

SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE, STATE OF CALIFORNIA

212

For Fiscal Year:

N/A



SUBMITTAL DATE: May 13, 2016

FROM: TLMA - Transportation Department

SUBJECT: Approval of the Amended and Restated Cooperative Agreement between the County of Riverside, the Riverside County Flood and Water Conservation District, the Valley Wide Recreation and Park District, and the Woods (Riverside) Venture, L.L.L.P., for the Winchester Hills-Western Hills Drive Storm Prain Project No. 4-0-00587 (Tract Nos. 32816, 32817, 32818, 33743, and MS 4047). 3rd District; [\$0]

RECOMMENDED MOTION: That the Board of Supervisors:

- 1. Approve the Amended and Restated Cooperative Agreement (Agreement) between the County of Riverside (County), the Riverside County Flood Control and Water Conservation District (District), the Valley Wide Recreation and Park District (Valley Wide), and The Woods (Riverside) Venture, L.L.L.P. (Developer), for the Winchester Hills-Western Hills Drive Storm Drain Project No. 4-0-00587; and
- 2. Authorize the Chairman of the County Board of Supervisors to execute the same.

Juan C. Perez Patricia Romo Assistant Director of Transportation Director of Transportation and Land Management POLICY/CONSENT **FINANCIAL DATA Total Cost: Ongoing Cost: Current Fiscal Year: Next Fiscal Year:** (Per Exec. Office) 0 \$ COST 0 \$ 0 \$ Consent □ Policy N 0 \$ 0 \$ 0 \$ **NET COUNTY COST** SOURCE OF FUNDS: Developer is funding all construction and construction Budget Adjustment: No

C.E.O. RECOMMENDATION:

inspection costs.

County Executive Office Signature

MINUTES OF THE BOARD OF SUPERVISORS

□ Positions Added	☐ Change Order	
A-30	4/5 Vote	
		F

Prev. Agn. Ref.: 10/02/07, Item 3.74

District: 3

Agenda Number:

APPRO

SUBMITTAL TO THE BOARD OF SUPERVISORS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA

FORM 11: Approval of the Amended and Restated Cooperative Agreement between the County of Riverside, the Riverside County Flood and Water Conservation District, the Valley Wide Recreation and Park District, and the Woods (Riverside) Venture, L.L.L.P., for the Winchester Hills-Western Hills Drive Storm Drain Project No. 4-0-00587 (Tract Nos. 32816, 32817, 32818, 33743, and MS 4047). 3rd District; [\$0]

DATE: May 13, 2016

PAGE: 2 of 2

BACKGROUND:

Summary

The Agreement revises the terms and conditions previously approved by the Board of Supervisors on October 2, 2007 (Agenda Item 3.74), whereby certain flood control facilities, required as a condition of approval of Tract Nos. 32816, 32817, and 32818, were to be constructed by Continental Residential, Inc. (Previous Developer) and inspected, operated and maintained by County, Valley Wide, District and Previous Developer.

This Agreement is also necessary (i) to formalize the transfer of necessary rights of way and to provide for County construction inspection, and subsequent operation and maintenance of the referenced storm drain facilities and (ii) to provide for the transfers of rights and assumption of responsibilities for the construction of the drainage facilities from the Previous Developer to The Woods (Riverside) Venture, L.L.L.P., the new Developer.

Upon completion of the facility's construction, the District will assume ownership, operation and maintenance of the mainline storm drains that are over 36 inches in diameter and two detention basin outlets. The County will assume ownership and responsibility for operation and maintenance of two detention basins and storm drain facilities that are 36 inches or less in diameter and the project's associated appurtenances, such as catch basins and connector pipes located within County right of way boundaries. Valley Wide will assume ownership and responsibility for the operation and maintenance of the landscape features located within the detention basins. The Developer will retain ownership and assume operation and maintenance responsibility for a 36-inch and two 24-inch storm drain systems located within privately held rights of way.

County Counsel has approved the Agreement as to legal form; Valley Wide and the Developer have executed the Agreement. A companion item appears on the Riverside County Flood Control and Water Conservation District (District) Board agenda this same date.

Impact on Residents and Businesses

The developer's planned development will benefit from the new storm drain facilities, constructed with this project, by managing storm flows and helping to mitigate flooding. Ancillary benefits will accrue to citizens who utilize the roadways constructed by the project.

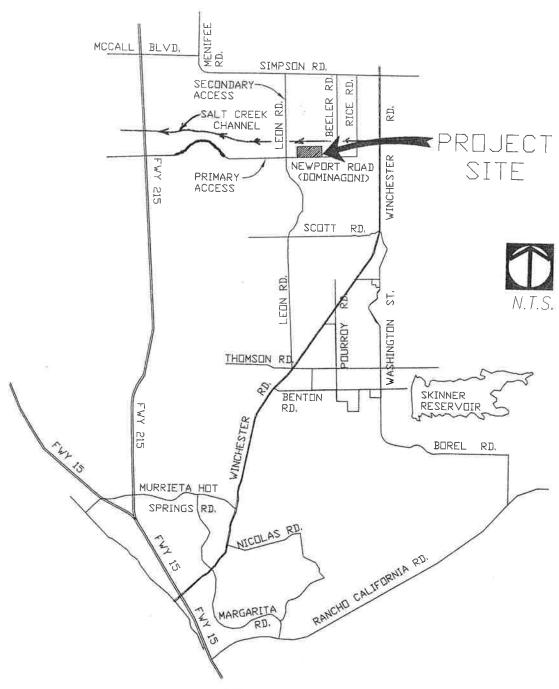
SUPPLEMENTAL:

Additional Fiscal Information

Future operations and maintenance costs associated with said storm drain facility within Transportation right of way will accrue to the County.

ATTACHMENTS:

Vicinity Map Agreement



VICINITY MAP

AMENDED AND RESTATED COOPERATIVE AGREEMENT

Winchester Hills – Western Hill Drive Storm Drain Project No. 4-0-00587

(Tract Nos. 32816, 32817, 32818, 33743 and MS 4047)

The Riverside County Flood Control and Water Conservation District, hereinafter called "DISTRICT", the County of Riverside, hereinafter called "COUNTY", the Valley Wide Recreation and Park District, hereinafter called "VALLEY WIDE", and The Woods (Riverside) Venture, L.L.L.P., a Delaware limited liability limited partnership, hereinafter called "DEVELOPER", hereby agree as follows:

RECITALS

- A. DISTRICT, COUNTY, VALLEY WIDE and Continental Residential, Inc., hereinafter called "PREVIOUS DEVELOPER", entered into that certain Cooperative Agreement dated October 2, 2007, and recorded as Document No. 2007 0730352 in the Official Records of the County of Riverside, hereinafter referred to as "PREVIOUS AGREEMENT", requiring PREVIOUS DEVELOPER, as a condition of approval, to construct certain flood control and drainage facilities in order to provide flood protection and drainage for DEVELOPERS' planned development; and
- B. The legal description of Tract Nos. 32816, 32817, 32818, 33743 and MS 4047 is provided in Exhibit "A" attached hereto and made a part hereof; and
- C. Pursuant to PREVIOUS AGREEMENT, PREVIOUS DEVELOPER has not constructed the flood control and drainage facilities; and
- D. On March 7, 2008, pursuant to a certain Purchase and Sale Agreement and Joint Escrow Instructions, DEVELOPER has acquired fee title to the Real Property from PREVIOUS DEVELOPER; and

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E. The flood control and drainage facilities required for final approval of Tract Nos. 32816, 32817, 32818, 33743 and MS 4047 includes: (i) approximately 900 lineal feet of underground storm drain system, hereinafter called "STORM DRAIN", and (ii) two (2) detention basin outlets and drains, hereinafter called "OUTLETS", as shown in concept on Exhibit "B" attached hereto and made a part hereof. Together, STORM DRAIN and OUTLETS are hereinafter called "DISTRICT FACILITIES; and

- F. DISTRICT FACILITIES are among the identified drainage improvements that are to be included in the proposed Community Facilities District, hereinafter called the "COUNTY SERVICES CFD" that is to be formed by COUNTY pursuant to the Mello-Roos Community Facilities Act of 1982 to provide, among other things, a means of financing the design and construction of DISTRICT FACILITIES; and
- G. Prior to the formation of the COUNTY SERVICES CFD, DISTRICT, COUNTY, VALLEY WIDE and DEVELOPER anticipate entering into a separate Joint Community Facilities Agreement, hereinafter called the "JCFA", whereby COUNTY SERVICES CFD will attempt to sell bonds for the purpose of reimbursing DEVELOPER for costs associated with the construction of DISTRICT FACILITIES; and
- It is the intent of DISTRICT, COUNTY, VALLEY WIDE and DEVELOPER that this Agreement shall principally address matters pertaining to the design, construction, and inspection of DISTRICT FACILITIES and DISTRICT'S acceptance thereof for ownership, operation and maintenance. It is the intent of DISTRICT, COUNTY, VALLEY WIDE and DEVELOPER that the JCFA shall principally address matters pertaining to formation of COUNTY SERVICES CFD and the procedures DEVELOPER must follow to obtain reimbursement from COUNTY SERVICES CFD including, but not limited to, "public works" contracting requirements; and

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I. Associated with the construction of DISTRICT FACILITIES is the construction of (i) certain catch basins, laterals and connector pipes located within COUNTY held easements or rights of way, hereinafter called "APPURTENANCES" and (ii) two (2) detention basins, hereinafter called "BASIN 1" and "BASIN 2". Together APPURTENANCES and BASIN 1 and BASIN 2 are hereinafter called "COUNTY FACILITIES"; and

- J. Also associated with the construction of DISTRICT FACILITIES is the construction of (i) approximately 350 lineal feet of 36-inch underground storm drain, (ii) approximately 140 lineal feet of 24-inch underground storm drain, and (iii) approximately 150 lineal feet of 24-inch underground storm drain all of which are located within DEVELOPER held rights of way or easements hereinafter called "DEVELOPER FACILITIES". DEVELOPER FACILITIES are to be initially owned and maintained by DEVELOPER, and subsequently owned and maintained by the Home Owners' Association for Tract Nos. 32816, 32817, 32818, 33743 and MS 4047; and
- At its downstream terminus, STORM DRAIN drains into BASIN 2 which is to be maintained by COUNTY. At their downstream terminuses, OUTLETS drain into DISTRICT'S existing Salt Creek Channel; and
- L. Together, DISTRICT FACILITIES, COUNTY FACILITIES DEVELOPER FACILITIES are hereinafter called "PROJECT"; and
- M. DEVELOPER, COUNTY and VALLEY WIDE desire DISTRICT to accept ownership and responsibility for the operation and maintenance of DISTRICT FACILITIES. Therefore, DISTRICT must review and approve DEVELOPER'S plans and specifications for PROJECT and subsequently inspect the construction of DISTRICT FACILITIES; and
- N. DEVELOPER, DISTRICT and VALLEY WIDE desire COUNTY to accept ownership and responsibility for the operation and maintenance of COUNTY FACILITIES.

