

AGREEMENT
BETWEEN THE
UNITED STATES FOREST SERVICE
AND THE
SWEETWATER AUTHORITY

This agreement to initiate an exchange of lands is entered into, by, and between the USDA-Forest Service (hereinafter "Forest Service"), and Sweetwater Authority (hereinafter "Sweetwater"), a public agency. This agreement shall be effective upon the signatures of both parties.

RECITALS

WHEREAS, the Forest Service is authorized by the General Exchange Act of March 20, 1922, and by Title 36, Code of Federal Regulations (CFR) Part 254, to enter into nonbinding agreements with other parties to initiate an exchange of lands in order to accomplish common management goals; and

WHEREAS, the Forest Service, under the laws of Congress and regulation of the Department of Agriculture, is responsible for the management of National Forest System lands and the resources thereon; and

WHEREAS, both the Forest Service and Sweetwater desire to exchange properties within the boundaries and outside but adjacent to the boundaries of the Cleveland National Forest (legal descriptions below) on a value for value basis; and

WHEREAS, the Federal parcel is reserved public domain land on which known encumbrances are held by Sweetwater;

WHEREAS, the non-Federal parcel is held in fee, or will be acquired in fee for the purpose of this exchange, by Sweetwater, which is a public agency subject to the laws of the State of California; and

WHEREAS, the non-Federal parcel is encumbered by outstanding rights which are identified in the preliminary title report provided by Sweetwater;

NOW, THEREFORE, the Forest Service and Sweetwater enter into this agreement in order to facilitate the transfer of the identified Federal parcel to Sweetwater in exchange for the non-Federal lands found to be acceptable for acquisition by the Forest Service.

COVENANTS

A. Sweetwater will:

1. Provide, at their cost, a preliminary title report for the non-federal land to the Forest Service.
2. Arrange for, at their cost, the legal notice of the proposed exchange to be advertised in the _____ newspaper, to be published once per week for four consecutive weeks. The Forest Service will provide the text for the legal notice.

3. Work with current users of federal land (if any) to develop a mutually acceptable easement or other means of protecting existing use rights.

4. Arrange for, at their cost, the appraisal of both the federal and the non-federal properties. The appraisal must meet the Uniform Appraisal Standards for Federal Land Acquisitions. The selected appraiser is strongly encouraged to consult with a Forest Service appraiser before beginning the appraisal work, to assure mutual understanding of the appraisal assignment.

5. Conduct studies and/or acquire clearance reports on cultural resources, threatened, endangered and sensitive species, minerals, floodplains and wetlands as necessary on the federal lands.

6. Arrange for, at their cost, a title insurance policy in favor of the United States for the non-federal land.

B. The Forest Service will:

1. Do all necessary County, State and Federal notifications, approvals and public notices (except for arranging for the legal notice as identified in item A-2).

2. Provide a list of existing authorized uses on the federal lands (if any), along with the names and addresses of the users.

3. Complete an environmental assessment of the proposed exchange in compliance with the National Environmental Policy Act.

4. Arrange for delivery of a patent transferring the federal lands to Sweetwater, with rights reserved to the United States which are acceptable to Sweetwater.

5. Provide a draft of a Grant Deed for the non-federal land in favor of the United States.

C. It is mutually agreed and understood by and between both parties that:

1. Either party is authorized to enter the land owned/managed by the other party for purposes of examining the lands offered by the other party. This does not include any authorization for any land disturbing activity.

2. Both parties will provide disclosure of any known release, storage, or disposal of hazardous substances on the properties they own/manage, and any commitments regarding responsibility for removal or other remedial actions concerning such substances.

For any hazardous substances found on federal land, the Forest Service will provide a warranty that all remedial action necessary to protect human health and the environment with respect to any such substances remaining on the property has been taken before the date of transfer, and that any additional remedial action found necessary after the transfer shall be conducted by the United States.

For any hazardous substances found on the non-federal property, an agreement between both parties will be made that establishes the responsibility for appropriate response action concerning the hazardous substances before completing the exchange.

3. The appraisal work will be scheduled to begin within 60 days after environmental studies establish that there is no apparent environmental reason why the exchange should not be concluded as proposed.
4. Appraisals of the properties must be acceptable to both parties.
5. Upon review, approval and acceptance of the appraisals by both parties, market values will be fixed for 12 (twelve) months.
6. The Forest Service will act as the escrow agent for the exchange.

or

An escrow company acceptable to both parties will act as the escrow agent for the title paper processing.

7. The cost of escrow services will be shared by both parties.
8. Neither party will obligate the expenditure of the other's funds.
9. There are no occupants or tenants on the non-federal land who would require notification and relocation benefits.
10. There can be no up-front guarantees on the side of either party that the proposed land exchange will be completed.
11. The performance of the Forest Service on conditions of this agreement is contingent upon appropriation of sufficient funds by Congress.
12. Nothing in this agreement is to be construed as conflicting with State or Federal laws, regulations, policies, or prescribed responsibilities.
13. No member of, or delegate to, Congress, or Resident Commissioner, shall be admitted to any share or part of this agreement, or to any benefits that may arise therefrom; but this provision shall not be construed to extend to this agreement if made with a corporation for its general benefit.
14. This is a non-binding agreement. Either party may cancel out upon written notice to the other.

