



GARBERVILLE SANITARY DISTRICT

P.O. BOX 211 • GARBERVILLE, CA 95542 • (707) 923-9566

February 10, 2020

Redway Community Services District
Attn: TK Williams
1150 Evergreen Road, Unit 2
Redway, CA 95560

SUBJECT: RESPONSE TO PROTEST
GSD PETITIONS FOR CHANGE IN PLACE OF USE ON LICENSE 3404 AND PERMIT
20789 (APPLICATIONS 9686 and 29981) OF GARBERVILLE SANITARY DISTRICT, SOUTH
FORK EEL RIVER IN HUMBOLDT COUNTY

Dear Mr. Williams:

The Garberville Sanitary District received a protest filed by Redway Community Services District (RCSD) for the petitions on License 3404 and Permit 20789. In accordance with Water Code sections 1700 et seq. and from California Code of Regulations, title 23, sections 796 and 745 et seq., the District is providing an answer to the allegations contained in the protest. The District has reviewed the protest to determine what the protestant's objections are to the approval of the petition and the basis for these objections.

As the acknowledgement letter from the State Water Resources Control Board stated, "Any protest based on an allegation that the proposed appropriation would not be in the public interest, would adversely affect public trust uses, or would have adverse environmental impact must be accompanied by a statement of facts supporting the allegation." We have been unable to identify a specific issue or find a statement of fact that explains how or why the change in place of use:

- a) will not best conserve the public interest or how changing the place of use for the appropriation will affect the public
- b) will have an adverse environmental impact
- c) will adversely affect a public trust use of a navigable waterway

There was no statement of fact in the protest that identified specific impacts on issues such as plants, animals or fish affected, erosion, pollution, or aesthetics, etc. from the proposed action of changing GSD's place of use to include a small portion of the Southern Humboldt Community Park (SHCP).

The District values our relationship with RCSD and so we have attempted to provide a response to your letter even though we could find no specific protest item that met the requirements. To best organize our answer, we have provided a response following each paragraph, which was copied directly from your protest letter dated November 25, 2019.

This letter is in response to notification from the State Water Resources Control Board regarding Petition for Change for Water Right License 3404 (Application 9686) and Permit 20789 (Application 29981) of Garberville Sanitary District. During the regularly scheduled business meeting on November 20, 2019 the Redway Community Services District (Redway CSD) Board of Directors directed staff to write a letter of protest to your office that includes some key points. This is that letter. The Protest Application form is enclosed.

Opening paragraph requires no response.

The Southern Humboldt Community Park (Park) is a private non-profit, not a public agency. As such, the Board of Directors of the Park hold private meetings that are not open to the public. And therefore, the motivations of the Park are not clear to the general public and do not necessarily represent the public interest. Many members of the larger community of southern Humboldt County support the park and many do not. Those that do not support the Park and its activities cite the closed meetings and methods by which the Park has obtained property and financial support among other special interests.

GSD understands that the SHCP is a 501(c) 3 corporation which is private non-profit. They have chosen to develop their lands for public recreation and allow the public at large (not by private specific invitation) to utilize the facilities that they own, operate and maintain. GSD provides water service to almost exclusively privately owned single family residences and businesses. Public agency designation is certainly not a requirement for our extending water service to a particular parcel. As a private non-profit corporation, the SHCP Board of Directors has the authority to choose to which meetings they invite non-board members and how they choose to finance their operations.

During the application to the Humboldt Local Agency Formation Commission (Humboldt LAFCo) comment period for this out of district service, Redway CSD wrote a letter to Humboldt LAFCo indicating that the Redway CSD Board of Directors has reservations about GSD providing this out of district connection to the Park because this connection may not be in the public interest. That letter was not included by GSD in their petition to the State Water Resources Control Board and the Redway CSD Board of Directors feels that it should have been for the sake of transparency. That letter to the Humboldt LAFCo is enclosed with this letter.

The District agrees that transparency is critical for public agencies such as ours, and to that end the District provided all the comments received by HLAFCo as part of the petition to the State Water Resources Control Board. These documents, along with all the documents and public comments that the County Planning Department received as part of the Environmental Impact Report for the SHCP, and all the public comments from the Annexation IS/MND were all placed upon a CD-DVD and mailed with the paper petition submitted to the SWRCB. In addition, Jennie Short contacted you to discuss the concerns presented in the August 28, 2019 letter from RCSD to HLAFCo. That conversation was followed up with an email dated November 12, 2019, that acknowledged RCSD's concerns and provided a copy of the executed Water Service Agreement (WSA) between GSD and SHCP. The WSA addresses the concerns RCSD outlined in the letter to HLAFCo. It was the District's understanding that the RCSD Board of Directors received those correspondences during their Board Meeting on November 20, 2019. None of the concerns in the August 2019 letter to HLAFCo were included in the November 2019 protest letter. The email and WSA are appended to this response for your convenience.

