

**Board of Directors**

Walter Fasold, President  
Bruce Nix, Vice President  
James MacKenzie, Director  
Steve Dietrich, Director  
Myron Heavin, Director



1550 East Burton Mesa Blvd, Lompoc  
California, 93436-2100  
805.733.4366  
[www.mhcsd.org](http://www.mhcsd.org)

Loch A. Dreizler General Manager

## **MISSION HILLS COMMUNITY SERVICES DISTRICT**

### **Special Meeting Agenda**

4:30 PM Wednesday November 14, 2018

District Board Room – 1550 East Burton Mesa Blvd, Lompoc, CA

Noticed on: November 9, 2018

- 1. 4:30 PM Call to Order**
- 2. Roll Call**
- 3. Pledge of Allegiance**
- 4. Presentation (If applicable) - none**
- 5. Agenda Review** - Move that all Resolutions and Ordinances presented tonight be read in title only and all further reading be waived.
- 6. Consent Items** - Staff recommends Directors approve the Consent Items in one motion. However, members of the public may comment on a consent item and Directors may pull a consent item for discussion.

From Previous Month:

- a. Meeting Minutes – October 17, 2018
  - b. Water Report
  - c. Wastewater Report
  - d. Administrative Report
  - e. Financial and Expenditures Reports
- 7. Correspondence** - For information only, generally no Board action is required
    - a. Committee Meeting Updates and General Manager Goals
  - 8. Continued Business**
    - a. 1199 Purisima Road Property Purchase
    - b. McCarthy/ Summit View Homes Development Costs
  - 9. New Business**
    - a. Approve Resolution 18-324; Commendation of James MacKenzie

**10.Community Comments and Suggestions-** Members of the public may address the Board on any items of interest within the subject matter and jurisdiction of the Board that are not on this agenda. Public comments and suggestions are limited to three minutes.

**11.Communications-** Board of Directors or General Manager may ask a question for clarification, make an announcement, or report briefly on recent activities or conference. In addition, Directors may provide a reference to staff or other resources for information, direct staff to place a topic or report on a future committee or regular meeting agenda.

- VVCSD Joint Meeting

**12.Closed Session to begin at 5:30 pm**

- a. CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION Pursuant to Government Code 54956.9(d)(2) (One potential case; Burton Ranch Partners v. MHCSO)
- b. PUBLIC EMPLOYEE PERFORMANCE EVALUATION  
Pursuant to Government Code Section 54957:  
Title: General Manager

**13.Reconvene to Open Session**

**14.Adjournment-** Regular Board Meetings are held the third Wednesday of each month at 4:30 PM

---

Copies of the staff reports, or written materials provided to the Mission Hills for Open Session agenda items may be obtained online at <http://www.mhcsd.org/agenda-and-minutes/> and are also available at the Customer Service Counter of the District Office for public inspection and reproduction during normal business hours. Closed Session items are not available for public review.

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting or if you need the agenda and/or the documents in the agenda packet provided in an alternative format, please contact Board Secretary at 805.733.4366 at least 48 hours prior to the meeting to ensure that reasonable arrangements can be made. (Agenda Prepared pursuant to Government Code Section 54954.2)



## MISSION HILLS COMMUNITY SERVICES DISTRICT

### Regular Meeting Minutes

4:30 PM Wednesday October 17, 2018

The Regular Meeting of the Board of Directors of the Mission Hills Community Services District was called to order at 4:30 pm on Wednesday, October 19, 2018 at the District Meeting Room, 1550 East Burton Mesa Boulevard, Lompoc, California.

**DIRECTORS PRESENT:**

By roll call: Walt Fasold, Bruce Nix, Myron Heavin,  
James Mac Kenzie, and Steve Dietrich

**DIRECTORS ABSENT:**

none

**STAFF PRESENT:**

Loch Dreizler, Melissa Crouthers, and Casey  
Fowler

**OTHERS PRESENT:**

Allen Eschenbach, Ron Herbig, Chris Smith,  
and Candice Harvell

**3. PLEDGE OF ALLEGIANCE:**

- 4. SPECIAL PRESENTATION:** Allen Eschenbach from Glenn Burdette presented the Draft 2017/2018 Financial Statements for Board review and comment.

- 5. AGENDA REVIEW:** Motion by Director Fasold, second by Director Heavin that all resolutions and ordinances presented tonight be read in title only and all further readings be waived. Unanimous 5-0.

**6. CONSENT AGENDA:**

Motion by Director Nix, second by Director Heavin to approve the Consent Agenda after review.

**Agenda Item 6a. Consideration of Approval of Minutes**  
Approved Minutes of the Regular Meeting of September 19, 2018

**Agenda Item 6b. Reports on Water, Wastewater and Street Sweeping.**  
Street Sweeping Report, Water Reports and Wastewater Reports were reviewed.

**Agenda Item 6c. Consideration of the Manager's Project and Financial Reports.**  
September Profit and Loss Statement, Disbursements Journal, Budget to Actual, Bank Account Summary, Variations from Projected Income statements, and Well Energy Usage were briefly reviewed and discussed.

Vote to approve the Calendar of Consent was 5-0

**7. CORRESPONDENCE:**

**Agenda Item 7a. Committee Meeting Updates**

General Manager Dreizler gave a brief update regarding the committee meetings that have occurred over the past month and what tentative meetings are scheduled for the next month.

**Agenda Item 7b. Response to Developer's Letters**

General Manager Dreizler stated that he wanted to clarify some of the inconsistencies in a letter that was provided as public comment during the last board meeting by the Towbes Group and McCarty Homes for the District to receive and file for future use if needed. President Fasold recommended a letter be sent to the developers clarifying these inconsistencies.

**8. CONTINUED BUSINESS:**

**Agenda Item 8a. Fiscal Year Ended June 30, 2018 draft Audited Financial Statements**

Motion by Director Fasold, second by Director Mac Kenzie to approve the Fiscal Year Ended June 30, 2018 Draft Audited Financial Statements prepared by Glenn Burdett Attest Corporation as discussed and presented by the representative this evening. Motion to approve was 5-0.

**9. NEW BUSINESS:**

**Agenda Item 9a. Lighting Fixture Replacement**

General Manager Dreizler noted that the Operations Committee met on October 3, 2018 with Eco-Green Solutions and discussed a proposal to incorporate Energy Star rated products and requested the board approve a motion to allow the General Manager to contract with PG&E and Eco-Green Solutions to replace 87 lighting fixtures.

Motion by Director Nix, second by Director Mac Kenzie to direct the General Manager to move forward with a lighting fixture replacement project that he sees fit. Motion to approve was 5-0.

**Agenda Item 9b. Purchase of Updated Citizens Band (CB) Radios**

Motion by Director Mac Kenzie, second by Director Heavin to approve the proposal from Advanced Wireless with a cost not to exceed \$6,500.00. Motion to approve was 5-0.

**10. COMMUNITY COMMENTS AND SUGGESTIONS:      None**

**11. COMMUNICATIONS:**

General Manager Dreizler commented:

- Vandenberg Village Rotary will be holding a BBQ fundraiser here on October 20, 2018 from 11-1 in an effort to raise money for new playground equipment.
- Supervisor Hartmann will be here October 25 at 12:30 for a meeting and tour of our district. She will then do her Office Hours with the public from 1:30 to 3 pm.
- The November Board Meeting has been rescheduled for November 14, 2018 due to Thanksgiving.
- It was recommended that the Board of Directors notify the Board Secretary of vacations to ease the meeting schedule process.

A Break was called at 6:00 pm

The Meeting was reconvened at 6:05 pm

**12. CLOSED SESSION:**

Closed session began at 6:05 pm for conference with real property negotiators

**13. RECONVENE TO OPEN SESSION:**

The meeting was reconvened at 6:25 pm. Reportable action was to continue negotiations on parcel number 097-700-034. It was noted that Closed Session for Public Employee Performance Evaluation will be moved to the November Special Meeting.

**14. ADJOURNMENT:**

There being no further business to come before the Board the meeting was adjourned at 6:26 pm.

Respectfully Submitted,

---

Casey Fowler  
Secretary, Board of Directors

---

Walter Fasold  
President, Board of Directors



## **MISSION HILLS COMMUNITY SERVICES DISTRICT**

### **Water Reports – October 2018**

**Distributed:** 14,976,824 gallons

#### **Reservoirs**

- Checked chlorine levels weekly
- Made repairs and adjustments to gates

#### **Treatment Plant**

- Replaced chlorine supply line from storage tank
- Rebuilt phosphate pump
- Cleaned chlorine injection lines

#### **Distribution System**

- Collected and reported weekly chlorine and phosphate results
- Sampled "Bac-T" (coliform detection) every Wednesday
- Replaced hardware on 8" Cla-Val valve at Lane's End housing development. New pressure gauges, supply lines and CRD speed control valve, working properly and maintaining 60 PSI during wide open hydrant flow
- Switched out 5 water meters

#### **Miscellaneous**

- Conducted site risk assessment with Lee Patton from JPIA
- Removed deteriorated playground equipment, and hauled away
- Ordered and replaced suction lines on vac trailer



## **MISSION HILLS COMMUNITY SERVICES DISTRICT**

### **Wastewater Reports – October 2018**

#### **Influent**

- Total Influent: 6,834,965 gallons
- Percentage returned:  $6,834,965 / 14,976,824 = 46\%$
- Average Flow: 220,500 gallons/ day
- Total trash removed from headworks: 255 lbs.

#### **Wastewater Treatment Plant**

- Removed Flo-Dar, installed loaner, Shipped MHCSO FLO-DAR out for factory calibration
- Continued increasing and adjusting pond levels for best performance
- Continued monitoring dissolved oxygen (DO) to optimize aerator placement and run times
- Adjusted Baffles
- Skimmed scum and duckweed from Pond #2
- Sampled BOD, TN, TSS, Chloride, TDS first week of the month
- Sampled Total Nitrogen package the third week of the month
- Controlled varmint and weed abatement
- Installed grinder and motor at headworks

#### **Lift Station**

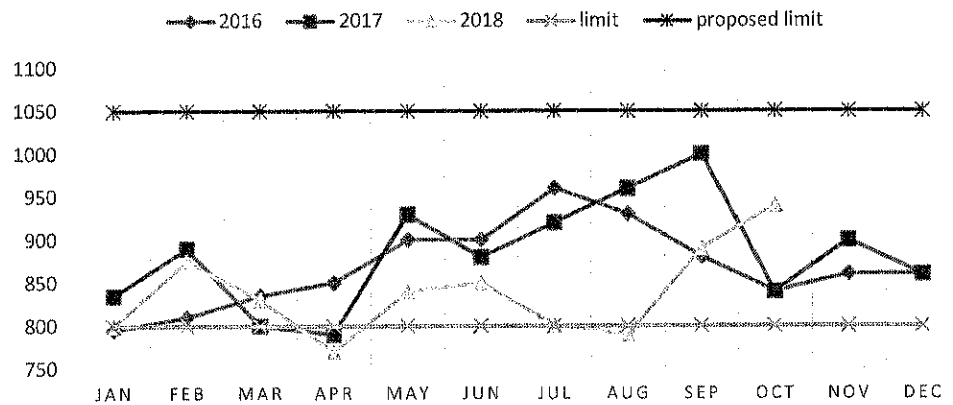
- Monitored daily

## Sewer Plant Performance

### Total Dissolved Solids (mg/L)

	2016	2017	2018
Jan	795	835	800
Feb	810	890	875
Mar	835	800	830
Apr	850	790	770
May	900	930	840
Jun	900	880	850
Jul	960	920	800
Aug	930	960	790
Sep	880	1000	890
Oct	840	840	940
Nov	860	900	
Dec	860	860	

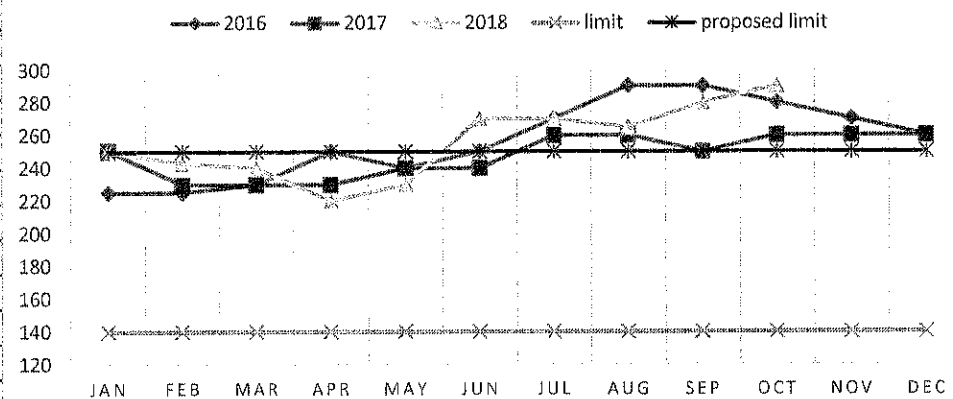
### TOTAL DISSOLVED SOLIDS (MG/L) - LIMIT 800



### Chlorides (mg/L)

	2016	2017	2018
Jan	225	251	250
Feb	225	230	243
Mar	230	230	240
Apr	250	230	220
May	240	240	230
Jun	250	240	270
Jul	270	260	270
Aug	290	260	265
Sep	290	250	280
Oct	280	260	290
Nov	270	260	
Dec	260	260	

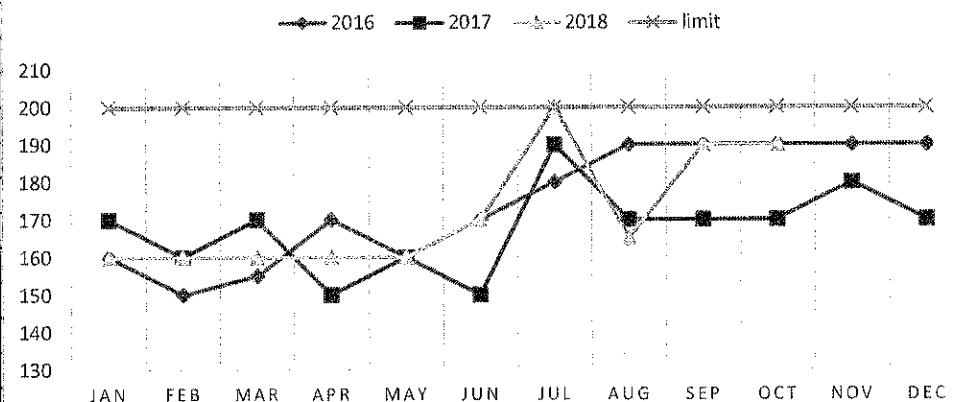
### CHLORIDE (MG/L) - LIMIT 140



### Sodium (mg/L)

	2016	2017	2018
Jan	160	170	160
Feb	150	160	160
Mar	155	170	160
Apr	170	150	160
May	160	160	160
Jun	170	150	170
Jul	180	190	200
Aug	190	170	165
Sep	190	170	190
Oct	190	170	190
Nov	190	180	
Dec	190	170	

### SODIUM (MG/L) - LIMIT 200



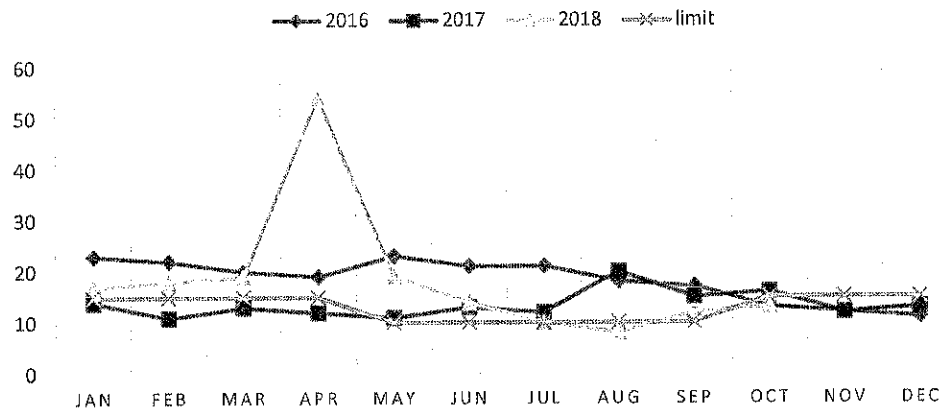
\* the proposed limit will not change with the new WDR



# Nitrogen (mg/L)

## TOTAL NITROGEN (MG/L) - LIMIT 10(MAY-SEP)/15 (OCT-APR)

	2016	2017	2018
Jan	23	14	17
Feb	22	11	18
Mar	20	13	19
Apr	19	12	54
May	23	11	19
Jun	21	13	14
Jul	21	12	10
Aug	18	20	8
Sep	17	15	12
Oct	13	16	13
Nov	12	12	
Dec	11	13	



\* the proposed limit will not change with the new WDR

## Yearly Average Comparison

	limit	2012	2013	2014	2015	2016	2017	2018
Total Dissolved Solids (mg/L)	800	878	865	858	852	868	884	839
Chloride (mg/L)	140	257	256	248	254	257	248	256
Sodium (mg/L)	200	171	154	167	169	175	168	172
Total Nitrogen (mg/L)	15/10	19	14	14	15	18	15	18

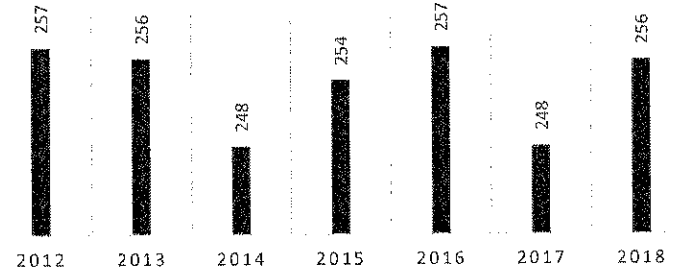
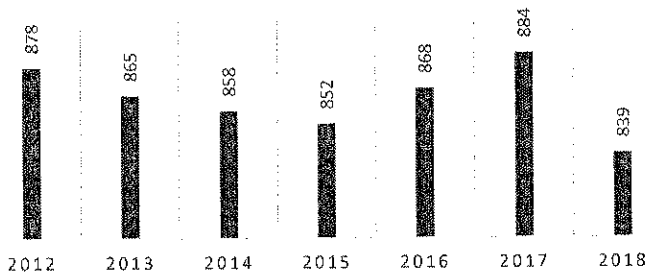
2018 Total Nitrogen is going to average high based on the one month of high numbers due to pond stabilization after Pond #1 came back in service. Average number without that month would be 14

## Possible New WDR Limits

Total Dissolved Solids (mg/L)	1250
Chloride (mg/L)	250
Sodium (mg/L)	250
Total Nitrogen (mg/L)	15/10

