



# DWR REAL ESTATE COORDINATION PLAN

## Exhibit E

## **California WaterFix**

### **Real Estate Coordination between the Authority and DWR**

#### **1) Roles of the Authority and DWR**

The Authority shall conduct real property transactions (fee and easement), utility relocations, appraisals, offers, and interim property management, identification, disposal of surplus lands, and other right-of-way functions in the name of the DWR according to DWR's rules, regulations, policy and procedures.

The Authority will be required to: (1) keep DWR apprised of its land acquisition activities and the activities of its contractors; (2) consult with DWR on matters concerning compliance with DWR and federal acquisition rules and regulations and (3) provide complete access as requested to its records relating to such land acquisition.

DWR shall appoint an individual in its Real Estate Branch within the Division of Engineering as its "Acquisition Coordinator" the point of contact for DWR for matters relating to the selection and acquisition of real property. The Acquisition Coordinator shall be empowered to bind DWR to the extent of their designated authority.

The Acquisition Coordinator will oversee a Section of DWR employees at the Senior Right of Way Agent, and Associate Right of Way Agent levels who will provide oversight, coordination, and communication to ensure right of way compliance

The Geodetic Branch Chief will oversee a Section of DWR employees at the Senior Transportation Surveyor and Transportation Surveyor level who will provide oversight, review and approval of real estate plans, land boundary surveys, maps, legal descriptions and deeds prepared for appraisal and acquisition of land rights.

The oversight responsibilities discussed above will be developed in conjunction with DWR, Delta Conveyance Office (DCO), DWR Executive, and/or Authority staff.

#### **2) Project Real Estate Plan**

The Authority will determine the lands, easements and rights-of-way necessary for construction, operation and maintenance of the conveyance facility including those rights required for temporary construction areas, mitigation sites, borrow sites, spoil sites, access/haul routes, staging areas, private and public utility relocations, temporary and permanent power, and providing relocation assistance for qualified occupants and businesses of acquired property, as required by state and federal statutes, rules and regulations described in detail below.

**Land to be Acquired in the name of DWR:** All lands and rights of way to be acquired

will be in the name of DWR. DWR will concurrently provide appropriate access and other appropriate legal documents (s). To ensure land acquisition and other real property tasks are completed to the DWR standards, the Authority will use forms and documents provided by DWR. **(Need to identify a mechanism to transfer rights to the Authority)**

**Real Estate Plan:** The Authority will develop and submit to DWR a Real Estate Plan(s). The Authority may elect to submit a Real Estate Plan by Project Element, Project Feature, or Project Phase. The Project Real Estate Plan will include information gathered during the Acquisition Planning and Property Assessment Phases of the Land Acquisition process shown in Exhibit A.

The Real Estate Plans will include a narrative description of the identified real estate requirements including a breakdown of Authority's estimate of total acreage to be acquired, and type of real property interests to be acquired. The Real Estate Plans shall include all lands required for other Conveyance Project purposes, such as mitigation and other regulatory needs and identify proposed end land uses for project lands. The Real Estate Plan must also include: a property owner tract register (matrix), identifying impacted property owners; real property interest to be acquired and area of acquisitions and a real estate requirement map exhibit and design plans and specifications.

The Authority's Project Real Estate Plan will need to be based on, at a minimum, 60% designs, plans and specifications, which shall include: topographic drawings with the Project design features illustrated, assessor parcel numbers (APN), property lines, flood management structure, private utility relocations with the responsible party to relocate or protect in place noted and mitigation sites, borrow sites, spoil sites, access/haul routes, and staging areas. Additional items to consider include identifying potential uneconomic remnants, parcels to be acquired for exchange purposes, a proposal for excess lands, and interim property management.

DWR will provide the Authority with a written approval of Project Real Estate Plan prior to the authority making offers to landowners.

The Authority will provide or acquire all necessary real property services for all parcels in support of approved Real Estate Plan in accordance with the process described below, including the services and materials necessary to fulfill the land acquisition process.

### **3) Relocation Assistance Plan:**

The Authority will prepare a Relocation Assistance Plan in the acquisition planning phase to be implemented during the Acquisition Negotiation phase. The Relocation Plan must be approved by the Department of General Services, pursuant to Government Code §11005(a) prior to the start of acquisition. The Authority must also comply with all applicable provisions of the California Relocation Assistance Law and

49 Code of Federal Regulations Section 24 the “Uniform Act”.

**4)**

The Authority shall provide utility relocation services for gas, water, phone, electric, fiber optic, etc. including identifying both public and private utilities within the right of way; researching and identifying prior rights of utilities; obtaining utility as-built plans; coordinating between utility and DWR the planning of relocations (protect in place, temporary and/or permanent relocation); obtaining from utility the relocation plan, cost estimate, and signed utility relocation agreements; identifying and immediately notifying the Project Manager where right of way will need to be acquired for utility relocations; coordinating utility relocations to meet overall project schedules; confirming completion of relocation and all work under the relocation agreement; facilitate payment under relocation agreement; and obtaining Consent to Common Use Agreements and Joint Use Agreements as appropriate.

**5) Land Surveying Services for Property Rights Acquisition:**

The Authority will provide Land Surveying services including land boundary field surveys and maps, legal description and deed preparation, examination of title to all parcels, obtaining preliminary title reports and mapping of exceptions to title. **All land surveying services shall be provided in accordance with the DWR Geodetic Standards attached as Exhibit B. Review of land surveying work shall be provided by DWR Geodetic staff as described in Section 1 above.**

The Authority shall assure that property is acquired in the name of the DWR and is free and clear of all liens, encumbrances, assessments, easements, leases (recorded and/or unrecorded), and taxes, except:

- (1) Taxes for the tax year in which this escrow closes shall be cleared and paid in the manner required by Section 5086 of the Revenue and Taxation Code, if unpaid at the close of escrow. However, the Delta Reform Act requires that we “fully mitigate” lost property tax revenue for affected counties. Not sure what the process will be but DWR and this real estate apparatus will have to track it and be involved.
- (2) Covenants, conditions, restrictions and reservations of record, or contained in the above-referenced document.
- (3) Easements or rights of way over said land for private, public, or quasi-public utility or public purposes, if any.

DWR shall provide Authority with a Geodetic Review, Approval Form of Land Acquisition Standards, before a first written offer is made. No offer to purchase may be made, and no amount of compensation for the purchase may be offered, discussed, or negotiated, prior to DWR’s written notice of approval of the land boundary surveying



maps and deeds.

## **6) Environmental Site Assessment:**

As part of due diligence the Authority shall order Environmental Site Assessment reports for each property considered for permanent easements and fee acquisition. Environmental Site Assessment reports also known as Phase I Site Assessment Reports shall be completed in accordance with Water Resources Engineering Memorandum (WREM) No. 59 attached as Exhibit C which establishes a policy for pre-acquisition inspection of real property and improvements where the DWR is anticipating to be conveyed, by assignment, a real property interest, fee or easements, for ascertaining the existence of hazardous substances. The minimum ESA shall be a Phase I but may advance to Phase III.

DWR's Acquisition Coordinator shall coordinate the review of Environmental Site Assessment reports by the Division of Environmental Services' Environmental Site Assessment Section (ESAS). ESAS staff review all ESAs for compliance with WREM 59 and provide Authority with written notice of appraisal approval or rejection of the Environmental Site Assessment reports.

Environmental contamination can affect a property's fair market value. Approved Environmental Site Assessment reports will be provided to appraisers valuing permanent easements and fee acquisition parcels to be acquired so that environmental contamination may be considered in the analysis. No appraisal shall be ordered without first completing an approved Environmental Site Assessment by ESAS staff.

## **7) Appraisals:**

The Authority shall prepare appraisals of all real property to be acquired. An appraisal estimates the fair market value of the real property acquired. All appraisals shall be performed by an appraiser who is licensed with the State of California, by the Office of Real Estate Appraisers and who also holds the designation of MAI or a recognized equivalent applicable to the type of property appraised.

**Appraisal Standards:** An appraisal of the current fair market value as defined in Code of Civil Procedure Section 1263.320 must be developed as required by the Uniform Standards of Professional Practice Standard 1: Real Property Appraisal Development, and reported as a Self-Contained Appraisal Report under USPAP Standard 2: Real Property Appraisal Reporting. Appraisal Standards shall be those of the Appraisal Institute, which are available in The Appraisal of Real Property, Twelfth Edition, published by the Appraisal Institute. In cases where the individual appraisal report's Just Compensation Value exceeds \$150,000, Department of General Services (DGS) appraisal standards attached as Exhibit D, must also be followed.

Three copies of each appraisal report shall be submitted to DCO for approval, including, if necessary, the Department of General Services (DGS).

**Appraisal Reviews/Approvals:** Appraisals reports with a Fair Market Value up to \$150,000 will be reviewed by the Authority and Approved by DWR's Acquisition Coordinator or another DCO staff person with delegated authority. In cases where the individual appraisal report's Just Compensation Value exceeds \$150,000, the appraisal will require review and approval from the Department of General Services (DGS) pursuant to Exemption No. 34.7, 21.5, dated October 1, 2013, Exhibit E.

DWR's Acquisition Coordinator shall coordinate any DGS review and shall provide Authority with DGS's written notice of appraisal approval or rejection. No first written offer to purchase may be made by the Authority, and no amount of compensation for the purchase may be offered, discussed, or negotiated, by the Authority prior to DWR's written notice of DGS approval of the appraisal exceeding \$150,000.

## **8) Acquisition/Negotiation:**

The Authority shall prepare first written offers, and all other necessary documents required to construct the Conveyance Project. These documents include temporary entry permits, rights of entry, utility relocation agreements, borrow and spoil agreements, and haul route agreements.

**First Written Offers:** The Authority shall prepare written offers to property owners using DWR's standard Offer Form attached as Exhibit F. First Written Offers shall be at Fair Market Value as determined in the approved appraisal. Offer packages shall include all necessary documents including:

- a. Cover Letter
- b. Appraisal summary statement (or a copy of complete appraisal)
- c. Right of Way Contract (purchase agreement)
- e. Deed(s)
- f. Appraisal Map
- g. Comparable sale summary sheet
- h. comparable sales with the subject property.
- i. Acquisition brochure (Exhibit G) and Relocation Brochure Exhibit H), if applicable

**Owner Initiated Appraisals:** The Authority will make offers under the threat of condemnation and include language in the cover letter and purchase agreement which in accordance with Civil Code of Procedure Section 1263.025 entitling Grantor to obtain an independent appraisal and to be reimbursed for the actual reasonable cost of the appraisal up to \$5,000. Upon request by owner, the Authority shall enter into an Appraisal Reimbursement Agreement with owner to facilitate the creation of

an Owner Initiated Appraisal. Owner Initiated Appraisals received pursuant the Appraisal Reimbursement Agreement shall be reviewed and approved as described in Section 6 above.

**Negotiations:** The Authority shall attempt to acquire all property for the conveyance project from willing sellers required for the Conveyance Project at fair market value and using the pre-approved contract terms and conditions in DWR's standard Right of Way Contract.

**Negotiated Terms:** Any changes to DWR's standard Right of Way Contract terms and conditions negotiated by the Authority will require legal approval by DWR's Office of the Chief Counsel (OCC). DWR's Acquisition Coordinator shall coordinate the review and approval of revised terms and conditions with OCC and provide written notice of approval of revised terms or suggested revisions. No formal revised offer including non-standard terms may be made by the Authority without prior approval of revised terms from OCC.

**Negotiated Price:** All negotiation or discussion of purchase price over an approved appraisal value by the Authority shall be informal and subject to DWR review and approval. Prior to negotiating an amount above the approved appraisal value the Authority shall prepare an Administrative Settlement Justification Memo (ASJ). The ASJ Memo shall be prepared in accordance with DWR's Administrative Settlement Policy and Procedure attached as Exhibit I. The ASJ memo shall be reviewed and approved by the appropriate individual in DOE pursuant to their delegated authority (over \$150K, DOE Chief; up to \$150K, REB Chief; up to \$5K, REB Section Chiefs) DWR's Acquisition Coordinator shall coordinate the review and approval of the ASJ memo. No formal negotiation or revised offer in an amount over the approved appraisal value may be made by the Authority without an approved ASJ.

**Eminent Domain:** Because it is anticipated that the Authority may need to condemn some of the parcels required to complete the Project pursuant to Water Code §250-260, and §11580-11588. The Authority shall be responsible for following all guidelines and procedures in effect at the time to obtain a Resolution of Necessity as established by DWR's governing body, the California Water Commission (CWC). See Exhibit J for the guidelines and procedures in effect as of the execution date of the Agreement. The Authority shall also be responsible for preparing the necessary documents required, and submit a complete package for review and approval. DWR's Acquisition Coordinator shall have responsibility to present the request to the CWC. Once a Resolution is granted, The Authority will also be responsible for preparing the necessary documents required by the Attorney General's Office to support the filing of a condemnation case for DWR review and approval. DWR will be responsible working with the Attorney General's Office.

**Memorandums of Settlement:** The Authority shall prepare Memorandum of Settlement packages for review and approval by DWR's Acquisition Coordinator. MOS packages

include settlement justification, signed/notarized Deeds and Right of Way Contracts, analysis of title exceptions, escrow instructions, warrant request, escrow closure notice, and other relevant documents (such as those needed to close escrow). A sample MOS is included as Exhibit K.

In cases where the total purchase price exceeds \$150,000, the condemnation transaction will require review and approval from the Department of General Services (DGS) pursuant to Exemption No. 34.7, 21.5, dated October 1, 2013, Exhibit E. DWR's Acquisition Coordination will coordinate the transaction review and approval by DGS.

**Encumbrances to Title:** The Authority shall coordinate with escrow and title officers, prior to closing to clear title of all encumbrances that do not apply to the acquisition area or conflict with the proposed project use. This requirement may include clearing of severed mineral rights if mineral rights are determined to conflict with the Conveyance Project.

## **9) Leased Land**

In the event, any land acquired by The Authority is subject to a lease or leases, The Authority shall ensure that any such lease (s) are identified in the Project Real Estate Plan, including arrangements that address what happens to such lease interests upon acquisition of title by the DWR. All proposed lease agreements must be approved by the DWR prior to negotiation and execution by the Authority. In cases where the total lease value exceeds \$150,000 over the term of the lease, the lease will require review and approval from (DGS) pursuant to Exemption No. 34.7, 21.5, dated October 1, 2013, DWR must be given notice of all proposed modifications to lease agreements and must approve such modifications in writing prior to negotiation and execution by the Authority. Sample guidelines for lease agreements will be provided by DWR.

In any event, all net proceeds received by The Authority from any such lease agreement shall be applied as a credit to the DWR. No land necessary for construction or operation of the funded improvements shall be subject to a lease when conveyed to the DWR without the express written consent of the DWR. At the time of transfer from the Authority to the DWR, all land acquired by the Authority pursuant to this Funding Agreement shall be free of any leases unless otherwise approved by the express written consent of the DWR. Should the Authority proceed without written approval, the DWR will have the option to terminate the lease at the time of conveyance to the DWR with any losses by the lessee to be paid 100% by The Authority.

## **10) Excess Land**

In the event any lands, easements or rights of way acquired for the conveyance project by the Authority are not necessary for to project operations following the completion of

construction, such lands, easements or rights of way may need to be deemed excess and may be sold. The Authority shall assist the DCO with the identification of potentially surplus property. DWR will dispose of surplus property in accordance with applicable law.

