Department of Water and Power



the City of Los Angeles

ANTONIO R. VILLARAIGOSA

Commission
THOMAS S. SAYLES, President
ERIC HOLOMAN, Vice President
RICHARD F. MOSS
CHRISTINA E. NOONAN
JONATHAN PARFREY
BARBARA E. MOSCHOS, Secretary

RONALD O. NICHOLS General Manager

June 24, 2013

The Honorable City Council City of Los Angeles Room 395, City Hall Los Angeles, California 90012

Honorable Members:

Subject: Approves the Public Necessity to Condemn Six Parcels Adjacent to City Limits in the Sylmar District

Pursuant to Charter Sections 601, 672(a), 675(c) and 675(d)(1) enclosed for approval by your Honorable Body is Resolution No. 013 319, adopted by the Board of Water and Power Commissioners (Board) on June 19, 2013, approved as to form and legality by the City Attorney, which approves the Public Necessity to Condemn Six Parcels Adjacent to City Limits in the Sylmar District having Assessor's Parcel Nos. 2581-001-009, 2581-001-010, 2581-002-042, 2581-001-043, 2603-002-006, and 2603-002-007. As directed by the Board, transmitted to you are supporting documents.

If there are any questions regarding this item, please contact Ms. Winifred Yancy, Manager of Intergovernmental Affairs and Community Relations, at (213) 367-0025.

Sincerely,

Barbara E. Moschos

Board Secretary

BEM:oia

Enclosures: LADWP Resolution

Board Letter Ordinance

Exhibit 1, Page 1

Exhibit A

c/enc: Mayor Antonio Villaraigosa

Councilmember Jose Huizar, Chair, Energy and the Environment Committee

Gerry F. Miller, Chief Legislative Analyst

Miguel A. Santana, City Administrative Officer

Rafael Prieto, Legislative Analyst, CLA

William R. Koenig, Chief Administrative Analyst

Winifred Yancy

WHEREAS, the real property that is the subject of this Resolution is currently owned by LMW78 LLC, a California limited liability company, and Indian Ridge LLC, a California limited liability company (Owners), and consists of the fee interest in real property, legally described and depicted by Exhibits A, B, C, D, E, and F attached hereto and incorporated herein by this reference, which real property is referred to by the City of Los Angeles (City), acting by and through the Los Angeles Department of Water and Power (LADWP), a municipal corporation of the State of California, and identified as Los Angeles County Assessor's Parcel Nos. (APN), 2581-001-009 (Parcel 9), 2581-001-010 (Parcel 10), 2581-001-042 (Parcel 42), and 2581-001-043 (Parcel 43), 2603-002-006 (Parcel 6), and 2603-002-007 (Parcel 7), respectively, and situated in the County of Los Angeles adjacent to Sierra Highway near the 5 and 14 Freeways (Property); and

WHEREAS, LADWP owns and operates the First and Second Los Angeles Aqueducts (Aqueducts). LADWP needs to acquire the Property in fee to protect the delivery of the City's water supply (Protection of the Aqueducts). In average hydrologic years the Aqueducts supply one-third to almost one-half of the City's total water supply, and during wet years they supply about two-thirds of the City's water. Acquiring the Property will protect the Aqueducts and allow access to inspect and maintain the First Los Angeles Aqueduct. The First Los Angeles Aqueduct passes through Parcels 6, 7, 9, and 10. Parcels 42 and 43 are on the east side of the First Los Angeles Aqueduct. The Second Los Angeles Aqueduct is located in a strip of land 50 feet wide owned in fee by LADWP, having APN 2603-002-901, which is adjacent to Parcels 6 and 7; and

WHEREAS, current owners of the parcels have engaged in uses of the Property incompatible with and are a danger to the Aqueducts, including, among other things extensive grading over and adjacent to the Aqueducts; driving large construction and grading equipment directly over the Aqueducts; engaging in these activities without obtaining any of the required permits; and ignoring LADWP's requests to cease these activities that jeopardize the Aqueducts. It is necessary to acquire each of the parcels in fee to provide sufficient protection for the Aqueducts. Of most critical concern is the weakening and potential collapse of the 100 year old First Los Angeles Aqueduct that was not designed nor built to handle the excessive weight loading that the current property owner has imposed. Collapse of the Aqueduct would cause immediate loss of a key and significant water supply to the City and have millions of gallons of water flooding Sierra Highway and adjoining properties, threatening public safety and damage to the surrounding area. After acquiring the Property, LADWP will safely abate Owners' grading and leave the Property in its undeveloped state, and continue to use portions of the Property for inspection and maintenance of the Aqueducts; and

WHEREAS, pursuant to the requirements of California Code of Civil Procedure Section 1245.235, the Secretary of the Board of Department of Water and Power Commissioners (Secretary), under delegated authority to the LADWP Real Property Manager, mailed, by first class mail, notice to the Owners of the Property, to their

address as shown by the last equalized Los Angeles County assessment roll, of the intention of the Board of Department of Water and Power Commissioners (Board), acting in its capacity as the governing body of LADWP, to consider the necessity of acquiring the Property for purposes of the Protection of the Aqueducts, through eminent domain proceedings; and

WHEREAS, said notice by the Secretary notified the Owners of their right to appear and to be heard at a hearing before the Board on the following matters: (a) whether the public interest and necessity require the Protection of the Aqueducts; (b) whether the Protection of the Aqueducts is planned or located in the manner that will be most compatible with the greatest public good and the least private injury; (c) whether the Property sought to be acquired is necessary for the Protection of the Aqueducts; and (d) whether the offer required by Section 7267.2 of the Government Code has been made to the owner(s) of record; and

WHEREAS, the Board conducted a hearing and heard and considered public comments, if any, regarding the Protection of the Aqueducts and regarding the proposed acquisition of the Property by eminent domain; and

WHEREAS, at the close of the hearing and after the opportunity for open and public discussion among the Board, the Board voted, as statutorily required to adopt this Resolution of Necessity to acquire the Property necessary for the Protection of the Aqueducts through eminent domain proceedings.

NOW, THEREFORE, BE IT RESOLVED that this Board does hereby find and determine as follows:

- 1. The public interest and necessity require the Protection of the Aqueducts for the purposes specified in Sections 601, 672(a), and 675(c) of the Charter of the City of Los Angeles, including, but not limited to the control of the production and delivery of water; the control of water, water rights, lands and facilities, including all the lands, rights-of-way, and property for the transportation, distribution, and delivery of water for the benefit of the City, its inhabitants, and customers; and the control of the construction, extension, maintenance, and operation of all improvements, utilities, structures, facilities, and services necessary in order to protect the City's water supply and the Aqueducts.
- 2. Upon approval by the Los Angeles City Council, LADWP is authorized to acquire the Property in fee simple absolute and to exercise the power of eminent domain for the public uses set forth herein under the California Constitution, the California Eminent Domain Law (California Code of Civil Procedure Section 1230.010 et seq., including Section 1240.110), California Government Code Section 37350.5, and Section 675(d)(1) of the Charter of the City of Los Angeles. Parcels 6 and 7 are located in the City. Parcels 9, 10, 42, and 43 are located outside the City in unincorporated areas of the

County of Los Angeles, and as to those parcels, LADWP is exercising its power of eminent domain extraterritorially pursuant to, *inter alia*, Section 675(d)(1) of the Charter of the City of Los Angeles and Section 1240.125 of the California Code of Civil Procedure.

- 3. The Protection of the Aqueducts is planned and located in the manner that will be the most compatible with the greatest public good and the least private injury.
- 4. The Property is necessary for the Protection of the Aqueducts. It is necessary that LADWP acquire the Property to carry out the essential purpose of protecting the City's water supply and the Aqueducts. If the Property is not acquired, there would remain threatened protection of the City's water supply and the Aqueducts.
- 5. The proposed use of the Property for the Protection of the Aqueducts constitutes a valid public use and the use of the Property will in fact be a public use.
- 6. In conformance with Sections 7267.1 and 7267.2 of the California Government Code, an appraisal was prepared covering the Property. An offer based on said appraisal was made to the Owners of the Property, and a written statement showing the appraised value of the Property and summarizing the basis of that valuation was also delivered to the Owners.
- 7. To the extent the Property, or any of the parcels, is already devoted to a public use, the use of the Property for the Protection of the Aqueducts is a compatible use that will not unreasonably interfere with or impair the continuance of the public use as it presently exists or may reasonably be expected to exist in the future (California Code of Civil Procedure Section 1240.510), or the use of the Property for the Protection of the Aqueducts is a more necessary public use than is the presently existing public use (California Code of Civil Procedure Section 1240.610).
- 8. Under the California Environmental Quality Act (CEQA) the condemnation of the Property is exempt pursuant to the General Exemption described in CEQA Guidelines Section 15061 (b)(3) because the Protection of the Aqueducts will not lead to any development and the Property will remain fallow after acquisition and, therefore, it can be seen with certainty that there is no possibility that the Protection of the Aqueducts may have a significant effect on the environment.

