

MAINTENANCE YARD QUESTIONS AND ANSWERS

1. Has there been any CEQA done yet? The Authority Board determined that its approval of the option to ground lease all or a portion of the site for a truck yard was exempt from CEQA. If the selected proposer indicates its interest in leasing the site for a truck yard, the Authority expects to work with the selected proposer to define the proposed project (e.g., amount of acreage, preferred location within the site, scope of improvements, and scope of uses). The Authority would conduct all appropriate review under CEQA before entering a ground lease of the site.
2. Will the county be the lead agency on CEQA and obtaining the necessary discretionary permits (Conditional Use Permit)? As described above, the Authority would conduct all appropriate review under CEQA before entering a ground lease of the site. The Authority expects the County would be the primary entity with jurisdiction over land use and building on the site. To the extent the County makes discretionary decisions related to a proposed project on the site, the Authority expects the County would be required to comply with CEQA. The Authority believes it is premature to determine whether the County would be a lead agency, responsible agency, or some other role under CEQA.
3. Is there an HOA adjacent to this parcel? The Authority is not aware of any Home Owners Association (HOA) adjacent to the site. If the selected proposer indicates its interest in leasing the site for a truck yard, the Authority expects to work with the selected proposer to conduct all appropriate due diligence, including review of surrounding land uses.
4. Is there any geotechnical report on existing soils or geotechnical information on how fills are being currently placed and compacted? The Authority is not aware whether there is geotechnical or soils reports available for the site. If the selected proposer indicates its interest in leasing the site for a truck yard, the Authority expects to work with the selected proposer to conduct all appropriate due diligence, including review of geotechnical and soils. The site is not currently level and the property owner has committed to fill the site to level, except as needed for drainage.
5. What access road improvements will likely be needed and who will perform that work? The option to ground lease specifies that the site will not be accessed via Central Avenue. Instead, if the selected proposer indicates its interest in leasing the site for a truck yard, the Authority expects to work with the site owner and selected proposer to agree upon the preferred access to the site; the site owner would be required to arrange for that access at its sole expense. Existing roads within the site are gravel. Any improvements to the roads would be at the proposer's expense.
6. Has any prior due diligence been conducted on the owner's property that will be made available to us? If the selected proposer indicates its interest in leasing the site for a truck yard, the Authority expects to work with the selected proposer to conduct all appropriate due diligence. If a proposer requires specific information to decide whether it is interested in the site, the proposer should provide the Authority (via RFP2024@recyclesmart.org) a list of the specific information it is seeking by no later than December 1, 2024.

7. What information is available regarding utilities in the area? For example, are there any as-built documents or utility easement details that we could review? The Authority is not aware whether there is information available regarding existing utilities in the area or any as-built documents relative to utilities. The Authority is attaching a Preliminary Title Report for the site. If the selected proposer indicates its interest in leasing the site for a truck yard, the Authority expects to work with the selected proposer to conduct all appropriate due diligence, including related to utility requirements and access.
8. What existing easement access is there for the owner's property? The Authority is attaching a Preliminary Title Report for the site. See answer to Question 5.
9. Regarding easement access, could you provide details on the available width for potential improvements and the process for making these improvements on neighboring properties? The Authority is attaching a Preliminary Title Report for the site. See answer to Question 5.
10. Are we authorized to mobilize and conduct a Geotechnical review on-site? Under the option to ground lease Section 9, the Authority is permitted to access the site to conduct investigations, obtain data, and make inquiries, inspections, tests, audits, studies, and analyses, subject to certain conditions. Proposers that are interested in accessing the site to conduct such investigations should indicate that to the Authority (via RFP2024@recyclesmart.org by no later than December 1, 2024.
11. May we contact the property owner? The Authority would lease the property and then sublease it to the collection contractor. However, you may contact the property owner, Nick Farros, directly for additional information about the site:

Nicholas J. Farros, Sr., P.E.
President/Engineering Manager
ACME FILL CORPORATION
P.O. Box 1108
Martinez, California 94553
Office: 925-228-7099, ext. 18
eMail: wastexpert@aol.com

Order No.
2202075486-PL

Ref No.
380-030-044

Guarantee No.
A04008-CTG-346446

CONDITION OF TITLE GUARANTEE

SUBJECT TO THE EXCLUSIONS FROM COVERAGE, AND THE GUARANTEE CONDITIONS ATTACHED HERETO AND MADE A PART OF THIS GUARANTEE,



OLD REPUBLIC NATIONAL TITLE INSURANCE COMPANY

GUARANTEES

the Assured named in Schedule A of this Guarantee against loss or damage not exceeding the Amount of Liability stated in Schedule A sustained by the Assured by reason of any incorrectness in the Assurances set forth in Schedule A:

Dated: August 19th, 2024 at 8:00:00 AM

OLD REPUBLIC NATIONAL TITLE INSURANCE COMPANY
A Corporation
400 Second Avenue South, Minneapolis, Minnesota 55401
(612) 371-1111

Countersigned:

A handwritten signature in black ink, appearing to read 'Terry L. Sant', written over a horizontal line.

By

Validating Officer

By

A handwritten signature in black ink, appearing to read 'C. Monroe', written over a circular embossed seal of the company.

President

Attest

A handwritten signature in black ink, appearing to read 'David Wald', written over a circular embossed seal of the company.

Secretary

Schedule A

Order No.	2202075486-PL
Ref. No.	380-030-044
Guarantee No.	A04008-CTG-346446
Liability	\$ 600.00
Date of Guarantee	August 19th, 2024 at 8:00:00 AM
Fee	\$ 500.00

1. Name of Assured:

Shute, Mihaly & Weinberger LLP

2. The estate or interest in the Land which is covered by this Guarantee is:

Fee as to Parcel(s) One and an Easement as to Parcel(s) Two and Three

3. The Land referred to in this Guarantee is situated in the unincorporated area of the County of Contra Costa, State of California, and is described as follows:

PARCEL ONE:

A portion of the Rancho Las Juntas described as follows:

Beginning at the Northeast corner of that certain parcel of land described as Parcel 1 in the Deed to Contra Costa County Water District, recorded August 13 1976 in [Book 7977 of Official Records at Page 275](#); thence North 74° 32' 26" East 240.88 feet to the Southwesterly corner of that certain parcel of land described as Parcel One in the Deed to Martinez Gun Club, recorded July 15 1959 in [Book 3412 of Official Records of Contra Costa County at Page 43](#); thence North 82° 39' 42" East along the Southerly line of said Martinez Gun Club parcel (3412 OR 43) 1045 47 feet to the West bank of Pacheco Slough also known as Walnut Creek; thence along said Slough South 13° 38' 01" East 392.65 feet thence South 35° 07' 26" East 437.45 feet; thence South 28° 40' 21" West 874.12 feet; thence South 19° 28' 36" East 430 00 feet to the exterior boundary line of the Rancho Las Juntas; thence South 77° 33' 14" West along said exterior boundary line of the Rancho Las Juntas 648.89 feet to the most Easterly corner of the parcel of land described in the Deed to Bernice Gottschalk recorded October 26 1949 in [Book 1453 of Official Records at Page 429](#); thence North 58° 29' 16" West along a Northeast line of said Gottschalk parcel (1453 OR 429) 459.20 feet to an angle point therein; thence continuing North 58° 29' 16" West 53.61 feet to the Northeast line of the parcel of land described in the Deed to Lyle E. Trantz, et ux, recorded May 15, 1964 in [Book 4618 of Official Records at Page 683](#); thence North 30° 41' 26" West along said Northeast line of the Trantz parcel (4618 OR 683) and along the Northeast line of the parcel of land described as Parcel One in the Deed to Roy Thomas recorded August 5, 1955 in [Book 2585 of Official Records at Page 596](#), 750.10 feet to the most Southerly corner of the parcel of land described in the Deed to Raymond A. Pavia, et ux, recorded February 8 1957 in [Book 2928 of Official Records at Page 197](#); thence along the exterior lines of said Pavia parcel (2928 OR 197) North 46° 05' 18" East 173.80 feet; thence North 33° 49' 12" West 349 10 feet to a point on the Southerly line of said Contra Costa County Water District parcel (7977 OR 275); thence along the exterior boundary of said Contra Costa County Water District parcel (7977 OR 275) North 72° 30' 00" East 354.84 feet; thence North 12° 30' 00" East 109.70 feet; thence North 47° 30' 00" West 279.69 feet; thence North 12° 30' 00" East 130.05 feet to the point of beginning.

EXCEPTING THEREFROM:

That portion thereof conveyed to Contra Costa County Flood Control and Water Conservation District by Deed recorded June 3 1969 in [Book 5888 of Official Records, Page 588](#).

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OLD REPUBLIC NATIONAL TITLE INSURANCE COMPANY

EXCEPTING FROM A PORTION THEREOF:

"All oil, gas, casinghead gasoline and other hydrocarbon and mineral substances in, on or under or that may be produced, recovered or saved from said land with the right to enter on said property for the purpose of exploring, taking, removing, disposing, mining and operating for oil, gas, and other hydrocarbons and mineral substances, and all rights reasonable and incident to such purpose", as granted in the Deed to Jack H. Walters, et al, recorded January 30, 1962, in [Book 4046 of Official Records, Page 145](#).