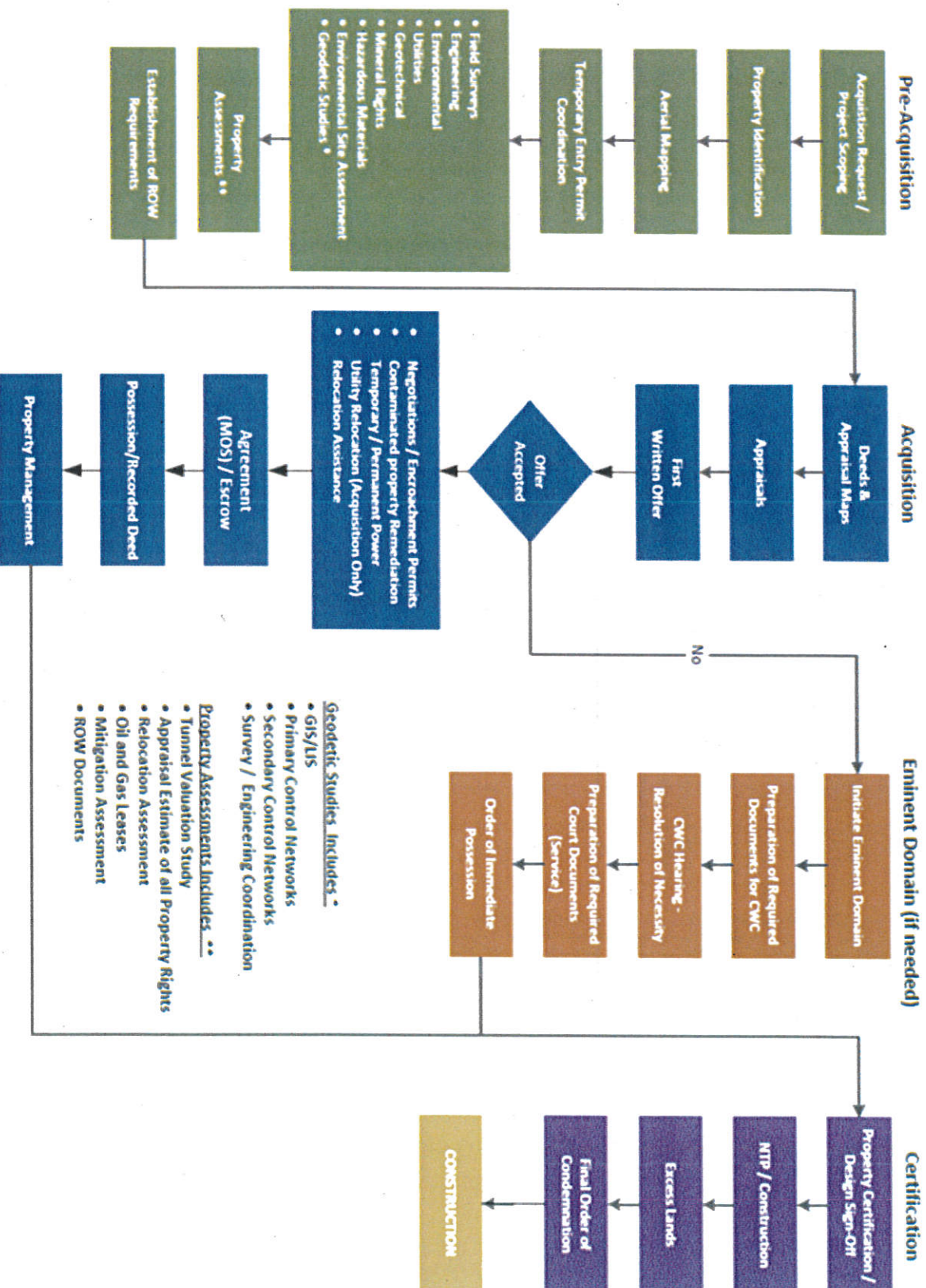
#### EXHIBITS

- Exhibit A - Property Acquisition Workflow
- Exhibit B – Geodetic Standards
- Exhibit C – WREM-59
- Exhibit D – DGS Appraisal Specifications
- Exhibit E – DGS Exemption Notice
- Exhibit F – First Written Offer
- Exhibit G – Property Acquisition Brochure
- Exhibit H – Relocation Assistance Brochure
- Exhibit I – Administrative Settlement Procedures
- Exhibit J – Eminent Domain (Water Commission)
- Exhibit K – Memorandum of Settlement

## Exhibit A - Property Acquisition Workflow



# Property Acquisition Workflow



## Exhibit B – Geodetic Standards



**Geodetic Branch, Division of Engineering, Department of Water Resources  
Procedures, Guidelines, Standards, and Requirements for Land Acquisition  
Boundary Surveys, Legal Descriptions and Mapping**

It is the responsibility of the Geodetic Branch of the Department of Water Resources (DWR) to prepare, maintain and manage accurate land records, mapping, and continuity with existing records of land rights under the control of the Department of Water Resources (State of California). These records are an integral part of the DWR Geographic Information System (GIS) and are used extensively by the Department staff in maintaining the vast inventory of land rights for all DWR facilities. It is the further responsibility of the branch to review and approve all land boundary, legal descriptions, and maps prepared by others prior to the conveyance of any real property rights to DWR. When entities other than DWR are acquiring real property rights to be transferred to DWR, there is a critical two-step process that must be followed to ensure a smooth transfer of those rights to DWR. Prior to negotiated acquisition or eminent domain action by the entity, the cadastral land net, boundary survey, legal description and proposed deed of the real property right to be conveyed must be reviewed and approved by the Geodetic Branch to ensure the real property rights being conveyed are correctly and completely surveyed and described according to the Geodetic Branch standards. This will help streamline the transfer of the real property rights to the Department reducing delays and additional expense. The following standards and documentation are required for new acquisitions of real property rights under the control of the Department.

1. All affected boundaries shall be surveyed prior to the acquisition deed being written and the resulting land surveys shall comply with the State of California Professional Land Surveyors Act and Public Resources Code as required, as well as any additional requirements in the standards quoted below. A land survey map of the boundary, existing encumbrances, and the proposed acquisition shall be prepared and submitted for review. In cases where real property rights are being purchased over multiple parcels, a land net survey of the boundary, existing encumbrances, and the proposed acquisition may be developed covering multiple parcels in one document. All surveys shall be reviewed and approved prior to submittal of the proposed legal descriptions and deeds.
2. Once the proposed legal description has been approved, final legal description with DWR Parcel No. shall be sealed, signed and dated by a land surveyor or engineer licensed to practice land surveying in California. For transfer of acquisitions to DWR, the Geodetic Branch staff will provide the appropriate deed cover and signature pages.
3. Descriptions shall include the following:
  - a) Preamble with general location references such as Section, Township and Range, City, County, and State.
  - b) DWR Parcel Number assigned by Geodetic Branch staff shall be added between the preamble and the body of the final description.
  - c) The Point of Beginning shall be referenced to a basis of bearing based on two found property monuments of record including recording or filing information. Courses that intersect or adjoin an existing senior deed or

ownership line of record shall call to or along that line citing deed and/or map of record information.

- d) Area shall be depicted in acres or square feet (if under 0.02 acre).
  - e) The Basis of Bearing shall be the California Coordinate System, CCS83, and shall comply with the California Public Resources Code (Section 8801-8819).
  - f) Distances shall be California Coordinate System grid distances in US survey feet.
  - g) Each legal description shall have an accompanying exhibit map.
4. CCS83 coordinates must be determined by ties to at least 3 California Spatial Reference Network (CSRN) monuments. In areas where ground movement or subsidence may be occurring, ties to the CSRN must be made with minimum 2 hour observations of the CSRN Continually Operating Reference Stations (CORS) or California Spatial Reference Center (CSRC) Continues Global Position System (CGPS) stations. The epoch used must be the same for all three primary control points and must be 2010.00 or newer. The names and values of primary control points and the epoch utilized shall be shown on the map. If current date-of-survey mid-epoch is used, the method used to establish current epoch must also be stated.
  5. Elevations (Orthometric Heights) shall be shown on the North American Vertical Datum of 1988 (NAVD88) utilizing Geoid 12b or newer. Method for establishing vertical datum must be stated.
  6. To translate existing CCS27 coordinates to CCS83 coordinates, field surveyed ties to a minimum of two applicable found monuments that have previously surveyed CCS27 values is required. Calculated conversions from models (CORPSCON, etc.) are unacceptable.
  7. All survey monuments referenced in an existing DWR deed that may be affected or lie adjacent to or adjoining the new deed shall be surveyed.
  8. All survey monuments of existing record surveys of the subject properties shall be located and shown on the map. This includes monuments from record maps of adjoining properties. If monuments are not available on the parcel or adjoining parcels the survey must reach far enough to re-establish the cadastral land net.
  9. Water boundaries when required must include a description of the method utilized to determine ordinary high water. If the subject property lies in tidal areas, ties to tidal benchmarks must be shown on the map and description of process for determining mean high tide including elevation on NAVD 1988 survey epoch must be stated on the map.
  10. Contact the Department of Water Resources, Division of Engineering, Geodetic Branch for existing DWR survey monumentation and mapping information that may be applicable to the project.
  11. Monumentation shall be set along the new DWR right of way and/or property boundaries, and a Record of Survey shall be filed in accordance with local and

state regulatory requirements. Contact the Geodetic Branch for monumentation requirements. A draft copy of the Record of Survey map shall be submitted to DWR for review prior to submittal to the county surveyor, regulatory agency or county recorder.

12. When requesting review provide copies of the following:

- a) Title reports of Grantor ownerships (including DWR property)
- b) All documents referred to in title reports or referenced in the documents referred to in the title reports, with a list of title exceptions stating how they affect the subject parcel and/or that they do not affect the subject parcel.
- c) Maps of Record used for boundary resolution and property ties.
- d) Area and alignment calculations with CCS83 coordinates.
- e) Field survey notes showing primary control points utilized, found monuments and any ties to other non published survey control.

13. MicroStation (dgn) CAD file or importable AutoCAD (dwg) file and all associated cogo and/or coordinate data files, with legal description and affected property boundaries delineated, including but not limited to the following:

- a) Basis of Bearing with geodetic survey control points used to determine same.
- b) Mapping orientation – North to the top of file.
- c) Vicinity Map.
- d) State Plane Coordinate grid marks.
- e) Existing easements and/or encumbrances, as listed in title reports, shall be delineated with reference to the specific title report and exception number.
- f) Corner ties shall be shown.
- g) Significant topographic features, i.e. Public roads, major water courses, existing utilities, population centers, buildings, fences and other evidence of occupation shall be shown.
- h) Map Legend showing:
  - Primary survey control monuments.
  - Found monuments.
  - Set monuments.

Please contact Geodetic Branch staff for current required CAD mapping standards. The Geodetic Branch staff is using the information required above to create a standard DWR property management map and Geographic Information System. All information provided shall be kept for Department records. Contacting Geodetic Branch staff directly for questions regarding these standards and the review and approval of land surveying deliverables is encouraged. It is our goal to be involved from the beginning of the project to assist and streamline your review and approval process.

*Daniel K. Mardock, PLS  
Chief, Geodetic Branch  
California Department of Water Resources  
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Sacramento, CA 95814  
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[daniel.mardock@water.ca.gov](mailto:daniel.mardock@water.ca.gov)*

## Exhibit C – WREM-59

State of California  
The Resources Agency  
DEPARTMENT OF WATER RESOURCES

WATER RESOURCES ENGINEERING MEMORANDUM NO. 59

TO: WREM DISTRIBUTION LIST      DATE:  
FROM: John J. Silveira      SUBJECT: Policy for Pre-Acquisition  
Carroll M. Hamon      Inspection of Lands and  
Robert G. Potter      Improvements for Hazardous  
Substance Contamination

PURPOSE

This memorandum establishes a policy for pre-acquisition inspection of real property and improvements which the Department or The Reclamation Board is anticipating to purchase in fee or easement for ascertaining the existence of hazardous substances as defined below. The goal is to minimize the Department's liability for hazardous substance contamination and remediation.

DEFINITIONS

"Hazardous substance" is broadly defined as any substance:

1. In any concentration regulated under the Federal Clean Air Act, Clean Water Act, and Toxic Substances Control Act;
2. Defined under the Federal Comprehensive Environmental Response, Compensation, and Liability Act (Superfund process);
3. Identified in any applicable State laws, including the Health and Safety Code, and especially the Hazardous Substance Account Act; and
4. Identified in any other regulations which may apply.

"Regulatory agency" refers to the Federal and State Environmental Protection Agencies, including the State Water Resources Control Board, the Department of Toxic Substances Control, the Regional Water Quality Control Boards, agencies requiring notification under Proposition 65 and any other local environmental health agency.

"Contamination" includes conditions of pollution or environmental impairment.

References to the Department include activities of The Reclamation Board, for purposes of implementing this policy.

## BACKGROUND

Presence of a hazardous substance on or in the vicinity of a proposed acquisition can lead to substantial project delays and escalated costs, particularly if the substance remains undetected until a project is under construction. Such material can pose health and safety problems to workers and/or the public and may have to be removed and disposed. The earlier a hazardous substance site is identified, the more options are available to the Department.

The Department will obtain information about potential hazardous substance sites in the earliest possible planning stage in order to provide maximum flexibility and the opportunity to address this issue in the final environmental documentation. As the liability for involvement in a hazardous substance cleanup can be extensive, it is critical that such sites be identified before acquisition. This policy, which is targeted at new acquisitions of any fee or easement land rights, outlines the procedure for inspecting such lands to avoid or minimize involvement with a potentially contaminated site. Inspections also may be done prior to selling real property and by special request.

A screening or Initial Site Survey will be completed for all acquisitions by the Department or its consultants during the project planning stages, to identify any potential or known hazardous substance problem. If a problem is found, a more comprehensive site investigation may be conducted to determine the magnitude of the contamination and develop an estimate of cleanup costs for remediation, depending on the magnitude of the problem.

## IMPLEMENTATION AND RESPONSIBILITY

The Water Quality Assessment Group within the Technical Support Branch of the Division of Local Assistance (DLA) will be responsible for implementing this policy. The initial step will be a survey of appropriately trained or interested staff in various districts and divisions throughout the Department for participation in this program. As project team leader, DLA will formulate a project team including representatives from the involved divisions or offices (Planning, Right of Way, Design and Construction, Operations and Maintenance, Environmental Services Office, etc.).

This project team will have expertise in the following areas: quality control for both field and laboratory processes, environmental rules and regulations, title and historical property use research, surface and groundwater monitoring, toxicological impacts, and environmental assessment procedures on wetlands or endangered species habitat. DLA will assess if sufficient staff is available, if there are additional training

requirements, and if there is a need to use consultants.

The project team and/or consultants will prepare the reports contemplated by this policy, offer alternatives and make recommendations for further analysis as needed to the program manager. The program manager and Department management will analyze the need for avoidance and determine whether the Department should proceed with a remediation plan.

The Division of Land and Right of Way will obtain a temporary entry permit from the landowner, (and tenant if applicable), to allow inspection of the property. In consultation with the Office of the Chief Counsel, Right of Way will :

- 1) Add clauses to the entry permit to make a full disclosure to the landowner and protect the Department from liability for the results of the inspections.
- 2) Add clauses to the right of way contract, if the Department decides to acquire the property, to eliminate or reduce the Department's liability for investigation and remediation of the hazardous substance.

Funding for work performed under this policy will be expended from the subject program's work authority.

#### PROCEDURES

##### Initial Site Survey (ISS):

The ISS is the first procedure performed on projects before the appraisal of its fair market value. If a lesser right than fee interest, such as an easement, is to be acquired, the program manager will consult with the Office of the Chief Counsel to determine if the nature and extent of the Department's proposed acquisition or use would pose liability concerns if a hazardous substance is found.

The program manager requesting the land acquisition will contact the DLA to initiate the ISS for lands anticipated to be acquired. To ensure that all land acquisition requests are subject to an ISS, the Division of Land and Right of Way will confirm that an ISS has been ordered upon receipt of a request to acquire property. An ISS includes the following tasks:

- o Assess the types of environmental components which may be impacted by hazardous substances which could possibly be found on the property.



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- o Assess the types of environmental components which may be impacted by hazardous substances which could possibly be found on the property.

- In coordination with the Office of the Chief Counsel, check all applicable State, federal, and local environmental laws, standards, and ordinances.
- Review federal, State, and local environmental and health regulatory agency records, including federal and State hazardous waste site computer data bases, to see if any known hazardous substance sites are in or near the proposed acquisition site. Check if any previous sampling and analysis is available.
- Identify potential hazardous substance sites and ground water contamination with a field inspection and a research of past land uses. How the land was and is being used may indicate the potential for contamination. Presence of tanks, underground pipes and unusual vegetation patterns can be indicators of contamination. Existing structures or an empty or cleared lot may indicate earlier land uses that should be researched.
- Search and review additional information such as historic aerial photographs and land records, as well as interview present and past owners, lessees and neighboring landowners. A title search may provide useful information about past uses based on the identity of previous owners.
- Identify other potential sources of hazardous substances (e.g., friable asbestos in structures, naturally occurring asbestos in serpentine, lead base paint on bridges, etc.).
- If the ISS field inspection reveals any illegal discharge, or threatened discharge, of a hazardous substance that is likely to cause substantial injury to the public health or safety, the site inspector must immediately notify the project team leader and the Office of the Chief Counsel. All requirements under Proposition 65 must be met, including disclosure of discharge to the local County Board of Supervisors and County Health Officer within 72 hours.
- Present alternatives and recommendations for avoiding a contaminated site to the program manager.

In summary, the ISS reveals (1) if there is no evidence or reason to believe that a hazardous substance problem exists; (2) if the site is contaminated and can be avoided; or (3) if the site is contaminated and it cannot be avoided. If there is no contamination, the program manager may seek the usual approvals

for requesting acquisition of the property. If contaminated, the program manager, Office of the Chief Counsel, and appropriate Deputy Director will decide whether to avoid a contaminated site or proceed with the next level of investigation, a Preliminary Site Investigation.

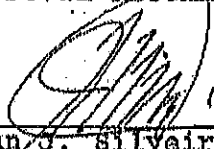
Preliminary Site Investigation (PSI):

This is a more thorough study than the ISS and involves developing a plan to identify the type and extent of the hazardous substance present. The PSI includes the following actions:

- The project team will develop an investigation plan in consultation with agencies which have hazardous substance jurisdiction over the site and other appropriate DWR staff, including the Office of Chief Counsel. The plan shall include a schedule of activities and a budget required to complete the work.
- Implement a two-phased process: a reconnaissance study first, followed by a more specific investigation based on the findings of the reconnaissance study.
- Sample and analyze the soil, water or other media suspected of contamination to determine the presence of substances which may be hazardous or in violation of applicable environmental laws.
- Require adequate quality assurance/control during sampling and analysis to ensure reliable data with which to make decisions about acquisition and possible remediation.
- Recommend alternatives for avoiding the affected site to the program manager.
- Identify potentially responsible parties.
- Upon approval by the appropriate Deputy Director, and in coordination with the regulatory agencies and the Office of the Chief Counsel, develop a hazardous substance management plan to determine the most cost effective remediation method if the contaminated site cannot be avoided and the responsible party will not remediate. If the responsible party will remediate and the Department decides to proceed with the acquisition, this party will be responsible for the hazardous substance management plan and keeping the Department informed.

