

**LODGED**

MAY - 4 2022

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**SUPERIOR COURT OF THE STATE OF CALIFORNIA**  
**FOR THE COUNTY OF MENDOCINO**

MENDOCINO RAILWAY,

Plaintiff,

v.

JOHN MEYER; REDWOOD EMPIRE TITLE  
COMPANY OF MENDOCINO COUNTY;  
SHEPPARD INVESTMENTS; MARYELLEN  
SHEPPARD; MENDOCINO COUNTY  
TREASURER-TAX COLLECTOR; All other  
persons unknown claiming an interest in the  
property; and DOES 1 through 100, inclusive,

Defendants.

Case No. SCUk-CVED-2020-74939

[APN 038-180-53]

(Assigned to Hon. Jeanine B. Nadel)

**PLAINTIFF MENDOCINO RAILWAY'S  
MANDATORY SETTLEMENT  
CONFERENCE STATEMENT**

**MSC**

Date: May 11, 2022  
Time: 10:45 a.m.  
Dept.: E

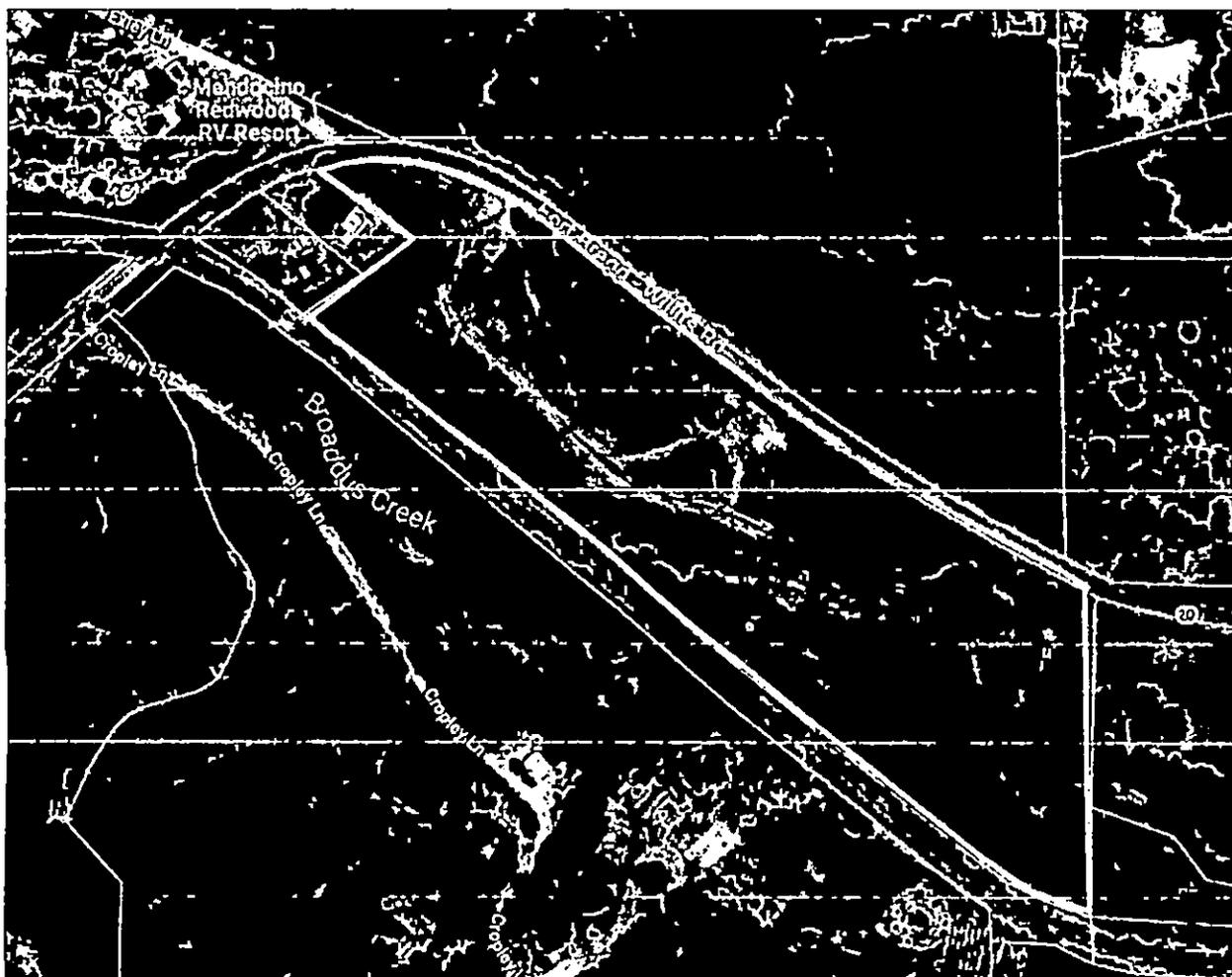
**A. INTRODUCTION**

This is an eminent domain action by which Plaintiff Mendocino Railway ("Mendocino Railway") is acquiring, by eminent domain, the real property commonly known as 1401 West Highway 20, Willits, CA ("Subject Property") for construction and maintenance of rail facilities related to Mendocino Railway's ongoing and future freight and passenger rail operations and all uses necessary and convenient thereto ("Project"). Defendant John Meyer ("Meyer") is the owner of the Subject Property. The primary remaining issue in the case is determination of the compensation to

By Fax

1 which Mr. Meyer is entitled for the acquisition of the Subject Property<sup>1</sup>. The date of value is  
2 December 21, 2020.

3 The Subject Property is an approximately 20 acre undeveloped parcel zoned UR-40 (Upland  
4 residential – 40 acre minimum). Mendocino Railway’s railroad runs along the southerly boundary of  
5 the Subject Property. Mr. Meyer purchased the Subject Property in 2014 for \$150,000. Below is an  
6 aerial photo depicting the Subject Property (outlined in blue):



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25  
26  
27  
28  

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<sup>1</sup> Mr. Meyer has asserted objections to Mendocino Railway’s right to take the property by eminent domain, but it is unclear whether he intends to pursue these objections at trial.

1 The parties have exchanged expert witness valuation data to be presented at trial. Below is a  
2 table summarizing the parties' respective appraisal opinions:

	<b>Mendocino Railway (Howard Levy, MAI)</b>	<b>John Meyer (Dean Burwell, MAI)</b>
<b>Value of the Subject Property</b>	\$360,000	\$700,000 <sup>2</sup>
<b>Value of Soil Stockpile</b>	(\$125,000)	\$380,000
<b>Total Compensation</b>	<b><u>\$235,000</u></b>	<b><u>\$1,080,000<sup>3</sup></u></b>

11  
12 Mendocino Railway's valuation reflects a reasonable and well-supported independent  
13 appraisal by a knowledgeable and experienced real estate appraiser employing typical appraisal  
14 methodology in full compliance with the eminent domain law.

15 In contrast, Mr. Meyer's valuation is based on a last-minute and first-time eminent domain  
16 appraisal, by an appraiser who failed entirely to undertake a proper investigation and analysis or  
17 conform to fundamental appraisal methodology and legal standards, and instead relied upon  
18 unfounded comments by Mr. Meyer. Thus, Mr. Burwell's valuation is improper and likely  
19 inadmissible. Mr. Meyer has also been designated to offer his valuation opinions, however, Mr.  
20 Meyer's opinions are also fundamentally deficient and likely inadmissible.

21  
22 **B. APPLICABLE LAW**

23 The primary remaining issue in this case is the amount of compensation to which Mr. Meyer is  
24 entitled for Mendocino Railway's acquisition of the Subject Property. The date of value is December  
25 21, 2020.

26  
27 <sup>2</sup> Mr. Burwell improperly includes an adjacent parcel (Parcel 40) that Mendocino Railway is not acquiring in his valuation  
28 of the real estate. Mr. Meyer purchased Parcel 40 in July 2020 for \$200,000. Deducting this amount from Mr. Burwell's  
valuation would result in a value for the Subject Property of **\$500,000**.

<sup>3</sup> As discussed in more detail below, Mr. Burwell's valuation is improper and likely inadmissible.