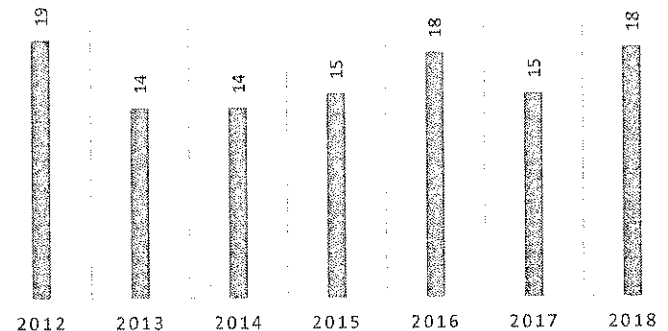
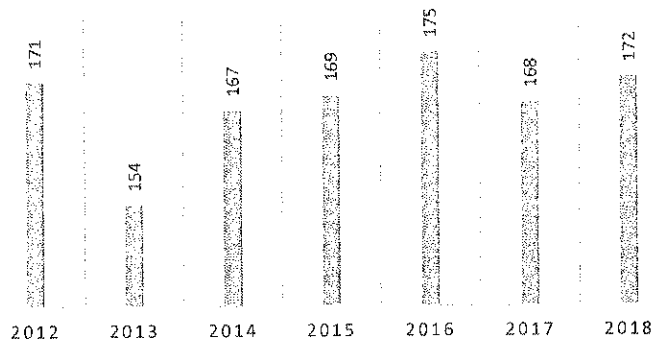
## TOTAL DISSOLVED SOLIDS (MG/L) - LIMIT 800

## CHLORIDE (MG/L) - LIMIT 140



## SODIUM (MG/L) - LIMIT 200

## TOTAL NITROGEN (MG/L)- LIMIT 15/10



\*2014 Total Nitrogen Sample Protocol was changed



## **MISSION HILLS COMMUNITY SERVICES DISTRICT**

### **Administrative Report – October 2018**

#### **Accountant**

- Concluded fiscal year ended June 30, 2018 Audit; Audit accepted at Oct 17<sup>th</sup> Board Meeting
- Attended web-based training class for JPIA Professional Development Program
- Completed and filed 3<sup>rd</sup> Quarter Payroll Tax Returns
- Assisted General Manager in establishing Personnel Annual Review Procedures

#### **Administrative Assistant**

- Attended CSDA Annual Conference for Board Secretary Certification
- Met with Rick Hoffman to discuss future well locations
- Conference call / demonstration with Dude Solutions (preventative management program)
- Continued administrative support regarding future developments
- Completed Annual Customer Backflow Reports

#### **General Manager**

- Facilitated visit with Supervisor Joan Hartmann
- Wrote Development Agreement for Summit View
- Met with City of Lompoc Interim Utility Director and VVCSD General Manager
- Attended Fund Raiser for Playground Equipment



**MISSION HILLS COMMUNITY SERVICES DISTRICT**  
**Financial and Expenditures Report – October 2018**

- Profit and Loss by previous comparison
- Disbursements Journal
- Variation from Projected Income
- RNC Genter

**Mission Hills Community Services District  
Profit & Loss Prev Year Comparison**

October 2018

	Oct 18	Oct 17	\$ Change	Notes
<b>Ordinary Income/Expense</b>				
<b>Income</b>				
4005 • 48 hour notice fees	655.00	5.00	650.00	
4025 • Construction hydrant meter	250.00	0.00	250.00	
4045 • Late fees	2,239.73	1,942.65	297.08	
4050 • Miscellaneous income	25.00	10.00	15.00	
4060 • Reconnection fees	210.00	175.00	35.00	
4075 • Returned check fees	25.00	0.00	25.00	
4085 • Sewer basic charges	69,621.84	64,284.14	5,337.70	
4095 • Street sweeping charges	1,502.16	1,510.08	-7.92	
4105 • Water basic charges	53,430.29	51,732.14	1,698.15	
4115 • Water usage charges	42,649.53	44,206.36	-1,556.83	
4200 • Discount Revenue	9.69	1.02	8.67	
<b>Total Income</b>	<b>170,618.24</b>	<b>163,866.39</b>	<b>6,751.85</b>	
<b>Expense</b>				
6000 • Salaries and wages				
6005 • Wage expense	42,555.87	44,155.66	-1,599.79	
6010 • Payroll tax expense	3,501.80	3,837.87	-336.07	
<b>Total 6000 • Salaries and wages</b>	<b>46,057.67</b>	<b>47,993.53</b>	<b>-1,935.86</b>	
6050 • Employee benefits				
6060 • Disability insurance	242.32	234.91	7.41	
6065 • Health insurance	11,472.63	9,733.75	1,738.88	
6070 • Medical reimbursements	281.40	0.00	281.40	
6075 • Retirement expenses	1,123.57	1,241.45	-117.88	
6085 • Workers compensation expense	4,543.23	4,363.96	179.27	
6090 • Vacation & Sick Leave	3,102.80	2,758.00	344.80	
6095 • Benefit Administration	84.99	82.91	2.08	
<b>Total 6050 • Employee benefits</b>	<b>20,850.94</b>	<b>18,414.98</b>	<b>2,435.96</b>	
6100 • Director fees	0.00	2,375.00	-2,375.00	October Mtgs Paid in November
6110 • Depreciation expense	28,233.44	25,308.99	2,924.45	
6140 • Vehicle expenses				
6145 • Tractor and equipment	0.00	182.62	-182.62	
6150 • Vehicle fuel	1,049.01	673.14	375.87	
6155 • Vehicle maintenance	190.72	314.11	-123.39	
<b>Total 6140 • Vehicle expenses</b>	<b>1,239.73</b>	<b>1,169.87</b>	<b>69.86</b>	
6170 • Insurance expense				
6180 • Liability insurance	1,979.00	2,177.17	-198.17	
<b>Total 6170 • Insurance expense</b>	<b>1,979.00</b>	<b>2,177.17</b>	<b>-198.17</b>	
6190 • Dues and memberships	9,561.55	8,599.90	961.65	
6200 • Office expenses				
6210 • Cash (over) / short	-1.99	-0.15	-1.84	
6220 • Licenses and fees	60.00	170.00	-110.00	
6225 • Miscellaneous expenses	331.34	743.99	-412.65	
6230 • Office supplies	401.58	348.92	52.66	
6235 • Postage expense	10.00	0.00	10.00	
6245 • Office Equipment	758.58	0.00	758.58	Copier Maintenance
<b>Total 6200 • Office expenses</b>	<b>1,559.51</b>	<b>1,262.76</b>	<b>296.75</b>	
6300 • Operating supplies and expenses				
6310 • Miscellaneous supplies	0.00	60.27	-60.27	

# Mission Hills Community Services District Profit & Loss Prev Year Comparison

October 2018

	Oct 18	Oct 17	\$ Change	Notes
6330 • Shop supplies	236.03	0.00	236.03	
6335 • Small tools and appliances	909.00	1,100.79	-191.79	Saw Repair
6340 • Chemicals				
6345 • Corrosion inhibitor	0.00	6,614.14	-6,614.14	
6347 • Other chemicals	0.00	1,290.00	-1,290.00	
Total 6340 • Chemicals	0.00	7,904.14	-7,904.14	Timing of Orders
Total 6300 • Operating supplies and expenses	1,145.03	9,065.20	-7,920.17	
6350 • Safety expenses				
6360 • Protective Clothing/Uniforms	0.00	667.19	-667.19	
6365 • Safety equipment	111.47	0.00	111.47	
6375 • Other safety expenses	118.26	0.00	118.26	
Total 6350 • Safety expenses	229.73	667.19	-437.46	
6410 • Contractual services				
6420 • Cleaning service	200.00	200.00	0.00	
6430 • Internet access	128.16	126.01	2.15	
6435 • Landscaping services	263.67	262.87	0.80	
6445 • Security expense	112.50	1,155.30	-1,042.80	
6450 • Software support	0.00	163.79	-163.79	
6453 • Software Subscriptions	14.99	0.00	14.99	
6455 • Street sweeping services	1,286.00	1,286.00	0.00	
6466 • Emissions Testing	494.00	751.50	-257.50	
Total 6410 • Contractual services	2,499.32	3,945.47	-1,446.15	
6475 • Professional services				
6476 • Financial Management Fees	0.00	3,357.00	-3,357.00	
6480 • Accounting services	7,985.00	7,790.00	195.00	Annual Audit Fee
6485 • Engineering services	5,180.00	159.50	5,020.50	Well Site Consultation
6490 • Legal services	913.50	756.00	157.50	
6495 • Human Resources services	0.00	220.00	-220.00	
Total 6475 • Professional services	14,078.50	12,282.50	1,796.00	
6500 • Printing and publication	623.55	17.40	606.15	
6505 • Equipment lease and rentals	560.75	560.75	0.00	
6525 • Research and monitoring				
6530 • Lab & Testing Expenses	461.80	0.00	461.80	
6535 • Monitoring expense	1,753.56	1,494.00	259.56	
Total 6525 • Research and monitoring	2,215.36	1,494.00	721.36	
6600 • Travel and meetings				
6605 • Director training	0.00	1,510.96	-1,510.96	
6610 • Meals	102.41	237.49	-135.08	
6620 • Staff training	1,492.39	1,143.54	348.85	
Total 6600 • Travel and meetings	1,594.80	2,891.99	-1,297.19	
6650 • Utilities				
6655 • Cell phones	171.50	176.23	-4.73	
6665 • Electrical	15,938.75	8,857.09	7,081.66	Well 5 & Well 7
6670 • Natural gas	454.70	2,712.73	-2,258.03	Well 6 down
6685 • Telephone	300.57	296.79	3.78	
6691 • Trash & Recycling	214.87	46.86	168.01	
Total 6650 • Utilities	17,080.39	12,089.70	4,990.69	
6700 • Government fees and charges	2,111.00	0.00	2,111.00	USGS Study Share
6720 • Repairs and maintenance				

**Mission Hills Community Services District**  
**Profit & Loss Prev Year Comparison**  
October 2018

	<u>Oct 18</u>	<u>Oct 17</u>	<u>\$ Change</u>	<u>Notes</u>
6730 • Distribution expense	4,964.51	4,798.24	166.27	Main Break; Backflow device
6740 • Hydrants	68.09	0.00	68.09	
6750 • Collection expense	1,518.66	5,487.28	-3,968.62	Traffic Control
6760 • Shop and equip repairs	49.71	0.00	49.71	
6765 • Supplies and small tools	0.00	102.34	-102.34	
6785 • Wells and pumping	112.00	1,132.61	-1,020.61	
6790 • Waste water plant	1,356.72	563.75	792.97	Flo-Dar svc; Grinder Motor
6795 • Other repairs and maintenance	3.19	0.00	3.19	
<b>Total 6720 • Repairs and maintenance</b>	<u>8,072.88</u>	<u>12,084.22</u>	<u>-4,011.34</u>	
<b>Total Expense</b>	<u>159,693.15</u>	<u>162,400.62</u>	<u>-2,707.47</u>	
<b>Net Ordinary Income</b>	<u>10,925.09</u>	<u>1,465.77</u>	<u>9,459.32</u>	
<b>Other Income/Expense</b>				
<b>Other Income</b>				
7006 • Market Appreciation/(Depr)	-4,306.10	-8,576.45	4,270.35	
7010 • Interest income	10,991.84	11,977.85	-986.01	
<b>Total Other Income</b>	<u>6,685.74</u>	<u>3,401.40</u>	<u>3,284.34</u>	
<b>Net Other Income</b>	<u>6,685.74</u>	<u>3,401.40</u>	<u>3,284.34</u>	
<b>Net Income</b>	<u><u>17,610.83</u></u>	<u><u>4,867.17</u></u>	<u><u>12,743.66</u></u>	

Mission Hills Community Services District  
Disbursements Journal

October 2018

Date	Num	Name	Amount	Notes
1060 - CHCU - General 4163				
10/01/2018		Tierzero	-90.00	
10/03/2018	29884	Backflow Apparatus & Valve Co	-317.96	
10/03/2018	29885	Brenntag Pacific, Inc	-6,121.51	Chlorine/Aquapure
10/03/2018	29886	Cash (petty cash)	-61.23	
10/03/2018	29887	Comcast Cablevision	-126.01	
10/03/2018	29888	STAFF TRAINING	-533.76	
10/03/2018	29889	MEDICAL REIMBURSEMENT	-251.40	
10/03/2018	29890	PERMIT FEE REIMBURSEMENT	-296.00	
10/03/2018	29892	Ferguson Enterprises, Inc.	-140.86	
10/03/2018	29893	Frontier Communications	-150.59	
10/03/2018	29894	Gas Company	-5,766.47	
10/03/2018	29895	Government Finance Officers Assoc	-160.00	
10/03/2018	29896	JB Dewar Inc	-133.87	
10/03/2018	29897	Jon's Lawn Mowing	-276.59	
10/03/2018	29898	Mission Paving Inc	-5,500.00	Concrete/Asphalt Repair
10/03/2018	29899	O'Conner Pest Control	-50.00	
10/03/2018	29900	Oilfield Environmental & Compliance, Inc.	-817.00	
10/03/2018	29901	PG&E	-4,016.39	
10/03/2018	29902	Standard Insurance Company	-242.32	
10/03/2018	29903	Sunbelt Rentals Inc	-706.57	
10/03/2018	29904	Todd Pipe & Supply Inc	-388.28	
10/03/2018	29905	REFUND	0.00	
10/03/2018	29906	REFUND	-27.17	
10/03/2018	29907	REFUND	-95.52	
10/10/2018	29908	ACWA Joint Powers Insurance Authority	-4,543.23	Workers Comp Ins
10/10/2018	29909	ACWA Joint Powers Insurance Authority	-23,748.00	General Liability Ins
10/10/2018	29910	ACWA/JPIA *Medical Insurance	-11,830.13	
10/10/2018	29911	Air Resources Board - PERP	-570.00	
10/10/2018	29912	American Industrial Supply	-964.15	
10/10/2018	29913	Carmel & Naccasha LLP	-237.51	
10/10/2018	29914	County of Santa Barbara- Gen Svcs	-1,406.45	
10/10/2018	29915	County of Santa Barbara PW Trans	-95.00	
10/10/2018	29916	East Mesa Oaks HOA	-71.76	
10/10/2018	29917	FIA/Bank of America	-5,240.98	Staff Training/Safety
10/10/2018	29918	Frontier Communications	-78.63	
10/10/2018	29919	Home Depot	-261.24	
10/10/2018	29920	Lompoc Phone And Computer LLC	-300.00	
10/10/2018	29921	NBS	-1,187.50	
10/10/2018	29922	Office Depot	-63.96	
10/10/2018	29923	Oilfield Environmental & Compliance, Inc.	-390.00	
10/10/2018	29924	Staples	-80.35	
10/10/2018	29925	TD Ameritrade Trust Company	-7,410.07	457(b) Contributions
10/10/2018	29926	Ultrex Inc	-857.58	
10/10/2018	29927	Underground Service Alert of SC	-11.55	
10/10/2018	29928	USA BlueBook	-1,012.70	
10/10/2018	29929	Verizon	-171.20	
10/10/2018	29930	Waste Management	-214.87	
10/10/2018	29931	MEDICAL REIMBURSEMENT	-30.00	
10/10/2018	29932	ARMAND TAVARES	-145.00	
10/17/2018	29933	ACECO Equipment Rentals	-280.37	
10/17/2018	29934	STAFF TRAINING	-235.40	
10/17/2018	29935	Assn of CA Water Agencies	-9,319.95	2019 Agency Dues
10/17/2018	29936	Backflow Apparatus & Valve Co	-178.87	
10/17/2018	29937	Cannon	-4,631.00	Water Model Update

# Mission Hills Community Services District Disbursements Journal

October 2018

Date	Num	Name	Amount	Notes
10/17/2018	29938	Energy Link	-1,002.23	
10/17/2018	29939	Fowler, Casey-v	-995.11	
10/17/2018	29940	PG&E	-11,933.56	
10/17/2018	29941	Smith Alarms & Electronics, Inc.	-112.50	
10/17/2018	29942	Sunbelt Rentals Inc	-71.76	
10/17/2018	29943	Todd Pipe & Supply Inc	-124.03	
10/17/2018	29944	WaterWisePro Training	-150.00	
10/24/2018	29945	American Industrial Supply	-68.09	
10/24/2018	29946	Backflow Apparatus & Valve Co	-679.04	
10/24/2018	29947	Cannon	-495.00	
10/24/2018	29948	East Mesa Oaks HOA	-68.66	
10/24/2018	29949	Frontier Communications	-183.55	
10/24/2018	29950	JB Dewar Inc	-52.80	
10/24/2018	29951	Juana Rodriguez	-200.00	
10/24/2018	29952	Mission Paving Inc	-700.00	
10/24/2018	29953	Mr. Backflow	-1,999.00	Backflow Device - Lewis Dr
10/24/2018	29954	Oilfield Environmental & Compliance, Inc.	-108.00	
10/24/2018	29955	PG&E	-12.24	
10/24/2018	29956	Pro Tint	-336.18	
10/24/2018	29957	SP Maintenance Services, Inc.	-1,286.00	
10/24/2018	29958	State Water Resources Control Board *Op C	-60.00	
10/24/2018	29959	TD Ameritrade Trust Company	-3,714.24	457(b) Contributions
10/24/2018	29960	USA BlueBook	-249.68	
10/24/2018	29961	Valley Rock Ready Mix, Inc.	-354.50	
10/31/2018	29962	American Industrial Supply	-195.47	
10/31/2018	29963	Backflow Apparatus & Valve Co	-374.97	
10/31/2018	29964	Cash (petty cash)	-23.15	
10/31/2018	29965	Central City Tool Supply	-1,238.81	Saw Repair
10/31/2018	29966	Comcast Cablevision	-128.16	
10/31/2018	29967	FIA/Bank of America	-3,906.97	Staff Training/Safety
10/31/2018	29968	Hach Company	-504.00	
10/31/2018	29969	Jon's Lawn Mowing	-263.67	
10/31/2018	29970	Lompoc Phone And Computer LLC	-600.00	
10/31/2018	29971	Santa Ynez River Water Conserv Dist	-1,446.00	USGS Study Share
10/31/2018	29972	Speeds Oil Tool Service	-315.00	
10/31/2018	29973	Standard Insurance Company	-242.32	
10/31/2018	29974	USA BlueBook	-212.12	
10/31/2018	29975	Valley Rock Landscape Supply	-1,184.28	Shop Groundskeeping
Total 1060 - CHCU - General 4163			-137,428.04	
<b>1070 - CHCU - Payroll 4155</b>				
10/01/2018		AFLAC	-261.36	
10/03/2018		PAYROLL	-15,731.96	
10/04/2018		TASC	-274.99	
10/05/2018	E-pay	EDD	-958.77	
10/05/2018	E-pay	IRS USATAXPYMT	-3,987.52	
10/17/2018		PAYROLL	-15,980.97	
10/18/2018		TASC	-274.99	
10/19/2018	E-pay	EDD	-989.28	
10/19/2018	E-pay	IRS USATAXPYMT	-4,059.60	
10/31/2018		PAYROLL	-16,943.45	
Total 1070 - CHCU - Payroll 4155			-59,462.89	
<b>TOTAL</b>			<b>-196,890.93</b>	



# Variation From Projected Income

## Fiscal Year Ending 6-30-2019

Billing Month	Water		Wastewater		Total (Loss) / Gain	Current Year Units Sold	Last Year Units Sold	5 Year Average Units Sold
	Projected Income*	Actual Income	Variation	Projected Income	Actual Income	Variation		
Jul-18	\$ 102,707	\$ 100,889	\$ (1,817)	\$ 68,151	\$ 69,952	\$ 1,801	23,012	22,486
Aug-18	\$ 105,023	\$ 110,443	\$ 5,420	\$ 68,151	\$ 69,456	\$ 1,305	21,438	23,544
Sep-18	\$ 105,049	\$ 106,862	\$ 1,813	\$ 68,151	\$ 69,748	\$ 1,597	27,161	23,556
Oct-18	\$ 103,590	\$ 96,080	\$ (7,510)	\$ 68,151	\$ 69,622	\$ 1,471	27,899	22,890
Nov-18	\$ 99,059			\$ 68,151		\$ -	23,121	20,820
Dec-18	\$ 87,119			\$ 68,151		\$ -	18,328	15,366
Jan-19	\$ 81,238			\$ 68,151		\$ -	10,042	12,680
Feb-19	\$ 82,518			\$ 68,151		\$ -	10,706	13,265
Mar-19	\$ 80,040			\$ 68,151		\$ -	12,162	12,133
Apr-19	\$ 83,537			\$ 68,151		\$ -	11,102	13,730
May-19	\$ 95,901			\$ 68,151		\$ -	25,948	19,378
Jun-19	\$ 102,074			\$ 68,151		\$ -	22,177	22,197
<b>Total</b>	<b>\$ 1,127,855</b>	<b>\$ 414,274</b>	<b>\$ (2,095)</b>	<b>\$ 817,812</b>	<b>\$ 278,777</b>	<b>\$ 6,173</b>	<b>233,096</b>	<b>222,044</b>

Year to Date Monthly Averages

YTD avg 100% 37% 34% 100%

22,721 23,870 23,195

Yearly Average 19,425 18,504

FY 2018/19 Budget estimates 213,264 annual billable pumping units. Billing is for prior month's water usage.