- o Obtain approval of the appropriate Deputy Director before proceeding with the acquisition or cleanup.

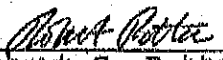
Approval Recommended:

  
\_\_\_\_\_  
John G. Silveira  
Deputy Director

Approval Recommended:

  
\_\_\_\_\_  
Carroll M. Hamon  
Deputy Director

Approved:

  
\_\_\_\_\_  
Robert G. Potter  
Chief Deputy Director

Management Scheme for Site Assessment  
Under WREM 59

(Assumes a Division of Planning Project)

1. Preferred site for project identified by Planning.
2. Program manager consults with the Office of Chief Counsel to determine if, based on the property rights needed for a project, an Initial Site Survey (ISS) should be performed.
3. If so, the Program Manager requests the Division of Local Assistance perform an Initial Site Survey (ISS).
4. DLA forms a project team representing expertise in various DWR divisions and/or consultants where expertise is needed.
5. Division of Land and Right of Way obtains from the landowner and tenant, a temporary entry permit allowing survey(s) to be performed.
6. Project team performs the ISS:
  - a. Assesses the types of environmental components impacted.
  - b. Coordinates with the Office of Chief Counsel as to all applicable laws and regulations.
  - c. Reviews applicable records to determine presence of hazardous substances.
  - d. Identifies hazardous substance sites and ground water contamination through records and/or site visits.
  - e. Identifies sources of hazardous substances.
  - f. Identifies illegal or threatened discharges and follows Proposition 65 notification requirements.
7. Project team prepares a report to the program manager stating one of the following:
  - a. There is no evidence or reason to believe that a hazardous substance problem exists; or
  - b. The site is contaminated and can be avoided; or
  - c. The site is contaminated and it cannot be avoided.

No Evidence of Contamination

8. If there is no evidence of contamination, the program manager may request the Division of Land and Right of Way acquire the property after the usual environmental clearances and approvals are obtained.
9. Upon receiving the request to acquire, Right of Way checks with DLA to assure that an ISS had been performed.

Contaminated

10. If evidence of contamination is discovered, the program manager, Office of the Chief Counsel, and appropriate Deputy Director decide whether to avoid a potentially contaminated site or request the next level of investigation, a Preliminary Site Investigation (PSI).
11. If requested, the project team conducts the PSI and proceeds with the following tasks:
  - a. Develops an investigation plan.
  - b. Implements a reconnaissance study and then a specific investigation based on findings from the reconnaissance study.
  - c. Samples and analyzes soil, water or other media suspected of contamination.
  - d. Provides adequate quality assurance/control measures are in place during sampling and analysis to obtain reliable data.
  - e. Identifies potentially responsible parties.
  - f. Obtains approval from the appropriate Deputy Director, program manager, and legal counsel to develop a hazardous substance management plan.
  - g. Upon approval, develops a hazardous substance management plan in coordination with applicable agencies and the Office of Chief Counsel.
12. Project team and/or consultants prepare a report to the program manager providing alternatives and recommendations for DWR's involvement with a contaminated site.
13. Program manager obtains approval of the appropriate Deputy Director before proceeding with acquisition or cleanup.
14. If acquisition is approved, the program manager requests Right of Way to acquire the property. In consultation with Office of the Chief Counsel, appropriate contract clauses are added to the purchase contract to address the contamination issue.

## Exhibit D – DGS Appraisal Specifications

**DEPARTMENT OF GENERAL SERVICES (DGS)**  
**APPRAISAL SPECIFICATIONS**  
(Revised January 1, 2008)

**All appraisals must be completed and signed by a State of California Certified Real Estate Appraiser who certifies that the appraisal is in compliance with the Uniform Standards of Professional Appraisal Practice as currently adopted by the Appraisal Standards Board of the Appraisal Foundation.**

The principle appraiser who is responsible for developing the appraisal report must certify that they have inspected the subject property and comparable property data whenever physically possible. The following specifications are required when applicable to the assignment:

1. Title page with sufficient identification of appraisal project.
2. Letter of transmittal summarizing important assumptions and conclusions, value estimate, date of value, date of report, etc.
3. Table of contents.
4. Assumptions and Limiting Conditions.
5. Description of the scope of work, including the extent of data collection and limitations, if any, in obtaining and analyzing relevant data.
6. Definition of Fair Market Value, as defined by California Code of Civil Procedures, Section 1263.320.
7. Photographs of subject property and comparable data, including significant physical features and the interior of structural improvements if applicable.
8. Copies of Assessor's plat maps with the subject parcels marked and an assemblage of all contiguous Assessors' parcels that depicts the ownership.
9. A legal description of the subject property if available.
10. For large, remote, or inaccessible parcels, provide aerial photographs or topographical maps depicting the subject boundaries.
11. Three year subject property history, including sales, listings, leases, options, zoning, applications for permits, or other documents or facts that might indicate or affect use or value.
12. Discussion of any current Agreement of Sale, option, or listing of subject property. This issue requires increased diligence since state agencies often utilize non-profit organizations to quickly acquire sensitive-habitat parcels using Option Agreements. However, due to confidentiality clauses, the terms of the Option are often not disclosed to the state. If the appraiser discovers evidence of an Option, or the possible existence of an Option, and the terms cannot be disclosed due to a confidentiality clause, then the appraiser is to cease work and contact the client. Current DGS policy requires disclosure of any Option or Purchase Agreement. If the Agreement is not made available, DGS will not review the appraisal.



13. Regional, area, and neighborhood analyses.
14. Market conditions and trends including identification of the relevant market area, a discussion of supply and demand within the relevant market area (or other areas of competition), and a discussion of the relevant market factors impacting demand for site acquisition or leasing within the relevant market area.
15. Discussion of subject land/site characteristics (size, topography, current use, zoning and land use issues, development entitlements, General Plan designations, utilities, offsite improvements, access, easements and restrictions, flood and earthquake information, toxic hazards, taxes and assessments, etc.)
16. Description of subject improvements, including all structures, square footage, physical age, type of construction, quality of construction, condition, site improvements, etc.
17. Subject leasing and operating cost history.
18. Opinion of highest and best use for the subject property, based on an in depth analysis supporting the concluded use. Such support typically requires a discussion of the four criteria or tests utilized to determine the highest and best use of a property. If alternative feasible uses exist, explain and support market, development, cash flow, and risk factors leading to an ultimate highest and best use decision.
19. All approaches to market value applicable to the property type and in the subject market. Explain and support the exclusion of any usual approaches to value.
20. Map(s) showing all comparable properties in relation to subject property.
21. Photographs and plat maps of comparable properties.
22. In depth discussion of comparable properties, similarities and differences, and comparisons and adjustments to the comparable data, and discussion of the reliability and credibility of the data as it relates to the indicated subject property value.
23. Comparable data sheets: 1) For sales, include information on grantor/grantee, sale/recording dates, listed or asking price as of date of sale, financing, conditions of sale, buyer motivation, sufficient location information (street address, post mile, and/or distance from local landmarks such as bridges, road intersections, structures, etc.); land/site characteristics, improvements, source of any allocation of sale price between land and improvement, and confirming source. 2). For listings, also include marketing time from list date to effective date of the appraisal, original list price, changes in list price, broker feedback, if available. 3). For leases, include significant information such as lessor/lessee, lease date and term, type of lease, rent and escalation, expenses, size of space leased, tenant improvement allowance, concessions, use restrictions, options, and confirming source.
24. Discussion of construction cost methodology, data source used, costs included and excluded, depreciation methodology, a discussion of accrued depreciation from all causes, and remaining economic life.
25. Copies of construction cost data including, section and pages of cost manual (date of estimate or date of publication of cost manual must be provided if not indicated on page), copies of cost estimate if provided from another source, and supporting calculations including worksheets or spreadsheets.
26. In part-take situations, a discussion of special benefit and severance damages.
27. Include a copy of a recent preliminary title report (within the past year) as an appraisal exhibit and discuss the effect of title exceptions on fair market value. If unavailable, the

appraisal should be made contingent upon review of the preliminary title report and the assumption that there is no affect on value.

28. Implied dedication statement.

29. Reconciliation and final value estimate. Explain and support conclusions reached.

30. Signed Certification consistent with language found in USPAP.

31. If applicable, in addition to the above, appraisals of telecommunication sites must also provide:

- A discussion of market conditions and trends including identification of the relevant market, a discussion of supply and demand within the relevant market area and a discussion of the relevant market factors impacting demand for site acquisition and leasing within the relevant market area.
- An analysis of other (ground and vault) leases comparable to subject property. Factors to be discussed in the analysis include the latitude, longitude, type of tower, tower height, number of rack spaces, number of racks occupied, placement of racks, power source and adequacy, back-up power, vault and site improvements description and location on site, other utilities; access, and road maintenance costs.

32. On occasions where properties involve personal property, business interests, water rights, minerals, or merchantable timber separate valuations may be necessary. If the Appraiser determines that there are such property interests or rights requiring a separate valuation, the appraiser shall notify his/her client. The client may choose to modify the appraisal request to include a separate valuation by an appropriate credentialed subject matter specialist. In such cases, the appraisal package submitted to DGS for review should include the real estate appraisal and a separate appraisal/valuation of the personal property, business interests, water rights, minerals, or merchantable timber by a credentialed subject matter specialist, together with a review of this separate appraisal/valuation by a second credentialed subject matter specialist.

## Exhibit E – DGS Exemption Notice

DEPARTMENT OF GENERAL SERVICES  
EXEMPTION NOTICE

Exemption No.: 34.7, 21.5

Supersedes No.: 34.6, 21.4

Effective Date: 10/01/13

Expiration Date: Until Rescinded

Exemption Issued To: Department of Water Resources (DWR), The Central Valley Flood Protection Board (CVFPB)

Subject Of Exemption: Sales/Exchanges of State-owned Real Property;  
Easements/Licenses/Permits over State-owned Real Property;  
Leases over State-owned Real Property;  
Real Property Acquisitions

Whereas, the DWR has certain powers as to the acquisition, management and disposal of real property for State Water Project purposes in accordance with California Water Code Sections 250, et seq., and 11575; and,

Whereas, the CVFPB has certain powers as to the acquisition, management and disposal of real property for flood control purposes in accordance with Water Code Sections 8550 and 8590, et seq.;

Now, therefor, pursuant to Section 14667.1 of the Government Code, the Department of General Services (DGS) hereby exempts from its review and approval the following real property transactions:

1. Sales/Exchanges of State-owned real property under the jurisdiction of DWR or CVFPB;
2. Grants or conveyances of easements, licenses or permits over State-owned real property under the jurisdiction of DWR or CVFPB;
3. Leases over State-owned real property under the jurisdiction of DWR or CVFPB;
4. The acquisition by DWR or CVFPB of real property rights, except office space, via fee title, easement, license, lease or permit;

Provided, the following conditions are complied with:

1. The transaction, or property exchange, does not involve more than ONE HUNDRED AND FIFTY THOUSAND DOLLARS (\$150,000), either as a single payment, the total of payments made over a period of time, or the value of the State-owned real property exchanged.
2. DWR or CVFPB assumes full responsibility and liability for legal, policy and all other aspects of the transaction, Item No. 1 hereinabove notwithstanding.
3. DWR or CVFPB shall, in compliance with Section 11011.15 of the Government Code, provide in a timely manner to DGS, Real Estate Services Division, Statewide Property Inventory fully executed originals (if conveyance is to the State) or complete and legible photocopies (if conveyance is from the State) of documents conveying real property or property rights (deeds, contracts, etc., excepting licenses, leases or permits), whether or not the transaction is exempt as herein, together with pertinent or supportive or explanatory data, including title policies when appropriate.

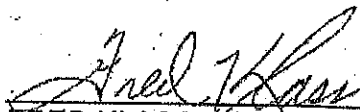
4. For exempt real property transactions, the officers or employees signing on behalf of DWR or CVFPB shall use the following certification, which shall appear on all copies of each document being part of the transaction (deed, contract, license, lease, permit, etc.):

"I hereby certify that all conditions for exemption have been complied with and this document is exempt from Department of General Services approval."

The officer or employee that signs the certification must have the authority to execute contracts on behalf of DWR or CVFPB. The signature for certification is an action separate from the signature executing the document.

DATED: \_\_\_\_\_

10/2/13

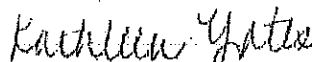


FRED KLASS, Director  
Department of General Services

APPROVED AS TO  
LEGAL SUFFICIENCY

DATED: \_\_\_\_\_

10/4/13



KATHLEEN YATES, Staff Counsel IV  
Department of General Services

cc: State Controller

## Exhibit F – First Written Offer

Name  
Address  
City, State, ZIP

Dear \_\_\_\_\_ :

Our records indicate that you are the owner of certain property situated in \_\_\_\_\_ County, identified as Assessor's Parcel No(s). \_\_\_\_\_. The State of California Department of Water Resources (DWR) **OR Sacramento and San Joaquin Drainage District, acting by and through the Central Valley Flood Protection Board of the State of California (the Board)**, proposes to purchase property rights over this property, identified as Board Parcel No(s). \_\_\_\_\_, to accomplish the goals of the \_\_\_\_\_ Project.

Section 7267.2 of the California Government Code and the California Relocation Assistance and Real Property Acquisition Guidelines require that each property owner from whom the State of California purchases real property, or an interest therein, be provided with a summary of the appraisal of the real property, or interest therein, as well as the following information:

1. You are entitled to receive full payment prior to vacating the real property rights being purchased, unless you have heretofore waived such entitlement. You are not required to pay recording fees, transfer taxes, or the pro rata portion of the real property taxes which are allocable to any period subsequent to the passage of title or possession.
2. The State will offer to purchase any remnant(s) considered by the State to be an uneconomical unit(s) which is/are owned by you and which is/are contiguous to the land being conveyed.
3. All buildings, structures, and other improvements affixed to the land described in the referenced document(s) covering this transaction and owned by the Grantor herein are being conveyed unless other disposition of these improvements has been made. The right(s) to be acquired is (are) \_\_\_\_\_.



Grantor's Name

Page 2

4. The market value of the property rights being purchased is based upon a market value appraisal, which is summarized in the enclosed Appraisal Summary Statement. As full just compensation for the property rights to be acquired, we offer you \$ \_\_\_\_\_, as shown on the enclosed Right of Way Contract.

The State's offer:

- a. Represents the full amount of the appraisal of just compensation for the property rights to be purchased;
  - b. Is not less than the approved appraisal of the fair market value of the property as improved;
  - c. Does not reflect any consideration of, or allowance for, any relocation assistance and payments or any other benefits to which you may be entitled; and
  - d. Disregards any decrease or increase in the fair market value of the real property rights to be acquired prior to the date of valuation caused by the public improvement for which the property is to be acquired, or by the likelihood that the property would be acquired for such public improvement, other than that due to physical deterioration within the reasonable control of the owner or occupant.
5. In accordance with Section 1263.025 of the California Code of Civil Procedure you are entitled to seek a second opinion on the value of your property and to receive reimbursement of up to \$5,000 to pay for reasonable appraisal costs. In order to be reimbursed, you must sign an Appraisal Costs Reimbursement Agreement and engage an appraiser licensed by the State of California with the Office of Real Estate Appraisers. The appraiser must be either a MAI designated appraiser or hold an equivalent designation recognized by the Appraisal Foundation. For further information on the requirements for reimbursement and to ensure that you are aware of proper procedures, please contact DWR prior to engaging an appraiser. The request for an Appraisal Costs Reimbursement Agreement may be submitted to the Department of Water Resources, Real Estate Branch, 1416 Ninth Street, Room 425, Sacramento, California 95814.
6. The owner of a business conducted on a property to be acquired, or conducted on the remaining property, which will be affected by the purchase of the required property, may be entitled to compensation for the loss of goodwill. Entitlement is contingent upon the Grantor's ability to prove such loss in accordance with the provisions of Sections 1263.510 and 1263.520 of the Code of Civil Procedure.



Grantor's Name

Page 3

7. If you ultimately elect to reject the State's offer for your property, you are entitled to have the amount of compensation determined by a court of law in accordance with the laws of the State of California.

Included as part of this package, you will find the following information relating to this proposed acquisition:

- Appraisal Summary Statement
- Right of Way Contract
- Map of the Proposed Acquisition Area
- Easement Deed
- Comparable Sales Data Sheets
- Comparable Sales Map

Please date and sign the Deed **exactly** as shown in the designated location and have your signature **notarized**. If needed, a Public Notary can be made available to notarize your signature(s). Also, date and sign **two** copies (AGENT: change to three copies if GS approval is required) of the Right of Way Contract and return them with the Deed in the envelope provided. A fully executed copy of the Contract will be forwarded to you at a later date.

If you have any questions or need additional information, you may contact me directly by telephone at (916) \_\_\_\_\_, or toll free at (800) 600-4397.

Sincerely,

---

Agent

Enclosures

CERTIFIED MAIL

agent:clerical

location

CC No.

## APPRAISAL SUMMARY STATEMENT

Parcel No.:  
Report No.:  
Date of Value:  
County:  
Project:

Owner:  
APN:  
Property Location:  
Zoning:  
Present Use:  
Highest and Best Use:  
Proposed Public Use:

**Area and Property Right to be Acquired:**

± ac.