1 In eminent domain cases, the measure of compensation for the property taken is its “fair  
2 market value.” Cal. Civ. Proc. Code §1263.310. The Eminent Domain Law defines “fair market  
3 value” as:

4 “The fair market value of property taken is the highest price on the  
5 date of valuation that would be agreed to by a seller, being willing to  
6 sell but under no particular or urgent necessity for so doing, not  
7 obliged to sell, and a buyer, being ready, willing and able to buy  
8 under no particular necessity for so doing, each dealing with the other  
9 with full knowledge of all the uses and purposes for which the  
10 property is reasonably adapted and available.” Cal. Civ. Proc. Code  
11 §1263.320(a).

12 In an eminent domain case, it is the trial court’s obligation to act as “gatekeeper” regarding  
13 expert testimony, including the admissibility of “comparable” transactions. Los Angeles School  
14 Dist. v. Swensen (1964) 226 Cal.App.2d 574, 583. Only transactions that are “sufficiently alike”  
15 such that they “may fairly be considered as shedding light on the value of the property being valued”  
16 are admissible. Cal. Evid. Code §816. And, the law is clear that a property with improvements is not  
17 comparable to a property without similar improvements. “Property cannot be considered  
18 comparable where it includes various fixtures, rights, improvements, and personal property which  
19 the property being condemned does not include.” Pacific Gas & Electric Co. v. Zuckerman (1987)  
20 189 Cal.App.3d 1113, 1130.

21 Further, a property owner is not entitled to compensation for speculative “business” ventures.  
22 “[A] defendant may not present evidence of income from a business that is *conducted* on the  
23 condemned property ... Thus, ‘vacant land cannot be the subject of an income study ....’ The  
24 prohibition on evidence of business income dates back to the early days of our jurisprudence and is  
25 based on the principle that even profits from an actual business depend on so many variables that  
26 any valuation derived from them is too conjectural and speculative.” City of Stockton v. Albert  
27 Brochhini Farms, Inc. (2001) 92 Cal.App.4th 193, 198-199. Thus, where an unsanctioned valuation  
28 methodology is employed, the expert’s opinion may be excluded in full or part. County Sanitation  
Dist. v. Watson Land Co. (1993) 17 Cal.App.4th 1268. Goodwill claims based on speculative or  
hypothetical ventures are similarly inadmissible. Department of Transportation v. Dry Canyon  
Enterprises, LLC (2012) 211 Cal. App.4th 486.

1 **C. PLAINTIFF'S APPRAISAL**

2 Mendocino Railway's expert real estate appraiser is Howard Levy with Ward Levy Appraisal  
3 Group. Mr. Levy has appraised many dozens of properties of various types for eminent domain  
4 purposes throughout Mendocino and Sonoma Counties. Mr. Levy conducted a thorough  
5 investigation and analysis of the Subject Property, its neighborhood, the applicable zoning and other  
6 regulations, and extensive market research of similar properties. Mr. Levy spoke with numerous  
7 brokers in the area and the Mendocino County planning department. Mr. Levy reviewed all the  
8 relevant files and records in this matter, including Mr. Meyer's discovery responses and documents  
9 produced, and the transcript of Mr. Meyer's deposition.

10 Mr. Levy identified seven (7) sales of comparable properties – undeveloped rural residential  
11 properties. After making appropriate adjustments for differences in location, size, availability of  
12 utilities, views, Mr. Levy concludes to a valuation of \$360,000 for the Subject Property.

13 Mr. Levy also investigated and analyzed how the soil stockpile (17,000 cubic yards of  
14 material) would be considered by the most probable buyer of the property – an owner-user for rural  
15 residential or agricultural purposes. Mr. Levy determined that the soil stockpile is a condition that  
16 would be considered detrimental in the market. In other words, the stockpile would interfere with  
17 the most likely buyer's use of the property, and so they would demand its removal as a condition of  
18 the sale. Based on Mr. Kilgore's analysis and estimate, the cost of removal would be about  
19 \$125,000 (including the cost of more than 800 double truck loads, plus professional services,  
20 permits, etc.). Accordingly, Mr. Levy's conclusion of compensation is \$235,000 (\$360,000 less  
21 \$125,000).

22 **D. DEFENDANT'S APPRAISAL**

23 Mr. Burwell, Mr. Meyer's real estate appraiser, offers wholly unfounded real estate and  
24 business valuation opinions. First, although Mr. Burwell is an experienced real estate appraiser, he  
25 has never appraised property for eminent domain purposes. He has no knowledge of California's  
26 eminent domain law, nor did he make any effort to obtain or review the applicable statutes. He also  
27 has virtually no experience valuing businesses, aside from a few valuations related to other real estate  
28 appraisals. More importantly, though, Mr. Burwell failed entirely to undertake an independent  
investigation and analysis of the Subject Property, the relevant market for rural residential property in

1 Willits, or Mr. Meyer's purported soil business. Instead, Mr. Meyer simply accepted the information  
2 and documents provided by Mr. Meyer, and Mr. Meyer's real estate broker (Mr. Weston), and  
3 incorporated it into a written report.

4 Mr. Burwell did not speak with any market participants (buyers, sellers, or brokers) regarding  
5 the current market for rural residential properties in Willits or the general Mendocino County area.  
6 He did not speak with anyone at the Mendocino County planning department regarding potential uses  
7 of the Subject Property, or the applicable regulations. Nor did Mr. Burwell investigate whether the  
8 property could be split as Mr. Meyer and Mr. Weston contend – or that such a situation would be  
9 desirable in the market – to support his assumption that it could and would.

10 With regard to the soil "business," Mr. Meyer did not attempt to contact Caltrans about the  
11 contract to dump materials on the property, nor did he independently verify the amount or type of  
12 material that would be dumped, or whether the material could be sold and its potential value, or the  
13 costs associated therewith. Instead, Mr. Burwell simply assumed not only that the total volume of  
14 material would be dumped at the Subject Property, but also that all the material would be sold. He  
15 made these speculative assumptions despite not having any financial records or other information that  
16 could conceivably substantiate such extraordinary assumptions. Then, Mr. Burwell made the further  
17 hypothetical assumption that the contract would be renewed.

18 Not only does Mr. Burwell's opinion fail to meet the fundamental standards for an  
19 independent and reasoned appraisal, but it fails to comply with applicable law. Two of the four sale  
20 transactions that Mr. Burwell relied upon in reaching his real estate valuation are improved with  
21 existing homes and other improvements. As set forth above, such sales are inadmissible because they  
22 include improvements that are not present on the Subject Property. Cal. Evid. Code §816; Pacific  
23 Gas & Electric Co. v. Zuckerman (1987) 189 Cal.App.3d 1113, 1130. The remaining two  
24 transactions, of unimproved rural residential parcels, were also relied upon by Mr. Levy – and  
25 support Mr. Levy's valuation opinion.

26 As to Mr. Burwell's "opinion" regarding the value of the business, Mr. Burwell's opinions are  
27 also inadmissible as failing to comport with the law. First, capitalizing the potential profits from a  
28 hypothetical business on the property is not allowed as the basis for compensation in an eminent  
domain case. *City of Stockton v. Albert Brochhini Farms, Inc.* (2001) 92 Cal.App.4<sup>th</sup> 193; *County*

1 *Sanitation Dist. v. Watson Land Co.* (1993) 17 Cal.App.4th 1268. And, although Mr. Burwell did not  
2 perform a loss of goodwill analysis, no such claim could be established here as loss of goodwill  
3 claims based on speculative or hypothetical ventures are similarly inadmissible. *Department of*  
4 *Transportation v. Dry Canyon Enterprises, LLC* (2012) 211 Cal. App.4th 486.

5 Mr. Burwell's opinions are wholly unfounded and lack any credibility. While Mr. Meyer has  
6 also been designated as a potential valuation witness, his opinions are similarly unfounded and lack  
7 any credibility.