The Redway CSD Board of Directors feels that there are other ways to provide potable water to the Park. A formal annexation of the Park property to the GSD would require that the Park be subject to all of the ordinances of the GSD. Additionally, this would make the Park's activities more transparent to the public because building permits would be referred to GSD and their Board of Directors when the Park modifies land use, structures and other improvements. Another option would be for the Park to become a recreation district which would provide for public ownership and, therefore transparency.

There is no specific issue identified in this paragraph. LAFCo has already considered the question of "out of agency service" vs. "formal annexation" and determined that at this time out of agency service is sufficient and has already approved the water service. GSD receives referrals from the County for properties within our Sphere of Influence, not just within the Jurisdictional Boundary. RCSD has supplied suggestions for reorganization of the SHCP that they can consider should they desire, but are not relevant to the District's petition for change in place of use. The District has no authority over whether SHCP is a private non-profit or public agency.

The final comment that the Redway CSD Board of Directors would like communicated is that they support public space and that aspect of the Park's activities. That they do not support the private ownership and special interests of the Park or its Board of Directors and do not believe that this out of district connection is in the public interest.

We agree with RCSD in their support of the Park's goal for recreational public space for the southern Humboldt community. HLAFCo has already approved the "out of district" connection for GSD. The petition to the SWRCB only adds the area to the District's place of use for appropriated water.

My hope is that this letter supplies the needed answers for the RCSD Board to feel that the protest has been sufficiently resolved. If you have questions or need further information please contact Jennie Short at jmshort@garbervillesd.org or by phone at (707)223-4567.

Respectfully,



Ralph Emerson
GSD General Manager

JMS

Cc: State Water Resources Control Board
Division of Water Rights, Petitions and Licensing Unit
Attn: Michael Meza and Scott McFarland
PO Box 2000
Sacramento, CA, 95812-2000

Mitchell Law Firm
Attn: Russ Gans, Esq.
P.O. Drawer 1008
Eureka, CA 95502

<jmshort@garbervillesd.org>

From: jmshort <jmshort@garbervillesd.org>
To: twilliams.rcsd@gmail.com <twilliams.rcsd@gmail.com>
Cc: Ralph Emerson <remerson@garbervillesd.org>
Date: Nov 12 '19 11:40am
Subject: Executed Water Service Agreement between GSD & SHCP
Attach.: SHCP Water Service Agreement - Executed.pdf (1.64 MB)

Hello TK,

I was nice speaking with you this morning and I look forward to coordinating in the future. I am attaching the executed Water Service Agreement between GSD & SHCP for the potable water connection that was approved by LAFCo at the September meeting. As I explained, I believe that the conditions in the agreement address most if not all of the concerns voiced by your board in the letter dated August 28, 2019 to LAFCo. We share many of the same concerns and have attempted to document the limitations and restrictions applied to this connection as specifically as we could. This agreement is recorded against the property, so it will be disclosed and enforced during any title report for ownership change, lot line adjustments, subdivisions, etc. The connection is only available so long as the property remains owned by the SHCP.

The Park Board has been very agreeable to putting these limits into an agreement and confirm that they will abide by them. Time will tell, but if they don't abide by them we do have the ability to turn off their service.

Please provide this agreement to your board so that they will be aware of the efforts we have undertaken to put in place legally enforceable limits on the connection.

Thanks, Jennie

Jennie Short
Consultant Projects Manager
Garberville Sanitary District
Cell: (707)223-4567

**Recording Requested By and
When Recorded Return To:**

Garberville Sanitary District
P.O. Box 211
Garberville, CA 95542

APN: 222-091-015

Space Above this Line for Recorder's Use Only

WATER SERVICE AGREEMENT

THIS WATER SERVICE AGREEMENT (this "Agreement") is entered into as of _____, 2019 (the "Effective Date"), by and between the Garberville Services District (hereinafter "GSD" or "District"), a California public entity, and the Southern Humboldt Community Park (hereinafter "SHCP"), a California non-profit public benefit corporation. Where collective reference is intended, SHCP and the District are referred to as the "Parties" in this Agreement.

