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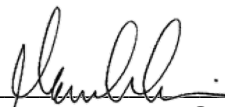
Board of Directors
Triunfo Water & Sanitation District
Ventura County, California

APPROVAL OF SALE OF DISTRICT PROPERTY TO BELL CANYON COMMUNITY SERVICES DISTRICT (TWSD CONTRACT NO. T23-003)

Recommendation

At the August 22, 2022 Triunfo Water & Sanitation District (District) Board Meeting, the Board approved the negotiated draft terms for the sale of real property in Bell Canyon (APN: 685-006-023) to the Bell Canyon Community Services District (BCCSD), which currently has a 20-year lease with the District for said parcel. The negotiations included an "as-is" condition, indemnification for the District, and a sale price of \$20,000. District Legal Counsel worked with the BCCSD's Legal Counsel to draft the attached final Agreement. It is recommended that the Board approve the sale of the subject parcel and authorize the Chair to sign TWSD Contract No. T23-003.

REVIEWED AND APPROVED:


Mark Norris - General Manager

Attachment: TWSD Contract No. T23-003

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**AGREEMENT FOR PURCHASE AND SALE
OF REAL PROPERTY AND JOINT ESCROW INSTRUCTIONS**

THIS AGREEMENT FOR PURCHASE AND SALE OF REAL PROPERTY AND JOINT ESCROW INSTRUCTIONS (“**Agreement**”) is made this ____ day of March, 2023 (“**Effective Date**”) by and between TRIUNFO WATER & SANITATION DISTRICT, a California special district (“**Seller**” or “**TWSD**”) and the BELL CANYON COMMUNITY SERVICES DISTRICT, a California special district (“**Buyer**” or “**BCCSD**”). Buyer and Seller are sometimes individually referred to as a “**Party**” and jointly as the “**Parties**.”

RECITALS:

A. Seller owns approximately 0.92 acres of unimproved real property located on the south side of Bell Canyon Road within the Bell Canyon community in the unincorporated part of the County of Ventura, State of California, legally described on Exhibit A and depicted on Exhibit B attached hereto, identified as Assessor’s Parcel Number 685-006-023 (the “**Property**”).

B. Seller desires to sell and Buyer desires to purchase the Property for open space and related purposes.

NOW, THEREFORE, Seller desires to sell and Buyer desires to purchase the Property pursuant to the terms and conditions of this Agreement.

DEFINITIONS:

“**BCCSD**” shall mean the Bell Canyon Community Services District formed and existing under the laws of the State of California. The term “**BCCSD**” also includes any assignee of, or successor to, its rights, powers, and responsibilities.

“**Business Days**” shall mean calendar days excluding weekends and holidays.

“**Calendar Days**” shall mean consecutive calendar days excluding recognized federal and state holidays.

“**Closing**” shall have the meaning set forth in Section 5.1.

“**Effective Date**” shall mean the date noted in the preamble to this Agreement.

“**Escrow Holder**” shall mean Fidelity National Title, National Commercial Services, 3237 E. Guasti Rd., Ste. 105, Ontario, CA 91761 (Escrow officer: Mary Lou Adame marylou.adame@fnf.com (909) 978-3020).

“**Property**” shall have the meaning defined in Recital A.

“**Title Company**” shall mean Fidelity National Title, National Commercial Services, 555 S. Flower St., Ste 4420, Los Angeles, CA 90071 (Title officer: Amy Andries LANCS@fnf.com (213) 452-7150).

“**TWSD**” shall mean the Triunfo Water & Sanitation District formed and existing under the laws of the State of California. The term “**TWSD**” also includes any assignee of, or successor to, its rights, powers, and responsibilities.

NOW, THEREFORE, in consideration of the mutual covenants set forth herein including the recitals and definitions which are incorporated herein, the Parties hereto agree as follows:

TERMS AND CONDITIONS

1. **PURCHASE AND SALE.** Pursuant to the terms and conditions of this Agreement, Buyer hereby agrees to purchase from Seller, and Seller agrees to sell to Buyer, the Property in AS-IS condition except as otherwise specifically provided herein. Seller hereby agrees to continue to maintain the Property in its current condition until the Closing (as defined in Section 5.1).

2. **OPENING OF ESCROW.** Within five (5) Business Days after the Effective Date, the Parties shall open an escrow (“**Escrow**”) with the Escrow Holder by causing an executed copy of this Agreement to be deposited with Escrow Holder (“**Opening of Escrow**”).

3. **PURCHASE PRICE.**

3.1 **Purchase Price.** The total purchase price for the Property is Twenty Thousand Dollars and Zero Cents (\$20,000.00) (“**Purchase Price**”).

3.2 **Payment of Purchase Price.** On the day preceding Close of Escrow, Buyer shall deposit the Purchase Price with Escrow Holder in good funds. “**Good funds**” shall mean a wire transfer of funds, cashier’s or certified check drawn on or issued by the offices of a financial institution located in the State of California, or cash. Escrow Holder shall disburse the cash amount of the Purchase Price to Seller at the Closing (as defined in Section 5).

4. **ADDITIONAL FUNDS AND/OR DOCUMENTS REQUIRED FROM BUYER AND SELLER.**

4.1 **Buyer.** Buyer agrees that on or before 12:00 noon on the date preceding the Closing Date, Buyer will deposit with Escrow Holder all additional funds and/or documents (executed and acknowledged, if appropriate) which are necessary to comply with the terms of this Agreement, including the following:

(a) A preliminary change of ownership form as required by the County of Ventura; and

(b) Any and all other documents as required by the Title Company or reasonably required to consummate this transaction.

4.2 Seller. Seller agrees that on or before 12:00 noon on the date preceding the Closing Date, Seller will deposit with Escrow Holder all additional funds and/or documents (executed and acknowledged, if appropriate) which are necessary to comply with the terms of this Agreement, including the following:

(a) An executed and acknowledged grant deed in the form attached as Exhibit C (“**Grant Deed**”);

(b) A Non-Foreign Affidavit as required by federal law; and

(b) Any and all other documents as required by the Title Company or reasonably required to consummate this transaction.

5. CLOSING DATE; TIME OF ESSENCE; TERMINATION.

5.1 Closing Date. The Parties desire that the Escrow close no later than fifteen (15) days after the expiration of the Due Diligence Period (as defined below) (“**Closing Date**”). The terms “**Close of Escrow**,” “**Closing**” and/or “**Closing Date**” shall mean the date the Grant Deed is recorded in the Official Records of San Bernardino County.

5.2 Possession. Possession of the Property shall be delivered to Buyer by 5:00 p.m. on the Closing Date.

5.3 Time of Essence. Buyer and Seller specifically understand that time is of the essence and Buyer and Seller each specifically agrees to strictly comply and perform its obligations herein in the time and manner specified and waives any and all rights to claim such compliance by mere substantial compliance with the terms of this Agreement.

5.4 Termination of Agreement. The Agreement shall terminate if Escrow does not close by the Closing Date, unless the Agreement has been extended in writing by the Parties. Buyer may terminate this Agreement by providing written notice of termination to Seller in the time and manner specified Section 7. Upon the failure of a condition precedent in Section 9, the Party in whose favor the condition exists may elect to terminate this Agreement upon written notice to the other Party.

6. TITLE POLICY.

6.1 Approval of Title. Promptly following execution of this Agreement, but in no event later than (5) business days following Opening of Escrow, Buyer, at its sole cost and expense, shall obtain a Preliminary Title Report (“**PTR**”) issued through Fidelity National Title (“**Title Company**”), describing the state of title of the Property, together with copies of all exceptions and a map plotting all easements specified therein. Buyer shall notify Seller in writing (“**Buyer’s Title Notice**”) of Buyer’s approval of all matters contained in the PTR or of any objections Buyer may have to title exceptions or other matters (“**Disapproved Exceptions**”) contained in the PTR within five (5) business days of receiving the PTR. Buyer must accept any and all exceptions created by its own actions. If Buyer fails to deliver Buyer’s Title Notice within said period, Buyer shall be conclusively deemed to have approved the PTR and all matters shown therein.