ALSO EXCEPTING FROM A PORTION THEREOF:

The mineral rights reserved in the Deed from Swinerton & Walberg Co., et al, recorded August 7, 1964, in [Book 4677 Official Records, Page 761](#), as follows:

"One-Half of all oil, gas, minerals and hydrocarbons located in, or under the above described parcel of land, together with the right to lease said interest, and to enter into the premises for the purpose of removing said minerals."

PARCEL TWO:

A non-exclusive right of way created in reference to that portion of the parcel of land described as Parcel One herein lying within Swamp and Overflow Land Survey No. 267 in the Deed to Martinez Gun Club, recorded June 12, 1959, in [Book 3412 Official Records, Page 41](#), "for use as a roadway for vehicles of all kinds, pedestrians, and animals, for water, gas, oil, and sewer pipe lines, and for telephone electric light and power lines, together with the necessary poles or conduits" over a portion of the Rancho Las Juntas and over a portion of Swamp and Overflow Land Survey Nos. 267, 268 and 269, being over the East 100 feet and the North 25 feet of the parcel of land described in said Deed Martinez Gun Club.

PARCEL THREE:

A non-exclusive right of way for use as a roadway for vehicles of all kinds, pedestrians and animals, for water, gas, oil and sewer pipe lines, and for telephone, television service, electric light and power lines, together with the necessary poles and conduits over that portion of the following described parcel of land lying within the 70 feet in width strip of land described in the Deed to Pacific Gas and Electric Company, recorded May 2, 1939, in [Book 368 Official Records, Page 430](#) and that portion thereof lying within the 10 feet in width strip of land described in the Deed to Shell Chemical Company, recorded June 1, 1954, in [Book 2324, Official Records, Page 413](#), as follows:

Portion of the Rancho Las Juntas, described as follows:

Beginning at an iron pipe at the most Southerly corner of the parcel of land described as Parcel One in the Deed to Martinez Gun Club, recorded July 15, 1959, in [Book 3412 Official Records, Page 43](#); thence from said point of beginning, North 33° 25' West, along the Southwest line of said parcel 625.40 feet to an iron pipe; thence South 56° 35' West, 105 feet to an iron pipe; thence South 33° 25' East, 205 feet to an iron pipe; thence South 47° 26' 20" East, 433.31 feet to the point of beginning.

APN: 380-030-044-8

4. Assurances:

According to the Public Records as of the Date of Guarantee,

- a. Title to the estate or interest in the Land is vested in:

South Parcel Management, LLC, a California limited liability company

- b. Title to the estate or interest is subject to defects, liens or encumbrances shown in Schedule B which are not necessarily shown in the order of their priority.

Schedule B

Order No.	2202075486-PL
Ref. No.	380-030-044
Guarantee No.	A04008-CTG-346446
Liability	\$ 600.00
Date of Guarantee	August 19th, 2024 at 8:00:00 AM
Fee	\$ 500.00

1. Taxes and assessments, general and special, for the fiscal year 2024 - 2025, a lien, but not yet due or payable.

2. Taxes and assessments, general and special, for the fiscal year 2023 - 2024, as follows:

Assessor's Parcel No	:	380-030-044-8	
Bill No.	:	292681	
Code No.	:	76-052	
1st Installment	:	\$2,000.77	Marked Paid
2nd Installment	:	\$2,000.77	Marked Paid
Land Value	:	\$344,250.00	

3. The lien of supplemental taxes, if any, assessed pursuant to the provisions of Section 75, et seq., of the Revenue and Taxation Code of the State of California.

4. The herein described property lying within the proposed boundaries of a Community Facilities District, as follows:

District No	:	2014-1
For	:	Clean Energy
Disclosed By	:	Assessment Map
Recorded	:	August 26, 2015 in Book 85 of Assessment Maps, Page 16

Further information may be obtained by contacting:
California Home Finance Authority

5. Water rights, claims or title to water, whether or not shown by the public records.

6. Any easement for water course over that portion of said land lying within the banks of Pacheco Slough also known as Walnut Creek and any changes in the boundary lines of said land that have occurred or may hereafter occur from natural causes.

7. Any rights in favor of the public which may exist on said land if said land or portions thereof are or were at any time used by the public.

8. An easement affecting that portion of said land and for the purposes stated herein and incidental purposes as provided in the following

Instrument : Standard Grant of Right of Way For Electric Transmission Line
Granted To : Pacific Gas and Electric Company, a California corporation
For : Electric Transmission Line
Recorded : [May 2, 1939 in Book 368 of Official Records, Page 430](#)
Affects : As described therein

Upon the terms and conditions contained therein.

9. An easement affecting that portion of said land and for the purposes stated herein and incidental purposes as provided in the following

Instrument : Standard Grant of Right of Way For Electric Transmission Line
Granted To : Pacific Gas and Electric Company, a California corporation
For : A single line of tower for electric transmission line
Recorded : [June 23, 1939 in Book 482 of Official Records, Page 458](#)
Affects : As described therein

Upon the terms and conditions contained therein.

Note Said easement was amended by an Agreement between ACME Fill Corporation and Pacific Gas and Electric Company, recorded June 5, 1969 in [Book 5891 of Official Records, Page 188](#), Instrument No. 39543.

10. An easement affecting that portion of said land and for the purposes stated herein and incidental purposes as provided in the following

Granted To : California Water Service Company, a California corporation
For : Water pipelines
Recorded : [June 18, 1940 in Book 549 of Official Records, Page 354](#)
Affects : A portion, 10 feet in width

11. An easement affecting that portion of said land and for the purposes stated herein and incidental purposes as provided in the following

Instrument : Grant of Right of Way
Granted To : Shell Chemical Corporation
For : Pipelines
Recorded : June 1, 1954 in Book 2324 of Official Records, Page 418 under Recorder's Serial Number [27080](#)
Affects : A portion 10 feet in width

Upon the terms and conditions contained therein.

12. An easement affecting that portion of said land and for the purposes stated herein and incidental purposes as provided in the following

Instrument : Grant of Right of Way
Granted To : Shell Chemical Corporation
For : Pipelines
Recorded : June 1, 1954 in Book 2324 of Official Records, Page 423 under Recorder's Serial Number [27082](#)
Affects : A portion 10 feet in width

Upon the terms and conditions contained therein.

13. An easement affecting that portion of said land and for the purposes stated herein and incidental purposes as provided in the following

Instrument : Southern Pacific Pipe Lines, Inc.
Granted To : Southern Pacific Pipe Lines, Inc., a corporation
For : Pipe Lines
Recorded : December 31, 1956 in Book 2906 of Official Records, Page 232 under Recorder's Serial Number [80939](#)
Affects : A portion 10 feet in width

Note: Said easement was amended by instrument recorded on February 7, 1957 in [Book 2927 of Official Records, Page 159](#).

14. An easement affecting that portion of said land and for the purposes stated herein and incidental purposes as provided in the following

Instrument : Grant Deed
Granted To : East Bay Oil Recovery Co.
For : Roadway and utility
Recorded : [January 25, 1957 in Book 2921 of Official Records, Page 16](#)
Affects : A portion, 30 feet in width

15. An easement affecting that portion of said land and for the purposes stated herein and incidental purposes as provided in the following

Instrument : Grant Deed
Granted To : Martinez Gun Club, a corporation
For : Utility
Recorded : July 15, 1959 in Book 3412 of Official Records, Page 43 under Recorder's Serial Number [45441](#)
Affects : A portion

Note: Said easement was amended by Quitclaim Deed from Martinez Gun Club Corporation to ACME Fill Corporation, recorded April 22, 1996, Instrument No. [96-73130](#), Official Records.

16. An easement affecting that portion of said land and for the purposes stated herein and incidental purposes as provided in the following

Instrument : Grant Deed
Granted To : Harry O. Henry and Marcia Taber Henry, his wife, as joint tenant
For : Roadway and Utility
Recorded : July 1, 1964 in Book 4650 of Official Records, Page 115 under Recorder's Serial Number [58626](#)
Affects : Portions

And modified by Deed recorded August 12, 1964 in [Book 4680 of Official Records, Page 578](#), Instrument No. 72690.

The present ownership of said easement and other matters affecting the interests thereto, if any, are not shown herein.

17. An easement affecting that portion of said land and for the purposes stated herein and incidental purposes as provided in the following

Instrument : Grant Deed
Granted To : Lindgren & Swinerton, Inc., a corporation; WM. Gottschalk and Sarah J. Gottschalk, his wife and Bernice Gotts chalk
For : Roadway and utility
Recorded : August 7, 1964 in Book 4677 of Official Records, Page 761 under Recorder's Serial Number [71271](#)
Affects : Portions

The present ownership of said easement and other matters affecting the interests thereto, if any, are not shown herein.

18. An easement affecting that portion of said land and for the purposes stated herein and incidental purposes as provided in the following

Instrument : Grant Deed
Granted To : Harry O. Henry, et al.
For : Roadway and utility
Recorded : August 12, 1964 in Book 4680 of Official Records, Page 579 under Recorder's Serial Number [72601](#)
Affects : A portion, 50 feet in width

Note: Said easement was amended by Quitclaim Deed from Martinez Gun Club Corporation to ACME Fill Corporation, recorded April 22, 1996, Instrument No. [96-73130](#), Official Records.

