

**RECORDED AT THE REQUEST OF,
AND WHEN RECORDED MAIL TO:**

OC Parks
13042 Old Myford Road
Irvine, CA 92602
Attn: Director, OC Parks

WITH A CONFORMED COPY TO:

The Irvine Company LLC
550 Newport Center Drive
Newport Beach, CA 92660
Attn: General Counsel's Office

Serrano Water District
18021 East Lincoln Street
Villa Park, CA 92861
Attn: General Manager

Irvine Ranch Water District
15600 Sand Canyon Avenue
Irvine, CA 92619-7000
Attn: General Manager

(Space Above For Recorder's Use)

**ASSIGNMENT AGREEMENT FOR THE TRANSFER OF RECREATION RIGHTS
AND CONSENTS OF IRVINE RANCH WATER DISTRICT AND SERRANO WATER
DISTRICT TO SUCH TRANSFER**

This Assignment Agreement for the Transfer of Recreation Rights ("**Assignment Agreement**") is effective as of the date of its recordation in the Official Records of Orange County, California ("**Effective Date**"), by and between THE IRVINE COMPANY LLC, a Delaware limited liability company ("**Company**"), as assignor, and the COUNTY OF ORANGE, a political subdivision of the State of California ("**County**"), as assignee, as well as SERRANO WATER DISTRICT, a political subdivision of the State of California formed and operating under the Irrigation District Law, California Water Code Section 20500 *et seq.* ("**Serrano**") and IRVINE RANCH WATER DISTRICT, a California water district organized under and existing pursuant to Section 34000 *et seq.* of the California Water Code ("**IRWD**") (collectively SWD and IRWD are the "**Districts**"), as consenting parties to the assignment.

RECITALS

- A. The Irvine Company, a West Virginia corporation ("**TIC**"), previously entered into that certain agreement regarding water rights in the Santiago Reservoir (commonly known as Irvine Lake, and hereinafter, the "**Reservoir**") and related matters with Serrano Irrigation District, a California Irrigation District ("**Serrano**"), and Carpenter Irrigation District, a

California Irrigation District ("**Carpenter**"), which agreement was dated February 6, 1928 and recorded on April 29, 1929 in the Official Records of Orange County, California ("**Official Records**") in Book 265, Pages 272 et seq. (the "**1928 Agreement**"). Pursuant to Paragraph Thirteenth of the 1928 Agreement, TIC was allocated a fifty percent (50%) interest in the recreational rights for the waters in the Reservoir (the "**Recreational Rights**"), and Serrano and Carpenter were each allocated a twenty-five percent (25%) interest in the Recreational Rights in the Reservoir. Paragraph Thirteenth of the 1928 Agreement allocated to TIC, Carpenter and Serrano the joint right to use and to grant concessions for the public to use the Reservoir for recreation purposes such as fishing, hunting, boating, and other activities that would not pollute the water so as to interfere with the primary purposes for which the Reservoir was created (e.g., the storage and beneficial use of water for domestic and irrigation purposes).

- B. TIC and Carpenter subsequently entered into an agreement dated as of December 21, 1970 (the "**1970 Agreement**"), under which Carpenter conveyed its rights and interests under the 1928 Agreement to TIC, including but not limited to Carpenter's twenty-five percent (25%) interest in the Recreational Rights. The transfer of Carpenter's rights was memorialized in an Assignment dated December 21, 1970 and recorded in the Official Records on January 4, 1971 in Book 9509, Page 553. After the 1970 Agreement, TIC owned seventy-five percent (75%) of the Recreational Rights in the Reservoir, with the other 25% owned by Serrano.
- C. Company is the successor in interest to TIC and now owns seventy-five percent (75%) of the Recreational Rights in the Reservoir (the "**Company's Interest**"). The other twenty-five percent (25%) of the Recreational Right are owned by Serrano (the "**Serrano's Interest**").
- D. Per Attachment 1 incorporated by reference into the 2003 Memorandum of Understanding ("**2003 MOU**") between Serrano, IRWD and TIC, any future sale, transfer or assignment of recreational rights in the Reservoir requires the unanimous written consent of the Parties to the 2003 MOU. A copy of the 2003 MOU is attached hereto as Exhibit 2.
- E. Company desires to assign all of its right, title and interest in and to Company's share of the Recreational Rights to County, and County desires to accept the assignment of such rights. Districts are willing to consent to such assignment, provided such assignment shall only be for those recreational uses specified in Exhibit 1. Company, the Districts and County agree that the Recreational Rights (both the Company Interest and the Serrano Interest) shall only be used for those purposes specified in Exhibit 1.