(a) In the event Buyer delivers Buyer's Title Notice rejecting certain title matters contained in the PTR, Seller shall have a period of five (5) business days after receipt of Buyer's Title Notice in which to notify Buyer of Seller's election to either (i) agree to attempt to remove the Disapproved Exceptions prior to the Close of Escrow; or (ii) decline to remove any such Disapproved Exceptions ("**Seller's Notice**"). Seller's failure to deliver Seller's Notice within said five (5) business day period shall be deemed Seller's election to decline to remove the Disapproved Exceptions. If Seller notifies Buyer of its election to decline to remove the Disapproved Exceptions, if Seller is deemed to have elected to decline to remove the Disapproved Exceptions, or if Seller is unable to remove the Disapproved Exceptions, Buyer may elect either to terminate this Agreement and the Escrow or to accept title to the Property subject to the Disapproved Exception(s). Buyer shall exercise such election by delivery of written notice to Seller and Escrow Holder within five (5) calendar days following the earlier of (i) the date of written advice from Seller that such Disapproved Exception(s) cannot be removed; or (ii) the date Seller declines or is deemed to have declined to remove such Disapproved Exception(s).

(b) Upon the issuance of any amendment or supplement to the PTR which adds additional exceptions, the foregoing right of review and approval shall also apply to said amendment or supplement, provided, however, that Buyer's initial period of review and approval or disapproval of any such additional exceptions shall be limited to ten (10) calendar days following receipt of notice of such additional exceptions. Notwithstanding the foregoing, Buyer's Title Notice and review period shall automatically terminate three (3) business days prior to Close of Escrow and Buyer's failure to tender Buyer's Title Notice to Seller shall be deemed Buyer's automatic and conclusive approval of the PTR.

6.2 Title Policy. At the Close of Escrow, the Title Company shall issue to Buyer an ALTA non-extended owner's policy of title insurance with title to the Property vested in Buyer, containing only such exceptions approved by Buyer as set forth above and any exceptions as a result of Buyer's actions (including Buyer's entry on the Property pursuant to Section 7). In the event Buyer requests extended coverage, Buyer shall, at Buyer's cost and expense, deliver an ALTA survey to the Title Company in a reasonable time prior to the Close of Escrow although any such extended coverage shall be at Buyer's sole cost and expense.

7. DUE DILIGENCE.

7.1 Review of Documents. The Due Diligence Period shall commence on the Effective Date and expire thirty (30) days thereafter. As of the Effective Date, Seller has delivered to Buyer true, correct, and complete copies of all contracts which relate to the Property (together with any amendments or modifications thereto); and all reports or other documents in Seller's possession respecting the physical condition of or prior uses of the Property, all of which are identified on Exhibit "D" attached hereto.

7.2 Scope of Due Diligence. During the Due Diligence Period, Buyer shall have the right to make an examination of all permits, approvals and governmental regulations which affect the Property, including zoning and land use issues and conditions imposed upon the Property by governmental agencies. As material consideration for this Agreement, Buyer shall deliver full copies of any and all reports it obtains to Seller at no cost or expense to Seller. Application and processing shall be at Buyer's sole cost. Buyer may terminate this Agreement at any time during

the Due Diligence Period, in its sole and absolute discretion, by providing Seller with written notice, in which case neither party shall have any further obligations under this Agreement. Buyer's failure to provide written notice of termination shall be deemed to be Buyer's approval of the Property and election to waive all contingencies and proceed with the closing of this transaction.

7.3 Entry for Investigation. During the Due Diligence Period, Seller grants to the Buyer, its agents, consultants and employees a limited license to enter upon the Property for the purpose of conducting non-invasive engineering surveys, investigations or other studies reasonably necessary to evaluate the condition of the Property, which studies, surveys, reports, investigations and tests shall be done at Buyer's sole cost and expense ("Investigations"). As a condition to Buyer's entry, inspection or testing, Buyer shall keep the Property free and clear of all materialmen's liens, lis pendens and other liens arising out of the entry and work performed under this Agreement. Prior to any entry on the Property, Buyer shall deliver a certificate of insurance to Seller naming Seller as an additional insured on Buyer's broad form comprehensive Commercial General Liability Insurance Policy, which insurance shall be for not less than \$2,000,000 per occurrence and in the annual aggregate. In the event Escrow does not close for any reason, Buyer shall make reasonable repairs to any damage to the Property caused by the Investigations and restore the Property to substantially the same condition which it was in prior to the conduct of such Investigations. Buyer agrees to indemnify, defend, and hold Sellers and the Property free and harmless from any claims, damages, liabilities, losses, costs or expenses (including, without limitation, reasonable attorneys' fees) which result from any damage to persons or property caused by Buyer's Investigations or which result from any liens or encumbrances on the Property caused by Buyer's Investigations.

7.4 Disclaimer of Warranties. EXCEPT AS SET FORTH IN SECTION 9, IT IS UNDERSTOOD AND AGREED THAT SELLER IS NOT MAKING AND HAS NOT AT ANY TIME MADE ANY WARRANTIES OR REPRESENTATIONS OF ANY KIND OR CHARACTER, EXPRESS OR IMPLIED, WITH RESPECT TO THE PROPERTY, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTIES OR REPRESENTATIONS AS TO HABITABILITY, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

BUYER ACKNOWLEDGES AND AGREES THAT UPON CLOSING SELLER SHALL SELL AND CONVEY TO BUYER AND BUYER SHALL ACCEPT THE PROPERTY "AS IS, WHERE IS, WITH ALL FAULTS", EXCEPT TO THE EXTENT EXPRESSLY PROVIDED OTHERWISE IN SECTION 9, BUYER HAS NOT RELIED AND WILL NOT RELY ON, AND SELLER IS NOT LIABLE FOR OR BOUND BY, ANY EXPRESS OR IMPLIED WARRANTIES, GUARANTIES, STATEMENTS, REPRESENTATIONS OR INFORMATION PERTAINING TO THE PROPERTY OR RELATING THERETO MADE OR FURNISHED BY SELLERS OR ANY EMPLOYEES OR AGENTS REPRESENTING OR PURPORTING TO REPRESENT SELLER, TO WHOMEVER MADE OR GIVEN, DIRECTLY OR INDIRECTLY, ORALLY OR IN WRITING. BUYER ALSO ACKNOWLEDGES THAT THE PURCHASE PRICE REFLECTS AND TAKES INTO ACCOUNT THAT THE PROPERTY IS BEING SOLD "AS IS."

BUYER REPRESENTS TO SELLER THAT BUYER HAS CONDUCTED, OR WILL CONDUCT PRIOR TO CLOSING, SUCH INVESTIGATIONS OF THE PROPERTY, INCLUDING BUT NOT LIMITED TO, THE PHYSICAL AND ENVIRONMENTAL CONDITIONS THEREOF, AS BUYER DEEMS NECESSARY OR DESIRABLE TO SATISFY ITSELF AS TO THE CONDITION OF THE PROPERTY AND THE EXISTENCE OR NONEXISTENCE OR CURATIVE ACTION TO BE TAKEN WITH RESPECT TO ANY HAZARDOUS MATERIALS ON OR DISCHARGED FROM THE PROPERTY, AND WILL RELY SOLELY UPON SAME AND NOT UPON ANY INFORMATION PROVIDED BY OR ON BEHALF OF SELLER OR ITS AGENTS OR EMPLOYEES WITH RESPECT THERETO, OTHER THAN SUCH REPRESENTATIONS, WARRANTIES AND COVENANTS OF SELLER AS ARE EXPRESSLY SET FORTH IN SECTION 9. UPON CLOSING, BUYER SHALL ASSUME THE RISK THAT ADVERSE MATTERS, INCLUDING BUT NOT LIMITED TO, ADVERSE PHYSICAL AND ENVIRONMENTAL CONDITIONS, MAY NOT HAVE BEEN REVEALED BY BUYER'S INVESTIGATIONS, AND BUYER, UPON CLOSING (EXCEPT WITH RESPECT TO THE EXPRESS REPRESENTATIONS, WARRANTIES AND COVENANTS OF SELLER SET FORTH IN THIS AGREEMENT), SHALL BE DEEMED TO HAVE WAIVED, RELINQUISHED AND RELEASED SELLER (AND SELLER'S EMPLOYEES AND AGENTS) FROM AND AGAINST ANY AND ALL CLAIMS, DEMANDS, CAUSES OF ACTION (INCLUDING CAUSES OF ACTION IN TORT), LOSSES, DAMAGES, LIABILITIES, COSTS AND EXPENSES (INCLUDING REASONABLE ATTORNEYS' FEES) OF ANY AND EVERY KIND OR CHARACTER, KNOWN OR UNKNOWN, WHICH BUYER MIGHT HAVE ASSERTED OR ALLEGED AGAINST SELLER (AND SELLER'S EMPLOYEES AND AGENTS) AT ANY TIME BY REASON OF OR ARISING OUT OF ANY PHYSICAL CONDITIONS, VIOLATIONS OF ANY APPLICABLE LAWS AND ANY AND ALL OTHER ACTS, OMISSIONS, EVENTS, CIRCUMSTANCES OR MATTERS REGARDING THE PROPERTY. BUYER HEREBY WAIVES THE PROVISIONS OF CALIFORNIA CIVIL CODE SECTION 1542 WHICH PROVIDES THAT:

"A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM MUST HAVE MATERIALLY AFFECTED HIS SETTLEMENT WITH THE DEBTOR."

