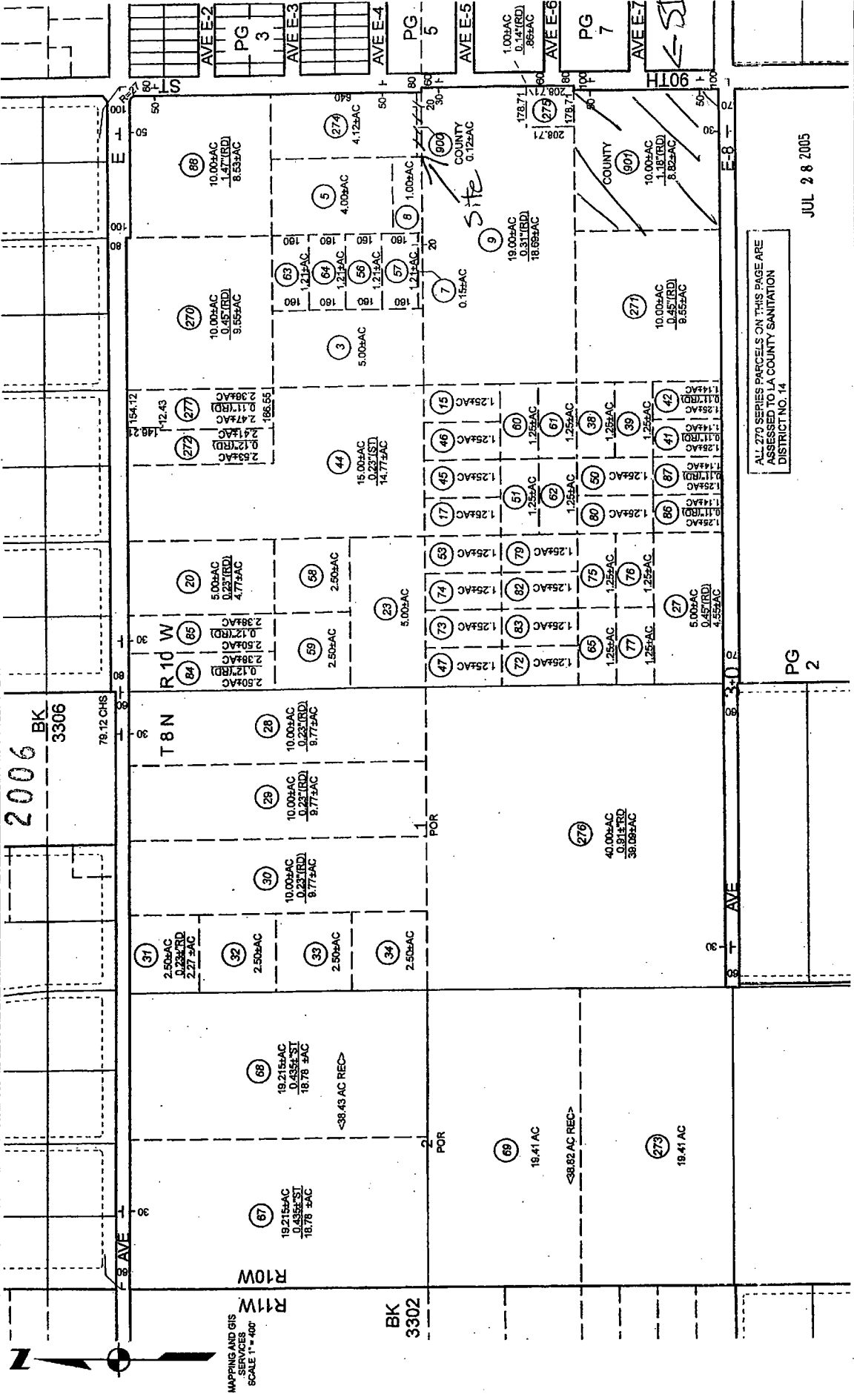
Attachments (3)

c: County Counsel
Auditor-Controller

90thStreetEast.b

ATTACHMENT 1
MAP

3307 SHEET **1** P.A. 5168-29 TRA 3435
 REVISÉD 2004021007003001-A1 20030941504001001-A1 2004072804003001-A1 2005072806003001-A1
 OFFICE OF THE ASSESSOR COUNTY OF LOS ANGELES COPYRIGHT © 2002



MAPPING AND GIS SERVICES SCALE 1" = 400'
 BK 3302
 PG 2
 JUL 28 2005

ATTACHMENT 2
AGREEMENT(S) FOR ACQUISITION OF REAL PROPERTY
AND ESCROW INSTRUCTIONS

COUNTY SANITATION DISTRICT NO. 14 OF LOS ANGELES COUNTY

AGREEMENT FOR ACQUISITION OF
REAL PROPERTY AND ESCROW INSTRUCTIONS

THIS AGREEMENT, entered into as of this 9th day of March, 2006, by and between COUNTY SANITATION DISTRICT NO. 14 OF LOS ANGELES COUNTY (hereinafter referred to as the "District") and COUNTY OF LOS ANGELES (hereinafter called "Seller"), regardless of number or gender;

For and in consideration of their promises, covenants and agreements hereinafter set forth, and subject to the terms, conditions and provisions hereinafter set forth, Seller agrees to sell to District, and District agrees to purchase from Seller.

All that certain real property located in the State of California, County of Los Angeles, described as follows:

SEE EXHIBIT "A" ATTACHED HERETO
AND BY THIS REFERENCE MADE A PART HEREOF

(Los Angeles County Assessor's Parcel Number: 3307-001-900
hereinafter referred to as "said Property")

Said sale and purchase of said Property shall be in accordance with and subject to all of the following terms, conditions, promises, covenants, agreements and provisions, to wit:

1. Conveyance by Seller. Seller agrees to convey said Property to District, by Grant Deed, at the office of Old Republic Title Company, within sixty (60) days from and after the date on which the District has approved this Agreement by action of its Board of Directors.
2. Title to be Conveyed. Seller agrees that, except as may hereinafter be otherwise expressly provided, said Property shall be conveyed by Seller to District, as aforesaid, free and clear of any and all conditions, restrictions, reservations, exceptions, easements, assessments, profits, limitations, encumbrances, liens, leases, clouds or defects in title except those exceptions shown in Paragraph 14 below.
3. Title Insurance. Seller agrees to deliver to District, concurrently with the conveyance of said Property to District, within the time and at the place hereinabove specified for said conveyance of said Property, a C.L.T.A. policy of title insurance to be issued by Old Republic Title Company, with the District therein named as the insured, in the amount TWO THOUSAND DOLLARS AND No/100 (\$2,000.00) (the cost of such policy is to be the sole responsibility of the District as provided in Paragraph 4 below), insuring the title of the District to said Property is free and clear of any and all conditions, restrictions, reservations, exceptions, easements, assessments, profits, limitations, encumbrances, liens, lease, clouds or defects in title, excepting such specific ones as District may hereinafter expressly agree to take subject to. Acceptance by District of any such policy of insurance, whether such insurance complies with the requirements

of this paragraph or not, shall not constitute a waiver by District of its right to such insurance as is herein required of Seller, nor a waiver by the District of any rights of action for damages or any other rights which may accrue to District by reason of the failure of Seller to convey title or to provide title insurance as required in this Agreement.

4. Escrow. District agrees to open an escrow at the office of Old Republic Title Company (the Escrow Agent) within ten (10) days from and after the date on which the District has executed this Agreement. This Agreement constitutes the joint escrow instructions of the District and the Seller and a duplicate original of this Agreement shall be delivered to the Escrow Agent upon the opening of the escrow without the necessity of Seller to execute any other instructions.

The Escrow Agent is hereby empowered to act under this Agreement, and upon indicating its acceptance of this Section 4 and of the General Provisions described in Exhibit "B" attached hereto and incorporated herein by this reference, in writing, delivered to the District and to the Seller within five (5) days after delivery of this Agreement, shall carry out its duties as Escrow Agent hereunder.