ASSIGNMENT

NOW, THEREFORE, Company, County, Serrano, and IRWD agree as follows:

1. Recitals. The Recitals above are deemed true and correct and are hereby incorporated in this Agreement as though fully set forth herein.

2. Assignment of Share of Recreational Rights. Effective as of the date specified in Section 5 below (the “**Effective Date**”), Company assigns all of the Company Interest to County.
3. Acceptance of Assignment. Effective as of the Effective Date, County accepts the assignment of the Company Interest (the “**Assignment**”).
4. Consent to Assignment; Release of Company. Per Attachment 1 to the 2003 MOU, the Districts must consent to any assignment or transfer of the Company Interest from Company (as successor to TIC) to County before such assignment or transfer shall be deemed effective. The Districts, and each of them, hereby do provide consent as required pursuant to the 2003 MOU. As Company is assigning all of the Company Interest to County and will no longer have any interest in the Recreation Rights as of the Effective Date, the Districts hereby release Company from any and all liability and obligations related to the Company Interest and any agreements related thereto.
5. Effective Date. This Assignment Agreement shall be deemed effective as of the recordation of this document in the Official Records of Orange County, California.
6. Governing Law. This Assignment Agreement shall be construed and enforced in accordance with the laws of the State of California.
7. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but together shall constitute but one and the same instrument.
8. Notices. Whenever any person gives or serves any notice, demand, or other communication with respect to this Agreement, each such notice, demand, or other communication shall be in writing and shall be deemed effective: (a) when delivered, if personally delivered to the person being served or an official of a government agency being served; or (b) three (3) business days after deposit in the mail if mailed by United States mail, postage paid certified, return receipt requested, and addressed:

IF TO THE DISTRICTS:

Serrano Water District
18021 East Lincoln Street
Villa Park, CA 92861
Attn: General Manager

Irvine Ranch Water District
15600 Sand Canyon Avenue
Irvine, CA 92619-7000
Attn: General Manager

IF TO THE COUNTY:

OC Parks
13042 Old Myford Road
Irvine, CA 92602
Attn: Director, OC Parks

With copy to:

County of Orange
CEO Real Estate
Attn: Chief Real Estate Officer
333 West Santa Ana Blvd., 3rd Floor
Santa Ana, CA 92701

Any notice will be deemed effective upon receipt if personally delivered, and on the next business day if sent by reputable overnight courier.

IN WITNESS WHEREOF, Company, County, IRWD and Serrano have executed this Assignment Agreement as of the date first set forth above.

THE IRVINE COMPANY LLC,
a Delaware limited liability company

By: _____
Paul P. Hernandez
Senior Vice President

By: _____
Jamie Yoshida
Assistant Secretary

SERRANO WATER DISTRICT,

APPROVED AS TO FORM:

By: _____
President & Director

By: _____
Jeremy N. Jungreis
General Counsel

By: _____
Jerry Vilander
General Manager

IRVINE RANCH WATER DISTRICT

APPROVED AS TO FORM:

By:
Paul A. Cook
General Manager

By: _____
Claire Hervey Collins
District Counsel

By: _____
Leslie Bonkowski
Secretary

APPROVED AS TO FORM:

COUNTY OF ORANGE,
a political subdivision of the State of California

By: _____
Michael A. Haubert
Deputy County Counsel

By: _____
Thomas A Miller

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
)
COUNTY OF ORANGE)

On _____, 20____, before me, _____, a Notary Public, personally appeared **Paul P. Hernandez**, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Notary Public

(SEAL)

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
)
COUNTY OF ORANGE)

On _____, 20____, before me, _____, a Notary Public, personally appeared **Jamie Yoshida**, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Notary Public

(SEAL)

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

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)
COUNTY OF ORANGE)

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WITNESS my hand and official seal.