The present ownership of said easement and other matters affecting the interests thereto, if any, are not shown herein.

19. An easement affecting that portion of said land and for the purposes stated herein and incidental purposes as provided in the following

Instrument : Grant of Right of Right of Way
Granted To : Shell Oil Company, a corporation
For : Pipelines
Recorded : [September 15, 1964 in Book 4702 of Official Records, Page 99 under Recorder's Serial Number 83047](#)
Affects : A portion 10 feet in width

Upon the terms and conditions contained therein.

Note: By instrument recorded April 20, 1966 in [Book 5103 of Official Records, Page 315](#), the specific location of said right of way was established of record.

20. An easement affecting that portion of said land and for the purposes stated herein and incidental purposes as provided in the following

Instrument : Easement and Right of Way
Granted To : Tidewater Oil Company, a Delaware corporation
For : Pipelines
Recorded : February 8, 1967 in Book 5302 of Official Records, Page 260 under Recorder's Serial Number [7251](#)
Affects : A portion

Upon the terms and conditions contained therein.

Note: By instrument recorded July 24, 1967 in [Book 5416 of Official Records, Page 218](#), the specific location of said right of way was established of record.

21. An easement affecting that portion of said land and for the purposes stated herein and incidental purposes as provided in the following

Instrument : Easement and Right of Way
Granted To : Tidewater Oil Company, a Delaware corporation
For : Pipelines
Recorded : April 19, 1967 in Book 5350 of Official Records, Page 301 under Recorder's Serial Number [22721](#)
Affects : A portion 10 feet in width

Upon the terms and conditions contained therein.

22. An easement affecting that portion of said land and for the purposes stated herein and incidental purposes as provided in the following

Instrument : Grant of Easement
Granted To : Central Contra Costa Sanitary District
For : Roadway and utility
Recorded : February 25, 1970 in Book 6072 of Official Records, Page 178 under Recorder's Serial Number [11353](#)
Affects : A portion

23. An easement affecting that portion of said land and for the purposes stated herein and incidental purposes as provided in the following

Instrument : Grant of Easement
Granted To : Central Contra Costa Sanitary District
For : Sewer pipelines
Recorded : February 25, 1970 in Book 6072 of Official Records, Page 180 under Recorder's Serial Number [11354](#)
Affects : Portions

24. An easement affecting that portion of said land and for the purposes stated herein and incidental purposes as provided in the following

Instrument : Contract and Grant of Easement
Granted To : The United States of America, its successors and assigns
For : Water pipelines and roadway
Recorded : March 16, 1971 in Book 6338 of Official Records, Page 539 under Recorder's Serial Number [18459](#)
Affects : A portion

Upon the terms and conditions contained therein.

25. An easement affecting that portion of said land and for the purposes stated herein and incidental purposes as provided in the following

Instrument : Corporation Grant Deed
Granted To : Contra Costa County Water District, a public body
For : Slope, water pipelines, roadway and utility
Recorded : August 13, 1976 in Book 7977 of Official Records, Page 275 under Recorder's Serial Number [90675](#)
Affects : Portions

Upon the terms and conditions contained therein.

26. An easement affecting that portion of said land and for the purposes stated herein and incidental purposes as provided in the following

Instrument : Corporation Grant Deed
Granted To : Central Contra Costa Sanitary District, a public agency
For : Access
Recorded : April 3, 1984 in Book 11726 of Official Records, Page 44 under Recorder's Serial Number [84-45425](#)
Affects : Portion

27. An easement affecting that portion of said land and for the purposes stated herein and incidental purposes as provided in the following

Instrument : Corporation Grant Deed
Granted To : Central Contra Costa Sanitary District, a public agency
For : Ingress and egress
Recorded : April 3, 1984 in Book 11726 of Official Records, Page 48 under Recorder's Serial Number [84-45426](#)
Affects : Portion

28. An easement affecting that portion of said land and for the purposes stated herein and incidental purposes as provided in the following

Instrument : Corporation Grant Deed
Granted To : IT Corporation, a California corporation
For : Roadway and utility
Recorded : October 8, 1985 in Book 12552 of Official Records, Page 74 under Recorder's Serial Number [85-144754](#)
Affects : Portions

29. Covenants, Conditions and Restrictions, but omitting any covenants or restrictions if any, based upon age, race, color, religion, sex, gender, gender identity, gender expression, sexual orientation, familial status, marital status, disability, veteran or military status, genetic information, national origin, source of income as defined in subdivision (p) of Section 12955 of the Government Code, or ancestry, unless and only to the extent that said covenant (a) is exempt under Title 42, Section 3607 of the United States Code or (b) relates to handicap but does not discriminate against handicapped persons, as provided in an instrument

Entitled : Declaration of Establishment of Covenants, Conditions and Restrictions
Executed by : ACME Fill Corp.
Recorded : [September 28, 1992 in Book 17877 of Official Records, Page 947 under Recorder's Serial Number 92-252631](#)

NOTE: "If this document contains any restriction based on age, race, color, religion, sex, gender, gender identity, gender expression, sexual orientation, familial status, marital status, disability, veteran or military status, genetic information, national origin, source of income as defined in subdivision (p) of Section 12955 of the Government Code, or ancestry, that restriction violates state and federal fair housing laws and is void, and may be removed pursuant to Section 12956.2 of the Government Code, by submitting a "Restrictive Covenant Modification" form, together with a copy of the attached document with the unlawful provision redacted to the county recorder's office. The "Restrictive Covenant Modification" form can be obtained from the county recorder's office and may be available on its internet website. The form may also be available from the party that provided you with this document. Lawful restrictions under state and federal law on the age of occupants in senior housing or housing for older persons shall not be construed as restrictions based on familial status."

30. An easement affecting that portion of said land and for the purposes stated herein and incidental purposes as provided in the following

Instrument : Corporation Grant Deed of Easement
Granted To : Browning Ferris Industries of California, Inc., a California corporation
For : Storm drain
Dated : March 1, 2002
Recorded : April 4, 2002 in Official Records under Recorder's Serial Number
[2002-0118306](#)
Affects : As described therein

31. An easement affecting that portion of said land and for the purposes stated herein and incidental purposes as provided in the following

Instrument : Grant of Easement
Granted To : SFPP, L.P., a Delaware limited partnership
For : Pipelines
Dated : April 21, 2004
Recorded : May 7, 2004 in Official Records under Recorder's Serial Number
[2004-0171024](#)
Affects : As described therein

Upon the terms and conditions contained therein.

Note: A Notice of Perpetual Easement Location and Quitclaim of Temporary Easement, recorded March 31, 2005 as Instrument No. [2005-0110845](#), Official Records.

32. An easement affecting that portion of said land and for the purposes stated herein and incidental purposes as provided in the following

Instrument : Pipeline Easement
Granted To : Chevron Pipe Line Company, a Delaware corporation
For : Pipeline
Recorded : December 8, 2005 in Official Records under Recorder's Serial Number [2005-0472909](#)
Affects : As described therein

Upon the terms and conditions contained therein.

33. Any unrecorded and subsisting leases.

NOTE: Vesting Deed

Grant Deed executed by ACME Fill Corporation, a California corporation to South Parcel Management, LLC, a California limited liability company recorded [August 16, 2021 in Official Records under Recorder's Serial Number 2021-0227364](#).

EXCLUSIONS FROM COVERAGE (Revised 06-05-14)

Except as expressly provided by the assurances in Schedule A, the Company assumes no liability for loss or damage by reason of the following:

- (a) Defects, liens, encumbrances, adverse claims or other matters affecting the title to any property beyond the lines of the Land.
- (b) Defects, liens, encumbrances, adverse claims or other matters, whether or not shown by the Public Records
 - (1) that are created, suffered, assumed or agreed to by one or more of the Assureds; or
 - (2) that result in no loss to the Assured.
- (c) Defects, liens, encumbrances, adverse claims or other matters not shown by the Public Records.
- (d) The identity of any party shown or referred to in any of the schedules of this Guarantee.
- (e) The validity, legal effect or priority of any matter shown or referred to in any of the schedules of this Guarantee.
- (f) (1) Taxes or assessments of any taxing authority that levies taxes or assessments on real property; or,
 - (2) proceedings by a public agency which may result in taxes or assessments, or notices of such proceedings, whether or not the matters excluded under (1) or (2) are shown by the records of the taxing authority or by the Public Records.
- (g) (1) Unpatented mining claims;
 - (2) reservations or exceptions in patents or in Acts authorizing the issuance thereof;
 - (3) water rights, claims or title to water, whether or not the matters excluded under (1), (2) or (3) are shown by the Public Records.

GUARANTEE CONDITIONS

1. DEFINITION OF TERMS

The following terms when used in the Guarantee mean:

- (a) "the Assured": the party or parties named as the Assured in this Schedule A, or on a supplemental writing executed by the Company.
- (b) "Land": the Land described or referred to in Schedule A, and improvements affixed thereto which by law constitute real property. The term "land" does not include any property beyond the lines of the area described or referred to in Schedule A, nor any right, title, interest estate or easement in abutting streets, roads, avenues, alleys, lanes, ways or waterways.
- (c) "Mortgage": mortgage, deed of trust, trust deed, or other security instrument.
- (d) "Public Records": those records established under state statutes at Date of Guarantee for the purpose of imparting constructive notice of matters relating to real property to purchasers for value and without knowledge.
- (e) "Date of Guarantee": the Date of Guarantee set forth in Schedule A.
- (f) "Amount of Liability": the Amount as stated in Schedule A.