\* Projected Income is calculated by using current year and previous 5 year average monthly units sold.

## Units Sold by Calendar Year (1 Unit = 1 HCF = 748 Gallons)

2010	2011	2012	2013	2014	2015	2016	2017
263,396	263,264	272,065	254,185	228,649	196,502	194,187	233,096



**R N C**  
**E N T E R**

**YOUR INDEPENDENT ADVISOR**

RNC CENTER CAPITAL MGMT LLC  
11601 WILSHIRE BLVD  
25TH FLOOR  
LOS ANGELES CA 90025-1770

For questions regarding the services provided  
by your Independent Advisor call  
(800) 877-7624

Account 929-005305  
MISSION HILLS COMMUNITY SERVICES  
DISTRICT  
ATTN: WALTER A FASOLD  
NON-PROFIT ORGANIZATION

**MONTHLY STATEMENT**

Reporting Period: October 1 - 31, 2018

**ACCOUNT SUMMARY**

**Total Account Value: \$2,239,278.48**

**CHANGE IN ACCOUNT VALUE**

	This Month 10/1/18 - 10/31/18	Year to Date 1/1/18 - 10/31/18
<b>BEGINNING VALUE</b>	<b>\$2,232,932.83</b>	<b>\$2,258,546.63</b>
Dividends and Interest	10,651.75	54,142.15
Market Appreciation/(Depreciation)	(4,306.10)	(64,923.30)
Other Income or Expense	-	(8,487.00)
<b>ENDING VALUE</b>	<b>\$2,239,278.48</b>	<b>\$2,239,278.48</b>
<b>CHANGE IN VALUE</b>	<b>\$6,345.65</b>	<b>\$(19,268.15)</b>

**Market Appreciation/  
Depreciation**

The change in value of  
investments due to the market  
assessment of their worth, which  
is separate from value added by  
corporate actions (such as the  
issuance of dividend or interest  
payments) and your own  
additions or withdrawals.

**Other Income or Expense**

Miscellaneous expenses  
including management fees, as  
well as TD Ameritrade fees (such  
as for wire transfer or returned  
checks) and/or miscellaneous  
income credited to the account  
such as a margin interest  
adjustment, royalties, etc.

**Fixed Income includes**

Corporate, Municipal, Agency,  
Treasury, CMOs, CDs, Structured  
Products, etc.

**SUMMARY OF HOLDINGS** (does not represent an asset allocation)

	Market Value as of 10/31/18	Percent of Account
Cash and Cash Alternatives	\$49,752.48	2.22%
Fixed Income	2,189,526.00	97.78
<b>TOTAL VALUE</b>	<b>\$2,239,278.48</b>	<b>100.0%</b>

Questions about reading your Statement -  
Contact us. (800) 431-3500  
Accounts carried by TD Ameritrade Clearing, Inc., Member SIPC





## MISSION HILLS COMMUNITY SERVICES DISTRICT

### MEMORANDUM

**TO:** Board of Directors

**FROM:** Loch A. Dreizler, General Manager

**DATE:** November 14, 2018

**SUBJECT:** Committee Meetings and Goals

#### **Recommendation / Proposed Motion**

- Recommendation to review committee meetings action items and future meetings

#### **Policy Reference**

- Top Five outstanding issues were included in a Board Memorandum from January 2018. To address these outstanding issues committee meetings are scheduled to offer a process to establish priorities and goals.
- Goals for Fiscal Year 2018/2019 were established at the August 2018 Board Meeting and included in this memorandum.

#### **Budget Resources**

- None

#### **Alternatives Considered**

- None

#### **Background**

At the March 2018 meeting, Staff proposed dates for future committee meetings to establish more efficiency in committee preparation while balancing operations and maintenance of facilities.

#### **Discussion**

This memorandum is a summary of committee meetings to allow Board members that are not directly involved with individual committees to get brief updates. An additional goal, if appropriate, is to bring separate Board Memorandums with associated action items with committee recommendations to the full Board.

## Committee Assignments

<b>Standing Committee</b>	<b>Committee Members</b>	<b>Alternate</b>
1) Operations	Mac Kenzie, Heavin	Fasold
2) Personnel	Nix, Fasold	Heavin
3) Finance	Mac Kenzie, Dietrich	Heavin
<b>Ad-Hoc Committee</b>	<b>Committee Members</b>	<b>Dissolution</b>
4) Alternative Energy	Heavin, Fasold	Inactive
5) Waste Discharge Requirements (WDR)	Fasold, Nix	When WDRs Finalized
6) Development		When Developments Completed
a) Operations	Mac Kenzie, Dietrich	
b) Development Agreement	Fasold, Dietrich	
<b>Representatives</b>	<b>Committee Members</b>	
7) VAFB Community Advisory Board	Mac Kenzie, Dietrich	
8) ACWA/JPIA	Mac Kenzie, Nix	
9) Santa Ynez Water Conserve. Dist. Sustainable Groundwater Mgmt. Act	Nix	

### Attachment(s):

- Goals for FY 18/19
- Standing Committee and Ad-Hoc Committee Meeting Summary
- Backup Generators 5-Year Plan

## Goals for FY 18-19

### Wastewater

- Successfully negotiate new Waste Discharge Requirements (WDR) with limits that are achievable
  - ☒ **Update:** A letter requesting that MHCS D maintain our current Nitrogen Levels at 10/15 mg/L and a quarterly average for Chloride Levels at 300 mg/L for 5 years was sent to Regional Water Quality Control Board (RWQCB) on June 19, 2018.
  - ☐ **Next:** Staff anticipates a response from RWQCB before January 2019. Staff expects to be implementing a new WDR by June 30, 2019. Staff does not foresee exceeding levels for Total Dissolved Solids, Sodium, Biochemical Oxygen Demand or Total Suspended Solids with the new WDR.
- Establish a pond optimization control plan which reduces the average 2014 through 2017 Nitrogen levels from 14/16 to average annual levels equal to, or less than a seasonal 10/15 by June 30, 2019.
  - ☐ **Next:** WDR Ad-Hoc committee to discuss pond optimization in **Dec 2018 or Jan 2019**
- Establish cost to treat Burton Ranch effluent via the City of Lompoc and determine an assess feasibility by September 28, 2018.
  - ☒ **Update:** Staff has what it will cost to connect to City of Lompoc for developers located within the City. Staff has a conceptual cost if MHCS D does something like Vandenberg Village CSD connection to the Lompoc Regional Wastewater Treatment Plant. Staff is scheduled to meet with Paul Hood, Executive Director of LAFCO the month of October 2018. Staff met with City of Lompoc City Manager on Nov. 14
- Complete NITROX / TriplePoint study and obtain capital cost and annual operating cost estimates by October 30, 2018
  - ☒ **Update:** Triple Point sent estimates for aeration and Nitrox System, the staff has an estimate of operating costs. See Ad-Hoc Development for further information.

### Water

- Develop and execute a water system pressure / surge protection plan to reduce water system pressure problems, by October 31, 2018, and implement the project by June 30, 2020.
  - ☒ **Update:** Cannon Engineering, along with field crew has done on-site water pressure testing and discovered a malfunctioning Cla-Val Valve that has been repaired by field crew. However, Cannon needs to return to finalize on-site water pressure testing, prior to completing their water model.
  - ☐ **Next:** Cannon Engineering is developing the water model and MHCS D Staff needs to make some additional modifications to the Cla-Val Valve assemblies.

### **Electric Power / Emergency Back-up**

- Determine backup requirements and phased approach for critical equipment by July 2018.
  - ☒ The timeline was established July 18, 2018
- Establish a timeline to implement in Phases by July 2018.
  - ☒ The timeline was established July 18, 2018
- Implement Phase 1 as outlined with the Board of Directors on July 18, 2018, by June 30, 2019.
  - ☒ **Update:** Electrical Engineer provided estimates for Maintenance Shop, Well #5 and Well #6.
  - ☐ **Next:** Present to the Operations Standing Committee **Dec 2018 or Jan 2019**

### **Personnel Development**

- Establish performance goals and personal development plans for each district employee by the end of September 2018.
  - ☒ **Update:** Personnel Committee met October 2, 2018
- Establish specific operator license plan to provide backup by October 2018.
  - ☒ **Update:** 3 Staff members took wastewater exams October 2018, awaiting results
- Perform useful annual performance reviews with employees by June 30, 2019.
  - ☒ **Update:** Developed a process with Melissa Crouthers October 2018
  - ☐ **Next:** Finalized (4) performance review to date

### **New developments**

- Effectively support plan content and approval to support district needs for the following:
  - Summit View – Ongoing, see specific information on following pages
  - Burton Ranch - Ongoing, see specific information on following pages
  - Supportive Housing – Going through SB County process

### **Basic goals**

- **Safety** - establish a proactive safety program
  - ☒ **Update:** Lee Patton, JPIA Risk Manager for MHCSO came by on October 2, and we received his written report.
  - ☐ **Next:** Finalize recommendations in report
  - ☐ **Staff Safety Meeting:** Scheduled for November/December 2018
- **Budget** - meet or exceed all budget goals regarding revenue and expenses
  - ☐ **Update:** Continuing through fiscal year
- **GM Job Description** - All duties as described
  - ☐ **Update:** A Closed Session at November 2018 Board Meeting

## Standing Committee Meeting Summary

### 1. **Operations** (Mac Kenzie, Heavin)

- a. Next Committee Meeting: **December 12, 2018** to hear aeration presentation from Triple Point, and/or look at purchasing equipment from alternative vendor, come to an aeration determination about installation to present to the Board
- b. Last Meeting was on: October 3 that included a review of Triple Point's aeration proposal, discussed other aeration options, reviewed lighting audit from PG&E and Eco-solutions
- c. Previous meetings included: developed a 5-year plan, begin work with Cannon Engineering to develop Water Pressure Model, and if contract scope allows – consider the impact of Burton Ranch

### 2. **Personnel** (Nix, Fasold)

- a. Next Committee Meeting: **TBD**
- b. Last Meeting was on: October 2 that included a review Personnel Goals, Annual performance review guidelines and methods, explanation of One on Ones, and preparation and expectations for GM pre-annual review.
- c. Previous meetings included: discussion about organizational chart

### 3. **Finance** (Mac Kenzie, Dietrich)

- a. Next Proposed Committee Meeting: **February 13, 2019**
- b. Proposed Agenda: Budget Calendar
- c. Previous meetings included: Staff update on the status of the NBS Capacity Charge Study

### 4. **Alternative Energy** (Fasold, Heavin)

- a. Inactive while waiting on utility energy audits

### 5. **Waste Discharge Requirements (WDR)** (Fasold, Nix)

- a. Next Committee Meeting: **December 12, 2018 or January 9, 2018**
- b. Proposed Agenda: Review a draft pond optimization control plan
- c. Previous meetings included: working on MHCSO Staff to draft WDR RWQCB

## 6. **Developments**

### **Summit View**

#### a. **Operations** (Mac Kenzie, Dietrich)

- i. Next Operations Committee Meeting: **TBD**
- ii. Proposed Agenda: **TBD**
- iii. Previous meetings included: working on Development Agreement

#### a) **Development Agreement** (Fasold, Dietrich)

- i) Last Development Agreement Committee Meeting: October 26, 2018
- ii) Agenda: Capacity Charges and Development Agreement
- iii) Previous meetings included: determine equitable Capacity Charges, develop general and technical conditions

## **Burton Ranch**

### **b. Operations** (Mac Kenzie, Dietrich)

- i. Next Operations Committee Meeting: **TBD**
- ii. Proposed Agenda: **TBD**
- iii. Previous meetings included:

### **a) Development Agreement** (Fasold, Dietrich)

- (1) Next Development Agreement Committee Meeting: **TBD**
- (2) Proposed Agenda: **TBD**
- (3) Previous meetings included: Staff has been meeting with Burton Ranch in small groups, meeting preliminarily scheduled with Burton Ranch for Nov. 16, 2018 to discuss Capacity Charges was postponed to seek additional NBS input

## **Supportive Housing**

### **ii) Operations** (Mac Kenzie, Dietrich)

- (1) Next Operations Committee Meeting: **TBD**
- (2) Proposed Agenda: **TBD**
- (3) Previous meetings included:

### **iii) Development Agreement** (Fasold, Dietrich)

- (1) Next Development Agreement Committee Meeting: **TBD**
- (2) Proposed Agenda: **TBD**
- (3) Previous meetings included: reviewing submitted preliminary plans, Can and Will Serve letter, and a Staff Directive to track project as it moves forward in the County planning process

## **Representatives**

### **i) VAFB Commuality Advisory Board** (Mac Kenzie, Dietrich)

### **ii) ACWA/JPIA** (Mac Kenzie, Nix)

### **iii) Santa Ynez Water Conservation District Sustainable Groundwater** (Nix)

- (1) On October 24, 2018 the Santa Ynez River Water Valley Basin, Western Management Area (WMA) Groundwater Sustainability Agency unanimously approved hiring the Stetson Group to prepare a Groundwater Sustainability Plan (GSP) for SYRWCD, City of Lompoc, Vandenberg Village CSD and Mission Hills CSD. The cost to hire Stetson are in the original estimated amount.



# Backup Generators 5-Year Plan

If finances allow, and with Board approval

## 1. Phase 1 - Fiscal Year 2018/2019

- a. Purchase a 10 – 25 KW portable diesel generator to power SCADA, building lights, etc.,
- b. Purchase a 10 – 25 KW permanent generator to power Murphy Panel and Programmable Logic Controller (PLC)
- c. Install a transfer switch to accommodate (a.) and (b.) above
- d. Install transfer switch at Well #5 and Maintenance Yard for future auto-switch generator
- e. Review and Assess prior to moving forward with Phase 2

## 2. Phase 2 - Fiscal Year 2019/2020

- a. Purchase a portable generator that can run either Well #5 and the Water Treatment Process or Well #7 (already has a transfer switch installed), and Lift Station
- b. Install transfer switch at Lift Station for future auto-switch generator

## 3. Phase 3 - Fiscal Year 2020/2021

- a. Purchase a permanent auto-switch generator for Lift Station
- b. Install transfer switch to accommodate headworks and aerations

## 4. Phase 4 - Fiscal Year 2021/2022

- a. Purchase permanent generator to run Well #5/Treatment/SCADA + Building
- b. *Use large already purchased portable for other locations and Well #7*
- c. Purchase permanent auto-switch generator to run Headworks and Aeration

## 5. Phase 5 - Fiscal Year 2022/2023

- a. Install transfer switch to accommodate main office essentials
- b. Use the portable generator that was running the SCADA, building lights, etc., to run the office



**MISSION HILLS COMMUNITY SERVICES DISTRICT**

**MEMORANDUM**

**TO:** Board of Directors  
**FROM:** Loch A. Dreizler, General Manager  
**DATE:** November 14, 2018  
**SUBJECT:** 1199 Purisima Road Property Purchase

**Recommendation / Proposed Motion**

Proposed Motion: Approve the attached agreement and addendums for the purchase of 1199 Purisima Road, Lompoc, CA. Parcel Number 097-700-034

**Policy Reference**

- California Government Code §61060(d) authorizes community services districts "to acquire any real or personal property within or outside the district, by contract or otherwise, to hold, manage, occupy, dispose of, convey, and encumber the property, and to create a leasehold interest in the property for the benefit of the district".
- All agreements with external agencies and organizations should be approved by the Board and signed by the President.

**Budget Resource**

- Article XIII of the California Constitution exempts property owned by a local government from property taxation.
- The purchase of this real property is listed in the District's Capital Improvement Plan, though it is not included in the FY2019 budget. The District has adequate Capital Improvement reserves to fund this purchase and will use cash available in our Coast Hills Credit Union accounts for this transaction.
- Estimated Total Cost to Mission Hills CSD is \$197,000 (see a cost estimate on following page)

**Alternatives Considered**

None

**Background**

The existing lift station is “landlocked” with the current easement located on the property. An existing preliminary expansion of the lift station indicates adding an additional wet-well beyond the existing property and in the public right-of-way, and because of likely widening of Purisima Road, this may not be approved by the County and would pose a safety concern while performing operations and maintenance. With the purchase of the property, the district can pursue expanding the easement to accommodate future lift station modifications.

**Discussion**

When the property came up for sale at \$199,900, Mission Hills CSD met in several closed sessions; May 16, July 15, and September 14, , and the General Manager was designated to negotiate for the district and to update the Board on progress. At the October 17 closed session, the Board of Directors agreed to offer the negotiated price of \$189,900 and to bring a Vacant Land Purchase Agreement into open session for approval.

District’s legal counsel reviewed the preliminary contract and included a recommendation to also obtain a general plan conformity report from the county (GC 65402(c)).