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STATE OF CALIFORNIA)
)
COUNTY OF ORANGE)

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I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Notary Public

(SEAL)

CERTIFICATE OF ACCEPTANCE

This is to certify that the interest in real property conveyed by the within Assignment Agreement to the COUNTY OF ORANGE, a political subdivision of the State of California, is hereby accepted by order of the Board of Supervisors of the County of Orange, California, and the COUNTY OF ORANGE consents to the recordation thereof by its undersigned duly authorized officer and to the transfer of title to the property to the COUNTY OF ORANGE.

COUNTY OF ORANGE

Dated: _____

By: _____

Thomas Miller
Chief Real Estate Officer
Per Minute Order dated November 18, 2014

APPROVED AS TO FORM:
Office of County Counsel
Orange County, California

By: _____
Deputy

Date: January 13, 2022

EXHIBIT 1**PERMITTED RECREATIONAL USES OF RESERVOIR PROPERTY**

All recreational uses are subject to the primary purpose of water impoundment and storage, and protection of the water quality of Irvine Lake.

Lake (County/Serrano)

Recreation such as

- Fishing
- Boating - County, District, or concessionaire/operator fleet (but not public/personal vessels)
- Walking
- Bicycling
- Picnicking
- Bird watching
- Operational facilities and equipment to support the uses described above, including docks, vehicle parking, and related amenities such as sanitation facilities, subject to design and location approval by the Districts.
- Any other recreational and ancillary uses mutually agreed upon by Districts, TIC and the County pursuant to Section 2.a(vi) of the Agreement

Note: swimming and any other bodily contact with the water impounded in the Reservoir is strictly prohibited.

To ensure the County, or any County operator, has sufficient information to plan and coordinate the County recreational activities, the Districts and County shall meet, at a minimum, on an annual basis to allow the Districts to inform the County of projected water levels (whether impacted by natural causes or drawdown by the Districts due to business operations) and water quality status, especially quality issues that may negatively impact fishing activities. Further, the Districts will provide immediate notice of any water level or water quality issues to the County that may arise from emergency situations, including but not limited to those situations that may threaten public health and public safety.

Flats (Serrano/IRWD)

Recreation such as

- | | |
|---|--|
| <ul style="list-style-type: none"> ▪ Walking ▪ Bicycling ▪ Bird watching ▪ Fishing ▪ Picnicking ▪ Barbeques ▪ Group parties or events ▪ Concerts ▪ Car shows | <ul style="list-style-type: none"> ▪ Festivals ▪ Camping (including with recreational vehicles) and associated vehicle parking and related amenities, such as sanitation facilities ▪ Any other recreational and ancillary uses mutually agreed upon by Districts, TIC and the County pursuant to Section 2.a(vi) of the Agreement. |
|---|--|

EXHIBIT 2

2003 MOU

**MEMORANDUM OF UNDERSTANDING
IRVINE LAKE**

This MEMORANDUM OF UNDERSTANDING ("MOU") is entered into this 30th day of April, 2003, by and between SERRANO WATER DISTRICT, a political subdivision of the State of California ("SWD"), IRVINE RANCH WATER DISTRICT, a political subdivision of the State of California ("IRWD"), and THE IRVINE COMPANY, a Delaware corporation ("TIC").

RECITALS

A. SWD and IRWD jointly own that certain reservoir, known variously as Santiago Reservoir or Irvine Lake, located in Orange County, California ("Reservoir"). SWD and IRWD use water from the Reservoir to supply their respective water customers.

B. TIC is the owner of the real property surrounding the Reservoir within the boundaries of the East Orange General Plan ("the EOGP"), as adopted by the City Council of the City of Orange, California on December 19, 1989 ("TIC Property").