2. NOTICE OF CLAIM TO BE GIVEN BY ASSURED

An Assured shall notify the Company promptly in writing in case knowledge shall come to the Assured of any assertion of facts, or claim of title or interest that is contrary to the assurances set forth in Schedule A and that might cause loss or damage for which the Company may be liable under this Guarantee. If prompt notice shall not be given to the Company, then all liability of the Company shall terminate with regard to the matter or matters for which prompt notice is required; provided, however, that failure to notify the Company shall in no case prejudice the rights of the Assured under this Guarantee unless the Company shall be prejudiced by the failure and then only to the extent of the prejudice.

3. NO DUTY TO DEFEND OR PROSECUTE

The Company shall have no duty to defend or prosecute any action or proceeding to which the Assured is a party, notwithstanding the nature of any allegation in such action or proceeding.

4. COMPANY'S OPTION TO DEFEND OR PROSECUTE ACTIONS; DUTY OF ASSURED TO COOPERATE

Even though the Company has no duty to defend or prosecute as set forth in Paragraph 3 above:

- (a) The Company shall have the right, at its sole option and cost, to institute and prosecute any action or proceeding, interpose a defense, as limited in Paragraph 4(b), or to do any other act which in its opinion may be necessary or desirable to establish the correctness of the assurances set forth in Schedule A or to prevent or reduce loss or damage to the Assured. The Company may take any appropriate action under the terms of this Guarantee, whether or not it shall be liable hereunder, and shall not thereby concede liability or waive any provision of this Guarantee. If the Company shall exercise its rights under this paragraph, it shall do so diligently.
- (b) If the Company elects to exercise its options as stated in Paragraph 4(a) the Company shall have the right to select counsel of its choice (subject to the right of the Assured to object for reasonable cause) to represent the Assured and shall not be liable for and will not pay the fees of any other counsel, nor will the Company pay any fees, costs or expenses incurred by an Assured in the defense of those causes of action which allege matters not covered by this Guarantee.
- (c) Whenever the Company shall have brought an action or interposed a defense as permitted by the provisions of this Guarantee, the Company may pursue any litigation to final determination by a court of competent jurisdiction and expressly reserves the right, in its sole discretion, to appeal from an adverse judgment or order.

GUARANTEE CONDITIONS (Continuation)

(d) In all cases where this Guarantee permits the Company to prosecute or provide for the defense of any action or proceeding, the Assured shall secure to the Company the right to so prosecute or provide for the defense of any action or proceeding, and all appeals therein, and permit the Company to use, at its option, the name of such Assured for this purpose. Whenever requested by the Company, the Assured, at the Company's expense, shall give the Company all reasonable aid in any action or proceeding, securing evidence, obtaining witnesses, prosecuting or defending the action or lawful act which in the opinion of the Company may be necessary or desirable to establish the correctness of the assurances set forth in Schedule A or to prevent or reduce loss or damage to the Assured. If the Company is prejudiced by the failure of the Assured to furnish the required cooperation, the Company's obligations to the Assured under the Guarantee shall terminate.

5. PROOF OF LOSS OR DAMAGE

(a) In the event the Company is unable to determine the amount of loss or damage, the Company may, at its option, require as a condition of payment that the Assured furnish a signed proof of loss. The proof of loss must describe the defect, lien, encumbrance, or other matter that constitutes the basis of loss or damage and shall state, to the extent possible, the basis of calculating the amount of the loss or damage.

(b) In addition, the Assured may reasonably be required to submit to examination under oath by any authorized representative of the Company and shall produce for examination, inspection and copying, at such reasonable times and places as may be designated by any authorized representative of the Company, all records, books, ledgers, checks, correspondence and memoranda, whether bearing a date before or after Date of Guarantee, which reasonably pertain to the loss or damage. Further, if requested by any authorized representative of the Company, the Assured shall grant its permission, in writing, for any authorized representative of the Company to examine, inspect and copy all records, books, ledgers, checks, correspondence and memoranda in the custody or control of a third party, which reasonably pertain to the loss or damage. All information designated as confidential by the Assured provided to the Company pursuant to this paragraph shall not be disclosed to others unless, in the reasonable judgment of the Company, it is necessary in the administration of the claim. Failure of the Assured to submit for examination under oath, produce other reasonably requested information or grant permission to secure reasonably necessary information from third parties as required in the above paragraph, unless prohibited by law or governmental regulation, shall terminate any liability of the Company under this Guarantee to the Assured for that claim.

6. OPTIONS TO PAY OR OTHERWISE SETTLE CLAIMS: TERMINATION OF LIABILITY

In case of a claim under this Guarantee, the Company shall have the following additional options:

(a) To pay or tender payment of the Amount of Liability together with any costs, attorneys' fees, and expenses incurred by the Assured that were authorized by the Company

up to the time of payment or tender of payment and that the Company is obligated to pay.

(b) To pay or otherwise settle with the Assured any claim assured against under this Guarantee. In addition, the Company will pay any costs, attorneys' fees, and expenses incurred by the Assured that were authorized by the Company up to the time of payment or tender of payment and that the Company is obligated to pay; or

(c) To pay or otherwise settle with other parties for the loss or damage provided for under this Guarantee, together with any costs, attorneys' fees, and expenses incurred by the Assured that were authorized by the Company up to the time of payment and that the Company is obligated to pay.

Upon the exercise by the Company of either of the options provided for in 6 (a), (b) or (c) of this paragraph the Company's obligation to the Assured under this Guarantee for the claimed loss or damage, other than the payments required to be made, shall terminate, including any duty to continue any and all litigation initiated by the Company pursuant to Paragraph 4.

7. LIMITATION OF LIABILITY

(a) This Guarantee is a contract of Indemnity against actual monetary loss or damage sustained or incurred by the Assured claimant who has suffered loss or damage by reason of reliance upon the assurances set forth in Schedule A and only to the extent herein described, and subject to the Exclusions From Coverage of this Guarantee.

(b) If the Company, or the Assured under the direction of the Company at the Company's expense, removes the alleged defect, lien or, encumbrance or cures any other matter assured against by this Guarantee in a reasonably diligent manner by any method, including litigation and the completion of any appeals therefrom, it shall have fully performed its obligations with respect to that matter and shall not be liable for any loss or damage caused thereby.

(c) In the event of any litigation by the Company or with the Company's consent, the Company shall have no liability for loss or damage until there has been a final determination by a court of competent jurisdiction, and disposition of all appeals therefrom.

(d) The Company shall not be liable for loss or damage to the Assured for liability voluntarily assumed by the Assured in settling any claim or suit without the prior written consent of the Company.

8. REDUCTION OF LIABILITY OR TERMINATION OF LIABILITY

All payments under this Guarantee, except payments made for costs, attorneys' fees and expenses pursuant to Paragraph 4 shall reduce the Amount of Liability under this Guarantee pro tanto.

9. PAYMENT OF LOSS

(a) No payment shall be made without producing this Guarantee for endorsement of the payment unless the Guarantee has been lost or destroyed, in which case proof of loss or destruction shall be furnished to the satisfaction of the Company.

GUARANTEE CONDITIONS (Continuation)

(b) When liability and the extent of loss or damage has been definitely fixed in accordance with these Conditions, the loss or damage shall be payable within thirty (30) days thereafter.

(c) No amendment of or endorsement to this Guarantee can be made except by a writing endorsed hereon or attached hereto signed by either the President, a Vice President, the Secretary, an Assistant Secretary, or validating officer or authorized signatory of the Company.

10. SUBROGATION UPON PAYMENT OR SETTLEMENT

Whenever the Company shall have settled and paid a claim under this Guarantee, all right of subrogation shall vest in the Company unaffected by any act of the Assured claimant. The Company shall be subrogated to and be entitled to all rights and remedies which the Assured would have had against any person or property in respect to the claim had this Guarantee not been issued. If requested by the Company, the Assured shall transfer to the Company all rights and remedies against any person or property necessary in order to perfect this right of subrogation. The Assured shall permit the Company to sue, compromise or settle in the name of the Assured and to use the name of the Assured in any transaction or litigation involving these rights or remedies. If a payment on account of a claim does not fully cover the loss of the Assured the Company shall be subrogated to all rights and remedies of the Assured after the Assured shall have recovered its principal, interest, and costs of collection.

11. ARBITRATION

Either the Company or the Assured may demand that the claim or controversy shall be submitted to arbitration pursuant to the Title Insurance Arbitration Rules of the American Land Title Association ("Rules"). Except as provided in the Rules, there shall be no joinder or consolidation with claims or controversies of other persons. Arbitrable matters may include, but are not limited to, any controversy or claim between the Company and the Assured arising out of or relating to this Guarantee, any service of the Company in connection with its issuance or the breach of a Guarantee provision, or to any other controversy or claim arising out of the transaction giving rise to this Guarantee. All arbitrable matters when the amount of liability is \$2,000,000 or less shall be arbitrated at the option of either the Company or the Assured. All arbitrable matters when the amount of liability is in excess of \$2,000,000 shall be arbitrated only when agreed to by both the Company and the Assured. Arbitration pursuant to this Guarantee and under the Rules shall be binding upon the parties. Judgment upon the award rendered by the Arbitrator(s) may be entered in any court of competent jurisdiction.