District agrees to bear and Escrow Agent is hereby authorized to charge to the District the cost of any transfer taxes, recording fees, cost of title insurance, reconveyance fees, document preparation fees, escrow fees and any other closing costs incidental to the conveying of said Property to District. Penalties for prepayment of bona fide obligations secured by any existing deed of trust or mortgage shall be waived pursuant to Civil Code Procedures Section 1265.240.

5. Property Taxes. Such real property taxes, if any, on said Property for the fiscal year within which said Property is conveyed to District as are unpaid at the time of said conveyance shall be cleared and paid in accordance with the provisions of Section 4986 of the Revenue and Taxation Code of the State of California. Seller shall be eligible for a refund under Section 5096.7 of the Revenue and Taxation Code of the State of California for that portion of property taxes on said Property for said fiscal year which have been paid prior to the date the deed conveying said Property to District is recorded which is allocable to that portion of the fiscal year which begins on the date the deed conveying said Property to District is recorded and made uncollectible if unpaid by reason of Section 4986 of the Revenue and Taxation Code of the State of California. All unpaid taxes on said Property for any and all years prior to the fiscal year within which said conveyance is made shall be paid by Seller before conveyance of said Property to District.

6. Payment of Purchase Price. District agrees to pay to Seller, and Seller agrees to accept from District, for the full purchase price for said Property, fixtures & equipment (improvements pertaining to the realty), goodwill (if any), and severance damages (if any) the total sum of TWO THOUSAND DOLLARS AND No/100 (\$2,000.00). District agrees to deposit said purchase price in escrow with the Escrow Agent within SIXTY (60) days from and after the date on which the District has approved this Agreement, or as mutually acceptable, and the Escrow Agent is hereby authorized to pay the same to Seller upon and after:

- (a) Conveyance of said Property by Seller to District as hereinabove provided;
- (b) Acceptance by District of a Grant Deed conveying said Property to District;
- (c) Delivery to District of the policy of title insurance as hereinabove provided;
- (d) Recordation of the Deed conveying said Property to District.

7. Possession. Seller agrees to deliver to District, on the date the Deed conveying said Property to District is recorded, quiet and peaceful possession of said Property, which shall be made free by Seller of all personal property.

8. Waivers. The waiver by either Party of any breach of any covenant or agreement herein contained on the part of the other Party shall not be deemed or held to be a waiver of any subsequent or other breach of said covenant or agreement nor a waiver of any breach of any other covenants or agreements contained herein.

9. Heirs, Assigns, Etc. This Agreement, and all the terms, covenants and conditions hereof, shall apply to and bind the heirs, executors, administrators, successors and assigns of the respective parties hereto.

10. Time is of the Essence. In all matters and things hereunder to be done and in all payments hereunder to be made, time is and shall be of the essence.

11. Permission to Enter on Premises. Seller hereby grants District, and its authorized agents, permission to enter upon said Property at all reasonable times prior to close of escrow for the purpose of making necessary inspections.

12. Just Compensation. Seller acknowledges and agrees that said purchase price is just compensation at fair market value for said Property and includes any and all fixtures and equipment, goodwill (if any), and severance (if any).

13. Notices. The District's mailing address is:

County Sanitation District No. 14 of Los Angeles County
c/o Sanitation Districts of Los Angeles County
Joint Administration Offices
1955 Workman Mill Road
Whittier, CA 90607

The Seller's mailing address is:

County of Los Angeles
Real Estate Division
222 S. Hill Street, 3rd Floor
Los Angeles, CA 90012
Attn: Carlos Brea

14. Exceptions. District agrees to accept title to said Property without exception as shown in that certain Preliminary Report from Old Republic Title Company dated 02/5/2004 (No. 2615000771-55), a copy of which is attached hereto as Exhibit "C", and no other.
15. Entire Agreement. It is mutually agreed that the parties hereto have herein set forth the whole of their Agreement. Performance of this Agreement by District shall lay at rest, each, every and all issue(s) that were raised or could have been raised in connection with the acquisition of said Property by District.
16. Hazardous Waste. Intentionally omitted.
17. Compliance With Environmental Laws. Intentionally omitted.
18. Indemnity. Intentionally omitted.
19. Contingency. It is understood and agreed between the parties hereto that the completion of this transaction, and the escrow created hereby, is contingent upon the specific acceptance and approval of the District by action of the District's Board of Directors.
20. Modification and Amendment. This Agreement may not be modified or amended except in writing signed by the Seller and District.
21. Partial Invalidity. Any provision of this Agreement that is unenforceable or invalid or the conclusion of which would adversely affect the validity, legality, or enforcement of this Agreement shall have no effect, but all the remaining provisions of this Agreement shall remain in full force.
22. Captions. Captions and headings in this Agreement, including the title of this Agreement, are for convenience only and are not to be considered in construing this Agreement.
23. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California.

24. No Reliance By One Party On The Other. Each party has received independent legal advice from its attorneys with respect to the advisability of executing this Agreement and the meaning of the provisions hereof. The provisions of this Agreement shall be construed as to their fair meaning, and not for or against any party based upon any attribution to such party as the source of the language in question.
25. No Third Party Beneficiary. This Agreement is intended to benefit only the parties hereto and no other person or entity has or shall acquire any rights hereunder.
26. Duty To Cooperate Further. Each party hereby agrees that it shall, upon request of the other, execute and deliver such further documents (in form and substance reasonably acceptable to the party to be charged) and do such other acts and things as are reasonably necessary and appropriate to effectuate the terms and conditions of this Agreement, without cost.
27. Applicability of Agreement To Assignees. This Agreement shall be binding upon and shall inure to the benefit of the successors and assigns of the parties to this Agreement.
28. Authority to Execute Agreement. Each undersigned party represents and warrants that its signature hereinbelow has the power, authority and right to bind their respective parties to each of the terms of this Agreement, and shall indemnify the other party fully, including reasonable costs and attorney's fees, for any injuries or damages to the other party in the event that such authority or power is not, in fact, held by the signatory or is withdrawn.
29. Incorporation of Exhibits. All Exhibits referenced herein and attached hereto shall be incorporated as if fully set forth in the body of this Agreement.
30. Release. The parties hereto hereby agree that all rights under Section 1542 of the Civil Code of the State of California are hereby waived. Civil Code Section 1542 provides as follows:

“A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor.”

Notwithstanding the provisions of Civil Code Section 1542, Seller hereby irrevocably and unconditionally releases and forever discharges the District and each and all of its officers, agents, directors, supervisors, employees, representatives, and its successors and assigns and all persons acting by, through, under, or in concert with the District from any and all charges, complaints, claims, and liabilities of any kind or nature whatsoever, known or unknown, suspected or unsuspected (hereinafter referred to as "claim" or "claims") which Seller at any time heretofore had or claimed to have or which Seller at any time hereafter may have or claim to have, including, without limitation, any and all claims related or in any manner incidental to this transaction.

The parties have executed this Agreement as of the last date written below.

COUNTY OF LOS ANGELES

BY: _____
Michael D. Antonovich

TITLE: Mayor, County of Los Angeles

Date: _____

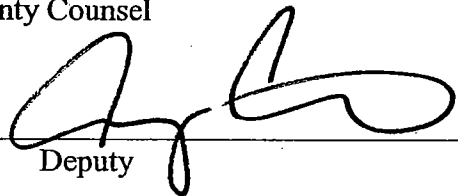
ATTEST:

Sachi A. Hamai
Executive Officer,
Board of Supervisors

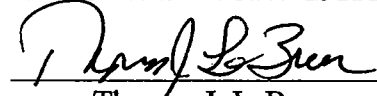
APPROVED AS TO FORM:

Raymond G. Fortner, Jr.
County Counsel

BY: _____
Deputy

BY: 
Deputy

COUNTY SANITATION DISTRICT NO. 14 OF LOS ANGELES COUNTY

BY: 
Thomas J. LeBrun

TITLE: Department Head – Financial Management Department

Date: 3/21/06

EXHIBIT "A"

LEGAL DESCRIPTION

THE LAND REFERRED TO HEREIN IS SITUATED IN THE STATE OF CALIFORNIA,
COUNTY OF LOS ANGELES, AND IS DESCRIBED AS FOLLOWS:

THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF THE NORTHEAST
QUARTER OF SECTION 30, TOWNSHIP 8 NORTH, RANGE 10 WEST, SAN
BERNARDINO BASE AND MERIDIAN, IN THE COUNTY OF LOS ANGELES, STATE OF
CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT OF THE SURVEY OF SAID LAND
ON FILE IN THE BUREAU OF LAND MANAGEMENT.