8 **E. PRIOR SETTLEMENT DISCUSSIONS**

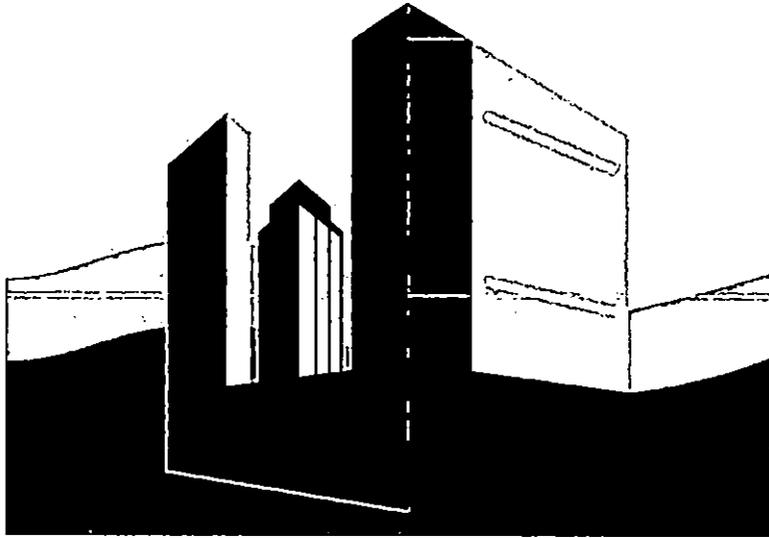
9 Early in the litigation, the parties engaged in unsuccessful attempts to resolve the matter.  
10 Mr. Meyer made an initial counter-offer of \$975,000 for Mendocino Railway to acquire both the  
11 Subject Property and Parcel 40. Although this counter-offer lacked any valuation support,  
12 Mendocino Railway offered to acquire both parcels for \$575,000. Mr. Meyer rejected Mendocino  
13 Railways's counter-proposal and the parties proceeded with litigation. Since that time, the parties  
14 have not engaged in any further substantive settlement discussions.

15 Mendocino Railway is authorized and prepared to discuss a mutually agreeable resolution of  
16 this matter at the Mandatory Settlement Conference.

17  
18 DATED: May 4, 2022

CALIFORNIA EMINENT DOMAIN LAW GROUP,  
a Professional Corporation

19  
20 By:   
21 Glenn L. Block  
22 Attorneys for Plaintiff MENDOCINO RAILWAY  
23  
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28



# **WARD LEVY**

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## **APPRAISAL GROUP INC**

### **APPRAISAL OF:**

1401 West Highway 20  
Willits, CA 95490



# WARD LEVY

## APPRAISAL GROUP INC

(707) 575-7778  
[info@wardlevy.com](mailto:info@wardlevy.com)

April 12, 2022

Glenn L. Block  
California Eminent Domain Law Group, APC  
3429 Ocean View Boulevard, Suite L  
Glendale, CA 91208

RE: Proposed Fee Simple Purchase  
A 20.26 Gross Acre UR-40 Zoned Site  
1401 West Highway 20  
Willits, CA 95490

Dear Mr. Block:

In accordance with our contract, we have performed an appraisal of the fair market value of the property rights to be acquired from the above referenced parcel as requested for the Mendocino Railway project. The proposed acquisition includes the 100% fee simple interest. The total estimate of just compensation is shown in the summary table below:

Permanent Fee Simple Acquisition	\$360,000
Site Improvements	(\$125,000)
Damages	\$0
Benefits	\$0
<b>Total Estimate of Just Compensation</b>	<b>\$235,000</b>
<b>Rounded To</b>	<b>\$235,000</b>

This appraisal was performed following public awareness that COVID-19 was affecting residents in the United States. At the time of the appraisal, COVID-19 was having widespread health and economic impacts. The effects of COVID-19 on the real estate market in the area of the subject property and the value opinions in this appraisal are based on the data available to the appraisers at the time of the assignment and apply only as of the effective date indicated. No analyses or opinions contained in this appraisal should be construed as predictions of future market conditions or value.

This letter and related exhibits must remain attached to the report in order for the value opinions set forth to be considered valid. The Appraisal Report that follows is prepared in conformance with the Uniform Standards of Professional Appraisal Practice, Standard Rule 2-2(a). The appraisal report that follows sets forth the scope of the assignment, identification of the property, pertinent facts about the area and the subject property, comparable data, the results of the research and analyses and the reasoning leading to the conclusions set forth.



The property owner was sent a Notice of Decision to Appraise letter on September 1, 2020. The property owner, realtor and attorney accompanied the appraiser on the most recent inspection of the property.

The value opinions are subject to the Statement of Assumptions and Limiting Conditions and Certifications set forth in this report, as well as the following Extraordinary Assumptions and Hypothetical Conditions:

**Extraordinary Assumptions:**

- This is a retrospective appraisal and the appraisers have assumed that the property was in similar condition as of the retrospective date of valuation as it was upon inspection, except as noted within the report. The use of this extraordinary assumption may have affected assignment results.
- Site improvements in the form of ~17,000 cubic yards of fill have been made since the date of value and are taken into account in the final market value. The fill is determined to be a detriment to the most probable buyer and would result in a cost that would reduce market value. The cost to cure this detriment was determined by Joshua N. Kilgore, Senior Engineering Geologist, LACO Associates. The appraisers assume that this estimate is correct in the valuation herein. The use of this extraordinary assumption may have affected assignment results.

**Hypothetical Conditions:**

- The market value of the subject property as of the date of valuation is premised upon the hypothetical condition that the project and steps leading up to the project (project impacts) do not exist. The use of this hypothetical condition may have affected assignment results.

Respectfully submitted,

Howard R. Levy, MAI, AI-GRS  
California Certified General Appraiser  
BRE License Number AG003852  
Expiration: August 30, 2022

Ryan C. Ward, MAI  
California Certified General Appraiser  
BRE License Number AG026338  
Expiration: December 22, 2022

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## ADDENDA

Preliminary Title Report  
Notice of Decision to Appraise  
LACO Associates Engineer Report

**SUBJECT PROPERTY PHOTOGRAPHS**



View South From Subject Near State Highway 20 Along Large Fill Pile



View North From Subject Toward Entry Driveway From State Highway 20



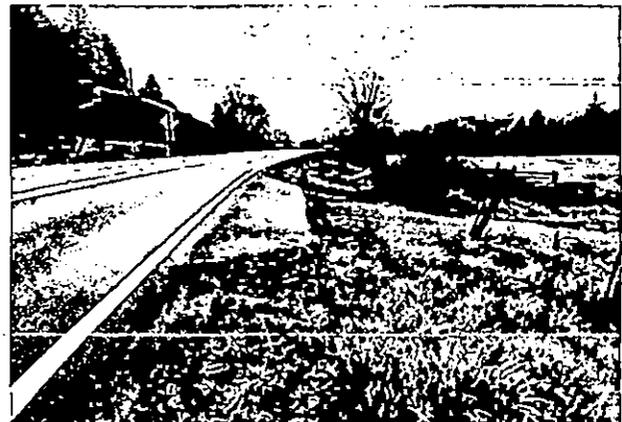
View West From Subject Toward Adjoining Single-Family Property



View East From Subject Toward Unfilled Areas With Broadus Creek To Right



View West From Subject With Broadus Creek To Left



View East Along State Highway 20 From Subject NW Corner

## SUMMARY OF SALIENT FACTS AND ESTIMATE OF JUST COMPENSATION

Permanent Fee Simple Acquisition	\$360,000
Site Improvements	(\$125,000)
Damages	\$0
Benefits	\$0
<b>Total Estimate of Just Compensation</b>	<b>\$235,000</b>
<b>Rounded To</b>	<b>\$235,000</b>

**Date of Valuation:** December 21, 2020

**Date of Inspection:** March 2, 2022

**Report Date:** April 12, 2022

**Property Address:** 1401 West Highway 20  
Willits, CA 95490

**Assessor's Parcel Number:** 038-180-53

**Owner:** John Meyer

**Owner's Address:** 5000 Mud Spring Road  
Branscomb, CA 95417

**Last Market Sale:** \$150,000 on June 6, 2014

**Principal Improvements:** There are no structural improvements, however, there are approximately 17,000 cubic yards of fill that have been added after the date of value but before the most recent inspection. The fill makes the subject property less desirable to the most probable buyer. According to Joshua N. Kilgore, Senior Engineering Geologist, LACO Associates, the costs to remove the fill amounts to \$64,000 to \$83,000 plus the deposit fees and hauling.