NOW, THEREFORE, BE IT FURTHER RESOLVED that for and on behalf of LADWP, the Office of the Los Angeles City Attorney including special litigation counsel as previously authorized by this Board for purposes of representing LADWP in condemnation matters (LADWP's Counsel) is hereby authorized and directed to engage

in condemnation proceedings to acquire the Property in fee simple absolute (unless a lesser estate is hereinafter described), upon approval by the City Council pursuant to Section 675(d)(1) of the Charter of the City of Los Angeles.

NOW, THEREFORE, BE IT FURTHER RESOLVED that LADWP's Counsel is hereby authorized and directed to seek and obtain an order for prejudgment possession of the Property at such time as LADWP's Counsel deems it to be necessary and appropriate for the essential purpose of protecting the City's water supply and the First and Second Los Angeles Aqueducts and for interior inspection and maintenance of the First Los Angeles Aqueduct.

NOW, THEREFORE, BE IT FURTHER RESOLVED that the Chief Accounting Employee of LADWP, upon proper certification, is authorized and directed to draw demands on the Water Revenue Fund, in payment of the fair market value for the real properties herein described based on the appraisals of the parcels, and additional obligations arising under said real property acquisitions via the power of condemnation. Using funds drawn on the Water Revenue Fund, LADWP's Counsel is hereby authorized to make a deposit of estimated compensation with the State Treasury's Condemnation Deposits Fund.

BE IT FURTHER RESOLVED that the President or the Vice President of this Board, or General Manager, or such person as the General Manager shall designate in writing, and the Secretary, Assistant Secretary, or the Acting Secretary of the Board, are hereby authorized to accept the grant deeds for the Property, for and on behalf of LADWP pursuant to Section 672(a) of the Charter of the City of Los Angeles.

I HEREBY CERTIFY that the foregoing is a full, true, and correct copy of a Resolution adopted by the Board of Water and Power Commissioners of the City of Los Angeles by a vote of not less than two-thirds of all its members at its meeting held JUN 192013

Secretary

APPROVED AS TO FORM AND LEGALITY CARMEN A. TRUTANICH, CITY ATTORNEY

MAY 23 2013

JEAN-CLAUDE BERTET DEPUTY CITY ATTORNEY

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LOS ANGELES DEPARTMENT OF WATER AND POWER (LADWP) BOARD APPROVAL LETTER

| TO: BOARD OF WATER AND POWER COMMISSIONERS | DATE: May 30, 2013 |
|---|---|
| JAMES B. McDANIEL Senior Assistant General Manager Water System | SUBJECT: Resolution of Public Necessity to Condemn Six Parcels Adjacent to City Limits in the Sylmar District Having Assessor's Parcel Nos. (APN) 2581-001-009, 2581-001-010, 2581-001-042, 2581-001-043, 2603-002-006, and 2603-002-007 FOR COMMISSION OFFICE USE: RESOLUTION NO. |
| CITY COUNCIL APPROVAL REQUIRED: Yes No CHARTER SECTION: 601, | |

PURPOSE

Your Honorable Board is requested to approve the attached Resolution of Public Necessity, which condemns six contiguous parcels identified as Los Angeles County APNs 2581-001-009 (Parcel 9), 2581-001-010 (Parcel 10), 2581-001-042 (Parcel 42), 2581-001-043 (Parcel 43), 2603-002-006 (Parcel 6), and 2603-002-007 (Parcel 7), respectively, and situated in the County of Los Angeles adjacent to Sierra Highway near the 5 and 14 Freeways (collectively the "Property") within and adjacent to Los Angeles City (City) limits at the north east area of the San Fernando Valley for protection of the First and Second Los Angeles Aqueducts.

BACKGROUND

In January 2012, under authority from your Honorable Board, LADWP filed litigation against three Defendants in Los Angeles Superior Court for injunctive relief, trespass, and violation of City laws from their actions impacting LADWP's First and Second Los Angeles Aqueducts. Defendants have filed a cross complaint seeking to terminate LADWP's real property rights and to relocate the First Los Angeles Aqueduct, among other causes of action.

Board of Water and Power Commissioners Page 2 May 30, 2013

Mr. Nicholas L. Pavich, Jr., and his two limited liability companies, Indian Ridge LLC and LMW78 LLC (Defendants) own six contiguous parcels through or alongside which the two Los Angeles Aqueducts cross City limits. The First Los Angeles Aqueduct was completed about the year 1913 and operated by LADWP for the purpose of conveying waters from the Owens River, together with other waters, to the City of Los Angeles. Inyo Chemical Co. v. Los Angeles, 5 Cal. 2d 525, 528 (Cal. 1936); County of Inyo v. Yorty, 32 Cal. App. 3d 795, 799 (Cal. App. 3d Dist. 1973). It was so important to the growth of the City, that an Act by the U.S. Congress accomplished in 1906, and amended in 1920, granted the City rights-of-way over federal lands to build. The Second Los Angeles Aqueduct commenced operation in 1970. County of Inyo v. Yorty, 32 Cal. App. 3d 795, 800 (Cal. App. 3d Dist. 1973).

LADWP owns and operates the First and Second Los Angeles Aqueducts (Aqueducts) that extend from the Owens Valley in the Eastern Sierra through three counties in the State of California, and into the City.

LADWP needs to acquire the Property in fee to protect the delivery of the City's water supply (Protection of the Aqueducts). In average hydrologic years, the Aqueducts supply one-third to almost one-half of the City's total water supply, and during wet years supply about two-thirds of the City's water. Acquiring the Property will protect the Aqueducts and will allow for access to inspect and maintain the First Los Angeles Aqueduct. The First Los Angeles Aqueduct passes through Parcels 6, 7, 9, and 10. Parcels 42 and 43 are on the east side of the First Los Angeles Aqueduct. The Second Los Angeles Aqueduct is located in a strip of land 50 feet wide owned in fee by LADWP, APN 2603-002-901, which is adjacent and in between Parcels 6 and 7.

Defendants have engaged in uses of the Property incompatible with and are a danger to the Aqueducts, including, among other things extensive grading over and adjacent to the Aqueducts; driving large construction and grading equipment directly over the Aqueducts; engaging in these activities without obtaining any of the required permits; and ignoring LADWP's requests to cease these activities that jeopardize the Aqueducts.

Of most critical concern is the weakening and potential collapse of the 100 year old First Los Angeles Aqueduct that was not designed nor built to handle the excessive weight loading that the current property owner has imposed. Collapse of the aqueduct would cause immediate loss of a key and significant water supply to the City and have millions of gallons of water flooding Sierra highway and adjoining properties, threatening public safety and damage to property. After acquiring the Property, LADWP will safely abate owners' grading and leave the Property in its undeveloped state, and continue to use portions of the Property for inspection and maintenance of the Aqueducts.

Board of Water and Power Commissioners Page 3 May 30, 2013

The First Los Angeles Aqueduct is shut down annually during the winter months for thorough interior inspection and maintenance. LADWP uses real property located adjacent to Sierra Highway as a staging area for equipment, supplies, and vehicles. This area is located in the vicinity of 22124 Sierra Highway, Sylmar, California, 91342 near Sierra Highway, Foothill Boulevard, and the 5 and 14 Freeways (Vicinity). The real property for the First Los Angeles Aqueduct in this Vicinity is included in a handwritten 1908 Grant recorded with the Los Angeles County Recorder's Office. The City had to acquire these rights from the Standard Oil Company.

On or about December 30, 1970, LADWP acquired land in fee for the Second Los Angeles Aqueduct in this Vicinity. Additional land in this Vicinity was acquired by the City from the California Department of Transportation (Caltrans), which included the embankments of Sierra Highway.

The use of the real property located adjacent to Sierra Highway and the Aqueducts, at LADWP Engineering Station No. 745+00, located on the map, is commonly known as the First Los Angeles Aqueduct staging area at City Limits (Staging Area). LADWP has operated and maintained its Aqueducts, bridge, and gate, and has used its Staging Area for many years. The bridge was built in 1968, during the Second Los Angeles Aqueduct Project.

As early as April 2011, Defendant Mr. Pavich was informed in writing that the First Los Angeles Aqueduct was relatively close to the surface and that material should not be placed on top of it nor should vehicles drive over it without permission and assessment from LADWP. He ignored these requests by engaging in a large construction grading project that began in April 2011, over and adjacent to the Aqueducts. This occurred before he even acquired property rights via his company LMW78 LLC in this Vicinity. Defendant LMW78 LLC acquired real property on or about July 26, 2011, including Parcels 6 and 7. LADWP has real property rights for its First Los Angeles Aqueduct in Parcels 6 and 7. In addition, Parcels 6 and 7 are on either side of land for the Second Los Angeles Aqueduct.

Defendants moved a substantial amount of dirt over and adjacent to the Aqueducts. Defendants were observed driving a dump truck, front loader, excavator, and other construction equipment directly over the Aqueducts.