C. On or about June 30, 1993, in resolution of concerns about the EOGP and other issues related to the Reservoir, SWD, IRWD and TIC entered into a series of agreements, including a Santiago Reservoir Study Plan Agreement, Boundary Adjustment Agreement and Haul Road Agreement. TIC now desires to pursue a substantial amendment to the EOGP, and dredging of the Reservoir by a commercial sand and gravel operator is coming to a close. These events, among others, have rendered the need to revise the two aforementioned 1993 agreements and resolve related issues affecting the Reservoir and TIC's Property.

UNDERSTANDINGS

Now, therefore, SWD, IRWD and TIC agree as follows:

1. The parties agree to all of the terms and provisions shown on Attachment 1 hereto, which is incorporated herein by this reference. The parties further agree to cooperate in good faith with each other and deliver such further documents and perform such other acts as are necessary or appropriate to consummate and carry into effect all of the terms and provisions shown on Attachment 1.

2. Each of SWD and IRWD expressly understand and agree that, in reliance upon this MOU, TIC will pursue an amendment to the EOGP (with companion Specific Plan and EIR) for the TIC Property, together with the property to be transferred to TIC as provided in this MOU. Neither SWD nor IRWD shall challenge any action undertaken by TIC relating to the TIC Property, and such additional property, in conformance with this MOU. The foregoing shall not relate to or have any effect upon the provision of water, sewer and reclaimed water services by IRWD to the TIC Property and such transferred property. The parties acknowledge that, as of the date of this MOU, neither SWD nor IRWD has received a copy of the application for, any

environmental documentation supporting, or any other documents relating to the amendment to the EOGP or its companion Specific Plan that TIC intends to process with the City of Orange (collectively, the "EOGP Documentation"); consequently, subject to the terms of the June 30, 1993 Master Agreement between SWD and TIC, SWD and IRWD reserve the right to comment upon and object to the EOGP Documentation, and challenge the EOGP and/or the companion Specific Plan and environmental documentation, except to the extent the same confirm something the Districts agreed to in this MOU.

3. Every provision of this MOU to be performed by any party hereto shall be deemed both a covenant and a condition and shall be a material consideration for performance of the other parties hereunder. Any breach hereof by any party shall be deemed a material default hereunder.

4. In any action, claim or proceeding between the parties or any two parties hereunder to enforce any of the provisions of this MOU or any right of any party hereto, regardless of whether such action or proceeding is prosecuted to judgment and in addition to any other remedy, the unsuccessful party shall pay to the successful party all costs and expenses, including actual attorneys' fees, incurred therein by the successful party.

5. Any party may specifically and expressly waive in writing any portion of this MOU or any breach hereof, but no such waiver shall constitute a further or continuing waiver of any preceding or succeeding breach of the same or any other provision. A waiving party may at any time thereafter require further compliance by the other party with any breach or provision so waived. No waiver of any default shall be implied from any omission by any party to take action on account of such default. All rights, remedies, undertakings, obligations, covenants, conditions

and agreements contained in this MOU shall be cumulative and no one of them shall be exclusive of any other. In the event of a party's breach hereunder, any other party may seek damages or specific performance or pursue any other remedy at law or equity, whether or not stated in this MOU. This MOU may be amended only by a writing executed by all parties.

SERRANO WATER DISTRICT,
a political subdivision of the State of California

By: [Signature]
Title: President, Board of Directors

By: [Signature]
Title: General Manager

IRVINE RANCH WATER DISTRICT,
a political subdivision of the State of California

By: [Signature]
Title: GENERAL MANAGER

By: [Signature]
Title: District Secretary

THE IRVINE COMPANY,
a Delaware corporation

By: [Signature]
Daniel H. Young
Senior Vice President

By: [Signature]
Mary K. Westbrook
Vice President

Attachment 1: Resolution of Irvine Lake Issues dated April 11, 2003

Exhibit A: Map Showing Land Transfers, Road Parcels, Slope Easement, Access Easement

Exhibit B: Map Showing Proposed Golf Course

Attachment 1

Resolution of Irvine Lake Issues
April 11, 2003

Future Ownership of Recreation Rights

- ❑ Any future sale, transfer or assignment of any party's reservoir recreational rights will require the unanimous written consent of the parties.

