

**CALENDAR ITEM
C18**

A 8
S 4

09/20/13
PRC 8275.1
V. Caldwell

AMENDMENT OF LEASE AND REVISION OF RENT

LESSEE:

Montezuma Wetlands, LLC

AREA, LAND TYPE, AND LOCATION:

18.4 acres, more or less, of sovereign land in the Sacramento River and Montezuma Slough, near Collinsville, Solano County.

AUTHORIZED USE:

Continued use and maintenance of an off-loading barge dock, two moveable barges, suction pipeline, water line, electrical lines, deep water discharge pipe, two small boat ramps, and four levee breaches and portions of certain structures in connection with those breaches.

LEASE TERM:

20 years, beginning October 5, 2001, and ending on December 31, 2020.

CONSIDERATION:

This lease provides that Lessor may modify the rent periodically during the lease term. Pursuant to this provision, staff has conducted a review of the base rent under this lease, and recommends that the base rent be revised from \$5,385 to \$7,580, effective October 5, 2012. Pursuant to the terms of the lease, the new base rent will be adjusted each year using the Consumer Price Index (CPI) for All Urban Consumers, San Francisco–Oakland–San Jose. The adjustment shall be calculated by comparing the value of the CPI in July of the preceding year with the value of the CPI in July of each current year. The adjusted annual rent for each lease will never be lower than the prior year's adjusted annual rent.

SPECIFIC LEASE PROVISIONS:

Insurance:

1. Commercial Liability Insurance not less than \$5,000,000
2. Environmental Liability Insurance not less than \$4,000,000
3. Watercraft Liability Insurance not less than \$1,000,000
4. Worker's Compensation and Employer's Liability Insurance

CALENDAR ITEM NO. C18 (CONT'D)

5. Property Insurance coverage equal to 100% of the future value of the Improvements on the Lease Premises.

Bond:

\$350,000

PROPOSED AMENDMENT:

1. Amend the authorized "Improvements" in the Recitals to more fully describe the existing and proposed improvements.
2. Amend ending date of the term from December 31, 2020, to December 31, 2030, and provisions related to rent anniversary due to extension of lease term.
3. Amend provision regarding use of the property as it relates to future permit for startup of a previously authorized but not yet operating rehandling facility.
4. Delete the provision requiring post-close environmental liability insurance be maintained for 20 years after expiration or termination of the Lease.
5. Modify the surety bond requirement from \$350,000 to \$90,000.
6. Delete provisions related to security deposits and the purchase of post-lease environmental liability insurance for future filling of levee breaches and possible environmental impairment for 20 years after termination or expiration of the Lease and insert the following new provision in their place:

Lessee and Lessor acknowledge the County of Solano Use Permit requires the County Director of Environmental Management to approve a Financial Assurances Program Agreement which provides financial assurances covering all closures, post-closures activities, and potential financial impairment. The County of Solano maintains and manages three accounts funded by the Lessee for the purpose of 1) Closure of all phases; 2) Post-closure activities related to the management, maintenance, and monitoring of the site after completion of each stage and continuing for 20 years after the closure of Phase IV; and 3) Environmental Impairment to remediate the most reasonably foreseeable catastrophic event anticipated during construction of each phase of the project, or after the closure of each phase.

CALENDAR ITEM NO. **C18** (CONT'D)

7. Amend the Miscellaneous provisions to include the following Survival of Certain Covenants provision:
All covenants pertaining to bond, insurance, indemnification, restoration obligations, default and remedies shall survive the expiration or earlier termination of this Lease until Lessee has fulfilled all obligations to restore the Lease Premises as required by the Lease and all obligations as required by permits issued by and agreements with federal, State, and local agencies with jurisdiction over the Montezuma Wetlands Marsh Restoration Project.
8. Amend the Miscellaneous provisions, to include construction language related to the conduct and requirements of work performed for the proposed installation of a pump and water intake pipeline with fish screens on the Lease Premises.
9. Delete Exhibit A, Legal Description for Lease Parcel 4, Boat Ramp into McDougal Cut and accompanying plat.
10. Add Exhibit B, Site and Location Map

All other terms and conditions of the lease shall remain in effect without amendment.