EXHIBIT "B"

Page 1

GENERAL PROVISIONS
OLD REPUBLIC TITLE COMPANY

1. **Deposit and Disbursement of Funds.** All funds received in this escrow shall be deposited in accordance with the Deposit Instructions/Authorizations provided to the party depositing funds into an escrow account maintained by Title Company.

Disbursements are ordinarily made by check of Title Company. Old Republic offers its customers the opportunity to transfer funds by wire from its depository bank. Use of a wire transfer may offer benefits to a party who wishes to more quickly satisfy an obligation and stop the accrual of additional interest. Old Republic's wire transfer service handling fee is \$25.00 for each wire requested. Please let your escrow officer know should you require a wire transfer of any portion of the escrow proceeds.

2. **Prorations and Adjustments.** All prorations and/or adjustments called for in this escrow are to be made on the basis of a thirty (30) day month unless otherwise instructed in writing. In closing, Title Company may adjust estimated amounts and prorations and other items which may change dependent upon the recording date. In all acts relating to fire/hazard insurance, rents and rental deposits, you shall be fully protected in assuming that the information provided you by the parties to this escrow, or their agent(s), is correct and that insurance premiums have been paid.

3. **Recordation of Instruments.** Recordation of any instrument delivered to this escrow, if necessary or proper for the issuance of the Policy of Title Insurance called for, is authorized. You are further authorized to take any action necessary to comply with these instructions and the instructions of any lender and to execute any and all documents which may be necessary or incidental to the carrying out of these instructions.

4. **Authorization to Furnish Copies.** You are authorized to furnish copies of these instructions and supplements thereto, notices of cancellation, and closing statements pertaining to this escrow to the real estate broker(s) or lender(s) named in this escrow.

5. **Delivery of Non-Recorded Documents.** Upon close of escrow, documents which are not required to be recorded may be delivered by Title Company by depositing same in the United States mail, postage prepaid, addressed to the party entitled thereto, at the mailing address set forth herein.

6. **Conflicting Instructions.** Upon receipt of any conflicting instructions (other than cancellation instructions), you are no longer obligated to take any further action in connection with this escrow until further consistent instructions are received from the principals, and you are authorized to hold all monies and/or instruments in this escrow until otherwise directed, either by the principals' mutual written instructions or by final order of a court of competent jurisdiction. In the event of conflicting claims to any funds or other documents, you have the absolute right, at your election, to file an action in interpleader requiring the principals to answer and litigate their several claims and rights amongst themselves. Any such action must comply with the requisite interpleader statutes of the State of California in this regard.

7. **Disclosure.** You shall have no duty to disclose to any party to this escrow any information which may come to our attention concerning this transaction unless specifically requested to do so by any party herein.

8. **Right of Cancellation.** No instructions for cancellation of this escrow shall be recognized unless they are in writing and deposited with the Title Company whose address appears in these instructions. Any principal instructing you to cancel this escrow shall file a Notice of Cancellation with said office. Escrow holder shall thereafter mail one copy of such notice to each of the other principals at their mailing address set forth in your file or in care of the agent(s) representing said principals, as the case may be. Unless written objection to the cancellation is filed in your office by a principal within ten

EXHIBIT "B"

Page 2

(10) days after date of such mailing, you are authorized to comply with such notice and return all papers and funds held in your file less your cancellation fees and other costs incurred in connection with this escrow. If written objection is filed, you are authorized to hold all monies and/or instruments in your file and take no further action unless otherwise directed by principals' mutual written instructions, or a final order of a court of competent jurisdiction. You have the absolute right, at your election, to file an action in interpleader requiring the principals to answer and litigate their several claims and rights amongst themselves. Any such action must comply with the requisite interpleader statutes of the State of California in this regard.

9. **Entire Agreement; Indemnification.** It is agreed and understood that this document and agreement shall be the whole and only agreement between the parties hereto with regard to the instructions and the obligations of the Title Company named herein in connection with this escrow, and shall supersede and cancel any prior instructions. You are specifically directed to follow these instructions only and you shall have no responsibility to follow the terms of any prior agreements entered into and between the buyer(s) and seller(s).

10. **Compliance with Regulatory Matters.** You are not to be responsible or liable for determination that there has been compliance with any matters that are excluded from coverage under the title insurance policy to be issued in conjunction with close of this escrow including, but not limited to, county or municipal ordinances and state, county or municipal subdivision or land division regulation laws. Reference is made to the policy form on file with the Insurance Commissioner of the State of California and available through the Title Company for the customer's review for a complete statement of such exclusions.

11. **Unclaimed Funds.** After three (3) years from the deposit of funds into escrow, any amounts thereafter remaining unclaimed may be escheated to the State of California in compliance with the State of California's Unclaimed Property Law and Regulations.

12. **Fees and Charges.** The undersigned agree to pay all charges, billings, advances and expenses, including cancellation fees, that are properly chargeable to the undersigned, and further to pay any balance for fees, costs or shortages due in connection with these instructions.

13. **Inspections.** The undersigned acknowledge that escrow holder is relieved of any obligation to order or obtain any of the inspections or reports required by this transaction.

14. **Contingencies.** The undersigned acknowledge that escrow is relieved of any obligation to monitor, schedule the timing of, or obtain any party's compliance with, any of the contingencies required by this transaction.

EXHIBIT "C"



OLD REPUBLIC TITLE COMPANY

450 NORTH BRAND BOULEVARD, 8TH FLOOR • GLENDALE, CALIFORNIA 91203-2306
(818) 247-2917 • (800) 22-TITLE (228-4853) Toll Free/Southern California

PRELIMINARY REPORT

SANITATION DISTRICT OF L.A. COUNTY
1955 WORKMAN MILL ROAD
WHITTIER, CALIFORNIA 90607

ATTENTION: BASIL HEWITT

YOUR NO. 3307-001-901
CLTA NO. 2615001102-55

IN RESPONSE TO THE ABOVE REFERENCED APPLICATION FOR A POLICY OF TITLE INSURANCE, OLD REPUBLIC TITLE COMPANY HEREBY REPORTS THAT IT IS PREPARED TO ISSUE, OR CAUSE TO BE ISSUED, AS OF THE DATE HEREOF, A POLICY OR POLICIES OF TITLE INSURANCE DESCRIBING THE LAND AND THE ESTATE OR INTEREST THEREIN HERINAFTER SET FORTH, INSURING AGAINST LOSS WHICH MAY BE SUSTAINED BY REASON OF ANY DEFECT, LIEN OR ENCUMBRANCE NOT SHOWN OR REFERRED TO AS AN EXCEPTION BELOW OR NOT EXCLUDED FROM COVERAGE PURSUANT TO THE PRINTED SCHEDULE, CONDITIONS AND STATUTATIONS OF SAID POLICY FORMS.

THE PRINTED EXCEPTIONS AND EXCLUSIONS FROM THE COVERAGE OF SAID POLICY OR POLICIES ARE SET FORTH IN EXHIBIT A ATTACHED. COPIES OF THE POLICY FORMS SHOULD BE READ. THEY ARE AVAILABLE FROM THE OFFICE WHICH ISSUED THIS REPORT.

