

YUCAIPA VALLEY WATER DISTRICT MONITORING WELL

LAND LEASE AGREEMENT

This Monitoring Well Land Lease Agreement (this "Lease") is made and entered into this 20th day of September, 2016 (the "Effective Date"), by and between the City of Redlands, a municipal corporation ("Landlord"), and Yucaipa Valley Water District, a municipal corporation ("Tenant"). Landlord and Tenant are sometimes individually referred to herein as a "Party," and together as the "Parties."

PREAMBLE

A. Landlord, for and in consideration of the rent to be paid by Tenant and for the covenants and provisions to be kept and performed by Tenant under this Lease, hereby leases to Tenant for Tenant's sole use, and Tenant agrees to lease from Landlord two approximately four (4) square foot portions (collectively the "Sites" or individually the "Site") of Landlord's real property (the "Property") with Assessor's Parcel No. 0294091620000 located in Redlands, California, 92373, as more particularly described in Exhibit "A" attached hereto and incorporated herein by this reference. A copy of the plan of development of the Sites to be leased by Tenant pursuant to this Lease is attached hereto as Exhibit "B" and incorporated herein by this reference.

B. The Sites are to be used for one cluster of shallow groundwater observation wells ("Wells") installed for the purpose of collecting information on the interaction between surface water and groundwater to help Tenant assess the potential impacts of its water discharge to San Timoteo Creek (the well cluster is comprised of two individual wells, one drilled to a depth of ten (10) feet below ground level and the other drilled to a depth of twenty (20) feet below ground level). All information collected by Tenant shall be regularly shared with the City of Redlands.

AGREEMENT

Section 1. Drilling Permit. Tenant shall apply for and obtain from Landlord a Drilling Permit, pursuant to the Redlands Municipal Code, Chapter 13.42, "Well Drilling" prior to commencing construction of the Wells. Landlord will cooperate with Tenant in the processing of the Drilling Permit.

Section 2. Sites Change. If, after the execution hereof, Tenant and Landlord desire to change the location(s) of the Site(s) on the Property, said change in Site(s) location(s) may be made only upon the mutual written consent of the Parties, in which event final approval of the new Site(s) location(s) within the Property shall be made by Tenant and Landlord. Any such agreed upon new Site(s) location(s) on the Property shall be evidenced by an amendment to this Lease.

Section 3. Term.

A. Tenant hereby agrees to lease the Sites from Landlord for the rent of Five Hundred Dollars (\$500.00) per year payable within forty-five (45) days of the Effective Date of this Lease (thereafter payable annually on the anniversary of this Lease) for a term of five (5) years. Rent shall be paid to the City of Redlands or to such other person as Landlord may, from time to time designate by written notice delivered to Tenant. If Tenant fails to receive approval of a Drilling Permit from Landlord, or if Tenant fails to make application for a Drilling Permit within twelve (12) months of the Effective Date of this Lease, this Lease shall immediately terminate with no liability or responsibility by either Landlord or Tenant as to the other and any rent paid by Tenant shall be refunded to Tenant.

B. The Term of this Lease shall be automatically extended for four (4) additional five (5) year terms (each a "Renewal Term") unless this Lease is terminated as otherwise provided for herein. Rent shall be increased at the commencement of each Renewal Term by Twenty Five Percent (25%) of the rent in effect for the previous Term or Renewal Term.

Section 4. Use of Sites.

A. Subject to the conditions set forth in the Drilling Permit attached hereto and incorporated herein by reference as Exhibit C, during the Term of this Lease, the Sites shall be used by Tenant for the purpose of drilling, installing, removing, replacing, maintaining, repairing, modifying and operating, at its sole expense, the Wells. Landlord hereby grants Tenant a license for ingress and egress to and from the Property twenty-four (24) hours per day, seven (7) days a week. Tenant acknowledges that the Landlord's primary use of that portion of the San Timoteo Creek, including the Well Sites, is as a nature preserve and agrees to utilize the least intrusive means of accessing and constructing the Wells as is reasonably feasible as more particularly described in the "Well Cluster Construction Summary" included in Exhibit "B." Access shall be over or along an existing unpaved access road (not maintained by Landlord) extending from the nearest public right-of-way, to the Sites and includes use of that road as a temporary staging area during drilling and maintenance operations.

B. All information collected by Tenant under this agreement relating to water conditions in the San Timoteo Creek shall be shared with Landlord. Such data shall be submitted to Landlord in a summary report prepared by Tenant on a quarterly basis. Reports may be sent by email or other electronic methods.

Section 5. As Is Condition. Except as otherwise expressly stated herein, Tenant is leasing the Sites in "as is" condition and Landlord does not represent that the Sites are suitable for Tenant's intended use. Tenant is responsible to undertake such due diligence as it deems necessary to determine the condition and suitability of the Sites.

Section 6. Title and Quiet Possession. Landlord represents and agrees that: (a) it is the owner of the Property; (b) it has the right to enter into this Lease; (c) the person signing this Lease has the authority to sign on behalf of Landlord; and (d) Tenant is entitled to access to and use of the Sites as provided herein throughout the Term of this Lease, as may be extended. Notwithstanding the foregoing, in the event of any situation that poses an emergency (i.e., an immediate threat of substantial harm to persons and/or property) which requires entry onto the

Sites by Landlord, Landlord may enter the Sites and take such actions as are required to protect individuals or personal property from such substantial harm or damage; provided, however, that promptly and no later than twenty-four (24) hours after Landlord's entry onto the Site(s), Landlord shall give Tenant telephonic and written notice of Landlord's entry onto the Site(s). In connection with Landlord's entry, Landlord will use reasonable efforts to minimize any disruption to Tenant's operations at the Property or use of the Sites. Landlord covenants that, so long as Tenant timely pays the rent and performs its covenants under this Lease, Tenant shall have use of the Sites for the purposes described herein.

