EXHIBIT 22-A



5 Harris Court, Bldg. G P.O. Box 85, Monterey, CA 93942 Phone: 831-658-5600/Fax: 831-644-9560 www.mpwmd.dst.ca.us

Recording Requested by:

Monterey Peninsula Water Management District (P&E)

And When Recorded Mail To:

Monterey Peninsula Water Management District Attention: Henrietta Stern Post Office Box 85 Monterey, California 93942-0085

AGREEMENT FOR THE MONTEREY PENINSULA WATER MANAGEMENT DISTRICT TO SELL AND THE BRANT FAMILY TRUST TO PURCHASE THE SCHULTE SOUTH IRRIGATION WELL

By this Agreement, the Monterey Peninsula Water Management District, a California special district ("District"), sells, and the Brant Family Trust ("Brant" purchases the Schulte South Irrigation Well and a portion of its appurtenances upon the terms and conditions stated below.

FACTS

1. The Schulte South Irrigation Well (the "Well") is located on real property owned by Brant at 8720 River Meadows Road ("Property") in Carmel Valley, California (APN 416-028-027). This Well and its appurtenances are a replacement for a well that was originally called the Pryor Well, which was owned by the Monterey Peninsula Water Management District (District) and began operation in 1988. The parcel designation for the Property was formerly APN 416-028-020.

In 1997 District and the Brant Family Trust (Brant) entered into a Well Use Agreement (Use Agreement), which gave the District the right to "drill, install, test, operate and maintain an irrigation well" on a portion of Brant's Property near the Carmel River for the purpose of riparian irrigation. In exchange for those rights, the Use Agreement gave Brant a connection to the well to use water on the Property. The Well to be transferred to Brant includes certain appurtenances consisting of a concrete pad, well casing, pump, pressure tank, electrical service and panel, and two connections to the Well. After execution of this Agreement, the District will retain ownership of certain of the appurtenances consisting of one meter, irrigation timer, and associated irrigation piping (District Appurtenances) and District will

- -remove a plastic 50-gallon solution tank associated with iron treatment for non-potable water use in the riparian corridor.
- 2. In 2006, at the request of Brant, the District processed a Water Distribution System (WDS) Exemption for the Well. As a condition precedent to issuing the Exemption, the District required Brant to purchase the Well and execute an amended Well Use Agreement to facilitate continued District irrigation of the riparian corridor. Coincident with the execution of this Agreement, Brant and the District will execute the amended Well Use Agreement.
- 3. The District has a continuing need, from time to time, to use the Well to irrigate the riparian corridor. Brant desires to cooperate with this effort, and shall enable District use of the Well, pursuant to the retained Easement created by this Agreement.

NOW THEREFORE, in consideration of the mutual promises contained herein, District and Brant agree as follows:

1. SALE OF WELL TO BRANT

- 1.1. <u>Sale Agreement.</u> In and for consideration of the consideration paid and covenants to be performed by Brant under this Agreement, District agrees to sell the Well and appurtenances (except for the District appurtenances) to Brant, and Brant agrees to acquire the Well from the District, on the terms and conditions set forth in this Agreement.
- 1.2. <u>Sales Price.</u> On or before the close of escrow, Brant shall pay to the District the sum of \$\frac{\pixxxxx}{3,454}\$.

2. RESERVATION OF RIGHTS

2.1. In and for consideration of conveyance of the Well and its appurtenances, the District shall reserve the right to the continued access and use of the Well for riparian irrigation, and well monitoring or water measurement purposes, in accordance with the terms and conditions, and for the period of time, contained in that certain Amended Well Use Agreement between District and Brant, a copy of which is attached hereto as Exhibit "A" and incorporated herein by reference (the "Amended Use Agreement"). Brant acknowledges that access to the Well for these purposes is an integral part of this Agreement. This Agreement shall become null and void, and the Well and its appurtenances shall revert to the sole ownership of the District in the event Brant, or its successors or assign, materially interfere with use of the Well as provided in the Use Agreement.

3. REPAIRS; RESTORATION

3.1. The shared responsibilities for the operation, improvement, maintenance, repair, restoration and replacement of the Well and its appurtenances, and the costs thereof, shall be as provided in the Use Agreement. Brant shall obtain and maintain in force so long as feasible, a policy of insurance covering the cost of restoration or replacement of the Well should the Well fail or be destroyed from any cause other than the intentional or willfully negligent act or failure to act of District or Brant. The premiums for the insurance shall be deemed a "Cost" as defined in Paragraph

4 of the use Agreement, and the cost thereof shared by District and Brant as provided in the use Agreement for the pro rata sharing of costs for repairs and maintenance. If insurance proceeds are inadequate to cover the full costs of restoration or replacement, the deficiency shall be borne by District and Brant in accordance with the cost-sharing formula contained in the Use Agreement.

