

**Agreement in Principle between the  
City of San Bernardino  
Municipal Water Department,  
Campus Crusade for Christ Inc and  
Arrowhead Springs Corporation  
Related to the Delivery of Domestic Water,  
Recycled Water, Irrigation Water and  
Wastewater Services**

**Attachment 2**

## AGREEMENT IN PRINCIPLE (ARROWHEAD SPRINGS)

This Agreement in Principle ("**Agreement**") is entered into as of this 4th day of August, 2009 ("**Effective Date**"), by and among Campus Crusade for Christ, Inc., a California nonprofit religious corporation ("**CCC**"), Arrowhead Springs Corporation, a California corporation ("**Arrowhead Springs**"), and the City of San Bernardino Municipal Water Department ("**Water Department**"). Hereafter, CCC, Arrowhead Springs, and the Water Department are sometimes referred to individually as a "**Party**" or collectively as the "**Parties**".

### RECITALS

This Agreement is made with respect to the following facts:

A. CCC is the owner of approximately 1,916.55 acres of real property located in the unincorporated area of San Bernardino County, California, more particularly described in Exhibit "A", attached hereto and incorporated herein by reference ("**Property**").

B. CCC has retained Arrowhead Springs to hold title to a portion of the Property known as the "Ranch Property", pending predevelopment of a phased commercial, resort, and residential project on the Property ("**Project**") pursuant to the proposed Arrowhead Springs Specific Plan, dated November 11, 2005.

C. The City of San Bernardino ("**City**") has requested that the County of San Bernardino Local Area Formation Commission ("**LAFCO**") approve the annexation of the Property into the City ("**Annexation**").

D. LAFCO has advised CCC that it will not approve the Annexation unless a publicly-owned water purveyor provides domestic water, recycled water, irrigation water and wastewater services (collectively, "**Services**") to the Property.

E. The Water Department and CCC desire to enter into this Agreement to document their understanding that the Water Department will provide Services to the Project on terms and conditions that will be negotiated and reflected in definitive agreements (collectively, "**Definitive Agreements**") between them, describing the conditions ("**Service Conditions**") under which the Water Department will provide the Services. The Service Conditions may include that CCC and/or Arrowhead Springs (or their successors in interest to the Project and/or the Property) undertake the construction of infrastructure improvements ("**Infrastructure**") and will include that CCC will in the future transfer certain water rights held by CCC or an affiliate ("**Water Rights**") to the Water Department, in support of the provision of the Services to the Project and the Property. The Service Conditions will also contemplate that the Infrastructure will be constructed and the Water Rights will be transferred to the Water Department, on a phased basis as development of the Project occurs.

F. The Parties now desire to enter into this Agreement to document their various agreements and understandings with respect to the Services.

## TERMS

NOW THEREFORE, the Parties resolve and agree as follows:

1. Recitals. The Recitals set forth in this Agreement are material and are incorporated by reference as though fully set forth hereat.

2. Intent of Agreement. This Agreement is being entered into with the intent that the Water Department shall provide the Services to the Project and the Property on terms and conditions to be negotiated between the Parties, and that CCC shall in the future cause the transfer of the Water Rights to the Water Department, in support of the provision of the Services to the Project and the Property, on terms and conditions to be negotiated between the Parties. To that end, CCC agrees not to cause the Water Rights to be transferred to any person or entity (a) not affiliated with either CCC or Arrowhead Springs or a purchaser of some or all of the Property, and (b) not committed to development of the Project. The Parties acknowledge that CCC or its affiliate has previously granted Nestle Corporation the right to maintain a water pipeline across the Property and that, in connection with such arrangement, CCC or its affiliate has acquired ownership of a portion of the water that flows through the pipeline.

3. Good Faith Negotiations. The Parties agree to negotiate in good faith with respect to the terms and conditions of the Water Department's provision of the Services, including with respect to the Service Conditions on which the Services shall be provided and with respect to the terms and conditions on which the Water Rights shall be transferred to the Water Department. In order to accomplish the objectives of this Agreement, each Party shall meet as often as reasonably requested by any other Party.

4. Service Conditions. Among such other matters as the Parties may choose to negotiate and in view of the fact that the Parties recognize that development of the Project may occur on a phased basis, the Parties shall negotiate the terms, conditions, and requirements applicable to the phased development of the Infrastructure and the phased transfer of the Water Rights to the Water Department. Without limiting the generality of the foregoing, the Parties acknowledge that the phased development of the Infrastructure will include certain off-site and on-site backbone Infrastructure that may have to be developed as part of the first phase of development of the Infrastructure and that construction permits for the first phase of development of the Infrastructure may require development of such off-site and on-site backbone Infrastructure. Subject to the successful negotiation and approval of the Service Conditions and execution of the Definitive Agreements, the Water Department shall provide the Services to the Project.

5. Cooperation. The Parties shall cooperate with each other with respect to compliance with any and all state, federal and local laws and regulations applicable to the Infrastructure and/or any transfer of any Water Rights and/or implementation of the Definitive Agreements including, without limitation, the California Environmental

Quality Act. The Parties shall also cooperate with each other in their respective interactions with LAFCO with respect to the subject matter of this Agreement.

6. Legal Effect. This Agreement does not obligate the Water Department to agree to provide the Services, except on terms and conditions which are agreeable to the Water Department, in its sole but reasonable discretion, nor does it obligate CCC, Arrowhead Springs or their respective affiliates (or their respective successors in interest) to develop the Project, construct the Infrastructure or transfer any Water Rights, except on terms and conditions which are agreeable to the transferor(s), in their sole but reasonable discretion. The precise terms and conditions on which the Water Department shall provide the Services and CCC, Arrowhead Springs or their respective affiliates (or their respective successors in interest) shall develop the Project, construct the Infrastructure or transfer the Water Rights shall be the subject matter of the Definitive Agreements, which shall be negotiated between them, approved by the Parties' respective governing bodies, and fully executed by the authorized representatives of the Parties in full compliance with all applicable laws and regulations. No Party shall be bound to any statement or representation made during the course of negotiations unless and until such statement or representation is documented and approved as described in the preceding sentence. Consistent with the foregoing, each Party waives its legal right to enforce any provision of this Agreement against the other Party.