**Site Area:** 20.26 Gross Acres / 882,526 Square Feet

**General Plan Land Use Designation:** Remote Residential 40 acre

**Zoning:** UR-40 (Upland Residential - 40 acre minimum)

**Flood Hazard Area:** Flood Zone X, which is not classified as a special flood hazard area.

FEMA Map Number: 06045C1100F, -1111F & -1113F

FEMA Map Date: June 2, 2011

**Earthquake Area:** The subject site is not located in an Alquist Priolo Special Studies Zone.

**Highest and Best Use:** The highest and best use as vacant is for rural residential and/or agricultural development.

**Extraordinary Assumptions:** This is a retrospective appraisal and the appraisers have assumed that the property was in similar condition as of the retrospective date of valuation as it was upon inspection, except as noted within the report. The use of this extraordinary assumption may have affected assignment results.

Site improvements in the form of ~17,000 cubic yards of fill have been made since the date of value and are taken into account in the final market value. The fill is determined to be a detriment to the most probable buyer and would result in a cost that would reduce market value. The cost to cure this detriment was determined by Joshua N. Kilgore, Senior Engineering Geologist, LACO Associates. The appraisers assume that this estimate is correct in the valuation herein. The use of this extraordinary assumption may have affected assignment results.

**Hypothetical Conditions:** The market value of the subject property as of the date of valuation is premised upon the hypothetical condition that the project and steps leading up to the project (project impacts) do not exist. The use of this hypothetical condition may have affected assignment results.

### **Proposed Acquisitions**

The entire fee simple interest in the subject site is proposed for acquisition.

### **Identification of the Property**

The subject site is located south of West Highway 20, just west of the City of Willits, County of Mendocino, California. The subject is referred to as Mendocino County Assessor's Parcel Number 038-180-53 and is commonly known as 1401 West Highway 20, Willits, Mendocino County, CA 95490.

### Ownership and Recent History of Subject Property

The subject ownership is vested in John Meyer. The most recent transaction was the purchase by the current owner on June 6, 2014, for \$150,000. The property was listed on MLS on March 14, 2014. The seller financed \$100,000 at 8% interest for three to five years, according to the buyer. The seller note was re-financed the following year with another private lender. The subject owner has obtained an approved 6-bedroom perc test and a well permit and installed an additional driveway since purchasing. The market value is higher than most recently paid due to general appreciation and site improvements. Ward Levy Appraisal Group, Inc. is unaware of any transfers, offers, options or agreements to purchase pending on the subject property within the last three years.

The subject was inspected previously on September 21, 2020, and again on March 2, 2022. In the interim, the owner has developed new piles of fill of approximately 17,000 cubic yards that have been graded and sloped, without permits. The fill is considered a detriment by the most probable buyer.

### Date of Inspection, Valuation and Report Date

The date of inspection is March 2, 2022. The date of valuation is December 21, 2020. The report date is April 12, 2022.

### Legal Description

The subject has been identified by its legal description. A copy of the legal description is contained within the Preliminary Title Report found in the Addenda.

### Real Property Tax and Assessment Data

The subject property is identified by the Mendocino County Tax Collector as Assessor's Parcel Number 038-180-53 with a 2020/21 tax rate of 1.1017% of assessed value plus \$39 in direct charges. The subject is not encumbered by any special assessments. The following data for the subject property was provided by the Mendocino County Tax Collector:

APN	Land	Improvements	Other	Total	Direct Charges	Taxes
038-180-53	\$168,131	\$0	\$0	\$168,131	\$39	\$1,891

Sources: Mendocino County Tax Collector and Ward Levy Appraisal Group, Inc.; December 2020

## SCOPE OF WORK

According to the Uniform Standards of Professional Appraisal Practice, it is the appraisers' responsibility to develop and report a scope of work that results in credible results that are appropriate for the appraisal problem and intended user(s). Therefore, the appraisers must identify and consider:

- the client and intended users;
- the intended use of the report;
- the type and definition of value;
- the effective date of value;
- assignment conditions;
- typical client expectations; and
- typical appraisal work by peers for similar assignments.

### Scope of Work

<b>Client:</b>	California Eminent Domain Law Group, APC
<b>Intended Use:</b>	To assist in determining just compensation for potential acquisition, and no other use is permitted.
<b>Intended User:</b>	The California Eminent Domain Law Group and the Mendocino Railway, and no other user may rely on our report unless specifically indicated in the report.
<b>Purpose of the Appraisal:</b>	The purpose of this appraisal is to estimate the market value of the subject property.
<b>Definition of Value:</b>	<p>The definition of market value used in this appraisal is from the California Code of Civil Procedure, Section 1263.320.</p> <p>“(a) The fair market value of the property taken is the highest price on the date of valuation that would be agreed to by a seller, being willing to sell, but under no particular or urgent necessity for so doing, nor obliged to sell, and a buyer, being ready, willing and able to buy, but under no particular necessity for so doing, each dealing with the other with full knowledge of all the uses and purposes for which the property is reasonably adaptable and available.</p> <p>(b) The fair market value of the property taken for which there is no relevant market is its value on the date of valuation as determined by any method of valuation that</p>

is just and equitable.”

**Report Type:** This is an Appraisal Report as defined by Uniform Standards of Professional Appraisal Practice under Standards Rule 2-2(a). This format provides a summary of the appraisal process, subject and market data and valuation analyses.

**Property Identification:** The subject has been identified by its legal description. A copy of the legal description is contained within the Preliminary Title Report found in the Addenda.

**Inspection:** A full inspection of the subject property site has been made, and photographs taken.

**Information Sources:** Obtaining the site size from the Assessor's records, researching local area use trends and construction activity from public agencies and local market participants, determining probable marketing and exposure time based on recent sales and interviews with local real estate professionals, conducting telephone and personal interviews with persons considered knowledgeable regarding the subject property and general market conditions, verifying the comparable market data with at least one party to the transactions.

**Market Area and Analysis of Market Conditions:** A complete analysis of market conditions has been made. The appraisers maintain and have access to comprehensive databases for this market area and have reviewed the market for sales and listings relevant to this analysis.

**Highest and Best Use Analysis:** A complete as vacant highest and best use analysis for the subject has been undertaken. Legally permissible, physically possible and financially feasible uses were considered, and the maximally productive use was concluded.

**Interest Appraised:** Fee Simple

**Valuation Analyses**  
**Cost Approach:** A cost approach was not applied as there are no improvements to analyze.

**Sales Comparison Approach:** A sales approach was applied as market participants consider similar type properties when determining the subject's market value and thus the Sales Comparison Approach is utilized in the analysis.

**Income Approach:** An income approach was not applied as the subject is not a typical income producing property.

**Hypothetical Conditions:** The market value of the subject property as of the date of valuation is premised upon the hypothetical condition that the project and steps leading up to the project (project impacts) do not exist. The use of this hypothetical condition may have affected assignment results.

**Extraordinary Assumptions:** This is a retrospective appraisal and the appraisers have assumed that the property was in similar condition as of the retrospective date of valuation as it was upon inspection, except as noted within the report. The use of this extraordinary assumption may have affected assignment results.

Site improvements in the form of ~17,000 cubic yards of fill have been made since the date of value and are taken into account in the final market value. The fill is determined to be a detriment to the most probable buyer and would result in a cost that would reduce market value. The cost to cure this detriment was determined by Joshua N. Kilgore, Senior Engineering Geologist, LACO Associates. The appraisers assume that this estimate is correct in the valuation herein. The use of this extraordinary assumption may have affected assignment results.