Therefore, COUNTY must review and approve DEVELOPER'S plans and specifications for PROJECT and subsequently inspect the construction of COUNTY FACILITIES; and

- O. DEVELOPER and VALLEY WIDE wish to construct certain landscape features within COUNTY held rights of way, hereinafter called "LANDSCAPE FEATURES". DISTRICT, COUNTY, and DEVELOPER desire VALLEY WIDE accept ownership and responsibility for the maintenance of LANDSCAPE FEATURES; therefore, VALLEY WIDE must review and approve DEVELOPER'S plans and specification for BASIN 1 and BASIN 2 and subsequently inspect the construction of LANDSCAPE FEATURES; and '
- P. DISTRICT is willing to (i) review and approve DEVELOPER'S plans and specifications for PROJECT, (ii) inspect the construction of DISTRICT FACILITIES, and (iii) accept ownership and responsibility for the operation and maintenance of DISTRICT FACILITIES, provided DEVELOPER (a) complies with this Agreement, (b) constructs PROJECT in accordance with DISTRICT, COUNTY and VALLEY WIDE approved plans and specifications, (c) obtains and conveys to DISTRICT all rights of way necessary for the inspection, operation and maintenance of DISTRICT FACILITIES as set forth herein, and (d) accepts ownership and responsibility for the operation and maintenance of PROJECT following completion of PROJECT construction until such time as DISTRICT accepts ownership and responsibility for the operation and maintenance of DISTRICT FACILITIES; and
- Q. COUNTY is willing to (i) review and approve DEVELOPER'S plans and specifications for PROJECT, (ii) inspect the construction of PROJECT, (iii) accept and hold faithful performance and payment bonds submitted by DEVELOPER for DISTRICT FACILITIES, (iv) grant DISTRICT the right to inspect, operate and maintain DISTRICT FACILITIES within COUNTY rights of way, (v) consent to the recordation and conveyance of the Irrevocable Offer(s) of Dedication furnished by DEVELOPER as provided herein, and (vi)

accept ownership and responsibility for the operation and maintenance of COUNTY FACILITIES, provided PROJECT is constructed in accordance with plans and specifications approved by DISTRICT, COUNTY and VALLEY WIDE; and

- R. Additionally, in accordance with the provisions of the anticipated JCFA, COUNTY is willing to (i) review and approve DEVELOPER'S bid documents prior to DEVELOPER'S award of a construction contract for PROJECT, and (ii) monitor DEVELOPER'S bidding and contracting procedures for conformance with the applicable provisions of the Public Contract Code; and
- S. VALLEY WIDE is willing to (i) review and approve DEVELOPER'S plans and specifications for BASIN 1 and BASIN 2, (ii) inspect the construction of LANDSCAPE FEATURES, and (iii) accept sole responsibility for operation and maintenance of LANDSCAPE FEATURES provided BASIN 1 and BASIN 2 is constructed in accordance with plans approved by DISTRICT, COUNTY and VALLEY WIDE.

NOW, THEREFORE, the parties hereto mutually agree as follows:

SECTION I

DEVELOPER shall:

- 1. Prepare PROJECT plans and specifications, hereinafter called "IMPROVEMENT PLANS", in accordance with applicable DISTRICT, COUNTY and VALLEY WIDE standards, and submit to DISTRICT, COUNTY and VALLEY WIDE for their respective review and approval.
- 2. Continue to pay DISTRICT, within thirty (30) days after receipt of periodic billings from DISTRICT, any and all such amounts as are deemed reasonably necessary by DISTRICT to cover DISTRICT'S costs associated with (i) the review of IMPROVEMENT

PLANS, (ii) the review and approval of rights of way and conveyance documents, and (iii) with the processing and administration of this Agreement.

- 3. Deposit with DISTRICT (Attention: Business Office Accounts Receivable), at the time of providing written notice to DISTRICT of the start of PROJECT construction as set forth in Section I.8. herein, the estimated cost of providing construction inspection for DISRICT FACILITIES, in an amount as determined and approved by DISTRICT in accordance with Ordinance Nos. 671 and 749 of the County of Riverside, including any amendments thereto, based upon the bonded value of DISTRICT FACILITIES. If at any time the costs exceed the deposit or are anticipated by DISTRICT to exceed the deposit with DISTRICT, DEVELOPER shall pay such additional amount(s), as deemed reasonably necessary by DISTRICT to complete inspection of DISTRICT FACILITIES, within thirty (30) days after receipt of billing from DISTRICT.
- 4. Secure, at its sole cost and expense, all necessary licenses, agreements, permits and rights of entry as may be needed for the construction, inspection, operation and maintenance of PROJECT. DEVELOPER shall furnish DISTRICT, at the time of providing written notice to DISTRICT of the start of construction as set forth in Section I.8., or not less than twenty (20) days prior to recordation of the final map for Tract Nos. 32816, 32817, 32818, 33743 and MS4047 or any phase thereof, whichever occurs first, with sufficient evidence of DEVELOPER having secured such necessary licenses, agreements, permits, approvals, rights of way, rights of entry and temporary construction easements as determined and approved by DISTRICT.
- 5. Prior to commencing construction, furnish DISTRICT with copies of all permits, approvals or agreements required by any Federal, State or local resource and/or regulatory agency for the construction, operation and maintenance of DISTRICT FACILITIES.

Such documents include but are not limited to those issued by the U.S. Army Corps of Engineers, California Regional Water Quality Control Board, California State Department of Fish and Wildlife, State Water Resources Control Board, and Western Riverside County Regional Conservation Authority.

- 6. Grant DISTRICT, COUNTY and VALLEY WIDE, by execution of this Agreement, the right to enter upon DEVELOPER'S property where necessary and convenient for the purpose of gaining access to and performing inspection service for the construction of PROJECT as set forth herein.
- 7. Provide COUNTY, at the time of providing written notice to DISTRICT of the start of construction as set forth in Section I.8., or not less than twenty (20) days prior to recordation of the final map for Tract Nos. 32816, 32817, 32818, 33743 and MS 4047 or any phase thereof, whichever occurs first, with faithful performance and payment bonds, each in the amount of one hundred percent (100%) of the estimated cost for construction of DISTRICT FACILITIES as determined by DISTRICT. The surety, amount and form of the bonds shall be subject to the approval of DISTRICT and COUNTY. The bonds shall remain in full force and effect until DISTRICT FACILITIES are accepted by DISTRICT and COUNTY as complete; at which time the bond amount may be reduced to five percent (5%) for a period of one year to guarantee against any defective work, labor or materials.
- 8. Notify DISTRICT in writing (Attention: Administrative Services Section), COUNTY and VALLEY WIDE at least twenty (20) days prior to the start of construction of PROJECT. Construction shall not begin on any element of PROJECT, for any reason whatsoever, until DISTRICT has issued to DEVELOPER a written Notice to Proceed authorizing DEVELOPER to commence construction of PROJECT.

9. Obtain and provide DISTRICT (Attention: Right of Way Acquisition Section), at the time of providing written notice to DISTRICT of the start of construction as set forth in Section I.8., or not less than twenty (20) days prior to the recordation of the final map for Tract Nos. 32816, 32817, 32818, 33743 and MS 4047 or any phase thereof, whichever occurs first, with duly executed Irrevocable Offer(s) of Dedication to the public for flood control and drainage purposes, including ingress and egress, for the rights of way deemed necessary by DISTRICT for the construction, inspection, operation and maintenance of DISTRICT FACILITIES. The Irrevocable Offer(s) of Dedication shall be in a form approved by DISTRICT and shall be executed by all legal and equitable owners of the property described in the offer(s).

- 10. Furnish DISTRICT, when submitting the Irrevocable Offer(s) of Dedication as set forth in Section I.9., with Preliminary Reports on Title dated not more than thirty (30) days prior to date of submission of all the property described in the Irrevocable Offer(s) of Dedication.
- 11. Furnish DISTRICT, at the time of providing written notice to DISTRICT of the start of construction as set forth in Section I.8., with a complete list of all contractors and subcontractors to be performing work on DISTRICT FACILITIES, including the corresponding license number and license classification of each. At such time, DEVELOPER shall further identify in writing its designated superintendent for PROJECT construction.
- 12. Furnish DISTRICT, at the time of providing written notice to DISTRICT of the start of construction as set forth in Section I.8., a construction schedule which shall show the order and dates in which DEVELOPER or DEVELOPER'S contractor proposes to carry on the various parts of work, including estimated start and completion dates. As construction of DISTRICT FACILITIES progresses, DEVELOPER shall update said construction schedule as requested by DISTRICT.

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13. Furnish DISTRICT with a set of final Mylar plans for DISTRICT FACILITIES and assign their ownership to DISTRICT prior to the start on any portion of PROJECT construction.

- 14. Not permit any change to or modification of DISTRICT, COUNTY and VALLEY WIDE approved IMPROVEMENT PLANS without the prior written permission and consent of DISTRICT, COUNTY and VALLEY WIDE.
- 15. Comply with all Cal/OSHA safety regulations including regulations concerning confined space and maintain a safe working environment for DEVELOPER and DISTRICT employees on the site.
- 16. Furnish DISTRICT, at the time of providing written notice to DISTRICT of the start of construction as set forth in Section I.8., a confined space entry procedure specific to DISTRICT FACILITIES. The procedure shall comply with requirements contained in California Code of Regulations, Title 8 Section 5158, Other Confined Space Operations, Section 5157. Permit Required Confined Space and District Confined Space Procedures, SOM-18. The procedure shall be reviewed and approved by DISTRICT prior to the issuance of a Notice to Proceed.
- 17. DEVELOPER shall not commence operations until DISTRICT has been furnished with original certificate(s) of insurance and original certified copies of endorsements and if requested, certified original policies of insurance including all endorsements and any and all other attachments as required in this Section.

Without limiting or diminishing DEVELOPER'S obligation to indemnify or hold DISTRICT harmless, DEVELOPER shall procure and maintain or cause to be maintained, at its sole cost and expense, the following insurance coverage's during the term of this Agreement:

A. <u>Workers' Compensation</u>:

If DEVELOPER has employees as defined by the State of California, DEVELOPER shall maintain statutory Workers' Compensation Insurance (Coverage A) as prescribed by the laws of the State of California. Policy shall include Employers' Liability (Coverage B) including Occupational Disease with limits not less than \$1,000,000 per person per accident. Policy shall be endorsed to waive subrogation in favor of DISTRICT, COUNTY and VALLEY WIDE, and, if applicable, to provide a Borrowed Servant/Alternate Employer Endorsement.

B. <u>Commercial General Liability</u>:

Commercial General Liability insurance coverage, including but not limited to, premises liability, unmodified contractual liability, products and completed operations liability, personal and advertising injury, and cross liability coverage, covering claims which may arise from or out of DEVELOPER'S performance of its obligations hereunder. Policy shall name the Riverside County Flood Control and Water Conservation District, COUNTY, and VALLEY WIDE its agencies, districts, special districts, and departments, their respective directors, officers, Board of Supervisors, employees, elected or appointed officials, agents or representatives as additional insureds. Policy's limit of liability shall not be less than \$2,000,000 per occurrence combined single limit. If such insurance contains a general aggregate limit, it shall apply separately to this Agreement or be no less than two (2) times the occurrence limit.

C. Vehicle Liability:

If DEVELOPER'S vehicles or mobile equipment are used in the performance of the obligations under this Agreement, then DEVELOPER shall maintain liability insurance for all owned, non-owned or hired vehicles so used in an amount not less than \$1,000,000 per occurrence combined single limit. If such insurance contains a general aggregate limit, it shall apply separately to this Agreement or be no less than two (2) times the occurrence limit. Policy shall name the Riverside County Flood Control and Water Conservation District, COUNTY, and VALLEY WIDE its agencies, districts, special districts, and departments, their respective directors, officers, Board of Supervisors, employees, elected or appointed officials, agents or representatives as additional insureds.