Area of Remainder: ± ac.

**Market Value of Required Property:**Permanent Exclusive Flood Control Easement:

|       |                |
|-------|----------------|
| Land: | \$             |
|       | _____          |
|       | Total \$       |
|       | Rounded To: \$ |
|       | Plus interest  |

The market value of the property rights being purchased is based upon a market value appraisal prepared in accordance with accepted appraisal procedures. Valuation of your property is based upon an analysis of recent sales of similar property in this locality. Valuation of the land recognizes all factors influencing its current value.

Damages to the remaining property due  
to the State's acquisition and construction are: \$ -0-

**Total Payment is:** \$  
Plus interest

This summary of the amount offered as compensation is presented in compliance with federal and State law and has been derived from a formal appraisal. The value of any property rights retained by the owner which are not now reflected in the appraisal must be deducted from the market value shown above.

Grantor: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Project: \_\_\_\_\_  
\_\_\_\_\_

Parcel No.: \_\_\_\_\_  
\_\_\_\_\_

## RIGHT OF WAY CONTRACT

Document No. \_\_\_\_\_ in the form of a/an \_\_\_\_\_ covering that property particularly described in the above instrument has been executed and delivered to Agent's Name, Title for the State of California.

In consideration of which, and the other considerations hereinafter set forth, it is mutually agreed as follows:

1. a. The parties have herein set forth the whole of their agreement. The performance of this agreement constitutes the entire consideration for said document and shall relieve State of all further obligation or claims on this account, or on account of the location, grade or construction of the proposed public improvement.
- b. State requires Parcel No(s). \_\_\_\_\_ for the construction of \_\_\_\_\_, a public use for which State may exercise the power of eminent domain. Grantor is compelled to sell, and State is compelled to acquire said Parcel(s).

Both Grantor and State recognize the expense, time, effort, and risk to both Grantor and State in determining the compensation for said Parcel(s) by eminent domain litigation; and the compensation set forth herein for said Parcel(s) is in compromise and settlement in lieu of such litigation.

2. State shall:

- a. Pay the sum of \$ \_\_\_\_\_ for the property described in said document to the following title company: \_\_\_\_\_ for the account of Grantor, Escrow No. \_\_\_\_\_ conditioned upon the property vesting in the State of California free and clear of all liens, leases, encumbrances, easements, (recorded and/or unrecorded), assessments, and taxes, except:
  - (1) Taxes for the tax year in which this escrow closes shall be cleared and paid in the manner required by Section 5086 of the Revenue and Taxation Code, if unpaid at the close of escrow.
  - (2) Covenants, conditions, restrictions and reservations of record, or contained in the above-referenced document.
  - (3) Easements or rights of way over said land for public or quasi-public utility or public purposes, if any.
- b. Pay all expenses incidental to and necessarily incurred for the conveyance of the real property to the State, including but not limited to recording fees, title insurance charges, reconveyance fees, trustee's fees, forwarding fees and prepayment penalties, limited to one percent of the compensation due under this transaction.
- c. Have the authority to deduct and pay from the amount shown in paragraph 2.a. above, any or all monies payable under this agreement to discharge any obligations which are liens upon the property, including but not limited to those arising from judgments, assessments, delinquent taxes for other than the tax year referred to in paragraph 2.a.(1), or debts secured by deeds of trust or mortgages, except those items listed in paragraph 2.a. hereof, and/or to defray any other incidental costs other than those specified in paragraph 2.b. hereof to be borne by the State.

3. Pursuant to Section 1263.025 of the Civil Code of Procedure, you are entitled to obtain an independent appraisal and to be reimbursed for the actual reasonable cost of the appraisal up to \$5,000 if certain conditions are met. For further information on the requirements for reimbursement, contact Agent's Name from above



4. Title to said property shall pass immediately upon close of escrow. The issuance of any escrow instructions shall be the sole responsibility of State.
5. Grantor warrants that there are no oral or written leases on all or any portion of the property exceeding a period of one month, and Grantor further agrees to hold State harmless and reimburse State for any and all of its losses and expenses occasioned by reason of any lease of said property held by any tenant of Grantor for a period exceeding one month, except as may be otherwise provided herein.
6. The undersigned Grantor hereby agrees and consents to the dismissal of any eminent domain action in the Superior Court wherein the herein described land is included and also waives any and all claims to any money that may now be on deposit in said action.
7. To the best of Grantor's knowledge and after reasonable inquiry, Grantor represents and warrants the following:

During the Grantor's ownership of the property, there have been no disposals, releases, or threatened releases of hazardous substances on, from, or under the property. Grantor further represents and warrants that Grantor has no knowledge of disposal, release, or threatened release of hazardous substances on, from, or under the property which may have occurred prior to Grantor taking title to the property.

There is no pending claim, lawsuit, agency proceeding, or any administrative challenge concerning the presence or use of hazardous substances on the property.

Grantor has not used the property for any industrial operations that use hazardous substances. Grantor is not aware of any such prior use of the property.

Grantor has not installed any underground storage tanks, aboveground storage tanks, barrels, sumps, impoundments or other containers used to contain hazardous substances on any part of the property. Grantor is not aware of any such prior installations.

For the purposes of this paragraph, the term "hazardous substances" shall mean any substance which at any time shall be listed as "hazardous" or "toxic" in the regulations implementing the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA) (42 USC §§6901, et seq.), or other federal or State law, or any other substance, chemical, material or waste product whose presence, nature or quality is potentially injurious to the public health, safety, welfare, the environment or the property. The term "reasonable inquiry" shall mean a thorough examination of the property and all records of the property, and any examination that Grantor was legally obligated to conduct as a result of any judicial or administrative order, or federal or State law.

The acquisition price of the property being acquired reflects the fair market value of the property without the presence of hazardous substances. If the property being acquired is found to be contaminated by a hazardous substance which may require remediation under federal or State law, State may elect to recover its clean-up costs from those who caused or contributed to the contamination.

8. This contract may be modified, changed, or rescinded only by an instrument in writing executed by the parties hereto.

The foregoing representations and warranties shall survive the close of escrow and shall remain in full force and effect for the duration of this easement and shall accrue for the benefit of State and its successors and assigns.

NO OBLIGATION OTHER THAN THOSE SET FORTH HEREIN SHALL BE RECOGNIZED.

IN WITNESS WHEREOF, the parties have executed this contract.

GRANTOR(S)

\_\_\_\_\_

Date: \_\_\_\_\_

\_\_\_\_\_

Date: \_\_\_\_\_

#### CONSENT OF TENANTS

We, the Tenants of land described in this contract and/or said deed under lease with lessor, whose name is subscribed to, this contract as Grantor, do hereby consent to the execution of said contract and agree that all money payable shall be paid to said Grantor as herein set forth.

\_\_\_\_\_

\_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

SACRAMENTO AND SAN JOAQUIN DRAINAGE DISTRICT  
acting by and through the California Natural Resources Agency  
of the State of California

APPROVAL RECOMMENDED:

APPROVED:

\_\_\_\_\_, Agent Date

Jeanne Kuttel, Chief  
Division of Engineering

\_\_\_\_\_, Senior Land Agent Date

Date: \_\_\_\_\_

Paul Farris, Chief  
Real Estate Branch Date

**OPTIONAL CLAUSES:**

**(FOR FEE ACQUISITIONS OR CONSTRUCTION OF A NEW LEVEE, USE THIS CLAUSE)**

1. **PHASE I – ENVIRONMENTAL ASSESSMENT REPORT:** STATE's obligation to consummate the purchase of the property is subject to the completion and approval by the STATE (which completion will not be unreasonably delayed and approval will not be unreasonably withheld) of a Phase I – Environmental Assessment Report which concludes that the assessment has revealed no evidence of any recognized adverse environmental conditions, including but not limited to the presence of hazardous material in connection with the property. STATE may, at its own discretion, waive this condition in writing.
2. **RIGHT OF ENTRY:** It is understood and agreed that GRANTOR executed and STATE accepted a Right of Entry for construction purposes effective \_\_\_\_\_, and that said Right of Entry shall remain in full force and effect until transfer of title at close of escrow. Compensation as set forth in Clause 2.a. herein shall accrue simple annual interest at the State Surplus Money Investment Fund rate (as computed by the State Controller) from the date of possession until a warrant is issued by the State Controller to the escrow account.
3. **IMMEDIATE POSSESSION:** It is agreed that STATE shall have immediate possession and use of the subject lands effective as of the date this contract is accepted by STATE.

**FOR ALL TRANSACTIONS OVER \$100,000:**

4. In accordance with Section 18662 of the California Revenue and Taxation Code, Grantor hereby acknowledges and understands that an amount equal to 3½ percent of the purchase price in Clause 2.a above may be withheld in escrow for tax purposes.

(Also need to modify Clause 2.c to read as follows:)

- c. Have the authority to deduct and pay from the amount shown on Clause 2.a above, any amount necessary to satisfy any bond demands and delinquent taxes due in any year except the year in which this escrow closes, together with penalties and interest thereon, or delinquent and unpaid nondelinquent assessments which have become a lien at the close of escrow, and an amount to satisfy the requirements of Section 187662 of the California Revenue and Taxation Code.

## Exhibit G – Property Acquisition Brochure



# DEPARTMENT OF WATER RESOURCES

## Real Estate Branch Property Acquisition Information

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The property acquisition information shown below is for informational purposes only. It is not intended to give a complete statement of all State or federal laws and regulations pertaining to the purchase of property for public use, the relocation assistance program, legal definitions, or to provide any form of legal advice. Property owners are encouraged to consult their own counsel for advice and guidance.

## INTRODUCTION

This information has been prepared by the State of California, Department of Water Resources (DWR) for you as a property owner whose property may be affected by a proposed DWR project related to the State Water Project (SWP) or a flood control project of the Central Valley Flood Protection Board (CVFPB). If you own or have a leasehold interest in property that is involved, you may have wondered what will happen. Who will contact you? How much will you be paid for the portion of your property needed for the project? Who will pay for any associated transfer or escrow fees? If, because of the project, you must move, who will pay your moving costs? If you need to find another place to live, will DWR State help you? Important questions like these require specific answers. We hope this information will answer some of your questions and present a clear picture of overall procedures.

The information below discusses many important features contained in the California [Relocation Assistance and Real Property Acquisitions Guidelines](#) found in Title 25, Division 1, Chapter 6, Subchapter 1 of the California Code of Regulations. It also gives general information about public acquisition of real property that should be useful to you. If you have been notified that a portion of your property will be required for a SWP or CVFPB project, it is important that you learn your rights.

If you have more questions about the acquisition of property rights for a SWP or CVFPB project, please discuss them with the DWR agent assigned to your case.

## WHAT ARE THE STATE WATER PROJECT AND THE CENTRAL VALLEY FLOOD PROTECTION BOARD AND WHY ARE THEY NECESSARY?

Historically, the Great Central Valley suffered ravaging floods, sometimes creating an inland sea that stretched from Redding in the north to Bakersfield in the south. The Reclamation Board (now the CVFPB) was created by the Legislature to provide a coordinated and balanced effort by the State to control and divert these flood waters through the construction of bypasses and levee systems on the major waterways in the Central Valley. This work continues.

California has also faced growing overall water supply deficits for many years. One of the major reasons is that about 70 percent of the state's total water flow occurs north of Sacramento during winter, while 80 percent of the water use demand is in the southern part of the state during the rest of the year. To help solve some of this problem, the SWP was initiated in 1951 to capture and transport a portion of the flood water to areas of demand. Construction of the initial facilities began in 1957, and construction of new facilities continues.

## SOME GENERAL QUESTIONS

### WHAT RIGHT DOES DWR HAVE TO ACQUIRE A PROPERTY?

Our Federal and State Constitutions recognize the need for public agencies to acquire private property for public use and provide appropriate safeguards to accomplish this purpose. The rights of all property owners are protected by the Fifth and Fourteenth Amendments to the U.S. Constitution, the California State Constitution, and subsequent federal and state laws, most notably the federal Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970. These laws require (among other things) that any public agency, including DWR, acquiring private property under threat of eminent domain, or "condemnation," must pay "just compensation" to a property owner for the rights acquired.

### HOW MUCH OF A PROPERTY CAN DWR ACQUIRE?

DWR is prevented by law from acquiring more property (or property rights, as the case may be) than what is reasonably needed for the project. Sometimes the project may require only a temporary right on a portion of a property; sometimes, a permanent easement on a portion of a property; sometimes, the project may require total ownership of a portion of a property; and, sometimes, the project may require total ownership of an entire property.

### WHO MAKES THE DECISION TO ACQUIRE A PROPERTY?

The responsibility for studying the potential sites for a project rests with a team of specially trained individuals selected to do this important job. Many months, even years, are spent in preliminary study and investigation to consider possible locations for a project. Consideration of the environmental and social effect is as much a part of location determination as engineering and cost.

Complete environmental analysis must be performed to identify sensitive habitats, cultural and archaeological resources, and endangered plant and animal species. These studies are melded with analyses and recommendations of project engineers, surveyors, real estate specialists, geologists, hydrologists, economists, planners and others to identify the best feasible location and way to build the project, with due consideration given to property lines, land uses, and ownerships. Participation by private citizens and other public agencies is actively sought during the study process so that various views can be considered. The process includes public hearings and input, which give the general public an opportunity to express their views on the locations being considered.

The final determination to proceed with a project, and the selection of the location of the project, is made by DWR after a thorough review of all of these factors.

The acquisition agent assigned the case should be able to answer any questions about the project or the selection of the property proposed to be acquired for the project.

### **HOW DOES DWR DETERMINE HOW MUCH IT WILL OFFER FOR A PROPERTY?**

DWR performs a Fair Market Value Appraisal to determine the amount of just compensation. Appraisal and purchase of properties needed for a SWP or CVFPB projects are the responsibility of DWR as the State and public agency responsible for the project. An appraiser will inspect the property and examine all of the features which contribute to its value. Information about improvements made and any other special attributes which may increase the value of the property should be given to the appraiser to ensure a fair value is assigned. The appraiser also seeks relevant data from many other sources to compare the property to other sales of similar properties in order to form an opinion of fair market value.

DWR also provides a Relocation Assistance Program for businesses and people who are displaced because of the project.

### **WHAT IS "FAIR MARKET VALUE"?**

The fair market value of the property acquired is the highest price on the date of valuation that would be agreed to by a seller, being willing to sell but under no particular or urgent necessity for so doing, nor obliged to sell, and a buyer, being ready, willing, and able to buy but under no particular necessity for so doing, each dealing with the other with full knowledge of all the uses and purposes for which the property is reasonably adaptable and available.

### **HOW DOES AN APPRAISER DETERMINE THE FAIR MARKET VALUE OF A PROPERTY?**

Each parcel of real estate is unique. Therefore, no single formula can be devised to appraise all properties. Factors typically considered in estimating the value of real property include, but are not limited to, zoning, highest and best use, size, shape, soil type, topography, and location.

Other areas of evaluation include:

- How it compares with similar properties in the area that have been sold recently.
- How much it would cost to reproduce the structures or facilities acquired with the land, less any depreciation.
- How much rental or other income it could produce.

### **DOES THE LANDOWNER HAVE AN OPPORTUNITY TO TALK TO THE APPRAISER?**

Yes. The property owner will be contacted and given the opportunity to accompany the appraiser on his or her inspection of the property and may inform the appraiser of any special features which may add to the value to the property.

**It is in the best interest of the property owner to provide the appraiser with all useful information in order to insure that nothing of allowable value is overlooked.** If the property owner is unable to meet with the appraiser, they may wish to have a person who is familiar with the property represent them.

### **WHAT IS "JUST COMPENSATION"?**

The fair market value of a property is generally considered to be "just compensation." "Just compensation" means not only "just" to the owner or lessee of the property, but also "just" to the public, who must pay the compensation. Please note that fair market value does not take into account intangible elements such as sentimental value (which is legally non-compensable), loss of business good will (which the business owner must assert and show), loss of potential business profits, or any special value that the property may have for the owner or DWR. DWR cannot make an offer to buy the property for more than its worth.

## **IS A PROPERTY OWNER ENTITLED TO OBTAIN AN INDEPENDENT APPRAISAL?**

In accordance with Section 1263.025 of the California Code of Civil Procedure, if the State offers to purchase property under the threat of condemnation, the property owner is entitled to seek a second opinion on the value of the property and to receive reimbursement of up to \$5,000 to pay for reasonable appraisal costs. In order to be reimbursed, the property owner must sign an Appraisal Costs Reimbursement Agreement and engage an appraiser licensed by the State of California with the Office of Real Estate Appraisers. The appraiser must be either a MAI designated appraiser or hold an equivalent designation recognized by the Appraisal Foundation.

For further information on the requirements for reimbursement and to ensure that you are aware of proper procedures, please contact DWR prior to engaging an appraiser. The request for an Appraisal Costs Reimbursement Agreement may be submitted to the Department of Water Resources, Real Estate Branch, 1416 Ninth Street, Room 425, Sacramento, California 95814.

## **WILL THERE BE PAYMENT FOR ANY LOSS IN VALUE TO THE REMAINING PROPERTY?**

If the purchase of only a part of the property reduces the unit value of the remaining property, payment will be made for the loss in value to the remainder. Also, if any remaining property would have little or no utility or value, DWR may offer to purchase the remaining property as an uneconomic remainder property to avoid a continuing burden of ownership.