Boundary Adjustments

- ❑ Immediate reservoir boundary adjustments transferring to TIC the "peninsula" parcels identified on Exhibit A, and to the Districts "Area A" and "Area B" identified on Exhibit A.
- ❑ Upon award of a construction contract for the widening and realignment of Santiago Canyon Road, reservoir boundary to be adjusted again to transfer all or a portion of the "road" parcels identified on Exhibit A to TIC, as needed for road right-of-way purposes.
- ❑ Following all development by TIC adjacent to the lake, reservoir boundary to be adjusted again to transfer to Districts any TIC owned property below the 800 foot elevation, excluding property presently subject to a conservation easement and excluding property downstream from the dam. If the parties do not develop a joint golf course as contemplated below, this 800 foot elevation adjustment will not be undertaken along the north eastern border of the reservoir boundary (Santiago Creek tributary area).
- ❑ Districts to receive an unrestricted vehicular access easement (30 foot minimum width) from Santiago Canyon road to the boundary of lake:
 - In the Limestone Creek area, and
 - In the Santiago Creek portion of the lake to the future golf course recreation area and the former sand and gravel operation site.

These easements can be modified to conform with future construction of local public roads serving development or recreational facilities north of Santiago Canyon Road.

- ❑ TIC to receive an unrestricted access easement within reservoir property in Limestone Creek area for public access to development, generally as shown on Exhibit A (exact location and area not yet determined). This easement can be modified to conform with future construction of local public road serving development.
- ❑ From the date of this MOU and until the above-described adjustments, TIC and Districts will not hereafter convey any fee, easement or other rights or interests in the respective adjustment parcels, including the property below 800 foot elevation.
- ❑ The 1993 agreement will be replaced with the aforementioned terms.

Construction and Slope Easements

- ❑ TIC to receive construction and maintenance easements from the Districts near the "peninsula" parcels as shown on Exhibit A subject to:
 - All created slopes being constructed and armored consistent with appropriate standards as reasonably approved by Districts;

- TIC releasing Districts from, and providing Districts full indemnification satisfactory to the Districts for third party claims relating to, all liability for maintenance, repair and failure of TIC constructed slopes, including potential impacts associated with lake operations (but excluding active negligence or willful misconduct of Districts; provided, that under no circumstances shall any level of the lake water, or any filling, drawing, spilling or releasing of water, be deemed to constitute active negligence or willful misconduct);
 - Any HOA set up by TIC and involved in maintenance of the slopes will also release and indemnify Districts, but TIC will not thereby be relieved of its release and indemnification of Districts; and
 - No use of the easement for access to the lake water for any purpose other than temporary access in connection with the construction, maintenance and repair of the slopes.
- Landscaping on portions of slopes owned by Districts to be approved by Districts. TIC to be responsible for any handrails, fencing, signage or other safety design of trail on slope bench adjacent to District boundary.
 - Real estate sales disclosure by TIC for residential property adjacent to the lake shall include the lack of lake access, and the level changes and other attributes of an operating storage reservoir and open water body. TIC's contracts with its merchant builders for such residential property shall require them to provide the same such disclosures.
 - TIC shall have access to the lake to excavate and export fill material for use only in connection with TIC's development around the lake, and subject to the Districts' approval of excavation and fill plans in their sole discretion. All fill placed in the lake by TIC for development purposes shall be subject to the Districts' prior approval, and shall be offset by the removal of an equivalent or greater amount of material placed in location(s) approved by Districts that results in no net loss of effective storage between the 730 and 790 foot elevations.

Golf Course Development

- Districts agree to act in good faith with TIC to negotiate with a third party golf course developer and operator to build and operate a course on TIC's and the Districts' property, as shown on Exhibit B, under a mutually acceptable ground lease and profit participation partnership that includes the golf course and ancillary uses, such as the proposed lodge.
- Ground lease, profit participation and any other business terms negotiated for the development of the golf course and ancillary uses will not be subject to existing recreation rights agreement or reversionary deed clauses.
- Reclamation by Districts of the proposed golf course property within Districts' ownership (as shown on Exhibit B) to an approximate 800 foot elevation shall not constitute a violation of any deed use restriction in favor of TIC, and TIC shall not assert any claim to a reversionary interest in such property based thereon, so long as the Districts do not make any use of the reclaimed land area in violation of any deed use restriction or use permitted in the Haul Road Agreement (for so long as that Agreement is in effect). Otherwise, however, all existing use restrictions and reversionary rights in favor of TIC remain in effect.