OTHER PERTINENT INFORMATION:

1. Applicant owns the upland adjoining the lease premises.
2. On February 5, 2001, the Commission authorized a General Lease – Industrial Use to Montezuma Wetlands, LLC for the construction, use, and maintenance of an off-loading docking facility, a sediment rehandling facility and future levee breaching in Montezuma Slough and the Sacramento River related to a 2,400-acre historic tidal wetland restoration project at the eastern edge of the Suisun Marsh to be completed in four phases. Phase I is near completion. The Lessee is applying for an amendment for clarification of existing improvements; proposed construction of a pump and water intake pipeline with fish screens; an extension of the term of the lease and related provisions; modification of the surety requirements, post-closure environmental insurance requirements, and other related provisions.

CALENDAR ITEM NO. **C18** (CONT'D)

3. The Lessee is proposing to install a 3,000 gallons per minute (gpm) centrifugal pump fish-screened intake system on the perimeter levee to pump water directly from the Sacramento River to supplement the use of groundwater. The intake system will be located within the existing Lease Premises upriver from the offloading facility. The water intake pipeline is supported by eight casing support piles installed at a depth of 15 feet. Surface water pumping was authorized in 2011 by a Streambed Alteration Agreement from California Department of Fish and Wildlife (CDFW) and an amended Biological Opinion from the U.S. Fish and Wildlife Services (USFWS) and National Oceanic and Atmospheric Administration's National Marine Fisheries Service (NMFS), under the condition that the river pump would only be used between August 1st and December 15th to protect larval stages of longfin and Delta Smelt.
4. The Montezuma Wetlands project was originally anticipated to take 10 to 15 years to complete. The main determinant of the project's duration is the rate at which sediment is sent to the site via barge, which depends primarily on decisions made by the U.S. Army Corps of Engineers (USACE). The project received no sediment from 2006 through 2011, largely due to the USACE's prioritization of the Hamilton Wetlands Restoration Project. As a result of the delays, the project completion timeline has been extended by at least five years. At this time, the project is approximately 20% complete and is anticipated to take another 18 years to complete. Due to the delays, staff recommends extending the term of the lease from December 31, 2020 to December 31, 2030 to accommodate completion of the restoration project.
5. At the time the project was proposed, security provisions related to closure and post-closure of the four phases of the project and for 20 years after final closure were included in the lease. These included provisions for post-closure environmental liability insurance premiums for the 20-year period after the termination or expiration of the lease to be prepaid at a minimum of five years prior to the expiration of the lease. With the exception of funding a post-closure environmental liability policy, the provisions mirrored requirements in the Financial Assurances Agreement between the County and the Lessee. The Lessee and Commission staff agrees that these lease provisions are redundant with the Lessee's existing requirements under the Financial Assurances Agreement. However, staff has included a provision in the lease that protects the

CALENDAR ITEM NO. C18 (CONT'D)

Commission during the period after termination or expiration of the lease with survivability of certain covenants.

6. The County of Solano (County) prepared a Joint Document Environmental Impact Report/Statement (EIR/EIS) for the Montezuma Wetlands Marsh Restoration Project (Project) and certified the EIR on February 2, 1999, pursuant to the California Environmental Quality Act (CEQA). At the same time, the County also adopted a Statement of Overriding Considerations for impacts to air emissions for the Project. On October 5, 2000, the County adopted a Mitigation Monitoring and Reporting Program (MMRP) and CEQA Findings for the Project when it approved Use Permit No. U-91-35 and Marsh Development Plan No. MD-91-04. The MMRP, CEQA Findings, and Statement of Overriding Considerations were reaffirmed by the County Board of Supervisors on November 7, 2000. On February 5, 2001, the Commission considered the EIR/S prepared by the County and approved the Project for activities occurring on State sovereign land.