12. LIABILITY LIMITED TO THIS GUARANTEE; GUARANTEE ENTIRE CONTRACT

(a) This Guarantee together with all endorsements, if any, attached hereto by the Company is the entire Guarantee and contract between the Assured and the Company. In interpreting any provision of this Guarantee, this Guarantee shall be construed as a whole.

(b) Any claim of loss or damage, whether or not based on negligence, or any action asserting such claim, shall be restricted to this Guarantee.

13. SEVERABILITY

In the event any provision of this Guarantee, in whole or in part, is held invalid or unenforceable under applicable law, the Guarantee shall be deemed not to include that provision or such part held to be invalid, but all other provisions shall remain in full force and effect.

14. CHOICE OF LAW; FORUM

(a) Choice of Law: The Assured acknowledges the Company has underwritten the risks covered by this Guarantee and determined the premium charged therefore in reliance upon the law affecting interests in real property and applicable to the interpretation, rights, remedies, or enforcement of Guaranties of the jurisdiction where the Land is located. Therefore, the court or an arbitrator shall apply the law of the jurisdiction where the Land is located to determine the validity of claims that are adverse to the Assured and to interpret and enforce the terms of this Guarantee. In neither case shall the court or arbitrator apply its conflicts of law principles to determine the applicable law.

(b) Choice of Forum: Any litigation or other proceeding brought by the Assured against the Company must be filed only in a state or federal court within the United States of America or its territories having appropriate jurisdiction.

15. NOTICES, WHERE SENT

All notices required to be given the Company and any statement in writing required to be furnished the Company shall include the number of this Guarantee and shall be addressed to the Company at the office which issued this Guarantee or to its Home Office at 400 Second Avenue South, Minneapolis, Minnesota 55401-2499, (612) 371-1111.

OPTION TO GROUND LEASE

THIS OPTION TO GROUND LEASE (“**Option Agreement**”) is entered into this 29th day of August, 2025 (“**Effective Date**”) by and between CENTRAL CONTRA COSTA SOLID WASTE AUTHORITY, a joint powers authority formed under California law (“**Authority**”), and SOUTH PARCEL MANAGEMENT LLC, a California limited liability corporation (“**Owner**”). Authority and Owner may be jointly referred to as the “**Parties**” and each individually as a “**Party**” herein.

RECITALS

A. Owner is the owner of an approximately fifty-five and one-tenth (55.1) acre parcel of real property (APN 380-030-044-8) in unincorporated Contra Costa County as more particularly depicted in **Exhibit A** attached hereto, and sometimes commonly referred to as the “South Parcel” (“**Owner Property**”).

B. Authority desires to lease a not less than twelve (12) acre area in a portion of the Owner Property to be identified and agreed upon by Authority and Owner (“**Development Site**”) for the construction and operation of a truck yard and ancillary purposes (“**Project**”). Authority and Owner shall determine an appropriate Development Site within the Owner Property, complete certain due diligence, and comply with all applicable state and local law and regulation related to a Development Site and Project, including the California Environmental Quality Act (“**CEQA**”), before entering a ground lease of a Development Site.

C. Owner desires to lease a Development Site within the Owner Property to Authority on the terms the Parties have negotiated (“**Essential Lease Terms**”), as set forth in **Exhibit B**, and otherwise materially consistent with the form and terms of industrial/commercial ground lease agreements in Contra Costa County (such as AIR CRE standard forms of commercial lease).

D. In order to provide Authority an opportunity to determine an appropriate Development Site within the Owner Property, complete due diligence, and comply with all applicable state and local law and regulation, Authority needs an option to lease a Development Site within the Owner Property. Accordingly, the Parties are entering into this Option Agreement on the terms and conditions set forth herein.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

1. Recitals. The foregoing recitals are hereby incorporated into this Agreement as though fully set forth herein.

2. Grant of Option. Owner hereby grants to Authority an exclusive option to lease a Development Site (“**Option**”) pursuant to the terms and conditions set forth herein. During the Option Term, except with Authority’s advance written consent, which Authority can grant (or deny) in its sole discretion, Owner will not (a) sell any portion of the Owner Property; (b) lease, license, or otherwise permit use or occupancy of any portion of the Owner Property; (c) engage brokers to market for sale or lease any portion of the Owner Property; or (d) encumber the Owner Property in any manner.

3. Option Fee. Within three (3) business days after execution and delivery of this Option Agreement, Authority shall pay to Owner in immediately available funds the sum of Forty Thousand and No/100 Dollars (\$40,000) as consideration for the grant of the Option ("**Option Fee**"). So long as Owner has performed all of its obligations under this Option Agreement, the Option Fee shall not be refundable to Authority if Authority decides not to exercise its Option to lease a Development Site and/or exercises its discretionary termination of the Option Agreement. The Option Fee shall be credited toward the first year's rent under the Ground Lease if Authority exercises its Option to lease a Development Site before the end of the Option Term, in an amount equal to the Option Fee divided by fifteen (15) and multiplied by the number of whole months remaining in the Option Term at the time the Ground Lease is executed and delivered.

4. Option Term. The Option shall be exercisable by Authority at a time agreeable by Owner during the fifteen (15) month period commencing on the Effective Date ("**Option Term**"). This Option Agreement shall terminate at the earliest to occur of: (a) the effective date of a Ground Lease between Owner and Authority; (b) expiration of the Option Term; or (c) Authority's termination of the Option Agreement.

5. Exercise of Option. To exercise the Option, prior to the expiration of the Option Term, Authority shall deliver to Owner: (a) written notice of Authority's intent to exercise the Option ("**Notice of Exercise**"); (b) legal description of the Development Site Authority has selected within the Owner Property; and (c) executed Ground Lease, consistent with the Essential Lease Terms set forth in Exhibit B and otherwise materially consistent with the form and terms of industrial/commercial ground lease agreements in Contra Costa County (such as AIR CRE standard forms of commercial lease), pursuant to which Authority shall lease Authority's selected Development Site from Owner. Upon Authority's effective exercise of the Option, Owner shall within three (3) business days deliver a fully-executed original thereof to Authority.

6. Costs of the Parties; Cooperation of the Parties. Each Party shall be responsible for its own costs to comply with this Option Agreement, and, if Authority exercises its Option, complete the Ground Lease. Authority shall be responsible for the costs to determine an appropriate Development Site within the Owner Property, complete due diligence, and comply with all applicable state and local law and regulation related to its proposed use of the Development Site. Notwithstanding the foregoing, (a) Owner shall cooperate with Authority in Authority's efforts to determine an appropriate Development Site within the Owner Property, complete Authority's due diligence, and comply with all applicable state and local law and regulation related to Authority's proposed use of the Development Site, so long as such cooperation does not result in material cost to Owner; and (b) Owner shall sign any entitlement-related applications as property owner upon request by Authority.

7. AS IS Transaction. Authority shall conduct its own investigation, obtain all data, and make all inquiries, inspections, tests, audits, studies, and analyses that it deems necessary or desirable in connection with Authority's decision, in its sole discretion, to approve or disapprove the results of its investigations of the Owner Property and a Development Site, exercise the Option, or enter a Ground Lease.

8. Termination of the Option Agreement. If Authority determines for any reason, in its sole discretion, during the Option Term that (a) it will not be able to use and develop a Development Site, or (b) the costs to develop and operate a Development Site are unreasonable, uneconomic, or otherwise unfavorable to Authority for any reason, Authority may terminate this Option Agreement by written

notice to Owner. If the Authority terminates this Option Agreement, the Option Fee is non-refundable, as stated in Section 3 above.

9. Right to Enter Owner Property.

9.1 Commencing with the execution of this Option Agreement, Authority (and/or its contractors and consultants), after providing written notification to Owner with respect to each entry, shall be allowed access to the Owner Property prior to the exercise of the Option, at all reasonable times for the purposes of conducting investigations, obtaining data, and making inquiries, inspections, tests, audits, studies, and analyses that Authority deems necessary or desirable in connection with determining an appropriate Development Site within the Owner Property, completing due diligence, and complying with all applicable state and local law and regulation related to the Development Site and Project.

9.2 Authority shall cause any contractor or consultant entering the Owner Property for the purpose of conducting invasive environmental, soils, or geological tests pursuant to this Option Agreement to procure and maintain: (a) workers' compensation insurance required by the laws of the State of California; and (b) commercial general liability insurance in the amount of at least Two Million Dollars and No/100 (\$2,000,000) combined single limiting, naming Owner as an additional insured and containing a cross-liability endorsement or severability of interest clause. Authority shall furnish certificates of such insurance coverage to Owner upon reasonable request. Such certificates shall contain a clause providing for thirty (30) days' advance written notice of cancellation or material change in coverage.