BUYER'S INITIALS _____

SELLER'S INITIALS _____

8. CONDITIONS PRECEDENT TO CLOSE OF ESCROW.

8.1 Conditions Precedent to Buyer's Obligations. The obligations of Buyer under this Agreement shall be subject to the satisfaction or written waiver, in whole or in part, by Buyer of each of the following conditions precedent:

- (a) Title Company will issue the Title Policy.

(b) Escrow Holder holds and will deliver to Buyer the instruments and funds, if any, accruing to Buyer pursuant to this Agreement.

(c) Seller is not in default of this Agreement.

8.2 Condition Precedent to Seller's Obligations. The obligations of Seller under this Agreement shall be subject to the satisfaction or written waiver, in whole or in part, by Seller of the following conditions precedent:

(a) Escrow Holder holds and will deliver to Seller the instruments and funds accruing to Seller pursuant to this Agreement.

(b) Title Company shall issue the Title Policy to Buyer.

(c) Buyer shall have delivered to Escrow Holder a duly executed License Option Agreement in the form attached hereto as Exhibit "E."

(d) Buyer is not in default of this Agreement.

8.3 Termination for Failure of a Condition. If Buyer's closing conditions or Seller's closing conditions, as the case may be, have not been previously approved or waived, this Agreement may be terminated by the Party in whose favor the closing condition runs by written notice to the other. If this Agreement is so terminated, the Parties shall have no further obligation or liability under this Agreement, except as provided that Escrow Holder must return all amounts deposited by Buyer into Escrow, to Buyer. Any cancellation fee or other costs of the Escrow Holder and Title Company shall be borne equally by Buyer and Seller and each Party shall pay its own expenses.

9. REPRESENTATIONS, WARRANTIES AND COVENANTS.

9.1 Seller's Representations and Warranties. All of Seller's representations and warranties made below which are limited to Seller's knowledge are made to the present, actual knowledge of Seller. As used herein, the present, actual knowledge of Seller is limited solely to matters actually within the current, actual knowledge (with no duty of due diligence, inquiry or investigation) of Seller's General Manager, Mark Norris. Buyer acknowledges that Mark Norris is named solely for the purpose of defining and narrowing the scope of Seller's knowledge and not for the purpose of imposing any liability on or creating any duties running from such individual to Buyer. Buyer covenants that it will bring no action of any kind against Mark Norris related to or arising out of these representations and warranties. Seller represents and warrants to Buyer that, to the actual knowledge of Seller, as of the Effective Date that:

- a. This Agreement has been duly authorized and executed on behalf of Seller. As of the Opening of Escrow, this Agreement constitutes a valid and binding agreement, enforceable in accordance with its terms.
- b. To Seller's actual knowledge, Seller is not a party to any contract, agreement or commitment to sell, convey, assign, transfer, or otherwise dispose of any portion or portions of the Property.

- c. To Seller's actual knowledge, there is no litigation pending or to the actual knowledge of Seller, threatened against or by Seller or the Property which relates to, or if decided adversely, could have a material adverse effect upon, the Property (including condemnation or similar proceedings).
- d. Except as disclosed to Buyer by Seller pursuant to Section 7.1, the Property is not subject to any operating, maintenance, or repair contract or other agreements that will bind the Property or Buyer after the Closing.
- e. Seller covenants that, as the owner, it will not add any new bonds, assessments or charges solely applicable to the Property. This covenant shall not extend to any such matters which are of general applicability to the properties in the area.
- f. No representation, statement, or warranty by Seller in this Agreement contains or will contain any untrue statements or omits, or will omit, a material fact necessary to make the statement of fact therein recited not misleading. If, after Seller's execution of this Agreement and prior to the Closing, any event occurs or condition exists of which Seller becomes aware which renders any of the representations contained herein untrue or misleading, Seller shall promptly notify Buyer in writing.

Buyer acknowledges that Seller has not made any affirmative investigation as to environmental issues affecting the Property in connection with this Agreement.

All representations and warranties of Seller contained in this Agreement shall be deemed remade as of the Closing Date, except (i) for matters caused by Buyer, and (ii) in the event of a change in circumstances not within the control of Seller affecting any representations or warranties set forth herein, in which case Seller shall provide written notice to Buyer regarding such changed circumstances within a reasonable time following such change (not to exceed five (5) business days following the date the Seller's General Manager obtains actual knowledge of the changed circumstance), and prior to the Closing. Seller's representations and warranties in this Section 9 shall survive Closing for six (6) months.

9.2 Buyer's Representations and Warranties. Buyer represents and warrants to Seller that as of the Effective Date:

- a. This Agreement has been duly authorized and executed on behalf of Buyer. As of the Opening of Escrow, this Agreement constitutes a valid and binding agreement, enforceable in accordance with its terms.
- b. This Agreement is, and all documents executed by Buyer which are to be delivered to Sellers at the Closing will be, legal, valid and binding obligations of Buyer, and do not, and at the time of Closing will not, violate any provisions of any agreement or judicial order to which Buyer is subject.

All representations and warranties of Buyer contained in this Agreement shall be deemed remade as of the Closing Date, except (i) for matters caused by Seller, and (ii) in the event of a change in circumstances not within the control of Buyer affecting any representations or warranties set forth herein, in which case Buyer shall provide written notice to Seller regarding such changed

circumstances within a reasonable time following such change (not to exceed five (5) business days following the date Buyer obtains actual knowledge of the changed circumstance), and prior to the Closing. Buyer's representations and warranties in this Section 9 shall survive Closing for six (6) months.

10. ESCROW PROVISIONS.

10.1 Escrow Instructions. Sections 1, through 6, inclusive, 8, 10 and 14 of this Agreement shall also constitute Escrow instructions to Escrow Holder. If required by Escrow Holder, Buyer and Seller agree to execute Escrow Holder's standard escrow instructions, provided that the same are consistent with and do not conflict with the provisions of this Agreement. In the event of any such conflict, the provisions of this Agreement shall prevail.

10.2 General Escrow Provisions. Escrow Holder shall deliver the Title Policy to the Buyer and instruct the Ventura County Recorder to mail the Grant Deed to Buyer at the address set forth in Section 14.4 after recordation. All funds received in this Escrow shall be deposited in one or more general escrow accounts of the Escrow Holder with any bank doing business in Ventura County, California, and may be disbursed to any other general escrow account or accounts. All disbursements shall be made by Escrow Holder's check. This Agreement and any modifications, amendments, or supplements thereto may be executed in counterparts and shall be valid and binding as if all of the parties' signatures were on one document.

10.3 Proration of Real Property Taxes. As a governmental entity, Seller is not subject to real estate taxes. Accordingly, no proration shall be made at Close of Escrow with respect to same.

10.4 Payment of Costs. Buyer shall pay all costs associated with this transaction including the premium charges for the ALTA non-extended Title Policy, the cost of any additional or extended coverages request, the recording costs for the Grant Deed, documentary transfer taxes, and all Escrow fees, as applicable.

10.5 Termination and Cancellation of Escrow. Time is of the essence in this Agreement. If Escrow fails to close as provided above, Escrow shall terminate automatically without further action by Escrow Holder or any party, and Escrow Holder is instructed to return all funds and documents then in Escrow to the respective depositor of the same with Escrow Holder. Cancellation of Escrow, as provided herein, shall be without prejudice to whatever legal rights Buyer or Seller may have against each other arising from the Escrow or this Agreement.

10.6 Information Report. Escrow Holder shall file and Buyer and Seller agree to cooperate with Escrow Holder and with each other in completing any report ("**Information Report**") and/or other information required to be delivered to the Internal Revenue Service pursuant to Internal Revenue Code Section 6045(e) regarding the real estate sales transaction contemplated by this Agreement, including without limitation, Internal Revenue Service Form 1099-B as such may be hereinafter modified or amended by the Internal Revenue Service, or as may be required pursuant to any regulation now or hereinafter promulgated by the Treasury Department with respect thereto. Buyer and Seller also agree that Buyer and Seller, their respective employees and attorneys, and Escrow Holder and its employees, may disclose to the Internal

Revenue Service, whether pursuant to such Information Report or otherwise, any information regarding this Agreement or the transactions contemplated herein as such party reasonably deems to be required to be disclosed to the Internal Revenue Service by such party pursuant to Internal Revenue Code Section 6045(e). The parties further agree that neither Buyer nor Seller shall seek to hold the other party liable for the disclosure to the Internal Revenue Service of any such information.