PLEASE READ THE EXCEPTIONS SHOWN OR REFERRED TO BELOW AND THE EXCEPTIONS AND EXCLUSIONS SET FORTH IN EXHIBIT A OF THIS REPORT CAREFULLY. THE EXCEPTIONS AND EXCLUSIONS ARE MEANT TO PROVIDE YOU WITH NOTICE OF MATTERS WHICH ARE NOT COVERED UNDER THE TERMS OF THE TITLE INSURANCE POLICY AND SHOULD BE CAREFULLY CONSIDERED.

IT IS IMPORTANT TO NOTE THAT THIS PRELIMINARY REPORT IS NOT A WRITTEN REPRESENTATION AS TO THE CONDITION OF TITLE AND MAY NOT LIST ALL LIENS, DEFECTS AND ENCUMBRANCES AFFECTING TITLE TO THE LAND.

THIS REPORT (AND ANY SUPPLEMENTS OR AMENDMENTS HERETO) IS ISSUED SOLELY FOR THE PURPOSE OF FACILITATING THE ISSUANCE OF A POLICY OF TITLE INSURANCE AND NO LIABILITY IS ASSUMED HEREBY. IF IT IS DESIRED THAT LIABILITY BE ASSUMED PRIOR TO THE ISSUANCE OF A POLICY OF TITLE INSURANCE, A BINDER OR COMMITMENT SHOULD BE REQUESTED.

DATED AT 120 AM LON FEBRUARY 27, 2004

DAVE MAZONE, TITLE OFFICER,
MONICA LEITH, TITLE ASSISTANT
AND JULIE ASAD, 2ND TITLE ASSISTANT
TELEPHONE NO. (818) 247-2917, EXT. 5323
FAX NO. (818) 549-4372

THE FORM OF POLICY OF TITLE INSURANCE CONTINGENTATED BY THIS REPORT IS:

A CLTA STANDARD COVERAGE (1990) OWNER'S POLICY.

THE ESTATE OR INTEREST IN THE LAND HERINAFTER DESCRIBED OR REFERRED TO COVERED BY THIS REPORT IS:

A FEE

TITLE TO SAID ESTATE OR INTEREST AT THE DATE HEREOF IS VESTED IN:

COUNTY OF LOS ANGELES

AT THE DATE HEREOF EXCEPTIONS TO COVERAGE IN ADDITION TO THE EXCEPTIONS AND EXCLUSIONS IN SAID POLICY FORM WOULD BE AS FOLLOWS:

OK

1. ANY CITY OR COUNTY TAXES WHICH MAY BE LEVIED AGAINST THE HEREIN DESCRIBED LAND BY REASON OF THE FACT THAT SAID LAND WAS NOT INCLUDED ON THE TAX ASSESSOR'S ROLL FOR THE FISCAL YEAR 2003-2004 AND PRIOR YEARS.

OK

2. AN EASEMENT OVER THE SOUTH 10 FEET OF SAID LAND FOR PUBLIC ROAD PURPOSES, AS DECLARED BY ORDER OF THE BOARD OF SUPERVISORS MADE ON DECEMBER 19, 1932, IN MINUTE BOOK 184, PAGE 360.

OK

3. AN EASEMENT AFFECTING THAT PORTION OF SAID LAND AND FOR THE PURPOSES STATED HEREIN AND INCIDENTAL PURPOSES AS PROVIDED IN THE FOLLOWING INSTRUMENT,

GRANTED TO	:	COUNTY OF LOS ANGELES
FOR	:	PUBLIC ROAD AND HIGHWAY PURPOSES
RECORDED	:	DECEMBER 16, 1929, AS INSTRUMENT NO. 626
AFFECTS	:	THE SOUTHERLY 20 FEET OF THE WEST 1/2 OF THE SOUTHEAST 1/4 OF THE SOUTHEAST 1/3 OF THE NORTHEAST 1/4 OF SECTION 30, TOWNSHIP 8 NORTH, RANGE 10 WEST.

OK

4. AN EASEMENT AFFECTING THAT PORTION OF SAID LAND AND FOR THE PURPOSES STATED HEREIN AND INCIDENTAL PURPOSES AS PROVIDED IN THE FOLLOWING INSTRUMENT,

GRANTED TO	:	COUNTY OF LOS ANGELES
FOR	:	PUBLIC ROAD AND HIGHWAY PURPOSES
RECORDED	:	MARCH 31, 1930, AS INSTRUMENT NO. 1208
AFFECTS	:	THE EAST 20 FEET OF THE WEST 10 FEET OF THE EAST 30 FEET OF THE SOUTHERLY 20 FEET OF SAID LAND.

OK 5. AN EASEMENT AFFECTING THAT PORTION OF SAID LAND AND FOR THE PURPOSES STATED HEREIN AND INCIDENTAL PURPOSES AS PROVIDED IN THE FOLLOWING INSTRUMENT,

GRANTED TO : COUNTY OF LOS ANGELES
FOR : PUBLIC ROAD AND HIGHWAY PURPOSES
RECORDED : MARCH 31, 1930, AS INSTRUMENT NO. 1214
AFFECTS : THE SOUTHERLY 20 FEET OF SAID LAND

OK 6. AN EASEMENT AFFECTING THAT PORTION OF SAID LAND AND FOR THE PURPOSES STATED HEREIN AND INCIDENTAL PURPOSES AS PROVIDED IN THE FOLLOWING INSTRUMENT,

GRANTED TO : COUNTY OF LOS ANGELES
FOR : PUBLIC ROAD AND HIGHWAY PURPOSES
RECORDED : APRIL 22, 1930, AS INSTRUMENT NO. 1623
AFFECTS : THE WESTERLY 10 FEET OF THE EASTERLY 30 FEET OF SAID LAND

OK 7. AN EASEMENT AFFECTING THAT PORTION OF SAID LAND AND FOR THE PURPOSES STATED HEREIN AND INCIDENTAL PURPOSES AS PROVIDED IN THE FOLLOWING INSTRUMENT,

GRANTED TO : COUNTY OF LOS ANGELES
FOR : PUBLIC ROAD AND HIGHWAY PURPOSES
RECORDED : APRIL 22, 1930, AS INSTRUMENT NO. 1625
AFFECTS : THE NORTHERLY 5 FEET OF THE SOUTHERLY 25 FEET OF THE EAST 1/2 OF SAID LAND

OK 8. AN EASEMENT FOR ROAD PURPOSES OVER THE WESTERLY 20 FEET OF THE EASTERLY 50 FEET OF SAID LAND AS DISCLOSED BY RESOLUTION RECORDED APRIL 27, 1956, AS INSTRUMENT NO. 3623.

"THE APPLICABLE RATE(S) FOR THE POLICY(IES) BEING OFFERED BY THIS REPORT OR COMMITMENT APPEARS TO BE SECTION(S) 2.1.A."

"SHORT TERM RATE ("STR") DOES NOT APPLY."

SAID LAND IS SITUATED IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 30, TOWNSHIP 8 NORTH, RANGE 10 WEST, SAN BERNARDINO BASE AND MERIDIAN, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT OF THE SURVEY OF SAID LAND ON FILE IN THE BUREAU OF LAND MANAGEMENT.

OK  3/14/06

KS/PLATS ENCLOSED

**NOTICE
(WIRING FUNDS)**

IF YOU ANTICIPATE HAVING FUNDS WIRED TO OLD REPUBLIC TITLE COMPANY, OUR WIRING INFORMATION IS AS FOLLOWS:
US BANK, 9092 GARFIELD AVENUE, HUNTINGTON BEACH, CALIFORNIA 92646, ABA # 122 235 821, CREDIT TO THE ACCOUNT
OF OLD REPUBLIC TITLE COMPANY ACCT # 153971951551.

WHEN INSTRUCTING THE FINANCIAL INSTITUTION TO WIRE FUNDS, IT IS VERY IMPORTANT THAT YOU
REFERENCE OLD REPUBLIC TITLE'S ORDER NUMBER.

SHOULD YOU HAVE ANY QUESTIONS IN THE REGARD, PLEASE CONTACT YOUR TITLE OFFICER IMMEDIATELY.



