

Board of Directors
W.D. "Bill" Knutson - President
Doug Anderson - Vice President
George Stockton - Secretary/Treasurer
Michael Fitzsimmons - Director
Ron W. Watkins - Director

General Manager
Linden A. Burzell, Ph. D.

Counsel
Jeffery G. Scott



April 11, 2014

BOARD OF DIRECTORS

YUIMA MUNICIPAL WATER DISTRICT

The Special Meeting of the Board of Directors of the Yuima Municipal Water District will be held at the office of the District, 34928 Valley Center Road, Pauma Valley, California, **WEDNESDAY, April 16, 2014 at 1:00 o'clock p.m.**

A handwritten signature in black ink, appearing to read "George Stockton", is written over a horizontal line.

George Stockton, Secretary

Cc:

W. D. Knutson
Ron W. Watkins
George Stockton
Mike Fitzsimmons
Douglas Anderson
Jeffrey G. Scott

Agenda

Special Meeting of the Board of Directors of Yuima Municipal Water District

Wednesday, April 16th, 2014 1:00 p.m.
34928 Valley Center Road, Pauma Valley, California

Bill Knutson, President
Ron W. Watkins, Vice-President
George Stockton, Secretary/Treasurer

Mike Fitzsimmons, Director
Douglas Anderson, Director

AGENDA TOPICS

- 1:00-1:05 P.M.
1. **Roll Call** – Determination of Quorum
 2. **Pledge of Allegiance**
 3. **Approval of Agenda** – At its option, the Board may approve the agenda, delete an item, reorder items and add an item to the agenda per the provisions of Government Code §54954.2.
 4. **Public Comment** – Opportunity for members of the public to address the Board on matters within the Board’s jurisdiction, inquiries pertaining to an item on the agenda will be received during deliberation on that agenda item. No action can be taken unless specifically listed on the agenda (Government Code §54954.3)

1:05- 1:15 P.M. **I. ACTION/DISCUSSION**

1. Proposed Resolution Cancelling Agreement to Lease Well Site (V/O Well #1); Cancelling Agreement to Purchase Well Water (V/O 2) and Quit claim of Well Site and Pipeline Easement and Right of Way (V/O Pauma Development, L.P.) Burzell

Background: V/O Pauma Development has requested termination of the V/O Well # 1 Agreement, the V/O Well #2 Agreement and the V/O Well #2 Easement as a result of entering into a confidential agreement with Rancho Pauma Mutual Water Company.

Recommendation: That the Board approve the proposed resolution

2. Proposed Resolution Approving Quitclaim of Well Site and Pipeline Easement (VO Well No. 2 Well Site and Pipeline Easement) Burzell

Background: The termination action of the V/O Pauma Development Well Agreements under item 1-1 above necessitates a quitclaim of the Easement for the well site and pipeline right of way.

Recommendation: That the Board approve the proposed resolution

3. Proposed Resolution Terminating the Water Purchase Agreement with Rancho Pauma Mutual Water Company

Burzell

Background: The termination action of the V/O Pauma Development Well Agreements under item 1-1 above terminates Yuima's agreement with Rancho Pauma Mutual Water Company.

Recommendation: That the Board approve the proposed resolution

1:15- 2:30 P.M. **II. OTHER BUSINESS**

CLOSED SESSION:

Conference with Legal Counsel – Existing Litigation

Litigation pursuant to Government Code Section 54956.9(a)

Name of Case: Strub v. Palomar Mutual Water Company – San Diego

County Superior Court Case No. 162650.

2:30-2:35 P.M. **III. ADJOURNMENT**

NOTE: In compliance with the Americans with Disabilities Act, if special assistance is needed to participate in the Board meeting, please contact the General Manager at (760) 742-3704 at least 48 hours before the meeting to enable the District to make reasonable accommodations.

Any writings or documents provided to a majority of the members of the Yuima Municipal Water District Board of Directors regarding any item on this agenda will be made available for public inspection during normal business hours in the office of the General Manager located at 34928 Valley Center Road, Pauma Valley.