Recitals

A. WHEREAS, SHCP is the owner of that certain real property commonly known as the Southern Humboldt Community Park located at 1144 Sprowel Creek Road, Garberville, California (APN 222-091-015) and more particularly described in **Exhibit A** attached hereto and made a part hereof (the "SHCP Property").

B. WHEREAS, the SHCP Property is used as a public park

C. WHEREAS, an "Application Form for Cities and Districts to Provide Services Outside Agency Boundaries to LAFCo" has been submitted and is currently pending before the Humboldt Local Area Formation Commission (the "Outside Service Application"), which, if approved, would allow the District to supply water to SHCP;

D. WHEREAS, SHCP would like a metered water connection to the District's existing treated waterline, if and when the Outside Service Application is approved by LAFCo, for the purposes of providing potable water to the existing residences and outbuildings at the SHCP Property and to public water fountains for public users of the park;

NOW, THEREFORE, incorporating the foregoing recitals of fact and for good and valuable consideration the adequacy and receipt of which is hereby acknowledge, the Parties agree as follows:

Agreement

1. Water Meter Connection. Contingent and conditional upon (i) LAFCo's approval of the Outside Service Application and (ii) the California State Water Resources Control Board's ("SWRCB's") approval of the SHCP Property as part of GSD's Place of Use permit and license, the District shall allow SHCP, at SHCP's sole cost and expense, to install one (1), three-quarter inch ($\frac{3}{4}$ "") meter for one (1) new service connection from Tooby Ranch Road off of the existing 8" waterline that was constructed adjacent to the Tooby Ranch Road, to serve only the existing residences and outbuildings on the SHCP Property existing as of the Effective Date and public water fountains to be constructed on the SHCP Property in the area depicted as the "Proposed Water Service Areas" on the Diagram attached hereto as **Exhibit B**. This meter will be billed as a multi-family residential account. SHCP will directly pay and/or reimburse GSD for all fees, costs and expenses, of every type and nature, including, without limitation, costs for environmental and engineering studies and application fees, incurred from or with retained consultants, public agencies, and other persons or entities related to the assessment and inspection of the meter. These obligations include, without limitation, reimbursement for all consultant's fees, LAFCo charges, administrative costs, staff time, and costs and fees for any environmental studies or assessments required by SWRCB and/or LAFCo, and/or any other authority related to the SHCP application for water service.

The District will pay for the first \$5,000 of consultant costs associated with Jennie Short preparing and processing the application to LAFCo and SWRCB for water service. SHCP shall provide a \$2,000.00 deposit towards these fees and will be billed monthly (or quarterly at the District's option) for actual expenses incurred. SHCP will reimburse GSD for all amounts billed beyond the deposit. Once the total amount due is known, an amortization schedule (with a 0% interest rate, quarterly payments for a thirty-six (36) month repayment term) will be prepared by GSD and provided to SHCP.

SHCP agrees to accept the District or consultant's estimate of what portion of total costs were associated with the SHCP application as conclusive. SHCP acknowledges that LAFCo may not estimate what their charges will be, and the amount of the LAFCo charges are out of the District's control and will be invoiced by LAFCo as they are incurred. SHCP will pay all LAFCo charges directly to LAFCo upon receipt of the LAFCo invoice.

2. Additional Water Connection Requirements. If the waterline referenced in Section 1 is constructed, prior to the commencement of water service SHCP agrees, at SHCP's sole cost and expense, to design and install water pressure reducing equipment and backflow prevention equipment (and associated equipment) meeting specifications satisfactory to the District and the Division of Drinking Water at SWRCB, in the District's discretion. SHCP agrees to design, construct, and maintain the pressure reducing equipment and backflow prevention equipment to insure it is compatible with the water pressures occurring on the transmission line. The design and specifications applicable to the water pressure reducing equipment and backflow prevention equipment shall be reviewed and approved by the District

prior to installation. In addition to the foregoing, before water service is provided SHCP will be obligated to pressure test all waterline line infrastructure located on the SHCP Property to the satisfaction of GSD.

3. Maintenance Obligations. If installed, SHCP is responsible for the installation and maintenance of all water lines located behind the GSD water meter, including maintenance of the water pressure reducing equipment and backflow prevention equipment.

4. Connection Fee Reduction. If the waterline is constructed, GSD shall impose no water connection fee on SHCP. However, SHCP will unilaterally bear all costs and expenses associated with the installation of the new water meter, and the design and installation of the water pressure reducing equipment, backflow prevention equipment, and any other equipment necessary for the water system to function from the connection point of the SHCP water meter. SHCP will reimburse GSD for all fees, costs and expenses, of every type and nature, for costs related to the equipment design, installation and inspection.