Section 7. Assignment. Tenant shall not sell, assign or transfer this Lease or sublet all or any portion of the Sites to any other party without the prior written consent of Landlord. In the event that Tenant attempts any assignment, transfer or subletting requiring Landlord's consent without Landlord's prior written consent, such action shall be null and void. No change of control of Tenant or transfer upon dissolution of Tenant shall constitute an assignment hereunder.

Section 8. Notices. All notices hereunder must be in writing and shall be deemed validly given if sent by certified mail, return receipt requested or by commercial courier, provided the courier's regular business is delivery service and provided further that it guarantees delivery to the addressee by the end of the next business day following the courier's receipt from the sender, addressed as follows (or any other address that the Party to be notified may have designated to the sender by like notice):

Tenant:

Yucaipa Valley Water District
12770 Second Street
Yucaipa, CA 92399

Landlord:

City of Redlands
Municipal Utilities Department
P.O. Box 3005
Redlands, CA 92373

Notice shall be effective upon actual receipt or refusal as shown on the receipt obtained pursuant to the foregoing.

Section 9. Improvements. Tenant may, at its sole expense, make any improvements on the Sites permitted by the Drilling Permit, as may be amended or renewed. Tenant may make substitutions, replacements, upgrades and modifications to its Wells; provided, however, that such improvements remain within the physical parameters of the Sites and do not violate the provisions of the Drilling Permit.

Section 10. Compliance with Laws. Tenant shall comply with all applicable laws relating to Tenant's use of the Sites. In addition, during the Term, Landlord shall maintain the Property in compliance with all applicable laws, rules, regulations, ordinances, directives, covenants, easements, zoning and land use regulations, and restrictions of record, permits, building codes, and the requirements of any applicable fire insurance underwriter or rating bureau, now in effect or which may hereafter come into effect (including, without limitation, the Americans with Disabilities Act and laws regulating hazardous substances) (collectively, "Laws").

Section 11. Termination.

A. Notwithstanding Section 3 above, either Party may terminate this Lease at any time upon thirty (30) days prior notice to the other Party.

B. Upon termination, all prepaid rent, as prorated by use, shall be returned to Tenant, up to a maximum of six (6) months of the then-current rent. Tenant shall be allowed to remove all of its personal property and return the Sites to their pre-Lease condition.

C. Removal/Restoration. Tenant shall, within ninety (90) days of expiration, cancellation or termination of this Lease implement a mutually agreed upon method of abandoning the Wells including restoring the Property to as close to its condition on the Effective Date of this Lease as is reasonably possible. Tenant will not be required to remove from the Property any portion of the Wells existing more than four (4) feet below the ground.

Section 12. Default.

A. If either Party is in default under this Lease for a period of: (a) fifteen (15) days following receipt of notice of default from the non-defaulting Party with respect to a default which may be cured solely by the payment of money; or (b) thirty (30) days following receipt of notice of default from the non-defaulting Party with respect to a default which may not be cured solely by the payment of money, then, in either event, the non-defaulting Party may pursue any remedies available to it against the defaulting Party under applicable law, including, but not limited to, the right to terminate this Lease. If the non-monetary default may not reasonably be cured within a thirty (30) day period, this Lease may not be terminated if the defaulting Party commences action to cure the default within such thirty day period and proceeds with due diligence to fully cure the default, and cures no later than ninety (90) days from the notice of default.

B. Upon a default, the non-defaulting Party may at its option (but without obligation to do so), perform the defaulting Party's duty or obligation on the defaulting Party's behalf, including but not limited to the obtaining of reasonably required insurance policies and meeting the obligations established in Section 11 Paragraph "C". The costs and expenses of any such performance by the non-defaulting Party shall be due and payable by the defaulting Party upon invoice therefore. In the event of a default by either Party with respect to a material provision of this Lease, without limiting the non-defaulting Party in the exercise of any right or remedy which the non-defaulting Party may have by reason of such default, the non-defaulting Party may terminate this Lease and/or pursue any remedy now or hereafter available to the non-defaulting Party under the Laws or judicial decisions of the state in which the Sites are located; provided, however, Landlord shall use reasonable efforts to mitigate its damages in connection with a default by Tenant. If Tenant so performs any of Landlord's obligations hereunder, the full amount of the reasonable and actual cost and expense incurred by Tenant shall immediately be owing by Landlord to Tenant, and Landlord shall pay to Tenant upon demand the full undisputed amount thereof with interest thereon from the date of payment at the greater of (i) ten percent (10%) per annum, or (ii) the highest rate permitted by applicable Laws. Notwithstanding the foregoing, if Landlord does not pay Tenant the full undisputed amount within thirty (30) days of its receipt of an invoice setting forth the amount due from Landlord, Tenant may offset the full

undisputed amount, including all accrued interest, due against all fees due and owing to Landlord until the full undisputed amount, including all accrued interest, is fully reimbursed to Tenant.

Section 13. Indemnity. Each Party shall defend, indemnify and hold the other harmless against any claim of liability or loss from personal injury or property damage resulting from or arising out of the negligence or willful misconduct of the indemnifying Party, its employees, contractors or agents, except to the extent such claims or damages may be due to or caused by the negligence or willful misconduct of the other Party, or its employees, contractors or agents. Further, Tenant shall defend, and indemnify Landlord against, all claims arising out of the drilling, installation, operation, use, maintenance, repair, removal or presence of Tenant's Wells. The obligations under this Section shall survive the expiration or termination of this Lease.