RESOLUTION NO. _____

RESOLUTION OF THE BOARD OF DIRECTORS OF
YUIMA MUNICIPAL WATER DISTRICT

**CANCELLING AGREEMENT TO LEASE WELL SITE (V/O WELL #1);
CANCELLING AGREEMENT TO PURCHASE WELL WATER
(V/O WELL NO. 2); AND QUIT CLAIM OF WELL SITE
PIPELINE EASEMENT AND RIGHT OF WAY
V/O PAUMA DEVELOPMENT, L.P. – APN 130-100-17 & 26
AND RESCINDING RESOLUTION NOS. 1328-10, 1331-10 & 1507-13**

WHEREAS, on July 12th, 2010 the Agreement to Lease Well Site V/O Well #1 (Well #1 Agreement) between V/O Pauma Development, L.P. (V/O) and the Yuima Municipal Water District (“Yuima”) was entered into; and

WHEREAS, on May 29th, 2013 the Agreement to Purchase Well Water from Well #2 (Well #2 Agreement) between V/O and Yuima was entered into; and

WHEREAS, on June 24th, 2013 V/O granted Yuima a Well Site Easement, Pipeline and Access Easement and Right of Way for the V/O Well #2 Well Site and Pipeline (Well #2 Easement); and

WHEREAS, the Well #2 Easement was recorded in the San Diego County Recorder’s Office on July 18, 2013 as Document No. 2013-0448530; and

WHEREAS on April 3rd, Yuima received Notice of Termination from V/O of the Well #1 Agreement, the Well #2 Agreement, and the Well #2 Easement; and

WHEREAS, the Board of Directors by this Resolution agrees to authorize the termination of the Well #1 and Well #2 Agreements and the quit claim of the Well #2 Easement.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Directors of YUIMA MUNICIPAL WATER DISTRICT as follows:

Section 1. The Well #1 Agreement and the Well #2 Agreement are hereby terminated effective May 1, 2014. The General Manager is authorized to take the appropriate actions to remove the improvements and equipment paid for and installed by Yuima, disconnect the Wells from Yuima facilities, re-install the prior Existing Pump in Well #1 and surrender both Well sites to V/O in a clean and properly maintained condition.

Section 2. The General Manager is also authorized to take all necessary steps to effectuate the transfer of the well sites to V/O including transfer of permits if applicable, and to quit claim Yuima’s interest in the Well #2 Easement.

PASSED AND ADOPTED at a special meeting of the Board of Directors of YUIMA MUNICIPAL WATER DISTRICT held April 16, 2014 by the following roll-call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

W. D. Knutson, President

ATTEST:

George Stockton, Secretary

VIA ELECTRONIC AND U.S. MAIL

April 2, 2014

Yuima Municipal Water District
P.O. Box 177
Pauma Valley, CA 92061-0177
c/o Mr. Linden A. Burzell, General Manager
lin@yuimawd.com

Re: Notice of Termination of Agreements Between Yuima and V/O Pauma Development, L.P.

Dear Mr. Burzell:

As you are aware, we represent V/O Pauma Development, L.P. (“V/O”). Terms capitalized in this letter and not defined within this letter have the meanings given to them in the respective agreements referenced below.

Termination of the Well #1 Agreement

V/O and Yuima Municipal Water District (“Yuima”) are the sole parties to that certain Agreement to Lease Well Site entered into July 10, 2010, as subsequently amended by the parties (the “Well #1 Agreement”). By this letter, V/O provides notice to Yuima that V/O terminates the Well #1 Agreement under its Section 2.2(d) under the following set of facts:

On or about May 17, 2013, Rancho Pauma Mutual Water Company filed with the Superior Court of the State of California for the County of San Diego, North County Regional Center, in Case No. 162650, a Petition Under Continuing Jurisdiction of Court to Enforce Water Rights Judgment v Yuima Municipal Water District as successor-in-interest to Palomar Mutual Water Company under the Stipulated Judgment in San Diego County Superior Case No. 162650, also known as the Strub Agreement. In its Petition, Rancho Pauma contended that Yuima’s actions under the Well #1 Agreement breached the Strub Agreement.

These facts and others give rise to V/O’s right to unilaterally terminate the Well #1 Agreement pursuant to its Section 2.2(d) because the facts describe the occurrence of a judicial action contending that Yuima’s lease of the High Yield Well Site or the purchase of water under the Well #1 Agreement breaches the Stipulated Judgment in San Diego County Superior Case No. 162650.

RECEIVED 4-3-14

Mr. Linden A. Burzell

April 2, 2014

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As provided for in the Well #1 Agreement, V/O requests that no later than May 1, 2014 Yuima: (a) remove improvements paid for and installed by Yuima on the High Yield Well Site; (b) permanently disconnect the High Yield Well and the Well Infrastructure from Yuima's Facilities at a point outside of the High Yield Well Site; (c) re-install the Existing Pump; and (d) surrender the High Yield Well, the Existing Pump, the Well Infrastructure, and the High Yield Well Site to V/O in a clean, properly maintained condition.