7. Notices. All notices or other communications required or permitted hereunder shall be in writing, and shall be personally delivered (including use of personal couriers, such as FedEx), or sent by facsimile (with confirmation of receipt being required) to the Parties named below and shall be deemed received upon the date of confirmed receipt.

If to CCC:

Campus Crusade for Christ, Inc.  
Mark Tjernagel, CFO, US  
24600 Arrowhead Springs Road  
San Bernardino, CA 92414

If to Arrowhead Springs:

Arrowhead Springs Corporation, Inc.  
Mark Tjernagel, CFO, US  
Rod Garton  
24600 Arrowhead Springs Road  
San Bernardino, CA 92414

If to Water Department:

Stacey R. Aldstadt, General Manager  
City of San Bernardino  
Municipal Water Department  
300 North "D" Street, 5th Floor  
San Bernardino, CA 92418

If to CCC or Arrowhead Springs:

Dennis R. Kasper, Esq.  
Lewis Brisbois Bisgaard Smith LLP  
221 N. Figueroa Street, Suite 1200  
Los Angeles, CA 90012

8. Modification. No supplement, amendment, or modification of any provision of this Agreement shall be effective unless it is signed and executed by all the Parties.

9. No Partnership or Joint Venture. Nothing in this Agreement shall be construed to create a partnership or joint venture of any kind among the Parties.

10. Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, but all of which, together, shall constitute one and the same instrument.

11. Captions: Interpretation. Any captions to, or headings of, the paragraphs of this Agreement are solely for the convenience of the Parties hereto, are not a part of this Agreement, and shall not be used for the interpretation or determination of the validity of this Agreement or any provision hereof. This Agreement shall be construed without regard to any presumption or other rule requiring construction against the Party or Parties causing this Agreement to be drafted.

12. No Obligation to Third Parties. This Agreement is made solely for the benefit of the Parties and their respective successors and assigns and, except as otherwise expressly provided herein, the execution and delivery of this Agreement shall not be deemed to confer any rights upon any person or entity other than the Parties hereto.

13. Applicable Law. This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of California.

*[SIGNATURES FOLLOW ON NEXT PAGE]*

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

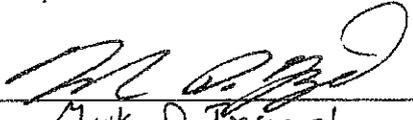
"CCC"

Campus Crusade for Christ, Inc., a California non-profit religious corporation

By:   
Name: Mark D. Tjelange  
Its: CFO  
Date: 8/14/09

"ARROWHEAD SPRINGS"

Arrowhead Springs Corporation, Inc., a California corporation

By:   
Name: Mark D. Tjelange  
Its: Treasurer  
Date: 8/14/09

"WATER DEPARTMENT"

The City of San Bernardino Municipal Water Department

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_  
Date: \_\_\_\_\_

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

"CCC"

Campus Crusade for Christ, Inc., a California non-profit religious corporation

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_  
Date: \_\_\_\_\_

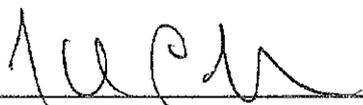
"ARROWHEAD SPRINGS"

Arrowhead Springs Corporation, Inc., a California corporation

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_  
Date: \_\_\_\_\_

"WATER DEPARTMENT"

The City of San Bernardino Municipal Water Department

By:  \_\_\_\_\_  
Name: Toni Callicott  
Its: President, Board of Water Commissioners  
Date: July 21, 2009

**EXHIBIT "A"**

**LEGAL DESCRIPTION OF PROPERTY**

Exhibit "A"

**LEGAL DESCRIPTION**

**EXHIBIT "A"**

**Division I:**

**PARCEL A:** 270-021-03, 071-02, 06, 03, 07, 08, 270-061-11, 12, 03, 04, 08 and 09

The West half of the Southwest quarter of Section 2, the Northwest quarter of Section 11, the South half of the Northeast quarter of Section 11, the South half of Section 11, all in Township 1 North, Range 4 West, San Bernardino Meridian, in the County of San Bernardino, State of California, according to the official plat thereof.

Except that portion conveyed to Seth Marshall by deed recorded October 24, 1923 in Book 813, Page 254, as Instrument No. 62, of Deeds.

Also except that portion conveyed to the State of California by deed recorded June 25, 1932 in Book 822, Page 205, as Instrument No. 45, Official Records.

Also except that portion conveyed to the State of California by deed recorded September 19, 1963 in Book 5991, Page 417 as Instrument No. 327, Official Records.

Also except that portion conveyed to the State of California by deed recorded May 9, 1969 in Book 7229, Page 165 as Instrument No. 49, Official Records.

**PARCEL B:** 270-071-04

That portion of the East half of Section 11, Township 1 North, Range 4 West, San Bernardino Meridian, in the County of San Bernardino, State of California, according to the official plat thereof, described as follows:

Beginning at Corner No. 1, the Southwest corner, a one inch pipe, which the South quarter corner of said Section 11 bears South 40° 01' West, 2,070.3 feet;

Thence North 18° 39' West 171.9 feet to Corner No. 2, a one and one-quarter inch iron pipe;

Thence North 26° 34' East, 268.72 feet to Corner No. 3, a two inch pipe;

Thence South 89° 05' East, 79.63 feet to Corner No. 4, a two inch iron pipe;

Thence South 4° 51' West, 405.19 feet to Corner No. 5, a two-inch iron pipe;

Thence North 89° 05' West, 110.67 feet to Corner No. 1, the place of beginning.

**Division II:** 270-081-01, 02, 03, 04, 07, 08 and 10

The Northwest quarter of Section 12; the West half of the Northeast quarter of Section 12, the Southeast quarter of the Northeast quarter of Section 12, the North half of the Southwest quarter of Section 12, the North half of the Southeast quarter of Section 12, all in Township 1 North, Range 4 West, San Bernardino Meridian, in the County of San Bernardino, State of California, according to the official plat thereof.