Section 14. Hazardous Substances. Landlord represents that no substance, chemical or waste (collectively, "Hazardous Substance") exists on or under the Property including the Sites, that is identified as hazardous, toxic or dangerous in any applicable federal, state or local law or regulation. Landlord and Tenant shall not introduce or use any such Hazardous Substance on the Sites in violation of any applicable Law. Landlord and Tenant shall each hold the other harmless and indemnify the other from, and assume all duties, responsibility and liability at its sole cost and expense, for all duties, responsibilities, and liability (for payment of penalties, sanctions, forfeitures, losses, costs, or damages) and for responding to any action, notice, claim, order, summons, citation, directive, litigation, investigation or proceeding which is in any way related to the indemnifying Party's failure to comply with any environmental or industrial hygiene Law, including without limitation any regulations, guidelines, standards or policies of any governmental authorities regulating or imposing standards of liability or standards of conduct with regard to any environmental or industrial hygiene concerns or conditions as may now or at any time hereafter be in effect, except to the extent such noncompliance is caused by the other Party. Landlord shall hold harmless, indemnify and defend Tenant for all claims or losses, including all costs and expenses, relating to any environmental or industrial hygiene conditions arising out of or in any way related to the condition of the Property or activities conducted thereon, unless such environmental conditions are caused solely by Tenant, in which event Tenant shall hold harmless, indemnify and defend Landlord for all costs and expenses, including reasonable attorneys' fees for said sole negligence of Tenant. The obligations under this Section shall survive the expiration of termination of the Lease.

Section 15. Insurance.

A. (1) Tenant shall procure and maintain commercial general liability insurance, with limits of not less than One Million Dollars (\$1,000,000) per occurrence Two Million Dollars (\$2,000,000) aggregate for bodily injury and property damage liability, with a certificate of insurance to be furnished to Landlord prior to Tenant's occupancy of the Sites. Such policy of insurance shall be additionally endorsed to cover work done within fifty (50) feet of a railroad. (2) Tenant shall also procure and maintain owned, non-owned and hired vehicles insurance with limits of not less than One Million Dollars (\$1,000,000) combined single limit for bodily injury liability and property damage liability, with a certificate of insurance and endorsement to be furnished prior to Tenant's occupancy of the Sites. (3) Tenant shall also procure and maintain commercial umbrella/excess liability insurance with limits of not less than Five Million Dollars (\$5,000,000) combined single limit for bodily injury and property damage liability.

(4)(i) Landlord shall be named as an additional insured under the insurance policies required of Tenant, (ii) and such insurance shall be primary with respect to Landlord and non-contributing to any insurance or self-insurance maintained by Landlord as with respect to any liability from Tenant's negligence or intentional misconduct. (iii) Such policy shall provide that cancellation will not occur without at least thirty (30) days prior written notice to Landlord. (5) Insurance requirements shall be reviewed by Landlord and adjusted by Landlord, on every five-year anniversary date of this Lease, to insure that the insurance maintained by Tenant is in amounts consistent with prudent practice for cities. Tenant shall provide any new certificates of insurance with new limits of liability coverage within thirty (30) days of notice by Landlord to Tenant. Notwithstanding anything to contrary, such limits may be satisfied by a combination of primary and umbrella policies. (6) Tenant may satisfy this requirement by obtaining the appropriate endorsement to any master policy of liability insurance Tenant may maintain.

B. Workers' Compensation and Employer's Liability. Tenant shall procure and maintain Workers' Compensation and Employer's Liability insurance in accordance with statutory coverage limits throughout the Term of this Lease in accordance with the laws of the State of California, with an insurance carrier acceptable to Landlord.

Section 16. Maintenance. Tenant shall be responsible for repairing and maintaining the Wells and any other improvements installed by Tenant at the Sites in a proper operating and safe condition; provided, however, if any such repair or maintenance is required due to acts of Landlord, its agents or employees, Landlord shall reimburse Tenant for the reasonable costs incurred by Tenant to restore the damaged areas to the condition which existed immediately prior thereto. Landlord will maintain and repair all other portions of the Property of which the Sites are a part in a proper operating and reasonably safe condition and otherwise in compliance with applicable Law.

Section 17. Limitation of Liability. Except for indemnification pursuant to Section 13, neither Party shall be liable to the other, or any of their respective agents, representatives, employees for any lost revenue, lost profits, loss of technology, rights or services, incidental, punitive, indirect, special or consequential damages, loss of data, or interruption or loss of use of service, even if advised of the possibility of such damages, whether under theory of contract, tort (including negligence), strict liability or otherwise.

Section 18. Miscellaneous.

A. This Lease applies to and binds the successors and assigns of the Parties to this Lease if, and only if, the Lease is transferred in accordance with the provisions of section 7;

B. This Lease shall be governed by and construed in accordance with the laws of the State of California;

C. This Lease (including the Exhibits) constitutes the entire agreement of the Parties as to the subject matter hereof, and supersedes all prior written and verbal agreements, representations, promises and understandings between the Parties. Any amendments to this Lease shall be in writing and executed by the Parties;

D. If any provision of this Lease is determined by a court of competent jurisdiction invalid or unenforceable, the remainder of this Lease or the application of such provision to persons other than those as to whom it is held invalid or unenforceable will not be affected and each provision of this Lease will be valid and enforceable to the fullest extent permitted by law unless such invalidity or unenforceability materially affects the purpose and reasons of the Parties for entering into this Lease; and

E. In the event any action is commenced to enforce or interpret any of the terms or conditions of this Lease the prevailing Party shall, in addition to costs and any other relief, be entitled to recovery of its reasonable attorneys' fees, including fees for the use of in-house counsel by a Party at rates prevailing in San Bernardino County, California.

Section 19. Subordination and Non-Disturbance. At Landlord's option, this Lease shall be subordinate to any mortgage or other security interest given by Landlord which from time to time may encumber all or part of the Property or right-of-way; provided, however, every such mortgage or other security interest shall recognize the validity of this Lease in the event of a foreclosure of Landlord's interest and also Tenant's right to remain in occupancy of and have access to the Sites as long as Tenant is not in default of this Agreement. Landlord and Tenant shall execute whatever instruments may reasonably be required to evidence this subordination clause. In the event the Property is encumbered by a mortgage or other security interest, Landlord will, immediately after this Lease is executed, obtain and furnish to Tenant, a non-disturbance agreement from for each such mortgage or other security interest in recordable form. In the event that Landlord defaults in the payment and/or other performance of any mortgage or other security interest encumbering the Property, Tenant, may, at its sole option and without obligation, cure or correct Landlord's default and upon doing so, Tenant shall be subrogated to any and all rights, titles, liens and equities of the holders of such mortgage or security interest and Tenant shall be entitled to deduct and setoff against all rents that may otherwise become due under this Lease the sums paid by Tenant to cure or correct such defaults.