In 2010, the County approved minor revisions to Montezuma Wetlands Use Permit (U-91-35) and Marsh Development Permit (MD-91-04) to allow up to 20% non-cover sediment in Phase 1 of the project and to incorporate proposed mitigation measures for the Federal and State endangered California Least Tern. The County prepared a Negative Declaration in June 2010 and recirculated a Mitigated Negative Declaration (SCH#2010062067) for these changes and was approved on October 21, 2010. These revisions to the Project occurred outside the jurisdiction of the CSLC.

The Commission is currently considering a lease term extension for continued work on the Project that includes State sovereign land and the addition of a pump and a water intake pipeline with fish screens. As provided in the San Francisco Bay Regional Water Quality Control Board's (RWQCB) Tentative Order (Issuance of Updated Waste Discharge Requirements and Rescission of WDR Order No. 00-061, Final Order R2-2012-0087, November 14, 2012), the NMFS, USFWS, CDFW and State CWQCB have evaluated and authorized the proposed Project modification of the pumping activities and fish screens in the Sacramento-San Joaquin River Delta and found that there would be no significant impacts.

7. **Lease Term Extension:** An EIS/EIR, State Clearinghouse No. 1991113031, was prepared for this Project by Solano County and certified

CALENDAR ITEM NO. **C18** (CONT'D)

on October 5, 2000. The California State Lands Commission staff has reviewed such document and MMRP prepared in conformance with the provisions of CEQA (Pub. Resources Code, § 21081.6) and adopted by the lead agency.

Findings and a Statement of Overriding Considerations made in conformance with the State CEQA Guidelines (Cal. Code Regs., tit. 14, §§ 15091, 15096, subd. (h), and 15093) were adopted. The MMRP, Findings, and a Statement of Overriding Considerations were also adopted by the Commission for its approval of the project on February 5, 2001.

8. **Pump and Water Intake Pipeline with Fish Screens:** The staff recommends that the Commission find that this activity is exempt from the requirements of the CEQA as a categorically exempt project. The activity is exempt under Class 3, New Construction or Conversion of Small Structures; California Code of Regulations, Title 14, section 15303 and Class 4, Minor Alterations to Land; California Code of Regulations, Title 14, section 15304.

Authority: Public Resources Code section 21084 and California Code of Regulations, Title 14, section 15300.

9. This activity involves lands identified as possessing significant environmental values pursuant to Public Resources Code section 6370 et seq., but such activity will not affect those significant lands. Based upon the staff's consultation with the persons nominating such lands and through the CEQA review process, it is the staff's opinion that the project, as proposed, is consistent with its use classification.

APPROVALS OBTAINED:

U.S. Army Corps of Engineers (USACE), U.S. Fish and Wildlife Services (USFWS), National Oceanic and Atmospheric Administration's (NOAA), National Marine Fisheries Service (NMFS), California Department of Fish and Wildlife (CDFW), California State Water Quality Control Board (CWQCB), and Solano County

FURTHER APPROVALS REQUIRED:

San Francisco Bay Conservation and Development Commission

CALENDAR ITEM NO. **C18** (CONT'D)

EXHIBITS:

- Exhibit A. Legal Description of Lease Parcel 1
 Legal Description of Lease Parcel 2
 Legal Description of Lease Parcel 3
 Legal Description of Lease Parcel 5
 Legal Description of Lease Parcel 6
 Legal Description of Lease Parcel 7
 Legal Description of Lease Parcel 8
- Exhibit B. Site and Location Map

RECOMMENDED ACTION:

It is recommended that the Commission:

CEQA FINDING:

Lease Term Extension: Find that an EIR/EIS, State Clearinghouse No. 1991113031, was prepared for this Project by Solano County and certified on February 2, 1999, and that the Commission has reviewed and considered the information contained therein.