Termination of the Well #2 Agreement and the Well #2 Easement

V/O and Yuima are the sole parties to that certain Agreement to Purchase Well Water entered into May 29, 2013 (the "Well #2 Agreement") and that certain Yuima Municipal Water District Well Site and Pipeline Easement; VO Well No. 2 Well Site and Pipeline recorded in the Official Records of the San Diego County Recorder's Office on July 18, 2013 as Document No. 2013-0448530 (the "Well #2 Easement"). By this letter, V/O provides notice to Yuima that V/O terminates the Well #2 Agreement under Sections 2.2(a) and 2.2(d) under the following set of facts:

Under Section 6.2 of the Well #2 Agreement, Yuima is required to have paid to V/O the sum of \$75,000 on December 10, 2013. Yuima did not pay to V/O the sum of \$75,000 prior to or on December 10, 2013 and Yuima has not paid to V/O the sum of \$75,000 as of the date of this letter. Further, a court of competent jurisdiction, the Superior Court of the State of California for the County of San Diego, North County Regional Center, issued an order on or about September 26, 2013 in which the Court ordered that Yuima will violate the Strub Agreement if Yuima completes the development of Well #2. The Court reiterated that finding in its Order filed November 25, 2013.

These facts and others give rise to V/O's right to unilaterally terminate the Well #2 Agreement pursuant to its Section 2.2(d) because the facts describe the occurrence of an order by a court of competent jurisdiction which precluded Yuima from purchasing water under the Well #2 Agreement. The facts also describe the occurrence of a judicial determination that sale and/or purchase of water pursuant to the Well #2 Agreement is in violation of prior agreements, judicial orders, or water rights of other parties.

The facts also describe the occurrence of Yuima's material breach of the Well #2 Agreement under its Section 2.2(a). Yuima is not entitled to 30 days notice to cure this breach prior to V/O's unilateral termination of the Well #2 Agreement because V/O has the right of unilateral termination with no notice and cure period under Section 2.2(d) under the facts summarized above.

As provided for in the Well #2 Agreement, V/O requests that no later than May 1, 2014 Yuima: (a) permanently disconnect Well #2 and the Well Infrastructure from Yuima's distribution system at a point outside of the Well #2 Site; (b) surrender the Well #2 Site to V/O in a clean, properly maintained condition; (c) restore Well #2 and the Well #2 Site to their prior condition; and (d) record a quitclaim of Yuima's right, title, and interest in the Well #2 Site and the Well #2 Easement and provide a copy of the recorded quitclaim to me.

Mr. Linden A. Burzell

April 2, 2014

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By this letter, V/O waives its right to purchase the Well Infrastructure from Yuima. By this letter, V/O also provides Yuima with an extension of time in which to record the quitclaim from the ten (10) working days following the date of this notice as provided for in the Well #2 Easement until May 1, 2014, to allow Yuima until and including May 1, 2014 to enter upon the Well #2 Site and the Well #2 Easement area to comply with Yuima's obligations under subparagraphs (a), (b), and (c) of this paragraph.

Very truly yours,



Cynthia L. Eldred, Esq.

THE LAW OFFICE OF CYNTHIA L. ELDRED, APC

cc: (via electronic mail only)
V/O Pauma Development, L.P.
Jeff Scott, Esq.

RESOLUTION NO. _____-14

**RESOLUTION OF THE BOARD OF DIRECTORS OF
YUIMA MUNICIPAL WATER DISTRICT**

**APPROVING QUITCLAIM OF WELL SITE AND PIPELINE EASEMENT
V/O PAUMA DEVELOPMENT, L.P. – APN 130-100-17 & 26
AND RESCINDING RESOLUTION 1508-13**

RESOLVED, that the Quit Claim Deed re-conveying Well Site Easement, Pipeline and Access Easement and Right of Way, a copy of which is attached hereto and made a part hereof, between V/O Pauma Development, L.P. and the YUIMA MUNICIPAL WATER DISTRICT, it is hereby accepted. The general manager is hereby authorized to certify the same.

PASSED AND ADOPTED at a special meeting of the Board of Directors of YUIMA MUNICIPAL WATER DISTRICT held April 16, 2014 by the following roll-call vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

W. D. Knutson, President

ATTEST:

George Stockton, Secretary

Recording Requested By:)

YUIMA MUNICIPAL WATER DISTRICT)
P.O. Box 177)
Pauma Valley, California 92061-0177)

And When Recorded Mail To:)

YUIMA MUNICIPAL WATER DISTRICT)
P.O. Box 177)
Pauma Valley, California 92061-0177)

A PUBLIC AGENCY)

_____)

Space above this line For Recorder's Use
APNs 130-100-17 & 26

WELL SITE AND PIPELINE EASEMENT
VO WELL NO. 2 WELL SITE AND PIPELINE
QUIT CLAIM DEED

Grantor does hereby convey, release and quitclaim all of the Grantor's rights, title, and interest in the Yuima Municipal Water District Well Site and Pipeline Easement recorded in the San Diego County Recorder's Office on July 18, 2013 as Document No. 2013-0448530 and all right, title and interest to the property and premises described in said document.