D. <u>Professional Liability</u>:

DEVELOPER shall maintain Professional Liability Insurance providing coverage for DEVELOPER'S performance of work included within this Agreement, with a limit of liability of not less than \$2,000,000 per occurrence and \$4,000,000 annual aggregate. If DEVELOPER'S Professional Liability Insurance is written on a claims made basis rather than an occurrence basis, such insurance shall continue through the term of this Agreement and DEVELOPER shall purchase at his sole expense either 1) an Extended Reporting Endorsement (also known as Tail Coverage); or 2) Prior Dates Coverage from a new insurer with a retroactive date back to the date of, or prior to, the inception of this Agreement; or 3) demonstrate through Certificates of Insurance that DEVELOPER has maintained

continuous coverage with the same or original insurer. Coverage provided under items: 1), 2) or 3) will continue as long as the law allows.

E. General Insurance Provisions – All Lines:

- a. Any insurance carrier providing insurance coverage hereunder shall be admitted to the State of California and have an A.M. BEST rating of not less than an A: VIII (A: 8) unless such requirements are waived, in writing, by the County Risk Manager. If the County Risk Manager waives a requirement for a particular insurer such waiver is only valid for that specific insurer and only for one policy term.
- each coverage required herein. If any such self-insured retention exceeds \$500,000 per occurrence each such retention shall have the prior written consent of the County Risk Manager before the commencement of operations under this Agreement. Upon notification of self-insured retention deemed unacceptable to the DISTRICT, and at the election of the County Risk Manager, DEVELOPER'S carriers shall either: 1) reduce or eliminate such self-insured retention with respect to this Agreement with DISTRICT, or 2) procure a bond which guarantees payment of losses and related investigations, claims administration, and defense costs and expenses.
- c. DEVELOPER shall cause their insurance carrier(s) to furnish

 DISTRICT with 1) a properly executed original certificate(s) of
 insurance and certified original copies of endorsements effecting
 coverage as required herein; and 2) if requested to do so orally or in

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writing by the County Risk Manager, provide original certified copies of policies including all endorsements and all attachments thereto, showing such insurance is in full force and effect. Further, said certificate(s) and policies of insurance shall contain the covenant of the insurance carrier(s) that a minimum of sixty (60) days written notice shall be given to the DISTRICT prior to any material modification, cancellation, expiration or reduction in coverage of such insurance. If DEVELOPER insurance carrier(s) policies does not meet the minimum notice requirement found herein, DEVELOPER shall cause DEVELOPER'S insurance carrier(s) to furnish a 60 day Notice of Cancellation Endorsement. In the event of a material modification, cancellation, expiration or reduction in coverage, this Agreement shall terminate forthwith, unless DISTRICT receives, prior to such effective date, another properly executed original certificate of insurance and original copies of endorsements or certified original policies, including all endorsements and attachments thereto, evidencing coverages set forth herein and the insurance required herein is in full force and effect. An individual authorized by the insurance carrier to do so on its behalf shall sign the original endorsements for each policy and the certificate of insurance.

d. It is understood and agreed by the parties hereto that DEVELOPER'S insurance shall be construed as primary insurance, and DISTRICT'S insurance and/or deductibles and/or self-insured retentions or selfinsured programs shall not be construed as contributory.

- e. If, during the term of this Agreement or any extension thereof, there is a material change in the scope of services or there is a material change in the equipment to be used in the performance of the scope of work which will add additional exposures (such as the use of aircraft, watercraft, cranes, etc.); or the term of this Agreement, including any extensions thereof, exceeds five (5) years, DISTRICT reserves the right to adjust the types of insurance required under this Agreement and the monetary limits of liability for the insurance coverages currently required herein, if, in the County Risk Manager's reasonable judgment, the amount or type of insurance carried by DEVELOPER has become inadequate.
- f. DEVELOPER shall pass down the insurance obligations contained herein to all tiers of subcontractors working under this Agreement.
- g. The insurance requirements contained in this Agreement may be met with a program(s) of self-insurance acceptable to DISTRICT.
- h. DEVELOPER agrees to notify DISTRICT of any claim by a third party or any incident or event that may give rise to a claim arising from the performance of this Agreement.

Failure to maintain the insurance required by this paragraph shall be deemed a material breach of this Agreement and shall authorize and constitute authority for DISTRICT, at its sole discretion, to provide written notice to DEVELOPER that DISTRICT is unable to perform its obligations hereunder, nor to accept responsibility for ownership, operation and maintenance of DISTRICT FACILITIES due, either in whole or in part, to said breach of this Agreement.

18. Construct or cause to be constructed, PROJECT at DEVELOPER'S sole cost and expense, in accordance with DISTRICT, COUNTY and VALLEY WIDE approved IMPROVEMENT PLANS.

- 19. Within two (2) weeks of completing PROJECT construction, provide DISTRICT (Attention: Development Review Section), COUNTY and VALLEY WIDE with written notice that PROJECT construction is substantially complete and requesting that DISTRICT conduct a final inspection of DISTRICT FACILITIES, COUNTY conduct a final inspection of PROJECT and VALLEY WIDE conduct a final inspection of LANDSCAPE FEATURES.
- 20. Upon completion of PROJECT construction, and upon acceptance by COUNTY of all rights of way deemed necessary by DISTRICT and COUNTY for the operation and maintenance of PROJECT, but prior to DISTRICT acceptance of DISTRICT FACILITIES for ownership, operation and maintenance, convey, or cause to be conveyed to DISTRICT (i) the flood control easement(s) including ingress and egress, in a form approved by DISTRICT, to the rights of way as shown in concept in blue and green on Exhibit "C".
- 21. At the time of recordation of the conveyance document(s) as set forth in Section I.20., furnish DISTRICT with policies of title insurance, each in the amount of not less than (i) fifty percent (50%) of the estimated fee value, as determined by DISTRICT, for each easement parcel to be conveyed to DISTRICT, or (ii) one hundred percent (100%) of the estimated value, as determined by DISTRICT, for each fee parcel to be conveyed to DISTRICT, guaranteeing DISTRICT'S interest in said property as being free and clear of all liens, encumbrances, assessments, easements, taxes and leases (recorded or unrecorded), and except those which, in the sole discretion of DISTRICT, are acceptable.

- 22. Accept ownership and sole responsibility for the operation and maintenance of PROJECT until such time as DISTRICT accepts ownership and responsibility for operation and maintenance of DISTRICT FACILITIES, COUNTY accepts ownership and responsibility for operation and maintenance of COUNTY FACILITIES, VALLEY WIDE accepts ownership and responsibility of LANDSCAPE FEATURES, and the Home Owners' Association for Tract Nos. 32816, 32817, 32818, 33743 and MS 4047 accepts ownership and responsibility for operation and maintenance of DEVELOPER FACILITIES. Further, it is mutually understood by the parties hereto that prior to DISTRICT acceptance of ownership and responsibility for the operation and maintenance of DISTRICT FACILITIES, DISTRICT FACILITIES shall be in a satisfactorily maintained condition as solely determined by DISTRICT. If, subsequent to the inspection and, in the sole discretion of DISTRICT, DISTRICT FACILITIES are not in an acceptable condition, corrections shall be made at sole expense of DEVELOPER.
- 23. Pay, if suit is brought upon this Agreement or any bond guaranteeing the completion of PROJECT, all costs and reasonable expenses and fees, including reasonable attorneys' fees, and acknowledge that, upon entry of judgment, all such costs, expenses and fees shall be computed as costs and included in any judgment rendered.
- 24. Upon completion of PROJECT construction, but prior to DISTRICT acceptance of DISTRICT FACILITIES for ownership, operation and maintenance, provide or cause its civil engineer of record or construction civil engineer of record, duly registered in the State of California, to provide DISTRICT with a redlined "record drawings" copy of PROJECT plans. After DISTRICT approval of the redlined "record drawings", DEVELOPER'S engineer shall schedule with DISTRICT a time to transfer the redlined changes onto DISTRICT'S original mylars at DISTRICT'S office, after which the engineer shall review, stamp and sign the original PROJECT engineering plans "record drawings".

25. Ensure that all work performed pursuant to this Agreement by DEVELOPER, its agents or contractors is done in accordance with all applicable laws and regulations, including but not limited to all applicable provisions of the Labor Code, Business and Professions Code, and Water Code. DEVELOPER shall be solely responsible for all costs associated with compliance with applicable laws and regulations.

SECTION II

DISTRICT shall:

- 1. Review and approve IMPROVEMENT PLANS prior to the start of PROJECT construction.
- 2. Provide COUNTY and VALLEY WIDE an opportunity to review and approve IMPROVEMENT PLANS prior to DISTRICT'S final approval.
- 3. Upon execution of this Agreement, record or cause to be recorded, a copy of this Agreement in the Official Records of the Riverside County Recorder.
- 4. Record or cause to be recorded, the Irrevocable Offer(s) of Dedication provided by DEVELOPER pursuant to Section I.9.
 - 5. Inspect DISTRICT FACILITIES construction.
- 6. Keep an accurate accounting of all DISTRICT costs associated with review and approval of IMPROVEMENT PLANS, the review and approval of right of way and conveyance documents and the processing and administration of this Agreement.
- 7. Keep an accurate accounting of all DISTRICT construction inspection costs, and within forty-five (45) days after DISTRICT acceptance of DISTRICT FACILITIES as being complete, submit a final cost statement to DEVELOPER. If the deposit, as set forth in Section I.3., exceeds such costs, DISTRICT shall reimburse DEVELOPER the excess amount within sixty (60) days after DISTRICT acceptance of DISTRICT FACILITIES as being complete.

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8. Accept ownership and sole responsibility for the operation and maintenance of DISTRICT FACILITIES upon (i) DISTRICT inspection of DISTRICT FACILITIES in accordance with Section I.19., (ii) DISTRICT acceptance of DISTRICT FACILITIES construction as being complete, (iii) DISTRICT receipt of stamped and signed "record drawings" of DISTRICT FACILITIES plans, as set forth in Section I.24., (iv) recordation of all conveyance documents described in Section I.20., (v) COUNTY acceptance of COUNTY FACILITIES for ownership, operation, and maintenance, (vi) VALLEY WIDE acceptance of LANDSCAPE FEATURES for ownership , operation, and maintenance, and (vii) DISTRICT'S sole determination that DISTRICT FACILITIES are in a satisfactorily maintained condition.

Provide COUNTY and VALLEY WIDE with a reproducible duplicate copy of "record drawings" of DISTRICT FACILITIES plans upon DISTRICT acceptance of PROJECT construction as being complete.

SECTION III

COUNTY shall:

- Review and approve IMPROVEMENT PLANS prior to the start of 1. PROJECT construction.
- 2. Accept COUNTY and DISTRICT approved faithful performance and payment bonds submitted by DEVELOPER as set forth in Section I.7., and hold said bonds as provided herein.
 - 3. Inspect PROJECT construction.
- 4. Consent, by execution of this Agreement, to the recording of any Irrevocable Offer(s) of Dedication furnished by DEVELOPER pursuant to this Agreement.
- 5. As requested by DISTRICT, accept the Irrevocable Offer(s) of Dedication as set forth herein, and any other outstanding offers of dedication necessary for the construction,

inspection, operation and maintenance of DISTRICT FACILITIES, and, convey sufficient rights of way to DISTRICT to allow DISTRICT to construct, inspect, operate and maintain DISTRICT FACILITIES.