10.7 No Withholding as Foreign Seller. Seller represents and warrants to Buyer that Seller is not, and as of the Close of Escrow will not be, a foreign person within the meaning of Internal Revenue Code Section 1445 or an out-of-state seller under California Revenue and Tax Code Section 18805 and that it will deliver to Buyer on or before the Close of Escrow a non-foreign affidavit on Escrow Holder's standard form pursuant to Internal Revenue Code Section 1445(b)(2) and the Regulations promulgated thereunder and a California Form 590-RE.

11. BROKERAGE COMMISSIONS. Buyer and Seller each represent and warrant to the other party that no third party is entitled to a broker's commission and/or finder's fee with respect to the transaction contemplated by this Agreement. Buyer and Seller each agree to indemnify and hold the other party harmless from and against all liabilities, costs, damages and expenses, including, without limitation, attorneys' fees, resulting from any claims or fees or commissions, based upon agreements by it, if any, to pay a broker's commission and/or finder's fee.

12. RISK OF PHYSICAL LOSS. Risk of physical loss to the Property shall be borne by Seller prior to the Close of Escrow and by Buyer thereafter. In the event that the Property shall be damaged by fire, flood, earthquake or other casualty Buyer shall have the option to terminate this Agreement, provided notice of such termination is delivered to Seller within thirty (30) days following the date Buyer learns of the occurrence of such casualty or Close of Escrow, whichever occurs sooner. If Buyer fails to terminate this Agreement pursuant to the foregoing sentence within said period, Buyer shall complete the acquisition of the Property, in which case Seller shall assign to Buyer the interest of Seller in all insurance proceeds relating to such damage. Seller shall consult with Buyer regarding any proposed settlement with the insurer and Buyer shall have the reasonable right of approval thereof. Seller shall hold such proceeds until the Close of Escrow. In the event this Agreement is terminated for any reason, Buyer shall have no right to any insurance proceeds.

13. DEFAULT.

13.1 Buyer's Default. Buyer shall be deemed to be in Default under this Agreement if Buyer fails, for any reason other than Seller's default under this Agreement or the failure of a condition precedent to Buyer's obligation to perform under this Agreement, to meet, comply with, or perform any covenant, agreement, or obligation required on its part within the time limits and in the manner required in this Agreement, or a material breach shall have occurred of any representation or warranty (made by Buyer) by reason of Buyer's actual fraud or intentional misrepresentation; provided, however, that no such Default shall be deemed to have occurred unless and until Seller has given Buyer written notice of the Default, and Buyer has failed to cure such Default within five (5) business days after the receipt of such notice (but in any event before the Closing Date, unless such Default occurs after Closing). Notwithstanding the foregoing, however, if the nature of Buyer's Default is such that more than five (5) business days are reasonably required for its performance, then Buyer shall not be deemed to be in Default if it shall

commence such performance within such five- (5-) day period and thereafter diligently pursue the same.

13.2 Seller's Default. Seller shall be deemed to be in Default under this Agreement if Seller fails, for any reason other than Buyer's Default under this Agreement or the failure of a condition precedent to Seller's obligation to perform under this Agreement, to meet, comply with, or perform any covenant, agreement, or obligation required on its part within the time limits and in the manner required in this Agreement, or a material breach shall have occurred of any representation or warranty (made by Seller) because of Seller's actual fraud or intentional misrepresentation; provided, however, that no such Default shall be deemed to have occurred unless and until Buyer has given Seller written notice of the Default, and Seller has failed to cure such Default within five (5) business days after receipt of such notice (but in any event before the Closing Date, unless such Default occurs after Closing).

13.3 Buyer's Remedies. If Escrow fails to close due to Seller's default under this Agreement, Buyer's sole and exclusive remedies shall be:

(a) To terminate this Agreement, in which case the respective rights, duties and obligations of Buyer and Seller under this Agreement shall forthwith terminate without further liability. Buyer shall have no right to recover any incidental or consequential damages; or

(b) To seek an action for specific performance of Seller's obligations hereunder.

14. MISCELLANEOUS.

14.1 No Conflict of Interest. No officer or employee of the Seller shall have any financial interest, direct or indirect, in this Agreement nor shall any such officer or employee participate in any decision relating to the Agreement which effects his financial interest or the financial interest of any corporation, partnership or association in which he is, directly or indirectly, interested, in violation of any State statute or regulation. Buyer warrants that it has not paid or given and will not pay or give any third party, any money or other consideration for obtaining this Agreement.

14.2 Assignment. Buyer shall not have the right to assign this Agreement or any interest or right hereunder or under the Escrow between the effective date of this Agreement and Closing without the prior written consent of the Seller, in Seller's sole discretion.

14.3 Expenses and Attorneys' Fees. In any action between the Parties hereto seeking enforcement of any of the terms and provisions of this Agreement or the Escrow, or in connection with the Property, the prevailing party in such action or proceeding, in addition to any other relief which any be granted, whether legal or equitable, shall be entitled to reasonable attorney's fees, whether or not the matter proceeds to judgment.

14.4 Notices. Any notice which either Party may desire to give to the other Party or to Escrow Holder must be in writing and may be given by (a) personal delivery, (b) national overnight delivery service which will be deemed received the following day or (c) by mailing the same by registered or certified mail, return receipt requested which will be deemed delivered three (3) days

after depositing same in the mail, addressed to the Party to whom the notice is directed as set forth below, or such other address and to such other persons as the Parties may hereafter designate:

To Seller: Triunfo Water & Sanitation District
370 North Westlake Blvd., Suite 100
Westlake Village, California 91362
Attn: General Manager

Copy To: Arnold, LaRochelle, Mathews, VanConas & Zirbel, LLP
300 Esplanade Drive, Suite 2100
Oxnard, California 93036
Attn: Dennis P. McNulty, Esq.

To Buyer: Bell Canyon Community Services District
30 Hackamore Lane, #2B
Bell Canyon, California 91307
Attn: General Manager

Copy To: Aleshire & Wynder, LLP
18881 Von Karman Ave. Suite 1700
Irvine, California 92612
Attn: Pam K. Lee, Esq.

14.5 Interpretation; Governing Law. This Agreement shall be construed according to its fair meaning and as if prepared by both parties hereto. This Agreement shall be construed in accordance with the laws of the State of California in effect at the time of the execution of this Agreement. Titles and captions are for convenience only and shall not constitute a portion of this Agreement. As used in this Agreement, masculine, feminine or neuter gender and the singular or plural number shall each be deemed to include the others wherever and whenever the context so dictates.

14.6 No Waiver. No delay or omission by either Party hereto in exercising any right or power accruing upon the compliance or failure of performance by the other party hereto under the provisions of this Agreement shall impair any such right or power or be construed to be a waiver thereof. A waiver by either Party hereto of a breach of any of the covenants, conditions or agreements hereof to be performed by the other Party shall not be construed as a waiver of any succeeding breach of the same or other covenants, agreements, restrictions or conditions hereof.

14.7 Amendments or Modifications. Any amendment or modification to this Agreement must be in writing executed by both Parties.

14.8 Severability. If any term, provision, condition or covenant of this Agreement or the application thereof to any Party or circumstances shall, to any extent, be held invalid or unenforceable, the remainder of this instrument, or the application of such term, provisions, condition or covenant to persons or circumstances other than those as to whom or which it is held invalid or unenforceable, shall not be affected thereby, and each term and provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

14.9 Merger of Prior Agreements and Understandings. This Agreement and other documents incorporated herein by reference contain the entire understanding between the Parties relating to the transaction contemplated hereby and all prior to contemporaneous agreements, understandings, representations and statements, oral or written, are merged herein and shall be of no further force or effect.

14.10 Continuing Cooperation. Each Party shall execute and deliver such other reasonable documents requested by the other Party or by Escrow Holder to consummate the transactions described herein.

14.11 Execution in Counterparts. This Agreement may be executed in several counterparts, and all so executed shall constitute one agreement binding on all parties hereto, notwithstanding that both Parties are not signatories to the original or the same counterpart.