The district also included a phase 1 environmental and preliminary hillside review. The *Phase 1 Environmental Site Assessment (ESA)* covers an investigation of the current and historical uses of the property. What was previously on the site? What could past usage have done? Did any usage contaminate the soil or groundwater underlying the site? How about the current operation? Are any petroleum, hazardous materials or chemicals in use at the site, or have they been released to the air, soil or groundwater at or near the site?

**Estimated Costs to the District:**

1. Purchase	\$ 189,900
2. Phase 1 Environmental (define)	\$ 2,300
3. Preliminary Hillside Review	
a. including a review of original compaction reports	\$ 1,500
4. County General Plan Conformity Report	\$ 1,500
5. Contingency	\$ 1,230
6. County Taxes	\$ 125
7. Escrow Fees (Half)	\$ 425
8. Recorded Deed	\$ 20
	<b>\$ 197,000</b>

**Attachment(s):**

1. Purchase agreement
2. Addendums



CALIFORNIA  
ASSOCIATION  
OF REALTORS®

# VACANT LAND PURCHASE AGREEMENT AND JOINT ESCROW INSTRUCTIONS

(C.A.R. Form VLPA, Revised 12/15)

Date Prepared: October 15, 2018

**1. OFFER:**

- A. THIS IS AN OFFER FROM MHCSD ("Buyer"),  
B. THE REAL PROPERTY to be acquired is 1199 Purisima Rd, situated in  
Lompoc (City), Santa Barbara (County), California, 93436-2601 (Zip Code), Assessor's Parcel No. 097-700-034 ("Property").  
Further Described As 1199 Purisima Rd  
C. THE PURCHASE PRICE offered is One Hundred Eighty-Nine Thousand, Nine Hundred  
Dollars \$ 189,900.00  
D. CLOSE OF ESCROW shall occur on ☐ (date) (or ☒ 45 Days After Acceptance).  
E. Buyer and Seller are referred to herein as the "Parties." Brokers are not Parties to this Agreement.

**2. AGENCY:**

- A. DISCLOSURE: The Parties each acknowledge receipt of a ☒ "Disclosure Regarding Real Estate Agency Relationships" (C.A.R. Form AD).  
B. CONFIRMATION: The following agency relationships are hereby confirmed for this transaction:  
Listing Agent Pacific Properties (Print Firm Name) is the agent of (check one):  
☐ the Seller exclusively; or ☒ both the Buyer and Seller.  
Selling Agent Pacific Properties (Print Firm Name) (if not the same as the Listing Agent) is the agent of (check one): ☐ the Buyer exclusively; or ☐ the Seller exclusively; or ☐ both the Buyer and Seller.  
C. POTENTIALLY COMPETING BUYERS AND SELLERS: The Parties each acknowledge receipt of a ☒ "Possible Representation of More than One Buyer or Seller - Disclosure and Consent" (C.A.R. Form PRBS).

**3. FINANCE TERMS:** Buyer represents that funds will be good when deposited with Escrow Holder.

- A. INITIAL DEPOSIT: Deposit shall be in the amount of \$ 2,500.00  
(1) Buyer Direct Deposit: Buyer shall deliver deposit directly to Escrow Holder by electronic funds transfer, ☐ cashier's check, ☐ personal check, ☐ other \_\_\_\_\_ within 3 business days after Acceptance (or \_\_\_\_\_);  
OR (2) ☐ Buyer Deposit with Agent: Buyer has given the deposit by personal check (or \_\_\_\_\_) to the agent submitting the offer (or to \_\_\_\_\_), made payable to \_\_\_\_\_ The deposit shall be held uncashed until Acceptance and then deposited with Escrow Holder within 3 business days after Acceptance (or \_\_\_\_\_).  
Deposit checks given to agent shall be an original signed check and not a copy.

(Note: Initial and increased deposits received by agent shall be recorded in Broker's trust fund log.)

- B. INCREASED DEPOSIT: Buyer shall deposit with Escrow Holder an increased deposit in the amount of \$ 2,500.00 within Days After Acceptance (or within 2 days of removal or waiver of contingencies). If the Parties agree to liquidated damages in this Agreement, they also agree to incorporate the increased deposit into the liquidated damages amount in a separate liquidated damages clause (C.A.R. Form RID) at the time the increased deposit is delivered to Escrow Holder.  
C. ☒ ALL CASH OFFER: No loan is needed to purchase the Property. This offer is NOT contingent on Buyer obtaining a loan. Written verification of sufficient funds to close this transaction IS ATTACHED to this offer or ☐ Buyer shall, within 3 (or \_\_\_\_\_) Days After Acceptance, Deliver to Seller such verification.

**D. LOAN(S):**

- (1) FIRST LOAN: in the amount of \$ \_\_\_\_\_  
This loan will be conventional financing or ☐ FHA, ☐ VA, ☐ Seller financing (C.A.R. Form SFA), ☐ assumed financing (C.A.R. Form AFA), ☐ subject to financing, ☐ Other \_\_\_\_\_. This loan shall be at a fixed rate not to exceed \_\_\_\_\_ % or, ☐ an adjustable rate loan with initial rate not to exceed \_\_\_\_\_ %. Regardless of the type of loan, Buyer shall pay points not to exceed \_\_\_\_\_ % of the loan amount.  
(2) ☐ SECOND LOAN in the amount of \$ \_\_\_\_\_  
This loan will be conventional financing or ☐ Seller financing (C.A.R. Form SFA), ☐ assumed financing (C.A.R. Form AFA), ☐ subject to financing ☐ Other \_\_\_\_\_. This loan shall be at a fixed rate not to exceed \_\_\_\_\_ % or, ☐ an adjustable rate loan with initial rate not to exceed \_\_\_\_\_ %. Regardless of the type of loan, Buyer shall pay points not to exceed \_\_\_\_\_ % of the loan amount.  
(3) FHAVA: For any FHA or VA loan specified in 3D(1), Buyer has 17 (or \_\_\_\_\_) Days After Acceptance to Deliver to Seller written notice (C.A.R. Form FVA) of any lender-required repairs or costs that Buyer requests Seller to pay for or otherwise correct. Seller has no obligation to pay or satisfy lender requirements unless agreed in writing. A FHAVA amendatory clause (C.A.R. Form FVAC) shall be a part of this transaction.

**E. ADDITIONAL FINANCING TERMS:**

Buyer's Initials ( MHCSD ) ( \_\_\_\_\_ )  
© 1996-2015, California Association of REALTORS®, Inc.  
VLPA REVISED 12/15 (PAGE 1 OF 11)

Seller's Initials ( \_\_\_\_\_ ) ( \_\_\_\_\_ )



VACANT LAND PURCHASE AGREEMENT (VLPA PAGE 1 OF 11)

Property Address: **1199 Purisima Rd, Lompoc, CA 93436-2601**Date: **October 15, 2018**

- F. BALANCE OF DOWN PAYMENT OR PURCHASE PRICE** in the amount of ..... \$ **184,900.00**  
to be deposited with Escrow Holder pursuant to Escrow Holder instructions.
- G. PURCHASE PRICE (TOTAL):** ..... \$ **189,900.00**
- H. VERIFICATION OF DOWN PAYMENT AND CLOSING COSTS:** Buyer (or Buyer's lender or loan broker pursuant to paragraph 3J(1)) shall, within **3 (or \_\_\_\_)** Days After Acceptance, Deliver to Seller written verification of Buyer's down payment and closing costs. (☐ Verification attached.)
- I. APPRAISAL CONTINGENCY AND REMOVAL:** This Agreement is (or ☐ is NOT) contingent upon a written appraisal of the Property by a licensed or certified appraiser at no less than the purchase price. Buyer shall, as specified in paragraph 19B(3), in writing, remove the appraisal contingency or cancel this Agreement within **17 (or \_\_\_\_)** Days After Acceptance.
- J. LOAN TERMS:**
- (1) LOAN APPLICATIONS:** Within **3 (or \_\_\_\_)** Days After Acceptance, Buyer shall Deliver to Seller a letter from Buyer's lender or loan broker stating that, based on a review of Buyer's written application and credit report, Buyer is prequalified or preapproved for any NEW loan specified in paragraph 3D. If any loan specified in paragraph 3D is an adjustable rate loan, the prequalification or preapproval letter shall be based on the qualifying rate, not the initial loan rate. (☐ Letter attached.)
- (2) LOAN CONTINGENCY:** Buyer shall act diligently and in good faith to obtain the designated loan(s). Buyer's qualification for the loan(s) specified above is a contingency of this Agreement unless otherwise agreed in writing. If there is no appraisal contingency or the appraisal contingency has been waived or removed, then failure of the Property to appraise at the purchase price does not entitle Buyer to exercise the cancellation right pursuant to the loan contingency if Buyer is otherwise qualified for the specified loan. Buyer's contractual obligations regarding deposit, balance of down payment and closing costs are not contingencies of this Agreement.
- (3) LOAN CONTINGENCY REMOVAL:**  
Within **21 (or \_\_\_\_)** Days After Acceptance, Buyer shall, as specified in paragraph 19, in writing, remove the loan contingency or cancel this Agreement. If there is an appraisal contingency, removal of the loan contingency shall not be deemed removal of the appraisal contingency.
- (4) ☐ NO LOAN CONTINGENCY:** Obtaining any loan specified above is NOT a contingency of this Agreement. If Buyer does not obtain the loan and as a result Buyer does not purchase the Property, Seller may be entitled to Buyer's deposit or other legal remedies.
- (5) LENDER LIMITS ON BUYER CREDITS:** Any credit to Buyer, from any source, for closing or other costs that is agreed to by the Parties ("Contractual Credit") shall be disclosed to Buyer's lender. If the total credit allowed by Buyer's lender ("Lender Allowable Credit") is less than the Contractual Credit, then (i) the Contractual Credit shall be reduced to the Lender Allowable Credit, and (ii) in the absence of a separate written agreement between the Parties, there shall be no automatic adjustment to the purchase price to make up for the difference between the Contractual Credit and the Lender Allowable Credit.
- K. BUYER STATED FINANCING:** Seller is relying on Buyer's representation of the type of financing specified (including but not limited to, as applicable, all cash, amount of down payment, or contingent or non-contingent loan). Seller has agreed to a specific closing date, purchase price and to sell to Buyer in reliance on Buyer's covenant concerning financing. Buyer shall pursue the financing specified in this Agreement. Seller has no obligation to cooperate with Buyer's efforts to obtain any financing other than that specified in the Agreement and the availability of any such alternate financing does not excuse Buyer from the obligation to purchase the Property and close escrow as specified in this Agreement.
- L. SELLER FINANCING:** The following terms (or ☐ the terms specified in the attached Seller Financing Addendum) (C.A.R. Form SFA) apply ONLY to financing extended by Seller under this Agreement.
- (1) BUYER'S CREDIT-WORTHINESS:** Buyer authorizes Seller and/or Brokers to obtain, at Buyer's expense, a copy of Buyer's credit report. Within **7 (or \_\_\_\_)** Days After Acceptance, Buyer shall provide any supporting documentation reasonably requested by Seller.
- (2) TERMS:** Buyer's promissory note, deed of trust and other documents as appropriate shall incorporate and implement the following additional terms: (i) the maximum interest rate specified in paragraph 3D shall be the actual fixed interest rate for Seller financing; (ii) deed of trust shall contain a REQUEST FOR NOTICE OF DEFAULT on senior loans; (iii) Buyer shall sign and pay for a REQUEST FOR NOTICE OF DELINQUENCY prior to Close Of Escrow and at any future time if requested by Seller; (iv) note and deed of trust shall contain an acceleration clause making the loan due, when permitted by law and at Seller's option, upon the sale or transfer of the Property or any interest in it; (v) note shall contain a late charge of 6% of the installment due (or \_\_\_\_ ) if the installment is not received within 10 days of the date due; (vi) title insurance coverage in the form of a joint protection policy shall be provided insuring Seller's deed of trust interest in the Property (any increased cost over owner's policy shall be paid by Buyer); and (vii) tax service shall be obtained and paid for by Buyer to notify Seller if property taxes have not been paid.
- (3) ADDED, DELETED OR SUBSTITUTED BUYERS:** The addition, deletion or substitution of any person or entity under this Agreement or to title prior to Close Of Escrow shall require Seller's written consent. Seller may grant or withhold consent in Seller's sole discretion. Any additional or substituted person or entity shall, if requested by Seller, submit to Seller the same documentation as required for the original named Buyer. Seller and/or Brokers may obtain a credit report, at Buyer's expense, on any such person or entity.
- M. ASSUMED OR "SUBJECT TO" FINANCING:** Seller represents that Seller is not delinquent on any payments due on any loans. Seller shall, within the time specified in paragraph 19, provide Copies of all applicable notes and deeds of trust, loan balances and current interest rates to Buyer. Buyer shall then, as specified in paragraph 19B(3), remove this contingency or cancel this Agreement. Differences between estimated and actual loan balances shall be adjusted at Close Of Escrow by cash down payment. Impound accounts, if any, shall be assigned and charged to Buyer and credited to Seller. Seller is advised that Buyer's assumption of an existing loan may not release Seller from liability on that loan. If this is an assumption of a VA Loan, the sale is contingent upon Seller being provided a release of liability and substitution of eligibility, unless otherwise agreed in writing. If the Property is acquired subject to an existing loan, Buyer and Seller are advised to consult with legal counsel regarding the ability of an existing lender to call the loan due, and the consequences thereof.

Buyer's Initials ( MLSV ) ( \_\_\_\_\_ )

Seller's Initials ( \_\_\_\_\_ ) ( \_\_\_\_\_ )

VLPA REVISED 12/15 (PAGE 2 OF 11)

VACANT LAND PURCHASE AGREEMENT (VLPA PAGE 2 OF 11)

Produced with zipForm® by zipLogix 18070 Fifteen Mile Road, Fraser, Michigan 48026 [www.zipLogix.com](http://www.zipLogix.com)

1199 Purisima Rd



Property Address: **1199 Purisima Rd, Lompoc, CA 93436-2601**Date: **October 15, 2018****4. SALE OF BUYER'S PROPERTY:**

A. This Agreement and Buyer's ability to obtain financing are NOT contingent upon the sale of any property owned by Buyer.

OR B. ☐ This Agreement and Buyer's ability to obtain financing are contingent upon the sale of property owned by Buyer as specified in the attached addendum (C.A.R. Form COP).5. ☐ **MANUFACTURED HOME PURCHASE:** The purchase of the Property is contingent upon Buyer acquiring a personal property manufactured home to be placed on the Property after Close Of Escrow. Buyer ☐ has ☐ has not entered into a contract for the purchase of a personal property manufactured home. Within the time specified in paragraph 19, Buyer shall remove this contingency or cancel this Agreement, (or ☐ this contingency shall remain in effect until the Close Of Escrow of the Property).6. ☐ **CONSTRUCTION LOAN FINANCING:** The purchase of the Property is contingent upon Buyer obtaining a construction loan. A draw from the construction loan ☐ will ☐ will not be used to finance the Property. Within the time specified in paragraph 19, Buyer shall remove this contingency or cancel this Agreement (or ☐ this contingency shall remain in effect until Close Of Escrow of the Property).**7. ADDENDA AND ADVISORIES:**

## A. ADDENDA:

☐ Addendum # \_\_\_\_\_ (C.A.R. Form ADM)☐ Back Up Offer Addendum (C.A.R. Form BUO)☐ Court Confirmation Addendum (C.A.R. Form CCA)☐ Septic, Well and Property Monument Addendum (C.A.R. Form SWPI)☐ Short Sale Addendum (C.A.R. Form SSA)☐ Other \_\_\_\_\_

## B. BUYER AND SELLER ADVISORIES:

☒ Buyer's Inspection Advisory (C.A.R. Form BIA)☐ Probate Advisory (C.A.R. Form PA)☒ Statewide Buyer and Seller Advisory (C.A.R. Form SBSA)☐ Trust Advisory (C.A.R. Form TA)☐ REO Advisory (C.A.R. Form REO)☐ Short Sale Information and Advisory (C.A.R. Form SSIA)☒ Other **BVLAIA**8. **OTHER TERMS:** Contingency Period: 30-working days after Mission Hills Board of Directors approve Standard Offer, Agreement and escrow instructions for Purchase of Real Estate (Vacant Land). Escrow to close 15-days after buyer removal or waiver of contingencies, or earlier at buyers option**9. ALLOCATION OF COSTS**A. **INSPECTIONS, REPORTS AND CERTIFICATES:** Unless otherwise agreed, in writing, this paragraph only determines who is to pay for the inspection, test, certificate or service ("Report") mentioned; it **does not determine who is to pay for any work recommended or identified in the Report.**(1) ☐ Buyer ☒ Seller shall pay for a natural hazard zone disclosure report, including tax ☐ environmental ☐ Other: \_\_\_\_\_ prepared by any reliable(2) ☒ Buyer ☐ Seller shall pay for the following Report Phase 1 Environmental report and Hillside Stability Analysis prepared by \_\_\_\_\_(3) ☒ Buyer ☐ Seller shall pay for the following Report General Plan Conformity report from the County of b (GC65402(c)) prepared by \_\_\_\_\_B. **ESCROW AND TITLE:**(1) (a) ☒ Buyer ☒ Seller shall pay escrow fee Each to pay half(b) Escrow Holder shall be First American Title(c) The Parties shall, within 5 (or \_\_\_\_\_) Days After receipt, sign and return Escrow Holder's general provisions.(2) (a) ☐ Buyer ☒ Seller shall pay for owner's title insurance policy specified in paragraph 18E \_\_\_\_\_

(b) Owner's title policy to be issued by \_\_\_\_\_

(Buyer shall pay for any title insurance policy insuring Buyer's lender, unless otherwise agreed in writing.)

C. **OTHER COSTS:**(1) ☐ Buyer ☒ Seller shall pay County transfer tax or fee \_\_\_\_\_(2) ☐ Buyer ☐ Seller shall pay City transfer tax or fee na(3) ☐ Buyer ☐ Seller shall pay Homeowners' Association ("HOA") transfer fee \_\_\_\_\_

(4) Seller shall pay HOA fees for preparing all documents required to be delivered by Civil Code §4525.

(5) Buyer to pay for any HOA certification fee.

(6) ☐ Buyer ☐ Seller shall pay HOA fees for preparing all documents other than those required by Civil Code §4525.(7) ☐ Buyer ☐ Seller shall pay for any private transfer fee \_\_\_\_\_(8) ☒ Buyer ☐ Seller shall pay for Buyer to pay additional cost for ALTA Coverage and any buyer recording fees(9) ☐ Buyer ☐ Seller shall pay for \_\_\_\_\_10. **CLOSING AND POSSESSION:** Possession shall be delivered to Buyer: (i) ☐ at 6 PM or (10:00 ☐ AM/ ☐ PM) on the date of Close Of Escrow; (ii) ☐ no later than \_\_\_\_\_ calendar days after Close Of Escrow; or (iii) ☐ at \_\_\_\_\_ AM/ ☐ PM on \_\_\_\_\_. The Property shall be unoccupied, unless otherwise agreed in writing. Seller shall provide keys and/or means to operate all Property locks. If Property is located in a common interest subdivision, Buyer may be required to pay a deposit to the Homeowners' Association ("HOA") to obtain keys to accessible HOA facilities.11. **ITEMS INCLUDED IN AND EXCLUDED FROM SALE:**A. **NOTE TO BUYER AND SELLER:** Items listed as included or excluded in the MLS, flyers or marketing materials are not included in the purchase price or excluded from the sale unless specified in 11B or C.Buyer's Initials ( MHCS ) ( \_\_\_\_\_ )

Seller's Initials ( \_\_\_\_\_ ) ( \_\_\_\_\_ )



Property Address: **1199 Purisima Rd, Lompoc, CA 93436-2601**Date: **October 15, 2018****B. ITEMS INCLUDED IN SALE:**

- (1) All EXISTING fixtures and fittings that are attached to the Property;  
 (2) The following items: \_\_\_\_\_

(3) Seller represents that all items included in the purchase price, unless otherwise specified, are owned by Seller.