The parties to this agreement are:

United States Forest Service
San Bernardino National Forest
1824 Commercenter Circle
San Bernardino, CA 92408

Sweetwater Agency
P.O. Box 2328
Chula Vista, CA 91912-2328

Exhibits 1 (Legal Description of Proposed Exchange Lands) and Exhibit 2 (Schedule for Completion of Exchange) are attached and made part of this agreement.

Either party to this agreement may modify or amend it as necessary, subject to mutual consent, including the exhibits attached.

The proponent, Sweetwater Agency, affirms that it is a public agency subject to the laws of the United States or the State of California.

The effective date of this agreement is _____, 1994.

U.S. Forest Service

Sweetwater Agency

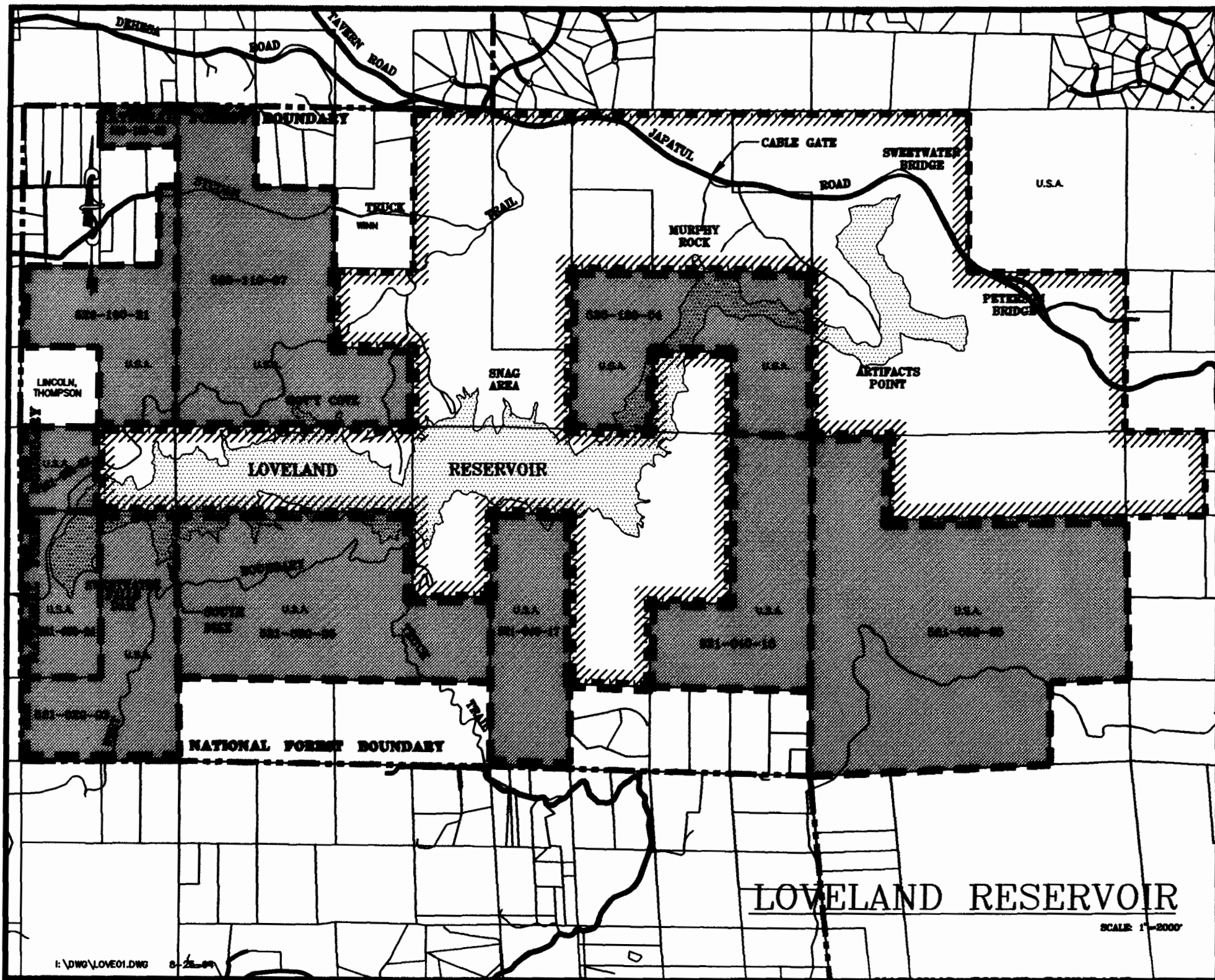
Forest Supervisor
Cleveland National Forest

General Manager

Date: _____

Date: _____

Director, Lands and
Recreation
Pacific Southwest Region



LOVELAND RESERVOIR

SCALE 1"=2000'