14.12 Exhibits. Exhibits A, B, C, D, and E attached hereto are incorporated herein by reference.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement for Purchase and Sale of Real Property and Joint Escrow Instructions as of the date set forth above.

NOTE: Section 7.4 shall be initialed by the Parties.

Buyer:

BELL CANYON COMMUNITY SERVICES
DISTRICT, a California special district

By: _____
Michael Robkin, President

ATTEST:

By: _____
Greg McHugh, Interim General
Manager/Secretary

APPROVED AS TO FORM:

Aleshire & Wynder, LLP

Pam K. Lee, General Counsel

Seller:

TRIUNFO WATER & SANITATION
DISTRICT, a California special district

By: _____
Jane Nye, Chair

ATTEST:

Mark Norris, General Manager

APPROVED AS TO FORM:

Arnold, LaRochelle, Mathews, VanConas &
Zirbel, LLP

Dennis P. McNulty, General Counsel

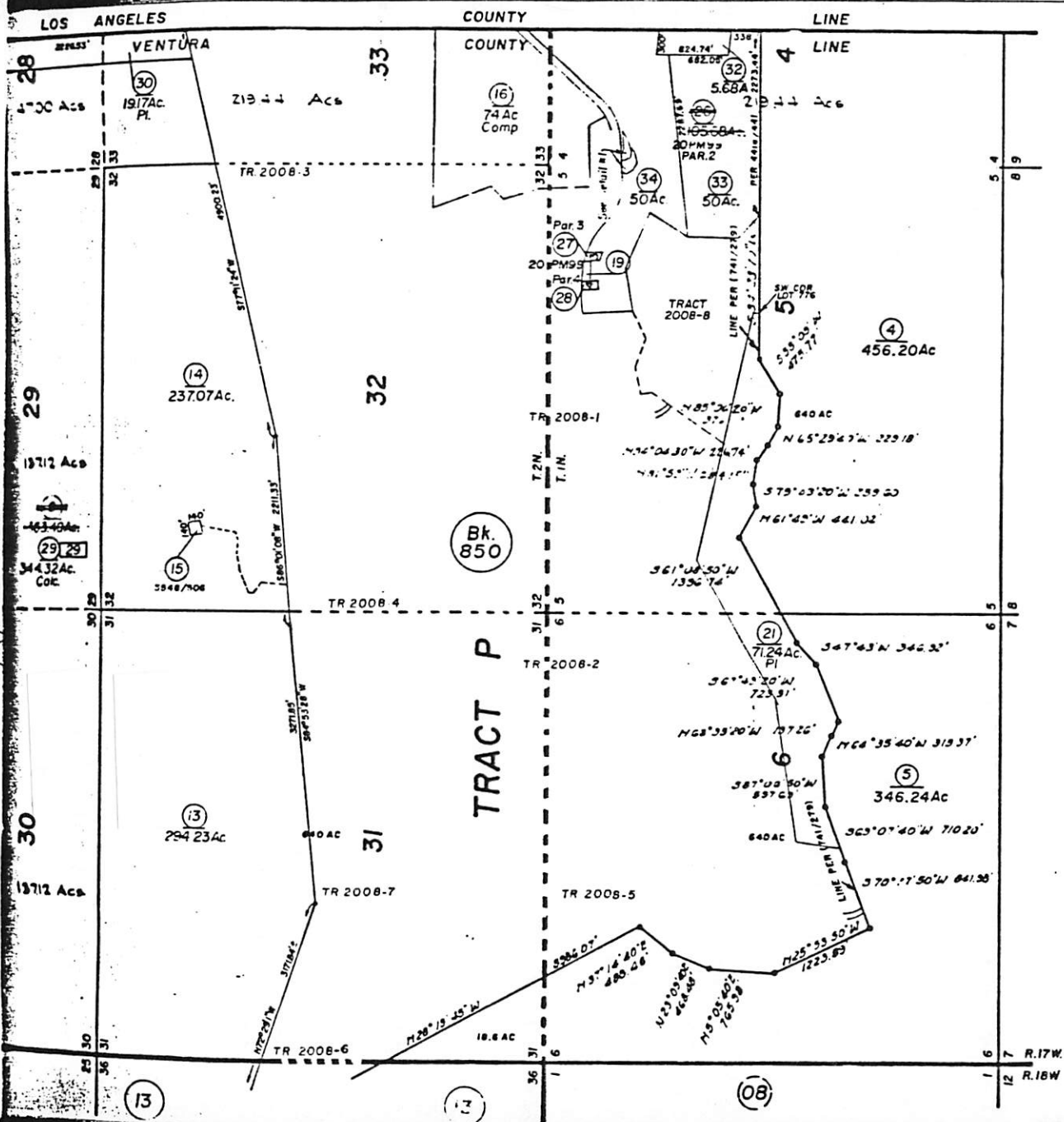
EXHIBIT A

LEGAL DESCRIPTION OF PROPERTIES

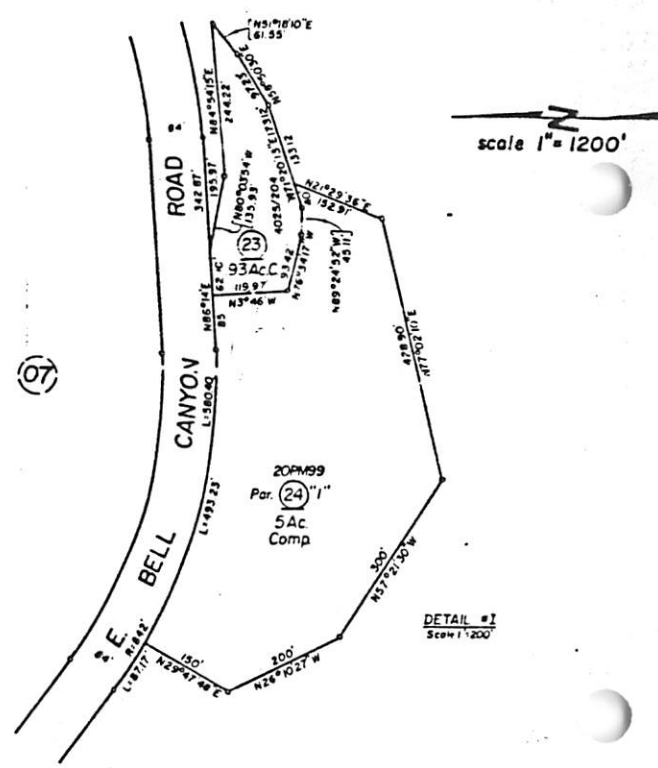
That certain real property in the unincorporated area of Ventura County, State of California legally described as follows:

EXHIBIT-A

9-8



LOS ANGELES COUNTY LINE
VENTURA COUNTY LINE
Tax Rate Area
74007
74008
84078
74001
84006
685-06
NOV 26 1985
RANCHO SIMI
SECT. 31, 32; POR. 28, 29, 30, 33, T2N, R17W
SECT. 5, 6; POR. 4, T1N, R17W



Por. Tract P, Ro Simi, R.M. Bk. 3, Pg. 7
NOTE- Assessor's Block Numbers Shown in Ellipses
Assessor's Parcel Numbers Shown in Circles
Assessor's Mineral Numbers Shown in Squares
Assessor's Map Bk. 685, Pg. 06
County of Ventura, Calif.
NOTE: ASSESSOR PARCELS SHOWN ON THIS PAGE
DO NOT NECESSARILY CONSTITUTE LEGAL LOTS.
CHECK WITH COUNTY SURVEYOR'S OFFICE OR
PLANNING DIVISION TO VERIFY

EXHIBIT B
SITE MAP OF THE PROPERTY

EXHIBIT B



County View

TWSD Parcel
685-0-060-23
Legend

Parcels



0 94.00 Distance Feet

1: 1,128

Disclaimer: The information contained on this web site and in this application was created by the Ventura County Geographical Information System (GIS), which is designed and operated solely for the convenience of the County and related contract entities. The County does not warrant the accuracy of this information, and no decision involving a risk of economic loss or physical injury should be made in reliance thereon.

EXHIBIT C

GRANT DEED

**Free Recording requested by and
When Recorded Return to:**

Bell Canyon Community Services District
30 Hackamore Lane, #2B
Bell Canyon, California 91307
Attn: General Manager

APN. 685-006-023
(Exempt from Recording Fee per Gov. Code §§ 6103 and
27383)

(Space Above This Line for Recorder's Office Use Only)

GRANT DEED

FOR VALUABLE CONSIDERATION, receipt of which is hereby acknowledged and subject to the covenants set forth below the TRIUNFO WATER & SANITATION DISTRICT, a California special district ("**Grantor**"), grants to the BELL CANYON COMMUNITY SERVICES DISTRICT, a California special district ("**Grantee**"), all of its rights, title, and interest in that certain real property in the City of _____, County of Ventura, State of California, as more particularly described in **Exhibit A** attached hereto and incorporated by this reference ("**Property**").