(4) All items included shall be transferred free of liens and without Seller warranty.

**C. ITEMS EXCLUDED FROM SALE:** \_\_\_\_\_**12. STATUTORY AND OTHER DISCLOSURES AND CANCELLATION RIGHTS:**

**A. NATURAL AND ENVIRONMENTAL HAZARD DISCLOSURES AND OTHER BOOKLETS:** Within the time specified in paragraph 19A, Seller shall, if required by Law: (i) Deliver to Buyer earthquake guide(s) (and questionnaire), environmental hazards booklet; (ii) disclose if the Property is located in a Special Flood Hazard Area; Potential Flooding (Inundation) Area; Very High Fire Hazard Zone; State Fire Responsibility Area; Earthquake Fault Zone; and Seismic Hazard Zone; and (iii) disclose any other zone as required by Law and provide any other information required for those zones.

**B. WITHHOLDING TAXES:** Within the time specified in paragraph 19A, to avoid required withholding, Seller shall Deliver to Buyer or qualified substitute, an affidavit sufficient to comply with federal (FIRPTA) and California withholding Law (C.A.R. Form AS or QS).

**C. MEGAN'S LAW DATABASE DISCLOSURE:** Notice: Pursuant to Section 290.46 of the Penal Code, information about specified registered sex offenders is made available to the public via an Internet Web site maintained by the Department of Justice at [www.meganslaw.ca.gov](http://www.meganslaw.ca.gov). Depending on an offender's criminal history, this information will include either the address at which the offender resides or the community of residence and ZIP Code in which he or she resides. (Neither Seller nor Brokers are required to check this website. If Buyer wants further information, Broker recommends that Buyer obtain information from this website during Buyer's inspection contingency period. Brokers do not have expertise in this area.)

**D. NOTICE REGARDING GAS AND HAZARDOUS LIQUID TRANSMISSION PIPELINES:** This notice is being provided simply to inform you that information about the general location of gas and hazardous liquid transmission pipelines is available to the public via the National Pipeline Mapping System (NPMS) Internet Web site maintained by the United States Department of Transportation at <http://www.npms.phmsa.dot.gov/>. To seek further information about possible transmission pipelines near the Property, you may contact your local gas utility or other pipeline operators in the area. Contact information for pipeline operators is searchable by ZIP Code and county on the NPMS Internet Web site.

**E. CONDOMINIUM/PLANNED DEVELOPMENT DISCLOSURES:**

(1) **SELLER HAS: 7 (or \_\_\_\_ ) Days** After Acceptance to disclose to Buyer whether the Property is a condominium, or is located in a planned development or other common interest subdivision (C.A.R. Form VLQ).

(2) If the Property is a condominium or is located in a planned development or other common interest subdivision, Seller has **3 (or \_\_\_\_ ) Days** After Acceptance to request from the HOA (C.A.R. Form HOA1): (i) Copies of any documents required by Law; (ii) disclosure of any pending or anticipated claim or litigation by or against the HOA; (iii) a statement containing the location and number of designated parking and storage spaces; (iv) Copies of the most recent 12 months of HOA minutes for regular and special meetings; and (v) the names and contact information of all HOAs governing the Property (collectively, "CI Disclosures"). Seller shall itemize and Deliver to Buyer all CI Disclosures received from the HOA and any CI Disclosures in Seller's possession. Buyer's approval of CI Disclosures is a contingency of this Agreement as specified in paragraph 19B(3). The Party specified in paragraph 9, as directed by escrow, shall deposit funds into escrow or direct to HOA or management company to pay for any of the above.

**13. SELLER DOCUMENTATION AND ADDITIONAL DISCLOSURE:**

**A.** Within the time specified in paragraph 19, if Seller has actual knowledge, Seller shall provide to Buyer, in writing, the following information:

(1) **LEGAL PROCEEDINGS:** Any lawsuits by or against Seller, threatening or affecting the Property, including any lawsuits alleging a defect or deficiency in the Property or common areas, or any known notices of abatement or citations filed or issued against the Property.

(2) **AGRICULTURAL USE:** Whether the Property is subject to restrictions for agricultural use pursuant to the Williamson Act (Government Code §§51200-51295).

(3) **DEED RESTRICTIONS:** Any deed restrictions or obligations.

(4) **FARM USE:** Whether the Property is in, or adjacent to, an area with Right to Farm rights (Civil Code §3482.5 and §3482.6).

(5) **ENDANGERED SPECIES:** Presence of endangered, threatened, 'candidate' species, or wetlands on the Property.

(6) **ENVIRONMENTAL HAZARDS:** Any substances, materials, or products that may be an environmental hazard including, but not limited to, asbestos, formaldehyde, radon gas, lead-based paint, fuel or chemical storage tanks, and contaminated soil or water on the Property.

(7) **COMMON WALLS:** Any features of the Property shared in common with adjoining landowners, such as walls, fences, roads, and driveways, and agriculture and domestic wells whose use or responsibility for maintenance may have an effect on the Property.

(8) **LANDLOCKED:** The absence of legal or physical access to the Property.

(9) **EASEMENTS/ENCROACHMENTS:** Any encroachments, easements or similar matters that may affect the Property.

(10) **SOIL FILL:** Any fill (compacted or otherwise), or abandoned mining operations on the Property.

(11) **SOIL PROBLEMS:** Any slippage, sliding, flooding, drainage, grading, or other soil problems.

(12) **EARTHQUAKE DAMAGE:** Major damage to the Property or any of the structures from fire, earthquake, floods, or landslides.

(13) **ZONING ISSUES:** Any zoning violations, non-conforming uses, or violations of "setback" requirements.

(14) **NEIGHBORHOOD PROBLEMS:** Any neighborhood noise problems, or other nuisances.

**B. RENTAL AND SERVICE AGREEMENTS:** Within the time specified in paragraph 19, Seller shall make available to Buyer for inspection and review, all current leases, rental agreements, service contracts and other related agreements, licenses, and permits pertaining to the operation or use of the Property.

**C. ☐ TENANT ESTOPPEL CERTIFICATES:** Within the time specified in paragraph 19, Seller shall deliver to Buyer tenant estoppel certificates (C.A.R. Form TEC) completed by Seller or Seller's agent, and signed by tenants, acknowledging: (i) that tenants' rental or lease agreements are unmodified and in full force and effect (or if modified, stating all such modifications); (ii) that no lessor defaults exist; and (iii) stating the amount of any prepaid rent or security deposit.

Buyer's Initials ( MLCSD ) ( \_\_\_\_\_ )

Seller's Initials ( \_\_\_\_\_ ) ( \_\_\_\_\_ )



Property Address: **1199 Purisima Rd, Lompoc, CA 93436-2601**Date: **October 15, 2018**

- D. MELLO-ROOS TAX; 1915 BOND ACT:** Within the time specified in paragraph 19, Seller shall: (i) make a good faith effort to obtain a notice from any local agencies that levy a special tax or assessment on the Property (or, if allowed, substantially equivalent notice), pursuant to the Mello-Roos Community Facilities Act, and Improvement Bond Act of 1915, and (ii) promptly deliver to Buyer any such notice obtained.
- E. SELLER VACANT LAND QUESTIONNAIRE:** Seller shall, within the time specified in paragraph 19, complete and provide Buyer with a Seller Vacant Land Questionnaire (C.A.R. Form VLQ).
- 14. SUBSEQUENT DISCLOSURES:** In the event Seller, prior to Close Of Escrow, becomes aware of adverse conditions materially affecting the Property, or any material inaccuracy in disclosures, information or representations previously provided to Buyer of which Buyer is otherwise unaware, Seller shall promptly provide a subsequent or amended disclosure or notice, in writing, covering those items. **However, a subsequent or amended disclosure shall not be required for conditions and material inaccuracies disclosed in reports ordered and paid for by Buyer.**
- 15. CHANGES DURING ESCROW:**
- A.** Prior to Close Of Escrow, Seller may engage in the following acts, ("Proposed Changes"), subject to Buyer's rights in paragraph 15B: (i) rent or lease any part of the premises; (ii) alter, modify or extend any existing rental or lease agreement; (iii) enter into, alter, modify or extend any service contract(s); or (iv) change the status of the condition of the Property.
- B.** At least 7 (or \_\_\_\_ ) Days prior to any Proposed Changes, Seller shall give written notice to Buyer of such Proposed Changes. Within 5 (or \_\_\_\_ ) Days After receipt of such notice, Buyer, in writing, may give Seller notice of Buyer's objection to the Proposed Changes, in which case Seller shall not make the Proposed Changes.
- 16. CONDITION OF PROPERTY:** Unless otherwise agreed in writing: (i) the Property is sold (a) "AS-IS" in its PRESENT physical condition as of the date of Acceptance and (b) subject to Buyer's Investigation rights; (ii) the Property, including pool, spa, landscaping and grounds, is to be maintained in substantially the same condition as on the date of Acceptance; and (iii) all debris and personal property not included in the sale shall be removed by Close Of Escrow.
- A.** Seller shall, within the time specified in paragraph 19A, DISCLOSE KNOWN MATERIAL FACTS AND DEFECTS affecting the Property, including known insurance claims within the past five years, and make any and all other disclosures required by law.
- B.** Buyer has the right to conduct Buyer Investigations of the property and, as specified in paragraph 19B, based upon information discovered in those investigations: (i) cancel this Agreement; or (ii) request that Seller make Repairs or take other action.
- C. Buyer is strongly advised to conduct investigations of the entire Property in order to determine its present condition. Seller may not be aware of all defects affecting the Property or other factors that Buyer considers important. Property improvements may not be built according to code, in compliance with current Law, or have had permits issued.**
- 17. BUYER'S INVESTIGATION OF PROPERTY AND MATTERS AFFECTING PROPERTY:**
- A.** Buyer's acceptance of the condition of, and any other matter affecting the Property, is a contingency of this Agreement as specified in this paragraph and paragraph 19B. Within the time specified in paragraph 19B(1), Buyer shall have the right, at Buyer's expense unless otherwise agreed, to conduct inspections, investigations, tests, surveys and other studies ("Buyer Investigations"), including, but not limited to, the right to: (i) inspect for lead-based paint and other lead-based paint hazards; (ii) inspect for wood destroying pests and organisms; (iii) review the registered sex offender database; (iv) confirm the insurability of Buyer and the Property; and (v) satisfy Buyer as to any matter specified in the attached Buyer's Inspection Advisory (C.A.R. Form BIA). Without Seller's prior written consent, Buyer shall neither make nor cause to be made: (i) invasive or destructive Buyer Investigations except for minimally invasive testing; or (ii) inspections by any governmental building or zoning inspector or government employee, unless required by Law.
- B.** Seller shall make the Property available for all Buyer Investigations. Buyer shall (i) as specified in paragraph 19B, complete Buyer Investigations and, either remove the contingency or cancel this Agreement, and (ii) give Seller, at no cost, complete Copies of all Investigation reports obtained by Buyer, which obligation shall survive the termination of this Agreement.
- C. Buyer indemnity and Seller protection for entry upon property:** Buyer shall: (i) keep the Property free and clear of liens; (ii) repair all damage arising from Buyer Investigations; and (iii) indemnify and hold Seller harmless from all resulting liability, claims, demands, damages and costs of Buyer's Investigations. Buyer shall carry, or Buyer shall require anyone acting on Buyer's behalf to carry, policies of liability, workers' compensation and other applicable insurance, defending and protecting Seller from liability for any injuries to persons or property occurring during any Buyer Investigations or work done on the Property at Buyer's direction prior to Close Of Escrow. Seller is advised that certain protections may be afforded Seller by recording a "Notice of Non-responsibility" (C.A.R. Form NNR) for Buyer Investigations and work done on the Property at Buyer's direction. Buyer's obligations under this paragraph shall survive the termination or cancellation of this Agreement and Close Of Escrow.
- D. BUYER IS STRONGLY ADVISED TO INVESTIGATE THE CONDITION AND SUITABILITY OF ALL ASPECTS OF THE PROPERTY AND ALL MATTERS AFFECTING THE VALUE OR DESIRABILITY OF THE PROPERTY, INCLUDING BUT NOT LIMITED TO, THE ITEMS SPECIFIED BELOW. IF BUYER DOES NOT EXERCISE THESE RIGHTS, BUYER IS ACTING AGAINST THE ADVICE OF BROKERS. BUYER UNDERSTANDS THAT ALTHOUGH CONDITIONS ARE OFTEN DIFFICULT TO LOCATE AND DISCOVER, ALL REAL PROPERTY CONTAINS CONDITIONS THAT ARE NOT READILY APPARENT AND THAT MAY AFFECT THE VALUE OR DESIRABILITY OF THE PROPERTY. BUYER AND SELLER ARE AWARE THAT BROKERS DO NOT GUARANTEE, AND IN NO WAY ASSUME RESPONSIBILITY FOR, THE CONDITION OF THE PROPERTY. BROKERS HAVE NOT AND WILL NOT VERIFY ANY OF THE ITEMS IN THIS PARAGRAPH 17, UNLESS OTHERWISE AGREED IN WRITING.**
- E. SIZE, LINES, ACCESS AND BOUNDARIES:** Lot size, property lines, legal or physical access and boundaries including features of the Property shared in common with adjoining landowners, such as walls, fences, roads and driveways, whose use or responsibility for maintenance may have an effect on the Property and any encroachments, easements or similar matters that may affect the Property. (Fences, hedges, walls and other natural or constructed barriers or markers do not necessarily identify true Property boundaries. Property lines may be verified by survey.) (Unless otherwise specified in writing, any numerical statements by Brokers regarding lot size are APPROXIMATIONS ONLY, which have not been and will not be verified, and should not be relied upon by Buyer.)
- F. ZONING AND LAND USE:** Past, present, or proposed laws, ordinances, referendums, initiatives, votes, applications and permits affecting the current use of the Property, future development, zoning, building, size, governmental permits and inspections. Any zoning violations, non-conforming uses, or violations of "setback" requirements. (Buyer should also investigate whether these matters affect Buyer's intended use of the Property.)
- G. UTILITIES AND SERVICES:** Availability, costs, restrictions and location of utilities and services, including but not limited to, sewerage, sanitation, <sup>septic</sup> and leach lines, water, electricity, gas, telephone, cable TV and drainage.

Buyer's Initials (                      ) (                      )Seller's Initials (                      ) (                      )

VLPA REVISED 12/15 (PAGE 5 OF 11)

VACANT LAND PURCHASE AGREEMENT (VLPA PAGE 5 OF 11)

Produced with zipForm® by zipLogix 18070 Fifteen Mile Road, Fraser, Michigan 48026 [www.zipLogix.com](http://www.zipLogix.com)

1199 Purisima Rd





Property Address: **1199 Purisima Rd, Lompoc, CA 93436-2601**Date: **October 15, 2018**