5. Limitations on Water Service Connection Use. The new three-quarter inch ($\frac{3}{4}$ ") water meter and associated waterlines shall be used for residential purposes only at the existing facilities and for public recreation drinking fountain uses, as described in Section 1 of this Agreement, and shall not be used to serve future development on the SHCP Property. Any proposed water usage for future development purposes on the SHCP Property will be evaluated by the District based upon the District's available water supply at such time as SHCP requests any expanded uses and shall require subsequent written approval by the District, the County of Humboldt, annexation into the jurisdictional boundary by Humboldt LAFCo, and all governmental agencies and regulatory bodies having authority over such usage. SHCP expressly acknowledges that nothing in this Agreement shall constitute the District's express or implied consent or ability to provide water service to any structures or areas on the SHCP Property other than those existing structures identified in Section 2 of this Agreement. Water service shall not be extended to other structures on or portions of the SHCP Property without the prior written approval of GSD, which can be granted or denied in GSD's exclusive discretion. In addition to the foregoing:

5.1. Any water usage on the SHCP Property shall not exceed two thousand (2000) cubic feet per calendar month. The area of usage shall be expressly limited to those portions of the SHCP Property approved for water service by Humboldt LAFCo and within the GSD permitted "Place of Use", contingent upon approval of the GSD Application.

5.2. Any water usage on the SHCP Property will be monitored monthly in conjunction with the reading of the water meter. GSD shall notify SHCP if and when the usage reading exceeds 2,000 cubic feet per month. GSD shall have the right and option, in its discretion, to shut off the meter if the usage is more than 3,000 cubic feet per month

for any two months in a twelve (12) month period. As of the Effective Date of this Agreement, SHCP acknowledges that it does not need to exceed nor intend to exceed the 2,000 cubic feet per month restriction to serve the existing improvements located on the SHCP Property described in Section 1 of this Agreement.

5.3. The area(s) on the SHCP Property served by the water meter contemplated for construction in Section 1 of this Agreement must at all times be consistent with the Humboldt LAFCo approved water service area and the California State Water Resources Control Board approved Place of Use restrictions on GSD water service.

5.4. Should SHCP, at any time, petition GSD to expand the service area, change the proposed uses for the water service, or need to increase the quantity of water consumed each month beyond those recited in this Agreement, then SHCP will be required to annex the SHCP Property into the GSD jurisdictional boundary. This will include following any process required by Humboldt LAFCo process for annexation. Any change in service area will also require a change in Place of Use subject to the approval of the SWRCB Division of Water Rights.

6. District Obligations. GSD shall have no obligation to allow SHCP to install the water meter described unless and until all contingencies to installation recited in this Agreement are first satisfied, expressly including, without limitation, (i) LAFCo's approval of the Outside Service Application, and (ii) the California State Water Resources Control Board's ("SWRCB's") approval of the SHCP Property as part of GSD's Place of Use permit. SHCP acknowledges that GSD does not unilaterally control satisfaction of these contingencies, and they involve discretionary approvals by third party public entities. GSD shall have no obligation to satisfy the contingencies recited in Sections 2 and 5 of this Agreement within any definitive time period, and if and when it becomes clear, in the District's discretion, that these contingencies can not be satisfied, the District may stop pursuing satisfaction. The District expressly reserves to the right, in its discretion, to modify, alter and/or drop and not pursue (i) the Outside Services Application and (ii) any and all revisions to its Place of Use permit(s) with the SWRCB. SHCP will remain responsible for reimbursing GSD for expenses incurred as recited in Section 4 of this Agreement, regardless of whether the applications are approved or denied.

7. Disputes/Mediation/Litigation/Attorneys Fees. If any dispute with regard to this Agreement develops between SHCP and the District that the Parties can not voluntarily resolve, the Parties shall first submit the dispute to one (1) session of non-binding mediation with a panel mediator appointed by the JAMS Mediation Service in California. Mediation can be invoked by either party by issuing written demand to the other. If mediation is invoked, the Parties shall equally share in the cost of mediation. If no resolution of the dispute is reached after conducting a non-binding mediation session, the Parties may litigate their dispute in the Superior Court of Humboldt County, California, which is designated as the Court having jurisdiction and venue of any disputes relating to this Agreement. If a party commences

litigation without first attempting to mediate the dispute or refuses to mediate after a demand is issued by the other party, the Humboldt County Superior Court shall have the power to compel mediation, and impose reasonable attorney's fees and costs on the party refusing mediation. If mediation fails and litigation ensues, the prevailing party in any such litigation shall be entitled to an award of reasonable attorney's fees and costs from the adverse party.