Re-adopt the Mitigation Monitoring Program, Findings, and Statement of Overriding Considerations as provided from the February 5, 2001, Commission meeting:

http://archives.slc.ca.gov/Meeting_Summaries/2001_Documents/02-05-01/Items/020501R73-1.pdf

http://archives.slc.ca.gov/Meeting_Summaries/2001_Documents/02-05-01/Items/020501R73-2.pdf

Pump and Water Intake Pipeline with Fish Screens: Find that the activity is exempt from the requirements of CEQA pursuant to California Code of Regulations, Title 14, section 15061 as a categorically exempt project, Class 3, New Construction or Conversion of Small Structures; California Code of Regulations, Title 14, section 15303 and Class 4, Minor Alterations to Land; California Code of Regulations, Title 14, section 15304.

CALENDAR ITEM NO. **C18** (CONT'D)

SIGNIFICANT LANDS INVENTORY FINDING:

Find that this activity is consistent with the use classification designated by the Commission for the land pursuant to Public Resources Code section 6370 et seq.

AUTHORIZATION:

1. Approve the revision of rent for Lease No. PRC 8275.1 to set a new base rent of \$7,580, with the new base rent adjusted each year using the CPI for All Urban Consumers, San Francisco–Oakland–San Jose as required in the Lease, effective October 5, 2012.

2. Authorize the Amendment of Lease No. PRC 8275.1, a General Lease – Industrial Use, of land described on Exhibit A attached and by this reference made a part hereof, effective September 20, 2013, clarification of existing improvements and the proposed construction of a pump and intake system, an extension of 10 years on the term of the lease and related clarifying provisions, modification of the surety requirements, post-closure environmental insurance requirements, and other related provisions; all other terms and conditions of the lease will remain in effect without amendment.

October 5, 2001

EXHIBIT "A"
Legal Description for Lease Parcel 1
Sediment On and Off-Loading Facilities - Suisun Bay

PRC 8275.1

A parcel of submerged land situated in the bed of the Sacramento River, County of Solano, State of California, described as follows:

COMMENCING at the most easterly terminus of that certain course having a bearing and distance of "S 85°45'51" W 918.77" as shown on the southerly line of the 201.11 acre Tideland Parcel, said line also being on the "AGREED ORDINARY LOW WATER LINE", on Sheet 4 of 8 sheets of that certain Record of Survey, filed June 30, 1993, in Book 21 of Surveys, Pages 03 to 10 inclusive, in the Office of the Recorder of Solano County;

Thence South 85°45'51" West along said agreed ordinary low water line, 39.21 feet to the TRUE POINT OF BEGINNING of the parcel of submerged land herein to be described;

Thence continuing South 85°45'51" West along said ordinary low water line, 879.56 feet;

Thence South 78°01'51" West, 796.16 feet;

Thence South 70°05'48" West, 156.41 feet;

Thence leaving said ordinary low water line South 19°54'12" East, 300.00 feet;

Thence North 70°05'48" East, 135.61 feet;

Thence North 78°01'51" East, 755.08;

Thence North 85°45'51" East, 859.29;

Thence North 04°14'09" West, 300.00 feet to the TRUE POINT OF BEGINNING.

Containing an area of Area: 537,316 square feet, 12.34 acres more or less.

All distances are grid distances. Divide grid distance by 1.0000641 to obtain ground distance. All bearings and distances are grid for the State of California Coordinate System of 1927, Zone 2.

This real property description has been prepared by me, or under my supervision, in conformance with the Professional Land Surveyors Act.