**Division III:** 285-041-01

Section 7, Township 1 North, Range 3 West, San Bernardino Meridian, in the County of San Bernardino, State of California, according to the official plat thereof.

**Division IV:**

**PARCEL A:** 270-013-09 (ptr)

Government Lot 6, in the Northeast quarter of Section 3, Township 1 North, Range 4 West, San Bernardino Meridian, in the County of San Bernardino, State of California, according to the official plat thereof, and that

EXHIBIT "A" (continued)

Title No. 07-259906774-B-88  
Locate No. CAFNT0925-0925-0199-0259906774

portion of Government Lot 1, in the Northeast quarter of Section 3, Township 1 North, Range 4 West, San Bernardino Meridian, in the County of San Bernardino, State of California, according to the official plat thereof, lying Westerly of the most Westerly line of State Highway 18, described in deed recorded May 9, 1969 in Book 7229, Page 548, as Instrument No. 343, Official Records.

PARCEL B: 270-013-09 (ptn) 270-012-05 (ptn) 270-011-01 and 02

The East half of the Northeast quarter of Section 3, Township 1 North, Range 4 West, San Bernardino Meridian, in the County of San Bernardino, State of California, according to the official plat thereof.

Except that portion conveyed to the State of California by deed recorded May 9, 1969 in Book 7229, Page 165 as Instrument No. 49, Official Records.

PARCEL C: 270-013-08, 07; 270-012-05 (ptn)

The Northeast quarter of the Southeast quarter of Section 3, Township 1 North, Range 4 West, San Bernardino Meridian, in the County of San Bernardino, State of California, according to the official plat thereof.

Except that portion reserved by the State of California in deed recorded May 9, 1969 in Book 7229, Page 548 as Instrument No. 343, Official Records.

Division V: 270-201-09

A portion of the Southwest quarter of the Southeast quarter of Section 34, Township 2 North, Range 4 West, San Bernardino Meridian, in the County of San Bernardino, State of California, according to the official plat thereof, lying Westerly of the most Westerly line of State Highway 18, described in deed recorded May 9, 1969 in Book 7229, Page 548, as Instrument No. 343, Official Records.

Except all oil, gas, minerals and other hydrocarbons, without the right of surface entry, as reserved by San Bernardino Camp Fire Council, as Trustee, by deed recorded April 24, 1952 in Book 2938, Page 38, as Instrument No. 58, Official Records.

Division VI:

PARCEL A: 270-101-02

All that portion of the Northeast 1/4 of the Northwest 1/4 of Section 14, Township 1 North, Range 4 West San Bernardino Base and Meridian, in the County of San Bernardino, State of California, according to Government Survey, described as follows:

Beginning at a 6" by 6" concrete monument being the intersection of the West line of said Northeast 1/4 of the Southerly line of the California State Highway;

Thence North 84° 10' 51" East 98.82 feet;

Thence along a curve to the left and having a radius of 1,600.00 feet, 220.0 feet to the true Point of Beginning;

Thence continuing on said curve 280.0 feet;

Thence South 19° 40' 20" West 184.56 feet;

Thence South 77° 13' West 122.4 feet;

Thence North 71° 27' West 147.0 feet;

Thence North 37° 14' East 85.7 feet to the place of beginning.

PARCEL B: 270-092-03; pt 270-093-17

All that portion of Government Lots 3 and 4, in the Northwest 1/4 of Section 14, Township 1 North, Range 4

West, San Bernardino Base and Meridian, in the County of San Bernardino, State of California, according to the Official Plat of said land, filed in the District Land Office, December 19, 1901, bounded and described as follows:

Beginning at a point on the East line of said Government Lot 3, which is South 0° 46' 20" East (recorded South 0° 22' 30" East) 859.67 feet from the Northeast corner thereof, said point being the intersection of said East line with the Southerly line of a 175 foot State Highway right-of-way as described by deed recorded March 2, 1934, in Book 943, Pages 203 and 205, respectively, Official Records of San Bernardino County, California;

Thence along said East line of Lot 3, South 0° 46' 20" East 25.92 feet to a point, said point being the Northeast corner of the property conveyed to Albert C. Arthur by deed recorded February 2, 1948, in Book 2116, Page 466, Official Records of San Bernardino County, California; Thence along the Northerly line of said Arthur property South 45° 44' 50" West (recorded North 46° 08' 40" East) 157.89 feet;

Thence North 73° 47' 30" West (recorded South 73° 23' 40" East) 117.05 feet;

Thence South 33° 40' 40" West (recorded North 34° 04' 30" East) 98.89 feet;

Thence South 48° 36' 30" West (recorded North 49° 00' 20" East) 102.71 feet to the Northwest corner of said Arthur property;

Thence along the West line of said Arthur property South 7° 09' 00" East (recorded North 6° 45' 10" West) 62.98 feet to the Southwest corner thereof, said Southwest corner being a point in the Northerly line of a 40 foot County Road;

Thence along the Northerly line of said County Road South 82° 51' 00" West 119.57 feet to the beginning of a curve;

Thence curving to the left with a radius of 420 feet through a central angle of 21° 46' 00" a distance of 159.56 feet;

Thence South 61° 05' 00" West 170.00 feet;

Thence leaving the Northerly line of said County Road, North 4° 42' 55" East 434.40 feet to a point in the Southerly line of said aforementioned State Highway right-of-way, said point being North 84° 10' 51" East 70.00 feet from Station 266 + 59.65 of said State Highway;

Thence along the Southerly line of said State Highway right-of-way, North 84° 10' 51" East 340.03 feet;

Thence South 5° 49' 09" East 25.00 feet;

Thence North 84° 10' 51" East 390.45 feet to the Point of Beginning.

Excepting therefrom that portion deeded to the State of California by deed recorded in the Office of the County Recorder of San Bernardino County, State of California, recorded July 27, 1962 as Document No. 167, in Book 5740, Page 983, Official Records.