## **WHEN WILL A FIRST WRITTEN OFFER BE PROVIDED?**

After the appraisal is reviewed and approved by DWR, an acquisition agent will contact the property owner with a First Written Offer to purchase the property rights required for the project. Included in the offer will be an "Appraisal Summary Statement" showing the basis for the offer.

Negotiations for the purchase of the required property will not take place before this offer is made.

## **ARE THERE ADVANTAGES TO VOLUNTARILY SELLING PROPERTY TO DWR?**

Yes. A real estate purchase by DWR is handled in the same manner as any private sale of property. However, there can be financial advantages in selling to DWR. Property owners will receive the fair market value of the property in cash. Nothing will be deducted for real estate commissions, title costs, preparation of documents, title policy or recording fees required in closing the sale. The State will pay these expenses.

**Note:** This does not remove the responsibility a property owner may have for existing mortgages, liens, taxes, and other such encumbrances on the property at the time of DWR's acquisition.

## **CAN SOMEONE REPRESENT THE PROPERTY OWNER DURING NEGOTIATIONS?**

Yes. If a property owner would like to be represented during negotiations, please inform the acquisition agent assigned the case. However, DWR will not pay any representation fees or costs of negotiation.

## **CAN A PROPERTY OWNER KEEP AND MOVE THEIR HOUSE, BUSINESS, BUILDING AND MACHINERY, AND EQUIPMENT?**

The acquisition or relocation agent assigned to acquire the necessary property rights will help determine whether a house can or should be moved to another location. In the rare case where the house is movable and the property owner wishes to make such arrangements, the State will pay the fair market value of the land required, plus the reasonable cost of moving the house. There are cases, because of age, size or condition of the house where the cost of moving it is not feasible.

If a property owner operates a business on the property acquired, they may wish to keep and move fixed machinery and equipment. You may do so if the cost (based on a moving estimate) is not greater than the value of the item. If you keep the machinery and equipment, the State can only pay the lesser of the two amounts. Additionally, as an owner of a business conducted on the property to be purchased, you may be entitled to compensation for the loss of goodwill.

If any of these concepts are applicable to your situation, they will be explained fully by the agent assigned to purchase your property.

## **DOES THE PROPERTY OWNER HAVE TIME TO SELECT ANOTHER HOUSE AFTER DWR ACQUIRES THE PROPERTY?**

DWR starts to appraise properties early enough so that property owners have ample time to move prior to project construction. Like any other real estate transaction, it takes approximately two months or longer to close escrow after the right-of-way contract and deed have been signed. You will not be required to move until after escrow has closed and reasonable replacement housing is made available.

If the property owner does not want to buy another house right away, DWR may acquire the property, and the property owner may, depending on the construction schedule, rent the house back from DWR on a temporary basis. It is in the property owner's best interest, however, to look for new housing as soon as possible as renting from DWR cannot be guaranteed. Finding suitable housing before being required to move may minimize personal inconveniences and may help to avoid having to make a choice under pressure.

If the property owner wishes, DWR will, at no cost, provide assistance in finding a new house. Also, DWR must give the property owner at least a 90-day written notice before asking a property owner to move.

#### **WHAT HAPPENS TO AN EXISTING LOAN ON AN ACQUIRED PROPERTY?**

After DWR and the property owner have agreed upon a price, a DWR representative will contact all other parties having an interest in the property. As in any other real estate transaction, payment to satisfy outstanding loans or liens will be made during the escrow closing process.

#### **WHAT WILL HAPPEN TO MY GI OR CAL-VET LOAN?**

The Veterans Administration and the California Department of Veterans Affairs allow your veteran loan privileges to be transferred and to become available for coverage on another property.

A DWR representative will assist the property owner; however, it is to the owner's benefit, and their responsibility to check with the Veterans Administration or the California Department of Veterans Affairs for procedural instructions.

#### **MUST A PROPERTY OWNER ACCEPT DWR'S OFFER?**

No. The property owner is entitled to present to the State verifiable evidence as to the amount they believe to be fair market value of the property rights required for construction, and to make suggestions for changing the terms and conditions of DWR's offer. DWR will consider all evidence and suggestions, and if the information presented is justifiable, an adjustment in DWR's offer may be made.

#### **WHAT HAPPENS IF THE PROPERTY OWNER DOES NOT ACCEPT THE DWR'S OFFER?**

A property owner's rights are guaranteed by the Federal and State Constitutions and other applicable state laws. The principal right is that just compensation must be paid for the property rights required. Sometimes when private property is required for public purposes, and the property owner and DWR cannot agree on the terms of sale, the property must be acquired through an eminent domain or "condemnation" proceeding. In cases where this occurs, a decision in court may be necessary; however, it is our earnest hope to avoid such a proceeding which may include additional time and cost to all parties involved.

In order to initiate condemnation, DWR must obtain a Resolution of Necessity from a governing body. For SWP projects, the governing body is the California Water Commission, and for flood control projects it's the CVFPB. A property owner will be given an opportunity to appear before the Commission/Board to question whether public interest, necessity, planning, and location of the proposed project necessitate the acquisition of the property. Under current California law, neither the Commission nor the Board can hear or consider arguments regarding valuation; those issues must be addressed by the courts.

Upon adoption of a "Resolution of Necessity" by the Commission/Board, the appropriate condemnation suit documents will be prepared by the State (Department of Justice) and filed with the court in the county where the property is located.

It is highly recommended that you consult with your attorney regarding these legal matters.

#### **WHAT HAPPENS IN A CONDEMNATION TRIAL?**

The main purpose of the trial is to determine the amount of just compensation. Usually the trial is conducted before a judge and jury. In some cases, the judge will decide the amount of just compensation. Both the defendant (property owner) and the plaintiff (State/DWR) will have the opportunity to present evidence to the court for consideration.

It is highly recommended that you consult with your attorney regarding these legal matters.

#### **WHO PAYS THE CONDEMNATION TRIAL COST?**

The plaintiff (DWR) pays the costs of its attorney and expert witnesses (i.e., engineering and appraisal). In addition, plaintiff (DWR) will pay the jury fees and certain incidental costs of the defendant which is determined by law to be allowable costs. The fee for filing your answer with the court is an example of such costs.



**IF A PROPERTY OWNER WISHES TO PROCEED WITH A TRIAL, MUST THEY HAVE AN ATTORNEY AND EXPERT WITNESSES?**

Most property owners choose to be represented by an attorney, although property owners have the right to represent themselves. Property owners are encouraged to consult their own counsel for advice and guidance.

**WILL A PROPERTY OWNER BE PAID ANY MOVING EXPENSES OR ANY OTHER RELOCATION ASSISTANCE BENEFITS EVEN IF THEY GO TO COURT?**

A decision to go to court has no effect on a property owner's relocation assistance benefits including moving [expenses](#). Payment of moving expenses and relocation benefits are made separately from any the condemnation action. The property owner will be provided details of additional assistance to help displaced persons, businesses, farms or nonprofit organizations in finding, purchasing or renting, and moving to a new location. Please refer to Your Rights and Benefits as a Displacee under the Unformed Relocation Assistance Program brochure.

**WILL A PROPERTY OWNER LOSE THEIR CURRENT PROPOSITION 13 TAX BASE?**

Section 2(d) of Article XIII A of the California Constitution and Division 1, Chapter 2, [Section 68](#) of the California Revenue and Taxation Code generally provides that property tax relief shall be granted to any real property owner who acquires comparable replacement property after having been displaced by governmental acquisition or eminent domain proceedings. If the property owner has any questions concerning this issue, they are encouraged to contact the local Franchise Tax Board Office, and/or the County Assessor Office.

Note: Revenue and Taxation Code Division 1, Chapter 2, [Section 68](#) sets forth time limits that may affect your eligibility to retain your favorable current real property tax status. Please consult with a tax advisor, your local IRS office, and your attorney for information on how this and other tax laws affect you.

**MUST A PROPERTY OWNER PAY CAPITAL GAINS TAX ON SALE PROCEEDS?**

According to the Internal Revenue Service, it is not necessary to pay income tax or capital gains tax if the money received is used to buy a similar property within a limited period of time. It may be helpful to read and review [IRS Publication 544](#), Chapter 1 "Gain or Loss," which addresses "involuntary conversions" and explains how federal tax rules apply to the condemnation of real property or its sale under the threat of condemnation for public purposes. In every case, however, you should discuss your particular circumstances with your personal tax advisor, your local IRS office, and your attorney.

**NOTE:** This is an informational pamphlet only. It is not intended to give a complete statement of all State or federal laws and regulations pertaining to the purchase of your property for public use; the relocation assistance program; technical legal definitions; or to provide any form of legal advice. Property owners are encouraged to consult their own counsel for advice and guidance.

## DEFINITIONS

The language used in relation to eminent domain proceedings may be new to you. These are some terms you may hear and their general meaning.

**CONDEMNATION** - The legal process by which a proceeding in eminent domain is accomplished.

**PARCEL** - Usually means the property that is being acquired.

**FAIR MARKET VALUE** - The fair market value of the property acquired is the highest price on the date of valuation that would be agreed to by a seller, being willing to sell but under no particular or urgent necessity for so doing, nor obliged to sell, and a buyer, being ready, willing, and able to buy but under no particular necessity for so doing, each dealing with the other with full knowledge of all the uses and purposes for which the property is reasonably adaptable and available.

**JUST COMPENSATION** - The amount of money to which a property owner is entitled under the law for the purchase or damage to the property, or for relocation expenses.

**DEFENDANT** - The property owner and any other persons who may have an interest in the property.

**PLAINTIFF** - The public agency that desires to purchase the property

**COUNSEL** - An attorney or attorneys.

**TRIAL** - The hearing of the facts from plaintiff and defendant in court, either with or without a jury.

**VERDICT** - The amount of compensation to be paid for the property.

**ACQUIRE** - To purchase.

**POSSESSION** - Legal control; to have the right to use, ownership.

**ORDER FOR POSSESSION** - The instrument allowing the State to use the property of another.

**FINAL ORDER OF CONDEMNATION** - The instrument which, when recorded, transfers title to public ownership.

**PROPERTY** - The right or interest which an individual has in land, including the rights to use or possess.

## Exhibit H – Relocation Assistance Brochure



## **California Department of Water Resources (DWR) Real Estate Branch Relocation Assistance Program Information**

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### **Your Rights and Benefits as a Displacee Under the Uniform Relocation Assistance Program (Residential)**







## Introduction

In building modern water systems, the displacement of a small percentage of the population is often necessary. However, it is the policy of DWR that displaced persons shall not suffer unnecessarily as a result of programs designed to benefit the public as a whole.

Displaced individuals, families, businesses, farms, and nonprofit organizations may be eligible for relocation advisory services and payments.

This brochure provides information about available relocation services and payments. If you are required to move as the result of a DWR water project, a Relocation Agent will contact you. The Relocation Agent will be able to answer your specific questions and provide additional information.

# **Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 as Amended "The Uniform Act"**

The purpose of this Act is to provide for uniform and equitable treatment of persons displaced from their homes, businesses, or farms by federal and federally assisted programs and to establish uniform and equitable land acquisition policies for federal and federally assisted programs.

49 Code of Federal Regulations Part 24 implements the "Uniform Act" in accordance with the following relocation assistance objective:

To ensure that persons displaced as a direct result of federal or federally-assisted projects are treated fairly, consistently and equitably so that such persons will not suffer disproportionate injuries as a result of projects designed for the benefit of the public as a whole.

*While every effort has been made to assure the accuracy of this booklet, it should be understood that it does not have the force and effect of law, rule, or regulation governing the payment of benefits.*

*Should any difference or error occur, the law will take precedence.*

## **Some Important Definitions...**

Your relocation benefits can be better understood if you become familiar with the following terms:

Comparable Replacement: means a dwelling which is:

- (1) Decent, safe, and sanitary. (See definition below)
- (2) Functionally equivalent to the displaced dwelling.
- (3) Adequate in size to accommodate the family being relocated.
- (4) In an area not subject to unreasonable adverse environmental conditions.
- (5) In a location generally not less desirable than the location of your displacement dwelling with respect to public utilities and commercial and public facilities, and reasonably accessible to the place of-employment.
- (6) On land that is typical in size for residential development with typical

improvements.

Decent, Safe and Sanitary (DS&S): Replacement housing must be decent, safe, and sanitary - which means it meets all of the minimum requirements established by federal regulations and conforms to applicable housing and occupancy codes. The dwelling shall:

- (1) Be structurally sound, weather tight, and in good repair.
- (2) Contain a safe electrical wiring system adequate for lighting and other devices.



- (3) Contain a heating system capable of sustaining a healthful temperature (of approximately 70 degrees) for a displaced person, except in those areas where local climatic conditions do not require such a system.
- (4) Be adequate in size with respect to the number of rooms and area of living space needed to accommodate the displaced person. DWR's policy is that there will be no more than 2 persons per room unless the room is of adequate size to accommodate the normal bedroom furnishings for the occupants.
- (5) Have a separate, well-lighted and ventilated bathroom that provides privacy to the user and contains a sink, bathtub or shower stall, and a toilet, all in good working order and properly connected to appropriate sources of water and to a sewage drainage system.

*Note: In the case of a housekeeping dwelling, there shall be a kitchen area that contains a fully usable sink, properly connected to potable hot and cold water and to a sewage drainage system, and adequate space and utility service connections for a stove and refrigerator.*

- (6) Contains unobstructed egress to safe, open space at ground level. If the replacement dwelling unit is on the second story or above, with access directly from or through a common corridor, the common corridor must have at least two means of egress.

- (7) *For a displaced person who is handicapped, be free of any barriers which would preclude reasonable ingress, egress, or use of the dwelling by such displaced person.*

Displaced Person or Displacee: Any person who moves from real property or moves personal property from real property as a result of the acquisition of the real property, in whole or in part, or as the result of a written notice from DWR to vacate the real property needed for a water project. In the case of a partial acquisition, DWR shall determine if a person is displaced as a direct result of the acquisition.

Relocation benefits will vary, depending upon the type and length of occupancy. As a residential displacee, you will be classified as either a:

- An owner occupant of a residential property (includes mobile homes)
- A tenant occupant of a residential property (includes mobile homes and sleeping rooms)

Dwelling: The place of permanent or customary and usual residence of a person, according to local custom or law, including a single-family house; a single family unit in a two-family, multi-family, or multi-purpose property; a unit of a condominium or cooperative housing project; a non-housekeeping unit; a mobile home; or any other residential unit.

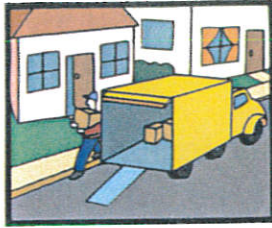
Owner: A person is considered to have met the requirement to own a dwelling if the person purchases or holds any of the following interests in real property:

- (1) Fee title, a life estate, a land contract, a 99- year lease, oral lease including any options for extension with at least 50 years to run from the date of acquisition; or
- (2) An interest in a cooperative housing project which includes the right to occupy a dwelling; or
- (3) A contract to purchase any interests or estates; or
- (4) Any other interests, including a partial interest, which in the judgment of the agency warrants consideration as ownership.

Tenant: A person who has the temporary use and occupancy of real property owned by another.



# Moving Expenses



If you qualify as a displaced person, you are entitled to reimbursement of your moving costs and certain related expenses incurred in moving. The methods of moving and the various types of moving cost payments are explained below.

Displaced individuals and families may choose to be paid on the basis of actual, reasonable moving costs and related expenses, or according to a fixed moving cost schedule. However, to ensure your eligibility and prompt payment of moving expenses, you should contact your Relocation Agent before you move.

## You Can Choose Either:

**Actual Reasonable Moving Costs** - You may be paid for your actual reasonable moving costs and related expenses when a commercial mover performs the move. Reimbursement will be limited to a move of 50 miles or less. Related expenses may include:

- Transportation
- Packing and unpacking personal property.
- Disconnecting and reconnecting household appliances.
- Temporary storage of personal property.
- Insurance while property is in storage or transit.

**OR**

**Fixed Moving Cost Schedule** - You may be paid on the basis of a fixed moving cost schedule. Under this option, you will not be eligible for reimbursement of related expenses listed above. The fixed schedule is designed to cover such expenses.

Examples (Year 2014 Rate):

4 Rooms - \$ 1,295

7 Rooms - \$ 2,090

The Fixed Move Schedule for a furnished unit (e.g. you are a tenant of an apartment that is furnished by your landlord) is based on Schedule B.

Example (Year 2014 Rate):

1 Room - \$450

A dormitory style room under the 2014 Schedule B rate would receive \$125.

Under the Fixed Move Schedule, you will not receive any additional payments for temporary storage, lodging, transportation or utility hook-ups.

## **Replacement Housing Payments**

The type of Replacement Housing Payment (RHP) depends on whether you are an owner or a tenant, and the length of occupancy in the property being acquired.

If you are a qualified **owner occupant** of more than 90 days prior to the initiation of negotiations for the acquisition of your property, you may be entitled to a RHP that consists of:

**Price Differential, and**

**Mortgage Differential, and**

**Incidental Expenses;**

**OR**

**Rent Differential**

If you are a qualified **tenant occupant** of at least 90 days, you may be entitled to a RHP as follows:

**Rent Differential**

**OR**

**Down payment Option**

Length of occupancy simply means counting the number of days that you actually occupied a dwelling before the date of initiation of negotiations by DWR for the purchase of the property. The term "initiation of negotiations" means the date DWR makes the first personal contact with the owner of real property, or his/ her representative, to give him/her a first written offer for the property to be acquired.