Signature Frederick T. Seher
Frederick T. Seher
Licensed Land Surveyor



October 5, 2001

EXHIBIT "A"
Legal Description for Lease Parcel 2
for Discharge Pipe Into Sulsun Bay

A parcel of submerged land situated in the bed of the Sacramento River in the County of Solano, State of California, described as follows :

BEGINNING at the most westerly terminus of that certain course having a bearing and distance of "S 85°45'51" W, 918.77" as shown on the southerly line of the 201.11 acre Tideland Parcel on Sheet 4 of 8 sheets of that certain Record of Survey, filed June 30, 1993, in Book 21 of Surveys, Pages 03 to 10 inclusive, in the Office of the Recorder of Solano County, said course being on the "AGREED ORDINARY LOW WATER LINE" as shown on said Record of Survey;

Thence North 85°45'51" East along said agreed ordinary low water line, 77.27 feet;

Thence South 10°02'00" East, leaving said ordinary low water line, 195.38 feet;

Thence South 83°32'37" West, 110.08 feet;

Thence North 07°53'09" West, 195.58 feet to said abovementioned ordinary low water line;

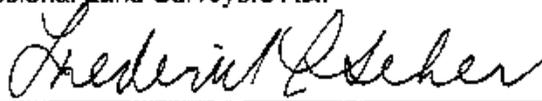
Thence North 78°01'51" East along said ordinary low water line, 25.68 feet to the **POINT OF BEGINNING**.

Containing an area of 0.480 of an acre (20,911 square feet), more or less.

All distances are grid distances. Divide grid distance by 1.0000641 to obtain ground distance.
All bearings and distances are grid for the State of California Coordinate System of 1927, Zone 2.

This real property description has been prepared by me, or under my supervision, in conformance with the Professional Land Surveyors Act.

Signature



Frederick T. Seher
Licensed Land Surveyor



October 5, 2001

EXHIBIT "A"
Legal Description for Lease Parcel 3
Montezuma Slough Boat Ramp

A parcel of tide and submerged land situated in the Montezuma Slough, County of Solano, State of California, described as follows :

COMMENCING at the most northerly terminus of that certain course shown and so designated as "T300"(having a bearing and distance of North 19°51'19" West, 153.10 feet) on Sheet 6 of 8 sheets of that certain Record of Survey, filed June 30, 1993, in Book 21 of Surveys, Pages 03 to 10 inclusive, in the Office of the Recorder of Solano County, said course being on the "AGREED ORDINARY HIGH WATER LINE" as shown on said Record of Survey;

Thence South 19°51'19" East along said agreed ordinary high water line, 68.87 feet to the TRUE POINT OF BEGINNING of the parcel of tide and submerged land herein to be described;

Thence continuing South 19°51'19" East along said ordinary high water line, 84.23 feet;

Thence South 19°30'41" East, continuing along said ordinary high water line, 24.16 feet;

Thence South 71°09'03" West, leaving said ordinary high water line, 105.18 feet;

Thence North 19°52'43" West, 104.78 feet;

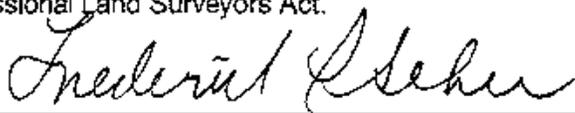
Thence North 69°11'17" East, 105.37 feet to the TRUE POINT OF BEGINNING.

Containing an area of 0.258 of an acre (11,225 square feet), more or less.

All distances are grid distances. Divide grid distance by 1.0000641 to obtain ground distance.
All bearings and distances are grid for the State of California Coordinate System of 1927, Zone 2.

This real property description has been prepared by me, or under my supervision, in conformance with the Professional Land Surveyors Act.