4. MUTUAL INDEMNITY

- 4.1. <u>Indemnity of Brant</u>. The District shall defend, indemnify and hold Brant and its officers, directors, employees, agents and affiliates and their respective assets, free and harmless against and from any and all liabilities, claims, losses, damages, and expenses (including attorneys' fees and court costs) resulting from or arising out of District's use of the Well or its improvements, except as liabilities, claims, losses, damages, or expenses arising from Brant's negligence or willful misconduct.
- 4.2. <u>Indemnity of District</u>. Brant shall defend, indemnify and hold the District and its officers, directors, employees, agents and affiliates and their respective assets, free and harmless against and from any and all liabilities, claims, losses, damages, and expenses (including attorneys' fees and court costs) resulting from or arising out of Brant's occupation or use of the Property and Well Site, except as to liabilities, claims, losses, damages, or expenses arising from the District's negligence or willful misconduct.

5. DEFAULT; REMEDIES

- 5.1. Breach by Brant. All covenants and agreements contained in this Agreement (including the Amended Use Agreement) are integral to this sale. Should Brant fail to perform any covenant, condition, or agreement contained in this Agreement, and the default is not be cured within sixty (60) days after written notice of the default is served on District by Brant, then the District may declare this sale to be null and void, and may repossess and use the Well and its appurtenances, subject to the terms and conditions of the original 1997 Well Use Agreement. In the event that District exercises it right to declare this sale null and void and repossess the Well and its appurtenances, the District shall promptly refund the Sales Price to Brant.
- 5.2. <u>Breach by District.</u> All covenants and agreements contained in this Agreement (including the Amended Use Agreement) are integral to this sale. Should District fail to perform any covenant, condition, or agreement contained in this Agreement, and the default is not cured within sixty (60) days after written notice of the default is served on District by Brant, then Brant may elect, in addition to any other remedies that may be available to Brant at law or in equity, elect to terminate the Amended Agreement and thereby terminate the District's right to take water from the Well.
- 5.3. <u>Waiver of Breach.</u> The waiver by District of any breach by Brant of any of the provisions of this Agreement shall not constitute a continuing waiver or a waiver of any subsequent breach of either the same or a different provision.

6. **DISPUTES**.

6.1. <u>Statement of Dispute; Process.</u> In the event of a dispute arising out of this Agreement either Party shall, as soon as a conflict is identified, submit a written statement of the conflict to the other Party. Within five working days of receipt of such a statement of conflict, the second Party

will respond and a meeting will be arranged not more than five working days thereafter to arrive at a negotiated settlement or procedure for settlement. If, within 20 working days from the initial filing of a statement of conflict a settlement cannot be reached, the Parties agree to mediate any disagreements in good faith. Should these dispute resolution procedures fail to resolve a dispute between the parties, it is agreed that the dispute may be resolved in a court of law competent to hear the matter.

7. OTHER PROVISIONS

<u>Notices</u>. All notices required or permitted by this Agreement shall be in writing and may be delivered by overnight courier or may be sent by certified mail, with postage prepaid, and shall be deemed sufficiently given if served in a manner specified in this Section. Until changed by a notice given in accordance with the provisions of this Section, the respective addresses of the District and of Brant for the purpose of receiving notices are as follows:

Brant:

Gary M. and Ingrid B. Brant Trustees of the Brant Family Trust 8720 River Meadow Road Carmel, California 93923

District:

Monterey Peninsula Water Management District 5 Harris Court, Building G Monterey, CA 93942-0085 Attn: General Manager

- 7.1. <u>Governing Law; Venue</u>. This Agreement, and all matters relating to this Agreement, shall be governed by the laws of the State of California in force at the time any need for interpretation of this Agreement. Venue shall be in the County of Monterey.
- 7.2. <u>Binding on Heirs and Successors</u>. This Agreement shall be binding on and shall inure to the benefit of the heirs, executors, administrators, successors, and assigns of the parties hereto, but nothing in this section shall be construed as consent by either Party to any assignment of interest.
- 7.3. <u>Entire Agreement</u>. This instrument constitutes the sole and only agreement between Brant and the District respecting the Well Site and its improvements. Any agreements or representations respecting the Property or any other matter discussed in this document not expressly set forth in this instrument are null and void.
- 7.4. <u>No Joint Venture or Partnership.</u> Nothing in this Agreement shall be construed to render the District in any way or for any purpose a partner, joint venturer, or associate in any relationship between Brant and the District, nor shall this Agreement be construed to authorize either to act as agent for the other.

- 7.5. <u>Recording</u>. This Agreement shall be recorded in the official records of the County of Monterey Recorder's Office.
- 7.6. <u>Effective Date</u>. The effective date of this document shall be upon Brant obtaining title to the Property.
- 7.7. <u>Counterparts</u>. This Agreement may be executed in counterparts, all of which together shall constitute one and the same document.

BRANT FAMILY TRUST

Date:	Date:
Print Name:	Print Name:
Title:	Title:
[Signature]	[Signature]
[Notarization Required]	
MONTEREY PENINSULA WATER MANAG	EMENT DISTRICT,
Date:	
Print Name:	•
Title:	
[Signature]	
[Notarization Required]	