## **CERTIFICATION OF HOWARD R. LEVY, MAI, AI-GRS**

I certify, to the best of my knowledge and belief:

1. That I have personally inspected the property herein appraised and that the property owner has been afforded an opportunity to be present at the time of the inspection. A personal field inspection of the comparable sales relied upon in making the appraisal has also been made, and each sale relied upon was confirmed with either the buyer, seller, or selling broker, unless otherwise noted.
2. That to the best of our knowledge and belief, the statements contained in the appraisal are true, and the information upon which the opinions expressed therein are based is correct, subject to limiting conditions and assumptions set forth in the appraisal.
3. That we understand that the appraisal is made for the following purpose: to provide the California Eminent Domain Law Group, APC and the Mendocino Railway with a fair market value appraisal and a written statement and summary of the basis for the appraisal in connection with the Mendocino Railway Project.
4. That the appraisal has been made in conformity with the appropriate state laws, Title VI of the 1964 Civil Rights Act, regulations, policies and procedures applicable to the appraisal of right of way for such purposes; and that to the best of our knowledge no portion of the value assigned to such property consists of items which are non-compensable under the established law of California.
5. I have not revealed the findings and results of such appraisal to anyone other than the proper officials of the acquiring agency and I will not do so until so authorized by said officials, or until I am required to do so by due process of law, or until I am released from this obligation by having publicly testified as to such findings.
6. I have no present or prospective interest in the property that is the subject of this report, and no personal interest with respect to the parties involved.
7. I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
8. My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, a requested minimum valuation, a specific valuation, the attainment of a stipulated result or the occurrence of a subsequent event directly related to the intended use of this appraisal.
9. My analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and the Standards of Professional Practice of the Appraisal Institute.

10. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
11. My engagement in this appraisal assignment was not contingent upon developing or reporting predetermined results.
12. No one provided significant professional assistance to the person signing this report.
13. To the best of my knowledge and belief, this appraisal report conforms to the current Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute, which includes the Uniform Standards of Professional Appraisal Practice (USPAP).
14. I meet all of the requirements of the Competency Provision of the current Uniform Standards of Professional Appraisal Practice (USPAP).
15. As of the date of this report, I have completed the continuing education program for Designated Members of the Appraisal Institute.
16. I have provided one appraisal report regarding this property in the three years prior to accepting this assignment.
17. That our opinion of the total fair market value of the proposed acquisitions included in this report, and made a part hereof by reference, as of December 21, 2020, is as follows and that the conclusions of value were derived without collusion, coercion or direction as to value:

<u>Property Address / APN</u>	<u>Estimate of Just Compensation</u>
1401 West Highway 20 Willits, CA 95490 APN: 038-180-53	\$235,000



Howard R. Levy, MAI, AI-GRS  
California Certified General Appraiser  
BRE License Number AG003852  
Expiration: August 30, 2022

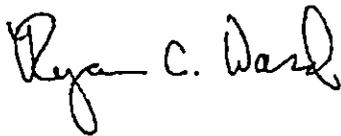
## **CERTIFICATION OF RYAN C. WARD, MAI**

I certify, to the best of my knowledge and belief:

1. That I have not personally inspected the property herein appraised and that the property owner has been afforded an opportunity to be present at the time of the inspection. An aerial inspection of the comparable sales relied upon in making the appraisal has also been made, and each sale relied upon was confirmed with either the buyer, seller, or selling broker, unless otherwise noted.
2. That to the best of our knowledge and belief, the statements contained in the appraisal are true, and the information upon which the opinions expressed therein are based is correct, subject to limiting conditions and assumptions set forth in the appraisal.
3. That we understand that the appraisal is made for the following purpose: to provide the California Eminent Domain Law Group, APC and the Mendocino Railway with a fair market value appraisal and a written statement and summary of the basis for the appraisal in connection with the Mendocino Railway Project.
4. That the appraisal has been made in conformity with the appropriate state laws, Title VI of the 1964 Civil Rights Act, regulations, policies and procedures applicable to the appraisal of right of way for such purposes; and that to the best of our knowledge no portion of the value assigned to such property consists of items which are non-compensable under the established law of California.
5. I have not revealed the findings and results of such appraisal to anyone other than the proper officials of the acquiring agency and I will not do so until so authorized by said officials, or until I am required to do so by due process of law, or until I am released from this obligation by having publicly testified as to such findings.
6. I have no present or prospective interest in the property that is the subject of this report, and no personal interest with respect to the parties involved.
7. I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
8. My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, a requested minimum valuation, a specific valuation, the attainment of a stipulated result or the occurrence of a subsequent event directly related to the intended use of this appraisal.
9. My analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and the Standards of Professional Practice of the Appraisal Institute.

10. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
11. My engagement in this appraisal assignment was not contingent upon developing or reporting predetermined results.
12. No one provided significant professional assistance to the person signing this report.
13. To the best of my knowledge and belief, this appraisal report conforms to the current Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute, which includes the Uniform Standards of Professional Appraisal Practice (USPAP).
14. I meet all of the requirements of the Competency Provision of the current Uniform Standards of Professional Appraisal Practice (USPAP).
15. As of the date of this report, I have completed the continuing education program for Designated Members of the Appraisal Institute.
16. I have provided one appraisal report regarding this property in the three years prior to accepting this assignment.
17. That our opinion of the total fair market value of the proposed acquisitions included in this report, and made a part hereof by reference, as of December 21, 2020, is as follows and that the conclusions of value were derived without collusion, coercion or direction as to value:

Property Address / APN	Estimate of Just Compensation
1401 West Highway 20 Willits, CA 95490 APN: 038-180-53	\$235,000



Ryan C. Ward, MAI  
California Certified General Appraiser  
OREA License Number AG026338  
Expiration: December 22, 2022

## STATEMENT OF ASSUMPTIONS AND LIMITING CONDITIONS

This appraisal is for no purpose other than property valuation, and the appraisers are neither qualified to nor attempting to go beyond that narrow scope. The reader should be aware that there are inherent limitations to the accuracy of the information and analyses contained in this appraisal. Before making any decision based on the information and analyses contained in this report, it is critically important to read this entire section to understand these limitations. Please note that all of the following assumptions and limiting conditions are considered to be effective *unless otherwise noted within this report*.

1. *Appraisal is not a Survey:* It is assumed that the utilization of the land and improvements is within the boundaries of the property lines of the property described and that there is no encroachment or trespass unless noted within the report.
2. No survey of the property has been made by the appraisers and no responsibility is assumed in connection with such matters. Any maps, plats or drawings reproduced and included in this report are intended only for the purpose of showing spatial relationships. The reliability of the information contained on any such map or drawing is assumed by the appraisers and cannot be guaranteed to be correct. A surveyor should be consulted if there is any concern on boundaries, setbacks, encroachments or other survey matters.
3. *Appraisal is not a Legal Opinion:* No responsibility is assumed for legal matters that affect title to the property nor is an opinion of title rendered. The title is assumed to be good and marketable. The value estimate is given without regard to any questions of title, boundaries, encumbrances or encroachments. We are not usually provided a complete title report of the property being appraised and, in any event, we neither made a detailed examination of it nor do we give any legal opinion concerning it.
4. It is assumed that there is full compliance with all applicable federal, state and local environmental regulations and laws, unless non-compliance is stated, defined and considered in the appraisal report. A comprehensive examination of laws and regulations affecting the subject property was not performed for this appraisal.
5. It is assumed that all applicable zoning and land use regulations and restrictions have been complied with, unless a non-conformity has been stated, defined and considered in the appraisal report. Information and analyses shown in this report concerning these items are based only on a preliminary investigation. Any significant question should be addressed to local zoning or land use officials and/or an attorney.
6. It is assumed that all required licenses, consents or other legislative or administrative authority from any local, state or national government or private entity or organization have been or can be obtained or renewed for any use on which the value estimate contained in this report is based. Appropriate government officials and/or an attorney should be consulted if an interested party has any questions or concerns on these items, inasmuch as we have not made a comprehensive examination of laws and regulations affecting the subject property.