SUBJECT TO: all matters affecting title to the Property of record or that would be apparent from a physical inspection or the Property or disclosed on an ALTA survey.

IN WITNESS WHEREOF, Grantor has caused this Grant Deed to be executed on its behalf as of the date written below.

GRANTOR:

TRIUNFO WATER & SANITATION DISTRICT

By: _____
Name, Title

ATTEST:

Name, Title

APPROVED AS TO FORM:

Name, Title

EXHIBIT A

LEGAL DESCRIPTION OF PROPERTY

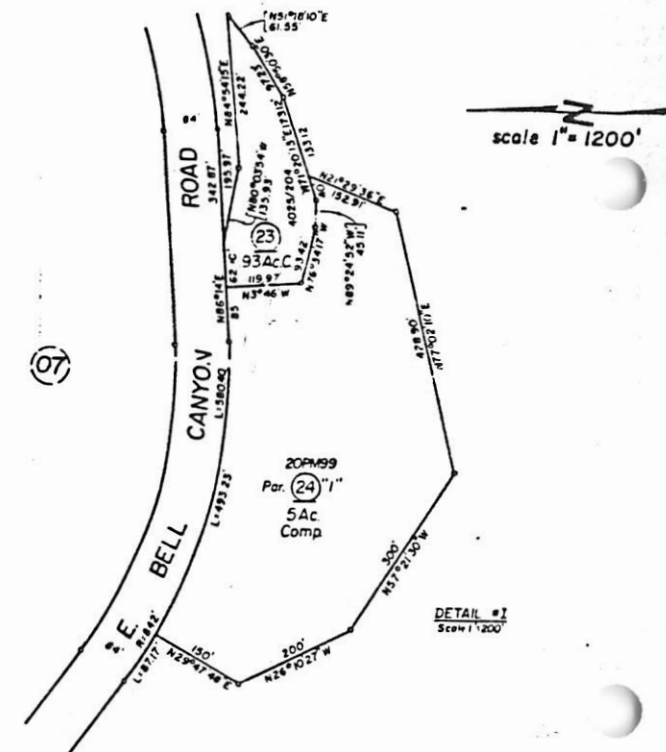
That certain real property located in the unincorporated area of Ventura County, State of California legally described as follows:

685-06

NOV 26 1985

Tax Rate Area
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 84006

RANCHO SIMI
 SECT. 31, 32; POR. 28, 29, 30, 33, T2N, R17W
 SECT. 5, 6; POR. 4, T1N, R17W



Por. Tract P, Ro Simi, R.M. Bk. 3, Pg. 7

NOTE - Assessor's Block Numbers Shown in Ellipses
 Assessor's Parcel Numbers Shown in Circles
 Assessor's Mineral Numbers Shown in Squares

Assessor's Map Bk. 685, Pg. 06
 County of Ventura, Calif.

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LOS ANGELES

VENTURA

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scale 1"=1200'

DETAIL #1
Scale 1"=200'

Por. Tract P, Ro Simi, R.M. Bk. 3, Pg. 7

NOTE - Assessor's Block Numbers Shown in Ellipses
 Assessor's Parcel Numbers Shown in Circles
 Assessor's Mineral Numbers Shown in Squares

Assessor's Map Bk. 685, Pg. 06
 County of Ventura, Calif.

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EXHIBIT D

Bell Canyon Pump Station Site – Lease of Property Dated September 16, 1986

Extension of Lease between Bell Canyon and Triunfo dated June 28, 2004

As Built for Sewer System Bell Canyon Road, dated October 1971

TRIUNFO COUNTY SANITATION DISTRICT
VENTURA COUNTY, CALIFORNIA

September 16, 1986

Board of Directors
Triunfo County Sanitation District
Ventura, California

BELL CANYON PUMP STATION SITE - LEASE OF PROPERTY

You approved Contract No. T86-2 for construction of the Ventura County portion of the Bell Canyon Gravity Sewer on March 31, 1986. The major work associated with that contract is complete. The gravity sewer has been placed in service and the lift station which previously provided service demolished.

The Bell Canyon Property Owners' Association has requested permission to use the site of the former pump station as an employee parking lot. Since the District has no current need for the property, Agreement Number T86-11 for its lease (at the rate of one dollar per year) has been prepared and is presented for your approval. The agreement was approved by the Bell Canyon Property Owners Association on August 28, 1986.

RECOMMENDATION

It is recommended the Board approve Agreement Number T86-11 with the Bell Canyon Homeowners Association for the lease of property.



ERIC J. OLTMANN - DISTRICT MANAGER

ejo
Enc.

cc: Bell Canyon Homeowners Association

ITEM 8-1

AGREEMENT NUMBER T86-11

AN AGREEMENT BETWEEN THE
TRIUNFO COUNTY SANITATION DISTRICT
AND
BELL CANYON HOMEOWNERS ASSOCIATION
FOR THE
LEASE OF PROPERTY

This Agreement is made and entered into this _____ day of _____ 1986 by and between the Triunfo County Sanitation District hereinafter called "TRIUNFO" and the Bell Canyon Property Owners Association, hereinafter called "ASSOCIATION".

R E C I T A L S

WHEREAS, the Triunfo County Sanitation District is established under provisions of the California Health & Safety Code (Section 4700 et. sec.) within the County of Ventura; and

WHEREAS, TRIUNFO owns a 0.93 acre parcel of land, Assessors Parcel No. 685-0-06-23, the site of the Bell Canyon Sewage Pumping Station as shown on Exhibit "A", hereinafter referred to as SITE; and

WHEREAS, TRIUNFO completed in August 1986 a project known as the "Bell Canyon Gravity Sewer"; and

WHEREAS, completion of the Bell Canyon Gravity Sewer resulted in removing from service and demolishing the Bell Canyon Sewage Pumping Station; and

WHEREAS, TRIUNFO has no immediate use for SITE pending a determination of subsequent use or final disposition of SITE; and

WHEREAS, ASSOCIATION has requested use of TRIUNFO's SITE for the purpose of parking ASSOCIATION employees' cars; and

WHEREAS, it is of value to TRIUNFO for SITE to be maintained and to be relieved of liability; and

WHEREAS, TRIUNFO is willing to lease SITE to ASSOCIATION;

NOW, THEREFORE, in consideration of the mutual covenants, promises, and agreements set forth, it is agreed between the parties as follows:

ARTICLE I: LEASE

A. TRIUNFO hereby leases to ASSOCIATION the SITE for the sole purpose of parking ASSOCIATION employees' vehicles, for the fee of One Dollar (\$1) per year or portion thereof, commencing October 1, 1986.

B. ASSOCIATION accepts the material condition of the SITE "as is".

C. ASSOCIATION may make any improvements or alterations to SITE at its expense.

D. ASSOCIATION assumes full responsibility for maintaining the material condition of the SITE and any improvements.

D. Upon termination of this lease by either party, ASSOCIATION agrees to remove and dispose of any and all improvements it has installed; remove and dispose of AC paving except for "V" ditch drains; remove and dispose of chain link fence, gates and appurtenances and grade site to drain to the "V" ditch at the toe of the Bell Canyon Road slope. After removal, topsoil shall be imported as needed to facilitate revegetation and SITE seeded with any common perennial ground cover.

ARTICLE II: TERM

This Agreement shall become effective on October 1, 1986 and shall continue for one year unless otherwise terminated as in Article III. The appointed TRIUNFO Manager may extend the agreement in writing with no change in conditions for subsequent one-year periods if SITE has been properly utilized and maintained during the preceding year. This Agreement shall terminate on September 30, 1992 unless extended by an amendment duly approved by the TRIUNFO Board of Directors and ASSOCIATION prior to that date.

ARTICLE III: SUSPENSION OR TERMINATION

Either party may terminate this agreement without cause upon 60 calendar days written notification to the other party addressed as follows:

TRIUNFO: Triunfo County Sanitation District
1001 Partridge Drive
Ventura, CA 93003-5562
Attentionn: Manager

ASSOCIATION: Bell Canyon Property Owner's Association
30 Hackamore Lane
Bell Canyon, CA 91307
Attention: Manager

ARTICLE IV: HOLD HARMLESS

ASSOCIATION hereby holds TRIUNFO harmless from any losses, claims, demands, damages or judgments arising from or related to, in any way, the condition or use of SITE by the ASSOCIATION, its employees, contractors, or any other person entering, occupying, or using SITE with or without ASSOCIATION permission.