OLD REPUBLIC TITLE COMPANY

NOTES AND REQUIREMENTS

SANITATION DISTRICT OF L.A. COUNTY
1955 WORKMAN MILL ROAD
WHITTIER, CALIFORNIA 90607

ATTENTION: BASIL HEWITT
ESCROW NO.: 3307-001-901

THIS PAGE IS ATTACHED TO AND MADE A PART OF TITLE ORDER NO. 2615001102-55:

Please pay particular attention to the following items, as it will be necessary to resolve them PRIOR TO RECORDING this transaction.

- A. WE FIND NO OPEN DEEDS OF TRUST OF RECORD. PLEASE VERIFY BY INQUIRY OF ESCROW PERSONNEL AND/OR AGENTS WHETHER OR NOT WE HAVE OVERLOOKED SOMETHING AND ADVISE THE TITLE DEPARTMENT ACCORDINGLY PRIOR TO CLOSING.

EXHIBIT "C"



OLD REPUBLIC TITLE COMPANY

450 NORTH BRAND BOULEVARD, 8TH FLOOR • GLENDALE, CALIFORNIA 91203-2306
(818) 247-2917 • (800) 22-TITLE (228-4853) Toll Free/Southern California

PRELIMINARY REPORT

SANITATION DISTRICT OF L.A. COUNTY
1955 WORKMAN MILL ROAD
WHITTIER, CALIFORNIA 90607

ATTENTION: BASIL HEWITT

YOUR NO. 3307-001-900
OUR NO. 2615000771-55

IN RESPONSE TO THE ABOVE REFERENCED APPLICATION FOR A POLICY OF TITLE INSURANCE, OLD REPUBLIC TITLE COMPANY HEREBY REPORTS THAT IT IS PREPARED TO ISSUE, OR CAUSE TO BE ISSUED, AS OF THE DATE HEREOF, A POLICY OR POLICIES OF TITLE INSURANCE DESCRIBING THE LAND AND THE ESTATE OR INTEREST THEREIN HEREINAFTER SET FORTH, INSURING AGAINST LOSS WHICH MAY BE SUSTAINED BY REASON OF ANY DEFECT, LIEN OR ENCUMBRANCE NOT SHOWN OR REFERRED TO AS AN EXCEPTION BELOW OR NOT EXCLUDED FROM COVERAGE PURSUANT TO THE PRINTED SCHEDULE, CONDITIONS AND STATUTIONS OF SAID POLICY FORMS.

THE PRINTED EXCEPTIONS AND EXCLUSIONS FROM THE COVERAGE OF SAID POLICY OR POLICIES ARE SET FORTH IN EXHIBIT A ATTACHED. COPIES OF THE POLICY FORMS SHOULD BE READ. THEY ARE AVAILABLE FROM THE OFFICE WHICH ISSUED THIS REPORT.

PLEASE READ THE EXCEPTIONS SHOWN OR REFERRED TO BELOW AND THE EXCEPTIONS AND EXCLUSIONS SET FORTH IN EXHIBIT A OF THIS REPORT CAREFULLY. THE EXCEPTIONS AND EXCLUSIONS ARE MEANT TO PROVIDE YOU WITH NOTICE OF MATTERS WHICH ARE NOT COVERED UNDER THE TERMS OF THE TITLE INSURANCE POLICY AND SHOULD BE CAREFULLY CONSIDERED.

IT IS IMPORTANT TO NOTE THAT THIS PRELIMINARY REPORT IS NOT A WRITTEN REPRESENTATION AS TO THE CONDITION OF TITLE AND MAY NOT LIST ALL LIENS, DEFECTS AND ENCUMBRANCES AFFECTING TITLE TO THE LAND.

THIS REPORT (AND ANY SUPPLEMENTS OR AMENDMENTS HERETO) IS ISSUED SOLELY FOR THE PURPOSE OF FACILITATING THE ISSUANCE OF A POLICY OF TITLE INSURANCE AND NO LIABILITY IS ASSUMED HEREBY. IF IT IS DESIRED THAT LIABILITY BE ASSUMED PRIOR TO THE ISSUANCE OF A POLICY OF TITLE INSURANCE, A BINDER OR COINSURANCE SHOULD BE REQUESTED.

DATED AT LOS ANGELES ON FEBRUARY 5, 2004

DAVE MAZONE, TITLE OFFICER,
MONICA LEITH, TITLE ASSISTANT
AND JULIE ASAD, 2ND TITLE ASSISTANT
TELEPHONE NO. (818) 247-2917, EXT. 5323
FAX NO. (818) 549-4372

THE FORM OF POLICY OF TITLE INSURANCE CONTEMPLATED BY THIS REPORT IS:

A CLTA STANDARD COVERAGE (1990) OWNER'S POLICY.

THE ESTATE OR INTEREST IN THE LAND HERINAFTER DESCRIBED OR REFERRED TO COVERED BY THIS REPORT IS:

A FEE

TITLE TO SAID ESTATE OR INTEREST AT THE DATE HEREOF IS VESTED IN:

COUNTY OF LOS ANGELES

AT THE DATE HEREOF EXCEPTIONS TO COVERAGE IN ADDITION TO THE EXCEPTIONS AND EXCLUSIONS IN SAID POLICY FORM WOULD BE AS FOLLOWS:

1. ANY CITY OR COUNTY TAXES WHICH MAY BE LEVIED AGAINST THE HEREIN DESCRIBED LAND BY REASON OF THE FACT THAT SAID LAND WAS NOT INCLUDED ON THE TAX ASSESSOR'S ROLL FOR THE FISCAL YEAR 2003-2004 AND PRIOR YEARS.

"THE APPLICABLE RATE(S) FOR THE POLICY(IES) BEING OFFERED BY THIS REPORT OR COMMITMENT APPEARS TO BE SECTION(S) 2.1.A."

"SHORT TERM RATE ("STR") DOES NOT APPLY."

SAID LAND IS SITUATED IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

THE SOUTHERLY 20 FEET OF THE EAST HALF OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 30, TOWNSHIP 8 NORTH, RANGE 10 WEST, SAN BERNARDINO MERIDIAN, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT OF SAID LAND APPROVED BY THE SURVEYOR GENERAL ON JUNE 19, 1856.

EXCEPT THE EASTERLY 50.00 FEET OF THE REMAINDER OF SAID LAND.

KS/PLATS ENCLOSED

NOTICE
(WIRING FUNDS)

IF YOU ANTICIPATE HAVING FUNDS WIRED TO OLD REPUBLIC TITLE COMPANY, OUR WIRING INFORMATION IS AS FOLLOWS:
US BANK, 9092 GARRIBO AVENUE, HUNTINGTON BEACH, CALIFORNIA 92646, ABA # 122 235 821, CREDIT TO THE ACCOUNT
OF: OLD REPUBLIC TITLE COMPANY ACCT # 153991951551.

WHEN INSTRUCTING THE FINANCIAL INSTITUTION TO WIRE FUNDS, IT IS VERY IMPORTANT THAT YOU
REFERENCE OLD REPUBLIC TITLE'S ORDER NUMBER.

SHOULD YOU HAVE ANY QUESTIONS IN THE REGARD, PLEASE CONTACT YOUR TITLE ORDER IMMEDIATELY.



OLD REPUBLIC TITLE COMPANY

NOTES AND REQUIREMENTS

SANITATION DISTRICT OF L.A. COUNTY
1955 WORKMAN MILL ROAD
WHITTIER, CALIFORNIA 90607

ATTENTION: BASIL HEWITT
ESCROW NO.: 3307-001-900

THIS PAGE IS ATTACHED TO AND MADE A PART OF TITLE ORDER NO. 2615000771-55:

Please pay particular attention to the following items, as it will be necessary to resolve them PRIOR TO RECORDING this transaction.

- A. THE REQUIREMENT THAT SATISFACTORY EVIDENCE BE FURNISHED TO THIS COMPANY OF COMPLIANCE WITH APPLICABLE STATUTES, ORDINANCES AND CHARTERS GOVERNING THE OWNERSHIP AND DISPOSITION OF THE HEREIN DESCRIBED LAND.