On July 1, 2011, an inspector for the City of Los Angeles Department of Building and Safety (LADBS) inspected the site and issued an Order to Comply. Defendants ignored this Order to Comply and continued with the grading project, which is believed to have been completed in mid-November, 2011. On or about October 22, 2011, another inspector from LADBS issued another Order to Comply.

Board of Water and Power Commissioners Page 4 May 30, 2013

On January 9, 2012, Defendants staked a metal post into the ground directly on top of the First Los Angeles Aqueduct. There was even a posted sign adjacent to the stake giving notice that high-pressure gas lines were in the area. Additional metal posts were staked near the First Los Angeles Aqueduct.

On March 28, 2012, an LADWP employee saw many commercial containers stored on Parcel 7, where Defendants must have driven repeatedly over the First Los Angeles Aqueduct to operate some commercial container business. Also, on June 12, 2012, Defendants were observed driving over the Second Los Angeles Aqueduct operating a construction vehicle known as a Bob Cat with a front loader.

Furthermore, in mid-November 2012, Defendants placed concrete cinder blocks, in two large rectangular shapes, in the same location of the Staging Area where LADWP forces would set up a crane to lower equipment and vehicles into the First Los Angeles Aqueduct via the equipment access portal. Along with the concrete cinder blocks, Defendants placed a large pile of manure in the Staging Area.

In this location, the First Los Angeles Aqueduct is made of unreinforced concrete. In Parcel 7 it is about 22 feet below the ground surface in the area of concern. As the First Los Angeles Aqueduct continues in a southerly direction through Parcel 6, it is closer to the surface, about one to two feet below the ground surface.

Inspection of the First Los Angeles Aqueduct in the area of concern during the early part of 2012 revealed cracks in the tunnel lining. The depth and extent of cracking is unknown. The cracked condition obviates the use of analysis in determining the tolerable dynamic loading over the First Los Angeles Aqueduct. In particular, where tensile stresses are concerned, cracked concrete and rock have no strength.

Details about the parcels are shown in Table 1 and in the map attached as Exhibit 1. The litigation was the ultimate step taken by LADWP in a series of measures to protect the Aqueducts from damage by the Defendants. Also, Defendants have filed a cross complaint seeking inverse condemnation for real property located on Parcels 9 and 10 and termination of LADWP's real property rights and to move the First Los Angeles Aqueduct. The First Los Angeles Aqueduct goes through Parcels 9 and 10. In addition, the Defendants own Parcels 42 and 43, which are located just east of Parcels 9 and 10. One needs to access Parcels 42 and 43 from Sierra Highway, and through Parcels 9 and 10.

The condemnation is motivated by a need to protect the Aqueducts. Appraisals for the parcels were completed. LADWP issued pre-condemnation letters offering to acquire the six parcels from Defendants based on those appraisals. A written statement showing the appraised value of the properties and summarizing the basis of that

Board of Water and Power Commissioners Page 5 May 30, 2013

valuation was delivered to Defendants with the offer letters. However, these offers were rejected. LADWP now requests that Your Honorable Board approve the attached Resolution of Public Necessity to acquire the six parcels for the public's benefit.

Table 1
Parcels Subject to Resolution of Necessity

| Item | Los Angeles County Assessor's Parcel Number | Area (Acres) | Location | City Council District | Offer in Pre- Condemnation Letters (\$) |
|------|--|-----------------|-----------------------|--------------------------|---|
| 1 | 2581-001-042 | 10.32 | Los Angeles County | Not Applicable | For Items 1-4, 463,000. |
| 2 | 2581-001-043 | 9.86 | Los Angeles County | Not Applicable | |
| 3 | 2603-002-006 | 3.73 | Sylmar District | 7 | |
| 4 | 2603-002-007 | 5.92 | Sylmar District | 7 | |
| 5 | 2581-001-009 | 2.62 | Los Angeles County | Not Applicable | For Items 5-6, 345,000. |
| 6 | 2581-001-010 | 3.13 | Los Angeles County | Not Applicable | |

JUSTIFICATION

Defendants have taken aggressive physical acts and legal positions towards LADWP's real property interests for its First and Second Los Angeles Aqueduct. Their aggressive physical acts are detailed above with the trespasses, unpermitted grading project, and additional weight placed on top of and adjacent to the Aqueducts. Defendants' aggressive legal positions include seeking a court order to cross the Second Los Angeles Aqueduct without permission, terminating LADWP's real property interests, and demanding that LADWP relocate its First Los Angeles Aqueduct. In addition, Defendants have sought and obtained a zone change from Los Angeles County from a commercial zone to an industrial zone, which uses are not compatible with the safety and integrity of the First Los Angeles Aqueduct.

Relocation of the First Los Angeles Aqueduct would consume millions of dollars of ratepayer money and perhaps even more importantly would divert LADWP labor from more urgent business, such as replacing and rehabilitating LADWP's aged infrastructure. It is far more responsible for LADWP to acquire these parcels through condemnation.

Board of Water and Power Commissioners Page 6 May 30, 2013

LADWP has spent \$319,000 on monitoring and interdiction to protect the Aqueducts from the Defendants' actions during Fiscal Year 2011-2012. Some of the Defendants' actions that required a response from LADWP include unauthorized driving and grading over the Aqueducts and proposed or actual stockpiling of materials, in areas where LADWP workers mobilize to work on the Aqueducts. Given recent actions by the Defendants, it is likely that this rate of expense will continue until the Defendants vacate the parcels. However, new property owners may be just as contrary to City interests. The Aqueducts are very shallow in portions of these parcels, and are susceptible to collapse or damage from indiscriminate use of the properties, such as the driving and grading that has occurred from the Defendants' recent actions. The Aqueducts combined provide the City with up to half of its water supply.

Staff also considered the cost of purchasing only portions of these parcels. Although the cost of a portion of the parcels is expected to be less than the cost of all of the parcels, allowing portions of the parcels to remain outside of LADWP's control carries potentially very expensive liabilities. For example, if only a portion of the parcels is purchased, access will have to be granted to property owners over the Aqueducts for portions of the property that are on the other side of existing streets and routes. Furthermore, if only a portion of the parcels is purchased, a successful claim against LADWP of damages to the remaining portion of the parcels (i.e., the land not purchased by LADWP) becomes probable. When added to the cost of the portion purchased, these liabilities would very likely push the total cost on LADWP above the cost of purchasing all of the parcels.

Of the options considered (relocating one or both Aqueducts, continuing with the status quo, or purchasing some or all of the properties through a condemnation process), condemnation of all of the parcels is the least expensive and most responsible solution to protect the Aqueducts from damage or collapse. Since the Aqueducts provide such a vital part of the City's water supply, Protection of the Aqueducts is necessary.

Los Angeles City Council Approval

Per Charter Sections §§ 601, 672 (a), 675 (c), and 675 (d)(1), Los Angeles City Council approval is required by ordinance for the condemnation of property. Due to timesensitive operational needs, an Executive Directive No. 4 waiver was granted by the Mayor's Office on May 28, 2013. A City Administrative Officer report will be provided for City Council review prior to final consideration of this item.

Board of Water and Power Commissioners Page 7 May 30, 2013

RECOMMENDATION

It is recommended that Your Honorable Board approve the attached Resolution of Public Necessity authorizing the condemnation of six parcels in favor of LADWP for protection of the First and Second Los Angeles Aqueducts.

JDM:jmm Attachment(s).

e-c/att: Ronald O. Nichols

Richard M. Brown Aram Benyamin James B. McDaniel

Philip Leiber Gary Wong Martin L. Adams John D. Miller

| OR | DI | MAN | ICE | NO. | \ |
|----|----|-----|-----|-----|---|
| | | | | | |

An Ordinance of the City of Los Angeles (City) finding that the public interest and necessity require the acquisition and authorization to condemn, in fee simple, six parcels of real property to protect the City's First and Second Los Angeles Aqueducts. The six parcels have Assessor's Parcel Nos. 2581-001-042, 2581-001-043, 2581-001-009, 2581-001-010, 2603-002-006, and 2603-002-007 and are all located in the County of Los Angeles.

THE PEOPLE OF THE CITY OF LOS ANGELES DO ORDAIN AS FOLLOWS:

Section 1. The public interest and necessity require the acquisition and authorization to condemn, in fee simple, the real property described in this Ordinance to protect the First and Second Los Angeles Aqueducts and for the purposes specified in Sections 601, 672(a), and 675(c) of the Charter of the City of Los Angeles, including, but not limited to the control of the production and delivery of water to the City; the control of water, water rights, lands, and facilities, including all the lands, rights-of-way, and property for the transportation, distribution and delivery of water for the benefit of the City, its inhabitants, and customers; and the control of the construction, extension, maintenance and operation of all improvements, utilities, structures, facilities, and services necessary in order to protect the City's water supply and the First and Second Los Angeles Aqueducts (collectively the "Protection of the Aqueducts"). The Protection of the Aqueducts is planned and located in the manner that will be the most compatible with the greatest public good and the least private injury.