- 6. Grant DISTRICT, by execution of this Agreement, the right to construct, inspect, operate and maintain DISTRICT FACILITIES within COUNTY rights of way.
- 7. Accept ownership and sole responsibility for the operation and maintenance of COUNTY FACILITIES upon DISTRICT acceptance of DISTRICT FACILITIES for ownership, operation and maintenance.
- 8. Not grant any occupancy permits for any units within any portion of Tract Nos. 32816, 32817, 32818, 33743 and MS 4047, or any phase thereof, until construction of PROJECT is complete, unless otherwise approved in writing by DISTRICT.
- 9. Upon DISTRICT acceptance of PROJECT construction as being complete, accept sole responsibility for the adjustment of all PROJECT manhole rings and covers located within COUNTY rights of way which must be performed at such time(s) that the finished grade along and above the underground portions of DISTRICT FACILITIES are improved, repaired, replaced or changed. It being further understood and agreed that any such adjustments shall be performed at no cost to DISTRICT.

SECTION IV

VALLEY WIDE shall:

- 1. Review and approve IMPROVEMENT PLANS prior to the start of PROJECT construction.
 - 2. Inspect construction of LANDSCAPE FEATURES.

3. Accept sole responsibility for the maintenance of LANDSCAPE FEATURES, upon DISTRICT'S acceptance of DISTRICT FACILITIES for ownership, operation and maintenance.

SECTION V

It is further mutually agreed:

- 1. All work involved with DISTRICT FACILITIES shall be inspected by DISTRICT and shall not be deemed complete until approved and accepted in writing as complete by DISTRICT.
- 2. DEVELOPER, COUNTY and VALLEY WIDE personnel may observe and inspect all work being done on DISTRICT FACILITIES, but shall provide any comments to DISTRICT personnel who shall be solely responsible for all quality control communications with DEVELOPER'S contractor(s) during the construction of PROJECT.
- 3. DEVELOPER shall complete construction of PROJECT within twelve (12) consecutive months after execution of this Agreement and within ninety (90) consecutive calendar days after commencing work on PROJECT. It is expressly understood that since time is of the essence in this Agreement, failure of DEVELOPER to perform the work within the agreed upon time shall constitute authority for DISTRICT to perform the remaining work and require DEVELOPER'S surety to pay to COUNTY the penal sum of any and all bonds. In which case, COUNTY shall subsequently reimburse DISTRICT for DISTRICT costs incurred.
- 4. If DEVELOPER fails to commence construction of PROJECT within nine (9) months after execution of this Agreement, then DISTRICT reserves the right to withhold issuance of the Notice to Proceed pending a review of the existing site conditions as they exist at the time DEVELOPER provides written notification to DISTRICT of the start of construction as set forth in Section I.8. In the event of a change in the existing site conditions that materially

affects PROJECT function or DISTRICT'S ability to operate and maintain DISTRICT FACILITIES, DISTRICT may require DEVELOPER to modify IMPROVEMENT PLANS as deemed necessary by DISTRICT.

5. DISTRICT shall endeavor to issue DEVELOPER a Notice to Proceed within twenty (20) days of receipt of DEVELOPER'S complete written notice as set forth in Section I.8.; however, DISTRICT'S construction inspection staff is limited and, therefore, the issuance of a Notice to Proceed is subject to staff availability.

In the event DEVELOPER wishes to expedite issuance of a Notice to Proceed, DEVELOPER may elect to furnish an independent qualified construction inspector at DEVELOPER'S sole cost and expense. DEVELOPER shall furnish appropriate documentation of the individual's credentials and experience to DISTRICT for review and, if appropriate, approval. DISTRICT shall review the individual's qualifications and experience, upon approval thereof, said individual, hereinafter called "DEPUTY INSPECTOR", shall be authorized to act on DISTRICT'S behalf on all DISTRICT FACILITIES construction and quality control matters. If DEVELOPER'S initial construction inspection deposit furnished pursuant to Section I.3. exceeds ten thousand dollars (\$10,000), DISTRICT shall refund to DEVELOPER up to eighty percent (80%) of DEVELOPER'S initial inspection deposit within forty-five (45) days of DISTRICT'S approval of DEPUTY INSPECTOR; however, a minimum balance of ten thousand dollars (\$10,000) shall be retained on account.

6. PROJECT construction work shall be on a five (5) day, forty (40) hour work week with no work on Saturdays, Sundays or DISTRICT designated legal holidays, unless otherwise approved in writing by DISTRICT. If DEVELOPER feels it is necessary to work more than the normal forty (40) hour work week or on holidays, DEVELOPER shall make a written request for permission from DISTRICT to work the additional hours. The request shall be

submitted to DISTRICT at least seventy-two (72) hours prior to the requested additional work hours and state the reasons for the overtime and the specific time frames required. The decision of granting permission for overtime work shall be made by DISTRICT at its sole discretion and shall be final. If permission is granted by DISTRICT, DEVELOPER will be charged the cost incurred at the overtime rates for additional inspection time required in connection with the overtime work in accordance with Ordinance Nos. 671 and 749, including any amendments thereto, of the County of Riverside.

7. DEVELOPER shall indemnify and hold harmless DISTRICT, COUNTY, and VALLEY WIDE (including their agencies, districts, special districts and departments, their respective directors, officers, Board of Supervisors, elected and appointed officials, employees, agents and representatives) from any liability, claim, damage, proceeding or action, present or future, based upon, arising out of or in any way relating to this Agreement, including but not limited to DEVELOPER'S (including its officers, employees, subcontractors and agents) actual or alleged acts or omissions related to this Agreement, performance under this Agreement, or failure to comply with the requirements of this Agreement, and including but not limited to: (a) property damage; (b) bodily injury or death; (c) liability or damage pursuant to Article I, Section 19 of the California Constitution, the Fifth Amendment of the United States Constitution or any other law, ordinance or regulation caused by the diversion of waters from the natural drainage patterns or the discharge of drainage within or from PROJECT; or (d) any other element of any kind or nature whatsoever.

DEVELOPER shall defend, at its sole expense, including all costs and fees (including but not limited to attorney fees, cost of investigation, defense and settlements or awards), DISTRICT, COUNTY and VALLEY WIDE (including their agencies, districts, special districts and departments, their respective directors, officers, Board of Supervisors, elected and

appointed officials, employees, agents and representatives) in any claim proceeding or action for which indemnification is required.

With respect to any of DEVELOPER'S indemnification requirements, DEVELOPER shall, at its sole cost, have the right to use counsel of their own choice and shall have the right to adjust, settle, compromise any such claim, proceeding or action without the prior consent of DISTRICT, COUNTY and VALLEY WIDE; provided, however, that any such adjustment, settlement or compromise in no manner whatsoever limits or circumscribes DEVELOPER'S indemnification obligations to DISTRICT, COUNTY and VALLEY WIDE.

DEVELOPER'S indemnification obligations shall be satisfied when DEVELOPER has provided to DISTRICT, COUNTY and VALLEY WIDE the appropriate form of dismissal (or similar document) relieving DISTRICT, COUNTY or VALLEY WIDE from any liability for the claim, proceeding or action involved.

The specified insurance limits required in this Agreement shall in no way limit or circumscribe DEVELOPER'S obligations to indemnify and hold harmless DISTRICT, COUNTY and VALLEY WIDE from third party claims.

In the event there is conflict between this section and California Civil Code Section 2782, this section shall be interpreted to comply with California Civil Code Section 2782. Such interpretation shall not relieve DEVELOPER from indemnifying DISTRICT, COUNTY or VALLEY WIDE to the fullest extent allowed by law.

8. DEVELOPER for itself, its successors and assigns hereby releases DISTRICT, COUNTY and VALLEY WIDE, their respective officers, agents, and employees from any and all claims, demands, actions, or suits of any kind arising out of any liability, known or unknown, present or future, including, but not limited to any claim or liability, based or asserted, pursuant to Article I, Section 19 of the California Constitution, the Fifth Amendment

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of the United States Constitution, or any other law or ordinance which seeks to impose any other liability or damage, whatsoever, for damage caused by the discharge of drainage within or from PROJECT. Nothing contained herein shall constitute a release by DEVELOPER of DISTRICT, COUNTY or VALLEY WIDE, their officers, agents and employees from any and all claims, demands, actions or suits of any kind arising out of any liability, known or unknown, present or future, for the negligent maintenance of DISTRICT FACILITIES, COUNTY FACILITIES and LANDSCAPE FEATURES, after the acceptance of DISTRICT FACILITIES, COUNTY FACILITIES and LANDSCAPE FEATURES by DISTRICT, COUNTY and VALLEY WIDE, respectively.

9. Any waiver by DISTRICT, or by COUNTY, or by VALLEY WIDE of any breach of any one or more of the terms of this Agreement shall not be construed to be a waiver of any subsequent or other breach of the same or of any other term hereof. Failure on the part of DISTRICT, COUNTY or VALLEY WIDE to require exact, full and complete compliance with any terms of this Agreement shall not be construed as in any manner changing the terms hereof, or estopping DISTRICT, COUNTY or VALLEY WIDE from enforcement hereof.

10. Any and all notices sent or required to be sent to the parties of this Agreement will be mailed by first class mail, postage prepaid, to the following addresses:

RIVERSIDE COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT 1995 Market Street Riverside, CA 92501 Attn: Administrative Services Section

VALLEY WIDE RECREATION AND PARK DISTRICT Post Office Box 907 San Jacinto, CA 92581 Attn: Dean Wetter COUNTY OF RIVERSIDE
4080 Lemon Street, 8th Floor
Riverside, CA 92502-1090
Attn: Transportation Department
Plan Check Section
Alan French

THE WOODS (RIVERSIDE) VENTURE, L.L.L.P. 41391 Kalmia Street, Suite 200 Murrieta, CA 92562 Attn: Jim Lytle

- 11. This Agreement is to be construed in accordance with the laws of the State of California. If any provision of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions will nevertheless continue in full force without being impaired or invalidated in any way.
- 12. Any action at law or in equity brought by any of the parties hereto for the purpose of enforcing a right or rights provided for by this Agreement, shall be tried in a court of competent jurisdiction in the County of Riverside, State of California, and the parties hereto waive all provisions of law providing for a change of venue in such proceedings to any other county.
- 13. This Agreement is the result of negotiations between the parties hereto, and the advice and assistance of their respective counsel. The fact that this Agreement was prepared as a matter of convenience by DISTRICT shall have no import or significance. Any uncertainty or ambiguity in this Agreement shall not be construed against DISTRICT because DISTRICT prepared this Agreement in its final form.
- 14. The rights and obligations of DEVELOPER shall inure to and be binding upon all heirs, successors and assignees.
- 15. DEVELOPER shall not assign or otherwise transfer any of its rights, duties or obligations hereunder to any person or entity without the written consent of the other parties hereto being first obtained. In the event of any such transfer or assignment, DEVELOPER expressly understands and agrees that it shall remain liable with respect to any and all of the obligations and duties contained in this Agreement.
- 16. The individual(s) executing this Agreement on behalf of DEVELOPER certify that they have the authority within their respective company(ies) to enter into and execute this Agreement, and have been authorized to do so by all boards of directors, legal counsel, and/or

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any other board, committee or other entity within their respective company(ies) which have the authority to authorize or deny entering into this Agreement.

- 17. This Agreement is intended by the parties hereto as a final expression of their understanding with respect to the subject matter hereof and as a complete and exclusive statement of the terms and conditions thereof and supersedes any and all prior and contemporaneous agreements and understandings, oral or written, in connection therewith. This Agreement may be changed or modified only upon the written consent of the parties hereto.
- accepts, all of PREVIOUS DEVELOPER's rights and obligations under the PREVIOUS AGREEMENT, but only to the extent such terms are restated in this Agreement (the AMENDED AND RESTATED COOPERATIVE AGREEMENT). It is the intent of the parties that this Agreement shall prevail over the terms of the PREVIOUS AGREEMENT. Any terms imposed upon PREVIOUS DEVELOPER not restated in this Agreement shall be considered extinguished and no longer applicable. DISTRICT, COUNTY and VALLEY WIDE agree to the assignment and related terms contained in this paragraph.