COUNTY SANITATION DISTRICT NO. 14 OF LOS ANGELES COUNTY

AGREEMENT FOR ACQUISITION OF
REAL PROPERTY AND ESCROW INSTRUCTIONS

THIS AGREEMENT, entered into as of this 9th day of March, 2006, by and between COUNTY SANITATION DISTRICT NO. 14 OF LOS ANGELES COUNTY (hereinafter referred to as the "District") and COUNTY OF LOS ANGELES (hereinafter called "Seller"), regardless of number or gender;

For and in consideration of their promises, covenants and agreements hereinafter set forth, and subject to the terms, conditions and provisions hereinafter set forth, Seller agrees to sell to District, and District agrees to purchase from Seller.

All that certain real property located in the State of California, County of Los Angeles, described as follows:

SEE EXHIBIT "A" ATTACHED HERETO
AND BY THIS REFERENCE MADE A PART HEREOF

(Los Angeles County Assessor's Parcel Number: 3307-001-901
hereinafter referred to as "said Property")

Said sale and purchase of said Property shall be in accordance with and subject to all of the following terms, conditions, promises, covenants, agreements and provisions, to wit:

1. Conveyance by Seller. Seller agrees to convey said Property to District, by Grant Deed, at the office of Old Republic Title Company, within sixty (60) days from and after the date on which the District has approved this Agreement by action of its Board of Directors.
2. Title to be Conveyed. Seller agrees that, except as may hereinafter be otherwise expressly provided, said Property shall be conveyed by Seller to District, as aforesaid, free and clear of any and all conditions, restrictions, reservations, exceptions, easements, assessments, profits, limitations, encumbrances, liens, leases, clouds or defects in title except those exceptions shown in Paragraph 14 below.
3. Title Insurance. Seller agrees to deliver to District, concurrently with the conveyance of said Property to District, within the time and at the place hereinabove specified for said conveyance of said Property, a C.L.T.A. policy of title insurance to be issued by Old Republic Title Company, with the District therein named as the insured, in the amount FORTY SEVEN THOUSAND FIVE HUNDRED DOLLARS AND NO/100 (\$47,500.00) (the cost of such policy is to be the sole responsibility of the District as provided in Paragraph 4 below), insuring the title of the District to said Property is free and clear of any and all conditions, restrictions, reservations, exceptions, easements, assessments, profits, limitations, encumbrances, liens, lease,

clouds or defects in title, excepting such specific ones as District may hereinafter expressly agree to take subject to. Acceptance by District of any such policy of insurance, whether such insurance complies with the requirements of this paragraph or not, shall not constitute a waiver by District of its right to such insurance as is herein required of Seller, nor a waiver by the District of any rights of action for damages or any other rights which may accrue to District by reason of the failure of Seller to convey title or to provide title insurance as required in this Agreement.

4. Escrow. District agrees to open an escrow at the office of Old Republic Title Company (the Escrow Agent) within ten (10) days from and after the date on which the District has executed this Agreement. This Agreement constitutes the joint escrow instructions of the District and the Seller and a duplicate original of this Agreement shall be delivered to the Escrow Agent upon the opening of the escrow without the necessity of Seller to execute any other instructions.

The Escrow Agent is hereby empowered to act under this Agreement, and upon indicating its acceptance of this Section 4 and of the General Provisions described in Exhibit "B" attached hereto and incorporated herein by this reference, in writing, delivered to the District and to the Seller within five (5) days after delivery of this Agreement, shall carry out its duties as Escrow Agent hereunder.

District agrees to bear and Escrow Agent is hereby authorized to charge to the District the cost of any transfer taxes, recording fees, cost of title insurance, reconveyance fees, document preparation fees, escrow fees and any other closing costs incidental to the conveying of said Property to District. Penalties for prepayment of bona fide obligations secured by any existing deed of trust or mortgage shall be waived pursuant to Civil Code Procedures Section 1265.240.

5. Property Taxes. Such real property taxes, if any, on said Property for the fiscal year within which said Property is conveyed to District as are unpaid at the time of said conveyance shall be cleared and paid in accordance with the provisions of Section 4986 of the Revenue and Taxation Code of the State of California. Seller shall be eligible for a refund under Section 5096.7 of the Revenue and Taxation Code of the State of California for that portion of property taxes on said Property for said fiscal year which have been paid prior to the date the deed conveying said Property to District is recorded which is allocable to that portion of the fiscal year which begins on the date the deed conveying said Property to District is recorded and made uncollectible if unpaid by reason of Section 4986 of the Revenue and Taxation Code of the State of California. All unpaid taxes on said Property for any and all years prior to the fiscal year within which said conveyance is made shall be paid by Seller before conveyance of said Property to District.

6. Payment of Purchase Price. District agrees to pay to Seller, and Seller agrees to accept from District, for the full purchase price for said Property, fixtures & equipment (improvements pertaining to the realty), goodwill (if any), and severance damages (if any) the total sum of FORTY SEVEN THOUSAND FIVE HUNDRED DOLLARS AND NO/100 (\$47,500.00). District agrees to deposit said purchase price in escrow with the Escrow Agent within SIXTY (60) days

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from and after the date on which the District has approved this Agreement, or as mutually acceptable, and the Escrow Agent is hereby authorized to pay the same to Seller upon and after:

- (a) Conveyance of said Property by Seller to District as hereinabove provided;
- (b) Acceptance by District of a Grant Deed conveying said Property to District;
- (c) Delivery to District of the policy of title insurance as hereinabove provided;
- (d) Recordation of the Deed conveying said Property to District.

7. Possession. Seller agrees to deliver to District, on the date the Deed conveying said Property to District is recorded, quiet and peaceful possession of said Property, which shall be made free by Seller of all personal property.

8. Waivers. The waiver by either Party of any breach of any covenant or agreement herein contained on the part of the other party shall not be deemed or held to be a waiver of any subsequent or other breach of said covenant or agreement nor a waiver of any breach of any other covenants or agreements contained herein.

9. Heirs, Assigns, Etc. This Agreement, and all the terms, covenants and conditions hereof, shall apply to and bind the heirs, executors, administrators, successors and assigns of the respective parties hereto.

10. Time is of the Essence. In all matters and things hereunder to be done and in all payments hereunder to be made, time is and shall be of the essence.

11. Permission to Enter on Premises. Seller hereby grants District, and its authorized agents, permission to enter upon said Property at all reasonable times prior to close of escrow for the purpose of making necessary inspections.

12. Just Compensation. Seller acknowledges and agrees that said purchase price is just compensation at fair market value for said Property and includes any and all fixtures and equipment, goodwill (if any), and severance (if any).

13. Notices. The District's mailing address is:

County Sanitation District No. 14 of Los Angeles County
c/o Sanitation Districts of Los Angeles County
Joint Administration Offices
1955 Workman Mill Road
Whittier, CA 90607

The Seller's mailing address is:

County of Los Angeles
Real Estate Division
222 S. Hill Street, 3rd Floor
Los Angeles, CA 90012
Attention: Carlos Brea

14. Exceptions. District agrees to accept title to said Property subject to the following: Items 2, 3, 4, 5, 6, 7 & 8 as shown in that certain Preliminary Report from Old Republic Title Company dated 02/27/2004 (No. 2615001102-55), a copy of which is attached hereto as Exhibit "C", and no other.
15. Entire Agreement. It is mutually agreed that the parties hereto have herein set forth the whole of their Agreement. Performance of this Agreement by District shall lay at rest, each, every and all issue(s) that were raised or could have been raised in connection with the acquisition of said Property by District.
16. Hazardous Waste. Intentionally omitted.
17. Compliance With Environmental Laws. Intentionally omitted.
18. Indemnity. Intentionally omitted.
19. Contingency. It is understood and agreed between the parties hereto that the completion of this transaction, and the escrow created hereby, is contingent upon the specific acceptance and approval of the District by action of the District's Board of Directors.
20. Modification and Amendment. This Agreement may not be modified or amended except in writing signed by the Seller and District.
21. Partial Invalidity. Any provision of this Agreement that is unenforceable or invalid or the conclusion of which would adversely affect the validity, legality, or enforcement of this Agreement shall have no effect, but all the remaining provisions of this Agreement shall remain in full force.
22. Captions. Captions and headings in this Agreement, including the title of this Agreement, are for convenience only and are not to be considered in construing this Agreement.
23. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California.