Together with an undivided 1/24th interest in and to that certain well, the water produced by said well, pump and water distribution system which well is located on Government Lot 4, Section 14, Township 1 North, Range 4 West, San Bernardino Base and Meridian, as per Government Township Plat approved December 13, 1900.

Parcel C: 270-092-01, 02

All those portions of Government Lots 3 and 4 and of Rancho Muscuplabe, as they lay within Section 14, Township 1 North, Range 4 West, San Bernardino Base and Meridian, in the County of San Bernardino, State of California, according to Government Survey, lying Southerly of the Southerly line of the State Highways, as described in the Deed recorded March 2, 1934, in Book 943, Pages 203 and 205, respectively, and lying Northerly of the Northerly line of Arrowhead Road and lying Westerly of the Westerly line of the land described in the deed to Jack L. Coyle et ux, recorded August 1, 1952, in Book 2994, Page 341, Official Records.

Except that portion thereof lying within the land described in the Deed to the State of California recorded April 16, 1962, in Book 5681, Page 945, Official Records and recorded August 26, 1966, in Book 6687, Page 291, Official Records.

Together with all (if any) underlying water rights owned by the Grantor.

PARCEL D: 270-101-12,13; 270-111-03, 08

The Northwest 1/4 of the Northeast 1/4 and the Northeast 1/4 of the Northwest 1/4 and Government Lot 5 and all that portion of Government Lot 1, lying West of the West line of the wash of East Twin Creek, but not East of said line as it existed on July 26, 1888, all in Section 14, Township 1 North, Range 4 West, San Bernardino Base and Meridian, in the County of San Bernardino, State of California, according to Government Survey approved by the Surveyor General, dated August 30, 1878.

Excepting therefrom that portion of the Northwest 1/4 of the Northeast 1/4 conveyed to the Del Rosa Water Company, a Corporation, described as follows:

Beginning at the Northeast corner of Northwest 1/4 of the Northeast 1/4 of said Section 14;

Thence West 208.71 feet;

Thence South 417.4 feet to a point which is South 40° 30' West, 127.9 feet from the Southwesterly corner of concrete sand box of said company;

Thence East 208.74 feet;

Thence North 417.4 feet to the beginning, said excepted portion estimated to contain 2 acres.

Also excepting all that portion in the Northwest 1/4 of the Northeast 1/4 of Section 14, Township 1 North, Range 4 West, San Bernardino Base and Meridian, described as follows:

Beginning at a point on the North line of said Northwest 1/4 of the Northeast 1/4 of Section 14, which is North 89° 02' East, 422.81 feet from the Northwest corner thereof;

Thence along said North line, North 89° 52' East 156.70 feet;

Thence South 3° 02' 20" West, 381.95 feet;

Thence South 73° 27' 00" West, 52.21 feet;

Thence North 78° 44' 10" West, 30.00 feet;

Thence North 40° 49' 20" West 108.69 feet;

Thence North 5° 53' 30" East, 318.52 feet to the point of beginning.

Also excepting a portion of Government Lots 1 and 5, Section 14, Township 1 North, Range 4 West, San Bernardino Meridian, described as follows:

Beginning at a point in the South line of said Government Lot 1, distant along said South line, North 89° 43' 30" West, 990.00 feet from the Southeast corner of said Government Lot 1;

Thence continuing on said South line, North 89° 43' 30" West 317.28 feet to the Southwest corner of said Government Lot 1; said corner also being the Southeast corner of said Government Lot 5;

Thence along the South line of Government Lot 5, North 89° 43' 30" West, 51.5 feet to a point in the North line of Muscupiaba Rancho;

Thence along said North line North 64° 34' 00" West, 163.76 feet;

Thence North 30° 33' 00" East, 251.32 feet;

Thence North 84° 33' 50" East, 45.60 feet to a point in the East line of said Government Lot 5;

Thence continuing North 84° 33' 50" East, 101.04 feet;

Thence South 81° 10' 30" East, 112.24 feet;

Thence South 53° 25' East 99.70 feet;

Thence South 64° 04' 40" East, 53.22 feet;

Thence Southerly to the point of beginning.

Also excepting therefrom those portions lying Northerly and Westerly of the following described line:

Commencing at a 1-1/2 inch iron pipe in a rock mound marking the North 1/4 corner of said Section 14;

Thence South 89° 45' 51" West 36.13 feet to a point in the South line of the State Highway;

Thence continuing Westerly on said South line of State Highway to the most Northerly corner of the property described in instrument recorded August 21, 1948, in Book 2281, Page 391, Official Records;

Thence South 19° 40' 20" West, on the Easterly line of said property, 184.56 feet;

Thence South 77° 13' West, on the Northerly line of the aforementioned property, 122.4 feet to a point in the North line of the property described in instrument recorded September 13, 1963, in Book 5993, Page 708, Official Records;

Thence South along the most Easterly line of said property 81.73 feet;

Thence continuing along said Easterly line of the following courses and distances;

Thence North 79° 52' 33" East, 184.61 feet;

Thence South 68° 23' 20" East, 165.01 feet;

Thence South 37.09 feet;

Thence South 34° 59' 55" West 191.31 feet;

Thence South 23° 27' 59" West, 97.43 feet;

Thence South 8° 41' 26" West, 248.05 feet;

Thence South 7° 18' 16" East, 54.20 feet;

Thence South 55° 17' East, 54.43 feet;

Thence South 13° 57' 50" East, 122.27 feet;

Thence South 15° 21' 23" West, 131.31 feet;

Thence South 32° 10' 20" East, 205.36 feet;

Thence South 0° 29' 04" West, 177.27 feet;

Thence South 43° 39' 30" West, 83.79 feet to the point of termination in the North line of Rancho Muscuplabe, said point also being North 64° 27' 35" West, 137.21 feet;

Thence North 63° 59' 35" West, 222.20 feet from a 4-inch by 4-inch stake marking Monument No. "M-30" in the North line of Rancho Muscuplabe.

