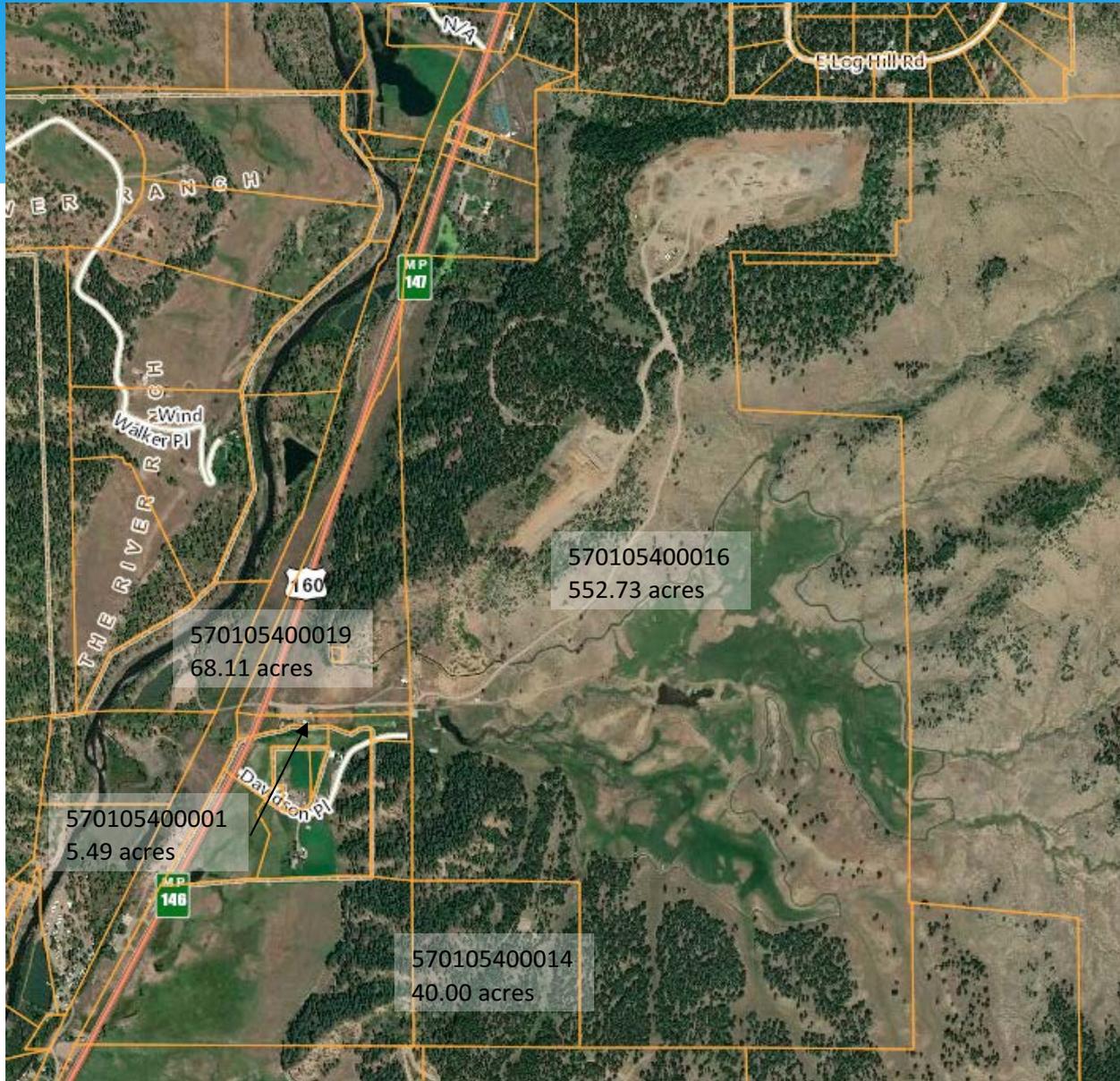# Running Iron Ranch Purchase

* Running Iron Ranch
  * 666 Acres ±
  * $10,219,363
    * $9,219,363 loan
    * 1,000,000 grant
  * 2015 Appraised Value $4,565,000 (includes water rights)
  * Park Ditch Water Rights
    * 9.1 CFS
      * 39 "A" shares 52 "C" shares
    * PAWSD acquired an additional 10 shares (1 cfs) with the inclusion of Log Park

CWCB Re-Structured Agreement

* Loan A (Planning Period)
  * $4,290,930.32
  * 20 years (9/23/2016 to 2036)
  * 1.75%
* Loan B (Optional Extended Planning Period)
  * $4,565,000
  * Deferred for 20 years (2036 to 2056)
  * 3.50%

CWCB Re-Structured Agreement

* SJWCD Agrees to:
  * Lead the long-term management of the Project.
  * Develop additional Project stakeholders.
  * Use best efforts to pursue additional land necessary for the Project w/ written approval from the CWCB and PAWSD.
  * Obtain written approval from the CWCB and PAWSD before proceeding with any land exchanges.
  * Take the lead on future water court proceedings in relation to the Project.

CWCB Re-Structured Agreement

* PAWSD Agrees to:
    * Project is preferred option for **long**-term water planning.
    * Plan for all future water demands will first be met w/ Project water.
    * File joint applications with SJWCD for finding of reasonable diligence when required by the Water Court.
    * No less than 50% of annual payment savings from principal and interest rate reductions to be used on water loss efforts on distribution system – annual report on said efforts due to CWCB by September 1st.

CWCB Re-Structured Agreement

* AGREEMENT PROVISIONS SUMMARY:
    * CWCB agreed to reduce principal and interest rate on the original loan in exchange for PAWSD and SJWCD continued interest in Project and water conservation/leak efforts.
    * SJWCD to take lead on Project in coordination with CWCB and PAWSD.
    * Planning period is 20 years and can be extended for an additional 20 years.
    * PAWSD cannot sell off any part of the property.
    * PAWSD and SJWCD continue "due diligence" on Project water rights in water court.
    * If Project property is sold, CWCB gets first right of refusal and can impose various "penalty" structures depending on circumstances.

CWCB Re-Structured Agreement

* "Penalties"
  * If Project is not constructed:
    * PAWSD and SJWCD shall repay the $1,000,000 grant at 3.50% interest from original date of grant.
  * If property is sold during planning period:
    * Loan A Repayment at 3.5% interest back dated to 9/23/2016
    * Loan B Repayment at 3.5% interest back dated to 9/23/2016
    * CWCB also gets 50% of any money above everything owed.

Weber Lease Agreements

* January 3rd 2008 to January 3rd 2023
* $1.00/year
* 4 separate agreements
    * 57010540016 (68.11 acres) & 57010540019 (552.73 acres)
    * 57108100001 (5.49 acres)
    * 57108100014 (40.00 acres)
    * Sand and gravel lease
* Must coordinate access with the Webers and cannot interfere with operations.
* "Landlord and Tenant may from time to time extend the Term by mutual written consent."

Weber Lease Agreements

* Additional Requirements:
  * Must provide irrigation water to Weber's retained property (expires if Webers no longer own the property).
  * Districts are required to pay all fees associated with Park Ditch (Webers get use of the water).
  * Districts cannot interfere with development of retained property.
  * Districts will provide access to retained property (Legal Access Easement has been provided).
  * Tenant shall comply with all applicable laws (including environmental laws).

Weber Agreement

* Conclusion of Lease
  * Webers are obligated to restore the premises and take all other actions required by applicable mining laws and regulations.
  * Webers may remove all personal property and improvements.
    * Property considered abandoned 60 days after lease expires or is terminated.