Section 2. As was approved by the Board of Water and Power Commissioners, __, that is on file with the Board Secretary and the City Clerk, Resolution No. and upon approval by the Los Angeles City Council, the City of Los Angeles, acting by and through the Department of Water and Power (LADWP), is authorized to acquire Assessor's Parcel Nos. (APN): 2581-001-042 (Parcel 42), 2581-001-043 (Parcel 43), 2581-001-009 (Parcel 9), 2581-001-010 (Parcel 10), 2603-002-006 (Parcel 6), and 2603-002-007 (Parcel 7) (collectively the "Property"), as are more particularly described and depicted by Exhibits A, B, C, D, E, and F attached hereto and incorporated herein by this reference, in fee simple absolute, and to exercise the power of eminent domain for the public uses set forth herein under the California Constitution, the California Eminent Domain Law (California Code of Civil Procedure Section 1230.010 et seq., including Section 1240.110), California Government Code Section 37350.5, and Section 675(d)(1) of the Charter of the City of Los Angeles. Parcels 6 and 7 are located in the City. Parcels 9, 10, 42, and 43 are located outside the City in unincorporated areas of the County of Los Angeles, and as to those parcels, LADWP is exercising its power of eminent domain extraterritorially pursuant to, inter alia, Section 675(d)(1) of the Charter of the City of Los Angeles and Section 1240.125 of the California Code of Civil Procedure.

Section 3. The Property is necessary for the Protection of the Aqueducts. It is necessary that LADWP acquire the Property to carry out the essential purpose of protecting the City's water supply and the First and Second Los Angeles Aqueducts. If the Property were not acquired, there would remain threatened protection of the City's water supply and the First and Second Los Angeles Aqueducts.

Section 4. The proposed use of the Property for the Protection of the Aqueducts constitutes a valid public use and the use of the Property will in fact be a public use.

Section 5. The real property that is the subject of this Ordinance is currently owned by LMW78 LLC, a California limited liability company, and Indian Ridge LLC, a California limited liability company (Owners), and consists of the fee interest in real property, legally described and depicted by Exhibits A, B, C, D, E, and F attached hereto and incorporated herein by this reference. In conformance with Sections 7267.1 and 7267.2 of the California Government Code, an appraisal was prepared covering the Property. An offer based on said appraisal was made to the Owners of the Property, and a written statement showing the appraised value of the Property and summarizing the basis of that valuation was also delivered to the Owners.

Section 6. Notice has been given by first class mail to the Owners of the Property, to their address as shown by the last equalized Los Angeles County assessment roll. The notice advised the Owners of the intent of the Council to adopt this ordinance and of the right to appear and be heard by the Council. Each of the Owners who so requested was given an opportunity to appear and be heard by the Council.

Section 7. To the extent the Property, or any of the parcels, is already devoted to a public use, the use of the Property for the Protection of the Aqueducts is a compatible use that will not unreasonably interfere with or impair the continuance of the public use as it presently exists or may reasonably be expected to exist in the future (California Code of Civil Procedure Section 1240.510), or the use of the Property for the Protection of the Aqueducts is a more necessary public use than is the presently existing public use (California Code of Civil Procedure Section 1240.610).

Section 8. Under the California Environmental Quality Act (CEQA) the condemnation of the Property is exempt pursuant to the General Exemption described in CEQA Guidelines Section 15061 (b)(3) because the Protection of the Aqueducts will not lead to any development and the Property will remain fallow after acquisition and, therefore, it can be seen with certainty that there is no possibility that the Protection of the Aqueducts may have a significant effect on the environment.

Section 9. The Office of the Los Angeles City Attorney including special litigation counsel (LADWP's Counsel), is hereby authorized and directed to engage in condemnation proceedings to acquire the Property in fee simple absolute (unless a lesser estate is hereinafter described), upon approval by the City Council pursuant to Section 675(d)(1) of the Charter of the City of Los Angeles.

Section 10. LADWP's Counsel is hereby authorized and directed to seek and obtain an order for prejudgment possession of the Property at such time as LADWP's Counsel deems it to be necessary and appropriate for the essential purpose of protecting the City's water supply and the First and Second Los Angeles Aqueducts and for interior inspection and maintenance of the First and Second Los Angeles Aqueducts.

Section 11. The City Clerk shall certify to the passage of this Ordinance and have it published in accordance with Council policy, either in a daily newspaper circulated in the City of Los Angeles or by posting for ten days in three public places in the City of Los Angeles: one copy on the bulletin board located at the Main Street entrance to the Los Angeles City Hall; one copy on the bulletin board located at the Main Street entrance to the Los Angeles City Hall East; and one copy on the bulletin board located at the Temple Street entrance to the Los Angeles County Hall of Records.

I hereby certify that this ordinance was passed by the Council of the City of

Los Angeles, by a vote of not less than two-thirds of all its members, at its meeting of JUNE A. LAGMAY, City Clerk By Deputy Approved Mayor Approved as to Form and Legality CARMEN TRUTANICH, City Attorney APPROVED AS TO FORM AND LEGALITY CARMEN A. TRUTANICH, CITY ATTORNEY Ву ____ JEAN-CLAUDE BERTET Deputy City Attorney JUN 07 2013 JEAN-CLAUDE BERTET Date _____ DEPUTY CITY ATTORNEY

File No.

. .

Exhibit 1 Page 1

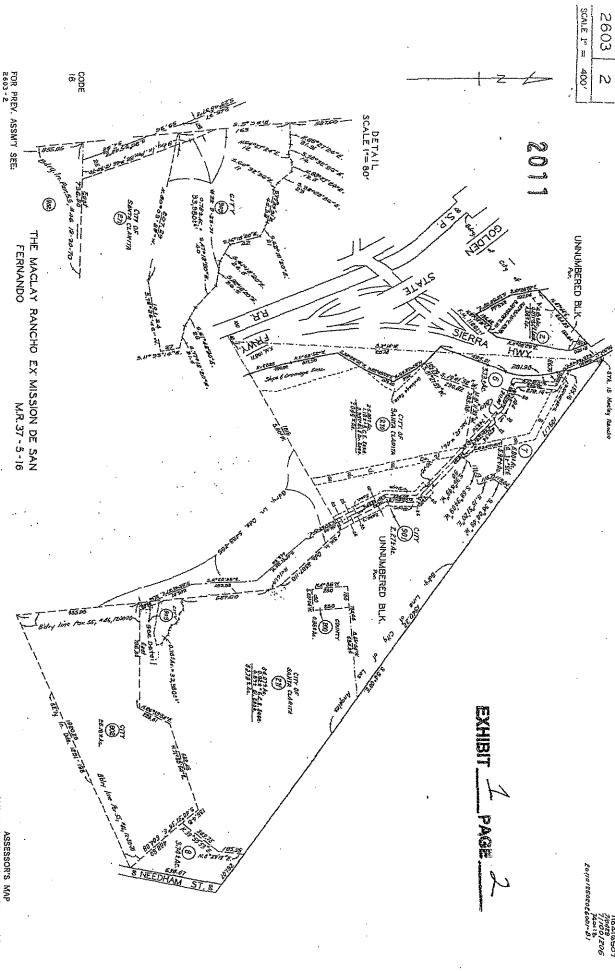


Exhibit 1 Page 2

ASSESSOR'S MAP
COUNTY OF LOS ANGELES, CALIF.

EXHIBIT A

Legal Description for APN 2603-002-006 ("Parcel 6")

THAT PORTION OF THE MACLAY RANCHO EX-MISSION DE SAN FERNANDO, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 37 PAGES 5 THROUGH 16, INCLUSIVE, OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, BEING A PORTION OF THE LAND DESCRIBED IN THAT CERTAIN DEED RECORDED IN BOOK 1291 PAGE 198 OF DEEDS, IN SAID OFFICE OF THE COUNTY RECORDER, DESCRIBED AS FOLLOWS:

BEGINNING AT THE POINT OF INTERSECTION OF THE GENERAL EASTERLY LINE OF SIERRA HIGHWAY AS DESCRIBED IN DEED TO THE STATE OF CALIFORNIA RECORDED NOVEMBER 05, 1956 AS INSTRUMENT NO. 1677 IN BOOK 52780 PAGE 1 OF OFFICIAL RECORDS, IN SAID OFFICE OF THE COUNTY RECORDER WITH THE SOUTHWESTERLY LINE OF THAT CERTAIN 50 FOOT WIDE STRIP OF LAND DESCRIBED AS PARCEL 52 IN DEED TO THE CITY OF LOS ANGELES RECORDED DECEMBER 30, 1970 AS INSTRUMENT NO. 46 OF SAID OFFICIAL RECORDS; THENCE