Section 20. Destruction of Sites. If the Site(s) or Property are destroyed, or damaged so as to hinder Tenant's effective use of the Site(s), Tenant may elect to terminate this Lease as of the date of the damage or destruction by so notifying Landlord no more than thirty (30) days following the date of damage or destruction.

Section 21. Condemnation. If a condemning authority takes all or a portion of the Property, which taking renders the Site(s) unsuitable for Tenant's use, then Tenant may terminate this Lease as of the date when possession is delivered to the condemning authority. In any condemnation proceeding each Party shall be entitled to make a claim against the condemning authority for just compensation. Sale of all or part of the Site(s) to a purchaser with the power of eminent domain in the face of exercise of such power shall be treated as a taking by the condemning authority. In the event of such taking, Landlord shall promptly reimburse Tenant any Rent prepaid by Tenant. Furthermore, Landlord and Tenant shall each be entitled to pursue their own separate awards with respect to such taking, provided that no such award to Tenant shall reduce any award to Landlord.

Section 22. Pre-Construction Testing. Tenant shall have the right (but not the obligation) at any time following the full execution of this Lease, to enter the Sites for the purposes of making necessary inspections and engineering surveys (and soil tests where applicable) and other reasonably necessary tests (collectively, "Tests") to determine the suitability of the Sites for the Wells and for the purpose of preparing for the construction of the Wells. During any Tests or pre-construction work, Tenant will have insurance as set forth in this Lease. Tenant will notify Landlord of any proposed Test or pre-construction work and will coordinate the scheduling of the same with Landlord. If Tenant determines that the Site(s) are unsuitable for Tenant's contemplated use, then Tenant will notify Landlord and this Lease will terminate.

Section 23. Rights Upon Sale. Should Landlord, at any time during the Term decide (i) to sell or transfer all or any part of the Property to a purchaser other than Tenant, or (ii) to grant to a third party by easement or other legal instrument an interest in and to that portion of the Property occupied by Tenant, such sale or grant of an easement or interest therein shall be under and subject to this Lease and any such purchaser or transferee shall recognize Tenant's rights hereunder under the terms of this Lease. To the extent that Landlord grants to a third party by easement or other legal instrument an interest in and to that portion of the Property occupied by Tenant, Landlord thereby assigns this Lease to said third party but Landlord shall not be released from its obligations to Tenant under this Lease, and Tenant shall have the right to look to Landlord and the third party for the full performance of this Lease.

Section 24. Survival. The provision of this Lease relating to indemnification from one Party to the other Party shall survive any termination or expiration of this Lease. Additionally, any provisions of this Lease which require performance subsequent to the termination or expiration of this Lease shall also survive such termination or expiration.

Section 25. Captions. The captions contained in this Lease are inserted for convenience only and are not intended to be part of the Lease. They shall not affect or be utilized in the construction or interpretation of this Lease.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Parties hereto have set their hands and affixed their seals the day and year first above written.

CITY OF REDLANDS,
a municipal corporation

By: Paul W. Foster
Paul Foster,
Mayor, City of Redlands

Date: 9-20-16

ATTEST:

Sam Irwin
Sam Irwin, City Clerk

YUCAIPA VALLEY WATER DISTRICT,
a municipal corporation

By: Jennifer Ares
Jennifer Ares,
Water Resource Manager

Date: September 8, 2016

EXHIBIT "A"
TO
**YUCAIPA VALLEY WATER DISTRICT MONITORING WELL LAND LEASE
AGREEMENT**

The Real Property situated in the City of Redlands, County of San Bernardino, State of California, described as follows:

PORTION OF THE NORTHEAST ONE-QUARTER OF THE NORTHWEST ONE-QUARTER OF SECTION 10, ALONG WITH THAT PORTION OF THE SOUTHEAST ONE-QUARTER OF THE SOUTHWEST ONE-QUARTER OF SECTION 3, TOWNSHIP 2 SOUTH, RANGE 3 WEST, SAN BERNARDINO MERIDIAN, BEING ALSO A PORTION OF PARCELS 6 AND 7 AS SHOWN BY RECORD OF SURVEY RECORDED IN BOOK 22, PAGES 67 THROUGH 70, INCLUSIVE, RECORDS OF SURVEYS, DESCRIBED AS FOLLOWS: BEGINNING AT THE NORTH ONE-QUARTER CORNER OF SAID SECTION 10 BEING THE NORTHWEST CORNER OF PARCEL 1 OF PARCEL MAP 11189, RECORDED IN BOOK 153, PAGES 59 AND 60, OF PARCEL MAPS, THENCE ALONG THE EAST LINE OF THE NORTHWEST ONE-QUARTER OF SAID SECTION 10 SOUTH 00 DEG 39' 23" EAST A DISTANCE OF 1046.44 FEET TO THE SOUTHWESTERLY LINE OF THE SAN BERNARDINO FLOOD CONTROL DISTRICT 200.00 FOOT WIDE RIGHT-OF-WAY AS DESCRIBED BY DEED RECORDED MAY 11, 1955 IN BOOK 3641, PAGE 548 OF OFFICIAL RECORDS, AS SHOWN BY SAN BERNARDINO FLOOD CONTROL DISTRICT RIGHT-OF-WAY MAP OF SAN TIMOTEO CREEK, FILE NO. 3.401, DRAWINGS 5A, 5B AND 5C, AND THE BEGINNING OF A NON-TANGENT CURVE CONCAVE NORTHEASTERLY HAVING A RADIUS OF 1500.00 FEET, A RADIAL BEARING TO SAID POINT BEING SOUTH 36 DEG 29' 43" WEST; THE FOLLOWING FOUR (4) COURSES ARE ALONG SAID RIGHT-OF-WAY LINE; THENCE NORTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 30 DEG 25' 36" A DISTANCE OF 796.57 FEET; THENCE NORTH 23 DEG 04' 41" WEST A DISTANCE OF 432.48 FEET; THENCE NORTH 08 DEG 28' 24" WEST A DISTANCE OF 27.11 FEET TO THE NORTH LINE OF SAID SECTION 10; THENCE CONTINUING NORTH 08 DEG 28' 24" WEST A DISTANCE OF 65.83 FEET TO THE BEGINNING OF A NON-TANGENT CURVE CONCAVE NORTHWESTERLY, HAVING A RADIUS OF 1500.00 FEET, A RADIAL BEARING TO SAID POINT BEING NORTH 66 DEG 17' 07" EAST; THENCE NORTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 07 DEG 18' 12", A DISTANCE OF 191.20 FEET TO A LINE PARALLEL WITH AND 235.43 FEET NORTH OF SAID NORTH LINE OF SECTION 10; THENCE ALONG SAID PARALLEL LINE NORTH 89 DEG 39' 54" EAST A DISTANCE OF 739.71 FEET TO THE EAST LINE OF THE SOUTHWEST ONE-QUARTER OF SAID SECTION 3; THENCE ALONG SAID EAST LINE SOUTH 01 DEG 45' 01" EAST A DISTANCE OF 235.43 FEET TO THE TRUE POINT OF BEGINNING