*Note: If you have been in occupancy less than 90 days before the initiation of negotiations and the property is subsequently acquired, or if you move onto the property after the initiation of negotiations and you are still in occupancy on the date of acquisition, you may or may not be eligible for a Replacement Housing Payment. Check with your Relocation Agent before you make any decision to vacate your property.*

## **For Owner Occupants of 90 Days or More**

If you qualify as a 90-day owner occupant, you may be eligible - in addition to the fair market value of your property - for a Replacement Housing Payment that consists of a Price Differential, Mortgage Differential and Incidental Expenses.

The **Price Differential** payment is the amount by which the cost of a replacement dwelling exceeds the acquisition cost of the displacement dwelling. This payment will assist you in purchasing a comparable decent, safe, and sanitary (DS&S) replacement dwelling. DWR will compute the maximum payment you may be eligible to receive.

In order to receive the full amount of the calculated price differential, you must spend at least the amount calculated by DWR on a replacement property

The **Mortgage Differential** payment will reimburse you for any increased mortgage interest costs you might incur because the interest rate on your new mortgage exceeds the interest rate on the property acquired by DWR. The payment computation is complex as it is based on prevailing rates, your existing loan and your new loan. Also, a part of this payment may be prorated such as reimbursement for a portion of your loan origination fees and mortgage points.

To be eligible to receive this payment, the acquired property must have been encumbered by a bona fide mortgage which was a valid lien for at least 180 days prior to the initiation of negotiations.

You may also be reimbursed for any actual and necessary **Incidental Expenses** that you incur in relation to the purchase of your replacement property. These expenses may be those costs for title search, recording fees, credit report, appraisal report, and certain other closing costs associated with the purchase of property. You will not be reimbursed for any recurring costs such as prepaid real estate taxes and property insurance.

### **EXAMPLES OF PRICE DIFFERENTIAL PAYMENT COMPUTATION:**

Assume that DWR purchases your property for

\$98,000. After a thorough study of available, decent, safe and sanitary dwellings on the open market, DWR determines that a comparable replacement property will cost you \$100,000.

If your purchase price is \$100,000, you will receive \$2,000 (see *Example A*).

If your actual purchase price is more than \$100,000, you pay the difference (see *Example B*).

If your purchase price is less than \$100,000, the differential payment will be based on actual costs (see *Example C*).

How much of a differential payment you receive depends on how much you actually spend on a replacement dwelling as shown in these examples:

#### **DWR' Computation**

|                                    |                   |
|------------------------------------|-------------------|
| Comparable Replacement Property    | \$100,000         |
| Acquisition Price of Your Property | <u>-\$ 98,000</u> |
| Maximum Price Differential         | \$ 2,000          |

#### **Example A**

|                                    |                   |
|------------------------------------|-------------------|
| Purchase Price of Replacement      | \$100,000         |
| Comparable Replacement Property    | \$100,000         |
| Acquisition Price of Your Property | <u>-\$ 98,000</u> |
| Maximum Price Differential         | \$ 2,000          |

#### **Example B**

|  |                  |
|--|------------------|
| Purchase Price of Replacement Property | \$105,000        |
| Comparable Replacement Property        | \$100,000        |
| Acquisition Price of Your Property     | <u>\$ 98,000</u> |
| Maximum Price Differential             | \$ 2,000         |

You Must Pay the Additional \$5,000

#### **Example C**

|                                    |                  |
|------------------------------------|------------------|
| Comparable Replacement Property    | \$100,000        |
| Purchase Price of Replacement      | \$99,000         |
| Acquisition Price of Your Property | <u>\$ 98,000</u> |
| Price Differential                 | \$ 1,000         |

*In Example C you will only receive \$1,000 - not the full amount of DWR's "Comparable Replacement Property" because the requirements to spend were not met.*



**IN ORDER FOR A "90 DAY OWNER OCCUPANT" TO RECEIVE THE FULL AMOUNT OF THEIR REPLACEMENT HOUSING PAYMENT** (*Price Differential, Mortgage Differential and Incidental Expenses*), **you must:**

A) Purchase and occupy a DS&S replacement dwelling within one year after the later of:

(1) The date you first receive a notification of an available replacement house, **OR**

(2) The date that DWR has paid the acquisition cost of your current dwelling (usually the closing of escrow on DWR's acquisition),

**AND**

B) Spend at least the amount of DWR's "Comparable Replacement Property" for a replacement property,

**AND**

C) File a claim for relocation payments within 18 months of the later:

(1) The date you vacate the property acquired by DWR, **OR**

(2) The date that DWR has paid the acquisition cost of your current dwelling (usually the close of escrow on DWR's acquisition)

**You will not be eligible to receive any relocation payments until DWR has actually made its first written offer to purchase the property. Also, you will receive at least 90 days' written notice before you must move.**

### **For Tenants of 90 Days or More**

If you qualify as a 90-day occupant, you may be eligible for a Replacement Housing Payment in the form of a Rent Differential.

The **Rent Differential** payment is designed to assist you in renting a comparable decent, safe and sanitary replacement dwelling. The payment is based on the difference between the base monthly Rent for the property acquired by DWR (including average monthly cost for utilities) and the lesser of:

a) The monthly rent and estimated average monthly cost of utilities for a comparable replacement dwelling as determined by DWR, **OR**

- b) The monthly rent and estimated average monthly cost of utilities for the decent, safe and sanitary dwelling that you actually rent as a replacement dwelling.

Utility costs are those expenses you incur for heat, lights, water and sewer - regardless of the source (e.g. electricity, propane, and septic system). It does not include garbage, cable, telephone, or security. The utilities at your property are the average costs over the last 12 months. The utilities at the comparable replacement property are the estimated costs for the last 12 months for the type of dwelling and area used in the calculation.

This difference is multiplied by 42 months and may be paid to you in a lump sum payment or in periodic installments in accordance with policy and regulations.

In order to receive the full amount of the calculated Rent Differential, you must spend at least the amount calculated by DWR on a replacement property.

This payment may - with certain limitations - be converted to a **Down payment Option** to assist you in purchasing a replacement property.

#### **Example of Rent Differential Payment Computation:**

After a thorough study of comparable, decent, safe and sanitary dwellings that are available for rent, DWR determines that a comparable replacement property will rent for \$325.00 per month.

#### **DWR Computation (rates are per month)**

Rental Rate for Comparable  
Replacement Property: \$ 325

PLUS average estimated  
utilities costs: + 100

TOTAL Cost to Rent Comparable  
Replacement Property: = \$ 425

Rental Rate for  
Your Current Property: \$ 300

PLUS average utilities costs: + 90  
TOTAL Cost you pay to

rent your current property: = \$ 390

Comparable Replacement  
Property including utilities: \$ 425

Cost you pay to rent your  
property including utilities: + 390

Difference: =\$ 35

Multiplied by 42 months = \$1,470 Rent Differential

**Example A:**

Rental Rate for a Replacement  
Property, including estimated  
average utilities costs:

\$ 525

Comparable Replacement  
Property including utilities:

\$ 425

Cost you pay to rent your  
property including utilities:

\$ 390

Since \$425 is less than \$525, the Rent Differential is based on the difference between \$390 and \$425.

Rent Differential (\$35 x 42 months = \$1,470)

*In this case you spent "at least" the amount of the Comparable Replacement Property on the replacement property and will receive the full amount.*

**Example B:**

Rental Rate for a Replacement  
Property, including estimated  
average utilities costs:

\$ 400

Comparable Replacement  
Property including utilities:

\$ 425

Cost you pay to rent your  
property including utilities:

\$ 390

Since \$400 is less than \$525, the Rent Differential is based on the difference between \$400 and \$390.

Rent Differential (\$10 x 42 months = \$420)

*In this case you spent "less than" the amount of the Comparable Replacement Property on the replacement property and will not receive the full amount.*

**You will not be eligible to receive any relocation payments until DWR has actually made a first written offer to purchase the property. And, you will also receive at least 90 days' written notice before you must move.**

## **Down Payment Option**

The Rent Differential payment may - with certain limitations - be converted to a **Down Payment Option** to assist you in purchasing a replacement property. The down payment option is a direct conversion of the Rent Differential payment.

If DWR the calculated Rent Differential is between \$0 and \$7,200, your down payment option will be \$7,200, which can be used towards the purchase of a replacement decent, safe and sanitary dwelling.

If the Rent Differential is over \$7,200, you may be able to convert the entire amount of the Rent Differential to a down payment option.

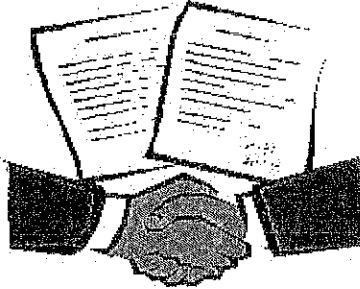
The down payment option must be used for the acquisition of the replacement dwelling, plus any eligible incidental expenses (see "90-day Owner Occupants Incidental Expenses") related to the purchase of the property. You must work closely with your Relocation Agent to ensure you can utilize the full amount of your down payment option towards the purchase.

If any portion of the Rent Differential was used prior to the decision to convert to a down payment option, those advance payments will be deducted from the entire benefit.

## **Last Resort Housing**

On most projects, an adequate supply of housing will be available for sale and for rent, and the benefits provided will be sufficient to enable you to relocate to comparable housing. However, there may be projects in certain locations where the supply of available housing is insufficient to provide the necessary housing for those persons being displaced. In such cases, DWR will utilize a method called Last Resort Housing. Last Resort Housing allows DWR to construct, rehabilitate or modify housing in order to meet the needs of the people displaced from a project. DWR can also pay above the statutory limits of \$7,200 and \$31,000 in order to make available housing affordable.

# Relocation Advisory Assistance



Any individual, family, business or farm displaced by DWR shall be offered relocation advisory assistance for the purpose of locating a replacement property. Relocation services are provided by qualified personnel employed by DWR. It is our goal and desire to be of service to you and assist in any way possible to help you successfully relocate.

A Relocation Agent from DWR will contact you personally. Relocation services and payments will be explained to you in accordance with your eligibility. During the initial interview with you, your housing needs and desires will be determined as well as your need for assistance. You cannot be required to move unless at least one comparable replacement dwelling is made available to you.

You can expect to receive the following services, advice and assistance from your Relocation Agent who will:

- Explain the relocation benefits and eligibility requirements.
- Provide the amount of the replacement housing payments in writing.
- Assure the availability of a comparable property before you move.
- Inspect possible replacement residential units for DS&S compliance.
- Provide information on counseling you can obtain to help minimize hardships in adjusting to your new location.
- Assist you in completing loan documents, rental applications or Relocation Claims Forms.

AND provide information on:

- Security deposits
- Interest rates and terms
- Typical down payments
- VA and FHA loan requirements
- Real property taxes.
- Consumer education literature on housing

If you desire, your Relocation Agent will give you current listings of other available replacement housing. Transportation will be provided to inspect available housing, especially if you are elderly or handicapped. You may obtain the services of a real estate broker to assist in finding a replacement dwelling but, DWR cannot provide a referral.

Your Relocation Agent is familiar with the services provided by others in your community and will provide information on other federal, state, and local housing programs offering assistance to displaced persons. If you have special needs, your Relocation Agent will make every effort to secure the services of those agencies with trained personnel who have the expertise to help you.

If the water project will require a considerable number of people to be relocated, DWR may establish a temporary Relocation Field Office on or near the project. Project relocation offices would be open during convenient hours and evening hours if necessary.

In addition to these services, DWR is required to coordinate its relocation activities with other agencies causing displacements to ensure that all persons displaced receive fair and consistent relocation benefits.

Remember - YOUR RELOCATION AGENT is there to offer advice and assistance. Do not hesitate to ask questions and be sure you fully understand all of your rights and available benefits.



## YOUR RIGHTS AS A DISPLACEE

All eligible displacees have a freedom of choice in the selection of replacement housing, and DWR will not require any displaced person to accept a replacement dwelling provided by DWR. If you decide not to accept the replacement housing offered by DWR, you may secure a replacement dwelling of your choice, providing it meets DS&S housing standards. DWR will not pay more than your calculated benefits on any replacement property.

The most important thing to remember is that the replacement dwelling you select must meet the basic "decent, safe, and sanitary" standards. Do not execute a purchase agreement or a rental agreement until a representative from DWR has inspected and certified in writing that the dwelling you propose to occupy meets the basic standards. **DO NOT jeopardize** your right to receive a replacement housing payment by moving into a substandard dwelling.

It is important to remember that your relocation benefits will not have an adverse affect on your:

- Social Security Eligibility
- Welfare Eligibility
- Income Taxes

In addition, the Title VIII of the Civil Rights Act of 1968 and later acts and amendments make discriminatory practices in the purchase and rental of most residential units illegal if based on race, color, religion, sex, or national origin.

Whenever possible, minority persons shall be given reasonable opportunities to relocate to decent, safe, and sanitary replacement dwellings, not located in an area of minority concentration, and that is within their financial means. This policy, however, does not require DWR to provide a larger payment than is necessary to enable a person to relocate to a comparable replacement dwelling.

DWR' Non-Discrimination Policy ensures that all services and/or benefits will be administered to the general public without regard to race, color, national origin, or sex in compliance with Title VI of the 1964 Civil Rights Act (42 USC 2000d. et seq.).

And you have the Right to Appeal any decision by DWR regarding your relocation benefits and eligibility.

Your Right of Appeal is guaranteed in the "Uniform Act" which states that any person may file an appeal with the head of the responsible agency if that person believes that the agency has failed to properly determine the person's eligibility or the amount of a payment authorized by the Act.

If you indicate your dissatisfaction, either verbally or in writing, DWR will assist you in filing an appeal and explain the procedures to be followed. You will be given a prompt and full opportunity to be heard. You have the right to be represented by legal counsel or other representative in connection with the appeal (but solely at your own expense).

DWR will consider all pertinent justifications and materials submitted by you and other available information needed to ensure a fair review. DWR will provide you with a written determination resulting from the appeal with an explanation of the basis for the decision. If you are still dissatisfied with the relief granted, DWR will advise you that you may seek judicial review.

**Americans with Disabilities Act (ADA) Notice:**

This document is available in alternative formats for people with physical disabilities. Please call (916) 654-5413, or write to 'Department of Water Resources – Real Estate Branch, 1416 9<sup>th</sup> Street, Room 415, Sacramento, CA 95814,' for information.

**Notes**



## Exhibit I – Administrative Settlement Procedures

# Memorandum

Date: **SEP 17 2013**

To: Jeanné M. Kuttel, Chief  
Division of Engineering

Paul Farris, Chief  
Real Estate Branch  
Division of Engineering

From: Department of Water Resources

Subject: Real Estate Branch Administrative Settlement Procedures

The purpose of this Memorandum is to update the established guidelines and process to be followed by Real Estate Branch (REB) staff to obtain approval to settle acquisitions by Administrative Settlement that were approved on October 25, 2012 by Richard Sanchez, Chief, Division of Engineering.

These guidelines shall apply to all State Water Project (SWP) and Central Valley Flood Control Board (CVFCB) acquisitions, with the exception of the Division of Flood Management's (DFM) Early Implementation Project (EIP). Under the EIP Program, DFM provides direct grant funding to EIP Funding Recipients for project design and construction including the acquisition of real property rights. Administrative Settlements for the EIP Program will be approved by the Chief of DFM.

## Administrative Settlements Defined

An Administrative Settlement is an agreement to purchase property in excess of the Fair Market Value (FMV) when reasonable efforts to negotiate an agreement at the approved FMV amount have failed and an authorized official approves such an Administrative Settlement as being reasonable, prudent, and in the public's best interest.

## Authority to Use Administrative Settlements

On December 16, 2010, and again on May 20, 2011, the Department of Water Resources (DWR) received an exemption from the California Natural Resources Agency (NRA) Memorandum (attached) dated February 2, 2009 restricting the use of Administrative Settlements.

The exemption was granted due to DWR's statutory authority to acquire real property under the threat of condemnation. Under its authority, DWR is required to negotiate with landowners and to acquire properties expeditiously pursuant to Code of Federal Regulations 49.24.102 (CFR 49.24.102), California Government Code §7267 (GC§ 7267), the Caltrans Right of Way Manual, and other state statutes.

- In accordance with CFR 49.24.102, and supported by 8.01.29.00 of the Caltrans Right of Way Manual, "The purchase price for the property may exceed the amount offered as just compensation when reasonable efforts to negotiate an agreement at that amount have failed and an authorized Agency official approves such administrative settlement as being reasonable, prudent, and in the public interest...a written justification shall be prepared, which states what available information, including trial risks, supports such a settlement."
- In accordance with CFR 49.24.102 and GC §§ 7267.1 and 7267.2, the State cannot engage in coercive negotiations. Without the use of administrative settlements, DWR's "take-it or leave-it" proposal to the property can be construed as threatening, which DWR is legislatively required to avoid.