- H. ENVIRONMENTAL HAZARDS:** Potential environmental hazards, including, but not limited to, asbestos, lead-based paint and other lead contamination, radon, methane, other gases, fuel, oil or chemical storage tanks, contaminated soil or water, hazardous waste, waste disposal sites, electromagnetic fields, nuclear sources, and other substances, including mold (airborne, toxic or otherwise), fungus or similar contaminant, materials, products or conditions.
- I. GEOLOGIC CONDITIONS:** Geologic/seismic conditions, soil and terrain stability, suitability and drainage including any slippage, sliding, flooding, drainage, grading, fill (compacted or otherwise), or other soil problems.
- J. NATURAL HAZARD ZONE:** Special Flood Hazard Areas, Potential Flooding (Inundation) Areas, Very High Fire Hazard Zones, State Fire Responsibility Areas, Earthquake Fault Zones, Seismic Hazard Zones, or any other zone for which disclosure is required by Law.
- K. PROPERTY DAMAGE:** Major damage to the Property or any of the structures or non-structural systems and components and any personal property included in the sale from fire, earthquake, floods, landslides or other causes.
- L. NEIGHBORHOOD, AREA AND PROPERTY CONDITIONS:** Neighborhood or area conditions, including Agricultural Use Restrictions pursuant to the Williamson Act (Government Code §§51200-51295), Right To Farm Laws (Civil Code §3482.5 and §3482.6), schools, proximity and adequacy of law enforcement, crime statistics, the proximity of registered felons or offenders, fire protection, other government services, availability, adequacy and cost of any speed-wired, wireless internet connections or other telecommunications or other technology services and installations, proximity to commercial, industrial or agricultural activities, existing and proposed transportation, construction and development that may affect noise, view, or traffic, airport noise, noise or odor from any source, abandoned mining operations on the Property, wild and domestic animals, other nuisances, hazards, or circumstances, protected species, wetland properties, botanical diseases, historic or other governmentally protected sites or improvements, cemeteries, facilities and condition of common areas of common interest subdivisions, and possible lack of compliance with any governing documents or Homeowners' Association requirements, conditions and influences of significance to certain cultures and/or religions, and personal needs, requirements and preferences of Buyer.
- M. COMMON INTEREST SUBDIVISIONS: OWNER ASSOCIATIONS:** Facilities and condition of common areas (facilities such as pools, tennis courts, walkways, or other areas co-owned in undivided interest with others), Owners' Association that has any authority over the subject property, CC&Rs, or other deed restrictions or obligations, and possible lack of compliance with any Owners' Association requirements.
- N. SPECIAL TAX:** Any local agencies that levy a special tax on the Property pursuant to the Mello-Roos Community Facilities Act or Improvement Bond Act of 1915.
- O. RENTAL PROPERTY RESTRICTIONS:** Some cities and counties impose restrictions that limit the amount of rent that can be charged, the maximum number of occupants and the right of a landlord to terminate a tenancy.
- P. MANUFACTURED HOME PLACEMENT:** Conditions that may affect the ability to place and use a manufactured home on the Property.
- 18. TITLE AND VESTING:**
- A.** Within the time specified in paragraph 19, Buyer shall be provided a current preliminary title report ("Preliminary Report"). The Preliminary Report is only an offer by the title insurer to issue a policy of title insurance and may not contain every item affecting title. Buyer's review of the Preliminary Report and any other matters which may affect title are a contingency of this Agreement as specified in paragraph 19B. The company providing the Preliminary Report shall, prior to issuing a Preliminary Report, conduct a search of the General Index for all Sellers except banks or other institutional lenders selling properties they acquired through foreclosure (REOs), corporations, and government entities. Seller shall within **7 Days** After Acceptance, give Escrow Holder a completed Statement of Information.
- B.** Title is taken in its present condition subject to all encumbrances, easements, covenants, conditions, restrictions, rights and other matters, whether of record or not, as of the date of Acceptance except for: (i) monetary liens of record (which Seller is obligated to pay off) unless Buyer is assuming those obligations or taking the Property subject to those obligations; and (ii) those matters which Seller has agreed to remove in writing.
- C.** Within the time specified in paragraph 19A, Seller has a duty to disclose to Buyer all matters known to Seller affecting title, whether of record or not.
- D.** At Close Of Escrow, Buyer shall receive a grant deed conveying title (or, for stock cooperative or long-term lease, an assignment of stock certificate or of Seller's leasehold interest), including oil, mineral and water rights if currently owned by Seller. Title shall vest as designated in Buyer's supplemental escrow instructions. **THE MANNER OF TAKING TITLE MAY HAVE SIGNIFICANT LEGAL AND TAX CONSEQUENCES. CONSULT AN APPROPRIATE PROFESSIONAL.**
- E.** Buyer shall receive a "CLTA/ALTA Homeowner's Policy of Title Insurance", if applicable to the type of property and buyer. A title company, at Buyer's request, can provide information about the availability, desirability, coverage, and cost of various title insurance coverages and endorsements. If Buyer desires title coverage other than that required by this paragraph, Buyer shall instruct Escrow Holder in writing and shall pay any increase in cost.
- 19. TIME PERIODS; REMOVAL OF CONTINGENCIES; CANCELLATION RIGHTS:** The following time periods may only be extended, altered, modified or changed by mutual written agreement. Any removal of contingencies or cancellation under this paragraph by either Buyer or Seller must be exercised in good faith and in writing (C.A.R. Form CR or CC).
- A. SELLER HAS: 7 (or \_\_\_\_ ) Days** After Acceptance to Deliver to Buyer all Reports, disclosures and information for which Seller is responsible under paragraphs 3M, 7A, 8, 9, 12A, B, and E, 13, 16A and 18A. Buyer after first Delivering to Seller a Notice to Seller to Perform (C.A.R. Form NSP) may cancel this Agreement if Seller has not Delivered the items within the time specified.
- B. (1) BUYER HAS: 17 (or \_\_\_\_ ) Days** After Acceptance, unless otherwise agreed in writing, to:
- (i) complete all Buyer Investigations; review all disclosures, reports, and other applicable information, which Buyer receives from Seller; and approve all matters affecting the Property; and (ii) Deliver to Seller Signed Copies of Statutory Disclosures and other disclosures Delivered by Seller in accordance with paragraph 12A.
- (2) Within the time specified in paragraph 19B(1), Buyer may request that Seller make repairs or take any other action regarding the Property (C.A.R. Form RR). Seller has no obligation to agree to or respond to (C.A.R. Form RRRR) Buyer's requests.
- (3) By the end of the time specified in paragraph 19B(1) (or as otherwise specified in this Agreement), Buyer shall Deliver to Seller a removal of the applicable contingency or cancellation (C.A.R. Form CR or CC) of this Agreement. However, if any report, disclosure or information for which Seller is responsible is not Delivered within the time specified in paragraph 19A, then Buyer has **5 (or \_\_\_\_ ) Days** After Delivery of any such items, or the time specified in paragraph 19B(1), whichever is later, to Deliver to Seller a removal of the applicable contingency or cancellation of this Agreement.

Buyer's Initials (                      ) (                      )Seller's Initials (                      ) (                      )

VLPA REVISED 12/15 (PAGE 6 OF 11)

VACANT LAND PURCHASE AGREEMENT (VLPA PAGE 6 OF 11)

Produced with zipForm® by zipLogix 18070 Fifteen Mile Road, Fraser, Michigan 48026 [www.ziplogix.com](http://www.ziplogix.com)

1199 Purisima Rd



Property Address: **1199 Purisima Rd, Lompoc, CA 93436-2601**Date: **October 15, 2018**

(4) **Continuation of Contingency:** Even after the end of the time specified in paragraph 19B(1) and before Seller cancels, if at all, pursuant to paragraph 19C, Buyer retains the right, in writing, to either (i) remove remaining contingencies, or (ii) cancel this Agreement based on a remaining contingency. Once Buyer's written removal of all contingencies is Delivered to Seller, Seller may not cancel this Agreement pursuant to paragraph 19C(1).

**C. SELLER RIGHT TO CANCEL:**

(1) **Seller right to Cancel; Buyer Contingencies:** If, by the time specified in this Agreement, Buyer does not Deliver to Seller a removal of the applicable contingency or cancellation of this Agreement, then Seller, after first Delivering to Buyer a Notice to Buyer to Perform (C.A.R. Form NBP), may cancel this Agreement. In such event, Seller shall authorize the return of Buyer's deposit, except for fees incurred by Buyer.

(2) **Seller right to Cancel; Buyer Contract Obligations:** Seller, after first delivering to Buyer a NBP, may cancel this Agreement if, by the time specified in this Agreement, Buyer does not take the following action(s): (i) Deposit funds as required by paragraph 3A or 3B or if the funds deposited pursuant to paragraph 3A or 3B are not good when deposited; (ii) Deliver a notice of FHA or VA costs or terms as required by paragraph 3D(3) (C.A.R. Form FVA); (iii) Deliver a letter as required by paragraph 3J(1); (iv) Deliver verification as required by paragraph 3C or 3H or if Seller reasonably disapproves of the verification provided by paragraph 3C or 3H; (v) Return Statutory Disclosures as required by paragraph 12A; or (vi) Sign or initial a separate liquidated damages form for an increased deposit as required by paragraphs 3B and 27B; or (vii) Provide evidence of authority to sign in a representative capacity as specified in paragraph 19. In such event, Seller shall authorize the return of Buyer's deposit, except for fees incurred by Buyer.

**D. NOTICE TO BUYER OR SELLER TO PERFORM:** The NBP or NSP shall: (i) be in writing; (ii) be signed by the applicable Buyer or Seller; and (iii) give the other Party at least 2 (or \_\_\_\_ ) Days After Delivery (or until the time specified in the applicable paragraph, whichever occurs last) to take the applicable action. A NBP or NSP may not be Delivered any earlier than 2 Days Prior to the expiration of the applicable time for the other Party to remove a contingency or cancel this Agreement or meet an obligation specified in paragraph 19.

**E. EFFECT OF BUYER'S REMOVAL OF CONTINGENCIES:** If Buyer removes, in writing, any contingency or cancellation rights, unless otherwise specified in writing, Buyer shall conclusively be deemed to have: (i) completed all Buyer Investigations, and review of reports and other applicable information and disclosures pertaining to that contingency or cancellation right; (ii) elected to proceed with the transaction; and (iii) assumed all liability, responsibility and expense for Repairs or corrections pertaining to that contingency or cancellation right, or for the inability to obtain financing.

**F. CLOSE OF ESCROW:** Before Buyer or Seller may cancel this Agreement for failure of the other Party to close escrow pursuant to this Agreement, Buyer or Seller must first Deliver to the other Party a demand to close escrow (C.A.R. Form DCE). The DCE shall: (i) be signed by the applicable Buyer or Seller; and (ii) give the other Party at least 3 (or \_\_\_\_ ) Days After Delivery to close escrow. A DCE may not be Delivered any earlier than 3 Days Prior to the scheduled close of escrow.

**G. EFFECT OF CANCELLATION ON DEPOSITS:** If Buyer or Seller gives written notice of cancellation pursuant to rights duly exercised under the terms of this Agreement, the Parties agree to Sign mutual instructions to cancel the sale and escrow and release deposits, if any, to the party entitled to the funds, less fees and costs incurred by that party. Fees and costs may be payable to service providers and vendors for services and products provided during escrow. Except as specified below, **release of funds will require mutual Signed release instructions from the Parties, judicial decision or arbitration award.** If either Party fails to execute mutual instructions to cancel escrow, one Party may make a written demand to Escrow Holder for the deposit (C.A.R. Form BDRD or SDRD). Escrow Holder, upon receipt, shall promptly deliver notice of the demand to the other Party. If, within 10 Days After Escrow Holder's notice, the other Party does not object to the demand, Escrow Holder shall disburse the deposit to the Party making the demand. If Escrow Holder complies with the preceding process, each Party shall be deemed to have released Escrow Holder from any and all claims or liability related to the disbursement of the deposit. Escrow Holder, at its discretion, may nonetheless require mutual cancellation instructions. **A Party may be subject to a civil penalty of up to \$1,000 for refusal to sign cancellation instructions if no good faith dispute exists as to who is entitled to the deposited funds (Civil Code §1057.3).**

**20. REPAIRS:** Repairs shall be completed prior to final verification of condition unless otherwise agreed in writing. Repairs to be performed at Seller's expense may be performed by Seller or through others, provided that the work complies with applicable Law, including governmental permit, inspection and approval requirements. Repairs shall be performed in a good, skillful manner with materials of quality and appearance comparable to existing materials. It is understood that exact restoration of appearance or cosmetic items following all Repairs may not be possible. Seller shall: (i) obtain invoices and paid receipts for Repairs performed by others; (ii) prepare a written statement indicating the Repairs performed by Seller and the date of such Repairs; and (iii) provide Copies of invoices and paid receipts and statements to Buyer prior to final verification of condition.

**21. FINAL VERIFICATION OF CONDITION:** Buyer shall have the right to make a final verification of the Property within 5 (or \_\_\_\_ ) Days Prior to Close Of Escrow, NOT AS A CONTINGENCY OF THE SALE, but solely to confirm: (i) the Property is maintained pursuant to paragraph 16; (ii) Repairs have been completed as agreed; and (iii) Seller has complied with Seller's other obligations under this Agreement (C.A.R. Form VP).

**22. ENVIRONMENTAL HAZARD CONSULTATION:** Buyer and Seller acknowledge: (i) Federal, state, and local legislation impose liability upon existing and former owners and users of real property, in applicable situations, for certain legislatively defined, environmentally hazardous substances; (ii) Broker(s) has/have made no representation concerning the applicability of any such Law to this transaction or to Buyer or to Seller, except as otherwise indicated in this Agreement; (iii) Broker(s) has/have made no representation concerning the existence, testing, discovery, location and evaluation of/for, and risks posed by, environmentally hazardous substances, if any, located on or potentially affecting the Property; and (iv) Buyer and Seller are each advised to consult with technical and legal experts concerning the existence, testing, discovery, location and evaluation of/for, and risks posed by, environmentally hazardous substances, if any, located on or potentially affecting the Property.

**23. PRORATIONS OF PROPERTY TAXES AND OTHER ITEMS:** Unless otherwise agreed in writing, the following items shall be PAID CURRENT and prorated between Buyer and Seller as of Close Of Escrow: real property taxes and assessments, interest, rents, HOA regular, special, and emergency dues and assessments imposed prior to Close Of Escrow, premiums on insurance assumed by Buyer, payments on bonds and assessments assumed by Buyer, and payments on Mello-Roos and other Special Assessment

Buyer's Initials ( MAHSD ) ( \_\_\_\_\_ )

Seller's Initials ( \_\_\_\_\_ ) ( \_\_\_\_\_ )



Property Address: **1199 Purisima Rd, Lompoc, CA 93436-2601**Date: **October 15, 2018**

District bonds and assessments that are now a lien. The following items shall be assumed by Buyer WITHOUT CREDIT toward the purchase price: prorated payments on Mello-Roos and other Special Assessment District bonds and assessments and HOA special assessments that are now a lien but not yet due. Property will be reassessed upon change of ownership. Any supplemental tax bills shall be paid as follows: (i) for periods after Close Of Escrow, by Buyer; and (ii) for periods prior to Close Of Escrow, by Seller (see C.A.R. Form SPT or SBSA for further information). TAX BILLS ISSUED AFTER CLOSE OF ESCROW SHALL BE HANDLED DIRECTLY BETWEEN BUYER AND SELLER. Prorations shall be made based on a 30-day month.

**24. BROKERS:**

**A. COMPENSATION:** Seller or Buyer, or both, as applicable, agrees to pay compensation to Broker as specified in a separate written agreement between Broker and that Seller or Buyer. Compensation is payable upon Close Of Escrow, or if escrow does not close, as otherwise specified in the agreement between Broker and that Seller or Buyer.

**B. SCOPE OF DUTY:** Buyer and Seller acknowledge and agree that Broker: (i) Does not decide what price Buyer should pay or Seller should accept; (ii) Does not guarantee the condition of the Property; (iii) Does not guarantee the performance, adequacy or completeness of inspections, services, products or repairs provided or made by Seller or others; (iv) Does not have an obligation to conduct an inspection of common areas or areas off the site of the Property; (v) Shall not be responsible for identifying defects on the Property, in common areas, or offsite unless such defects are visually observable by an inspection of reasonably accessible areas of the Property or are known to Broker; (vi) Shall not be responsible for inspecting public records or permits concerning the title or use of Property; (vii) Shall not be responsible for identifying the location of boundary lines or other items affecting title; (viii) Shall not be responsible for verifying square footage, representations of others or information contained in Investigation reports, Multiple Listing Service, advertisements, flyers or other promotional material; (ix) Shall not be responsible for determining the fair market value of the Property or any personal property included in the sale; (x) Shall not be responsible for providing legal or tax advice regarding any aspect of a transaction entered into by Buyer or Seller; and (xi) Shall not be responsible for providing other advice or information that exceeds the knowledge, education and experience required to perform real estate licensed activity. Buyer and Seller agree to seek legal, tax, insurance, title and other desired assistance from appropriate professionals.

**25. REPRESENTATIVE CAPACITY:** If one or more Parties is signing the Agreement in a representative capacity and not for him/herself as an individual then that Party shall so indicate in paragraph 37 or 38 and attach a Representative Capacity Signature Disclosure (C.A.R. Form RCSD). Wherever the signature or initials of the representative identified in the RCSD appear on the Agreement or any related documents, it shall be deemed to be in a representative capacity for the entity described and not in an individual capacity, unless otherwise indicated. The Party acting in a representative capacity (i) represents that the entity for which that party is acting already exists and (ii) shall Deliver to the other Party and Escrow Holder, within **3 Days** After Acceptance, evidence of authority to act in that capacity (such as but not limited to: applicable portion of the trust or Certification Of Trust (Probate Code §18100.5), letters testamentary, court order, power of attorney, corporate resolution, or formation documents of the business entity).

**26. JOINT ESCROW INSTRUCTIONS TO ESCROW HOLDER:**

**A. The following paragraphs, or applicable portions thereof, of this Agreement constitute the joint escrow instructions of Buyer and Seller to Escrow Holder,** which Escrow Holder is to use along with any related counter offers and addenda, and any additional mutual instructions to close the escrow: paragraphs 1, 3, 4B, 5, 6, 7A, 8, 9, 12B, 18, 19G, 23, 24A, 25, 26, 32, 35, 36, 37, 38 and paragraph D of the section titled Real Estate Brokers on page 11. If a Copy of the separate compensation agreement(s) provided for in paragraph 24A, or paragraph D of the section titled Real Estate Brokers on page 10 is deposited with Escrow Holder by Broker, Escrow Holder shall accept such agreement(s) and pay out from Buyer's or Seller's funds, or both, as applicable, the Broker's compensation provided for in such agreement(s). The terms and conditions of this Agreement not set forth in the specified paragraphs are additional matters for the information of Escrow Holder, but about which Escrow Holder need not be concerned. Buyer and Seller will receive Escrow Holder's general provisions, if any, directly from Escrow Holder and will execute such provisions within the time specified in paragraph 9B(1)(c). To the extent the general provisions are inconsistent or conflict with this Agreement, the general provisions will control as to the duties and obligations of Escrow Holder only. Buyer and Seller will execute additional instructions, documents and forms provided by Escrow Holder that are reasonably necessary to close the escrow and, as directed by Escrow Holder, within 3 (or \_\_\_\_ ) Days, shall pay to Escrow Holder or HOA or HOA management company or others any fee required by paragraphs 9, 12 or elsewhere in this Agreement.

**B. A Copy of this Agreement including any counter offer(s) and addenda shall be delivered to Escrow Holder within 3 Days After Acceptance (or \_\_\_\_ ).** Buyer and Seller authorize Escrow Holder to accept and rely on Copies and Signatures as defined in this Agreement as originals, to open escrow and for other purposes of escrow. The validity of this Agreement as between Buyer and Seller is not affected by whether or when Escrow Holder Signs this Agreement. Escrow Holder shall provide Seller's Statement of Information to Title company when received from Seller. If Seller delivers an affidavit to Escrow Holder to satisfy Seller's FIRPTA obligation under paragraph 12B, Escrow Holder shall deliver to Buyer a Qualified Substitute statement that complies with federal Law.

**C. Brokers are a party to the escrow for the sole purpose of compensation pursuant to paragraph 24A and paragraph D of the section titled Real Estate Brokers on page 11.** Buyer and Seller irrevocably assign to Brokers compensation specified in paragraph 24A, and irrevocably instruct Escrow Holder to disburse those funds to Brokers at Close Of Escrow or pursuant to any other mutually executed cancellation agreement. Compensation instructions can be amended or revoked only with the written consent of Brokers. Buyer and Seller shall release and hold harmless Escrow Holder from any liability resulting from Escrow Holder's payment to Broker(s) of compensation pursuant to this Agreement.

**D. Upon receipt, Escrow Holder shall provide Seller and Seller's Broker verification of Buyer's deposit of funds pursuant to paragraph 3A and 3B.** Once Escrow Holder becomes aware of any of the following, Escrow Holder shall immediately notify all Brokers: (i) if Buyer's initial or any additional deposit is not made pursuant to this Agreement, or is not good at time of deposit with Escrow Holder; or (ii) if Buyer and Seller instruct Escrow Holder to cancel escrow.