9.3 Authority shall indemnify and hold harmless Owner of and from any and all mechanic's liens, claims, actions, liabilities, costs, expenses, including attorneys' fees, and damages of any type or nature arising out of or in any way related to access to the Owner Property by Authority (and/or its contractors and consultants) during the Option Term pursuant to this Section 9, excluding (a) any losses or damages, including but not limited to a reduction in the value of the Owner Property, resulting from any finding or results of any investigations, data, inquiries, inspections, tests, audits, studies, or analyses, whether or not negligent; and (b) any losses or damages resulting from the gross negligence or willful misconduct of Owner.

10. Miscellaneous Provisions.

10.1 Notices. All notices, requests, demands, and other communications hereunder shall be in writing and shall be deemed given when received or refused, if personally delivered or mail, certified mail, return receipt requested, to the following:

If to Owner:	Nicholas J. Farros, Sr. _____ <u>South Parcel Management, LLC</u> <u>P.O. Box 1562</u> <u>Martinez, California 94553</u> Email: <u>wastexpert@aol.com</u>
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If to Authority: Central Contra Costa Solid Waste Authority
c/o David Krueger, Executive Director
1850 Mt. Diablo Blvd, #320
Walnut Creek, CA 94596
Email: david@recyclesmart.org

With a copy to: Deborah Miller
Shute, Mihaly & Weinberger LLP
396 Hayes Street
San Francisco, CA 94102
Email: miller@smwlaw.com

The Parties also shall endeavor to provide a courtesy copy of any notice via electronic mail.

10.2 Assignment. Authority may not assign this Option Agreement without the prior written consent of Owner, except that Authority may, with prior written notice to Owner but without the need for any further consent from Owner, assign this Option Agreement to a contractor Authority has selected to perform solid waste collection or related services in Authority's jurisdiction.

10.3 Successor and Assigns. This Option Agreement shall be binding upon and inure to the benefit of the Parties, their respective successors, personal representatives, and assigns.

10.4 Superiority. To the extent of any inconsistencies between the Ground Lease and the Option Agreement from and after the effective date of the Ground Lease, the Ground Lease shall prevail.

10.5 Further Acts. The Parties agree to perform such further acts as may be reasonable necessary to carry out the provisions of this Option Agreement.

10.6 Authority to Enter and Bind. Owner and Authority represent that each, respectively, and the individuals signing on behalf of each Party, has the full right, power, and authority to execute this Option Agreement and bind the Party.

10.7 Section Headings and References. Section headings of this Option Agreement are solely for convenience of reference and shall not govern the interpretation of any of the provisions of this Option Agreement.

10.8 Governing Law; Venue. California law shall govern this Option Agreement. Any action to enforce or interpret this Option Agreement shall be brought in a court of competent jurisdiction in Contra Costa County, California.

10.9 Partial Invalidity. If any term of this Option Agreement is found to be void or unenforceable, such invalidity shall not affect the remaining terms of this Option Agreement, which shall continue in full force and effect.

10.10 Counterparts; Electronic Signatures. This Option Agreement may be executed in several counterparts, each of which shall be deemed an original, and all of which taken together shall constitute one and the same instrument. Unless otherwise prohibited by law or policy, the Parties agree

that an electronic signature to this Option Agreement and an electronic copy of this Option Agreement have the same force and legal effect as an original ink signature transmitted in hard copy (e.g., transmission via email of a .pdf file containing a scanned or digitally applied signature).

10.11 Memorandum of Option. Concurrently with the execution of this Option Agreement, the Parties shall execute and acknowledge a Memorandum of Option in the form attached as **Exhibit C**, which Authority, at its sole expense, shall be entitled to record.

10.12 Submission of Option Agreement. The submission of this Option Agreement to Owner or its agents or attorneys for review will not be deemed an offer to lease a Development Site or the Owner Property by Authority, and no agreement with respect to the Option will exist unless and until this Option Agreement is executed and delivered by both Owner and Authority.

IN WITNESS WHEREOF, this Option Agreement was executed by the Parties as of the Effective Date.

OWNER

South Parcel Management LLC, a California corporation

By: *Nicholas J. Farros, Sr.*
Nicholas J. Farros, Sr. (Aug 28, 2024 16:35 PDT)
Name: Nicholas J. Farros, Sr.
Title: President

AUTHORITY

Central Contra Costa Solid Waste Authority, a joint powers authority formed under California law

By: *David Krueger*
Name: David Krueger
Title: Executive Director

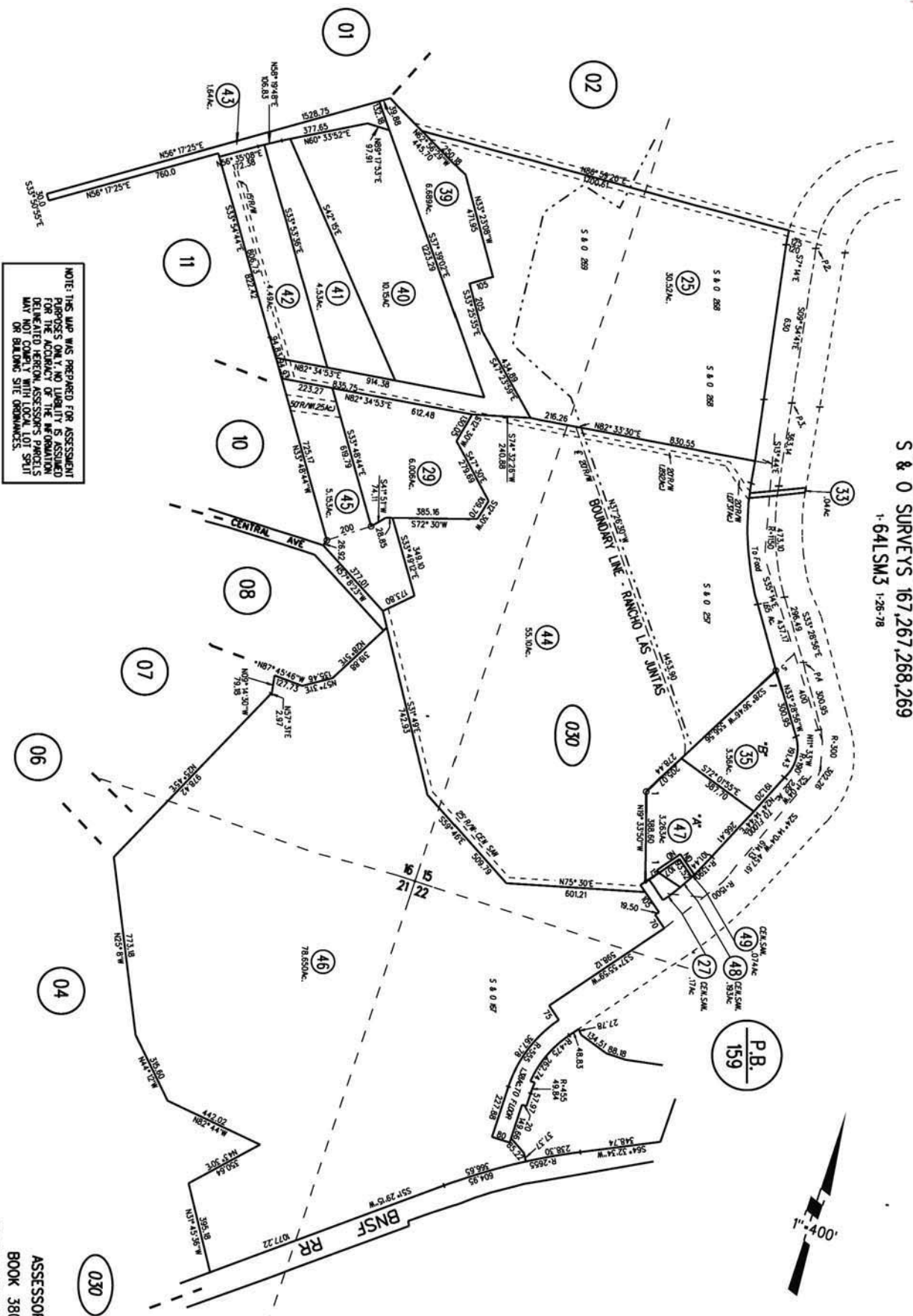
Exhibits:

- A. Depiction of Owner Property
- B. Essential Lease Terms
- C. Memorandum of Option

EXHIBIT A

Depiction of Owner Property

**PORTION OF RANCHO LAS JUNTAS
S & O SURVEYS 167,267,268,269
1-641SM3 1-26-78**



NOTE: THIS MAP WAS PREPARED FOR ASSESSMENT PURPOSES ONLY AND LIABILITY IS ASSIGNED FOR THE ACCURACY OF THE INFORMATION OBTAINED HEREON. ASSESSOR'S PARCELS MAY BE BOUNDING SITE DOMINANTS.



030 49
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EXHIBIT B

Essential Lease Terms

If Authority exercises the Option to lease a Development Site within the Owner Property, the following are essential terms the Parties have negotiated and which shall become part of the Ground Lease (“**Essential Terms**”); the Essential Terms may only be modified by mutual agreement of the Parties, each in its sole discretion. Other typical ground lease terms not specifically addressed in this Exhibit B are intended to be materially consistent with the form and terms of industrial/commercial ground lease agreements in Contra Costa County (such as AIR CRE standard forms of commercial lease) and otherwise addressed in a reasonable manner consistent with the market for commercial/industrial ground leases in Contra Costa County. To the extent of any inconsistency between this Exhibit B and the Option Agreement, this Exhibit B controls; to the extent of any inconsistency between this Exhibit B and the form and terms of industrial/commercial ground lease agreements in Contra Costa County (such as AIR CRE standard forms of commercial lease), this Exhibit B controls.