Water Quality Study

- ❑ Districts will provide letter approving new water quality study and scopes of work as an acceptable substitute for the scope of work required under the 1993 agreement.
- ❑ TIC will cover all costs of this water quality study. Districts will no longer have an obligation to fund 50% of this work.
- ❑ The data used to establish the baseline water quality condition in the lake shall be reviewed and approved by the Districts. Such review will be timely and such approval will not be unreasonably withheld.
- ❑ Districts will have right to review the final report and make a determination whether or not the final report conforms to the scope of work and adequately addresses the Districts' water quality concerns related to future development. Such review and determination will be timely and not be unreasonably withheld.
- ❑ The Reservoir Study Committee is no longer necessary.
- ❑ The 1993 agreement will be replaced with the aforementioned terms.

Haul Road

- ❑ The Haul Road Agreement will terminate as to the Haul Road, Haul Road Connector and Bridge (and Connectors' License Agreement shall likewise terminate as to Connector 1 and the Bridge) on the earlier of (a) date TIC receives written notice signed by both Districts indicating that Districts, their contractors and employees are no longer using the Haul Road or (b) August 1, 2003. Upon termination of the Haul Road Agreement as to the Haul Road, TIC will accept the Haul Road and Haul Road Connector (but not the Bridge) in "as-is" condition. The Bridge will be removed by the Districts on or before June 1, 2004 (rather than within 180 days of such termination date) per the original agreement.
- ❑ The Haul Road Agreement will terminate as to the Access Road and Batch Plant Connector (and Connectors' License Agreement shall likewise terminate as to Connector 2) on the date Districts receive the vehicular access easement from Santiago Canyon road to the boundary of the lake, as referenced above in the "Boundary Adjustment" section of this MOU. Whether or not the Haul Road Agreement (and Connectors' License Agreement) has so terminated as to the Access Road and Batch Plant Connector on or before August 1, 2003, (a) on or before August 1, 2003, Districts will discontinue use of that Road and Connector for purposes of hauling excavated Accumulated Materials and (b) on or before October 1, 2003, Districts will remove from such Connector the Triangle Rock block wall signage, gate foundation blocks and any other such improvements (i.e., improvements other than the access road itself). The Haul Road Agreement (and Connectors' License Agreement) may continue as to that Road and Connector for purposes of providing the Districts access for passenger vehicles, light trucks and vehicles appropriate for removing Triangle Rock's office, scales and plant and trailering earth moving equipment, only until the date Districts receive the referenced vehicular access easement from Santiago Canyon road.
- ❑ Based on the Districts foregoing agreement to cease use of the Roads, Connectors and Bridge as described above, Districts will be (i) immediately relieved of responsibility for maintenance and repair of both Roads, both Connectors and Bridge under the Haul Road

Agreement and (ii) relieved of the obligation to pay TIC per-ton fees under the Haul Road Agreement for the period from and after May 1, 2003.

- ❑ Notwithstanding anything to the contrary in the foregoing: (A) until termination of the Haul Road Agreement and Connectors' License Agreement as to each Road, Connector and Bridge, Districts remain obligated for day-to-day removal of gravel, mud, trash and other debris on such Road, Connector and Bridge, (B) TIC shall have no responsibility for maintenance or repair of the Roads, Connectors or Bridge, and (C) to the extent the Districts, their contractors and/or invitees desire maintenance or repair of the same, the Districts shall be responsible for such maintenance and repair.
- ❑ Districts remain obligated for removal of the Bridge.
- ❑ Districts remain obligated for releasing and indemnifying TIC in connection with the Roads and the Connectors, per the original agreements.