8. Restrictions on Transfer or Assignment of the SHCP Property. The approval by GSD to provide water to SHCP for use on the SHCP Property is extended solely to SHCP and cannot be assigned by SHCP to any future property owners of the SHCP Property without the express written consent of GSD. GSD may withhold its consent to any requested assignment by SHCP in GSD's sole discretion. In the event the SHCP Property is transferred at any point in time including, without limitation, any transfer by sale, gift, foreclosure, or other means, the water connection and service contemplated by this Agreement will be subject to immediate termination unless and until the GSD Board of Directors reviews and approves, in GSD's complete and sole discretion, an application by the new owner for water service and identifies the type of use, the use areas on the SHCP Property, and the quantity of use requested by any new owner or transferee of the SHCP Property. The GSD Board of Directors shall have complete discretion to approve or reject any application for continued water service in the event the SHCP Property is transferred or sold, and, if approved, may impose such conditions as the GSD Board of Directors deems appropriate. SHCP acknowledges that it is bound by Section 4.9.c (as well as all other provisions as amended from time to time) of the GSD Water Ordinances which states: "[a] service connection shall not be used to supply adjoining property of a different owner or to supply property of the same owner across a street or alley". The water delivered under this Agreement to this connection cannot be transmitted across the SHCP Property boundary for any purpose even with existing or future water easements.

9. Binding Effect. The Parties to this Agreement mutually agree that it shall be binding upon their respective heirs, personal representatives, successors and assigns.

10. Entire Agreement. This Agreement, along with the attached exhibits and additional deeds and conveyancing instruments contemplated hereby, represent the entire Agreement between the Parties in connection with the transactions contemplated hereby and the subject matter hereof. This Agreement may not be modified except by a written agreement signed by both SHCP and the District.

11. Waiver. No waiver by any party at any time of any breach of any provision of this Agreement shall be deemed a waiver or a breach of any other provision herein or consent to any subsequent breach of the same or another provision. If any action by any party shall require the consent or approval of another party, such consent or approval of such action on any one occasion shall not be deemed a consent to or approval of such action on any subsequent occasion or a consent to or approval of any other action.

12. **Captions and Headings.** The captions and paragraphs numbers appearing in this Agreement are inserted only as a matter of convenience and do not define, limit, construe, or describe the scope or intent of this Agreement.

13. **Counterparts.** This Agreement may be executed in counterparts, each of which shall be considered an original and all of which taken together shall constitute one and the same instrument.

14. **Governing Law.** This Agreement has been prepared, negotiated and executed in, and shall be construed in accordance with, the laws of the State of California.

15. **Invalidity of Any Provision.** If any provision (or any portion of any provision) of this Agreement is held to be illegal, invalid, or unenforceable by a court of competent jurisdiction under present or future laws effective during the term of this Agreement, the legality, validity, and enforceability of the remaining provisions (or the balance of such provision) shall not be affected thereby.


16. **Drafting of Agreement.** District and SHCP acknowledge that this Agreement has been negotiated at arm's length, that each party has been represented by independent counsel and that this Agreement has been drafted by both Parties and no one party shall be construed as the draftsman.

17. **Attorney's Fees.** If either party named herein brings an action or proceeding to enforce the terms hereof or declare rights hereunder, the prevailing party in any such action (or proceeding), on trial or appeal, shall be entitled to its reasonable attorneys' fees to be paid by the losing party as fixed by the Court.

IN WITNESS HEREOF, the Parties hereto have executed this Agreement as of the date set forth in the first paragraph of this Agreement.

“GSD” or “District”:

Garberville Sanitary District

By: 

Name: Linda K Broderick

Its: Board Chair Person

“SHCP”

Southern Humboldt Community Park, a California non-profit public benefit corporation

By: Ross Huber

Name: Ross Huber

Its: Chair

By: _____

Name: _____

Its: _____

[Attach exhibits]

EXHIBIT "A", Parcel B

All that real property situated in the County of Humboldt, State of California, described as follows:

Being a portion of the lands of Southern Humboldt Community Park, a Nonprofit California Corporation as described in that deed recorded as Document No. 2004-6647-4, and further lying within the east 1/2 of Section 25, Township 4 South, Range 3 East, Humboldt Meridian, Humboldt County, State of California, said portion being more particularly described as follows:

Commencing at a 1/2" iron pipe tagged L.S. 2786 marking the northwest corner of the above mentioned Section 25 as shown on that Parcel Map No. 572 filed in Book 5 of Parcel Maps. Page 40, Humboldt County Records; thence along the north line of said Section 25, South 88 degrees 34 minutes 15 seconds East, 1276.95 feet to a 1/2" iron pipe tagged L.S. 2820 accepted as being point No. 4 as shown on that Record of Survey filed in Book 14 of Surveys, Page 128, Humboldt County Records; thence continuing along said north line of Section 25, South 88 degrees 34 minutes 15 seconds East, 53.69 feet to the Point of Beginning of the herein described lands; thence continuing along the north line of said Section 25, South 88 degrees 34 minutes 15 seconds East, 416.70 feet to the westerly line of the lands of Frazier as described in that deed recorded in Book 92 of Official Records, Page 504, Humboldt County Records; thence along the westerly, lines of said lands the following courses:
South 44 degrees 57 minutes 18 seconds West, 143.03 feet;
South 04 degrees 26 minutes 42 seconds East, 141.99 feet;
South 61 degrees 04 minutes 42 seconds East, 62.11 feet;
South 36 degrees 39 minutes 42 seconds East, 97.00 feet;
South 14 degrees 43 minutes 42 seconds East, 61.20 feet;
South 01 degrees 39 minutes 18 seconds West, 142.00 feet;
South 55 degrees 15 minutes 12 seconds East, 90.56 feet to the northwest corner of the lands granted to Western Livestock Co. by deed recorded in Book 855 of Official Records, Page 99, Humboldt County Records; thence along the westerly, southerly, and easterly lines of said lands the following courses:
South 34 degrees 13 minutes 42 seconds East, 60.00 feet;
North 55 degrees 46 minutes 18 seconds East, 20.00 feet;
North 34 degrees 13 minutes 42 seconds West, 47.08 feet to the southerly line of the above mentioned lands of Frazier; thence along the southerly and easterly lines of said lands the following courses:
North 88 degrees 38 minutes 18 seconds East, 118.17 feet;
North 22 degrees 24 minutes 18 seconds East, 225.38 feet;
North 21 degrees 58 minutes 12 seconds West, 341.08 feet, &
North 45 degrees 40 minutes 42 seconds West, 103.00 feet to the north line of Section 25 above mentioned;
thence along said north line, South 88 degrees 34 minutes 15 seconds East, 747.39 feet to the

center of the South Fork of the Eel River;

Thence upstream along the center of said river, southerly and westerly, 3350 feet, more or less, to the west line of Section 25 above mentioned; thence along said west line,

North 00 degrees 30 minutes 13 seconds East, 595.57 feet to the southerly line of those lands described in that Notice of Lot Line Adjustment and Certificate of Subdivision Compliance recorded as Document No. 2001-11709-3 and as shown on that Record of Survey filed in Book 63 of Surveys, Page 20, Humboldt County Records; thence along the southeasterly line of the lands so described the following courses:

North 79 degrees 23 minutes 41 seconds East, 123.83 feet;

North 61 degrees 15 minutes 00 seconds East, 237.42 feet;

South 64 degrees 44 minutes 16 seconds East, 213.23 feet;

North 61 degrees 42 minutes 41 seconds East, 373.71 feet;

North 58 degrees 59 minutes 36 seconds East, 317.85 feet, and

South 88 degrees 16 minutes 24 seconds East, 209.93 feet to the east line of the northwest quarter of the northwest quarter of Section 25 above mentioned;

thence along said east line, North 00 degrees 26 minutes 58 seconds East, 187.36 feet; to the Point of Beginning.

The basis of bearings of the above description is the California Coordinate System, Zone 1 (CCS83), based upon Pratt Mountain Continuously Operating Reference Station (CORS ID P164, PID DH5844), Epoch 2002.00. Multiply distances shown by 1.00003301 to obtain ground level distances. Rotate grid bearings shown hereon counter-clockwise 01 degree 10 minutes 34 seconds to obtain geodetic (true) bearings. See Record of Survey for Southern Humboldt Community Park (to be filed) for control scheme.