EXHIBIT "B"
TO
**YUCAIPA VALLEY WATER DISTRICT MONITORING WELL LAND LEASE
AGREEMENT**

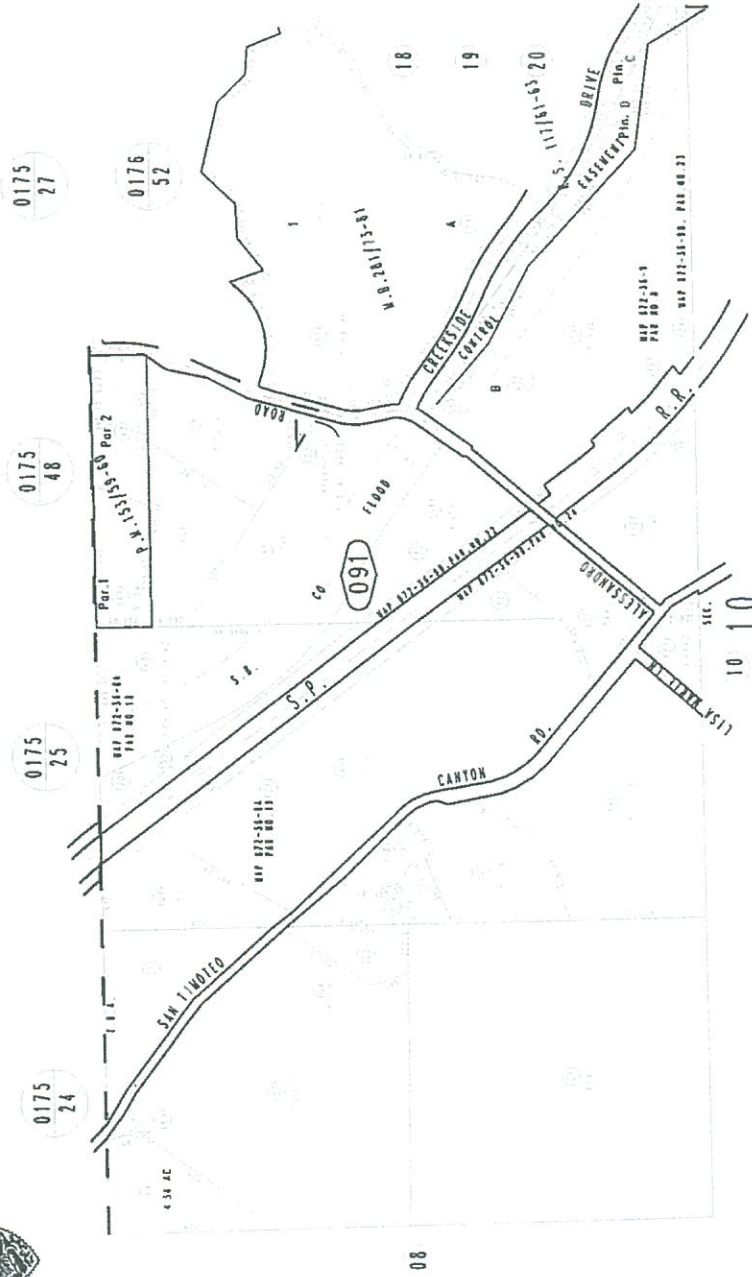
(Plans/drawings/maps dated and identified with Site Name: describing the leased Sites and location and details of proposed monitoring wells consisting of 6 pages attached hereto.)