OK.

24. No Reliance By One Party On The Other. Each party has received independent legal advice from its attorneys with respect to the advisability of executing this Agreement and the meaning of the provisions hereof. The provisions of this Agreement shall be construed as to their fair meaning, and not for or against any party based upon any attribution to such party as the source of the language in question.
25. No Third Party Beneficiary. This Agreement is intended to benefit only the parties hereto and no other person or entity has or shall acquire any rights hereunder.
26. Duty To Cooperate Further. Each party hereby agrees that it shall, upon request of the other, execute and deliver such further documents (in form and substance reasonably acceptable to the party to be charged) and do such other acts and things as are reasonably necessary and appropriate to effectuate the terms and conditions of this Agreement, without cost.
27. Applicability of Agreement To Assignees. This Agreement shall be binding upon and shall inure to the benefit of the successors and assigns of the parties to this Agreement.
28. Authority to Execute Agreement. Each undersigned party represents and warrants that its signature hereinbelow has the power, authority and right to bind their respective parties to each of the terms of this Agreement, and shall indemnify the other party fully, including reasonable costs and attorney's fees, for any injuries or damages to the other party in the event that such authority or power is not, in fact, held by the signatory or is withdrawn.
29. Incorporation of Exhibits. All Exhibits referenced herein and attached hereto shall be incorporated as if fully set forth in the body of this Agreement.
30. Release. The parties hereto hereby agree that all rights under Section 1542 of the Civil Code of the State of California are hereby waived. Civil Code Section 1542 provides as follows:

“A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor.”

Notwithstanding the provisions of Civil Code Section 1542, Seller hereby irrevocably and unconditionally releases and forever discharges the District and each and all of its officers, agents, directors, supervisors, employees, representatives, and its successors and assigns and all persons acting by, through, under, or in concert with the District from any and all charges, complaints, claims, and liabilities of any kind or nature whatsoever, known or unknown, suspected or unsuspected (hereinafter referred to as "claim" or "claims") which Seller at any time heretofore had or claimed to have or which Seller at any time hereafter may have or claim to have, including, without limitation, any and all claims related or in any manner incidental to this transaction.

The parties have executed this Agreement as of the last date written below.

COUNTY OF LOS ANGELES

BY: _____
Michael D. Antonovich

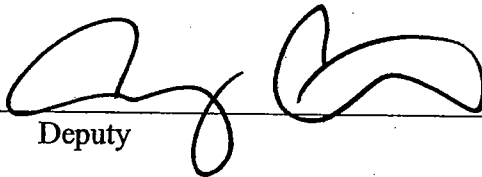
TITLE: Mayor, County of Los Angeles

Date: _____

ATTEST:
Sachi A. Hamai
Executive Officer
Board of Supervisors

APPROVED AS TO FORM:
Raymond G. Fortner, Jr.
County Counsel

BY: _____
Deputy

BY:  _____
Deputy

COUNTY SANITATION DISTRICT NO. 14 OF LOS ANGELES COUNTY

BY:  _____
Thomas J. LeBrun

TITLE: Department Head – Financial Management Department

Date: 3/21/06

AK

EXHIBIT "A"

LEGAL DESCRIPTION

THE LAND REFERRED TO HEREIN IS SITUATED IN THE STATE OF CALIFORNIA,
COUNTY OF LOS ANGELES, AND IS DESCRIBED AS FOLLOWS:

THE SOUTHERLY 20 FEET OF THE EAST HALF OF THE SOUTHEAST QUARTER OF
THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 30,
TOWNSHIP 8 NORTH, RANGE 10 WEST, SAN BERNARDINO MERIDIAN, IN THE
COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL
PLAT OF SAID LAND APPROVED BY THE SURVEYOR GENERAL ON JUNE 19, 1856.

EXCEPT THE EASTERLY 50.00 FEET OF THE REMAINDER OF SAID LAND.

EXHIBIT "B"

Page 1

GENERAL PROVISIONS
OLD REPUBLIC TITLE COMPANY

1. **Deposit and Disbursement of Funds.** All funds received in this escrow shall be deposited in accordance with the Deposit Instructions/Authorizations provided to the party depositing funds into an escrow account maintained by Title Company.

Disbursements are ordinarily made by check of Title Company. Old Republic offers its customers the opportunity to transfer funds by wire from its depository bank. Use of a wire transfer may offer benefits to a party who wishes to more quickly satisfy an obligation and stop the accrual of additional interest. Old Republic's wire transfer service handling fee is \$25.00 for each wire requested. Please let your escrow officer know should you require a wire transfer of any portion of the escrow proceeds.

2. **Prorations and Adjustments.** All prorations and/or adjustments called for in this escrow are to be made on the basis of a thirty (30) day month unless otherwise instructed in writing. In closing, Title Company may adjust estimated amounts and prorations and other items which may change dependent upon the recording date. In all acts relating to fire/hazard insurance, rents and rental deposits, you shall be fully protected in assuming that the information provided you by the parties to this escrow, or their agent(s), is correct and that insurance premiums have been paid.

3. **Recordation of Instruments.** Recordation of any instrument delivered to this escrow, if necessary or proper for the issuance of the Policy of Title Insurance called for, is authorized. You are further authorized to take any action necessary to comply with these instructions and the instructions of any lender and to execute any and all documents which may be necessary or incidental to the carrying out of these instructions.

4. **Authorization to Furnish Copies.** You are authorized to furnish copies of these instructions and supplements thereto, notices of cancellation, and closing statements pertaining to this escrow to the real estate broker(s) or lender(s) named in this escrow.

5. **Delivery of Non-Recorded Documents.** Upon close of escrow, documents which are not required to be recorded may be delivered by Title Company by depositing same in the United States mail, postage prepaid, addressed to the party entitled thereto, at the mailing address set forth herein.

6. **Conflicting Instructions.** Upon receipt of any conflicting instructions (other than cancellation instructions), you are no longer obligated to take any further action in connection with this escrow until further consistent instructions are received from the principals, and you are authorized to hold all monies and/or instruments in this escrow until otherwise directed, either by the principals' mutual written instructions or by final order of a court of competent jurisdiction. In the event of conflicting claims to any funds or other documents, you have the absolute right, at your election, to file an action in interpleader requiring the principals to answer and litigate their several claims and rights amongst themselves. Any such action must comply with the requisite interpleader statutes of the State of California in this regard.

7. **Disclosure.** You shall have no duty to disclose to any party to this escrow any information which may come to your attention concerning this transaction unless specifically requested to do so by any party herein.

8. **Right of Cancellation.** No instructions for cancellation of this escrow shall be recognized unless they are in writing and deposited with the Title Company whose address appears in these instructions. Any principal instructing you to cancel this escrow shall file a Notice of Cancellation with said office. Escrow holder shall thereafter mail one copy of such notice to each of the other principals at their mailing address set forth in your file or in care of the agent(s) representing said principals, as the case may be. Unless written objection to the cancellation is filed in your office by a principal within ten (10) days after date of such mailing, you are authorized to comply with such notice and return all papers and funds held in

EXHIBIT "B"

Page 2

your file less your cancellation fees and other costs incurred in connection with this escrow. If written objection is filed, you are authorized to hold all monies and/or instruments in your file and take no further action unless otherwise directed by principals' mutual written instructions, or a final order of a court of competent jurisdiction. You have the absolute right, at your election, to file an action in interpleader requiring the principals to answer and litigate their several claims and rights amongst themselves. Any such action must comply with the requisite interpleader statutes of the State of California in this regard.