7. *Appraisal is not an Engineering or Property Inspection Report:* This appraisal should not be considered a report on the physical items that are a part of this property. Although the appraisal may contain information about the physical items being appraised (including their adequacy and/or condition), it should be clearly understood that this information is only to be used as a general guide for property valuation and not as a complete or detailed physical report. The appraisers are not construction, engineering, environmental or legal experts, and any statement given on these matters in this report should be considered preliminary in nature.
8. If the subject property is improved with structures, the observed condition of the foundation, roof, exterior walls, interior walls, floors, heating system, plumbing, insulation, electrical service and all mechanical and construction are based on casual inspection only and no detailed inspection was made. The structures were not checked for building code violations, and it is assumed that all buildings meet applicable building codes unless so stated in the report.
9. It is assumed that there are no hidden or unapparent conditions of the property, sub-soil or structures that would render it more or less valuable. No responsibility is assumed for such conditions, nor for the engineering that may be required to discover such factors. Since no engineering or percolation tests were made, no liability is assumed for soil conditions. Sub-surface rights (mineral and oil) were not considered in making this appraisal.
10. We are not environmental experts, and we do not have the expertise necessary to determine the existence of environmental hazards such as the presence of urea-formaldehyde foam insulation, toxic waste, asbestos or hazardous building materials, or any other environmental hazards on the subject or surrounding properties. If we know of any problems of this nature which we believe would create a significant problem, they are disclosed in the report. Nondisclosure should not be taken as an indication that such a problem does not exist, however. An expert in the field should be consulted if any interested party has questions on environmental factors.
11. No chemical or scientific tests were performed by the appraisers on the subject property, and it is assumed that the air, water, ground and general environment associated with the property present no physical or health hazard of any kind unless otherwise noted in the report. It is further assumed that the property does not contain any type of dump site and that there are no underground tanks (or any underground source) leaking toxic or hazardous chemicals into the groundwater or the environment unless otherwise noted in the report.
12. Because no detailed inspection was made, and because such knowledge goes beyond the scope of this appraisal, any condition or other comments given in this appraisal report should not be taken as a guarantee that a problem does not exist. Specifically, no guarantee is made as to the adequacy or condition of the foundation, roof, exterior walls, interior walls, flooring, heating system, air conditioning system, plumbing, electrical service, insulation or any other components of buildings or structures that are located on

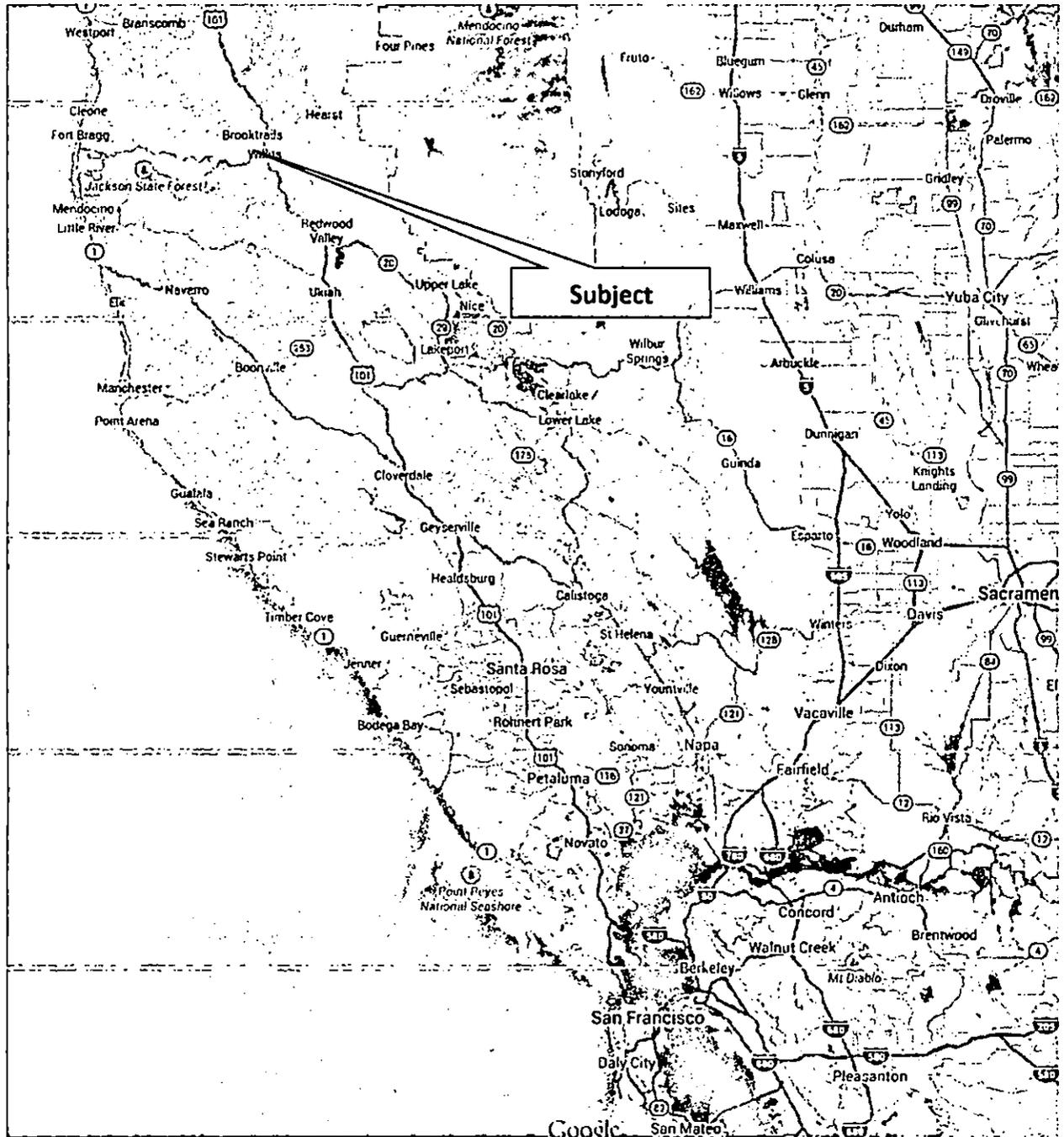
the land. If any interested party is concerned about the existence, condition or adequacy of any particular item, we would strongly suggest that a construction expert be hired for a detailed investigation.

13. *Appraisal is Made Under Conditions of Uncertainty with Limited Data:* As can be seen from the limitations presented above, this appraisal has been performed with a limited amount of data. Data limitations result from a lack of certain areas of expertise by the appraisers (that go beyond the scope of the ordinary knowledge of an appraiser), the inability of the appraisers to view certain portions of the property and the inherent limitations of relying upon information provided by others. We have spent our time and effort in the investigative stage of this appraisal in those areas where we think it will do the most good, but inevitably there is a significant possibility that we do not possess all information relevant to the subject property.
14. Information provided by local sources, such as government agencies, financial institutions, accountants, attorneys and others is assumed to be true, correct and reliable. No responsibility for the accuracy of such information is assumed by the appraisers.
15. The comparable sales data relied upon in the appraisal is believed to be from reliable sources. Though all of the comparable sales were examined, it was not possible to inspect them all in detail. The value conclusions are subject to the accuracy of said data.
16. Engineering analyses of the subject property were neither provided for use nor made as a part of this appraisal contract. Any representation as to the suitability of the property for uses suggested in this analysis is therefore based only on a preliminary investigation by the appraisers and the value conclusions are subject to said limitations.
17. All values shown in the appraisal report are projections based on our analyses as of the date of the appraisal. These values may not be valid in other time periods or as conditions change. We take no responsibility for events, conditions or circumstances affecting the property's market value that take place subsequent to either the date of value contained in this report or the date of our field inspection, whichever occurs first.
18. Since projected mathematical models and other projections are based on estimates and assumptions which are inherently subject to uncertainty and variation depending upon evolving events, we do not represent them as results that will actually be achieved.
19. This appraisal is an estimate of value based on an analyses of information known to us at the time the appraisal was made. We do not assume any responsibility for incorrect analyses because of erroneous or incomplete information. If new information of significance comes to light, the value estimates are subject to change without notice.
20. Opinions and estimates expressed herein represent our best judgment, but should not be construed as advice or a recommendation to act. Any actions taken by you, the client, or any others should be based on your own judgment, and the decision process should