ARTICLE V: PERMITS AND LICENSES

ASSOCIATION shall be responsible for obtaining, complying with and paying fees for all permits & licenses required for its use of SITE.

ARTICLE VI: AUTHORITY

The parties signing this Agreement represent they are duly authorized to execute such an Agreement.

IN WITNESS WHEREOF, the parties have executed this agreement
the day and year first written above.

APPROVED AS TO FORM:
JAMES L McBRIDE
Legal Counsel to TCSD

TRIUNFO COUNTY SANITATION DISTRICT

By _____
William A. Waters
Assistant County Counsel

By _____
Ronald Stark, Chairman
Board of Directors

APPROVED AS TO ADMINISTRATION

By _____
WAYNE A. BRUCE
District Engineer

ATTEST:

By _____
SHERRILL SMITH, CPS
Clerk of the Board

BELL CANYON HOMEOWNERS ASSOCIATION

By _____
JOHN MOISTNER, President

TRIUNFO CONTRACT NO. T86-011-3

EXTENSION OF LEASE

THIS EXTENSION OF LEASE is entered into this 28th day of June 2004 by and between the TRIUNFO SANITATION DISTRICT, hereinafter referred to as "Triunfo," and the BELL CANYON COMMUNITY SERVICES DISTRICT (previously Bell Canyon Homeowners Association), hereinafter referred to as "Bell Canyon."

RECITALS

A. Triunfo presently leases to Bell Canyon approximately .93 acres in the Bell Canyon area of Ventura County, more commonly described as Assessor's Parcel Number 865-060-23.

B. The parties wish to extend the Lease for a period of twenty (20) years from the date of this extension with a one-time option for renewal at then agreed terms and conditions.

C. Bell Canyon intends to develop the maintenance yard facilities presently located on the property, which will benefit the residents of Bell Canyon and the customers of Triunfo.

AGREEMENT

NOW, THEREFORE, it is agreed as follows:

1. The Lease between Bell Canyon and Triunfo is extended for a period of twenty (20) years commencing on July 1, 2004 and continuing until June 30, 2024, with a one-time option for renewal at then agreed terms and conditions.

2. The rent for the property shall be One Dollar (\$1.00) per year, payable each July 1st through 2023.

3. Bell Canyon agrees to keep the premises free of any noxious weeds, abandoned vehicles, and/or equipment. Bell Canyon further agrees not to dispose of any hazardous materials on the premises.

4. Bell Canyon may not assign this Lease or any interest in this Lease without the prior written consent of Triunfo.

5. Bell Canyon shall indemnify and hold Triunfo and Triunfo's property free and harmless from any and all liabilities, claims, losses, damages, or expenses resulting from Bell Canyon's occupation and/or use of the property.

6. Except as provided herein, the terms and conditions of the existing Lease shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this agreement the day and year first above written.

TRIUNFO SANITATION DISTRICT

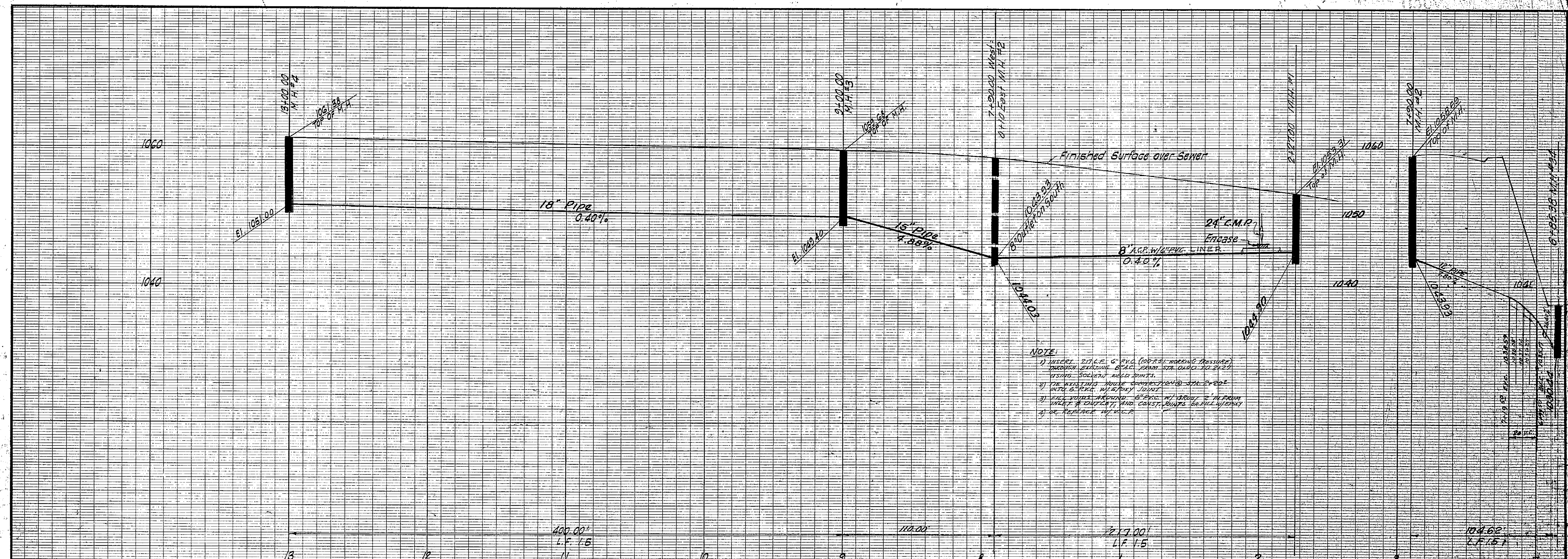
BELL CANYON COMMUNITY SERVICES DISTRICT

By Ronald Stark
Ronald Stark, Chairman

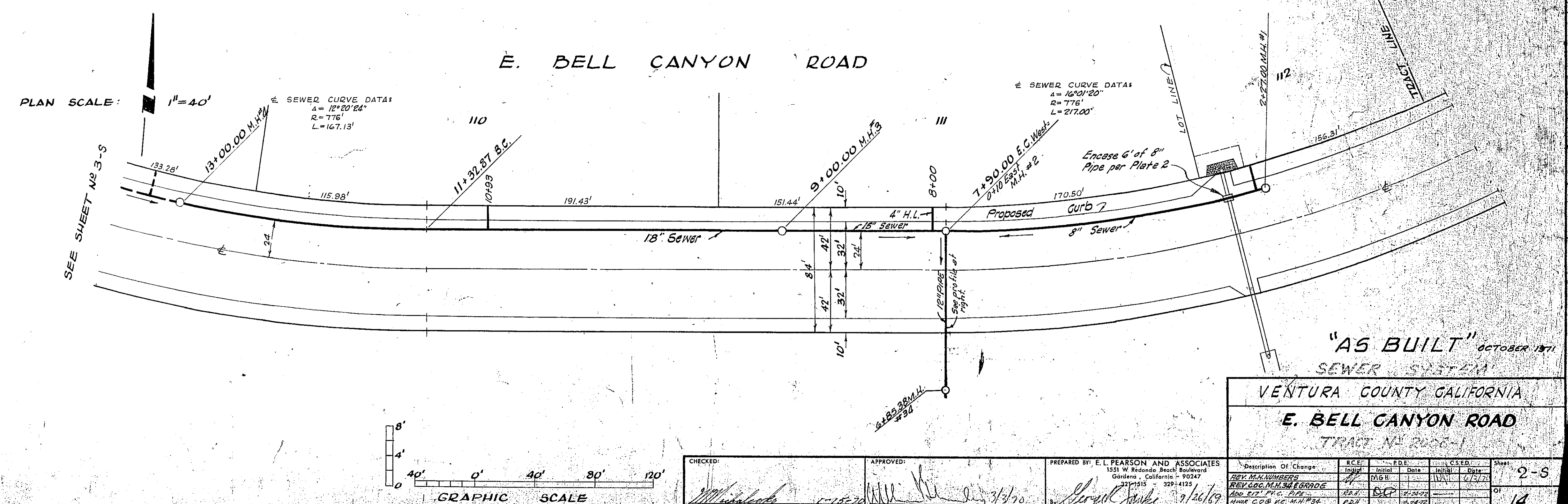
By John L. Tickner
John L. Tickner, President