The lands in said easement in the Well Site and Pipeline Easement that are hereby relinquished are situated in the County of San Diego, State of California, and are particularly described as follows:

See Attached Exhibit "A"

Dated: _____, 2014

By: _____

RESOLUTION NO. 1508-13

RESOLUTION OF THE BOARD OF DIRECTORS OF
YUIMA MUNICIPAL WATER DISTRICT

ACCEPTING REVISED WELL SITE AND PIPELINE EASEMENT
V/O PAUMA DEVELOPMENT, L.P. – APN 130-100-17 & 26
AND RECINDING RESOLUTION NO. 1489-13

(VO WELL NO. 2 WELL SITE AND PIPELINE)

WHEREAS, on May 20, 2013 a Well Site Easement, Pipeline and Access Easement and Right of Way for the VO Well No. 2 Well Site and Pipeline was presented and approved; and

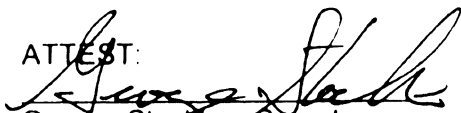
WHEREAS, the parties would like to clarify and amend certain provisions contained therein; and


NOW, THEREFORE, BE IT RESOLVED, by the Board of Directors of YUIMA MUNICIPAL WATER DISTRICT that acceptance of the Well Site and Pipeline Easement, a copy of which is attached hereto and made a part hereof, between V/O Pauma Development, L.P. and the YUIMA MUNICIPAL WATER DISTRICT, is in the best interest of the District and it is hereby accepted and Resolution No. 1489-13 is rescinded. The general manager is hereby authorized to certify the same.

PASSED AND ADOPTED at a regular meeting of the Board of Directors of YUIMA MUNICIPAL WATER DISTRICT held June 24, 2013 by the following roll-call vote:

AYES: Anderson, Fitzsimmons, Watkins, Stockton, Knutson
NOES: none
ABSENT: none
ABSTAIN: none

ATTEST:


George Stockton, Secretary


W. D. Knutson, President



File
10P
CCNA
100A
NK

Recording Requested By:)
and When Recorded Mail To:)

JUL 18, 2013 9:57 AM

OFFICIAL RECORDS
SAN DIEGO COUNTY RECORDER'S OFFICE
Ernest J. Dronenburg, Jr., COUNTY RECORDER

FEES: 0.00
OC: NA

PAGES: 10

YUIMA MUNICIPAL WATER DISTRICT)
P.O. Box 177)
Pauma Valley, California 92061-0177)
A PUBLIC AGENCY)



This Space For Recorder's Use

**YUIMA MUNICIPAL WATER DISTRICT
WELL SITE AND PIPELINE EASEMENT**

**VO WELL NO. 2 WELL SITE AND PIPELINE
DOCUMENTARY TRANSFER TAX \$ 0**

VO Pauma Development, L.P. as Grantor, having an address for notices of 32567 Womsi Road; Pauma Valley, CA 92061, for valuable consideration, does hereby grant to YUIMA MUNICIPAL WATER DISTRICT, a non-exclusive easement twenty feet in width, in, upon, over, under, and across the lands hereinafter described, to erect, construct, reconstruct, replace, repair, maintain and use a pipeline or pipelines for water transmission and distribution purposes, together with their necessary fixtures and appurtenances at such locations and elevations, upon, along, over and under the hereinafter described right of way as Grantee may now or hereafter deem convenient and necessary from time to time during the term of this agreement.

This agreement shall terminate and be of no further force or effect upon the date that that certain Agreement to Purchase Well Water entered into May 20, 2013 between Grantor and Grantee expires or is terminated. Within ten (10) working days of such expiration or termination, Grantee shall record a quitclaim of all of Grantor's rights under this agreement with the Office of the County Recorder of San Diego County and provide Grantor a conformed copy of the recorded quitclaim.

The lands in which said easement is hereby granted are situated in the County of San Diego, State of California, and are particularly described as follows:

THAT PORTION OF PALMA RANCHO, IN THE COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO MAP THEREOF ATTACHED TO THE RECORD OF THE PATENT IN BOOK 1, PAGE 67 OF PATENTS, RECORDS OF SAID COUNTY, DESCRIBED MORE FULLY IN EXHIBIT "ONE" ATTACHED AND INCORPORATED HEREIN.

The legal description and plat of said pipeline and well site easement in the aforesaid lands is particularly described in Exhibits "A" and "B" attached and incorporated herein.