**E. A Copy of any amendment that affects any paragraph of this Agreement for which Escrow Holder is responsible shall be delivered to Escrow Holder within 3 Days after mutual execution of the amendment.**

Buyer's Initials ( MBHSD ) ( \_\_\_\_\_ )

Seller's Initials ( \_\_\_\_\_ ) ( \_\_\_\_\_ )



Property Address: **1199 Purisima Rd, Lompoc, CA 93436-2601**Date: **October 15, 2018****27. REMEDIES FOR BUYER'S BREACH OF CONTRACT:**

- A. Any clause added by the Parties specifying a remedy (such as release or forfeiture of deposit or making a deposit non-refundable) for failure of Buyer to complete the purchase in violation of this Agreement shall be deemed invalid unless the clause independently satisfies the statutory liquidated damages requirements set forth in the Civil Code.
- B. **LIQUIDATED DAMAGES:** If Buyer fails to complete this purchase because of Buyer's default, Seller shall retain, as liquidated damages, the deposit actually paid. Buyer and Seller agree that this amount is a reasonable sum given that it is impractical or extremely difficult to establish the amount of damages that would actually be suffered by Seller in the event Buyer were to breach this Agreement. Release of funds will require mutual, Signed release instructions from both Buyer and Seller, judicial decision or arbitration award. **AT TIME OF ANY INCREASED DEPOSIT BUYER AND SELLER SHALL SIGN A SEPARATE LIQUIDATED DAMAGES PROVISION INCORPORATING THE INCREASED DEPOSIT AS LIQUIDATED DAMAGES (C.A.R. FORM RID).**

Buyer's Initials \_\_\_\_\_ / \_\_\_\_\_

Seller's Initials \_\_\_\_\_ / \_\_\_\_\_

**28. DISPUTE RESOLUTION:**

- A. **MEDIATION:** The Parties agree to mediate any dispute or claim arising between them out of this Agreement, or any resulting transaction, before resorting to arbitration or court action through the C.A.R. Consumer Mediation Center ([www.consumermediation.org](http://www.consumermediation.org)) or through any other mediation provider or service mutually agreed to by the Parties. The Parties also agree to mediate any disputes or claims with Broker(s), who, in writing, agree to such mediation prior to, or within a reasonable time after, the dispute or claim is presented to the Broker. Mediation fees, if any, shall be divided equally among the Parties involved. If, for any dispute or claim to which this paragraph applies, any Party (i) commences an action without first attempting to resolve the matter through mediation, or (ii) before commencement of an action, refuses to mediate after a request has been made, then that Party shall not be entitled to recover attorney fees, even if they would otherwise be available to that Party in any such action. **THIS MEDIATION PROVISION APPLIES WHETHER OR NOT THE ARBITRATION PROVISION IS INITIALED. Exclusions from this mediation agreement are specified in paragraph 28C.**

- B. **ARBITRATION OF DISPUTES:** The Parties agree that any dispute or claim in Law or equity arising between them out of this Agreement or any resulting transaction, which is not settled through mediation, shall be decided by neutral, binding arbitration. The Parties also agree to arbitrate any disputes or claims with Broker(s), who, in writing, agree to such arbitration prior to, or within a reasonable time after, the dispute or claim is presented to the Broker. The arbitrator shall be a retired judge or justice, or an attorney with at least 5 years of transactional real estate Law experience, unless the parties mutually agree to a different arbitrator. The Parties shall have the right to discovery in accordance with Code of Civil Procedure §1283.05. In all other respects, the arbitration shall be conducted in accordance with Title 9 of Part 3 of the Code of Civil Procedure. Judgment upon the award of the arbitrator(s) may be entered into any court having jurisdiction. Enforcement of this agreement to arbitrate shall be governed by the Federal Arbitration Act. Exclusions from this arbitration agreement are specified in paragraph 28C.

**"NOTICE: BY INITIALING IN THE SPACE BELOW YOU ARE AGREEING TO HAVE ANY DISPUTE ARISING OUT OF THE MATTERS INCLUDED IN THE 'ARBITRATION OF DISPUTES' PROVISION DECIDED BY NEUTRAL ARBITRATION AS PROVIDED BY CALIFORNIA LAW AND YOU ARE GIVING UP ANY RIGHTS YOU MIGHT POSSESS TO HAVE THE DISPUTE LITIGATED IN A COURT OR JURY TRIAL. BY INITIALING IN THE SPACE BELOW YOU ARE GIVING UP YOUR JUDICIAL RIGHTS TO DISCOVERY AND APPEAL, UNLESS THOSE RIGHTS ARE SPECIFICALLY INCLUDED IN THE 'ARBITRATION OF DISPUTES' PROVISION. IF YOU REFUSE TO SUBMIT TO ARBITRATION AFTER AGREEING TO THIS PROVISION, YOU MAY BE COMPELLED TO ARBITRATE UNDER THE AUTHORITY OF THE CALIFORNIA CODE OF CIVIL PROCEDURE. YOUR AGREEMENT TO THIS ARBITRATION PROVISION IS VOLUNTARY."**

**"WE HAVE READ AND UNDERSTAND THE FOREGOING AND AGREE TO SUBMIT DISPUTES ARISING OUT OF THE MATTERS INCLUDED IN THE 'ARBITRATION OF DISPUTES' PROVISION TO NEUTRAL ARBITRATION."**

Buyer's Initials MLCS / \_\_\_\_\_

Seller's Initials \_\_\_\_\_ / \_\_\_\_\_

**C. ADDITIONAL MEDIATION AND ARBITRATION TERMS:**

- (1) **EXCLUSIONS:** The following matters are excluded from mediation and arbitration: (i) a judicial or non-judicial foreclosure or other action or proceeding to enforce a deed of trust, mortgage or installment land sale contract as defined in Civil Code §2985; (ii) an unlawful detainer action; and (iii) any matter that is within the jurisdiction of a probate, small claims or bankruptcy court.
- (2) **PRESERVATION OF ACTIONS:** The following shall not constitute a waiver nor violation of the mediation and arbitration provisions: (i) the filing of a court action to preserve a statute of limitations; (ii) the filing of a court action to enable the recording of a notice of pending action, for order of attachment, receivership, injunction, or other provisional remedies; or (iii) the filing of a mechanic's lien.
- (3) **BROKERS:** Brokers shall not be obligated nor compelled to mediate or arbitrate unless they agree to do so in writing. Any Broker(s) participating in mediation or arbitration shall not be deemed a party to the Agreement.

**29. SELECTION OF SERVICE PROVIDERS:** Brokers do not guarantee the performance of any vendors, service or product providers ("Providers"), whether referred by Broker or selected by Buyer, Seller or other person. Buyer and Seller may select ANY Providers of their own choosing.

**30. MULTIPLE LISTING SERVICE ("MLS"):** Brokers are authorized to report to the MLS a pending sale and, upon Close Of Escrow, the sales price and other terms of this transaction shall be provided to the MLS to be published and disseminated to persons and entities authorized to use the information on terms approved by the MLS.

Buyer's Initials ( MLCS ) ( \_\_\_\_\_ )

Seller's Initials ( \_\_\_\_\_ ) ( \_\_\_\_\_ )

VLPA REVISED 12/15 (PAGE 9 OF 11)

**VACANT LAND PURCHASE AGREEMENT (VLPA PAGE 9 OF 11)**Produced with zipForm® by zipLogix 18070 Fifteen Mile Road, Fraser, Michigan 48026 [www.zipLogix.com](http://www.zipLogix.com)

1199 Purisima Rd



Property Address: **1199 Purisima Rd, Lompoc, CA 93436-2601**Date: **October 15, 2018**

- 31. ATTORNEY FEES:** In any action, proceeding, or arbitration between Buyer and Seller arising out of this Agreement, the prevailing Buyer or Seller shall be entitled to reasonable attorneys fees and costs from the non-prevailing Buyer or Seller, except as provided in paragraph 28A.
- 32. ASSIGNMENT:** Buyer shall not assign all or any part of Buyer's interest in this Agreement without first having obtained the written consent of Seller. Such consent shall not be unreasonably withheld unless otherwise agreed in writing. Any total or partial assignment shall not relieve Buyer of Buyer's obligations pursuant to this Agreement unless otherwise agreed in writing by Seller (C.A.R. Form AOAA).
- 33. EQUAL HOUSING OPPORTUNITY:** The Property is sold in compliance with federal, state and local anti-discrimination Laws.
- 34. TERMS AND CONDITIONS OF OFFER:** This is an offer to purchase the Property on the above terms and conditions. The liquidated damages paragraph or the arbitration of disputes paragraph is incorporated in this Agreement if initialed by all Parties or if incorporated by mutual agreement in a counteroffer or addendum. If at least one but not all Parties initial, a counter offer is required until agreement is reached. Seller has the right to continue to offer the Property for sale and to accept any other offer at any time prior to notification of Acceptance. Buyer has read and acknowledges receipt of a Copy of the offer and agrees to the confirmation of agency relationships. If this offer is accepted and Buyer subsequently defaults, Buyer may be responsible for payment of Brokers' compensation. This Agreement and any supplement, addendum or modification, including any Copy, may be Signed in two or more counterparts, all of which shall constitute one and the same writing.
- 35. TIME OF ESSENCE; ENTIRE CONTRACT; CHANGES:** Time is of the essence. All understandings between the Parties are incorporated in this Agreement. Its terms are intended by the Parties as a final, complete and exclusive expression of their Agreement with respect to its subject matter, and may not be contradicted by evidence of any prior agreement or contemporaneous oral agreement. If any provision of this Agreement is held to be ineffective or invalid, the remaining provisions will nevertheless be given full force and effect. Except as otherwise specified, this Agreement shall be interpreted and disputes shall be resolved in accordance with the Laws of the State of California. **Neither this Agreement nor any provision in it may be extended, amended, modified, altered or changed, except in writing Signed by Buyer and Seller.**
- 36. DEFINITIONS:** As used in this Agreement:
- A. "Acceptance" means the time the offer or final counter offer is accepted in writing by a Party and is delivered to and personally received by the other Party or that Party's authorized agent in accordance with the terms of this offer or a final counter offer.
  - B. "Agreement" means this document and any counter offers and any incorporated addenda, collectively forming the binding agreement between the Parties. Addenda are incorporated only when Signed by all Parties.
  - C. "C.A.R. Form" means the most current version of the specific form referenced or another comparable form agreed to by the parties.
  - D. "Close Of Escrow" means the date the grant deed, or other evidence of transfer of title, is recorded.
  - E. "Copy" means copy by any means including photocopy, NCR, facsimile and electronic.
  - F. "Days" means calendar days. However, after Acceptance, the last Day for performance of any act required by this Agreement (including Close Of Escrow) shall not include any Saturday, Sunday, or legal holiday and shall instead be the next Day.
  - G. "Days After" means the specified number of calendar days after the occurrence of the event specified, not counting the calendar date on which the specified event occurs, and ending at 11:59 PM on the final day.
  - H. "Days Prior" means the specified number of calendar days before the occurrence of the event specified, not counting the calendar date on which the specified event is scheduled to occur.
  - I. "Deliver", "Delivered" or "Delivery", unless otherwise specified in writing, means and shall be effective upon: personal receipt by Buyer or Seller or the individual Real Estate Licensee for that principal as specified in the section titled Real Estate Brokers on page 11, regardless of the method used (i.e., messenger, mail, email, fax, other).
  - J. "Electronic Copy" or "Electronic Signature" means, as applicable, an electronic copy or signature complying with California Law. Buyer and Seller agree that electronic means will not be used by either Party to modify or alter the content or integrity of this Agreement without the knowledge and consent of the other Party.
  - K. "Law" means any law, code, statute, ordinance, regulation, rule or order, which is adopted by a controlling city, county, state or federal legislative, judicial or executive body or agency.
  - L. "Repairs" means any repairs (including pest control), alterations, replacements, modifications or retrofitting of the Property provided for under this Agreement.
  - M. "Signed" means either a handwritten or electronic signature on an original document, Copy or any counterpart.
- 37. EXPIRATION OF OFFER:** This offer shall be deemed revoked and the deposit, if any, shall be returned to Buyer unless the offer is Signed by Seller and a Copy of the Signed offer is personally received by Buyer, or by \_\_\_\_\_, who is authorized to receive it, by 5:00 PM on the third Day after this offer is signed by Buyer (or by \_\_\_\_\_ AM/ \_\_\_\_\_ PM, on \_\_\_\_\_ (date)).

☒ One or more Buyers is signing the Agreement in a representative capacity and not for him/herself as an individual. See attached Representative Capacity Signature Disclosure (C.A.R. Form RCSD-B) for additional terms.

Date 10/15/2018 3:30:03 PM BUYER MHCS D  
 (Print name) MHCS D

Date \_\_\_\_\_ BUYER \_\_\_\_\_

(Print name) \_\_\_\_\_

☐ Additional Signature Addendum attached (C.A.R. Form ASA).

Buyer's Initials ( MHCS D ) ( \_\_\_\_\_ )

Seller's Initials ( \_\_\_\_\_ ) ( \_\_\_\_\_ )







CALIFORNIA  
ASSOCIATION  
OF REALTORS®

## BUYER'S VACANT LAND ADDITIONAL INSPECTION ADVISORY

(C.A.R. Form BVLIA, 11/13)

Property Address: 1199 Purisima Rd, Lompoc, CA 93436-2601 ("Property").

**A. IMPORTANCE OF PROPERTY INVESTIGATION:** The physical condition of the land and improvements being purchased is not guaranteed by either Seller or Brokers. For this reason, you should conduct thorough investigations of the Property personally and with professionals who should provide written reports of their investigations. A general physical inspection typically does not cover all aspects of the Property nor items affecting the Property that are not physically located on the Property. If the professionals recommend further investigations, including a recommendation by a pest control operator to inspect inaccessible areas of the Property, you should contact qualified experts to conduct such additional investigations. Additionally, some inspections, such as those listed below, may be of particular importance when purchasing vacant land.

**B. BUYER RIGHTS AND DUTIES:** You have an affirmative duty to exercise reasonable care to protect yourself, including discovery of the legal, practical and technical implications of disclosed facts, and the investigation and verification of information and facts that you know or that are within your diligent attention and observation. The purchase agreement gives you the right to investigate the Property. If you exercise this right, and you should, you must do so in accordance with the terms of that agreement. This is the best way for you to protect yourself. It is extremely important for you to read all written reports provided by professionals and to discuss the results of inspections with the professional who conducted the inspection. You have the right to request that Seller make repairs, corrections or take other action based upon items discovered in your investigations or disclosed by Seller. If Seller is unwilling or unable to satisfy your requests, or you do not want to purchase the Property in its disclosed and discovered condition, you have the right to cancel the agreement if you act within specific time periods. If you do not cancel the agreement in a timely and proper manner, you may be in breach of contract.

**C. SELLER RIGHTS AND DUTIES:** Seller is required to disclose to you material facts known to him/her that affect the value or desirability of the Property. However, Seller may not be aware of some Property defects or conditions. Seller does not have an obligation to inspect the Property for your benefit nor is Seller obligated to repair, correct or otherwise cure known defects that are disclosed to you or previously unknown defects that are discovered by you or your inspectors during escrow. The purchase agreement obligates Seller to make the Property available to you for investigations.

**D. BROKER OBLIGATIONS:** Brokers do not have expertise in all areas and therefore cannot advise you on many items, such as soil stability, geologic or environmental conditions, hazardous or illegal controlled substances, structural conditions of the foundation or other improvements, or the condition of the roof, plumbing, heating, air conditioning, electrical, sewer, septic, waste disposal, or other system. The only way to accurately determine the condition of the Property is through an inspection by an appropriate professional selected by you. If Broker gives you referrals to such professionals, Broker does not guarantee their performance. You may select any professional of your choosing. If you have entered into a written agreement with a Broker, the specific terms of that agreement will determine the nature and extent of that Broker's duty to you. **YOU ARE STRONGLY ADVISED TO INVESTIGATE THE CONDITION AND SUITABILITY OF ALL ASPECTS OF THE PROPERTY. IF YOU DO NOT DO SO, YOU ARE ACTING AGAINST THE ADVICE OF BROKERS.**

**E. YOU ARE ADVISED TO CONDUCT INVESTIGATIONS OF THE ENTIRE PROPERTY, INCLUDING, BUT NOT LIMITED TO THE FOLLOWING:**

- 1. FINANCE:** Financing the purchase of vacant land finance and especially financing construction loans for the improvement of vacant land can provide particular challenges, including subordination agreements and insurance requirements. Buyer is advised to seek the assistance of reputable lenders in assistance with their decisions regarding financing of the property.
- 2. CONSTRUCTION COSTS:** If Buyer is contemplating building improvements on the property, Buyer is advised that they will have to contact directly any contractors, service providers, suppliers, architects, utility companies regarding the costs of improvements. Buyer is advised to get written bids from all such persons regarding their decision to develop the property.
- 3. UTILITIES:** Unimproved property may or may not have utilities available to the property. Buyer(s) is advised to obtain information from the public or private utility provider about the availability and cost of providing utilities to the property and whether necessary easements are in place to allow such utilities to the property.
- 4. ENVIRONMENTAL SURVEY:** Unimproved land may have had or may have hazardous materials stored upon or under the land or been used by persons engaged in activities exposing the land to hazardous materials. The land may also be host to protected vegetation or animal life. Buyer(s) is advised to satisfy themselves as what hazards or protected plant or animal life are on the property and what impact they may have on Buyer's future plans for the property by seeking the help of a qualified professional.

Buyer's Initials MACSD ( ) ( )

Seller's Initials ( ) ( )

© 2013, California Association of REALTORS®, Inc.

BVLIA 11/13 (PAGE 1 OF 2)

BUYER'S VACANT LAND ADDITIONAL INSPECTION ADVISORY (BVLIA PAGE 1 OF 2)



CCPM INC dba Pacific Properties, PO Box 514 Los Olivos, CA 93441  
Diane Long

Produced with zipForm® by zipLogix 18070 Fifteen Mile Road, Fraser, Michigan 48026 [www.ziplogix.com](http://www.ziplogix.com)

Phone: 805-478-2764

Fax: 805.880-0381

1199 Purisima Rd



Property Address: 1199 Purisima Rd, Lompoc, CA 93436-2601Date: October 15, 2018

5. **NATURAL HAZARDS REPORTS:** Buyer(s) is advised that while certain disclosures are required by state, federal and local laws, hazard disclosure companies can provide additional disclosures for both natural and man-made hazards or nuisances for a cost. Buyer is advised to seek the advice of a natural hazards reporting company regarding additional reports and disclosures that buyer may wish to obtain.
6. **SUBDIVISION OF THE PROPERTY:** If Buyer's plans include future subdivision of the property (whether under the Subdivision Map Act of the Subdivided Lands Law) multiple, complex issues regarding city, county, state, and federal laws may be presented. Buyer is strongly advised to seek the advice of California legal counsel familiar with federal, state and local subdivision requirements.

Buyer and Seller acknowledge and agree that Broker: (i) Does not decide what price Buyer should pay or Seller should accept; (ii) Does not guarantee the condition of the Property; (iii) Does not guarantee the performance, adequacy or completeness of inspections, services, products or repairs provided or made by Seller or others; (iv) Does not have an obligation to conduct an inspection of common areas or areas off the site of the Property; (v) Shall not be responsible for identifying defects on the Property, in common areas, or offsite unless such defects are visually observable by an inspection of reasonably accessible areas of the Property or are known to Broker; (vi) Shall not be responsible for inspecting public records or permits concerning the title or use of Property; (vii) Shall not be responsible for identifying the location of boundary lines or other items affecting title; (viii) Shall not be responsible for verifying square footage, representations of others or information contained in Investigation reports, Multiple Listing Service, advertisements, flyers or other promotional material; (ix) Shall not be responsible for providing legal or tax advice regarding any aspect of a transaction entered into by Buyer or Seller; and (x) Shall not be responsible for providing other advice or information that exceeds the knowledge, education and experience required to perform real estate licensed activity. Buyer and Seller agree to seek legal, tax, insurance, title and other desired assistance from appropriate professionals.