Also excepting that portion of the Northwest quarter of the Northeast quarter of Section 14 as conveyed to the Metropolitan Water District of Southern California, a Public Corporation by Final Order of Condemnation, recorded February 5, 2002 as Instrument No. 20020058434, Official Records.

**PARCEL E:**

An exclusive easement, except for the use by plaintiff (San Bernardino County Flood Control District) for roadway purposes with the right to dedicate or grant said easement for road purposes, together with all utilities, over, under, across and upon that portion of Parcel No. 533, more particularly described in document recorded September 24, 1963, in Book 5993, Page 708, Official Records of said County, described as follows:

Lying Northerly of a line described as follows:

Beginning at a point on the West line of the aforesaid Parcel No. 533, distant thereon Southerly from the Northwest corner; 140 feet;

Thence Easterly to a point on the East line of said Parcel, distant thereon Southerly from the Northeast corner of said Parcel, 60.00 feet.

Together with the right to place earth fill slopes upon Parcel No. 533, as described in the aforesaid document, on the landward side of San Bernardino County Flood Control District's Waterman Canyon Groyne, adjacent to the above easement as may be necessary because of exercising the right under said easement. Provided, however, that no roadway fill or other obstruction should be placed in the natural channel of Waterman Creek streamward of a line drawn parallel to the East line of said Parcel No. 533 and 50 feet Easterly therefrom and provided further that the elevation along any roadway as it crosses the natural streambed shall be six feet below the elevation of the top of the groyne measured at right angles to the longitudinal axis of said groyne.

Provided also, that no existing roadway shall be revised, rebuilt, or re-located and provided no other roadway or public utilities facility of any nature shall be constructed upon said easement, without the prior approval in writing from the chief engineer of the San Bernardino County Flood Control District, for such revision, reconstruction, relocation or additional facility, which approval shall not be unreasonably withheld.

Provided further, should any governmental agency require as a prerequisite to the subdividing or other development of the property described in Parcel No. 1 hereof, an easement or access of greater width than that described herein for roadway or public utility purposes, San Bernardino County Flood Control District or its successors shall grant such greater width of access at the time required for such purposes to the owner of said easement or to the appropriate governmental agency as shall be so required, conditioned upon the said San Bernardino County Flood Control District planning and constructing such roadway, utility lines, or other works, in such manner as in the reasonable opinion and judgment of San Bernardino County Flood Control District are feasible, and practicable, considering the overall needs of the Flood Control District in relation to its existing facilities or any further facilities or protective works or plans now planned or to be planned in the future.

**PARCEL F: 155-482-15**

That portion of the Southeast 1/4 of the Northeast 1/4 of Section 14, Township 1 North, Range 4 West, San Bernardino Base and Meridian, in the County of San Bernardino, State of California, according to Government Survey, described as follows:

Beginning at the Northwest corner of said Southeast 1/4 of the Northeast 1/4, as shown by Map of Record of Survey on file in Book 7, Page 37, Record of Surveys of said County;

Thence along the North line of said Southeast 1/4 of the Northeast 1/4, South 89° 38" East, 28.50 feet to the center line of the 40 foot road easement granted to the U.S. Forest Service as described in that certain Deed conveyed to James D. Holdren and Geneva L. Holdren and recorded in Book 3535, Page 196, Official Records;

Thence along said center line South 0°41' West 143.80 feet;

Thence continuing along said center line, South 38° 16' East, 135.20 feet;

Thence leaving said center line South 51° 26' 32" West, 141.70 feet, more or less, to the West line of said Southeast 1/4 of the Northeast 1/4, distant on said West line South 0° 03' West, 338.45 feet from the point of

beginning;

Thence on said West line, North 0° 03' East, 338.45 feet to the point of beginning.

Except 1/2 of all oil, gas and minerals rights, as reserved in the Deed from Claude L. Bidgood, et ux. to James D. Holdren, et ux, as recorded in Book 3535, Page 196, Official Records.

DIVISION VII: 155-482-16

That portion of the Southeast quarter of the Northeast quarter of Section 14, Township 1 North, Range 4 West, San Bernardino Meridian, in the City of, County of SAN BERNARDINO, State of California, according to government survey, described as follows:

Commencing at the Northwest corner of the Southeast quarter of the Northeast quarter;

Thence North 89° 53' East along the North line of said Southeast quarter of the Northeast quarter 28.5 feet to the True Point of Beginning;

Thence continuing North 89° 53' East along said North line 396.6 feet to a 1-1/2 inch iron pipe;

Thence South 52° 04' West 407.84 feet;

Thence North 38° 16' 135.20 feet;

Thence North 0° 41' East 143.8 feet to the True Point of Beginning.

Excepting therefrom 1/2 of all oil, gas and mineral rights, on above described property.

NOTE: Said property is also shown on Licensed Surveyor's Map in Book 7 of Record of Surveys, Page 37, records of said county.

DIVISION VIII: 270-111-02

That portion of the Northwest quarter of the Northeast quarter of Section 14, Township 1 North, Range 4 West, San Bernardino Meridian, in the City of, County of SAN BERNARDINO, State of California, according to government survey, described as follows:

Beginning at the Northeast corner of the Northwest quarter of the Northeast quarter of Section 14, Township 1 North, Range 4 West, San Bernardino Meridian;

Thence West 208.71 feet;

Thence South 417.4 feet to a point which is South 46° 30' West 127.9 feet from the Southwesterly corner of the concrete sand box of the Del Rosa Water Company;

Thence East 208.74 feet;

Thence North 417.4 feet to the Point of Beginning.

DIVISION IX: 270-012-03

Government Lots 1 and 6 of the Northeast Quarter of Section 3, Township 1 North, Range 4 West, San Bernardino Meridian, in the County of San Bernardino, State of California, according to United States Government Township Plat thereof.

Except therefrom that portion by the State of California, by Final Order of Condemnation, recorded June 29, 1937 in Book 1212, Page 395 of Official Records.