Grantor also gives to Grantee a non-exclusive easement across Grantor's land for a temporary working strip, thirty (30) feet in width on both sides of the above described easement. Said temporary easement shall include, but not be limited to, the right and privilege of workers, contractors, and any and all agents employed by or authorized by the Grantee herein (collectively, the "Grantee Parties"), to use and occupy said temporary working strip for the

attempt to acquire the well, the well infrastructure, or any portion of the property described in Exhibits "A" and "B" through proceedings in eminent domain.

Grantee shall maintain during the term of this agreement a policy of general liability insurance with a per occurrence limit of liability of \$1,000,000.00, naming Grantor as an additional insured. Alternatively, Grantee may: (a) participate in a self-insured program written by a Joint Powers Insurance Authority provided that general liability coverage of a minimum per occurrence limit of liability of at least \$1,000,000.00 is established to Grantee's benefit and Grantor is named as an additional insured; or (b) as otherwise acceptable to Grantor.

While taking any action under this agreement, and while on any portion of Grantor's property described in Exhibit One attached hereto, Grantee shall comply, and shall cause all of the Grantee Parties to comply, with all applicable governmental laws, regulations, policies, permits, and requirements.

Grantee shall defend, hold harmless and indemnify Grantor, its beneficiaries, personal representatives, general and limited partners, its and other respective directors, officers, employees and agents, (collectively, the "Grantor Indemnified Parties") of, from, and against any and all claims, demands, liabilities, actions and causes of action, losses, damages, expenses (including legal fees), penalties, fines, costs and judgments that may be claimed brought or had against said Grantor Indemnified Parties, or any of them, by any person or business entity, or any governmental agency, resulting from or arising out of: (a) any negligent act or omission, or any intentional or willful misconduct, of any of Grantee or the Grantee Parties related to an obligation of Grantee to Grantor under this agreement; or (ii) entry of any of Grantee or the Grantee Parties upon the property described in Exhibit One hereto.

Dated: July 5th, 2013

V/O PAUMA DEVELOPMENT, L.P.
By Chuck Vuytowecz, President

YUIMA MUNICIPAL WATER DISTRICT
By Linden A. Burzell, General Manager

State of California)
County of San Diego)

On July 5, 2013 before me, Lori A. Johnson, Notary Public
DATE NAME TITLE OF OFFICER - E.G. "JANE DOE, NOTARY PUBLIC"
personally appeared Chuck Vuytawecz
NAME(S) OF SIGNER(S)

personally known to me - OR - 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.

See Attached



WITNESS my hand and official seal.
Lori A. Johnson
SIGNATURE OF NOTARY

----- OPTIONAL SECTION -----
CAPACITY CLAIMED BY SIGNER

Though statute does not require the Notary to fill in the data below, doing so may prove invaluable to persons relying on the document.

- INDIVIDUAL
- CORPORATE OFFICER(S)
- TITLE(S)
 - PARTNER(S) LIMITED GENERAL
 - ATTORNEY-IN-FACT
 - TRUSTEE(S)
 - GUARDIAN/CONSERVATOR
- OTHER: _____

SIGNER IS REPRESENTING:

NAME OF PERSON(S) OR ENTITY(IES)

OPTIONAL SECTION

THIS CERTIFICATE MUST BE ATTACHED TO THE DOCUMENT DESCRIBED AT RIGHT:

TITLE OR TYPE OF DOCUMENT Yuima Municipal Water District Well Site and Pipeline Easement
NUMBER OF PAGES 9 DATE OF DOCUMENT VO Well No 8 Well Site and Pipeline

Though the data requested here is not required by law, it could prevent fraudulent reattachment of this form.

SIGNER(S) OTHER THAN NAMED

CERTIFICATE OF ACCEPTANCE

This is to certify that the interest in the real property conveyed by the Pipeline Easement dated July 5, 2013 from V/O Pauma Development to Yuima Municipal Water District, a governmental agency is hereby accepted by the undersigned officer or agent on behalf of the Board of Directors in accordance with a duly adopted resolution, and the Grantee consents to the recordation thereof by its duly authorized office or agent.