Stabilization

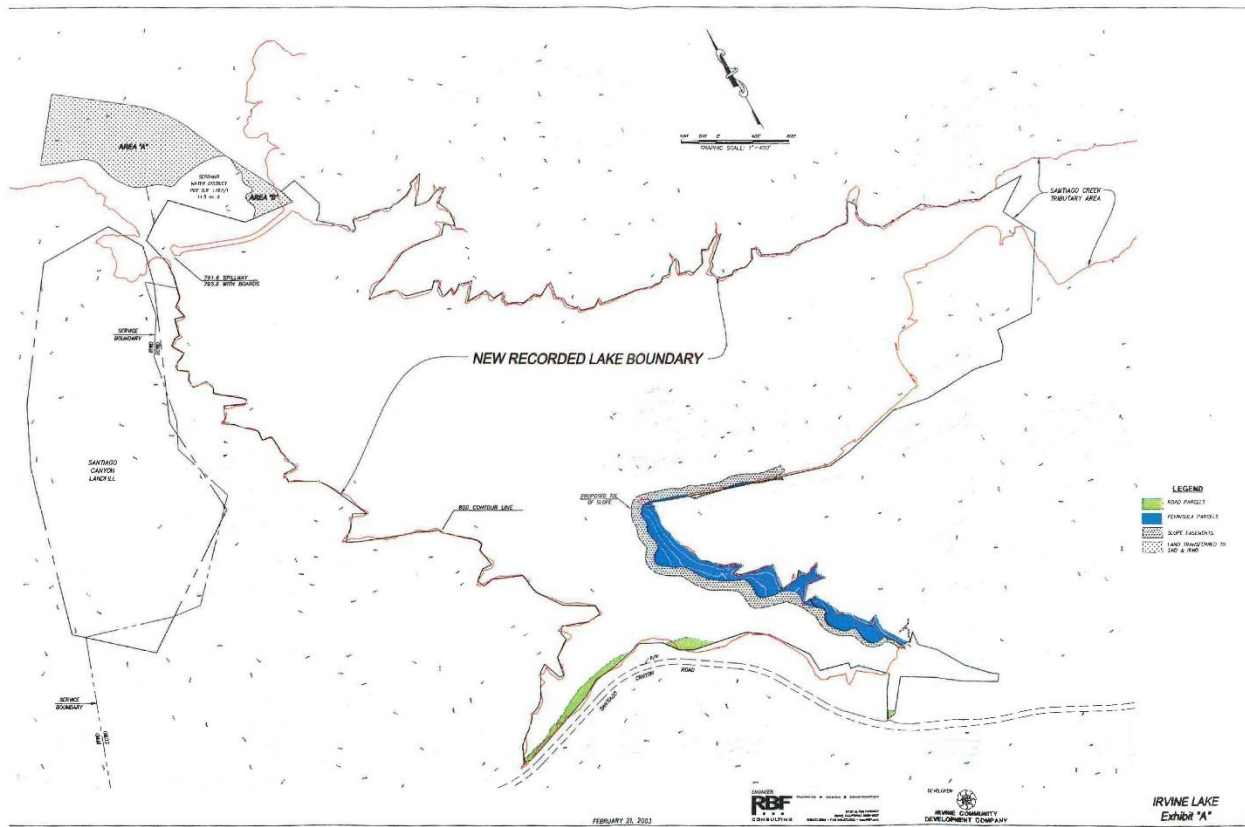
- ❑ TIC shall retain the right to stabilize the lake under the terms of the 1993 agreement