- 26 -

VALLEY WIDE RECREATION AND PARK DISTRICT

Amended and Restated Cooperative Agreement Winchester Hills – Western Hill Drive Storm Drain Project No. 4-0-00587 (Tract Nos. 32816, 32817, 32818, 33743 and MS 4047) 04/26/16 AMR:blm

2	THE WOODS (RIVERSIDE) VENTURE, L.L.P., a Delaware limited liability limited partnership
3 4	By: The Woods (Riverside) ASLI V, L.L.L.P.,
6	By: The Woods (Riverside) GP, LLC, a Delaware limited liability company, its sole general partner
7 8	By: Avanti Properties Group II, L.L.L.P., a Delaware limited liability limited partnership,
9	its sole member and manager
10	By: Avanti Management Corporation a Florida corporation, its sole
11	general partner
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13	By MARVIN SHAPIRO
14	President
15 16	(ATTACH NOTARY ACKNOWLEDGEMENT WITH CAPACITY STATEMENT)
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22	* ************************************
23	Amended and Restated Cooperative Agreement
24	Winchester Hills – Western Hill Drive Storm Drain Project No. 4-0-00587
25	(Tract Nos. 32816, 32817, 32818, 33743 and MS 4047) 04/26/16
26	AMR:blm P8/204266
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1	PREVIOUS DEVELOPER
2	CONTINENTAL RESIDENTIAL, INC. a California corporation
3	a Camorina corporation
4	By BARBARA MURAKAMI Vice President
5	V ICC I ICGIGOAC
6	(ATTACH NOTARY ACKNOWLEDGEMENT
7	WITH CAPACITY STATEMENT)
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23	Amended and Restated Cooperative Agreement Winchester Hills – Western Hill Drive Storm Drain
24	Project No. 4-0-00587
25	(Tract Nos. 32816, 32817, 32818, 33743 and MS 4047) 04/26/16
26	AMR:blm P8/204266
27	vs x

Exhibit A

LEGAL DESCRIPTION

Real property in the unincorporated area of the County of Riverside, State of California, described as follows:

TRACT NO. 32816

LOT 3 OF LOT LINE ADJUSTMENT NO. 05482 RECORDED AUGUST 19, 2014 AS INSTRUMENT NO. 2014-0313562 OF OFFICIAL RECORDS, DESCRIBED AS FOLLOWS:

BEING A PORTION OF PARCELS 1 AND 2 OF PARCEL MERGER 01885, IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, RECORDED APRIL 04, 2014 AS INSTRUMENT NO. 2014-0123674, RECORDS OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT THE CENTERLINE INTERSECTION OF BLALOCK PLACE AND DOMENIGONI PARKWAY (FORMERLY PATTON AVENUE);

THENCE ALONG THE CENTERLINE OF DOMENIGONI PARKWAY SOUTH 89°54'43" EAST 616.99 FEET TO A POINT PERPENDICULAR TO THE SOUTHEAST CORNER OF THAT PARCEL CONVEYED TO THE COUNTY OF RIVERSIDE PER DOCUMENT RECORDED MARCH 11, 2004 AS INSTRUMENT NO. 2004-0171426 AND REFERRED TO AS PARCEL 0785-012A; THENCE NORTH 00°05'17" EAST, 44.00 FEET, TO SAID SOUTHEAST CORNER;

THENCE ALONG SAID SOUTHERLY LINE OF PARCEL 0785-012A AND THE SOUTHERLY LINE OF THAT PARCEL CONVEYED TO THE COUNTY OF RIVERSIDE PER DOCUMENT RECORDED MARCH 11, 2004 AS INSTRUMENT NO. 2004-0171424, REFERRED TO AS PARCEL 0785-011A, NORTH 89°54'43" WEST 562.58 FEET, THE SOUTHWEST CORNER OF SAID PARCEL 0785-011A;

THENCE ALONG THE WESTERLY LINE OF SAID PARCEL 0785-011A, NORTH 47°34'47" WEST 33.81 FEET;.

THENCE CONTINUING ALONG SAID WESTERLY LINE NORTH 00°25'02" WEST 9.23 FEET TO THE NORTHWEST CORNER IF SAID PARCEL 0785-011A;

THENCE ALONG THE NORTHERLY LINE OF SAID PARCELS 0785A-011A AND 0785A-012A SOUTH 89°54'43" EAST AND THE PROLONGATION OF SAID NORTHERLY LINE 624.01 FEET TO A POINT DISTANT 11.45 FEET EASTERLY OF THE NORTHEAST CORNER OF SAID PARCEL 0785-012A;

Exhibit A

THENCE NORTH 58°39'56" EAST 23.34 FEET;

THENCE NORTH 05°05'17" EAST OF 23.43 FEET;

THE BEGINNING OF A CURVE CONCAVE EASTERLY HAVING A RADIUS OF 640.00 FEET;

THENCE NORTHERLY ALONG THE ARC OF SAID CURVE 121.69 FEET THROUGH A CENTRAL

ANGLE OF 10°53'39" TO THE BEGINNING OF A COMPOUND CURVE CONCAVE SOUTHEASTERLY HAVING A RADIUS OF 590.00 FEET, A LINE RADIAL TO SAID CURVE AT SAID POINT BEARS SOUTH 74°01'04" EAST;

THENCE NORTHEASTERLY ALONG THE ARC OF SAID CURVE 205.42 FEET THROUGH A CENTRAL ANGLE OF 19°56'55";

THENCE NORTH 35°55'51" EAST 17.06 FEET TO THE BEGINNING OF A CURVE CONCAVE SOUTHEASTERLY HAVING A RADIUS OF 637.00 FEET;

THENCE NORTHEASTERLY ALONG THE ARC OF SAID CURVE 92.63 FEET THROUGH A CENTRAL ANGLE OF 08°19'54", A LINE RADIAL TO SAID CURVE AT SAID POINT BEARS NORTH 45°44'15" WEST;

THENCE SOUTH 87°10'47" WEST 13.62 FEET;

THENCE NORTH 49°54'12" WEST 546.81 FEET THE BEGINNING OF CURVE CONCAVE SOUTHWESTERLY HAVING A RADIUS OF 637.00 FEET;

THENCE WESTERLY ALONG THE ARC OF SAID CURVE 450.42 FEET THROUGH A CENTRAL ANGLE OF 40°30'50";

THENCE SOUTH 69°34'58" WEST 17.23 FEET TO THE INTERSECTION WITH THE CENTERLINE OF BLALOCK PLACE;

THENCE ALONG SAID CENTERLINE SOUTH 00°25'02" EAST 999.43 FEET TO THE POINT OF BEGINNING.

EXCEPTING ANY AND ALL (i) OIL RIGHTS, (ii) MINERAL RIGHTS, (iii) NATURAL GAS RIGHTS, (iv) RIGHTS TO ALL OTHER HYDROCARBONS BY WHATSOEVER NAME KNOWN, (v) GEOTHERMAL HEAT RIGHTS OR GEOTHERMAL SUBSTANCES THAT MAY BE PRODUCED FROM THE PROPERTY, (vi) WATER RIGHTS AND CLAIMS OR RIGHTS TO WATER AND (vii) ALL OR CROSS THE SUBSURFACE OF THE PROPERTY, AND TO BOTTOM SUCH WHIPSTOCKED OR

DIRECTIONALLY DRILLED WELLS, TUNNELS AND SHAFTS WITHIN OR BEYOND THE EXTERIOR PRODUCTS DERIVED FROM ANY OF THE FOREGOING (COLLECTIVELY, SUBSURFACE RESOURCES) LOCATED IN OR UNDER THE ABOVE DESCRIBED PROPERTY, TO THE EXTENT SUCH SUBSURFACE RESOURCES HAVE NOT BEEN PREVIOUSLY RESERVED; AND THE PERPETUAL RIGHT TO DRILL, MINE, EXPLORE AND OPERATE FOR AND PRODUCE, STORE AND REMOVE ANY OF THE SURFACE RESOURCES ON OR FROM THE PROPERTY, INCLUDING WITHOUT LIMITATION THE RIGHT TO WHIPSTOCK OR DIRECTIONALLY DRILL AND MINE. FROM LANDS OTHER THAN THE PROPERTY, WELLS, TUNNELS AND SHAFTS INTO, THROUGH LIMITS OF THE PROPERTY, AND TO REDRILL, RETUNNEL, EQUIP, MAINTAIN, REPAIR, DEEPEN AND OPERATE ANY SUCH WELLS OR MINES, BUT WITHOUT THE RIGHT TO DRILL, MINE, EXPLORE, OPERATE, PRODUCE, STORE OR REMOVE ANY OF THE SUBSURFACE RESOURCES THROUGH OR IN THE SURFACE OF THE PROPERTY OR THE UPPER FIVE HUNDRED (500) FEET OF THE SUBSURFACE OF THE PROPERTY, CONVEYED TO DRH ENERGY, INC., A COLORADO CORPORATION BY MINERAL DEED RECORDED SEPTEMBER 15, 2006 AS INSTRUMENT NO. 2006-0685373 OF OFFICIAL RECORDS AS TO THAT PORTION OF SAID LAND LYING WITHIN PARCEL 3 OF PARCEL MAP NO. 11452, RECORDED IN BOOK 56, PAGES 65, 66 AND 67 OF PARCEL MAPS, RECORDS OF SAID COUNTY AND RECORDED SEPTEMBER 15, 2006 AS INSTRUMENT NO. 2006-0685375 OF OFFICIAL RECORDS AS TO THAT PORTION OF SAID LAND LYING WITHIN PARCEL 2 OF PARCEL MAP NO. 14338 RECORDED IN BOOK 104, PAGE 4 OF PARCEL MAPS, RECORDS OF SAID COUNTY.