9. **Entire Agreement; Indemnification.** It is agreed and understood that this document and agreement shall be the whole and only agreement between the parties hereto with regard to the instructions and the obligations of the Title Company named herein in connection with this escrow, and shall supersede and cancel any prior instructions. You are specifically directed to follow these instructions only and you shall have no responsibility to follow the terms of any prior agreements entered into and between the buyer(s) and seller(s).

10. **Compliance with Regulatory Matters.** You are not to be responsible or liable for determination that there has been compliance with any matters that are excluded from coverage under the title insurance policy to be issued in conjunction with close of this escrow including, but not limited to, county or municipal ordinances and state, county or municipal subdivision or land division regulation laws. Reference is made to the policy form on file with the Insurance Commissioner of the State of California and available through the Title Company for the customer's review for a complete statement of such exclusions.

11. **Unclaimed Funds.** After three (3) years from the deposit of funds into escrow, any amounts thereafter remaining unclaimed may be escheated to the State of California in compliance with the State of California's Unclaimed Property Law and Regulations.

12. **Fees and Charges.** The undersigned agree to pay all charges, billings, advances and expenses, including cancellation fees, that are properly chargeable to the undersigned, and further to pay any balance for fees, costs or shortages due in connection with these instructions.

13. **Inspections.** The undersigned acknowledge that escrow holder is relieved of any obligation to order or obtain any of the inspections or reports required by this transaction.

14. **Contingencies.** The undersigned acknowledge that escrow is relieved of any obligation to monitor, schedule the timing of, or obtain any party's compliance with, any of the contingencies required by this transaction.

**ATTACHMENT 3
GRANT DEED(S)**

RECORDING REQUESTED BY
Old Republic Title Company
AND MAIL TO
Sanitation District No. 14
c/o Sanitation Districts of LA County
Joint Administration Offices
1955 Workman Mill Road
Whittier, CA 90607

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Space above this line for Recorder's use _____

THIS DOCUMENT IS EXEMPT FROM RECORDING FEES PURSUANT TO SECTION 27383 OF THE GOVERNMENT CODE

THIS DOCUMENT IS EXEMPT FROM DOCUMENTARY TRANSFER TAX PURSUANT TO SECTION 11922 OF THE REVENUE AND TAXATION CODE

TAX PARCEL: 3307-001-900

GRANT DEED

The **COUNTY OF LOS ANGELES**, a **body corporate and politic**, for Two Thousand and No/100 Dollars receipt of which is hereby acknowledged or has been secured by a deed of trust, does hereby surrender, release and grant to:

COUNTY SANITATION DISTRICT NO. 14 OF LOS ANGELES COUNTY

all of the County's right, title and interest in and to the described real property, ("Property") reserving and excepting to the County all oil, gas, hydrocarbons, and other minerals in and under the Property without the right to the use of the surface or subsurface to a depth of 500 feet, measured vertically from the surface of the Property.

The Property is located in the unincorporated territory of the County of Los Angeles, State of California and is further described in Exhibit A which is incorporated herein by reference as though set forth in full.

SUBJECT TO AND BUYER TO ASSUME:

- a. All taxes, interest, penalties and assessments of record, if any.
- b. Covenants, conditions, restrictions, reservations, easements, rights, and rights-of-way of record, if any.

Dated _____

COUNTY OF LOS ANGELES

COLA LOG NO. _____

By _____
Michael D. Antonovich
Mayor, Los Angeles County

STATE OF CALIFORNIA))
COUNTY OF LOS ANGELES) ss.
)

On January 6, 1987, the Board of Supervisors for the County of Los Angeles and ex officio the governing body of all other special assessment and taxing districts, agencies and authorities for which said Board so acts adopted a resolution pursuant to Section 25103 of the Government Code which authorized the use of facsimile signatures of the Chairperson of the Board on all papers, documents, or instruments requiring said signature.

The undersigned hereby certifies that on this _____ day of _____, 2006, the facsimile signature of _____, Mayor, Los Angeles County was affixed hereto as the official execution of this document. The undersigned further certifies that on this date, a copy of the document was delivered to the Chairperson of the Board of Supervisors of the County of Los Angeles.

In witness whereof, I have also hereunto set my hand and affixed my official seal the day and year above written.

SACHI A. HAMAI , Executive Officer
Board of Supervisors, County of Los Angeles

By _____
Deputy

APPROVED AS TO FORM:

RAYMOND G. FORTNER
County Counsel

By _____
Deputy

EXHIBIT A
LEGAL DESCRIPTION

THE SOUTHERLY 20 FEET OF THE EAST HALF OF THE SOUTHEAST QUARTER OF THE
NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 30, TOWNSHIP 8
NORTH, RANGE 10 WEST, SAN BERNARDINO MERIDIAN, IN THE COUNTY OF LOS ANGELES,
STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT OF SAID LAND APPROVED BY
THE SURVEYOR GENERAL ON JUNE 19, 1856.

EXCEPT THE EASTERLY 50 FEET OF THE REMAINDER OF SAID LAND.

RECORDING REQUESTED BY
Old Republic Title Company
AND MAIL TO
Sanitation District No. 14
c/o Sanitation Districts of LA County
Joint Administration Offices
1955 Workman Mill Road
Whittier, CA 90607

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Space above this line for Recorder's use

THIS DOCUMENT IS EXEMPT FROM RECORDING FEES PURSUANT TO SECTION 27383 OF THE GOVERNMENT CODE

THIS DOCUMENT IS EXEMPT FROM DOCUMENTARY TRANSFER TAX PURSUANT TO SECTION 11922 OF THE REVENUE AND TAXATION CODE

TAX PARCEL: 3307-001-901

GRANT DEED

The **COUNTY OF LOS ANGELES, a body corporate and politic**, for Two Thousand and No/100 Dollars receipt of which is hereby acknowledged or has been secured by a deed of trust, does hereby surrender, release and grant to:

COUNTY SANITATION DISTRICT NO. 14 OF LOS ANGELES COUNTY

all of the County's right, title and interest in and to the described real property, ("Property") reserving and excepting to the County all oil, gas, hydrocarbons, and other minerals in and under the Property without the right to the use of the surface or subsurface to a depth of 500 feet, measured vertically from the surface of the Property.

The Property is located in the unincorporated territory of the County of Los Angeles, State of California and is further described in Exhibit A which is incorporated herein by reference as though set forth in full.

SUBJECT TO AND BUYER TO ASSUME:

- a. All taxes, interest, penalties and assessments of record, if any.
- b. Covenants, conditions, restrictions, reservations, easements, rights, and rights-of-way of record, if any.

Dated _____

COUNTY OF LOS ANGELES

COLA LOG NO. _____

By _____

Michael D. Antonovich
Mayor, Los Angeles County

STATE OF CALIFORNIA))
COUNTY OF LOS ANGELES)) ss.
)

On January 6, 1987, the Board of Supervisors for the County of Los Angeles and ex officio the governing body of all other special assessment and taxing districts, agencies and authorities for which said Board so acts adopted a resolution pursuant to Section 25103 of the Government Code which authorized the use of facsimile signatures of the Chairperson of the Board on all papers, documents, or instruments requiring said signature.

The undersigned hereby certifies that on this _____ day of _____, 2006, the facsimile signature of _____, Mayor, Los Angeles County was affixed hereto as the official execution of this document. The undersigned further certifies that on this date, a copy of the document was delivered to the Chairperson of the Board of Supervisors of the County of Los Angeles.

In witness whereof, I have also hereunto set my hand and affixed my official seal the day and year above written.

SACHI A. HAMAI, Executive Officer
Board of Supervisors, County of Los Angeles

By _____
Deputy

APPROVED AS TO FORM:

RAYMOND G. FORTNER
County Counsel

By _____
Deputy

EXHIBIT A
LEGAL DESCRIPTION

THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 30, TOWNSHIP 8 NORTH, RANGE 10 WEST, SAN BERNARDINO BASE AND MERIDIAN, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT OF THE SURVEY OF SAID LAND ON FILE IN THE BUREAU OF LAND MANAGEMENT.