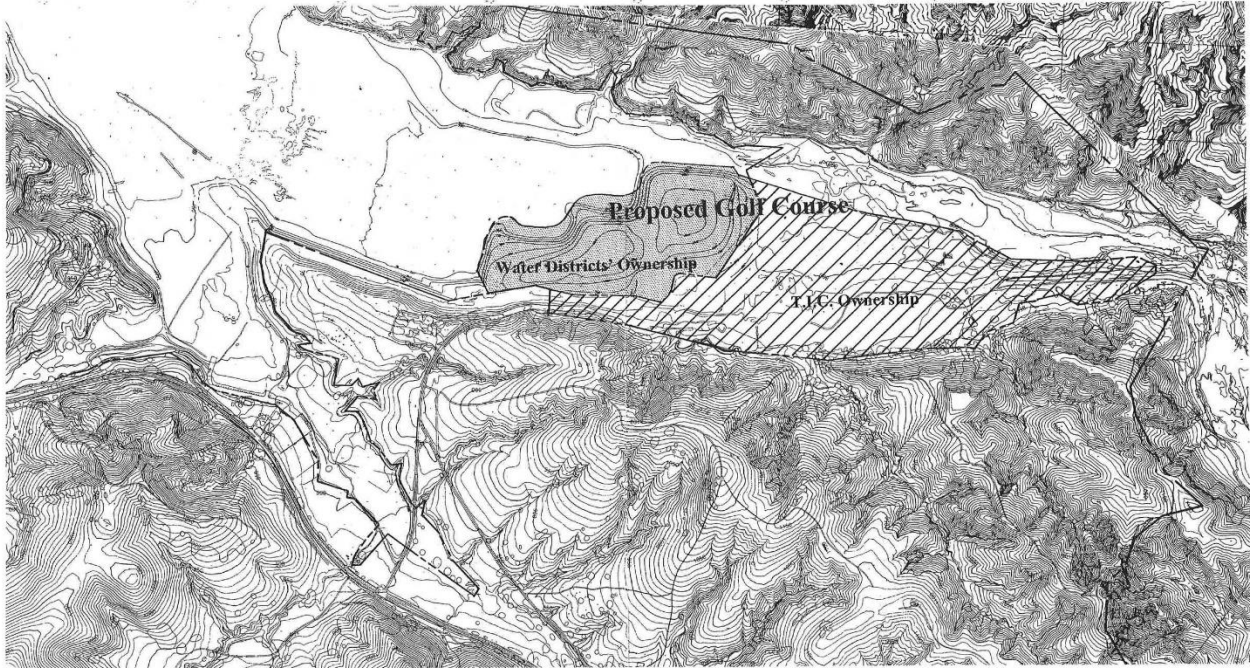
General

- ❑ Districts will sign documents and provide such other cooperation as may be required to permit or confirm rezoning of Districts' property to be transferred to TIC as shown on Exhibit A or to be included in possible golf development as shown on Exhibit B and to confirm Districts' concurrence with other matters described in this MOU for purposes in conjunction with TIC's applications and permitting of residential and commercial development (e.g. Districts will sign landowner's affidavit, or equivalent assurance, to accompany TIC's amendment for the East Orange General Plan). This obligation is not intended to require the Districts to incur expense, except expense mutually agreed to by the parties in pursuing approval for golf course development.
- ❑ If and to the extent permitted by the City of Orange, prior to public release of the CEQA and NEPA documents for TIC's development adjacent to the lake, TIC will provide the Districts with a screencheck draft of the water quality, erosion, hazardous materials, hydrology, storm flow and construction activities sections and confer with the Districts about these sections. The foregoing is intended to provide the Districts with a forum for providing advice and comments to TIC on these sections and is not meant to require that TIC revise the sections to address the Districts' comments or that TIC otherwise obtain the Districts' approval to these sections.
- ❑ The parties contemplate that the terms set forth in this outline will require the execution and delivery of the following agreements, but do not by listing them intend to affect the terms and provisions agreed to in this MOU, including their obligation to deliver such additional documents and perform such other acts as are necessary or appropriate to consummate and carry into effect the terms of this MOU:
 1. Amended 1993 Boundary Adjustment Agreement
 2. Construction and Slope Easement (new)
 3. Letter Amendment to 1993 Santiago Reservoir Study Plan Agreement

4. Golf Course Development and Participation Agreement(s) (new; replace 1993 Reclaimed Land letter agreement)

Drafting of the first three listed agreements will commence immediately upon execution of this MOU. Execution of the first two agreements will be concurrent. The third listed agreement will be executed sooner (i.e. in a matter of days following execution of the MOU). The fourth listed agreement(s) will be drafted and executed if and when the parties determine to pursue the golf course development.





02.17.03
Not to scale

Exhibit B