461-280-034-6

TRACT NO. 32817

TENTATIVE TRACT NO. 32817, BEING A DIVISION OF A PORTION OF THE FOLLOWING:

LOT 1 OF NOTICE OF LINE ADJUSTMENT NO. 5482 RECORDED AUGUST 19, 2014 AS INSTRUMENT NO. 2014-0313562 OF OFFICIAL RECORDS OF RIVERSIDE COUNTY, CALIFORNIA, DESCRIBED AS FOLLOWS:

BEING PARCEL 1 OF PARCEL MERGER 01884, IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, RECORDED APRIL 04, 2014 AS INSTRUMENT NO. 2014-0123673 RECORDS OF SAID COUNTY AND A PORTION OF PARCEL 1 OF PARCEL MERGER 01885, IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, RECORDED APRIL 04, 2014 AS INSTRUMENT NO. 2014-0123674 RECORDS OF SAID COUNTY, BEING PORTIONS OF PARCELS 3, 4 AND 5 OF PARCEL MAP NO. 11452, RECORDED IN BOOK 56, PAGES 65, 66 ANDF 67 OF PARCEL MAPS, RECORDS OF RIVERSIDE COUNTY, CALIFORNIA, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF TRACT NO. 30809 AS SHOWN BY MAP ON FILE BOOK 425 AT PAGES 30 THROUGH 36 OF MAPS, RECORDS OF SAID COUNTY; THENCE ALONG THE SOUTHERLY LINE AS SHOWN BY MAP OF RECORDS OF SURVEY ON FILE IN BOOK 70, PAGES 26 THROUGH 30 OF RECORDS OF SURVEY, RECORDS OF SAID COUNTY NORTH 89°55'21" WEST 1602.29 FEET;

THENCE SOUTH 00°04'54" WEST 404.24 FEET;

THENCE SOUTH 89°55'13" EAST 134.00 FEET;

THENCE SOUTH 00°05'17" WEST, 579.79 FEET TO THE NORTHERLY LINE OF THAT PARCEL CONVEYED TO THE COUNTY OF RIVERSIDE PER DOCUMENT RECORDED AUGUST 24, 2004 AS INSTRUMENT NO. 2004-0666518 AND REFERRED TO AS PARCEL 0785-015A;

THENCE ALONG THE NORTHERLY LINE OF SAID PARCEL 0785-015A SOUTH 89°54'43" EAST 232.60 FEET TO THE NORTHEAST CORNER OF SAID PARCEL 0785-015A;

THENCE ALONG THE EASTERLY LINE OF SAID PARCEL 0785-015A SOUTH 01°19'16" EAST 8.43 FEET;

THENCE ALONG SOUTH 44°23'05" WEST 32.94 FEET TO THE SOUTHEAST CORNER OF SAID PARCEL 0785-15A;

THENCE ALONG THE SOUTHERLY LINE OF SAID PARCEL 0785-015A NORTH 89°54'43" WEST 209.80 FEET;

THENCE SOUTH 00°05'17" WEST OF 44.00 FEET TO THE INTERSECTION WITH THE CENTERLINE OF DOMENIGONI PARKWAY;

THENCE ALONG SAID CENTERLINE SOUTH 89°54'43" EAST 1397.09 FEET;

THENCE NORTH 00°05'17" EAST 44.00 FEET TO THE INTERSECTION WITH THE SOUTHERLY LINE OF THAT PARCEL CONVEYED TO THE COUNTY OF RIVERSIDE PER DOCUMENT RECORDED AUGUST 24, 2004 AS INSTRUMENT NO. 2004-0666518 AND REFERRED TO AS PARCEL 0785-015B;

THENCE ALONG THE SOUTHERLY LINE OF SAID PARCEL 0785-015B AND THE SOUTHERLY LINE OF THAT PARCEL CONVEYED TO THE COUNTY OF RIVERSIDE PER DOCUMENT RECORDED DECEMBER 22, 2003 AS INSTRUMENT NO. 2003-995527 AND REFERRED TO AS PARCEL 0785-013A NORTH 89°54'43" WEST 1053.25 FEET TO THE SOUTHWEST CORNER OF SAID PARCEL0785-013A;

THENCE ALONG THE WESTERLY OF SAID PARCEL 0785-013A NORTH 45°36'55" WEST 32.11 FEET;

THENCE NORTH 01°19'16" WEST 9.58 FEET TO THE NORTHWEST CORNER OF SAID PARCEL 0785-013A;

THENCE ALONG THE NORTHERLY LINES OF SAID PARCELS 0785-015A AND 0785-015B SOUTH 89°54'43" EAST 1076.47 FEET TO THE SOUTHWEST CORNER OF TRACT NO. 30809 AS SHOWN

BY MAP ON FILE IN BOOK 425 AT PAGES 30 THROUGH 36 OF MAPS, RECORDS OF SAID COUNTY;

THENCE ALONG THE WESTERLY BOUNDARY OF SAID TRACT NO. 30809 THE FOLLOWING 11 COURSE NORTH 51°46'25" EAST 25.39 FEET;

THENCE NORTH 04°54'43" WEST 13.03 FEET TO THE BEGINNING OF TANGENT CURVE CONCAVE WESTERLY HAVING THE RADIUS OF 560.00 FEET;

THENCE NORTHERLY ALONG THE ARC OF SAID CURVE 81.58 FEET THROUGH A CENTRAL ANGLE OF 08°20'49";

THENCE NORTH 13°15'32" WEST 31.13 FEET TO THE BEGINNING OF A CURVE CONCAVE WESTERLY HAVING A RADIUS OF 400.00 FEET;

THENCE NORTHERLY ALONG THE ARC OF SAID CURVE 76.86 FEET THROUGH A CENTRAL ANGLE OF 11°00'35" TO THE BEGINNING OF A COMPOUND CURVE CONCAVE SOUTHWESTERLY A RADIUS OF 563.00 FEET, A RADIAL TO SAID POINT BEARS 65°43'53" EAST;

THENCE NORTHWESTERLY ALONG THE ARC OF SAID CURVE 114.13 FEET THROUGH A CENTRAL ANGLE OF 11°36'55";

THENCE NORTHWESTERLY 54°06'58" EAST 74.00 FEET TO THE BEGINNING OF A NON TANGENT CURVE CONCAVE SOUTHWESTERLY HAVING A RADIUS OF 637.00 FEET, A RADIAL TO SAID POINT BEARS NORTH 54°06'58";

THENCE ALONG THE ARC OF SAID CURVE 20.45 FEET THROUGH A CENTRAL ANGLE OF 01°50'23";

THENCE SOUTH 76°57'40 EAST 13.62 FEET;

THENCE NORTH 60°07'18" EAST 80.29 FEET;

THENCE NORTH 00°06'00" EAST 609.91 FEET TO THE POINT OF BEGINNING;

EXCEPTING ANY AND ALL (i) OIL RIGHTS, (ii) MINERAL RIGHTS, (iii) NATURAL GAS RIGHTS, (iv) RIGHTS TO ALL OTHER HYDROCARBONS BY WHATSOEVER NAME KNOWN, (v) GEOTHERMAL HEAT RIGHTS OR GEOTHERMAL SUBSTANCES THAT MAY BE PRODUCED FROM THE PROPERTY, (vi) WATER RIGHTS AND CLAIMS OR RIGHTS TO WATER AND (vii) ALL PRODUCTS DERIVED FROM ANY OF THE FOREGOING (COLLECTIVELY, SUBSURFACE RESOURCES) LOCATED IN OR UNDER THE ABOVE DESCRIBED PROPERTY, TO THE EXTENT SUCH SUBSURFACE RESOURCES HAVE NOT BEEN PREVIOUSLY RESERVED; AND THE PERPETUAL RIGHT TO DRILL, MINE, EXPLORE AND OPERATE FOR AND PRODUCE, STORE AND REMOVE ANY OF THE SURFACE RESOURCES ON OR FROM THE PROPERTY, INCLUDING WITHOUT LIMITATION THE RIGHT TO WHIPSTOCK OR DIRECTIONALLY DRILL AND MINE, FROM LANDS OTHER THAN THE PROPERTY, WELLS, TUNNELS AND SHAFTS INTO, THROUGH OR CROSS THE SUBSURFACE OF THE PROPERTY, AND TO BOTTOM SUCH WHIPSTOCKED OR

DIRECTIONALLY DRILLED WELLS, TUNNELS AND SHAFTS WITHIN OR BEYOND THE EXTERIOR LIMITS OF THE PROPERTY, AND TO REDRILL, RETUNNEL, EQUIP, MAINTAIN, REPAIR, DEEPEN AND OPERATE ANY SUCH WELLS OR MINES, BUT WITHOUT THE RIGHT TO DRILL, MINE, EXPLORE, OPERATE, PRODUCE, STORE OR REMOVE ANY OF THE SUBSURFACE RESOURCES THROUGH OR IN THE SURFACE OF THE PROPERTY OR THE UPPER FIVE HUNDRED (500) FEET OF THE SUBSURFACE OF THE PROPERTY, CONVEYED TO DRH ENERGY, INC., A COLORADO CORPORATION BY MINERAL DEED RECORDED SEPTEMBER 15, 2006 AS INSTRUMENT NO. 2006-0685373 OF OFFICIAL RECORDS.

461-280-036-8

TRACT NO. 32818

TENTATIVE TRACT NO. 32818, BEING A DIVISION OF A PORTION OF THE FOLLOWING:

LOT 2 OF NOTICE OF LOT LINE ADJUSTMENT NO. 05482 RECORDED AUGUST 19, 2014 AS INSTRUMENT NO. 2014-0313562 OF OFFICIAL RECORDS DESCRIBED AS FOLLOWS:

BEING A PORTION OF PARCELS 1 AND 2 OF PARCEL MERGER 01885, IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, RECORDED APRIL 04, 2014 AS INSTRUMENT NO. 2014-0123674 OF OFFICIAL RECORDS, LYING WITHIN PORTIONS OF PARCEL 3 AND 4 OF PARCEL MAP 11452 AS SHOWN BY MAP ON FILE IN BOOK 56, PAGES 65 THROUGH 67 INCLUSIVE OF PARCEL MAPS AND WITHIN PORTION PARCELS 1 AND 2 AND PORTIONS OF LOTS "C" AND "D" OF PARCEL MAP 14338 AS PER MAP RECORDED IN BOOK 104, PAGES 4 OF PARCEL MAP, ALL RECORDS OF RIVERSIDE COUNTY, CALIFORNIA, DESCRIBED AS FOLLOWS:

BEGINNING AT THE CENTERLINE INTERSECTION OF BLALOCK PLACE AND DOMENIGONI PARKWAY (FORMERLY PATTON AVENUE); THENCE ALONG THE CENTERLINE OF DOMENIGONI PARKWAY SOUTH 89°54'43" EAST 616.99 FEET TO A POINT PERPENDICULAR TO THE SOUTHEAST CORNER OF THAT PARCEL CONVEYED TO THE COUNTY OF RIVERSIDE PER DOCUMENT RECORDED MARCH 11, 2004 AS INSTRUMENT NO. 2004-0171428 AND REFERRED TO AS PARCEL 0785-012A; THENCE NORTH 00°05'17" EAST 44.00 FEET, TO SAID SOUTHEAST CORNER; THENCE ALONG THE EASTERLY LINE OF SAID PARCEL 0785-012A NORTH 47°02'48" EAST 34.24 FEET; THENCE CONTINUING ALONG SAID EASTERLY LINE NORTH 00°42'27" WEST 8.63 FEET TO THE NORTHEAST CORNER OF SAID PARCEL 0785-012A; THENCE ALONG THE EASTERLY PROLONGATION OF THE NORTHERLY LINE OF SAID PARCEL 0785-012A

SOUTH 89°54'43" EAST 11.45 FEET; THENCE NORTH 58°39'56" EAST 23.34 FEET; THENCE NORTH 05°05'17" EAST 23.43 FEET TO THE BEGINNING OF A CURVE CONCAVE EASTERLY HAVING A RADIUS OF 640.00 FEET; THENCE NORTHERLY ALONG THE ARC OF SAID CURVE 121.69 FEET THROUGH A CENTRAL ANGLE OF 10°53'39' TO THE BEGINNING OF A COMPOUND CURVE CONCAVE SOUTHEASTERLY HAVING A RADIUS OF 590.00 FEET, A LINE RADIAL TO SAID CURVE AT SAID POINT BEARS NORTH 74°01'04" WEST; THENCE NORTHEASTERLY ALONG THE ARC OF SAID CURVE 205.42 FEET THROUGH A CENTRAL ANGLE OF 19°56'55";