ATTEST:

By Rhonda Catron
Rhonda Catron, Clerk of the Board



NOTE:
 1) MISCELLANEOUS DATA (NOT FOR RECORDING PURPOSES)
 THROUGH EXISTING 6\"/>



"AS BUILT" OCTOBER 1971
 SEWER SYSTEM
 VENTURA COUNTY CALIFORNIA
 E. BELL CANYON ROAD
 TRACT NO. 2058-1

Description Of Change	ACED	Initial	Date	Initial	Date	Sheet
REV. M.H. NUMBERS						2-8
REV. LOC. M.H. NUMBERS						
REV. C.D.B. NO. M.H. #2						14

50725

EXHIBIT E
LICENSE OPTION AGREEMENT

This License Option Agreement (this “**Agreement**”) is entered into as of March __, 2023, by and between BELL CANYON COMMUNITY SERVICES DISTRICT, a California special district (**Licensor**”), and TRIUNFO WATER & SANITATION DISTRICT, a California special district (“**Licensee**”). For good and valuable consideration, Licensor and Licensee agree as follows:

RECITALS

A. Licensor and Licensee have entered into that certain Agreement for Purchase and Sale of Real Property and Joint Escrow Instructions dated March __, 2023 (“**Purchase Agreement**”), under which Licensor shall acquire from Licensee at Closing approximately 0.92 acres of unimproved real property located on the south side of Bell Canyon Road within the Bell Canyon community in the unincorporated part of the County of Ventura, State of California, identified as Assessor’s Parcel Number 685-006-023 (“**Property**”).

B. Following the sale of the Property to Licensor, Licensee desires to use the Property for a limited time to store equipment and materials during an upcoming construction project and Licensor is willing to permit Licensee to utilize the Property for such purposes.

C. As part of the consideration for the purchase of the Property under the Purchase Agreement, Licensor has agreed to grant Licensee an option to license the Property on the terms and conditions set forth below.

NOW THEREFORE, for and in consideration of the mutual, covenants and agreements set forth herein and in the Purchase Agreement, and other good and valuable consideration, the sufficiency and receipt of which are hereby acknowledged, the parties do hereby agree as follows:

1. OPTION TO LICENSE.

(a) Grant of Option. Licensor hereby grants to Licensee one (1) irrevocable option to license the Property for a period not to exceed thirty (30) days for the purposes set forth below (“**Option**”).

(b) Exercise of Option. Licensee shall exercise the Option by delivering written notice to Licensor at any time on or before June 1, 2023 (“**Notice**”). If Licensee fails to timely deliver the Notice to Licensor with the prescribed period, time being expressly of the essence, the Option shall lapse, and this Agreement shall be of no further force or effect.

2. TERM.

The term of the License shall commence upon the date designated by Licensee in the Notice and shall terminate thirty (30) days thereafter (“**Term**”).

3. USE OF THE PROPERTY.

(a) Permitted Use. During the Term, Licensee may use the Property for purposes of storing and maintaining materials and equipment utilized by Licensee on its relining project for its sewer main on Saddlebow Road and Dapplegray Road. Licensee shall not use or permit the Property to be used for any other purpose.

(b) Compliance with Laws. During the Term, Licensee shall comply with, and shall not use the Property in any manner which conflicts with, any and all present and future laws, statutes, zoning restrictions, ordinances, orders, regulations, directions, rules and requirements of all governmental authorities having jurisdiction over the Property, including any and all applicable federal, state and local laws, regulations or ordinances pertaining to air and water quality, toxic or hazardous materials.

(c) Maintenance Obligations of Licensee. During the Term, Licensee shall, at Licensee's own cost and expense, keep the Property and the personal property and equipment thereon in good, clean and sanitary order, condition and repair. Licensee may remove, restore and/or replace its personal property and equipment thereon as and when Licensee deems necessary in its business judgment.

4. INSURANCE. Throughout the Term, Licensee shall maintain, at Licensee's expense, commercial public liability insurance insuring Licensee's activities with respect to the Property against loss, damage or liability for personal injury or death of any person or loss or damage to property occurring in, upon or about the Property, in an amount of not less than \$1,000,000.00 for each personal injury, \$1,000,000 for each occurrence and \$500,000.00 for each damage to property. Such insurance shall name Licensor as an additional insured.

5. INDEMNIFICATION. Licensee shall indemnify, protect, defend and forever save Licensor and the Property free and harmless from and against any and all liability, penalties, losses, damages, costs and expenses, demands, causes of action, claims or judgments arising from or growing out of any injury or injuries to any person or persons or any damage or damages to any property as a result of any accident or other occurrence during the term of this Agreement occasioned by any act, or acts of Licensee, its officers, employees, agents, licensees, contractors, invitees or permittees, or arising from or growing out of the use, maintenance, occupation or operation of the Property by Licensee during the term of this Agreement,

6. ASSIGNMENT OR SUBLICENSING. No portion of the Property or of Licensee's interest in this Agreement may be acquired by any other person or entity, whether by assignment, mortgage, sublicense, transfer, operation of law, or act of Licensee (each is called a "transfer"), without Licensor's prior written consent. Any attempted transfer without consent shall be void and shall constitute a breach of this Agreement.

7. ENTRY BY LICENSOR. Licensor hereby reserves the right to itself, its agents, contractors and permittees to enter upon the Property at any time during the Term so long as such entry does not interfere with Licensee's use of the Property.

8. LIENS. Licensee shall not suffer or permit any liens, encumbrances or charges against the Property, including, without limitation, any mechanics', materialmen's, contractors' or other liens, and Licensee agrees to indemnify, protect, defend and hold Licensor and the Property free and harmless from all liability for any and all such liens and claims and all costs and expenses in connection therewith.

9. SURRENDER OF SITE. This Agreement shall terminate and become null and void without further notice upon the expiration of the Term, and any holding over by Licensee after such expiration shall not constitute a renewal hereof or give Licensee any rights under this Agreement, it being understood and agreed that this Agreement cannot be renewed, extended or in any manner modified except in writing signed by both parties hereto. Upon termination of this Agreement, Licensee agrees to remove any and all equipment, materials, and property, and to restore the Property to the same condition as existed at the beginning of the Term, reasonable wear and tear excepted.

10. MISCELLANEOUS.

(a) Severability. Any provision of this Agreement determined to be invalid by a court of competent jurisdiction, shall in no way affect any other provision hereof.

(f) Counterparts. This Agreement may be executed in any number of counterparts, each of which is an original, but all of which shall constitute one instrument. Any signature transmitted electronically, by facsimile or email, shall have the same force and effect as an original signature.

(h) Licensee Not Agent. This Agreement is not a partnership or agency, and Licensor shall not become liable for any debt or obligation contracted or incurred by Licensee, and it is further understood and agreed that Licensee is not the agent of Licensor for any purpose or at all.

(i) Notices. Any notice to be given or other document to be delivered by either party to the other hereunder may be delivered in person to Licensor or to Licensee (or any officer of Licensee, if a corporation), or may be deposited in the United States mail, duly registered or certified, postage prepaid, and addressed to the respective party at the address designated below the respective signatures of the parties on the signature page hereof. Either party hereto may from time to time, by written notice to the other, served in the manner herein provided, designate a different address. If any notice or other document is delivered in person or sent by mail, as aforesaid, the same shall be deemed served or delivered upon receipt.

(j) Waivers. No waiver by Licensor of any provision hereof shall be deemed a waiver of any other provision hereof or of any subsequent breach by Licensee of the same or any other provision. Licensor's consent to or approval of any act shall not be deemed to render unnecessary the obtaining of Licensor's consent to or approval of any subsequent act by Licensee.

(k) Scope and Amendment. No amendment or other modification of this Agreement shall be effective unless in writing signed by Licensor and Licensee.

EXECUTED as of the date first written above.

Buyer:

BELL CANYON COMMUNITY SERVICES
DISTRICT, a California special district

By: _____
Michael Robkin, President

ATTEST:

By: _____
Greg McHugh, Interim General
Manager/Secretary

APPROVED AS TO FORM:

Aleshire & Wynder, LLP

Pam K. Lee, General Counsel

Seller:

TRIUNFO WATER & SANITATION
DISTRICT, a California special district

By: _____
Jane Nye, Chair

ATTEST:

Mark Norris, General Manager

APPROVED AS TO FORM:

Arnold, LaRochelle, Mathews, Van Conas &
Zirbel, LLP

Dennis P. McNulty, General Counsel