#### Authorized Agency Official

DWR's NRA exemption authorizes the use Administrative Settlements to acquire property rights for the State Water Project (SWP) and, as referred to above, most CVFPB projects. Approval of These Transactions, including Administrative Settlements, will be the sole responsibility of the Chief of the Division of Engineering (DOE) pursuant to Delegation Orders Nos. 6 and 61 (attached).

#### Justifications to use Administrative Settlements

When negotiations reach an impasse to acquire property at FMV pursuant to an approved appraisal, REB staff shall prepare a written justification identifying the use of Administrative Settlement as being reasonable, prudent, and in the public interest.

Pursuant to current and historical REB practices and Caltrans Right of Way Manual (8.01.29.00) REB written justifications requesting the use Administrative Settlements shall include at a minimum the following information:

- A. Summary of Negotiations including timeline.
- B. Acquisition agent's diary notes.
- C. All available appraisals, including owner's appraisal.
- D. Impacts to construction schedule and potential costs if any.
- E. Opinion of legal counsel.

- F. Recent court awards for similar properties.
- G. Range of probable testimony in trial. (Trial Risks)
- H. Estimated trial costs.
- I. Program Manager and/or Project Sponsor approval(s) of expenditure.
- J. Impacts to overall real property acquisition budget to Program.
- K. Other (political, public relations, etc.)

The DOE Chief shall review the written justification and either approve or deny the use of an Administrative Settlement. If use of an Administrative Settlement is approved, REB staff will make a formal offer the property owner based upon amount of the approved Administrative Settlement.

The Real Estate Branch shall have the authority to approve Administrative Settlements in the amount of \$5,000 or less. California Code of Civil Procedure §1263.025 requires public agencies to reimburse private landowners for the costs of an independent appraisal when their property is being acquired under the threat of eminent domain. To save this possible expense, Administrative Settlements in the amounts of up to \$5,000 over fair market value can be justified when they result in a negotiated settlement on purchase price for the property rights to be acquired. In addition to not paying the \$5,000 for the reimbursement for an Owner Initiated Appraisal (a Direct Payment), a savings on staff costs (State Operations) associated with executing an Owner Initiated Reimbursement Agreement and review of the Owner Initiated Appraisal will be realized, and the project schedule will benefit by eliminating the time required to perform each of these tasks. This policy is consistent with the California Department of Transportation's application of Administrative Settlements \$5,000 or less. For justification purposes, an abbreviated version of the written justification process noted above will be followed.

#### **Administrative Settlement Applications**

Failure to finalize negotiations by way of a DOE approved Administrative Settlement will lead to the commencement of a condemnation action under California Superior Court (Court) purview.

There are three stages of negotiation where DWR, as the condemning agency, will have the opportunity to use the Administrative Settlement process to avoid a jury trial to determine just compensation. The initial application is during open negotiations, the period before seeking a resolution of necessity (RON). REB will request approval from the Chief of DOE to settle a negotiation to avoid seeking a RON. The secondary application to settle by way of an Administrative Settlement is after the RON has been

granted but before a trial date is set. The third opportunity to use an Administrative Settlement is any time up to a trial jury award. If a determination of just compensation still cannot be negotiated, a jury trial will ensue with compensation being determined by a jury.

APPROVAL RECOMMENDED:

APPROVED:

Paul Farris

Paul Farris, Chief  
Real Estate Branch

Jeanne M. Kuttel

Jeanne M. Kuttel, Chief  
Division of Engineering

Date: 09/13/13

Date: 9/17/2013

Attachments

## Exhibit J – Eminent Domain (Water Commission)

## California WATER COMMISSION

### Action Item: Procedure for Eminent Domain including public comment

At the Water Commission's July meeting, staff was asked to draft the procedures and steps for implementing the Commission's policy on resolution of necessity actions. Below is a draft proposal for consideration.

The first section -- *Overview* -- provides information on the statutory authority for DWR on eminent domain and the California Water Commission's activities as Governing Body. The second section -- *Procedures for Consideration of Resolutions of Necessity* -- outlines a two-step process for consideration of the issues. It is the intent of the Commission to provide a fair and thorough process to ensure all legal requirements have been met and to gather input from landowners and other interested parties on the project.

#### Overview

The Department of Water Resources (DWR) may acquire property for constructing, maintaining, or operating State Water Project facilities but it may not commence an eminent domain proceeding until its governing body has adopted a resolution of necessity. The governing body is the California Water Commission. Code of Civil Procedure section 1245.210.

California Water Code Section 11575 gives DWR the authority to acquire land for the purpose of constructing, maintaining or operating the State Water Project.

*CWC §11575. For the purpose of constructing, maintaining, and operating the project and for the purpose of providing and substituting new facilities for facilities to be taken or destroyed, the department may acquire for and in the name of the state, by gift, exchange, purchase, or eminent domain proceedings, within or without the state, any and all water, water rights, rights-of-way, easements, land, electric power, power resources and facilities, and property or appurtenances thereto of every kind and description and any appurtenances to any such property as the department determines to be required and necessary for the proper construction, maintenance, and operation of the project and for effectuating the purposes and objects to be accomplished by the construction, maintenance, and operation of the project, and for providing and substituting new facilities for facilities taken or destroyed.*

Water Code Section 11580 gives DWR the ability to exercise the power of eminent domain if DWR cannot acquire the necessary property through an agreement with the owner and if the project for which the property is being acquired has been authorized and funds are available.

*CWC §11580. When the department cannot acquire any necessary property by agreement with the owner, the department may exercise the power of eminent domain*

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*to acquire the property in the name of the state if the project for which the property is being acquired has been authorized and funds are available therefore.*

Before DWR may commence any eminent domain proceeding, it must obtain a resolution of necessity from the California Water Commission:

*CCP 1245.220. A public entity may not commence an eminent domain proceeding until its governing body has adopted a resolution of necessity that meets the requirements of this article.*

*CCP 1245.210. As used in this article, "governing body" means: (h) In the case of a taking by the Department of Water Resources, the California Water Commission.*

**Procedures for Consideration of Resolution of Necessity**

This document describes the California Water Commission's procedures for considering a resolution of necessity. It is the intent of the Commission to provide a transparent and well-defined process in order to ensure all legal requirements have been met, and affected and interested parties are provided due process.

**1. Notification of Commission Consideration of a Resolution of Necessity**

DWR shall inform the Commission it intends to request a resolution of necessity. The Commission will notice the item on its meeting agenda and send a notice to the landowner of the property for which the resolution of necessity is being considered at least 21 days prior to the meeting. The notification to the landowner will include the date, time, and location of the Commission meeting, information about the proposed resolution of necessity, a copy of the Commission's procedures, and opportunities to provide written and oral public comments.

**2. Consideration of Evidence in support of Resolution of Necessity**

At a public meeting, the Commission will consider evidence in support of the specific findings required for a resolution of necessity pursuant to Section 1245.230, which states:

*In addition to other requirements imposed by law, the resolution of necessity shall contain all of the following:*

*(a) A general statement of the public use for which the property is to be taken and a reference to the statute that authorizes the public entity to acquire the property by eminent domain.*

*(b) A description of the general location and extent of the property to be taken, with sufficient detail for reasonable identification.*

*(c) A declaration that the governing body of the public entity has found and determined each of the following:*

*(1) The public interest and necessity require the proposed project.*



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*(2) The proposed project is planned or located in the manner that will be most compatible with the greatest public good and the least private injury.*

*(3) The property described in the resolution is necessary for the proposed project.*

*(4) That either the offer required by Section 7267.2 of the Government Code has been made to the owner or owners of record, or the offer has not been made because the owner cannot be located with reasonable diligence.*

DWR will prepare and provide a Staff Report to the Commission for the agenda that includes the following:

- A description of the project.
  - An explanation of why the project is necessary.
  - An explanation of the legal authority for the project and the availability of funds for the project.
  - The status of other parcels required for the project: Total parcels; number of parcels acquired; number of parcels under right of entry; number of other owners expected to request appearance before the Commission.
  - Detailed Parcel Description.
  - Maps (index map, project title sheet, appropriate plan sheets and parcel maps) covering the project and its relationship to the full parcel must be provided.
  - A listing of the owner's primary concerns (compensation, design features, timing of the acquisition, lack of replacement housing, etc.).
  - A description of any design or right of way modifications suggested by the owner, including DWR's opinion on the feasibility of these suggestions and the basis for DWR's opinion (why they are or are not feasible).
  - A description of alternatives to the proposed taking that have been considered by DWR.
  - A description of official contacts or attempted contacts with the property owner (or representative) involving acquisition and formal offers, as well as a summary of each of the owner's concerns.
  - Identification of the appropriate contact persons within DWR that can provide additional detailed information.
- Copy of Notice to Landowner
  - Deed
  - Copy of CEQA Compliance

All affected landowners and any other members of the public may appear and speak to the Commission. Written comments may also be submitted to the Commission prior to the meeting or at the meeting.

**DRAFT**

The Commission will consider all information and comment provided. The Commission will not take action on the proposed resolution of necessity at this meeting, but will schedule potential action for a subsequent meeting as described in No. 5 below. The Commission may also request additional evidence or information from DWR for consideration.

**3. Consideration of Authority**

As part of its deliberations, the Commission shall consider the authority of DWR to exercise eminent domain for the project, as specified in California Water Code Section 11580. If the Commission determines that DWR has not provided sufficient information, it may request further evidence or legal analysis.

**4. Site Visit**

Commission staff may contact the landowner to request a site visit for one or more members of the Commission to view the property in question. This visit will only take place if agreed to by the landowner. However, a site visit is not required prior to Commission consideration of the matter or prior to action on the resolution of necessity.

**5. Consideration of Action on Resolution of Necessity**

The Commission will schedule action on the proposed resolution of necessity for a subsequent Commission meeting and will notify the affected landowner at least 21 calendar days prior to the meeting. Code of Civil Procedure §1245.235. The Commission will consider additional information, if any, and determine if there is enough evidence to satisfy section 1245.230.

At this Commission meeting, DWR staff will provide responses to questions and review the Staff Report. Staff will provide the following additional materials in the agenda packet:

- Copy of Proposed Resolution
- Proposed Commission Notice of Determination
- Relevant CEQA Document

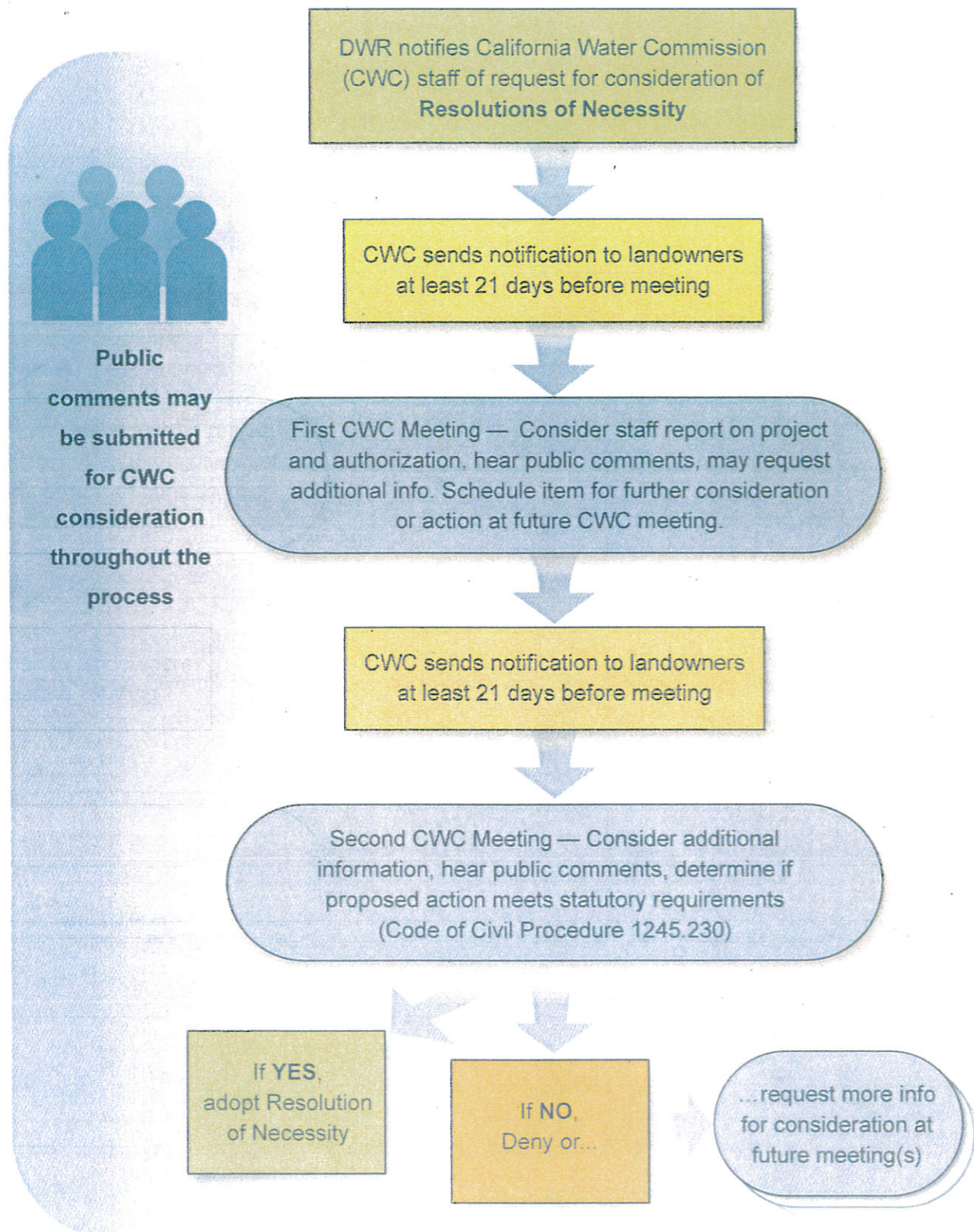
The Commission will accept public testimony from the landowner and any other member of the public who appears at the hearing.

The Commission may choose to take action at this meeting. To adopt a resolution of necessity requires a two-thirds vote of all members, which is a minimum of six votes in favor of the resolution of necessity regardless of the number of Commission members present at the meeting.

**Contact**

Sue Sims  
Department of Water Resources  
(916) 653-6055

# California Water Commission Process for Considering Resolutions of Necessity



## Exhibit K – Memorandum of Settlement

**Memorandum of Settlement**

**TO:** (Jeanne, Paul, Angelica, Linus),  
Chief,  
Division of Engineering

Date: \_\_\_\_\_

Parcel No.: \_\_\_\_\_

**FROM:** \_\_\_\_\_

Project: \_\_\_\_\_

**SUBJECT:** Type of Document(s)

☐ SWP ☐ Central Valley Flood Protection Board

Grantor(s): \_\_\_\_\_

Cost Object: \_\_\_\_\_

Mailing Address: \_\_\_\_\_

Fund Name: \_\_\_\_\_

Telephone: \_\_\_\_\_

**ATTACHMENTS:**

Grant Deed - Notarized \_\_\_\_\_

Right of Way Contract \_\_\_\_\_  
(Original + 1 copy - 2 copies if going to GS)

Easement Deed - Notarized \_\_\_\_\_

Quitclaim Deed - Notarized \_\_\_\_\_

Title Report \_\_\_\_\_

Partial Reconveyance \_\_\_\_\_

Map \_\_\_\_\_

Subordination of T.D. \_\_\_\_\_

Corporation Resolution \_\_\_\_\_

Consent to Easement \_\_\_\_\_

Stip. for Dismissal \_\_\_\_\_

Escrow Instructions \_\_\_\_\_

Letter to Grantor(s) \_\_\_\_\_

Warrant Request \_\_\_\_\_

Memo to General Services \_\_\_\_\_

Appraised by: \_\_\_\_\_

Date: \_\_\_\_\_

Original \_\_\_\_\_

Supplemental Appraisal No. \_\_\_\_\_

DGS Approval Memorandum Received: \_\_\_\_\_ (For transactions over \$150,000)

**AREA FOR:**

Open Space \_\_\_\_\_

## SETTLEMENT

\$

\$

## \$

-0-

\$

\$

\$

\$



**WITHHELD FUNDS:**

Funds are being withheld in the amount of \$ -0-, to cover:

**CONDEMNATION INFORMATION:**

- ☐ No Suit Filed
- ☐ Suit Filed Date \_\_\_\_\_

Effective Date of  
Order for Possession \_\_\_\_\_

\_\_\_\_\_ VS. \_\_\_\_\_

Action No. \_\_\_\_\_ County \_\_\_\_\_

Condemnation Parcel No. \_\_\_\_\_

**EXCESS LAND ACQUIRED:**                                         $\frac{X}{NO}$

**SETTLEMENT EXPLANATION:**

*Note: The following are samples only. Delete what you do not want. Add what is needed for a person (such as a Division Chief) who is unfamiliar with the project to understand the transaction, i.e. discuss Project (who, what, why, when, how), Environmental, Phase I, Administrative Settlement Justifications, issues encountered during negotiations, legal issues, etc.*

**\*Incomplete Settlement Explanations will be returned for additional information**

The subject parcel was required for the [Project Name] to repair levees along the [West Levee of the Feather River].

This offer package reflects compensation due to [Grantor], for the land acquired. With approval and payment to [Grantor] this will conclude the acquisition of this parcel.

An original appraisal, dated [XXXXXX XX, XXXX], was done on the subject property. These values were applied to the offer accepted by [Grantor].