Terms not otherwise defined herein are given the meaning as defined in the Option Agreement.

Landlord	South Parcel Management LLC, a California limited liability corporation
Tenant	Central Contra Costa Solid Waste Authority, a joint powers authority formed under California law (“ Authority ”)
Scope and Selection of Development Site	Tenant has the right to lease a Development Site consisting of all or a portion of the Owner Property (APN 380-030-044-8) as agreed upon by the Owner. Tenant may lease any area equal to or greater than Twelve (12) acres, up to the full area of the Owner Property (approximately 55.1 acres). Tenant and Owner shall determine the location of the Development Site within the Owner Property. Tenant and Owner shall determine the shape and configuration of the Development Site within the Owner Property.
Exclusivity	The Ground Lease shall provide Tenant sole and exclusive use of the Development Site Seven (7) days a week at all hours of the day for the term; notwithstanding the foregoing, Tenant use of the Development Site must conform with all applicable state and local law and regulation, including use permits.
Permitted Use	Tenant (and any contractor or consultant, acting on Tenant’s behalf, and any subtenant) shall have the right to construct, develop, use, and maintain the Development Site for a truck yard and ancillary purposes, including, but not limited to, storage and maintenance of vehicles and containers, fueling of vehicles, and administrative offices.

Term	<p>The initial term of the Ground Lease is Fifteen (15) years, commencing on the effective date of the Ground Lease. After the conclusion of the initial term, the term of the Ground Lease shall be extended for successive periods of Five (5) years each (each an “Extension Period”), unless either Party provides written notice Five (5) years in advance of the start of the next Extension Period that the Party is terminating the Ground Lease effective on the last day of the then-current term.</p>
Lease Effective Date	<p>Immediately upon full execution and delivery of the Ground Lease</p>
Rent Commencement	<p>Three (3) business days after completion of Landlord Site Preparation; the parties will execute a written notice confirming the rent commencement date.</p>
Base Rent	<p>The rent under the Ground Lease for the Development Site is Two Thousand Five Hundred and No/100 Dollars (\$2,500) per acre per month (prorated to the extent of partial acres). The rent per acre is the same regardless of where the Development Site is located within the Owner Property. The rent escalates annually (including during any extension of the term) by rate of the consumer price index (CPI) for All Urban Consumers (not seasonally adjusted) San Francisco-Oakland-Hayward area (1982-1984 = 100). The rent shall be payable monthly in advance.</p> <p>The Option Fee shall be credited toward the first year’s rent under the Ground Lease if Tenant exercises its Option to lease a Development Site before the end of the Option Term, in an amount equal to the Option Fee divided by fifteen (15) and multiplied by the number of whole months remaining in the Option Term at the time the Ground Lease is executed and delivered.</p>
Security Deposit	<p>Tenant shall provide a security deposit in the amount of Two (2) months’ rent in advance.</p>
Landlord Site Preparation	<p>Within One Hundred Eighty (180) days after Lease Effective Date, Landlord, at Landlord’s sole expense, shall complete the following work on the Development Site:</p> <p>(a) Landlord shall provide access on any property owned or controlled by Landlord for the Tenant to run utilities (power, water, sewer, internet, etc.) to the Development Site in type and amount necessary for the Permitted Use. Installation of the utilities shall be at the Tenant’s sole expense.</p> <p>(b) Landlord shall provide a level surface for the Development Site, except as necessary for site drainage.</p>

	<p>(c) Tenant will not access the Development Site via Central Avenue. Instead, Landlord and Tenant will agree upon the preferred access to the Development Site suitable for the Permitted Use. Following such agreement, Landlord will use good faith efforts to arrange for Tenant's use of such preferred access (at Landlord's sole expense); if Landlord is unable to timely arrange for Tenant's use, in addition to all other remedies available to Tenant, Landlord shall refund to Tenant the Option Fee.</p> <p>Landlord shall submit design plans for the Landlord site preparation to Tenant for review and approval; Tenant approval shall not be unreasonably delayed or withheld.</p>
<p>Tenant's Work</p>	<p>At any time during the term of the Ground Lease, Tenant (and any contractor or consultant, acting on Tenant's behalf, and any subtenant) shall have the right, at Tenant's sole expense, to improve the Development Site to make it suitable for the Permitted Use, including, but not limited to, grading, rocking/base aggregate, asphalt, concrete, fencing, lighting, modular building placement, electric vehicle charging, vehicle and container washing, diesel and gasoline fuel pumps and storage tanks, vehicle and container painting equipment, compressed natural gas fueling station, hydrogen fueling station, vehicle maintenance shop, container maintenance shop, and storm water capture.</p> <p>Any Tenant work shall be performed in a good and workmanlike manner, and consistent with all applicable state and local law and regulation. Tenant shall submit design plans for any Tenant work to the Landlord for review and approval; Landlord approval shall not be unreasonably delayed or withheld.</p> <p>At the end of the Ground Lease term, any improvements shall become the property of Landlord; Tenant shall have no obligation to remove the improvements at the conclusion of the term.</p>
<p>Maintenance and Repairs</p>	<p>Tenant shall, at Tenant's sole expense, keep the Development Site, in good order, condition and repair. Tenant, in keeping the Development Site in good order, condition and repair, shall exercise and perform good maintenance practices. Tenant's obligations shall include restorations, replacements or renewals when necessary to keep the Development Site and all improvements thereon or part thereof in good order, condition, and state of repair.</p> <p>Tenant understands and agrees that the Owner Property and, thus, any Development Site within the Owner Property, is proximate to the closed Acme landfill. Tenant understands and agrees that: (i) it shall not have any access to the closed Acme landfill under the</p>

	<p>Ground Lease; (ii) it shall not disturb any portion of the closed Acme landfill or any monitoring equipment associated therewith, including gas wells; and (iii) it shall follow all safety measures required by state or local law or regulation in its use of the Development Site (which may include, among other things, installation of landfill gas monitors in any buildings Tenant may construct on the Development Site) at Tenant’s sole expense.</p>
<p>Operating Services; Operating Expenses; Additional Rent</p>	<p>Landlord will not arrange for or provide any operating services to the Development Site. Tenant shall arrange for and, at Tenant’s sole expense, pay, all operating services Tenant determines are necessary and appropriate for Tenant’s use of the Development Site (such as metered utilities, security, waste, etc.).</p> <p>Landlord shall, at Landlord’s sole expense, pay all real property taxes, assessments, fees, and other charges related to its ownership of property. Tenant shall pay any taxes, assessments, fees, and other charges related to or imposed on the Tenant improvements. This includes any additional assessments by the County Assessor for secured property taxes.</p> <p>Other than base rent, Tenant shall have no obligation to pay Landlord any additional rent, operating expenses, or charges under the Ground Lease.</p>
<p>Insurance</p>	<p>Tenant will procure and maintain comprehensive commercial liability, Pollution Liability, workers’ compensation, and property insurance in commercially reasonable form and at commercially reasonable limits acceptable to Landlord.</p>
<p>Sublease</p>	<p>During the term of the Ground Lease, as long as Tenant is not in default of the lease terms, Tenant has the right to sublease all or part of the Development Site on terms it finds beneficial, so long as such sublease terms (i) are not inconsistent with Tenant’s obligations under the Ground Lease, (ii) are not inconsistent with law, and (iii) do not materially impair Landlord’s rights, obligations, risks, and liabilities. Tenant shall provide written notice to Landlord of all material terms of a proposed sublease at least Thirty (30) days prior to the effective date of the sublease; Landlord shall provide any objections in writing within Ten (10) days after receipt of Tenant’s notice, identifying in detail the basis for any objections to the proposed terms of sublease; and Landlord and Tenant shall meet and confer in good faith to resolve any dispute.</p> <p>Landlord, at its discretion, may require a corporate guarantee for any proposed sublease.</p>

Brokerage Commissions	Neither party is represented by a Broker in this transaction.
Recordation	Concurrently with the execution of a Ground Lease, the Parties shall execute and acknowledge a Memorandum of Lease, which Authority, at its sole expense, shall be entitled to record.
Tenant Board Approval	Tenant is not and will not be in a position to commit to a Ground Lease transaction with Landlord unless and until Tenant's Board of Directors approves the proposed business and legal terms and conditions as set forth in the transaction documents, in its sole discretion, and complies with all state and local law and regulation, including the California Environmental Quality Act (CEQA).