Also excepting therefrom that portion of the Northwest Quarter of the Northeast Quarter of Section 3, Township 1 North, Range 4 West, San Bernardino Meridian, according to Official Plat approved by the Surveyor General, dated June 24, 1898, described as follows:

Commencing at a glo cap on a 1 inch iron pipe marking the Northeast corner of said Northwest Quarter;

Thence along the East line of South Northwest Quarter, South 2° 51' 16" West, 508.71 feet to its intersection with the Northeasterly boundary line of the State Highway Right of Way described in Final Order of Condemnation, recorded June 29, 1937 in Book 1212, Page 395 of Official Records;

Thence along said Northeasterly line North 59° 12' 04" West, 206.17 feet to the True Point of Beginning;

Thence North 56° 24' 23" West, 394.59 feet to said Northeasterly line of the State Highway;

Thence along said Northeasterly boundary line the following three courses:

South 36° 14' 42" West, 17.92 feet;

Thence South 45° 56' 45" East, 296.89 feet;

Thence North 88° 50' 04" East, 125.94 feet to the True Point of Beginning.

Also excepting therefrom that portion of Government Lot 6 and that portion of Government Lot 1 in the Northeast Quarter of said Section 3, lying Southwesterly of the Southwesterly line of the certain parcel of land described in Final Order of Condemnation, recorded June 29, 1937 in Book 1212, Page 395 of Official Records.

**DIVISION X:**

**PARCEL A: Portion of 270-201-12**

That portion of the Southwest Quarter of the Southeast Quarter of Section 34, Township 2 North, Range 4 West, San Bernardino Meridian, in the County of San Bernardino, State of California, according to Official Plat of said land approved by the Surveyor General dated June 11, 1886, described as follows:

Beginning at the Southeast corner of the Southwest Quarter of the Southeast Quarter;

Thence North 820.00 feet;

Thence West 531.00 feet;

Thence North 57° West 102.80 feet;

Thence North 40° 4' West 39.82 feet;

Thence West at a point in the East line of the State Highway, as described by Deed recorded August 16, 1932 in Book 825, Page 307 of Official Records;

Thence Southeasterly along the East line of said highway to the Point of Termination of said East line and the South line of Section 34;

Thence East along the South line of said Section, 481.13 feet to the point of beginning.

**PARCEL B: Portion of 270-201-12**

The North 387.64 feet of the West 677.18 feet of the Southwest Quarter of the Southeast Quarter all in Section 34, Township 2 North, Range 4 West, San Bernardino Base and Meridian, in the County of San Bernardino, State of California, according to Official Plat thereof.

Excepting from the above described parcel, any portions lying within the boundaries of the State Highway, and excepting therefrom the San Bernardino County Highway Right of Way.

**DIVISION XI: 0270-191-70**

Parcel 2 of Parcel Map 14138, in the County of San Bernardino, State of California, as per map recorded in Book 174, Page(s) 24 and 25 of Parcel Maps, in the office of the County Recorder of said county.

## DIVISION XII: 270-201-02

Portion of the Southeast 1/4 of Section 34, Township 2 North, Range 4 West, San Bernardino Base and Meridian, according to United States Government Township Plat thereof approved by the Surveyor General dated June 11, 1886, described as follows:

Beginning at a point on the East line of the Southwest 1/4 of said Southeast 1/4 of Section 34, 820 feet North of the South line of said section; thence West 531 feet to a point marked by a two inch iron pipe set in the ground and which said point bears South 24° East, 30.8 feet from a sycamore tree 18 inches in diameter and which said point also bears South 56° West, 59 feet from a boulder 8 feet by 10 feet, which said boulder has a cross chiseled thereon; thence North 57° West, 102.8 feet; thence North 40° 4' West, 74.3 feet; thence North on a line parallel with and distant 665.63 feet West of the center line of the East 1/2 of said section, a distance of 1707.64 feet to a point in the North line of said Southeast 1/4 of Section 34; thence East 1985.63 feet to the Northeast corner of said Southeast 1/4 of said Section 34; thence South along the East line of said section, a distance of 1320 feet; thence West along the South line of the Northeast 1/4 of said Southeast 1/4 of said Section 34, a distance of 1320 feet; thence South a distance of 500 feet to the point of beginning.

## DIVISION XIII:

## PARCEL A: 270-021-09

Beginning at a point in the West line of Southwest 1/4 of the Northwest 1/4 of Section 2, Township 1 North, Range 4 West, San Bernardino Base and Meridian, which point is 807 feet North of the Southwest corner of said 1/4 1/4 section; thence continuing North and along the West line of said 1/4 1/4 section, a distance of 526.96 feet more or less to the North line of said 1/4 1/4 Section; thence running East and along the North line of said 1/4 1/4 Section, a distance of 1320 feet to the Northeast corner of said 1/4 1/4 section; thence South and along the East line of said 1/4 1/4 section, a distance of 526.96 feet more or less to a point which is 807 feet North from the Southeast corner of said 1/4 1/4 section and which point is in the North line of a 10 foot alley or driveway extended East and West across said 1/4 1/4 section; thence running West and along the North line of said 10 foot alley or driveway a distance of 1320 feet to the point of beginning.

## PARCEL B:

1/8th or one inch of water in Twin Creek for the irrigation and domestic use on Portion of Section 2, Township 1 North, Range 4 West, San Bernardino Base and Meridian, appurtenant to five acres awarded in Decree in suit entitled West Twin Creek Water Company vs. C.C. Followell, et al, as per judgment recorded in Book 9 of Judgment Books, Page 381, records of San Bernardino County, Calif.

Together with all the right, title and interest of Grave Vale Cooley, grantor, as set forth in deed recorded September 22, 1936 in Book 1156, Page 445, Official Records, San Bernardino County, CA, Margaret Shaddy, an unmarried woman, grantee, in and to the water of Boys Creek.

## DIVISION XIV: 270-111-01

All that portion of the Northwest quarter of the Northeast quarter of Section 14, Township 1 North, Range 4 West, San Bernardino Meridian, according to Government Survey, described as follows:

Beginning at a point on the North line of the said Northwest quarter of the Northeast quarter of Section 14, which is North 89°52' East 422.81 feet from the Northwest corner thereof; thence along said North line, North 89°52' East 156.70 feet; thence South 3°02'20" West 381.95 feet; thence South 73°27'00" West 52.21 feet; thence North 78°44'10" West 38.00 feet; thence North 48°49'20" West 108.69 feet; thence North 5°53'30" East 318.52 feet to the point of beginning.