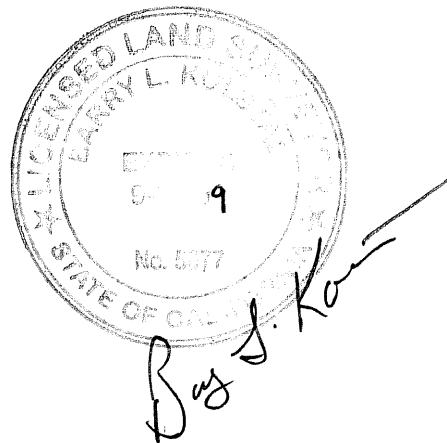


EXHIBIT "A", Parcel C

All that real property situated in the County of Humboldt, State of California, described as follows:

Being a portion of the lands of Southern Humboldt Community Park, a Nonprofit California Corporation as described in that deed recorded as Document No. 2004-6647-4, and also of the lands of Steven Dazey as described in that deed recorded as Document No. 2000-21945-2, both Official Records, Humboldt County Records, and further lying within Sections 25 & 26, Township 4 South, Range 3 East, Humboldt Meridian, Humboldt County, State of California, said portion being more particularly described as follows:

Beginning at a set 3-1/2" brass disk stamped PLS 5677 on a 1-1/2" iron pipe marking the southwest corner of the above mentioned Section 25;
thence North 31 degrees 47 minutes 22 seconds East, 1321.24 feet to a set 1/2" iron pipe & plug "Kolstad PLS 5677";
thence North 88 degrees 35 minutes 28 seconds West, 650.18 feet to a set 1/2" iron pipe & plug "Kolstad PLS 5677";
thence North 01 degrees 10 minutes 26 seconds West, 125.00 feet to a set 1/2" iron pipe & plug "Kolstad PLS 5677";
thence North 38 degrees 14 minutes 34 seconds West, 1314.01 feet to a set 1/2" iron pipe & plug "Kolstad PLS 5677";
thence North 62 degrees 59 minutes 09 seconds West, 587.63 feet to the west line of the east 1/2 of the southeast quarter of the above mentioned Section 26;
thence along said west line, North 00 degrees 35 minutes 59 seconds East, 348.38 feet to the most southerly corner of the lands of Jones & Brightman as described in that deed recorded as Document No. 2001-13853-2, Official Records, Humboldt County Records; thence along the northwesterly line of the above mentioned lands of Southern Humboldt Community Park, and as shown on that Record of Survey filed in Book 63 of Surveys, Page 20, Humboldt County Records, the following courses:
North 39 degrees 21 minutes 20 seconds East, 112.86 feet;
North 38 degrees 31 minutes 41 seconds East, 164.03 feet;
North 31 degrees 31 minutes 19 seconds East, 217.36 feet;
North 28 degrees 57 minutes 18 seconds East, 393.02 feet;
North 15 degrees 51 minutes 43 seconds East, 289.83 feet;
North 30 degrees 27 minutes 50 seconds East, 310.14 feet;
North 18 degrees 00 minutes 46 seconds East, 213.37 feet;
North 39 degrees 11 minutes 01 seconds East, 173.36 feet to the southeast corner of said lands of Jones & Brightman; being also the most southerly corner of those lands described in that Notice

of Lot Line Adjustment and Certificate of Subdivision Compliance recorded as Document No. 2001-11709-3; thence along the southeasterly line of the lands so described, North 54 degrees 53 minutes 08 seconds East, 378.63 feet; thence North 79 degrees 23 minutes 41 seconds East, 134.76 feet to the west line of Section 25;

thence along said west line of Section 25, South 00 degrees 30 minutes 13 seconds West, 595.57 feet to the center of the South Fork of the Eel River; thence downstream along the center of said river, easterly and northerly 3350 feet, more or less, to the north line of said Section 25;

thence along said north line, South 88 degrees 34 minutes 15 seconds East, 31.87 feet to the north 1/4 corner of said Section 25;

thence continuing along said north line, North 88 degrees 46 minutes 18 seconds East, 329.16 feet to the centerline of Sprowel Creek Road as described in that deed recorded in Book 558 of Official Records, Page 87, Humboldt County Records; thence along said centerline the following courses:

along a horizontal curve to the left, the radius point of which bears South 82 degrees 09 minutes 59 seconds East, 600.00 feet, through a central angle of 33 degrees 30 minutes 24 seconds for 350.88 feet;

thence along a curve to the right, the radius point of which bears South 64 degrees 19 minutes 37 seconds West, 300.00 feet, through a central angle of 41 degrees 44 minutes 00 seconds for 218.52 feet;

thence along a curve to the left, the radius point of which bears South 73 degrees 56 minutes 23 seconds East, 600.00 feet, through a central angle of 20 degrees 16 minutes 00 seconds for 212.23 feet;

thence along a curve to the right, the radius point of which bears South 85 degrees 47 minutes 37 seconds West, 300.00 feet, through a central angle of 34 degrees 50 minutes 51 seconds for 182.46 feet;