- 1. ALONG SAID SOUTHWESTERLY LINE THE FOLLOWING 4 COURSES, SOUTH 60° 42' 32" EAST 86.76 FEET; THENCE
- 2. SOUTH 05° 31' 11" WEST 281.90 FEET; THENCE
- 3. SOUTH 66° 32' 16" EAST 211.44 FEET; THENCE
- 4. SOUTH 46° 16' 51" EAST 346.76 FEET TO THE GENERAL NORTHWESTERLY LINE OF THE LAND DESCRIBED IN DEED TO THE CITY OF SANTA CLARITA RECORDED OCTOBER 29, 2010 AS INSTRUMENT NO. 2010-1552982, OF SAID OFFICIAL RECORDS; THENCE
- 5. ALONG SAID GENERAL NORTHWESTERLY LINE THE FOLLOWING 3 COURSES, NORTH 81° 11° 33° WEST 385.08 FEET; THENCE

- 6. SOUTH 19° 41' 32" WEST 290.82 FEET; THENCE
- 7. SOUTH 51° 27' 59" WEST 109.79 FEET TO THE SOUTHEASTERLY TERMINUS OF THAT CERTAIN COURSE DESCRIBED AS SOUTH 46° 43' 13" EAST 147.31 FEET IN THE GENERAL EASTERLY LINE OF SAID LAND DESCRIBED IN DEED RECORDED NOVEMBER 05, 1956 AS INSTRUMENT NO. 1677 IN BOOK 52780 PAGE 1 OF OFFICIAL RECORDS; THENCE
- 8. ALONG SAID GENERAL EASTERLY LINE THE FOLLOWING 4 COURSES AND CURVES, NORTH 46° 37' 10" WEST 147.31 FEET; THENCE
- 9. NORTH 21° 18' 54" EAST 485.01 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE WESTERLY HAVING A RADIUS OF 507.68 FEET; THENCE
- 10. NORTHERLY ALONG LAST SAID CURVE THROUGH A CENTRAL ANGLE OF 40° 56' 58" AN ARC DISTANCE OF 362.84 FEET TO A POINT AT THE BEGINNING OF A NON-TANGENT CURVE CONCAVE WESTERLY HAVING A RADIUS OF 850.00 FEET, A RADIAL LINE THROUGH SAID POINT BEARS SOUTH 82° 35' 52" WEST; THENCE
- 11. NORTHERLY ALONG LAST SAID CURVE THROUGH A CENTRAL ANGLE OF 01° 29' 49" AN ARC DISTANCE OF 22.21 FEET TO THE POINT OF BEGINNING.

PURSUANT TO CERTIFICATE OF COMPLIANCE NO. AA-2010-2769-COC, SHOWN AS PARCEL 2, RECORDED DECEMBER 10, 2010 AS INSTRUMENT NO. 2010-1831077 OF OFFICIAL RECORDS

EXCEPT THEREFROM ANY AND ALL TRANSFERABLE DEVELOPMENT RIGHTS (AS DEFINED, FROM TIME TO TIME, IN THE APPLICABLE ORDINANCES OF THE COUNTY OF LOS ANGELES), INCLUDING, WITHOUT LIMITATION, RIGHTS TO TRANSFER OR TO AVERAGE RESIDENTIAL DENSITY, WHICH PERTAIN TO OR DERIVE FROM THE PROPERTY (TDRS") AND WHICH ARE IN EXISTENCE AND ALSO EXCEPT (A) ALL OIL, GAS AND OTHER HYDROCARBONS; NON-HYDROCARBON GASES OR GASEOUS SUBSTANCES; ALL OTHER MINERALS OF WHATSOEVER NATURE, WITHOUT REGARD TO SIMILARITY TO THE ABOVE- MENTIONED SUBSTANCES; AND ALL SUBSTANCES THAT MAY BE PRODUCED THEREWITH FROM THE PROPERTY; (B) ALL GEOTHERMAL RESOURCES, EMBRACING INDIGENOUS STEAM, HOT WATER AND HOT BRINES; STEAM AND OTHER GASES, HOT WATER AND HOT BRINES RESULTING FROM WATER, GAS OR OTHER FLUIDS ARTIFICIALLY INTRODUCED INTO SUBSURFACE FORMATIONS; HEAT OR THE ASSOCIATED ENERGY FOUND BENEATH THE SURFACE OF THE EARTH; AND BY-PRODUCTS OF ANY OF THE FOREGOING SUCH AS MINERALS (EXCLUSIVE OF OIL OR HYDROCARBON GAS THAT CAN BE SEPARATELY PRODUCED) WHICH ARE FOUND IN SOLUTION OR ASSOCIATION WITH OR DERIVED FROM ANY OF THE FOREGOING, BUT NOT INCLUDING METHANE GAS RECOVERED FROM THE LANDFILL OPERATION ON THE PROPERTY OR ANY OTHER MINERAL RECOVERY WHICH RESULTS FROM THE LANDFILL OPERATION AS DISTINGUISHED FROM NATURAL RESOURCES LOCATED ON THE PROPERTY; AND (C) THE SOLE AND EXCLUSIVE RIGHT FROM TIME TO TIME TO BORE OR DRILL AND MAINTAIN WELLS AND OTHER WORKS INTO AND THROUGH THE PROPERTY AND ADJOINING STREETS, ROADS, AND HIGHWAYS BELOW A DEPTH OF FIVE HUNDRED (500) FEET BELOW THE SURFACE THEREOF ON THE DATE OF RECORDATION OF THIS GRANT DEED FOR THE PURPOSE OF EXPLORING FOR AND PRODUCING ENERGY RESOURCE; THE RIGHT TO PRODUCE, INJECT, STORE AND REMOVE FROM AND THROUGH

SAID BORES, WELLS OR WORKS, OIL, GAS, WATER, AND OTHER SUBSTANCES OF WHATEVER NATURE; AND THE RIGHT TO PERFORM BELOW SAID DEPTH ANY AND ALL OPERATIONS DEEMED BY CHEVRON NECESSARY OR CONVENIENT FOR THE EXERCISE OF SUCH RIGHTS. THE RIGHTS EXCEPTED AND RESERVED IN THIS PARAGRAPH DO NOT INCLUDE AND DO NOT EXCEPT OR RESERVE TO CHEVRON ANY RIGHT OF CHEVRON TO USE THE SURFACE OF THE PROPERTY OR THE FIRST FIVE HUNDRED (500) BELOW SAID SURFACE OR TO CONDUCT ANY

OPERATIONS THEREON OR THEREIN, AS EXCEPTED AND RESERVED BY CHEVRON U.S.A., INC., IN THAT CERTAIN DEED RECORDED AUGUST 14, 1992 AS INSTRUMENT NO. <u>92-1522904</u>, OF OFFICIAL RECORDS.

EXHIBIT B

Legal Description for APN 2603-002-007 ("Parcel 7")

THAT PORTION OF THE MACLAY RANCHO EX-MISSION DE SAN FERNANDO, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 37 PAGES 5 THROUGH 16, INCLUSIVE, OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, BEING A PORTION OF THE LAND DESCRIBED IN THAT CERTAIN DEED RECORDED IN BOOK 1291 PAGE 198 OF DEEDS, IN SAID OFFICE OF THE COUNTY RECORDER, DESCRIBED AS FOLLOWS:

BEGINNING AT STATION 15 OF RANCHO EX MISSSION DE SAN FERNANDO, AS PER MAP RECORDED IN <u>BOOK 1. PAGES 605 AND 606</u> OF PATENTS, IN SAID OFFICE OF THE COUNTY RECORDER; THENCE