Signature



Frederick T. Seher
Licensed Land Surveyor



October 5, 2001

EXHIBIT "A"
Legal Description for Lease Parcel 5
Phase I Breach

A parcel of tide and submerged land situated in the Montezuma Slough, County of Solano, State of California, described as follows :

COMMENCING at the most northerly terminus of that certain course shown and so designated as "T209"(having a bearing and distance of North 52°08'05" East 257.90 feet) on Sheet 5 of 8 sheets of that certain Record of Survey, filed June 30, 1993, in Book 21 of Surveys at Pages 03 to 10 inclusive, in the Office of the Recorder of Solano County, said course being on the "AGREED ORDINARY HIGH WATER LINE" as shown on said Record of Survey;

Thence South 52°08'05" West along said agreed ordinary high water line, 48.68 feet to the **TRUE POINT OF BEGINNING** of the parcel of tide and submerged land herein to be described;

Thence continuing along said ordinary high water line the following courses and distances:

South 52°08'05" West, 209.22 feet;
South 47°12'56" West, 60.36 feet; and
South 51°39'08" West, 139.21 feet;

Thence North 38°55'45" West, leaving said ordinary high water line, 96.13 feet;
Thence North 50°38'16" East, 409.43 feet;
Thence South 38°27'54" East, 100.47 feet to the **TRUE POINT OF BEGINNING**.

Containing an area of 0.915 of an acre (39,864 square feet), more or less.

All distances are grid distances. Divide grid distance by 1.0000641 to obtain ground distance.
All bearings and distances are grid for the State of California Coordinate System of 1927, Zone 2.

This real property description has been prepared by me, or under my supervision, in conformance with the Professional Land Surveyors Act.

Signature *Frederick T. Seher*

Frederick T. Seher
Licensed Land Surveyor



October 5, 2001

EXHIBIT "A"
Legal Description for Lease Parcel 6
Phase II Breach

A parcel of tide and submerged land situated in the Montezuma Slough, County of Solano, State of California, described as follows :

COMMENCING at the most northerly terminus of that certain course shown and so designated as "T148"(having a bearing and distance of North 29°30'43" East, 354.04 feet) on Sheet 5 of 8 sheets of that certain Record of Survey, filed June 30, 1993, in Book 21 of Surveys at Pages 03 to 10 inclusive, in the Office of the Recorder of Solano County, said course being on the "AGREED ORDINARY HIGH WATER LINE" as shown on said Record of Survey;

Thence South 29°30'43" West along said ordinary high water line, 146.76 feet to the **TRUE POINT OF BEGINNING** of the parcel of tide and submerged land herein to be described, said point bears South 32°34'39" West, 121.08 feet from a brass disc in concrete, stamped LS 2651-1967 and named "CROC" as shown on said Record of Survey;

Thence continuing along said agreed ordinary high water line the following courses and distances:

South 29°30'43" West, 207.28 feet;
South 15°22'45" West, 137.63 feet;
South 04°24'51" West, 57.17 feet; and
South 00°31'35" West, 9.27 feet;

Thence North 74°23'51" West, leaving said ordinary high water line, 100.53 feet;
Thence North 12°09'28" East, 202.95 feet;
Thence North 24°16'45" East, 234.68 feet;
Thence South 59°12'11" East, 117.20 feet to the **TRUE POINT OF BEGINNING**.

Containing an area of 0.984 of an acre(42,842 square feet), more or less.

All distances are grid distances. Divide grid distance by 1.0000641 to obtain ground distance. All bearings and distances are grid for the State of California Coordinate System of 1927, Zone 2.

This real property description has been prepared by me, or under my supervision, in conformance with the Professional Land Surveyors Act.

Signature *Frederick T. Seher*
Frederick T. Seher
Licensed Land Surveyor



October 5, 2001

EXHIBIT "A"
Legal Description for Lease Parcel 7
Levee Breach Phase III

A parcel of tide and submerged land situated in the Montezuma Slough, County of Solano, State of California, described as follows :

COMMENCING at the most northerly terminus of that certain course shown and so designated as "T256"(having a bearing and distance of North 13°29'22" West, 142.33 feet) on Sheet 6 of 8 sheets of that certain Record of Survey, filed June 30, 1993, in Book 21 of Surveys, Pages 03 to 10 Inclusive, in the Office of the Recorder of Solano County, said course being on the "AGREED ORDINARY HIGH WATER LINE" as shown on said Record of Survey;