THENCE NORTH 35°55'51" EAST 17.06 FEET TO THE BEGINNING OF A CURVE CONCAVE SOUTHEASTERLY HAVING A RADIUS OF 637.00 FEET; THENCE NORTHEASTERLY ALONG THE ARC OF SAID CURVE, AN ARC DISTANCE OF 92.63 FEET THROUGH A CENTRAL ANGLE OF 08°19'54", A LINE RADIAL TO SAID CURVE AT SAID POINT BEARS NORTH 45°44'15" WEST; THENCE SOUTH 87°10'47" WEST 13.62 FEET; THENCE NORTH 49°54'12" WEST 546.81 FEET THE BEGINNING OF CURVE CONCAVE SOUTHWESTERLY HAVING A RADIUS OF 637.00 FEET: THENCE WESTERLY ALONG THE ARC OF SAID CURVE 450.42 FEET THROUGH A CENTRAL ANGLE OF 40°30′50″; THENCE SOUTH 89°34′58" WEST 17.23 FEET TO THE INTERSECTION WITH THE CENTERLINE OF BLALOCK PLACE; THENCE ALONG SAID CENTERLINE NORTH 00°25'02" WEST 60.33 FEET TO THE SOUTHERLY LINE AS SHOWN BY MAP OF RECORDS OF SURVEY ON FILE IN BOOK 70, PAGES 26 THROUGH 30 OF RECORDS OF SURVEY, RECORDS OF SAID COUNTY; THENCE ALONG SAID SOUTHERLY LINE SOUTH 89°55'21" EAST 1615.82 FEET TO A POINT DISTANCE 1602.29 FEET WESTERLY OF THE NORTHWEST CORNER OF TRACT NO. 30809 AS SHOWN BY MAP ON FILE IN BOOK 425 AT PAGES 30 THROUGH 36 OF MAPS, RECORDS OF SAID COUNTY; THENCE SOUTH 00°04'54" WEST 404.24 FEET; THENCE SOUTH 89°55'13" EAST 134.00 FEET; THENCE SOUTH 00°05'17" WEST, 579.79 FEET TO THE NORTHERLY LINE OF THAT PARCEL CONVEYED TO THE COUNTY OF RIVERSIDE PER DOCUMENT RECORDED AUGUST 24, 2004 AS INSTRUMENT NO. 2004-0666518 AND REFERRED TO AS PARCEL 0785-015A; THENCE ALONG THE NORTHERLY LINE OF SAID PARCEL 0785-015A NORTH 89°54'43" WEST 1068.63 FEET TO THE NORTHWEST CORNER OF SAID PARCEL 0785-015A: THENCE ALONG THE WEST LINE OF SAID PARCEL 0785-015A SOUTH 00°42'27" EAST 32.00 FEET TO THE SOUTHWEST CORNER OF SAID PARCEL 0785-015A; THENCE ALONG THE SOUTHERLY LINE OF SAID PARCEL 0785-015A SOUTH 89°54'43"

EAST 1068.18 FEET; THENCE SOUTH 00°05'17" WEST OF 44.00 FEET TO THE INTERSECTION WITH THE CENTERLINE OF DOMENIGONI PARKWAY; THENCE ALONG SAID CENTERLINE NORTH 89°54'43" WEST 1123.53 FEET TO THE POINT OF BEGINNING.

EXCEPTING ANY AND ALL (i) OIL RIGHTS, (ii) MINERAL RIGHTS, (iii) NATURAL GAS RIGHTS, (iv) RIGHTS TO ALL OTHER HYDROCARBONS BY WHATSOEVER NAME KNOWN, (v) GEOTHERMAL HEAT RIGHTS OR GEOTHERMAL SUBSTANCES THAT MAY BE PRODUCED FROM

THE PROPERTY, (vi) WATER RIGHTS AND CLAIMS OR RIGHTS TO WATER AND (vii) ALL PRODUCTS DERIVED FROM ANY OF THE FOREGOING (COLLECTIVELY, SUBSURFACE RESOURCES) LOCATED IN OR UNDER THE ABOVE DESCRIBED PROPERTY, TO THE EXTENT SUCH SUBSURFACE RESOURCES HAVE NOT BEEN PREVIOUSLY RESERVED; AND THE PERPETUAL RIGHT TO DRILL, MINE, EXPLORE AND OPERATE FOR AND PRODUCE, STORE AND REMOVE ANY OF THE SURFACE RESOURCES ON OR FROM THE PROPERTY, INCLUDING WITHOUT LIMITATION THE RIGHT TO WHIPSTOCK OR DIRECTIONALLY DRILL AND MINE. FROM LANDS OTHER THAN THE PROPERTY, WELLS, TUNNELS AND SHAFTS INTO, THROUGH OR CROSS THE SUBSURFACE OF THE PROPERTY, AND TO BOTTOM SUCH WHIPSTOCKED OR DIRECTIONALLY DRILLED WELLS, TUNNELS AND SHAFTS WITHIN OR BEYOND THE EXTERIOR LIMITS OF THE PROPERTY, AND TO REDRILL, RETUNNEL, EQUIP, MAINTAIN, REPAIR, DEEPEN AND OPERATE ANY SUCH WELLS OR MINES, BUT WITHOUT THE RIGHT TO DRILL, MINE, EXPLORE, OPERATE, PRODUCE, STORE OR REMOVE ANY OF THE SUBSURFACE RESOURCES THROUGH OR IN THE SURFACE OF THE PROPERTY OR THE UPPER FIVE HUNDRED (500) FEET OF THE SUBSURFACE OF THE PROPERTY, CONVEYED TO DRH ENERGY, INC., A COLORADO CORPORATION BY MINERAL DEED RECORDED SEPTEMBER 15, 2006 AS INSTRUMENT NO. 2006-0685373 OF OFFICIAL RECORDS AS TO THAT PORTION OF SAID LAND LYING WITHIN PARCELS 3 AND 4 OF PARCEL MAP NO. 11452, RECORDED IN BOOK 56, PAGES 65, 66 AND 67 OF PARCEL MAPS, RECORDS OF SAID COUNTY AND RECORDED SEPTEMBER 15, 2006 AS INSTRUMENT NO. 2006-0685375 OF OFFICIAL RECORDS AS TO THAT PORTION OF SAID LAND LYING WITHIN PARCEL 2 OF PARCEL MAP NO. 14338 RECORDED IN BOOK 104, PAGE 4 OF PARCEL MAPS, RECORDS OF SAID COUNTY.

NOTE: THE ABOVE LEGAL DESCRIPTION IS FOR THE SOLE PURPOSE OF THIS REPORT AND MAY NOT BE CONSIDERED FOR USE IN ANY POLICY OF TITLE INSURANCE TO BE ISSUED BY THIS COMPANY, AND IS SUBJECT TO CHANGE AT ANY TIME.

461-280-035-7

TRACT NO. 33743 TENTATIVE TRACT NO. 33743, BEING A DIVISION OF THE FOLLOWING:
LOT 2 OF TRACT NO. 32817, AS SHOWN BY MAP ON FILE IN BOOK, PAGES THROUGH, INCLUSIVE, OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

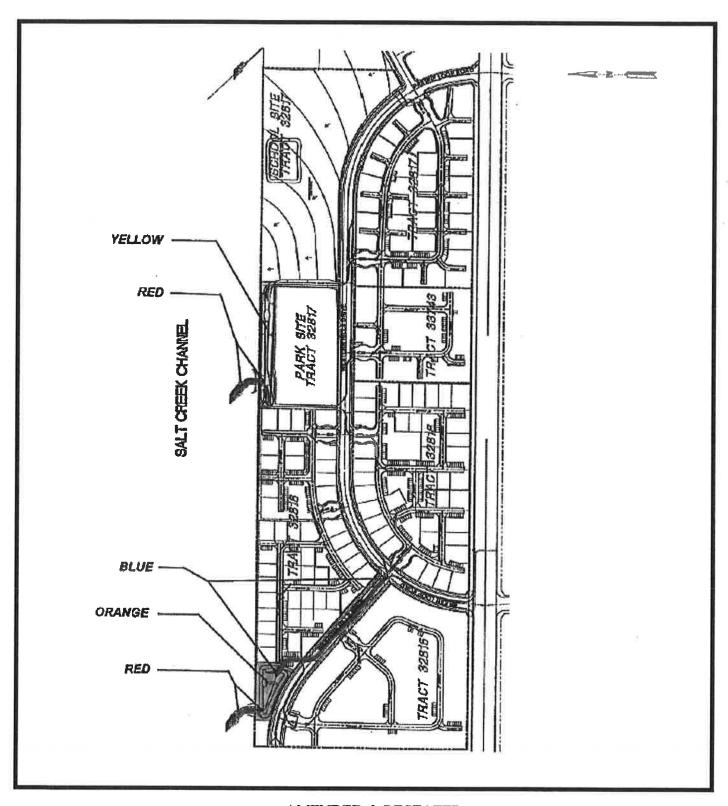
EXCEPTING FROM THAT PORTION OF SAID LAND LYING WITHIN PARCEL 4 OF PARCEL MAP NO. 11452, RECORDED IN BOOK 56, PAGES 65, 66 AND 67 OF PARCEL MAPS, RECORDS OF SAID COUNTY, ANY AND ALL (i) OIL RIGHTS, (ii) MINERAL RIGHTS, (iii) NATURAL GAS RIGHTS, (iv) RIGHTS TO ALL OTHER HYDROCARBONS BY WHATSOEVER NAME KNOWN, (v) GEOTHERMAL HEAT RIGHTS OR GEOTHERMAL SUBSTANCES THAT MAY BE PRODUCED FROM

THE PROPERTY, (vi) WATER RIGHTS AND CLAIMS OR RIGHTS TO WATER AND (vii) ALL PRODUCTS DERIVED FROM ANY OF THE FOREGOING (COLLECTIVELY, "SUBSURFACE RESOURCES") LOCATED IN OR UNDER THE ABOVE DESCRIBED PROPERTY, TO THE EXTENT SUCH SUBSURFACE RESOURCES HAVE NOT BEEN PREVIOUSLY RESERVED; AND THE PERPETUAL RIGHT TO DRILL, MINE, EXPLORE AND OPERATE FOR AND PRODUCE, STORE AND REMOVE ANY OF THE SUBSURFACE RESOURCES ON OR FROM THE PROPERTY, INCLUDING WITHOUT LIMITATION THE RIGHT TO WHIPSTOCK OR DIRECTIONALLY DRILL AND MINE, FROM LANDS OTHER THAN THE PROPERTY, WELLS, TUNNELS AND SHAFTS INTO, THROUGH OR ACROSS THE SUBSURFACE OF THE PROPERTY, AND TO BOTTOM SUCH WHIPSTOCKED OR DIRECTIONALLY DRILLED WELLS, TUNNELS AND SHAFTS WITHIN OR BEYOND THE EXTERIOR LIMITS OF THE PROPERTY, AND TO REDRILL, RETUNNEL, EQUIP, MAINTAIN, REPAIR, DEEPEN AND OPERATE ANY SUCH WELLS OR MINES, BUT WITHOUT THE RIGHT TO DRILL, MINE, EXPLORE, OPERATE, PRODUCE, STORE OR REMOVE ANY OF THE SUBSURFACE RESOURCES THROUGH OR IN THE SURFACE OF THE PROPERTY OR THE UPPER FIVE HUNDRED (500) FEET OF THE SUBSURFACE OF THE PROPERTY, CONVEYED TO DRH ENERGY, INC., A COLORADO CORPORATION BY MINERAL DEED RECORDED SEPTEMBER 15, 2006 AS INSTRUMENT NO. 2006-0685373 OF OFFICIAL RECORDS.