By signing below, Buyer and Seller each acknowledge that they have read, understand, accept and have received a Copy of this Advisory. Buyer is encouraged to read it carefully.

SELLER \_\_\_\_\_ Date \_\_\_\_\_  
*Francisco M Lemus*

SELLER \_\_\_\_\_ Date \_\_\_\_\_  
*Deborah Lemus*

DocuSigned by:  
 BUYER Mission Hills (SD) Date 10/15/2018 3:30:03 PM PDT  
 MHCSO  
 9179F38AB86B4B7...

BUYER \_\_\_\_\_ Date \_\_\_\_\_

© 2013, California Association of REALTORS®, Inc. United States copyright law (Title 17 U.S. Code) forbids the unauthorized distribution, display and reproduction of this form, or any portion thereof, by photocopy machine or any other means, including facsimile or computerized formats. THIS FORM HAS BEEN APPROVED BY THE CALIFORNIA ASSOCIATION OF REALTORS® (C.A.R.), NO REPRESENTATION IS MADE AS TO THE LEGAL VALIDITY OR ACCURACY OF ANY PROVISION IN ANY SPECIFIC TRANSACTION. A REAL ESTATE BROKER IS THE PERSON QUALIFIED TO ADVISE ON REAL ESTATE TRANSACTIONS. IF YOU DESIRE LEGAL OR TAX ADVICE, CONSULT AN APPROPRIATE PROFESSIONAL. This form is made available to real estate professionals through an agreement with or purchase from the California Association of REALTORS®. It is not intended to identify the user as a REALTOR®. REALTOR® is a registered collective membership mark which may be used only by members of the NATIONAL ASSOCIATION OF REALTORS® who subscribe to its Code of Ethics.



Published and Distributed by:  
 REAL ESTATE BUSINESS SERVICES, INC.  
 a subsidiary of the California Association of REALTORS®  
 525 South Virgil Avenue, Los Angeles, California 90020

BVLIA 11/13 (PAGE 2 OF 2)



BUYER'S VACANT LAND ADDITIONAL INSPECTION ADVISORY (BVLIA PAGE 2 OF 2)

Produced with zipForm® by zipLogix 18070 Fifteen Mile Road, Fraser, Michigan 48026 [www.zipLogix.com](http://www.zipLogix.com)

1199 Purisima Rd





CALIFORNIA  
ASSOCIATION  
OF REALTORS®

## ADDENDUM

(C.A.R. Form ADM, Revised 12/15)

No. 1

The following terms and conditions are hereby incorporated in and made a part of the: ☒ Purchase Agreement, ☐ Residential Lease or Month-to-Month Rental Agreement, ☐ Transfer Disclosure Statement (Note: An amendment to the TDS may give the Buyer a right to rescind), ☐ Other \_\_\_\_\_

dated October 15, 2018, on property known as 1199 Purisima Rd  
Lompoc, CA 93436-2601

in which MHCSD is referred to as ("Buyer/Tenant")  
and Francisco M Lemus, Deborah Lemus is referred to as ("Seller/Landlord").

### Seller Representation:

To survive close of escrow, made to the best of Seller's knowledge, the list below is a partial list of the representations and warranties to be included in the purchase contract and which will survive the close of escrow for a period of one year:

- 1) Except as noted in the reports provided to buyer, there are no hazardous materials existing on or under the site upon the date of execution of this agreement or at close of escrow.
- 2) No threatened or actual legal actions against property including loan default, condemnation, rezoning, revocation of any permit, foreclosure, civil suit, et cetera. No default, or condition likely to lead to default. This property complies with all codes, ordinances, rules and regulations except as disclosed to Buyer.
- 3) All documents provided to buyer are complete, true, and correct and seller has disclosed to Buyer all material facts known to Seller concerning the property and tenant.
- 4) Indemnification -After close of escrow, Seller to indemnify Buyer against any loss or liability for any occurrence prior to close of escrow.
- 5) Extension - Buyer shall have the right to extend the scheduled closing date 10-days, by giving notice no later than 5 days prior to the scheduled closing date and depositing another 2500.00 into escrow within 2 days after giving such notice. The purpose of this extension is to provide time to resolve any last-minute issues with escrow or other issues.
- 6) This offer is subject o review and approval of MHCSD Legal Counsel within 5 days of acceptance.
- 7) Environmental: Seller represents to buyer that to the best of Seller's knowledge, there are no known existing or threatened environmental issues.
- 8) The willingness of the Title Company to issue updated ALTA policy with only the approved exceptions is a condition of Buyer's obligation to purchase the property.
- 9) Deposit: In the event Buyer disapproves or fails to approve the contingencies as noted above, Buyer's deposit together with interest thereon and less Buyer's share of escrow cancellation fees, shall be promptly returned to Buyer without further instructions.

The foregoing terms and conditions are hereby agreed to, and the undersigned acknowledge receipt of a copy of this document.

Date 10/15/2018 3:30:03 PM PDT

Buyer/Tenant Mission Hills CSD  
MHCSD

Date \_\_\_\_\_

Seller/Landlord Francisco M Lemus

Buyer/Tenant \_\_\_\_\_

Seller/Landlord Deborah Lemus

© 1986-2015, California Association of REALTORS®, Inc. United States copyright law (Title 17 U.S. Code) forbids the unauthorized distribution, display and reproduction of this form, or any portion thereof, by photocopy machine or any other means, including facsimile or computerized formats.

THIS FORM HAS BEEN APPROVED BY THE CALIFORNIA ASSOCIATION OF REALTORS® (C.A.R.). NO REPRESENTATION IS MADE AS TO THE LEGAL VALIDITY OR ACCURACY OF ANY PROVISION IN ANY SPECIFIC TRANSACTION. A REAL ESTATE BROKER IS THE PERSON QUALIFIED TO ADVISE ON REAL ESTATE TRANSACTIONS. IF YOU DESIRE LEGAL OR TAX ADVICE, CONSULT AN APPROPRIATE PROFESSIONAL.

This form is made available to real estate professionals through an agreement with or purchase from the California Association of REALTORS®. It is not intended to identify the user as a REALTOR®. REALTOR® is a registered collective membership mark which may be used only by members of the NATIONAL ASSOCIATION OF REALTORS® who subscribe to its Code of Ethics.



Published and Distributed by:  
REAL ESTATE BUSINESS SERVICES, INC.  
a subsidiary of the California Association of REALTORS®  
525 South Virgil Avenue, Los Angeles, California 90020

ADM REVISED 12/15 (PAGE 1 OF 1)

ADDENDUM (ADM PAGE 1 OF 1)





**MISSION HILLS COMMUNITY SERVICES DISTRICT**

**MEMORANDUM**

**TO:** Board of Directors

**FROM:** Loch A Dreizler, General Manager  
Casey Fowler, Administrative Assistant

**DATE:** October 9, 2018

**SUBJECT:** Approve Resolution No. 18-324

**Recommendation / Proposed Motion**

Motion: Approve Resolution No. 18-324 In the Matter of Commendation of James MacKenzie

**Policy Implications**

None

**Alternatives Considered**

None

**Background**

None

**Discussion**

The Board of Directors of Mission Hills Community Services District wishes to recognize and commend James MacKenzie for his 18 years of service on the Board of Directors from October 2000 to December 2018.

# Mission Hills Community Services District

## RESOLUTION NO. 18-324

### A RESOLUTION OF THE MISSION HILLS COMMUNITY SERVICES DISTRICT IN THE MATTER OF COMMENDATION OF:

#### *James MacKenzie*

**WHEREAS**, the Mission Hills Community Services District wishes to recognize and commend James MacKenzie for 18 years of service on the Board of Directors from October 2000 to December 2018; and

**WHEREAS**, Director James MacKenzie moved into the community of Mesa Oaks in July 2000 after serving 26 years in the United States Air Force, retiring as a Colonel and Professional Civil Engineer and volunteered when the District had an unexpected Board Vacancy in September 2000 to finish out the remaining term. He was appointed again in 2002 and 2006, elected in 2010, and appointed for his final four-year term in 2014; and

**WHEREAS**, through the conscientious dedication of Director James MacKenzie to the affairs and operations of the District, his sound business judgement, engineering background, supporting staff through years of budget constraints while preserving services to the public, and his continuous loyalty to better the community has made significant and lasting contributions to the District and governance thereof; and

**WHEREAS**, through the conscientious dedication of Director James MacKenzie to the affairs and operations of the District, his sound business judgement, engineering background, supporting staff through years of budget constraints while preserving services to the public, and his continuous loyalty to better the community has made significant and lasting contributions to the District and governance thereof; and

**WHEREAS**, Director James MacKenzie consistently supported staff by emphasizing the need for contemporary equipment that increased efficiency and safety including; computers, software, automated water meters, and field equipment like the valve turning machine affectionately known as the "MacKenzie"; and

**WHEREAS**, Director James MacKenzie served multiple terms as a Board member with the Vandenberg Air Force Base Community Advisory Board volunteering his time and energy; and

**WHEREAS**, Director James MacKenzie has continually maintained a steadfast interest in our community, and has promoted harmony and goodwill within the District, the Lompoc Valley, and Vandenberg Air Force Base; has been a vocal advocate for staff rights and, a proponent for environmentally sound projects; and

**WHEREAS**, Director James MacKenzie will resign from public office on December 19, 2018, after representing the Mission Hills Community Services District in Santa Barbara County for eighteen years, accepting the demands of public office with enthusiasm and determination.

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Directors of the Mission Hills Community Services District, Santa Barbara County, California, commends **James MacKenzie** for his services to the District and the community and acknowledges his achievements that will be recognized and appreciated for many years to come.

On Motion by Director \_\_\_\_\_, second by Director \_\_\_\_\_, and on the following roll call vote, to wit:

AYES:

NAYS:

ABSENT:

**PASSED AND ADOPTED** by the Board of Directors of the Mission Hills Community Services District in Santa Barbara County, State of California, this 14th day of November, 2018, by \_\_\_\_\_ vote of all members present.

\_\_\_\_\_  
G. Bruce Nix  
Director

\_\_\_\_\_  
Walt Fasold  
Director

\_\_\_\_\_  
Steve Dietrich  
Director

\_\_\_\_\_  
Myron Heavin  
Director

I hereby certify that the preceding is a full, true and correct copy of Resolution No. 18-324, duly and regularly passed and adopted by the Board of Directors of the Mission Hills Community Services District, County of Santa Barbara, State of California, this 14<sup>th</sup> day of November 2018.

\_\_\_\_\_  
Casey Fowler  
Secretary Board of Directors



**MISSION HILLS COMMUNITY SERVICES DISTRICT**

**MEMORANDUM**

**TO:** Board of Directors  
**FROM:** Loch A Dreizler, General Manager  
**DATE:** November 14, 2018  
**SUBJECT:** McCarthy / Summit View Homes Development Costs

**Recommendation / Proposed Motion**

- Recommendation: Find that the Summit View Homes Project will follow the California Environmental Quality Act (CEQA) as supported by certification of the Final Environmental Impact Report (EIR) from the City of Lompoc Community Development Department in April 2013.

**3 Separate Motions Proposed**

1. Proposed Motion: Approve the Development Costs as outlined in this Board Memorandum in the amount of \$ 751,582
2. Proposed Motion: Authorize the General Manager to approve Development Agreement for McCarthy Companies/Summit View Homes after the Development Agreement has been approved by Mission Hills District Legal Counsel.
3. Proposed Motion: Approve Table Modifications Water Conservation Retrofit/Rebate Program – see attached

**Policy Reference**

- MHCSO Ordinance #02-68, Water Conservation Retrofit/Rebate Ordinance, approved in June 1996, requires developers to participate to ensure that their projects will minimize impacts on groundwater.
- MHCSO Ordinance #16-81, Established rates for water, sewer, street sweeping and connection charges
- The Board approves development agreements and issues *Can and Will Serve Letters*.

**Budget Resource**

- Connection fees from this development are expected to contribute \$728,922 of capital to the water and wastewater funds.
- The developer will be required to mitigate 44 single-family residences via Ordinance #02-68, Water Conservation Retrofit/Rebate Ordinance Conservation Fee Ordinance which could contribute up to \$13,640 to the water conservation fund.

**Alternatives Considered**

Various alternatives were considered in arriving at the terms and conditions stated in the development costs.

**Background**

Summit View Homes initially applied for annexation into the City of Lompoc in March 2007 and is included in the city's 2030 General Plan, the primary planning document for city development, as an expansion area.

On July 19, 2016, the Lompoc City Council followed the Planning Commission's recommendation and approved the proposal for the 44-home residential subdivision known as Summit View Homes, located at Purisima Road and Harris Grade Road.

The District approved an intent to serve letter for this project on April 18, 2018.

**Discussion**

McCarthy / Summit View Homes consists of 44 single-family homes, a stormwater detention basin, and common space that requires irrigation.

Staff has been working with the developer, Summit View Homes, Inc., on this project for the last two years. McCarthy / Summit View Homes and Mission Hills CSD Development Committee have mutually agreed to equitable development costs as outline on the next pages.

**DEVELOPMENT COSTS****Capacity Charges**

- MHCSO Ordinance #16-81
- Summit View Homes will pay the ¾" Meter rate, but MHCSO will install 1" Meters
- Water Capacity Charge for ¾" Meter \$8,294 per Single-Family Residence (44)
- Sewer Capacity Charge \$3,435 per unit each Single-Family Residence (44)

<b>Current Published Rates</b>	
	<b>¾" Meter</b>
Water	\$ 8,294
Sewer	\$ 3,435
<b>Capacity Charge</b>	<b>\$ 11,729</b>
<b>44 Homes</b>	<b>\$ 516,076</b>

### Planned Assets of NBS Study

It was a goal of the Mission Hills CSD Board of Directors to have all home builders pay an equitable cost to develop property if it was one home or one-hundred homes. The following represents current equitable costs base on the following from the September 2018 Draft NBS Study for Capacity Charges:

- Reference Figure 9 and Figure 19 to see 100% planned assets
- Summit View represents 8% of the homes from Figure 5

100% Planned Assets (NBS Study)	
New Reservoir	\$ 500,000
Water Treatment Plant	\$ 500,000
Additional Aeration	\$ 100,000
Line Pond #3	\$ 500,000
WDR Compliance	\$ 360,000
	\$ 1,960,000
Summit View Homes @	8.0%
	<b>\$ 156,800</b>

### Water Conservation Fee

- The current Ordinance #02-68 has a water conservation fee of \$310
- Modified Ordinance Table Included as an attachment

### Water Meter Install

- The district will set water meter(s) upon request, after the district has accepted improvements to be dedicated to the district, if applicable.

### Inspection Fee:

- MHCSO will hire a Professional Engineer to inspect underground infrastructure at a cost of \$205 per Single-Family Residence to be paid by Summit View Homes.

Other Fees			
Water Conservation	\$310	44	\$ 13,640
Water Meters Single Family	\$450	44	\$ 19,800
2" Water Meter - Irrigations	\$36,246	1	\$ 36,246
Inspections	\$205	44	\$ 9,020
<b>Totals</b>			<b>\$ 78,706</b>

<b>Total Fees</b>	
Capacity Charges	\$516,076
100% Planned Assets	\$156,800
Other Fees	\$78,706
<b>Totals</b>	<b>\$751,582</b>

**Pay Structure:**

- 25% of the planned assets, paid when permits are approved, and development agreement signed.
- Meter Installs and Inspections paid when permits are approved, and development agreement signed.
- Water and Wastewater Capacity Charges plus conservation fee paid when a meter is installed.
- Balance of reassessed planned assets up to \$156,800. MHCSO to reassess planned assets by June 2019 with qualified estimates or based on a revised NBS Study. If the reassess goes down, the balance due will be reassessed.

<b>Capacity Charge and Pay Structure</b>				
25% current estimated planned assets	meters, inspection	capacity charges + conservation fee	reassessed planned assets up to \$156,800	Total
\$ 39,200	\$ 65,066	\$ 529,716	\$ 117,600	\$ 751,582
Paid when permits approved	Paid when permits approved	Paid per meter as installed	Paid 12 months after permits approved	

**Attachment(s):**

1. Table for Ordinance 02-68
2. Existing / Approved *Can and Will Serve Letter*



**MISSION HILLS COMMUNITY SERVICES DISTRICT**

**Water Conservation Retrofit/Rebate Program**

**Table 1 (Revised) – Ordinance 02-68**

Toilets, Ultra-Low Flow, <1.6 Gallon, 2 Each per SFE	\$80.00 each	\$160.00
Toilet and Hardware Installation Costs	\$50.00 each	\$100.00
Administrative Costs per SFE	\$40.00	\$40.00
Showerheads, Low-Flow, 2 each per SFE	\$3.50 each	\$7.00
Aerators, Faucet, 3 Each per SFE	\$1.00 each	\$3.00
<b>Total per SFE</b>		<b>\$310.00</b>

The following costs are established as the basis for calculating water conservation in-lieu fees imposed on developers to offset their proposed consumption from new development:

\$310 as a 1:1 Ratio

Modified previously from:

\$310 as a 3:1 Ratio

**Board of Directors**

Walter Fasold, President  
Bruce Nix, Vice President  
James Mac Kenzie, Director  
Steve Dietrich, Director  
Myron Heavin, Director



1550 East Burton Mesa Blvd, Lompoc  
California, 93436-2100  
805.733.4366  
[www.mhcsd.org](http://www.mhcsd.org)

Loch A. Dreizler General Manager

April 26, 2018

Mr. Tony Koeijmans, COO

McCarthy Companies  
721 East Main Street  
Ventura, CA 93001

**SUBJECT: Can and Will Serve Letter for Summit View Homes Project**

Dear Mr. Koeijmans:

After reviewing a memo from Stantec dated December 17, 2015 (2064020053 - new file number 2064020054) discussing the Water Demand for the subject tract, the Mission Hills Community Services District can and will provide water and wastewater services. This statement is subject to ordinances, resolutions, policies, rules, and regulations of the District and legal requirements, including the California Environmental Quality Act (CEQA) as evidenced by City of Lompoc's Community Development Department Final Environmental Impact Report (EIR) in April 2013.

The District reserves the right to change, alter, amend, supplement, add to or repeal any and all of its ordinances, resolutions, policies, rules, and regulations from time to time, including but not limited to design standards, capacity charges, connection fees, service fees and service rules.

Although we have no reason to anticipate doing so at this time, the District can adopt a moratorium, or system rationing of water and wastewater services, which could affect our ability to serve the subject tract.

This letter will expire April 26, 2019, unless construction of the residential tract has begun.

Sincerely,

**Loch A Dreizler** Digitally signed by Loch A Dreizler  
Date: 2018.04.26 11:14:19 -07'00'

Loch A Dreizler, General Manager  
Mission Hills Community Services District

cc:

Jeremy Salts, Stantec Engineering for Summit View Homes  
Buddy Haines, Stantec Engineering for Mission Hills CSD