Thence South 13°29'22" East along said agreed ordinary high water line, 7.88 feet to the **TRUE POINT OF BEGINNING** of the parcel of tide and submerged land herein to be described, said point bears South 17°49'01" West, 45.54 feet from a brass disc in concrete, stamped LS 4354 and named "Section-1" as shown on said Record of Survey;

Thence continuing South 13°29'22" East along said ordinary high water line, 134.45 feet;

Thence South 11°56'30" East, continuing along said ordinary high water line, 275.89;

Thence South 78°56'18" West, leaving said ordinary high water line, 90.82 feet;

Thence North 13°27'22" West, 407.89 feet;

Thence North 77°23'04" East, 97.97 feet to the **TRUE POINT OF BEGINNING**.

Containing an area of 0.898 of an acre(39,100 square feet), more or less.

All distances are grid distances. Divide grid distance by 1.0000641 to obtain ground distance.
All bearings and distances are grid for the State of California Coordinate System of 1927, Zone 2.

This real property description has been prepared by me, or under my supervision, in conformance with the Professional Land Surveyors Act.

Signature *Frederick T. Seher*
Frederick T. Seher
Licensed Land Surveyor



October 5, 2001

EXHIBIT "A"
Legal Description for Lease Parcel 8
Levee Breach Phase IV

A parcel of submerged land situated in the bed of the Sacramento River in the County of Solano, State of California, described as follows :

COMMENCING at the most westerly terminus of that certain course "T36" (having a bearing and distance of South 89°56'46" West, 329.02 feet) as shown and so designated on the southerly line of the 201.11 acre Tideland Parcel, said course also being on the "AGREED ORDINARY LOW WATER LINE" of said parcel, on Sheet 4 of 8 sheets of that certain Record of Survey, filed June 30, 1993, in Book 21 of Surveys, Pages 03 to 10 inclusive, in the Office of the Recorder of Solano County, said terminus bears South 54°25'29" East, 1627.53 feet from a brass disc in concrete, stamped LS 2651-1967 and named "STUCK" as shown on said Record of Survey;

Thence North 89°56'46" East along said agreed ordinary low water line, 289.80 feet to the **TRUE POINT OF BEGINNING** of the parcel of submerged land herein to be described;

Thence continuing along said ordinary low water line the following courses and distances:

North 89°56'46" East, 39.18 feet;
South 88°17'24" East, 216.51 feet;
North 76°11'59" East, 85.99 feet; and
North 51°44'06" East, 62.59 feet;

Thence South 14°45'06" East, leaving said ordinary low water line, 218.69 feet;

Thence South 74°10'40" West, 231.97 feet;

Thence North 80°14'16" West, 254.15 feet;

Thence North 09°26'20" East, 181.24 feet to the **TRUE POINT OF BEGINNING**.

Containing an area of 2.027 acres (88,312 square feet), more or less.

All distances are grid distances. Divide grid distance by 1.0000641-to obtain ground distance.
All bearings and distances are grid for the State of California Coordinate System of 1927, Zone 2.