YVWD Well 3/8/16

N.1/2 Sec.10 T.2S.,R.3W., S.B.B.&M

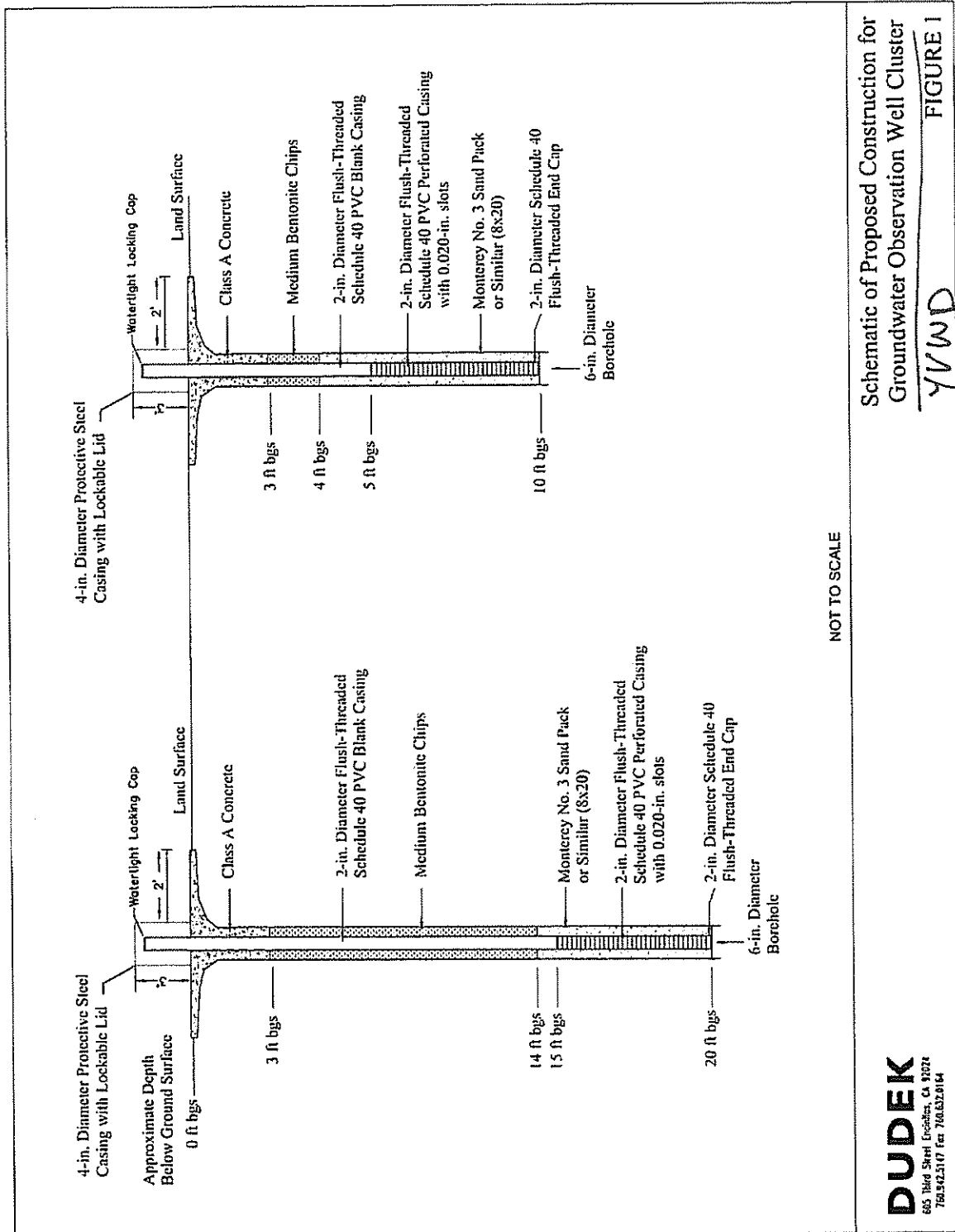
City of Redlands
Tax Rate Area
5003.5023

0294 - 09



Assessor's Map
Book 0294 Page 09
San Bernardino County

October 2003



Schematic of Proposed Construction for
Groundwater Observation Well Cluster

YVWD

3/8/16

**Brief Summary of Approach and Construction of
Shallow Groundwater Well Clusters at San Timoteo Creek**

Three groundwater observation well clusters are proposed to be installed in riparian habitat areas adjacent to San Timoteo Creek. Each well cluster will consist of two wells with one completed at a depth of 20 feet below ground surface (bgs) and the other completed at 10 feet bgs. The goal of each well cluster is to obtain water level data to estimate the vertical hydraulic gradient near the creek and characterize the surface water and groundwater interaction between San Timoteo Creek and the underlying groundwater. Yucaipa Valley Water District (YVWD) has selected three primary locations to install the well clusters and two alternative locations should any of the primary locations not become accessible. Pacific Drilling Co., of San Diego, California (C-57 Lic. #681380), acting as a sub-consultant to Dudek, will be tasked with drilling and constructing the observation wells. The three primary well cluster locations are only accessible by foot, so Pacific Drilling will use a tri-pod drilling apparatus to drill and install each well. The tri-pod drilling apparatus uses an 11-hp gas-powered engine during drilling. Pacific Drilling will use either a 6-inch diameter solid stem or hollow stem auger drill bit to drill the well borings at these locations. The area of impact using the tri-pod device is approximately 5 ft². All cuttings will be visually characterized by a staff geologist on site. All cuttings will be left on site.

Pacific Drilling may use a limited access track mounted drill rig, called the "Mole", to access the two alternative well cluster locations. These two sites will be accessible from the upland areas adjacent to the creek. The Mole is a 4.5 ft by 10 ft rig that can track with 7 psi under its treads, which allows it to minimize its impact to the underlying landscape. The Mole will be used to advance a 6-inch diameter hollowstem auger drill bit to drill the well borings at these locations. All cuttings will be visually characterized by a staff geologist on site. All cuttings will be left on site.

The wells will be constructed using 2-inch diameter flush-threaded schedule 40 PVC casing. The well screens will be perforated with 0.020-inch slots. A filter pack over the screen interval will consist of Monterey No.3 sand. The annular seal will consist of bentonite chips (hydrated after installation, if needed) and the surface seal will consist of class A concrete and be set 3 feet below ground surface. The surface seal will cover a 2-foot radius from the well. A 5-inch diameter protective steel casing will sit approximately 3 feet above ground surface and encase the PVC well casing. The protective steel casing will be locked. The final footprint left from the installation of the wells will be a 4 ft² concrete seal with a 3-foot high steel casing in the center.