## DIVISION XV: 270-021-02

Government Lots 6, 11 and 12 of Section 2, Township 1 North, Range 4 West, San Bernardino Base and Meridian, according to Government Survey.

Saving and excepting all State and County Highways.

## DIVISION XVI: 270-201-07

That portion of the Northeast 1/4 of the Southwest 1/4 lying Northeasterly of the Northeasterly line of State Highway 18; and the West 19.84 acres of the North 1/2 of the Southeast 1/4, all in Section 34, Township 2 North, Range 4 West, San Bernardino Base and Meridian, in the County of San Bernardino, State of California, according to Government Survey thereof.

Excepting therefrom those portions conveyed to the State of California in deeds recorded in Book 825, Page 307, Official Records; and in Book 859, Page 162, Official Records.

Also excepting therefrom any portion lying within the land conveyed to Egmont S. Pohl, et ux, in deed recorded October 24, 1914, in Book 556, Page 290, of Deeds.

**DIVISION XVII: 270-191-33**

A portion of the Southeast 1/4 of the Northwest 1/4 of Section 34, Township 2 North, Range 4 West, San Bernardino Base and Meridian, in the County of San Bernardino, State of California, as per Government Survey, approved by the Surveyor General dated July 11, 1886, described as follows:

Beginning at a point on the Southerly line of State Highway, which point bears North 48°21' East, 500.78 feet from the most Northerly corner of Lot 82 of Camp Waterman Tract, as per plat recorded in Book 21 of Maps, Page 64, records of said county; thence South 9°02' West, 93.70 feet; thence South 14°10' East, 303.60 feet; thence South 34°39' East, 480.00 feet; thence North 84°29' East 198.4 feet; thence North 49°48' East, 136.9 feet; thence North 0°40' East (North) 203.02 feet; thence North 5°48' East, 185.25 feet to the Southerly line of the State Highway, as conveyed by S. E. Bagley and wife, to the State of California, by deed dated January 29, 1930 and recorded April 12, 1930 in Book 609, Page 60, Official Records; thence along the Southerly line of said State Highway right of way, 729.01 feet to the point of beginning.

Except that portion lying in a general Northeasterly and Northerly direction from the following described line:

Beginning on the East line of said Northwest 1/4, distant along said East line South 0°05'17" East (on a different basis of bearings than used hereinabove) 2109.09 feet from the Northeast corner of said Northwest 1/4; thence Northwesterly along a curve to the right having a radius of 600 feet, from a tangent bearing of North 60°30' 53" West, through an angle of 18°39'39" an arc distance of 195.42 feet; thence North 41°51'14" West, 204.11 feet; thence Northwesterly along a tangent curve to the left having a radius of 600 feet, through an angle of 22°04'18" an arc distance of 231.13 feet; thence North 26°04'28" East, 90.00 feet; thence North 40°12'45" West, 54.67 feet; thence, Course "A", North 87°27'48" West, 270.10 feet to a Westerly line of the hereinabove described parcel of land.

**DIVISION XVIII: 270-021-08**

That portion of the Southwest 1/4 of the Northwest 1/4 of Section 2, Township 1 North, Range 4 West, San Bernardino Base and Meridian, described as follows:

Commencing at a point 10 feet South of an iron stake, said point being on the South line of an alley, or driveway running East and West said iron stake being distant 822.3 feet North of the quarter corner of Sections 2 and 3, Township 1 North, Range 4 West, San Bernardino Base and Meridian; thence South 150 feet; thence East 1320 feet; thence North 150 feet; thence West 1320 feet to the point of beginning.

**DIVISION XIX: 270-021-18**

The South 119.6 feet of the Southwest 1/4 of the Northwest 1/4 of Section 2, Township 1 North, Range 4 West, San Bernardino Base and Meridian, in the County of San Bernardino, State of California, according to Government Survey.

Excepting therefrom any portion included within Waterman Canyon Road, as the same exists on or across said land.

**DIVISION XX: 0270-191-69**

Parcel 1 of Parcel Map 14138, in the County of San Bernardino, State of California, as per map recorded in Book 174, Page(s) 24 and 25 of Parcel Maps, in the office of the County Recorder of said county.

DIVISION XXI:

PARCEL A: 270-021-30

Parcel 1 of Parcel Map No. 5134, located in the unincorporated area of the County of San Bernardino, State of California, as per plat recorded in Book 48 of Parcel Maps, Pages 90 and 91, records of said county.

Together with the North 84.30 feet of the South 662.30 feet of the Southwest one-quarter of the Northwest one-quarter of Sec 2, Township 1 North, Range 4 West, according to the Official Map of said land approved by the Surveyor General, dated June 23, 1898. Excepting therefrom that portion of said Southwest one-quarter of the Northwest one-quarter of Section 2 described as follows:

Beginning on the South line of the above described property, 81.30 feet East of the Southwest corner thereof; thence North 44°45' East, 47.73 feet; thence East to the East line of said Southwest one-quarter of the Northwest one-quarter of Section 2; thence South along said East line to a point East of the Point of Beginning; thence West to the point of beginning.

Also excepting therefrom any portion of said described portion of Section 2 lying Easterly of the Northerly prolongation of the East line of said Parcel 1 of Parcel Map No. 5134, said East line being the West line of Parcel No. 3 of said Parcel Map No. 5134.

PARCEL B: 270-021-25

Parcel 2 of Parcel Map No. 5134, located in the unincorporated area of the County of San Bernardino, State of California, as per plat recorded in Book 48 of Parcel Maps, Pages 90 and 91, records of said county.

Excepting that portion said Parcel 2 described as follows:

Commencing at the common parcel corner of said Parcel 2 and Parcel 3 of said Parcel Map No. 5134, said common corner lies on the Easterly right-of-way line of Old Waterman Canyon Road, 30.00 feet wide on the Easterly one-half.