- 1. ALONG THE NORTHEASTERLY BOUNDARY OF LAST SAID RANCHO AND THE NORTHEASTERLY BOUNDARY OF SAID MACLAY RANCHO SOUTH 53° 55' 11" EAST 532.36 FEET TO THE POINT OF INTERSECTION WITH THE WESTERLY LINE OF LOT 1 OF SECTION 19, TOWNSHIP 3 NORTH, RANGE 15 WEST, SAN BERNARDINO MERIDIAN, ACCORDING TO THE OFFICIAL PLAT THEREOF; THENCE
- 2. CONTINUING ALONG SAID NORTHEASTERLY BOUNDARY 558.81 FEET; THENCE
- 3. LEAVING SAID NORTHEASTERLY BOUNDARY SOUTH 36° 04' 49" WEST 119.64 FEET TO THE NORTHWESTERLY LINE OF THE LAND DESCRIBED IN DEED TO THE CITY OF SANTA CLARITA RECORDED OCTOBER 29, 2010 AS INSTRUMENT NO. 2010-1552982, OF OFFICIAL RECORDS, IN SAID OFFICE OF THE COUNTY RECORDER; THENCE
- 4. ALONG THE GENERAL NORTHWESTERLY LINE OF SAID LAND OF THE CITY OF SANTA CLARITA THE FOLLOWING 3 COURSES, SOUTH 15° 51' 20" EAST 116.75 FEET; THENCE
- 5. SOUTH 68° 34' 09" WEST 171.13 FEET; THENCE
- 6. SOUTH 36° 04' 49" WEST 50.00 FEET TO A POINT ON THE NORTHEASTERLY LINE OF THAT CERTAIN 50 FOOT WIDE STRIP OF LAND DESCRIBED AS PARCEL 52 IN DEED TO THE CITY OF LOS ANGELES RECORDED <u>DECEMBER 30, 1970 AS INSTRUMENT NO. 46</u> OF OFFICIAL RECORDS, IN SAID OFFICE OF THE COUNTY RECORDER; THENCE
- 7. ALONG LAST SAID NORTHEASTERLY LINE THE FOLLOWING 4 COURSES, NORTH 46° 16' 51" WEST 427.34 FEET; THENCE
- 8. NORTH 66° 32' 16" WEST 184.00 FEET; THENCE
- 9. NORTH 05° 31' 11" EAST 278.14 FEET; THENCE
- 10. NORTH 60° 42' 32" WEST 155.16 FEET TO A POINT ON A NON-TANGENT CURVE CONCAVE WESTERLY HAVING A RADIUS OF 855.00 FEET ON THE GENERAL EASTERLY LINE OF SIERRA HIGHWAY AS DESCRIBED IN DEED TO THE STATE OF CALIFORNIA RECORDED NOVEMBER 05, 1956 AS INSTRUMENT NO. 1677 IN BOOK 52780 PAGE 1 OF OFFICIAL RECORDS, A RADIAL LINE THROUGH SAID POINT BEARS SOUTH 76° 58' 53" WEST; THENCE
- 11. NORTHERLY ALONG LAST SAID CURVE AND ALONG LAST SAID EASTERLY LINE THROUGH A CENTRAL ANGLE OF 13° 03' 53" AN ARC DISTANCE OF 194.96 FEET; THENCE

12. CONTINUING ALONG SAID GENERAL EASTERLY LINE AND RADIAL TO LAST SAID CURVE SOUTH 63° 55' 00" WEST 5.00 FEET TO A POINT AT THE BEGINNING OF A CURVE CONCAVE WESTERLY HAVING A RADIUS OF 850.00 FEET TO WHICH LAST SAID COURSE THROUGH LAST SAID POINT IS RADIAL; THENCE

13. CONTINUING ALONG SAID GENERAL EASTERLY LINE AND NORTHERLY ALONG LAST SAID CURVE THROUGH A CENTRAL ANGLE OF 02° 37' 58" AN ARC DISTANCE OF 39.06 FEET TO A POINT ON THE NORTHWESTERLY BOUNDARY OF SAID MACLAY RANCHO; THENCE

14. ALONG SAID NORTHWESTERLY BOUNDARY NORTH 47° 50' 30" EAST 25.91 FEET TO THE POINT OF BEGINNING.

PURSUANT TO CERTIFICATE OF COMPLIANCE NO. AA-2010-2769-COC, SHOWN AS PARCEL 1, RECORDED DECEMBER 10, 2010 AS INSTRUMENT NO. 2010-1831077 OF OFFICIAL RECORDS

EXCEPT THEREFROM ANY AND ALL TRANSFERABLE DEVELOPMENT RIGHTS (AS DEFINED, FROM TIME TO TIME, IN THE APPLICABLE ORDINANCES OF THE COUNTY OF LOS ANGELES), INCLUDING, WITHOUT LIMITATION, RIGHTS TO TRANSFER OR TO AVERAGE RESIDENTIAL DENSITY, WHICH PERTAIN TO OR DERIVE FROM THE PROPERTY (TDRS") AND WHICH ARE IN EXISTENCE AND ALSO EXCEPT (A) ALL OIL, GAS AND OTHER HYDROCARBONS: NON-HYDROCARBON GASES OR GASEOUS SUBSTANCES: ALL OTHER MINERALS OF WHATSOEVER NATURE. WITHOUT REGARD TO SIMILARITY TO THE ABOVE- MENTIONED SUBSTANCES; AND ALL SUBSTANCES THAT MAY BE PRODUCED THEREWITH FROM THE PROPERTY: (B) ALL GEOTHERMAL RESOURCES, EMBRACING INDIGENOUS STEAM, HOT WATER AND HOT BRINES; STEAM AND OTHER GASES, HOT WATER AND HOT BRINES RESULTING FROM WATER, GAS OR OTHER FLUIDS ARTIFICIALLY INTRODUCED INTO SUBSURFACE FORMATIONS: HEAT OR THE ASSOCIATED ENERGY FOUND BENEATH THE SURFACE OF THE EARTH; AND BY-PRODUCTS OF ANY OF THE FOREGOING SUCH AS MINERALS (EXCLUSIVE OF OIL OR HYDROCARBON GAS THAT CAN BE SEPARATELY PRODUCED) WHICH ARE FOUND IN SOLUTION OR ASSOCIATION WITH OR DERIVED FROM ANY OF THE FOREGOING, BUT NOT INCLUDING METHANE GAS RECOVERED FROM THE LANDFILL OPERATION ON THE PROPERTY OR ANY OTHER MINERAL RECOVERY WHICH RESULTS FROM THE LANDFILL OPERATION AS DISTINGUISHED FROM NATURAL RESOURCES LOCATED ON THE PROPERTY; AND (C) THE SOLE AND EXCLUSIVE RIGHT FROM TIME TO TIME TO BORE OR DRILL AND MAINTAIN WELLS AND OTHER WORKS INTO AND THROUGH THE PROPERTY AND ADJOINING STREETS, ROADS, AND HIGHWAYS BELOW A DEPTH OF FIVE HUNDRED (500) FEET BELOW THE SURFACE THEREOF ON THE DATE OF RECORDATION OF THIS GRANT DEED FOR THE PURPOSE OF EXPLORING FOR AND PRODUCING ENERGY RESOURCE; THE RIGHT TO PRODUCE, INJECT, STORE AND REMOVE FROM AND THROUGH SAID BORES, WELLS OR WORKS, OIL, GAS, WATER, AND OTHER SUBSTANCES OF WHATEVER NATURE; AND THE RIGHT TO PERFORM BELOW SAID DEPTH ANY AND ALL OPERATIONS DEEMED BY CHEVRON NECESSARY OR CONVENIENT FOR THE EXERCISE OF SUCH RIGHTS. THE RIGHTS EXCEPTED AND RESERVED IN THIS PARAGRAPH DO NOT INCLUDE AND DO NOT EXCEPT OR RESERVE TO CHEVRON ANY RIGHT OF CHEVRON TO USE THE SURFACE OF THE PROPERTY OR THE FIRST FIVE HUNDRED (500) BELOW SAID SURFACE OR TO CONDUCT ANY OPERATIONS THEREON OR THEREIN, AS EXCEPTED AND RESERVED BY CHEVRON U.S.A., INC., IN THAT CERTAIN DEED RECORDED AUGUST 14, 1992 AS INSTRUMENT NO. 92-1522904, OF OFFICIAL RECORDS.

EXHIBIT C & D

LEGAL DESCRIPTION INCLUDES APNS
2581-001-009 ("PARCEL 9") & 2581-001-010 ("PARCEL 10")
REFERENCE LADWP RIGHT-OF-WAY NO. 13315-9 & REAL ESTATE FILE NO. W-85294

BASIS OF BEARINGS:

THE BASIS OF BEARINGS OF THIS LEGAL DESCRIPTION IS THE NORTH LINE OF LOT 1 OF SECTION 24, TOWNSHIP 3 NORTH, RANGE 16 WEST, SAN BERNARDINO MERIDIAN, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, HAVING A BEARING OF NORTH 89° 45' 56" WEST, AS DESCRIBED IN QUITCLAIM DEED TO "INDIAN RIDGE LLC" RECORDED APRIL 3, 2006, AS INSTRUMENT NO. 06 0709507, OF OFFICIAL RECORDS, IN THE OFFICE OF COUNTY RECORDER, OF SAID COUNTY, SAID LINE HAVING A BEARING OF NORTH 89° 45' 56" WEST ALSO SHOWN AS "WEST" ON THE OFFICIAL PLAT OF SAID LAND SURVEYED DECEMBER 20, 1875 AND FILED IN THE U.S. SURVEYOR GENERAL'S OFFICE OF SAID STATE.