9/18/15 van Clyn



YVWD Well 3/18/16

This photo is representative of the bollards that will be used to protect the well. The wells design is noted on page 15.



YVWB Well 3/8/16

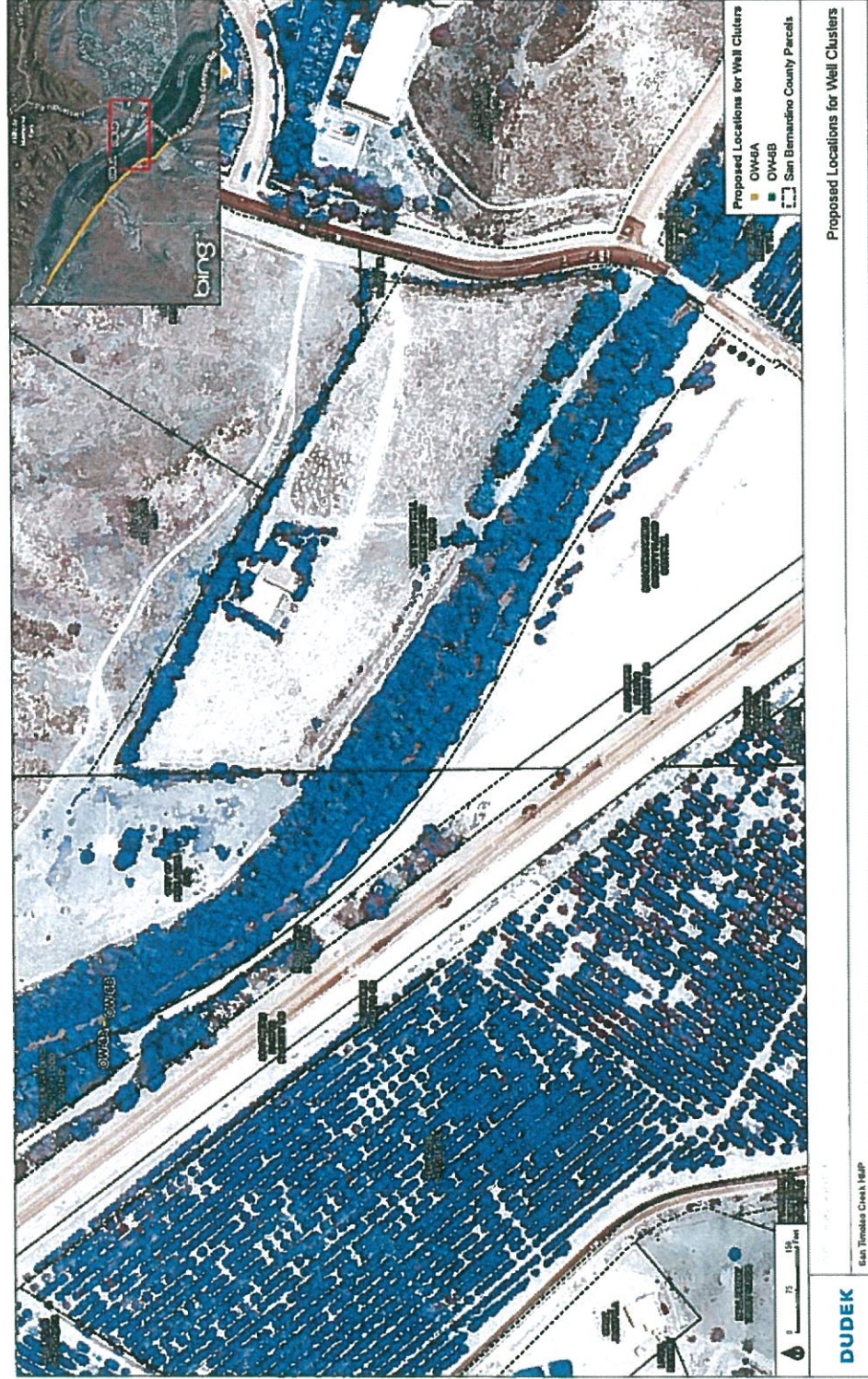


EXHIBIT C
TO
**YUCAIPA VALLEY WATER DISTRICT MONITORING WELL LAND LEASE
AGREEMENT**

TENANT'S DRILLING PERMIT

Drilling Permit No. _____ Tenant's Drilling Permit issued by the City of Redlands consisting of _____ pages attached hereto.

The Drilling Permit will be attached after this lease is signed upon issuance of the Drilling Permit by Landlord to Tenant.

Landlord Initials _____

Tenant Initials _____

EXHIBIT D
TO
**YUCAIPA VALLEY WATER DISTRICT MONITORING WELL LAND LEASE
AGREEMENT**

MEMORANDUM OF LEASE

[FOLLOWS ON NEXT PAGE]



BOB DUTTON
ASSESSOR - RECORDER - CLERK
367 City of Redlands Clerk

Doc #: 2016-0479991



Titles:	1	Pages:	5
Fees			.00
Taxes			.00
Other			.00
PAID			.00

Upon Recording, Return to:

City Clerk
City of Redlands
35 Cajon Street, #4
Redlands, California 92373

STATE OF CALIFORNIA)

COUNTY OF SAN BERNARDINO)

FEES NOT REQUIRED
PER GOVERNMENT CODE
SECTION 6103

MEMORANDUM OF LEASE

This Memorandum of Lease is entered into on this 20th day of September, 2016, by and between the City of Redlands, a municipal corporation ("**Landlord**") and Yucaipa Valley Water District, a municipal corporation (hereinafter referred to as "**Tenant**"). Landlord and Tenant are individually referred to herein as a "**Party**," and collectively as the "**Parties**."