Dated: July 8, 2013,

YUIMA MUNICIPAL WATER DISTRICT

By *Judith A. Gump*

General Manager
(Title)

ALL PURPOSE ACKNOWLEDGEMENT

STATE OF CALIFORNIA }
COUNTY OF San Diego }


On July 5, 2013 before me, Lori A. Johnson, Notary Public
(Insert Name and Title of Officer)

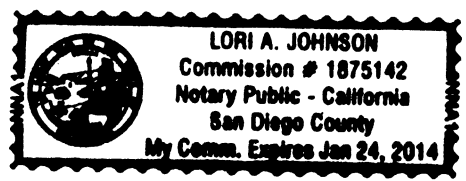
personally appeared Chuck Vuytawecz

_____ 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 
Lori A. Johnson



(This area for official notarial seal)

EXHIBIT "ONE"
LEGAL DESCRIPTION OF V/O PROPERTY

THAT PORTION OF PAUMA RANCHO, IN THE COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO MAP THEREOF ATTACHED TO THE RECORD OF THE PATENT IN BOOK 1, PAGE 67 OF PATENTS, RECORDS OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT THE MOST EASTERLY CORNER OF COUNTY OF SAN DIEGO TRACT 3504, ACCORDING TO MAP THEREOF NO. 8850, FILED IN THE OFFICE OF COUNTY RECORDER OF SAN DIEGO COUNTY; THENCE SOUTH 31°54'00" EAST 199.59 FEET TO A POINT IN THE NORTHWESTERLY BOUNDARY OF THE LAND DESCRIBED IN DEED TO CORSON W. IDE AND WIFE, RECORDED FEBRUARY 17, 1941, IN BOOK 1136, PAGE 241 OF OFFICIAL RECORDS; THENCE ALONG SAID NORTHWESTERLY BOUNDARY SOUTH 58°16'21" WEST (SOUTH 58°20'30" WEST PER SAID MAP NO. 8850) 169.24 FEET TO AN ANGLE POINT IN THE BOUNDARY OF SAID IDE LAND; THENCE ALONG THE SOUTHWESTERLY BOUNDARY OF SAID LAND SOUTH 31°38'45" WEST, 371.20 FEET (DEED EQUALS SOUTH 31°45' EAST, 371.25 FEET); THENCE LEAVING SAID LINE SOUTH 50°47'29" EAST, 1236.73 FEET (DEED EQUALS SOUTH 50°51'30" EAST, 1236.12 FEET); THENCE SOUTH 87°56'00" EAST, 331.66 FEET, MORE OR LESS, (DEED EQUALS SOUTH 88°01'50" EAST 329.59 FEET MORE OR LESS) TO AN ANGLE POINT IN THE SOUTHWESTERLY BOUNDARY OF THAT LAND CONVEYED FROM DONALD HARRIS, ET UX, TO THORNBURG ENGINEERING, INCORPORATED, RECORDED IN BOOK 6888, PAGE 427 OF OFFICIAL RECORDS ON DECEMBER 31, 1957; THENCE NORTH 20°18'24" WEST, 422.56 FEET, (DEED EQUALS NORTH 20°22'45" WEST, 422.56 FEET) TO A POINT IN THE SOUTHWESTERLY PROLONGATION OF THE NORTHWESTERLY BOUNDARY OF THE ABOVE MENTIONED THORNBURG LAND; THENCE ALONG SAID SOUTHWESTERLY PROLONGATION NORTH 61°44'36" EAST, 291.00 FEET (DEED EQUALS NORTH 61°40'15" EAST) TO AN ANGLE POINT IN SAID NORTHWESTERLY BOUNDARY BEING ALSO AN ANGLE POINT IN THE NORTHWESTERLY LINE DESCRIBED IN DEED TO RICH MANUFACTURING COMPANY RECORDED SEPTEMBER 14, 1948, IN BOOK 2945, PAGE 316 OF OFFICIAL RECORDS; THENCE ALONG SAID NORTHWESTERLY LINE NORTH 61°44'36" EAST, 565.43 FEET (DEED EQUALS NORTH 61°45'40" EAST) AND NORTH 50°14'26" EAST, 1426.55 FEET (DEED EQUALS NORTH 50°15'40" EAST, 1426.76 FEET) TO THE SOUTHWESTERLY LINE OF STATE HIGHWAY NO. 76 (FORMERLY COUNTY HIGHWAY ROUTE NO. 18); THENCE ALONG SAID SOUTHWESTERLY LINE NORTH 40°01'34" WEST (DEED EQUALS NORTH 40°01'00" WEST) 975.33 FEET TO THE TRUE POINT OF BEGINNING; THENCE RETRACING ALONG THE SOUTHERLY LINE OF SAID STATE HIGHWAY NO. 76, SOUTH 40°01'34" EAST (DEED EQUALS SOUTH 40°01'00" EAST) 975.33 FEET TO THE MOST EASTERLY CORNER HEREIN, BEING A POINT IN THE NORTHWESTERLY LINE DESCRIBED IN DEED TO SAID