Thence South 87°03'30" East 51.90 feet along the common line between said Parcel 2 and said Parcel 3;

Thence continuing along said common line North 30°39'03" East 185.00 feet to the true point of beginning;

Thence continuing North 30°39'03" East 15.00 feet along said common line to an angle point in said common line;

Thence South 50°51'58" East 165.71 feet along said common line;

Thence leaving said common line South 65°13'34" West 70.86 feet;

Thence North 30°37'29" West 141.05 feet to a point on said common line and the true point of beginning.

Together with that portion of said Parcel 3 described as follows:

Beginning at the Southwest corner of said Parcel 3, said Southwest corner being the Southeast corner of said Parcel 2, said Southwest and said Southeast corners being a common point on the South line of said Parcel Map No. 5134;

Thence South 87°03'30" East 139.22 feet along said South line;

Thence leaving said South line North 69°12'03" West 157.09 feet;

Thence North 64°12'37" West 142.07 feet to a point on the common line of said Parcel 2 and said Parcel 3;

Thence South 50°51'58" East 175.00 feet along said common line to the said Southwest and said Southeast corners and the point of beginning.

PARCEL C:

Perpetual easement and right of unlimited use of the existing water well and all of said wells controls, water lines, electrical lines and conduits on the portion of Parcel 3 between the stream and Old Waterman Canyon Road.

PARCEL D: 270-021-28

Parcel 3 of Parcel Map No. 5134, located in the unincorporated area of the County of San Bernardino, State of California, as per plat recorded in Book 48 of Parcel Maps, Pages 90 and 91, records of said county.

Excepting therefrom that portion of said Parcel 3 described as follows:

Beginning at the Southwest corner of said Parcel 3, said Southwest corner being the Southeast corner of Parcel 2 of said Parcel Map No. 5134, said Southwest corner and said Southeast corner being a common point on the South line of said Parcel Map No. 5134, thence South 87°03'30" East 139.21 feet along said South line; thence leaving said South line North 69°12'03" West 157.09 feet; thence North 64°12'37" West 142.07 feet to a point on the common line of said Parcel 3 and said Parcel 2; thence South 50°51'58" East 175.00 feet along said common line to the said Southwest and Southeast corners and the point of beginning. Together with that portion of said Parcel 2 of said Parcel Map No. 5134, described as follows:

Commencing at the common parcel corner of said Parcel 2 and said Parcel 3, said common corner lies on the Easterly right-of-way line of Old Waterman Canyon Road, 30.00 feet wide on the Easterly one-half; thence South 87°03'30" East 51.90 feet along the common line between said Parcel 2 and said Parcel 3; thence continuing along said common line North 30°39'03" East 185.00 feet to the true point of beginning; thence continuing North 30°39'03" East 15.00 feet along said common line to an angle point in said common line; thence South 50°51'58" East 165.71 feet along said common line; thence leaving said common line South 65°13'34" West 70.85 feet; thence North 30°37'29" West 141.05 feet to a point on said common line and the true point of beginning.

Together with the North 84.30 feet of the South 662.30 feet of the Southwest one-quarter of the Northwest one-quarter of Sect 2, Township 1 North, Range 4 West, according to the Official Map of said land approved by the Surveyor General, dated June 23, 1898.

Excepting therefrom that portion of said Southwest one-quarter of the Northwest one-quarter of Section 2 described as follows:

Beginning on the South line of the above described property, 81.30 feet East of the Southwest corner thereof; thence North 44°45' East, 47.73 feet; thence East to the East line of said Southwest one-quarter of the Northwest one-quarter of Section 2; thence South along said East line to a point East of the point of beginning; thence West to the point of beginning;

Also excepting therefrom any portion of said described portion of Section 2 lying Westerly of the Northerly prolongation of the West line of said Parcel Three of Parcel Map No. 5134, said West line being the East line of Parcel No. 1 of said Parcel Map No. 5134.

Division XXII: 270-197-66 and 62

Real property situated in the County of San Bernardino, State of California, and described as follows:

Parcel A:

That portion of the North one-half of the Northeast one-quarter of Section 34, Township 2 North, Range 4 West, San Bernardino Meridian, in the County of San Bernardino, State of California, lying Northerly and Easterly of State Highway 18, as shown on Record of Survey Book 72 Page 83 Records of San Bernardino County;

Except the East 131.40 feet of said Northeast one-quarter, as conveyed to United States of America by Deed recorded 7/21/88, as Instrument No. 88-236327 of Official Records;

Said property partially shown on said Record of Survey, Book 72 Page 83;

Parcel 2:

That portion of South one-half of the Northeast one-quarter of Section 34, Township 2 North, Range 4 West San Bernardino Meridian, in the County of San Bernardino, State of California, lying Easterly of the following described line:

Beginning at a point on the North line of said South one-half of the Northeast one-quarter, said point being

North 89 degrees 40 minutes 46 seconds West, 469.34 feet from the Northeast one-sixteenth of said Section 34, said point also being on the Northeasterly right of way of State Highway 16 as shown on record Survey Book 72 Page 83, Records of San Bernardino County, said point being on a non-tangent curve concave to the Southwest and having a Radius of 600.00 feet, a radial line to said point bears South 49 Degrees 07 minutes 56 seconds West; thence Southerly along said non-tangent curve through an angle of 25 degrees 53 minutes 17 seconds, a distance of 271.10 feet to a point, a radial line to said point bears South 75 degrees 01 minute 13 seconds West; thence South 89 degrees 40 minutes 46 seconds East, 138.31 feet to a point; thence South 00 degrees 02 minutes 01 second West, 955.13 feet to a point on the South line of Northeast one-quarter and 225.00 feet Westerly of the center East one-sixteenth corner of Section 34, to the point of Terminus; Except the East 131.40 feet of the said South one-half of the Northeast one-quarter of Section 34, as conveyed to the United States of America by Deed recorded 7/21/88, as Instrument Number 88-236327 of Official Records;  
Said property shown on said Record of Survey Book 72 Page 83.