NOTE: THE ABOVE LEGAL DESCRIPTION IS FOR THE SOLE PURPOSE OF THIS REPORT AND MAY NOT BE CONSIDERED FOR USE IN ANY POLICY OF TITLE INSURANCE TO BE ISSUED BY THIS COMPANY, AND IS SUBJECT TO CHANGE AT ANY TIME.

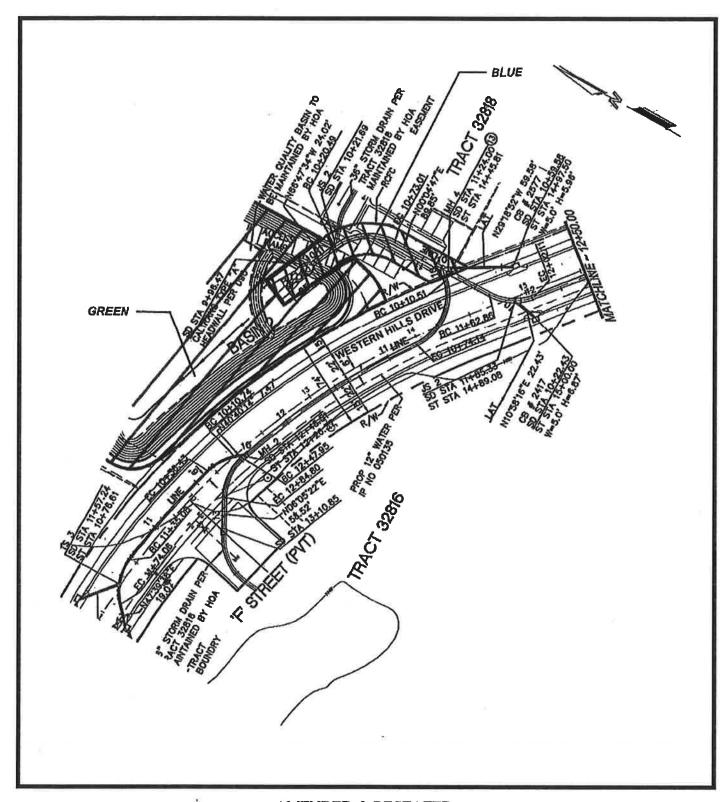
APN: PORTION OF 461-280-036-8

Exhibit B



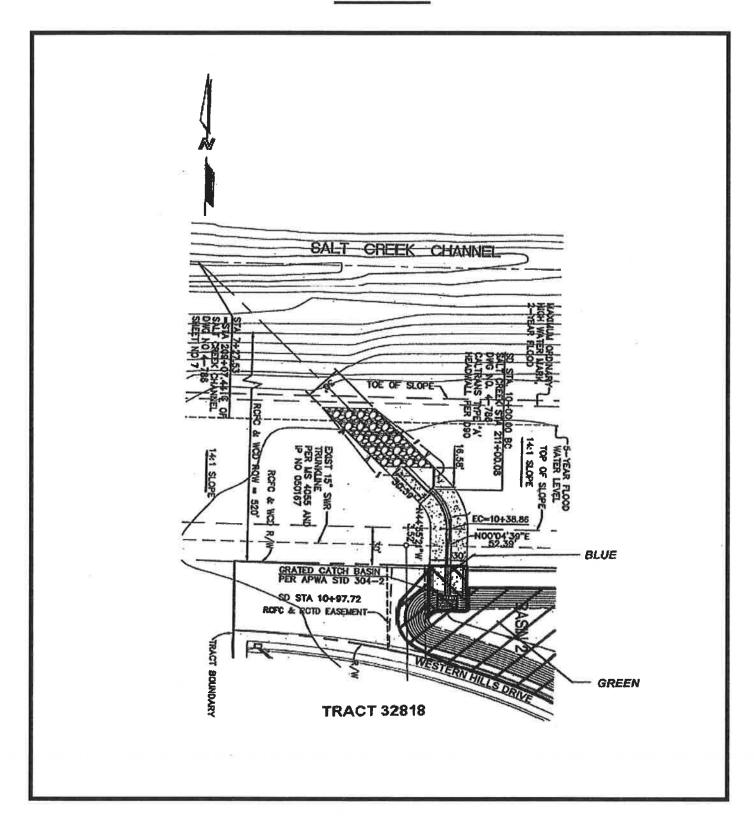
AMENDED & RESTATED COOPERATIVE AGREEMENT

Winchester Hills-Western Hills Drive Storm Drain Tract Nos. 32816, 32817, 32818, 33743 and MS 4047 Project No. 4-0-00587 Page 1 of 1



AMENDED & RESTATED COOPERATIVE AGREEMENT

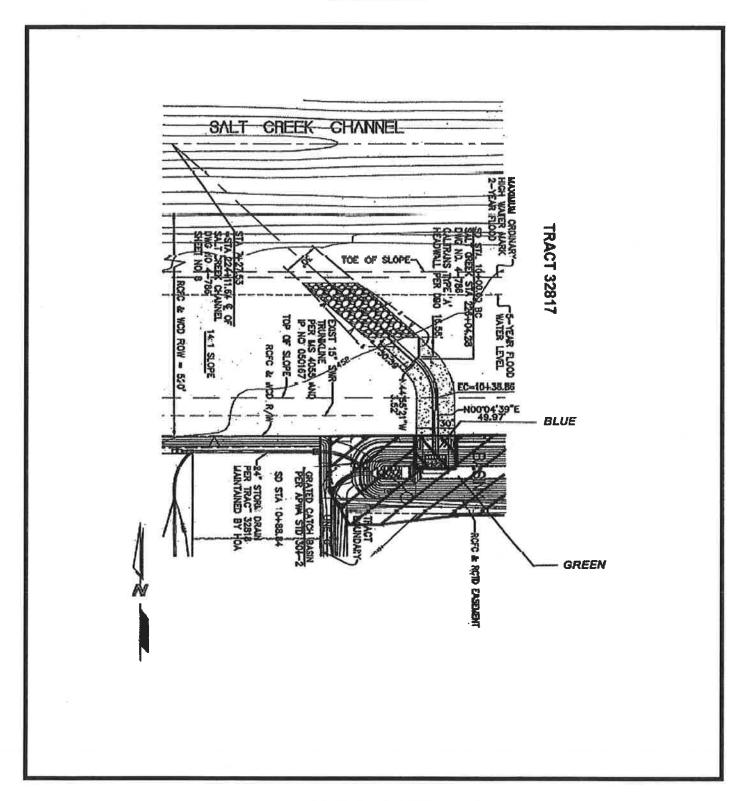
Winchester Hills-Western Hills Drive Storm Drain Tract Nos. 32816, 32817, 32818, 33743 and MS 4047 Project No. 4-0-00587 Page 1 of 5



AMENDED & RESTATED COOPERATIVE AGREEMENT

Winchester Hills-Western Hills Drive Storm Drain Tract Nos. 32816, 32817, 32818, 33743 and MS 4047

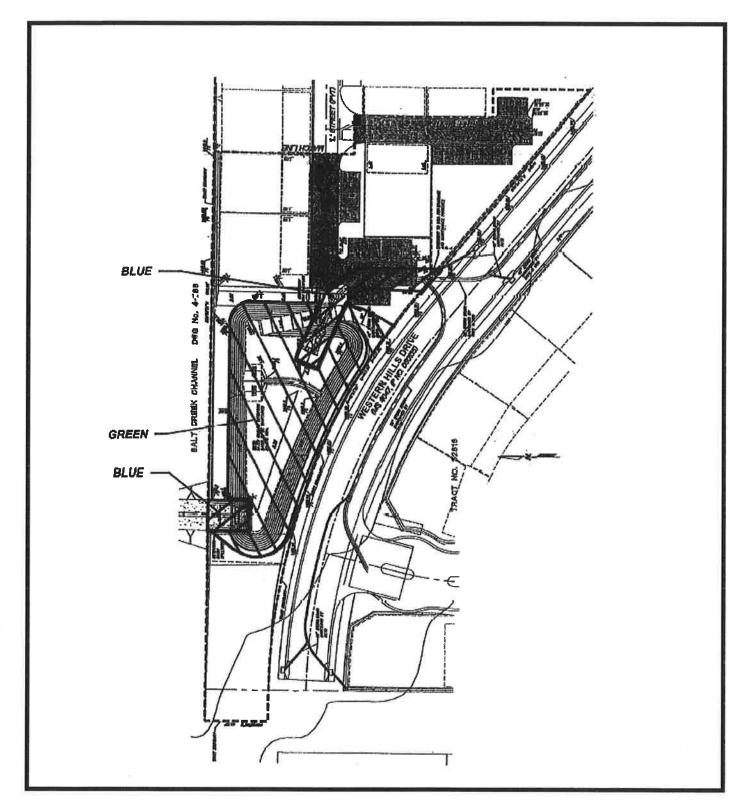
Project No. 4-0-00587 Page 2 of 5



AMENDED & RESTATED COOPERATIVE AGREEMENT

Winchester Hills-Western Hills Drive Storm Drain

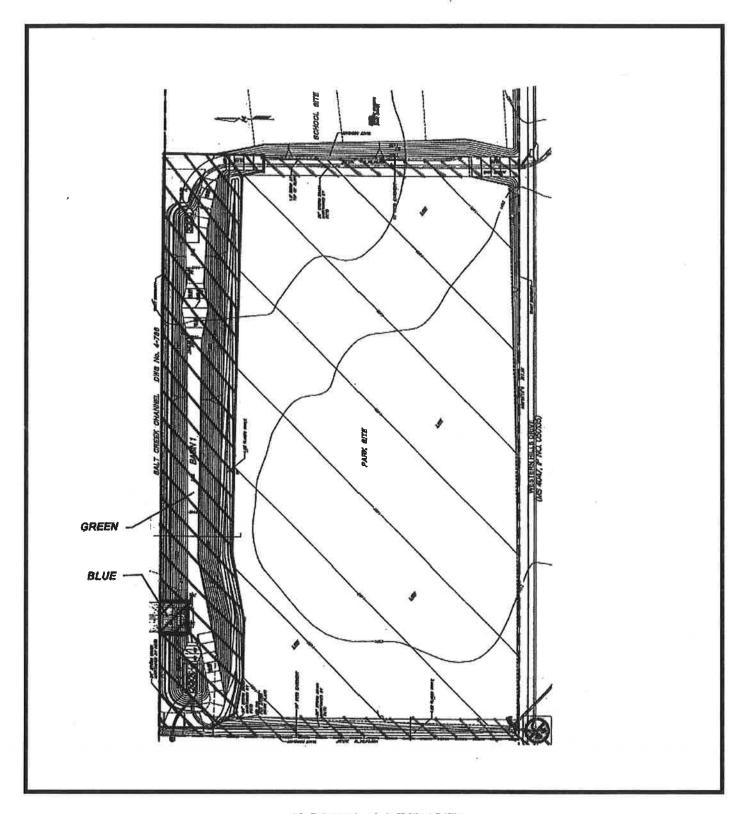
Tract Nos. 32816, 32817, 32818, 33743 and MS 4047 Project No. 4-0-00587 Page 3 of 5



AMENDED & RESTATED COOPERATIVE AGREEMENT

Winchester Hills-Western Hills Drive Storm Drain

Tract Nos. 32816, 32817, 32818, 33743 and MS 4047 Project No. 4-0-00587 Page 4 of 5



AMENDED & RESTATED COOPERATIVE AGREEMENT

Winchester Hills-Western Hills Drive Storm Drain

Tract Nos. 32816, 32817, 32818, 33743 and MS 4047 Project No. 4-0-00587 Page 5 of 5