RICH MANUFACTURING COMPANY; THENCE ALONG SAID NORTHWESTERLY LINE SOUTH 50°14'26" WEST, 1426.55 FEET, (DEED EQUALS SOUTH 50°15'40" WEST, 1426.76 FEET) TO AN ANGLE POINT THEREIN; THENCE LEAVING THE NORTHWESTERLY LINE OF THE SAID RICH MANUFACTURING COMPANY LANDS, NORTH 60°12'39" WEST, 306.18 FEET; THENCE NORTH 83°31'30" WEST, 59.16 FEET; THENCE NORTH 61°45'00" WEST, 106.49 FEET; THENCE NORTH 42°16'30" WEST, 444.13 FEET; THENCE NORTH 69°52'00" WEST 70.68 FEET; THENCE NORTH 50°15'20" WEST, 110.31 FEET TO THE SOUTHEASTERLY LINE OF THE LAND DESCRIBED IN DEED TO JOHN ARMITAGE HANKEY, ET UX, RECORDED JULY 7, 1975, AS DOCUMENT NO. 172682 OF OFFICIAL RECORDS; THENCE ALONG SAID SOUTHEASTERLY LINE NORTH 52°29'43" EAST 1686.14 FEET TO THE TRUE POINT OF BEGINNING.

TOGETHER WITH THAT PORTION OF SAID PAUMA RANCHO AS DESCRIBED IN DEED TO THOMAS JOHN TURNBULL AND SUSAN JAE TURNBULL, RECORDED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY ON NOVEMBER 29, 1988, RECORDER'S FILE NO. 88-609803, LYING NORTHEASTERLY OF THE FOLLOWING DESCRIBED LINE:

BEGINNING AT THE MOST EASTERLY CORNER OF SAID LAND OF TURNBULL, BEING ALSO AN ANGLE POINT IN THE NORTHWESTERLY LINE DESCRIBED IN DEED TO RICH MANUFACTURING COMPANY RECORDED SEPTEMBER 14, 1948 IN BOOK 2945, PAGE 316 OF OFFICIAL RECORDS; THENCE ALONG SAID NORTHWESTERLY LINE AND THE SOUTHWESTERLY PROLONGATION THEREOF SOUTH 61°44'36" WEST 856.43 FEET TO AN ANGLE POINT IN SAID LAND OF TURNBULL; THENCE RETRACING ALONG SAID SOUTHWESTERLY PROLONGATION NORTH 61°44'36" EAST 122.00 FEET TO THE TRUE POINT OF BEGINNING OF THE HEREIN DESCRIBED LINE; THENCE LEAVING SAID SOUTHWESTERLY PROLONGATION NORTH 36°25'42" WEST 912.64 FEET, MORE OR LESS, TO A POINT ON THE SOUTHEASTERLY LINE OF THE LAND DESCRIBED IN DEED TO JOHN ARMITAGE HANKEY, ET UX, RECORDED JULY 7, 1975, RECORDER'S FILE NO. 75-172682 OF OFFICIAL RECORDS, LYING NORTH 52°29'43" EAST 150.00 FEET FROM THE MOST SOUTHERLY CORNER OF SAID LAND OF HANKEY, AND THE TERMINUS OF THE HEREIN DESCRIBED LINE.

Assessor's Parcel No: 130-100-17, 26

EXHIBIT "A"

LEGAL DESCRIPTION

BEING A PORTION OF PAUMA RANCHO, IN THE COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO MAP THEREOF ATTACHED TO PATENT IN BOOK 1, PAGE 67 OF PATENTS, ON FILE IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

PARCEL 1

A PIPELINE AND ACCESS EASEMENT; BEING A STRIP OF LAND 20 FEET IN WIDTH LYING 10 FEET ON EACH SIDE OF THE FOLLOWING DESCRIBED CENTERLINE:

COMMENCING AT THE MOST NORTHERLY CORNER OF LOT 36 OF PAUMA VALLEY COUNTRY CLUB RANCHOS, ACCORDING TO MAP THEREOF NUMBER 6790, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY ON NOVEMBER 25, 1970 AS FILE NUMBER 216643;

THENCE SOUTHWESTERLY ALONG THE NORTHWESTERLY LINE OF SAID LOT 36, SOUTH 50°38'46" WEST (RECORD SOUTH 50°14'39" WEST, PER MAP NO. 6790), 1108.53 TO **THE TRUE POINT OF BEGINNING**;

THENCE LEAVING SAID NORTHWESTERLY LINE, NORTH 60°20'12" WEST, 58.65 FEET;

THENCE NORTH 54°34'49" WEST, 441.54 FEET TO **THE POINT OF TERMINUS** OF SAID 20 FOOT STRIP;

THE SIDE LINES OF SAID STRIP TO BE PROLONGED OR SHORTEN TO MEET AT ANGLE-POINT INTERSECTIONS AND AT THE NORTHWESTERLY LINE OF SAID LOT 36.