thence leaving the said centerline of Sprowel Creek Road, and following generally along the centerline of an existing road, South 10 degrees 25 minutes 46 seconds East, 209.26 feet;

thence South 04 degrees 34 minutes 39 seconds West, 1697.34 feet;

thence along a curve to the left, the radius point of which bears South 85 degrees 25 minutes 21 seconds East, 130.00 feet; through a central angle of 91 degrees 28 minutes 24 seconds for 207.55 feet;

thence along curve to the left, the radius point of which bears South 03 degrees 06 minutes 15 seconds West, 100.00 feet, through a central angle of 78 degrees 07 minutes 39 seconds for 136.36 feet;

thence along a curve to the left, the radius point of which bears North 81 degrees 13 minutes 54 seconds East, 200.00 feet, through a central angle of 31 degrees 41 minutes 54 seconds for 110.65 feet;

thence along a curve to the right, the radius point of which bears South 49 degrees 32 minutes 00 seconds West, 75.00 feet, through a central angle of 96 degrees 08 minutes 45 seconds for 125.85 feet;

thence along a curve to the left, the radius point of which bears South 34 degrees 19 minutes 15 seconds East, 85.00 feet, through a central angle of 89 degrees 16 minutes 58 seconds for 132.45 feet;

thence South 33 degrees 36 minutes 13 seconds East, 207.33 feet;

thence along a curve to the right, the radius point of which bears South 56 degrees 23 minutes 47 seconds West, 65.00 feet, through a central angle of 105 degrees 36 minutes 38 seconds for 119.81 feet;

thence along a curve to the left, the radius point of which bears South 17 degrees 59 minutes 34 seconds East, 65.00 feet, through a central angle of 117 degrees 22 minutes 28 seconds for 133.16 feet;

thence South 45 degrees 22 minutes 02 seconds East, 88.38 feet;

thence along a curve to the right, the radius point of which bears South 44 degrees 37 minutes 58 seconds West, 50.00 feet, through a central angle of 109 degrees 39 minutes 10 seconds for 95.69 feet;

thence South 64 degrees 17 minutes 08 seconds West, 45.85 feet;

thence along a horizontal curve to the left, the radius point of which bears South 25 degrees 42 minutes 52 seconds East, 40.00 feet, through a central angle of 178 degrees 53 minutes 51 seconds for 124.89 feet;

thence North 65 degrees 23 minutes 18 seconds East, 106.21 feet to a point from which a set ½" iron pipe & plug "Kolstad PLS 5677" bears South 65 degrees 03 minutes 44 seconds East, 42.88 feet;

thence leaving said centerline, South 65 degrees 03 minutes 44 seconds East, 693.85 feet to the westerly line of the lands of the State of California as described in that Order of Stipulation recorded in Book 1057 of Official Records, Page 447, Humboldt County Records; thence along said westerly line, South 10 degrees 46 minutes 32 seconds West, 437.12 feet;

thence South 21 degrees 54 minutes 42 seconds East, 263.29 feet to the west line of the east ½ of the southeast quarter of the above mentioned Section 25; thence along said west line,

South 00 degrees 36 minutes 10 seconds West, 478.58 feet to the south line of said Section 25; thence along said south line,

North 88 degrees 51 minutes 41 seconds West, 1335.68 feet to the south 1/4 corner of said Section 25; thence continuing North 88 degrees 51 minutes 41 seconds West, 2671.36 feet to the Point of Beginning.

The basis of bearings of the above description is the California Coordinate System, Zone 1 (CCS83), based upon Pratt Mountain Continuously Operating Reference Station (CORS ID P164, PID DH5844), Epoch 2002.00. Multiply distances shown by 1.00003301 to obtain ground level distances. Rotate grid bearings shown hereon counter-clockwise 01 degree 10 minutes 34 seconds to obtain geodetic (true) bearings. See Record of Survey for Southern Humboldt Community Park (to be filed) for control scheme.

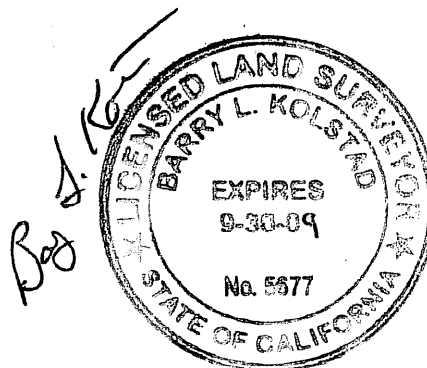


Exhibit "B" SHCP Water Service Areas

1" = 8,000 ft