THAT CERTAIN PORTION OF SAID LOT 1, AS DESCRIBED IN SAID INSTRUMENT NO. 06 0709507, BOUNDED AND DESCRIBED MORE PARTICULARLY AS FOLLOWS:

BEGINNING AT THE NORTHEASTERLY CORNER OF SAID SECTION 24; THENCE ALONG SAID NORTH LINE OF SAID SECTION 24 NORTH 89° 45' 56" WEST, 1,190.76 FEET TO THE MOST NORTHERLY NORTHEASTERLY CORNER OF LAND DESCRIBED AS "PARCEL 1A (AMENDED)" IN THE FINAL ORDER OF CONDEMNATION ENTERED IN LOS ANGELES COUNTY SUPERIOR COURT CASE NO. 921651, A CERTIFIED COPY OF WHICH BEING RECORDED AS INSTRUMENT NO. 3546 ON OCTOBER 12, 1972 IN BOOK D5633, PAGE 156 OF OFFICIAL RECORDS OF SAID COUNTY; THENCE ALONG THE EASTERLY AND NORTHEASTERLY LINES OF SAID "PARCEL 1A (AMENDED)" SOUTH 34° 33' 42" WEST, 34.77 FEET; THENCE SOUTH 20° 04' 28" EAST, 74.88 FEET; THENCE SOUTH 41° 41' 19" EAST, 184.77 FEET; THENCE SOUTH 22° 35' 01" EAST, 75.51 FEET; THENCE SOUTH 43° 02' 14" EAST, 175.44 FEET; THENCE SOUTH 23° 34' 19" EAST, 194.57 FEET; THENCE SOUTH 59° 01' 15" WEST. 129.00 FEET; THENCE SOUTH 10° 23' 51" EAST, 64.67 FEET TO A POINT IN COURSE NO. 15 OF THE EXTERIOR BOUNDARIES OF THE EX-MISSION DE SAN FERNANDO, AS SHOWN ON MAP RECORDED IN BOOK 1, PAGE 605, OF PATENTS, IN SAID COUNTY RECORDER'S OFFICE, DISTANT THEREON ALONG SAID COURSE NO. 15, SOUTH 47° 49' 48" WEST, 664.25 FEET FROM CORNER NO. 15 OF SAID EX-MISSION DE SAN FERNANDO; THENCE ALONG SAID COURSE NO. 15, NORTH 47° 49' 48" EAST, 664.25 FEET TO SAID CORNER NO. 15; THENCE CONTINUING ALONG THE EXTERIOR BOUNDARY OF SAID EX-MISSION DE SAN FERNANDO SOUTHEASTERLY TO THE EAST LINE OF SAID SECTION 24; THENCE NORTHERLY ALONG SAID EAST LINE TO THE POINT OF BEGINNING.

EXCEPTING THEREFROM ANY PORTION THEREOF LYING WESTERLY OF THE EASTERLY LINE OF A 60-FOOT-WIDE ROAD, AS CONVEYED TO THE COUNTY OF LOS ANGELES BY DEED RECORDED IN BOOK 3939, PAGE 83, OF DEEDS, OF SAID COUNTY RECORDER'S OFFICE, SAID ROAD ALSO SHOWN AS "SIERRA HWY" ON THE STATE OF CALIFORNIA DEPARTMENT OF TRANSPORTATION (CALTRANS) APPRAISAL MAP "STATE OF CALIFORNIA TRANSPORTATION AGENCY, DEPARTMENT OF PUBLIC WORKS, DIVISION OF HIGHWAYS, APPRAISAL MAP NO. F-1055-1, SHT. 2 OF 9", DATED JANUARY 10, 1966, FILED IN CALTRANS' RIGHT-OF-WAY OFFICE IN THE CITY OF LOS ANGELES, OF SAID COUNTY.

THE ABOVE-DESCRIBED PARCEL OF LAND CONTAINS AN AREA OF APPROXIMATELY 5.74 ACRES.

PREPARED BY
WATER SYSTEM
RIGHT-OF-WAY ENGINEERING TEAM

No. 7295 Exp. 12/31/

EXHIBIT E

Legal Description for APN 2581-001-042 ("Parcel 42")

THOSE PORTIONS OF LOT 4 OF SECTION 18 AND LOT 1 OF SECTION 19, BOTH IN TOWNSHIP 3 NORTH, RANGE 15 WEST, SAN BERNARDINO MERIDIAN, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, DESCRIBED AS A WHOLE AS FOLLOWS:

BEGINNING AT THE POINT OF INTERSECTION OF THE WESTERLY LINE OF SAID LOT 1 WITH THE NORTHEASTERLY BOUNDARY OF THE MACLAY RANCHO EX-MISSION DE SAN FERNANDO, AS PER MAP RECORDED IN <u>BOOK 37 PAGES 5 THROUGH 16</u>, INCLUSIVE, OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY; THENCE

- 1. ALONG SAID WESTERLY LINE NORTH 01° 05' 44" EAST 606.10 FEET TO THE NORTHWESTERLY CORNER OF SAID SECTION 19; THENCE
- 2. ALONG THE WESTERLY LINE OF SAID LOT 4 NORTH 07° 00' 19" EAST 833.02 FEET TO THE SOUTHERLY LINE OF THE LAND DESCRIBED IN DEED TO THE CITY OF SANTA CLARITA RECORDED OCTOBER 29, 2010 AS INSTRUMENT NO. 2010-1552982, OF OFFICIAL RECORDS, IN SAID OFFICE OF THE COUNTY RECORDER; THENCE
- 3. ALONG SAID SOUTHERLY LINE SOUTH 85° 14' 37" EAST 444.00 FEET TO THE GENERAL WESTERLY LINE OF SAID LAND OF THE CITY OF SANTA CLARITA; THENCE
- 4. ALONG LAST SAID GENERAL WESTERLY LINE THE FOLLOWING 10 COURSES, SOUTH 08° 14' 24" EAST 507.00 FEET; THENCE
- 5. SOUTH 08° 13' 09" WEST 135.08 FEET; THENCE
- 6. SOUTH 40° 56' 02" EAST 81.82 FEET; THENCE
- 7. SOUTH 28° 29' 45" WEST 178.59 FEET; THENCE
- 8. SOUTH 25° 48' 36" EAST 238.85 FEET; THENCE
- 9. SOUTH 53° 49' 07" WEST 187.08 FEET; THENCE
- 10. SOUTH 08° 13' 09" WEST 290.33 FEET; THENCE
- 11. SOUTH 34° 02' 14" EAST 135.58 FEET; THENCE
- 12. SOUTH 47° 57' 06" WEST 142.63 FEET; THENCE
- 13. SOUTH 08° 13' 09" WEST 50.68 FEET TO A POINT ON SAID NORTHEASTERLY RANCHO BOUNDARY, DISTANT THEREON 558.81 FEET FROM THE POINT OF BEGINNING; THENCE
- 14. ALONG SAID NORTHEASTERLY BOUNDARY NORTH 53° 55' 11" WEST 558.81 FEET TO THE POINT OF BEGINNING.

PURSUANT TO THE CORRECTION TO CERTIFICATE OF COMPLIANCE RCOC 2010 00165, SHOWN AS PARCEL 1, RECORDED DECEMBER 20, 2010 AS INSTRUMENT NO. 2010-1881609 OF OFFICIAL RECORDS

EXCEPT THEREFROM ANY AND ALL TRANSFERABLE DEVELOPMENT RIGHTS (AS DEFINED, FROM TIME TO TIME, IN THE APPLICABLE ORDINANCES OF THE COUNTY OF LOS ANGELES), INCLUDING, WITHOUT LIMITATION, RIGHTS TO TRANSFER OR TO AVERAGE RESIDENTIAL DENSITY, WHICH PERTAIN TO OR DERIVE FROM THE PROPERTY (TDRS") AND WHICH ARE IN EXISTENCE AND ALSO EXCEPT (A) ALL OIL, GAS AND OTHER HYDROCARBONS; NON-HYDROCARBON GASES OR GASEOUS SUBSTANCES; ALL OTHER MINERALS OF WHATSOEVER NATURE, WITHOUT REGARD TO SIMILARITY TO THE ABOVE- MENTIONED SUBSTANCES; AND ALL SUBSTANCES THAT MAY BE PRODUCED THEREWITH FROM THE PROPERTY; (B) ALL GEOTHERMAL RESOURCES, EMBRACING INDIGENOUS STEAM, HOT WATER AND HOT BRINES; STEAM AND OTHER GASES, HOT WATER AND HOT BRINES RESULTING FROM WATER, GAS OR OTHER FLUIDS ARTIFICIALLY INTRODUCED INTO SUBSURFACE FORMATIONS; HEAT OR THE ASSOCIATED ENERGY FOUND BENEATH THE SURFACE OF THE EARTH; AND BY-PRODUCTS OF ANY OF THE FOREGOING SUCH AS MINERALS (EXCLUSIVE OF OIL OR HYDROCARBON GAS THAT CAN BE SEPARATELY PRODUCED) WHICH ARE FOUND IN SOLUTION OR ASSOCIATION WITH OR DERIVED FROM ANY OF THE FOREGOING, BUT NOT INCLUDING METHANE GAS RECOVERED FROM THE LANDFILL OPERATION ON THE PROPERTY OR ANY OTHER MINERAL RECOVERY WHICH RESULTS FROM THE LANDFILL OPERATION AS DISTINGUISHED FROM NATURAL RESOURCES LOCATED ON THE PROPERTY: AND (C) THE SOLE AND EXCLUSIVE RIGHT FROM TIME TO TIME TO BORE OR DRILL AND MAINTAIN WELLS AND OTHER WORKS INTO AND THROUGH THE PROPERTY AND ADJOINING STREETS, ROADS, AND HIGHWAYS BELOW A DEPTH OF FIVE HUNDRED (500) FEET BELOW THE SURFACE THEREOF ON THE DATE OF RECORDATION OF THIS GRANT DEED FOR THE PURPOSE OF EXPLORING FOR AND PRODUCING ENERGY RESOURCE; THE RIGHT TO PRODUCE, INJECT, STORE AND REMOVE FROM AND THROUGH SAID BORES, WELLS OR WORKS, OIL, GAS, WATER, AND OTHER SUBSTANCES OF WHATEVER NATURE; AND THE RIGHT TO PERFORM BELOW SAID DEPTH ANY AND ALL OPERATIONS DEEMED BY CHEVRON NECESSARY OR CONVENIENT FOR THE EXERCISE OF SUCH RIGHTS. THE RIGHTS EXCEPTED AND RESERVED IN THIS PARAGRAPH DO NOT INCLUDE AND DO NOT EXCEPT OR RESERVE TO CHEVRON ANY RIGHT OF CHEVRON TO USE THE SURFACE OF THE PROPERTY OR THE FIRST FIVE HUNDRED (500) BELOW SAID SURFACE OR TO CONDUCT ANY OPERATIONS THEREON OR THEREIN, AS EXCEPTED AND RESERVED BY CHEVRON U.S.A., INC., IN THAT CERTAIN DEED RECORDED AUGUST 14, 1992 AS INSTRUMENT NO. 92-1522904, OF OFFICIAL RECORDS.