1. Landlord and Tenant entered into a certain Lease Agreement ("**Lease**") on the 20th day of September, 2016, for the purpose of installing, operating and maintaining ground water monitoring wells. All of the foregoing is set forth in the Agreement.
2. The initial Lease term will be five (5) years (the "**Initial Term**") commencing on the Effective Date of the Lease, with four (4) successive five (5) year options to renew.
3. The property being leased to Tenant (the "**Property**") is described in **Exhibit A** annexed hereto.
4. This Memorandum of Lease is not intended to amend or modify, and shall not be deemed or construed as amending or modifying, any of the terms, conditions or provisions of the Agreement, all of which are hereby ratified and affirmed. In the event of a conflict between the provisions of this Memorandum of Lease and the provisions of the Agreement, the provisions of the Agreement shall control. The Agreement shall be binding upon and inure to the benefit of the parties and their respective heirs, successors, and assigns, subject to the provisions of the Agreement.

IN WITNESS WHEREOF, the parties have executed this Memorandum of Lease as of the day and year first above written.

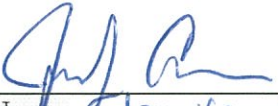
LANDLORD:

TENANT:

CITY OF REDLANDS,
a municipal corporation

YUCAIPA VALLEY WATER DISTRICT
municipal corporation

By: 
Paul Foster
Mayor, City of Redlands

By: 
Name: Jennifer Ares
Title: Water Resource Manager

Date: 10/19/16

Date: 10/27/2016

[ACKNOWLEDGMENTS APPEAR ON THE NEXT PAGE]

EXHIBIT A

to the Memorandum of Lease dated September 20th, 2016, by the City of Redlands, a municipal corporation ("Landlord"), and Yucaipa Valley Water District, a municipal corporation ("Tenant").

DESCRIPTION OF PROPERTY

The Real Property situated in the City of Redlands, County of San Bernardino, State of California, described as follows:

PORTION OF THE NORTHEAST ONE-QUARTER OF THE NORTHWEST ONE-QUARTER OF SECTION 10, ALONG WITH THAT PORTION OF THE SOUTHEAST ONE-QUARTER OF THE SOUTHWEST ONE-QUARTER OF SECTION 3, TOWNSHIP 2 SOUTH, RANGE 3 WEST, SAN BERNARDINO MERIDIAN, BEING ALSO A PORTION OF PARCELS 6 AND 7 AS SHOWN BY RECORD OF SURVEY RECORDED IN BOOK 22, PAGES 67 THROUGH 70, INCLUSIVE, RECORDS OF SURVEYS, DESCRIBED AS FOLLOWS: BEGINNING AT THE NORTH ONE-QUARTER CORNER OF SAID SECTION 10 BEING THE NORTHWEST CORNER OF PARCEL 1 OF PARCEL MAP 11189, RECORDED IN BOOK 153, PAGES 59 AND 60, OF PARCEL MAPS, THENCE ALONG THE EAST LINE OF THE NORTHWEST ONE-QUARTER OF SAID SECTION 10 SOUTH 00 DEG 39' 23" EAST A DISTANCE OF 1046.44 FEET TO THE SOUTHWESTERLY LINE OF THE SAN BERNARDINO FLOOD CONTROL DISTRICT 200.00 FOOT WIDE RIGHT-OF-WAY AS DESCRIBED BY DEED RECORDED MAY 11, 1955 IN BOOK 3641, PAGE 548 OF OFFICIAL RECORDS, AS SHOWN BY SAN BERNARDINO FLOOD CONTROL DISTRICT RIGHT-OF-WAY MAP OF SAN TIMOTEO CREEK, FILE NO. 3.401, DRAWINGS 5A, 5B AND 5C, AND THE BEGINNING OF A NON-TANGENT CURVE CONCAVE NORTHEASTERLY HAVING A RADIUS OF 1500.00 FEET, A RADIAL BEARING TO SAID POINT BEING SOUTH 36 DEG 29' 43" WEST; THE FOLLOWING FOUR (4) COURSES ARE ALONG SAID RIGHT-OF-WAY LINE; THENCE NORTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 30 DEG 25' 36" A DISTANCE OF 796.57 FEET; THENCE NORTH 23 DEG 04' 41" WEST A DISTANCE OF 432.48 FEET; THENCE NORTH 08 DEG 28' 24" WEST A DISTANCE OF 27.11 FEET TO THE NORTH LINE OF SAID SECTION 10; THENCE CONTINUING NORTH 08 DEG 28' 24" WEST A DISTANCE OF 65.83 FEET TO THE BEGINNING OF A NON-TANGENT CURVE CONCAVE NORTHWESTERLY, HAVING A RADIUS OF 1500.00 FEET, A RADIAL BEARING TO SAID POINT BEING NORTH 66 DEG 17' 07" EAST; THENCE NORTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 07 DEG 18' 12", A DISTANCE OF 191.20 FEET TO A LINE PARALLEL WITH AND 235.43 FEET NORTH OF SAID NORTH LINE OF SECTION 10; THENCE ALONG SAID PARALLEL LINE NORTH 89 DEG 39' 54" EAST A DISTANCE OF 739.71 FEET TO THE EAST LINE OF THE SOUTHWEST ONE-QUARTER OF SAID SECTION 3; THENCE ALONG SAID EAST LINE SOUTH 01 DEG 45' 01" EAST A DISTANCE OF 235.43 FEET TO THE TRUE POINT OF BEGINNING

ACKNOWLEDGMENT

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 San Bernardino)

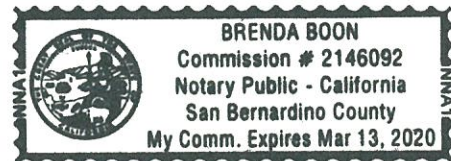
On 10-19-2014 before me, Brenda Boon, Notary Public
(insert name and title of the officer)

personally appeared Paul W. Foster,
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.

Signature Brenda Boon (Seal)



ACKNOWLEDGMENT

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 San Bernardino

On 10/27/2016 before me, Erin Anton, Notary Public,
(here insert name and title of the officer)
personally appeared Jennifer Ares

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.

Signature Erin Anton

(Seal)