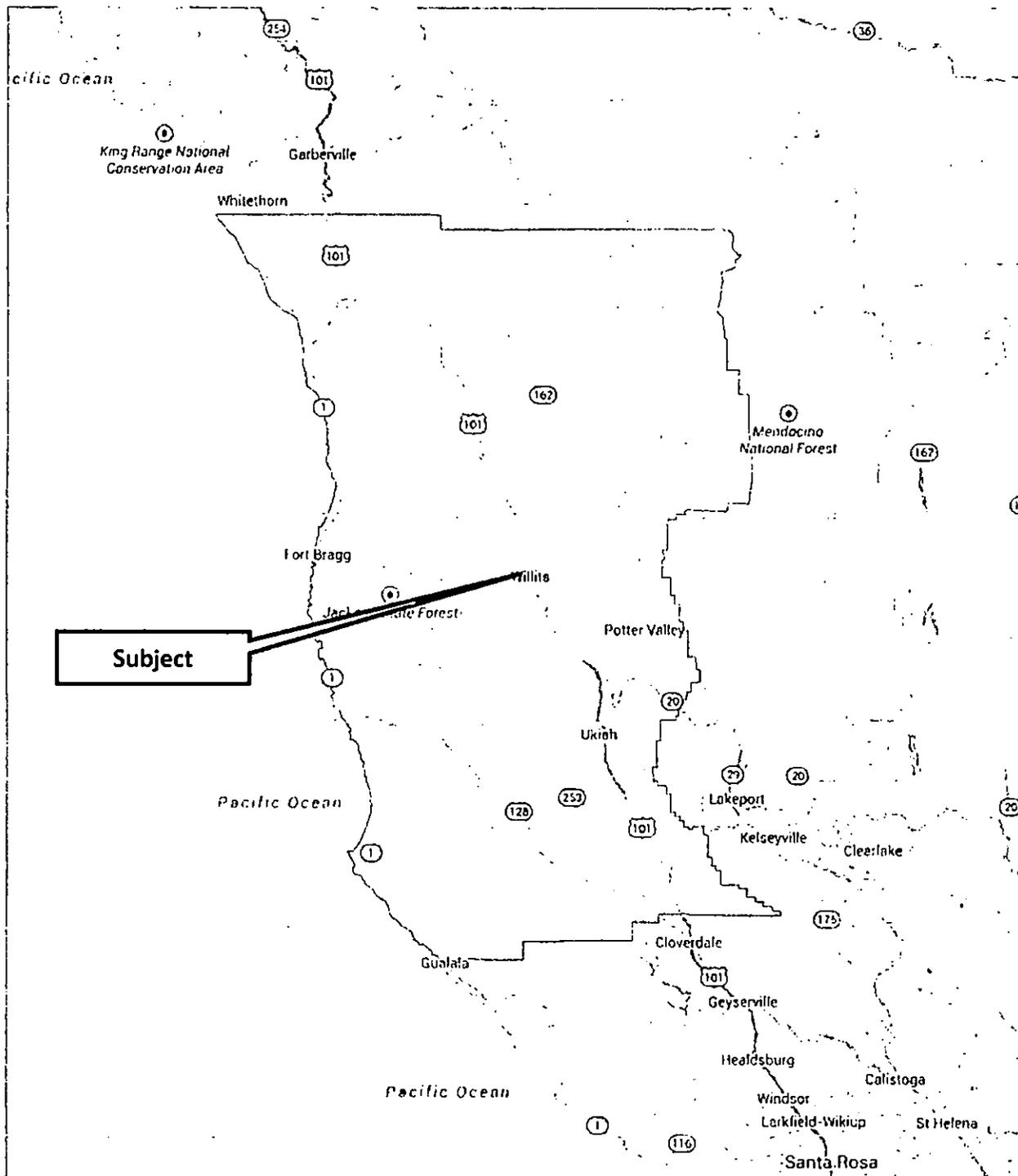
consider many factors in addition to the value estimates and information given in this report.

21. Appraisal reports are technical documents addressed to the specific technical needs of clients. Casual readers should understand that this report does not contain all of the information we have concerning the subject property or the real estate market.
22. This appraisal was prepared at the request of and for the exclusive use of the client to whom the appraisal is addressed. No third party shall have any right to use or rely upon this appraisal for any purpose.
23. There are no requirements, by reason of this appraisal, to give testimony or appear in court or any pretrial conference or appearance required by subpoena with reference to the property in question, unless agreed to previously by the appraisers, sufficient notice is given to allow adequate preparation and additional fees are paid by the client at our regular rates for such appearances and the preparation necessitated thereby.
24. This report is made for the information and/or guidance of the client, and possession of this report, or a copy thereof, does not carry with it a right of publication. Neither all nor any part of the contents of this report shall be conveyed to the public through advertising, public relations, news, sales or other media without the written consent and approval of the appraisers. Nor shall the appraisers, firm or professional organization of which the appraisers are members be identified without the written consent of Ward Levy Appraisal Group, Inc.
25. It is suggested that those who possess this appraisal report should not give copies to others. Legal advice should be obtained on potential liability issues before this is done. Anyone who gives out an incomplete or altered copy of the appraisal report (including all attachments), does so at his/her own risk and assumes complete liability for any harm caused by giving out an incomplete or altered copy. Neither the appraisers nor Ward Levy Appraisal Group, Inc. assumes any liability for harm caused by reliance upon an incomplete or altered copy of the appraisal report given out by others.
26. Values and conclusions for various components of the subject property as contained within this report are valid only when making a summation; they are not to be used independently for any purpose and must be considered invalid if so used.
27. The Americans with Disabilities Act became effective January 26, 1992. Ward Levy Appraisal Group, Inc. has not made a specific compliance survey and analysis of the subject property to determine whether or not any improvements which are located on the land conform with the detailed requirements of the Act. It is possible that a compliance survey of the property could reveal that some or all of the improvements are not in compliance with one or more of the requirements of the Act. If so, this fact could have a negative effect upon the value of the property. Since we have no direct evidence relating to this issue, we did not consider possible non-compliance with the requirements of the Act in estimating the value of the property.

# REGIONAL MAP



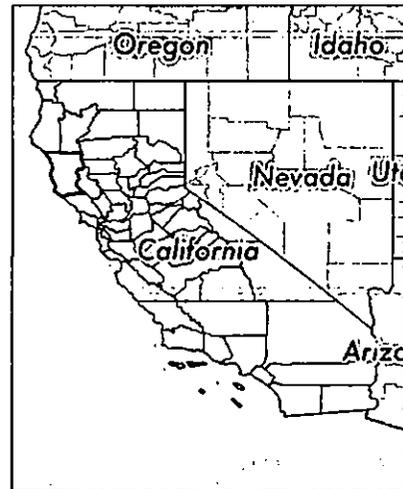
### COUNTY MAP



## AREA ANALYSIS

### Mendocino County

**Geography:** Mendocino County is situated in the northwest coastal region of California and is bounded by Humboldt and Trinity Counties to the north, Tehama, Glenn and Lake Counties to the east, Sonoma County to the south and the Pacific Ocean to the west. Mendocino County is 100 miles north of San Francisco on U.S. Highway 101 and covers an area of approximately 3,510 square miles, making it the 15th largest county in California.



TOP EMPLOYERS	
EMPLOYER	EMPLOYEES
County of Mendocino	1,000-1,250
Ukiah Unified School District	500-999
Adventist Health Ukiah Valley	500-999
Mendocino Forest Products	250-499
Mendocino Community Health	250-499
Frank R Howard Memorial Hospital	250-499
Mendocino Coast District Hospital	250-499
Fetzer Vineyards	250-499
CA Dept of Forestry/Cal Fire	100-249
City of Ukiah	100-249

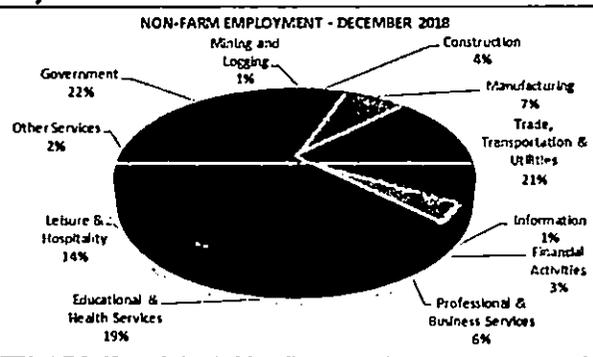
Source: County of Mendocino Comprehensive Annual Financial Report

The Coast Mountain Range, a formidable geographic barrier, divides the coastal and interior regions of the county. On the eastern side of the Coastal Mountain Range is Mendocino County's interior which consists of a series of deep valleys running north and south and contains the bulk of the county's population. The bulk of Mendocino County is rural in character, with abundant timber and agricultural lands which represent the mainstay of the local economy.