EXHIBIT F

Legal Description for APN 2581-001-043 ("Parcel 43")

THOSE PORTIONS OF LOT 4 OF SECTION 18 AND LOT 1 OF SECTION 19, BOTH IN TOWNSHIP 3 NORTH, RANGE 15 WEST, SAN BERNARDINO MERIDIAN, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, DESCRIBED AS A WHOLE AS FOLLOWS:

BEGINNING AT THE POINT OF INTERSECTION OF THE WESTERLY LINE OF SAID LOT 1 WITH THE NORTHEASTERLY BOUNDARY OF THE MACLAY RANCHO EX-MISSION DE SAN FERNANDO, AS PER MAP RECORDED IN <u>BOOK 37 PAGES 5 THROUGH 16</u>, INCLUSIVE, OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY; THENCE

- 1. ALONG SAID WESTERLY LINE NORTH 01° 05' 44" EAST 606.10 FEET TO THE NORTHWESTERLY CORNER OF SAID SECTION 19; THENCE
- 2. ALONG THE WESTERLY LINE OF SAID LOT 4 NORTH 07° 00' 19" EAST 833.02 FEET TO THE SOUTHERLY LINE OF THE LAND DESCRIBED IN DEED TO THE CITY OF SANTA CLARITA RECORDED OCTOBER 29, 2010 AS INSTRUMENT NO. 2010-1552982, OF OFFICIAL RECORDS, IN SAID OFFICE OF THE COUNTY RECORDER; THENCE
- 3. ALONG SAID SOUTHERLY LINE SOUTH 85° 14' 37" EAST 444.00 FEET TO THE GENERAL WESTERLY LINE OF SAID LAND OF THE CITY OF SANTA CLARITA; THENCE
- 4. ALONG LAST SAID GENERAL WESTERLY LINE THE FOLLOWING 10 COURSES, SOUTH 08° 14' 24" EAST 507.00 FEET; THENCE
- 5. SOUTH 08° 13' 09" WEST 135.08 FEET; THENCE
- 6. SOUTH 40° 56' 02" EAST 81.82 FEET; THENCE
- 7. SOUTH 28° 29' 45" WEST 178.59 FEET; THENCE
- 8. SOUTH 25° 48' 36" EAST 238.85 FEET; THENCE
- 9. SOUTH 53° 49' 07" WEST 187.08 FEET; THENCE
- 10. SOUTH 08° 13' 09" WEST 290.33 FEET; THENCE
- 11. SOUTH 34° 02' 14" EAST 135.58 FEET; THENCE
- 12. SOUTH 47° 57' 06" WEST 142.63 FEET; THENCE
- 13. SOUTH 08° 13' 09" WEST 50.68 FEET TO A POINT ON SAID NORTHEASTERLY RANCHO BOUNDARY, DISTANT THEREON 558.81 FEET FROM THE POINT OF BEGINNING; THENCE
- 14. ALONG SAID NORTHEASTERLY BOUNDARY NORTH 53° 55' 11" WEST 558.81 FEET TO THE POINT OF BEGINNING.

PURSUANT TO THE CORRECTION TO CERTIFICATE OF COMPLIANCE RCOC 2010 00165, SHOWN AS PARCEL 1, RECORDED DECEMBER 20, 2010 AS INSTRUMENT NO. 2010-1881609 OF OFFICIAL RECORDS

EXCEPT THEREFROM ANY AND ALL TRANSFERABLE DEVELOPMENT RIGHTS (AS DEFINED, FROM TIME TO TIME, IN THE APPLICABLE ORDINANCES OF THE COUNTY OF LOS ANGELES), INCLUDING, WITHOUT LIMITATION, RIGHTS TO TRANSFER OR TO AVERAGE RESIDENTIAL DENSITY, WHICH PERTAIN TO OR DERIVE FROM THE PROPERTY (TDRS") AND WHICH ARE IN EXISTENCE AND ALSO EXCEPT (A) ALL OIL, GAS AND OTHER HYDROCARBONS; NON-HYDROCARBON GASES OR GASEOUS SUBSTANCES; ALL OTHER MINERALS OF WHATSOEVER NATURE, WITHOUT REGARD TO SIMILARITY TO THE ABOVE- MENTIONED SUBSTANCES; AND ALL SUBSTANCES THAT MAY BE PRODUCED THEREWITH FROM THE PROPERTY: (B) ALL GEOTHERMAL RESOURCES, EMBRACING INDIGENOUS STEAM, HOT WATER AND HOT BRINES; STEAM AND OTHER GASES, HOT WATER AND HOT BRINES RESULTING FROM WATER, GAS OR OTHER FLUIDS ARTIFICIALLY INTRODUCED INTO SUBSURFACE FORMATIONS; HEAT OR THE ASSOCIATED ENERGY FOUND BENEATH THE SURFACE OF THE EARTH; AND BY-PRODUCTS OF ANY OF THE FOREGOING SUCH AS MINERALS (EXCLUSIVE OF OIL OR HYDROCARBON GAS THAT CAN BE SEPARATELY PRODUCED) WHICH ARE FOUND IN SOLUTION OR ASSOCIATION WITH OR DERIVED FROM ANY OF THE FOREGOING, BUT NOT INCLUDING METHANE GAS RECOVERED FROM THE LANDFILL OPERATION ON THE PROPERTY OR ANY OTHER MINERAL RECOVERY WHICH RESULTS FROM THE LANDFILL OPERATION AS DISTINGUISHED FROM NATURAL RESOURCES LOCATED ON THE PROPERTY; AND (C) THE SOLE AND EXCLUSIVE RIGHT FROM TIME TO TIME TO BORE OR DRILL AND MAINTAIN WELLS AND OTHER WORKS INTO AND THROUGH THE PROPERTY AND ADJOINING STREETS, ROADS, AND HIGHWAYS BELOW A DEPTH OF FIVE HUNDRED (500) FEET BELOW THE SURFACE THEREOF ON THE DATE OF RECORDATION OF THIS GRANT DEED FOR THE PURPOSE OF EXPLORING FOR AND PRODUCING ENERGY RESOURCE; THE RIGHT TO PRODUCE, INJECT, STORE AND REMOVE FROM AND THROUGH SAID BORES, WELLS OR WORKS, OIL, GAS, WATER, AND OTHER SUBSTANCES OF WHATEVER NATURE; AND THE RIGHT TO PERFORM BELOW SAID DEPTH ANY AND ALL OPERATIONS DEEMED BY CHEVRON NECESSARY OR CONVENIENT FOR THE EXERCISE OF SUCH RIGHTS. THE RIGHTS EXCEPTED AND RESERVED IN THIS PARAGRAPH DO NOT INCLUDE AND DO NOT EXCEPT OR RESERVE TO CHEVRON ANY RIGHT OF CHEVRON TO USE THE SURFACE OF THE PROPERTY OR THE FIRST FIVE HUNDRED (500) BELOW SAID SURFACE OR TO CONDUCT ANY OPERATIONS THEREON OR THEREIN, AS EXCEPTED AND RESERVED BY CHEVRON U.S.A., INC., IN THAT CERTAIN DEED RECORDED AUGUST 14, 1992 AS INSTRUMENT NO. 92-1522904, OF OFFICIAL RECORDS.