**NOTE:** If the "appraisal" and "settlement" columns on page 2 are the same, use the following statement:

"Settlement is per the approved appraisal." Approval is recommended.

*NOTE: If the "appraisal" and "settlement" columns on page 2 are different, use the following statement:*

Settlement is based on the approved appraisal, or Recommend approval as an Administrative Settlement.

Said property has been inspected on or before the date on page 1, by a Right of Way Agent (Negotiator and/or Appraiser) qualified to recognize easements or other claims of adverse interests.

Title Co. \_\_\_\_\_ Escrow Officer \_\_\_\_\_

Address \_\_\_\_\_

Title Report/Litigation Guarantee No. \_\_\_\_\_

Title will be acquired subject to the following:

Exception No.   Description

Reason for Taking "Subject to"

(Continued on Page 4a)

Disposition of Subsurface Oil, Gas and Mineral Interests

Owner/Grantor: \_\_\_\_\_

Lessee: \_\_\_\_\_

Other: \_\_\_\_\_

Cleared by: ☐ Grant Deed   ☐ Easement Deed   ☐ Quitclaim Deed   To Depth \_\_\_\_\_ feet

Not Cleared for the following reason: \_\_\_\_\_

Possession

Possession to be delivered:   ☐ Vacant   ☐ Occupied   \_\_\_\_\_ Date  
☐ Close of Escrow   ☐ 15-Day Grace Period   \_\_\_\_\_ Date

Present Occupancy

☐ Owner   ☐ State by O.P.   ☐ Vacant   ☐ Month-to-Month Rental   ☐ Lease  
☐ State by Right of Entry for Construction

Lease Quitclaimed   ☐ Yes   ☒ No   Date \_\_\_\_\_   Rentable Land   ☐ Yes   ☒ No

Rental or Lease Agreement in Contract   ☐ Yes   ☒ No   Rate \$ \_\_\_\_\_   Term \_\_\_\_\_

Offset Statement obtained and submitted herewith \_\_\_\_\_



Continued from Page 4

Exception No.   Description

Reason for Taking "Subject to"

Certain title exceptions in the title report will be eliminated as follows:

**How Clearing**

- a. Title Co. agrees to eliminate
- b. Get Partial Reconveyance
- c. Get Quitclaim Deed
- d. Other (Explain)
- e. Not within our right of way

**Exception No.**      **Description**

(Continued on Page 5a)

Special Clauses in Contract: ☐ NONE

**Clause No.**      **Explanation**

Special Clauses in Deed: ☐ NONE

**Clause No.**      **Explanation**

(Continued from page 5)

| <u>Exception No.</u> | <u>Description</u> | <u>How Clearing</u> |
|----------------------|--------------------|---------------------|
|----------------------|--------------------|---------------------|

DISPOSITION OF UNRECORDED AND ADVERSE INTERESTS:

The remaining title exceptions and/or adverse interests, if any, disclosed by physical inspection can be accepted by the State and will not interfere with the State's program of use. Said exceptions and/or adverse interests, if any, are described as follows:

☐ NONE KNOWN

MISCELLANEOUS INFORMATION:

I hereby certify that I have investigated the employment status of the grantor and to the best of my knowledge neither the grantor nor the agents signing on their behalf are or ever have been employees of the Department of Water Resources.

☐ The above statement is correct.

☐ The above statement does not apply. Explanation follows:

**(If this is a Fee acquisition, and is currently under the Williamson Land Act Contract, you must complete a letter to the local Assessor's Appeal Board as well as to the Director of Conservation notifying them of the proposed acquisition.)**

Environmental clearances for this project have been obtained by:

☐ Environmental Impact Report

Date Filed: \_\_\_\_\_

☐ Negative Declaration

Date Filed: \_\_\_\_\_

☐ Categorical Exemption

Date Filed: \_\_\_\_\_

I recommend approval of this transaction.

APPROVAL RECOMMENDED:

APPROVED:

\_\_\_\_\_, Agent Date

Jeanne Kuttel ~~Teresa Engstrom~~, Acting Chief  
Division of Engineering

\_\_\_\_\_, Senior Right of Way Agent Date

Date: \_\_\_\_\_

\_\_\_\_\_, Chief  
Real Estate Branch Date

## MEMORANDUM

TO: DWR ACCOUNTING OFFICER

DATE:

FROM: DIVISION OF ENGINEERING

SUBJECT: WARRANT REQUEST

GRANTOR:

PROJECT:

C.O.:

UNIT NO.:

EXP. CODE:

PARCEL NO.:

- 1 The following documents are attached for your use in preparing a claim to the State Controller for issuance of a warrant in payment for real property acquired for this facility.

- ☐ Easement Deed to the State of California
- ☐ Grant Deed to the State of California
- ☐ Right-of-Way Contract
- ☐ State's Escrow Instructions
- ☐ Memorandum on which Department of General Services has indicated its approval of this transaction

- 2 ☐ This transaction is exempt from Department of General Services' approval pursuant to:
- ☐ Express General Services' exemption as summarized on DWR Delegation Order 92.
  - ☐ Other:

- ☐ Condemnation action \_\_\_\_\_ Security deposit \$ \_\_\_\_\_  
People vs. \_\_\_\_\_ Parcel #: \_\_\_\_\_ SCC #: \_\_\_\_\_ County: \_\_\_\_\_

- 3 The warrant, payable as follows, should be mailed directly to the addressee below no later than \_\_\_\_\_.

Amount: \*\$ \_\_\_\_\_  
Payable to: \_\_\_\_\_  
Address: \_\_\_\_\_  
Attention: **Escrow Department**  
Escrow No.: \_\_\_\_\_  
For the Account of: \_\_\_\_\_

- 4 Additional Instructions:

Please return a copy of the remittance advice to us, noting thereon the warrant number and date mailed.  
Please transmit by certified mail.

Other: \*1. Interest to be computed at the State Surplus Money Investment Fund rate from the date of possession, (\_\_\_\_\_), to the date a warrant is issued by the State Controller.

Attachments

Mr./Ms. \_\_\_\_\_  
\_\_\_\_\_ Title Company  
\_\_\_\_\_, California 9\_\_\_\_\_

Project:  
Parcel No.:  
Grantor:  
Your T.R. No.:

Dear

Enclosed are the following items:

1. Easement Deed
2. Right of Way Contract
3. Escrow Instruction Worksheet
4. Escrow Closure Notice

You will shortly receive a State Warrant in the amount of \$\_\_\_\_\_, plus interest, covering the purchase of property rights described in Item 1 above. Please cash the warrant and close the escrow when you can record and furnish, within 60 days, a CLTA Standard Policy of Title Insurance in the amount of \$\_\_\_\_\_, in accordance with the Escrow Instruction Worksheet insuring title in the State of California.

In accordance with the approved Right of Way Contract, the issuance of any escrow instructions shall be the sole responsibility of the State. The title insurance premium and escrow fees incurred will be paid by the State. Documents necessary to the chain of title to the State constitute official business and are entitled to free recordation.

We request this transaction be closed promptly. Please issue your invoice for escrow service charges, if any, and the Policy of Title Insurance, along with a buyer's final settlement statement, each with our file reference thereon. Upon closing, please complete the Escrow Closure Notice and return it to this office.

Mr./Ms. \_\_\_\_\_

Page 2

For your information, the Grantor's address is:

If you have any questions, please call me at (916) \_\_\_\_\_.

Sincerely,

Agent  
Title

Enclosures

CERTIFIED MAIL

Agent: Clerical  
doc location & name  
CC No.  
Spell checked (Date)



**ESCROW INSTRUCTION WORKSHEET**

Project: \_\_\_\_\_

Parcel No.: \_\_\_\_\_

Grantor: \_\_\_\_\_

Title Company: \_\_\_\_\_

Report No(s): \_\_\_\_\_ Dated: \_\_\_\_\_

***THE FOLLOWING EXCEPTION(S) MAY APPEAR IN THE TITLE POLICY:***

Current property taxes, not delinquent. (Delinquent taxes, if any, are not to be paid from the escrow proceeds.)

Report Item No(s): \_\_\_\_\_

***THE FOLLOWING MUST NOT APPEAR IN THE TITLE POLICY:***

| <u>Item No.</u> | <u>Description</u> | <u>Reason</u> |
|-----------------|--------------------|---------------|
|-----------------|--------------------|---------------|

**OTHER INSTRUCTIONS:**

Any questions should be directed to the undersigned in Sacramento. Write or call (916) 653-7469.

, Agent  
Real Estate Branch  
Titles and Escrow

**ESCROW CLOSURE NOTICE**

Department of Water Resources  
P.O. Box 942836  
Sacramento, California 94236-0001

Project:

Parcel No.:

Attention: , Agent

Grantor:

Re: ESCROW NO. \_\_\_\_\_

The following documents, to complete the chain of title vesting property in the State of California in this transaction, were recorded in the Official Records of \_\_\_\_\_ County on:

| <u>Date</u> | <u>Type of Document</u> | <u>Document No.</u> |
|-------------|-------------------------|---------------------|
|             | Easement Deed           |                     |

\_\_\_\_\_  
Title Company

By: \_\_\_\_\_  
Escrow Officer

Grantor  
Address  
City, State ZIP

Dear (Grantor):

Enclosed is a fully executed Right of Way Contract covering the purchase of the easement over a portion of your property, identified in the records of (The Central Valley Flood Protection Board, formerly The Reclamation Board – **OR** – the Department of Water Resources (DWR) of the State of California) as Parcel No(s). \_\_\_\_\_, in \_\_\_\_\_ County as part of the \_\_\_\_\_ Project. This transaction is being sent to \_\_\_\_\_ Title Company for processing and payment.

Your cooperation in this matter is very much appreciated. If you have any questions, you may contact me at (916) \_\_\_\_\_.

Sincerely,

Agent's name  
Title

Enclosure

Agent: Clerical  
doc location & name  
CC No.  
Spell checked (Date)

# TRANSACTIONS ROUTE SLIP

**SUBJECT:** Right of Way Transaction Review for Parcel No.  
☐ Central Valley Flood Protection Board ☐ State Water Project

**PACKAGE NUMBER** \_\_\_\_\_

**ATTACHMENTS:**

- ☐ Real Estate Service Request  
☐ Memo Transmittal to OREDS  
☐ Memorandum of Settlement  
☐ Notice of Determination/Exemption  
☐ Deed  
☐ Right of Way Contract  
☐ Warrant Request

- ☐ Title Co. Letter  
☐ Escrow Instructions  
☐ Escrow Closure Notice  
☐ Grantor Letter(s)  
☐ Parcel Map  
☐ Title Report  
☐ Right of Entry

- ☐ Borrow Agreement  
☐ Spoil Agreement  
☐ Joint Use Agreement  
☐ Temporary Entry Permit  
☐ Stipulated Judgment  
☐ Damage Claim

**PACKAGE NAME** \_\_\_\_\_

**NOTICE**, this transaction:

Contains Special Provisions (Page \_\_\_\_, Settlement Memo)

- Requires: ☐ Legal Review  
☐ Execution Approval by Deputy Director  
☐ Approval by General Services

**PLEASE REVIEW AND APPROVE AS INDICATED:**

**Routing**

**Initial**

**Date**

**SENIOR LAND AGENT, NEGOTIATIONS**

- ☐ Recommend approval R/W Contract and/or Settlement Memo  
☐ Review Entry Permit and/or other documents

**SECTION CHIEF, ACQUISITION AND APPRAISAL SECTION**

**CHIEF, GEODETIC BRANCH**

- ☐ Review legal description, deed/judgment clauses  
☐ Review Entry Permit and/or other documents

**APPRAISALS** (final acquisitions only)

- ☐ Confirm that appraisal values listed in MOS match the appraisal report

**PROPERTY MANAGEMENT** (final acquisitions only)

- ☐ Review for rental/sale property

**SECTION CHIEF, PROPERTY MANAGEMENT AND ENCROACHMENT PERMIT SECTION**

**CHIEF, REAL ESTATE BRANCH**

- ☐ Recommend approval R/W Contract and/or Settlement Memo  
☐ Execute R/W Contract (under \$5,000) or Temporary Entry Permit  
☐ Accept Deed (under \$5,000)  
☐ Accept Entry Permit and/or other documents

**CHIEF, DIVISION OF ENGINEERING**

- ☐ Execute R/W Contract (over \$5,000)  
☐ Accept Deed (over \$5,000)  
☐ Sign transmittal to Deputy Director

**INPUT TO DATABASE/PROCESS WARRANT REQUEST**

- ☐ Input to Database / Process Warrant Request

**RETURN TO CLERICAL** (for further processing)

**(If this is a Fee acquisition, and is currently under the Williamson Land Act Contract, you must complete a letter to the local Assessor's Appeal Board as well as to the Director of Department of Conservation notifying them of the proposed acquisition.)**

# Memorandum

Date:

To: Department of General Services  
Office of Real Estate and Design Services  
707 Third Street  
West Sacramento, California 95605

County:  
Division:  
Parcel:  
Owner:

From: Department of Water Resources  
Division of Engineering

Subject: Right of Way Transmittal

The below listed material is transmitted for your review and approval on behalf of the Department of General Services. The agent's Memorandum of Settlement is self-explanatory.

Upon approval by your Department, please return **two** fully approved originals of the Right of Way Contract/Contract of Sale to this office for further processing. If you need additional help in any manner, please let us know.

- |  |  |
|--|--|
| <input type="checkbox"/> Memo of Settlement                  | <input type="checkbox"/> Title Report/Litigation Guarantee |
| <input type="checkbox"/> Deed (copy)                         | <input type="checkbox"/> Escrow Instruction Worksheet      |
| <input type="checkbox"/> Right of Way Contract (2 originals) | <input type="checkbox"/> Full/Partial Reconveyances        |
| <input type="checkbox"/> Contract of Sale (Excess Lands)     | <input type="checkbox"/> Subordinate Agreements            |
| <input type="checkbox"/> Appraisal Map/Parcel Sketch         | <input type="checkbox"/> Appraisal Report                  |
| <input type="checkbox"/> Notice of Determination             | <input type="checkbox"/>                                   |

The undersigned certifies that the Department of Water Resources has reviewed the attached package as to the accuracy and legal sufficiency of the following items:

1. Granting documents and legal descriptions;
2. Certificates of Acceptance;
3. Property Acquisition Agreements;
4. Escrow Instructions;
5. Title reports and title exceptions. DWR has determined that any remaining title exceptions are not adverse to the State's interest in this real property;
6. Compliance with CEQA; and
7. Compliance with the Relocation Assistance Act, if applicable.

The language used in this transaction has been reviewed and approved as to legal sufficiency by DWR legal counsel.

DWR's negotiations on this transaction are complete. To the best of my knowledge, this transaction complies with State laws, regulations and policies relating to the transaction and its approval is in the best interest of the State and the goals of DWR, and the Department of General Services is absolved of all liability and responsibility for all aspects of the transaction.

Approval of this transaction as an Administrative Settlement is requested.

\_\_\_\_\_, Chief, Real Estate Branch

Date: \_\_\_\_\_

Attachments

# **ORDER FOR FINAL MOS PACKAGES**

**(CHECK APPROPRIATE BOXES)**

STAPLED ON OUTSIDE OF FOLDER

☐ TRANSACTIONS ROUTE SLIP

## **RIGHT SIDE OF FOLDER**

- ☐ 1. OREDS' "Real Estate Service Request," - STD. 29\*
- ☐ 2. Memo Transmittal to OREDS - DWR 1871\*
- ☐ 3. Memorandum of Settlement, - DWR 1693, Pages 1-6
- ☐ 4. Environmental Documents
  - Cover Page CEQA document (EIR, NOD, MND)
  - Cover Page Phase I Site Assessment + any updates
- ☐ 5. Deed (One copy only)
  - ☐ Stamped Tax Exempt
- ☐ 6. Right of Way Contract (always 2 copies)
- ☐ 7. Warrant Request - DWR 1150a
  - (with Green card and white postal slip)
- ☐ 8. Letter to Title Company - WITH label and Green card set
  - Put file and all other copies behind original letter.
- ☐ 9. Escrow Instruction Worksheet - DWR 1696
- ☐ 10. Escrow Closure Notice - DWR 1135
- ☐ 11. Letter to Landowner - WITH envelope
  - Put file and all other copies behind original letter.
- ☐ 12. Appraisal Map
- ☐ 13. Other documents as necessary

## **LEFT SIDE OF FOLDER**

- ☐ 1. Latest Title Report or Litigation Guarantee
- ☐ 2. Other background information
- ☐ 3. Previous drafts of MOS, etc.
- ☐ 4. Copy of Parcel Diary

\*Required for transactions to be sent to OREDS for review and approval.



(This form is required for transactions that exceed \$150,000 and that have to go to GS.)

Project: \_\_\_\_\_

Date: \_\_\_\_\_

### **CERTIFICATE OF VISUAL INSPECTION**

An inspection has been made of certain real property in the County of \_\_\_\_\_, identified as Assessor's Parcel No(s). \_\_\_\_\_ by an employee of the Department of Water Resources, who is competent to recognize property easements and encumbrances. Such inspection reveals no visible evidence of the existence of easements or rights of way thereon or claims of right to or interest in said real property or any part thereof pursuant to unrecorded leases, licenses, or contracts or by virtue of adverse possession, other than those matters disclosed by the preliminary title report or as noted herein.

Department of Water Resources

By: \_\_\_\_\_