EXHIBIT C

Memorandum of Option

RETURN RECORDED DOCUMENT TO:

Central Contra Costa Solid Waste Authority
c/o David Krueger, Executive Director
1850 Mt. Diablo Blvd, #320
Walnut Creek, CA 94596

APN 380-030-044-8

MEMORANDUM OF OPTION

CENTRAL CONTRA COSTA SOLID WASTE AUTHORITY, a joint powers authority formed under California law (“**Authority**”) and SOUTH PARCEL MANAGEMENT LLC, a California limited liability corporation (“**Owner**”) have entered an Option to Ground Lease, dated even herewith (“**Option Agreement**”), pursuant to which Owner has granted to Authority an option to ground lease a not less than Twelve (12) acre portion of the property (“**Development Site**”) owned by Owner and located in unincorporated portions of Contra Costa County, State of California (APN 380-030-044-8) as depicted in the attached **Exhibit A (“Owner Property”)**. The exact location and legal description of the Development Site within the Owner Property will be determined pursuant to the terms of the Option Agreement. Authority and Owner shall determine an appropriate Development Site within the Owner Property, complete certain due diligence, and comply with all applicable state and local law and regulation related to a Development Site and project, including the California Environmental Quality Act (“CEQA”), before entering a ground lease of a Development Site. The term of the option commences on the date of the Option Agreement and terminates fifteen (15) months thereafter (“**Option Term**”).

This Memorandum of Option is made and executed by the parties hereto solely for the purpose of recording the same in the offices of the Official Records of Contra Costa County, to give notice of the provisions of the Option Agreement. In the event of any conflict or inconsistency between the terms of the Option Agreement and this Memorandum of Option, the terms of the Option Agreement shall control. This Memorandum of Option may be executed in counterparts. Each of which shall constitute an original and all of which, when taken together, shall constitute one and the same instrument.

IN WITNESS WHEREOF, Owner and Authority have executed this Memorandum of Option, as of the day and year first above written.

OWNER:

South Parcel Management LLC, a California limited liability corporation

By: _____
Name: Nicholas J. Farros, Sr.

Title: _____

AUTHORITY:

Central Contra Costa Solid Waste Authority, a joint powers authority formed under California law

By: _____
Name: David Krueger
Title: Executive Director

Exhibits:

- A. Depiction of Owner Property

///

EXHIBIT A

Depiction of Owner Property

[insert parcel map]

///

[insert notary acknowledgement]

RECORDING REQUEST BY AND RETURN RECORDED DOCUMENT TO:
Central Contra Costa Solid Waste Authority
c/o David Krueger, Executive Director
1850 Mt. Diablo Blvd, #320
Walnut Creek, CA 94596

APN 380-030-044-8

Exempt from recording fees (Govt Code § 6103 and 27383)
Exempt from documentary transfer tax (R&T § 11922)

MEMORANDUM OF OPTION


CENTRAL CONTRA COSTA SOLID WASTE AUTHORITY, a joint powers authority formed under California law ("Authority") and SOUTH PARCEL MANAGEMENT LLC, a California limited liability corporation ("Owner") have entered an Option to Ground Lease, dated August 29, 2024 ("Option Agreement"), pursuant to which Owner has granted to Authority an option to ground lease a not less than Twelve (12) acre portion of the property ("Development Site") owned by Owner and located in unincorporated portions of Contra Costa County, State of California (APN 380-030-044-8) as depicted in the attached Exhibit A ("Owner Property"). The exact location and legal description of the Development Site within the Owner Property will be determined pursuant to the terms of the Option Agreement. Authority and Owner shall determine an appropriate Development Site within the Owner Property, complete certain due diligence, and comply with all applicable state and local law and regulation related to a Development Site and project, including the California Environmental Quality Act ("CEQA"), before entering a ground lease of a Development Site. The term of the option commences on the date of the Option Agreement and terminates fifteen (15) months thereafter ("Option Term").

This Memorandum of Option is made and executed by the parties hereto solely for the purpose of recording the same in the offices of the Official Records of Contra Costa County, to give notice of the provisions of the Option Agreement. In the event of any conflict or inconsistency between the terms of the Option Agreement and this Memorandum of Option, the terms of the Option Agreement shall control. This Memorandum of Option may be executed in counterparts, each of which shall constitute an original and all of which, when taken together, shall constitute one and the same instrument.

IN WITNESS WHEREOF, Owner and Authority have executed this Memorandum of Option effective as of August 29, 2024.

OWNER:

South Parcel Management LLC, a California
limited liability corporation

By: 
Name: Nicholas J. Farros, Sr.
Title: President

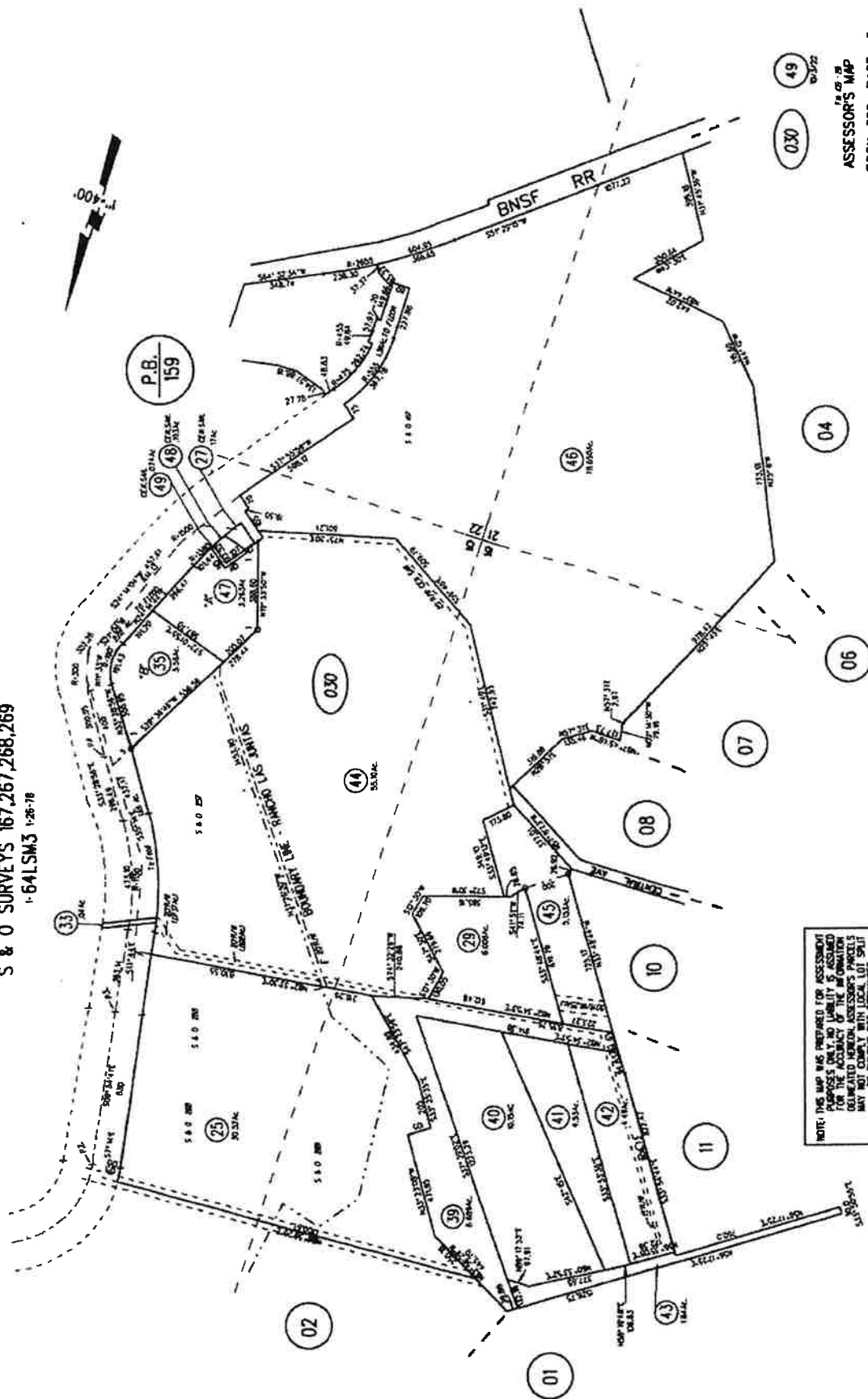
AUTHORITY:

Central Contra Costa Solid Waste Authority, a
joint powers authority formed under California
law

By: 
Name: David Krueger
Title: Executive Director

Exhibits A. Depiction of Owner Property

PORTION OF RANCHO LAS JUNTAS
 S & O SURVEYS 167,267,268,269
 1-64LSM3 1-26-78



030

49

1 of 15
 ASSESSOR'S MAP
 BOOK 380 PAGE 3
 CONTRA COSTA COUNTY, CALIF.

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.


State of California
County of Contra Costa

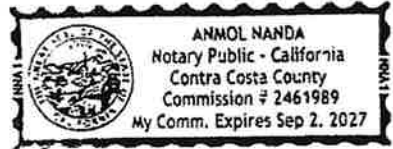
On Aug 30, 2024 before me, Annol Nanda, Notary Public
(insert name and title of the officer)

personally appeared David Krueger
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature  (Seal)



ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California

County of Contra Costa

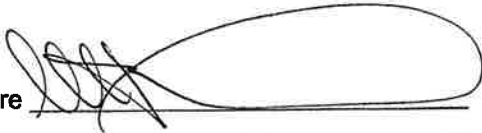
On September 6, 2024 before me, MHCherwin, Notary Public
(insert name and title of the officer)

personally appeared Nicholas J. Farcos, Jr.
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature



(Seal)