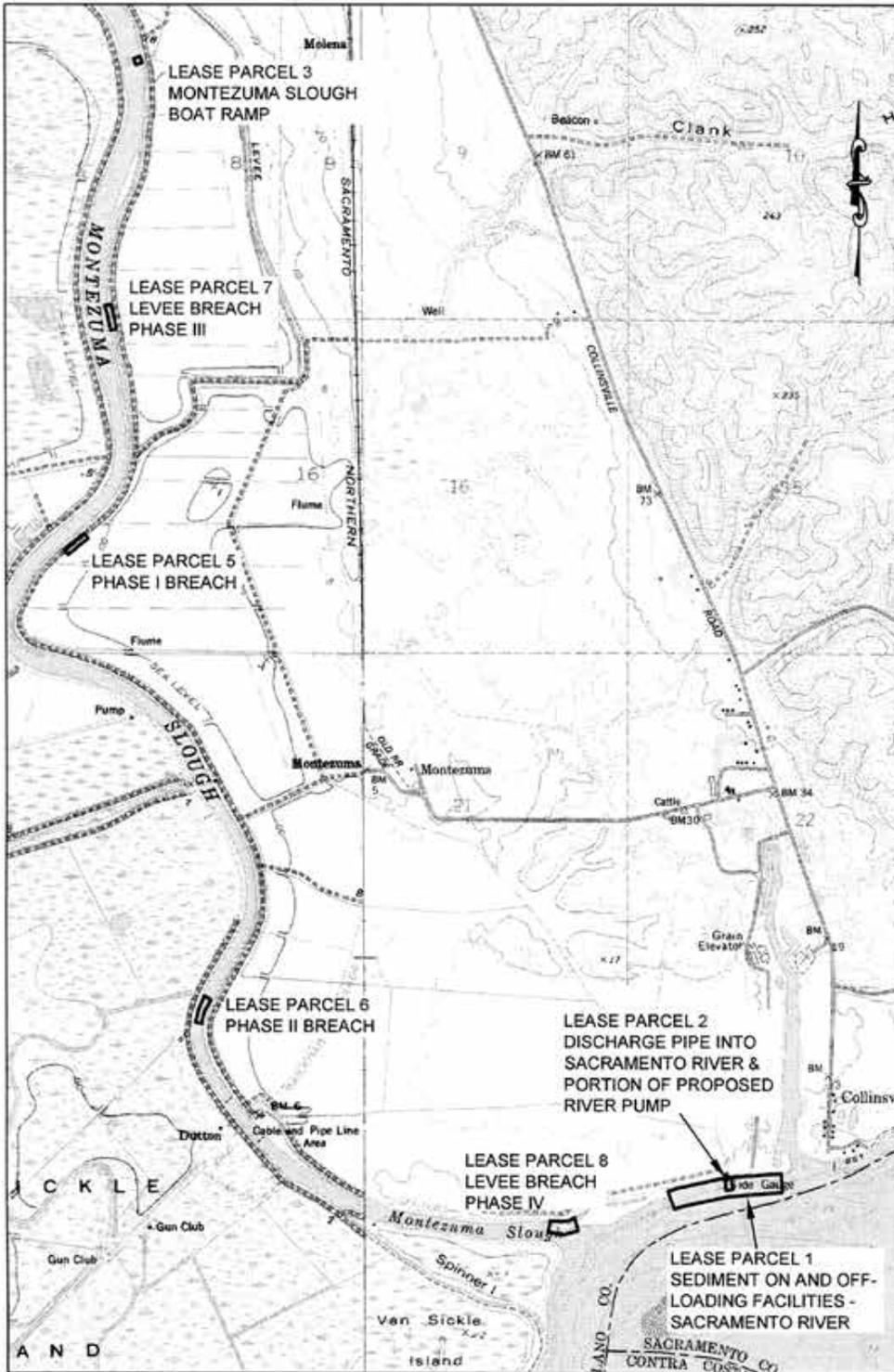
This real property description has been prepared by me, or under my supervision, in conformance with the Professional Land Surveyors Act.

Signature *Frederick T. Seher*
Frederick T. Seher
Licensed Land Surveyor



NO SCALE

SITE



LOCATION



NO SCALE

Exhibit B

PRC 8275.1

MONTEZUMA

WETLANDS, LLC

APN 0090-120-290, -010

GENERAL LEASE-

INDUSTRIAL USE

SOLANO COUNTY

MONTEZUMA SLOUGH, NEAR COLLINSVILLE AND SACRAMENTO RIVER, WITHIN SUISUN BAY

MAP SOURCE: USGS QUAD

This Exhibit is solely for purposes of generally defining the lease premises, is based on unverified information provided by the Lessee or other parties and is not intended to be, nor shall it be construed as, a waiver or limitation of any State interest in the subject or any other property.



TS 06/25/12