SAID STRIP CONTAINS 10,004 SQUARE FEET MORE OR LESS.

PARCEL 2

WELL SITE EASEMENT:

COMMENCING AT THE AFOREMENTIONED **POINT OF TERMINUS** OF THE ABOVE DESCRIBED **PARCEL 1**;

THENCE NORTH 35°25'11" EAST, 10.00 FEET TO **TRUE POINT OF BEGINNING** OF **PARCEL 2**;

THENCE NORTH 35°25'11" EAST, 54.00 FEET;

THENCE SOUTH 54°34'49" EAST, 50.00 FEET;

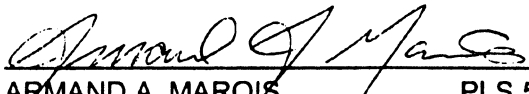
THENCE SOUTH 35°25'11" WEST, 54.00 FEET TO THE NORTHERLY LINE OF THE ABOVE DESCRIBED PARCEL 1;

THENCE NORTHWESTERLY ALONG SAID NORTHERLY LINE, NORTH 54°34'49" WEST, 50.00 FEET TO THE TRUE POINT OF BEGINNING OF PARCEL 2;

CONTAINING 2700 SQUARE FEET MORE OR LESS.

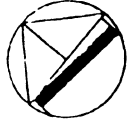
EXHIBIT "B" ATTACHED HERETO AND BY THIS REFERENCE MADE A PART HEREOF.

THIS REAL PROPERTY DESCRIPTION HAS BEEN PREPARED BY ME, OR UNDER MY DIRECTION, IN CONFORMANCE WITH THE PROFESSIONAL LAND SURVEYORS' ACT.


ARMAND A. MAROIS PLS 5941

5/15/2013
DATE

EXHIBIT 'B'



SCALE: 1" = 100'

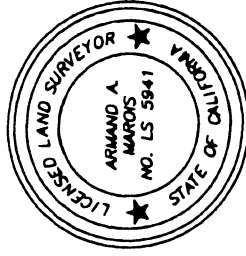
- = EASEMENT AREA
- = DATA PER MAP 6790
- = POINT OF COMMENCEMENT
- = TRUE POINT OF BEGINNING
- = POINT OF TERMINUS

COURSE	BEARING	DISTANCE
L1	N 35°25'11" E	10.00'
L2	N 35°25'11" E	54.00'
L3	S 54°34'49" E	50.00'
L4	S 35°25'11" W	54.00'
L5	N 54°34'49" W	50.00'

TPOB PARCEL 2
 PARCEL 2
 WELL SITE EASEMENT
 2700 SQUARE FEET

PARCEL 1
 PIPELINE AND
 ACCESS EASEMENT
 10,004 SQUARE FEET

PORTION OF PAUMA RANCHO
 APN 130-100-17
 V/O PAUMA DEVELOPMENT L.P.
 DOC #2005-0372166



CENTERLINE PARCEL 1
 PIPELINE AND ACCESS
 EASEMENT

POC N'LY COR.
 LOT 36, MAP 6790

(S 50°14'39"W)

S 50°38'46"W 1108.53'

TPOB

N 60°20'12"W
 58.65'

NW'LY LINE OF LOT 36

PORTION OF LOT 36

PAUMA VALLEY COUNTRY CLUB RANCHOS, MAP 6790

bha inc.

land planning, civil engineering, surveying
 5115 Avenida Encinas
 Suite L
 Carlsbad, California 92008-4387
 (760) 931-8700

Armand A. Mardis
 ARMAND A. MARDIS P/L.S. 5941
 DATE: 5/17/2013

RESOLUTION NO. _____

**RESOLUTION OF THE BOARD OF DIRECTORS OF
YUIMA MUNICIPAL WATER DISTRICT**

**CANCELLING THE WATER PURCHASE AGREEMENT
WITH RANCHO PAUMA MUTUAL WATER COMPANY
AND RESCINDING RESOLUTION NO. 1346-10**

WHEREAS, on December 10, 2010 a Water Purchase Agreement with the Rancho Pauma Mutual Water Company was presented and approved; and

WHEREAS, the agreement with Rancho Pauma Mutual Water Company terminates upon the termination of the V/O Water Purchase Agreements as stated under Section VII of the agreement.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Directors of YUIMA MUNICIPAL WATER DISTRICT that the Water Purchase Agreement with Rancho Pauma Mutual Water Company is hereby terminated and Resolution No. 1346-10 is hereby rescinded.

PASSED AND ADOPTED at a special meeting of the Board of Directors of YUIMA MUNICIPAL WATER DISTRICT held April 16, 2014 by the following roll-call vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

W. D. Knutson, President

ATTEST:

George Stockton, Secretary