**Economy and Employment:** Although agriculture remains an important factor in the traditionally agrarian based economy, retail trade, service industries and manufacturing currently represent approximately 93% of the private sector jobs.

**Industry Employment**

Mendocino County MSA	Dec-19	Dec-18	Difference
Mining and Logging	300	270	30
Construction	1,450	1,340	110
Manufacturing	2,320	2,350	-30
Trade, Transportation & Utilities	6,680	6,550	130
Information	210	220	-10
Financial Activities	1,050	1,050	0
Professional & Business Services	1,810	1,830	-20
Educational & Health Services	6,030	5,900	130
Leisure & Hospitality	4,450	4,330	120
Other Services	810	790	20
Government	7,040	7,170	-130
<b>Totals</b>	<b>32,150</b>	<b>31,800</b>	<b>350</b>



Sources: State of California Employment Development Department and Ward Levy Appraisal Group, Inc.; December 2020

The California Department of Transportation also provides five-year projections to assist local and regional agencies in their planning and travel forecasting efforts. Accordingly, the strongest employment growth is projected to be in manufacturing, construction, leisure & hospitality, education & healthcare and government. These sectors will account for 76% of net job creation between the years of 2014 and 2019.

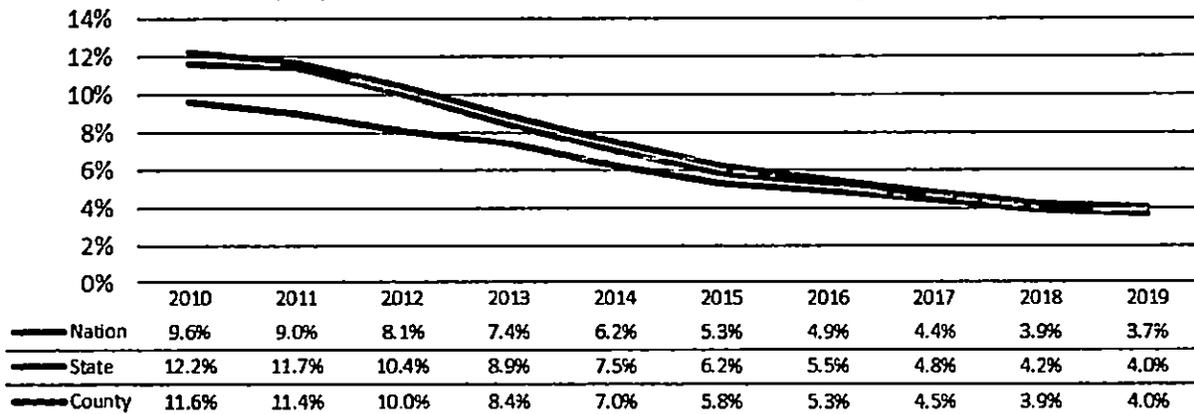
Wine grape production leads in agricultural production in Mendocino County with approximately 16,733 acres devoted to vineyards. The total gross value of the wine grape crop in 2018 was \$137,952,282, 43% of the total agricultural production in Mendocino County. Timber was the second highest value commodity with a value of \$132,516,260. Mendocino County ranked fourth in the state in timber volumes and produced roughly 8.7% of the state's total timber harvest on 2018. Cattle and calves ranked third with a value of \$18,496,800. Pears represent the fourth largest crop with a 2018 value of \$13,390,300, a 9% decrease over 2017. The total gross value of agricultural production for Mendocino County in 2018 was \$320,810,620, a 16% increase over the 2017 value of \$276,998,150.

Mendocino County's civilian labor force was estimated to be 39,700 persons in 2019, of which approximately 1,560 were unemployed for an annual unemployment rate of 3.9%, according to the State of California Employment Development Department. In 2018, the annual unemployment rate was 3.9%. Over the past ten years the unemployment rate has ranged from as low as 2.9% in September 2019 to as high as 12.8% in 2010. Mendocino County ranked 25th lowest among 58 California counties in unemployment, and added 350 jobs in 2019.

Since the onset of the Coronavirus in the United States, unemployment had risen with the closure of businesses and the subsequent laying off of personnel. In February 2020, the U.S. unemployment rate was at 3.8%, but had climbed to 14.4% by April. It began dropping in May as businesses began reopening and was at 6.4% by November. In California, unemployment went from 4.3% in February to 16.2% in April, and then dropped to 7.9% by November. In Mendocino County, the unemployment rate has gone from 4.7% in February to 14.7% in April, but dropped to 6.8% in November according to the latest figures.

The following chart shows the comparison in unemployment rates in Mendocino County, the State of California and the U.S. from 2010 through 2020.

**Unemployment Rate – Mendocino County (Trailing 10 Years)**



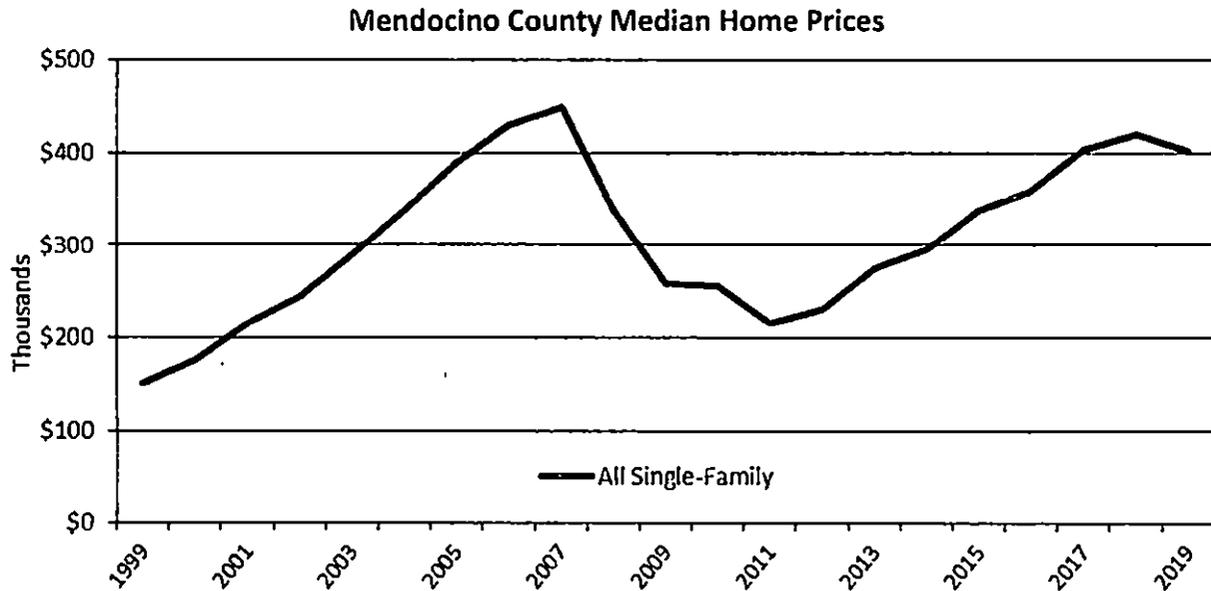
Sources: U.S. Bureau of Labor Statistics, California Employment Development Dept. and Ward Levy Appraisal Group, Inc.; December 2020

**Construction:** 135 residential permits were issued in Mendocino County in 2019, including eight multi-family permits, according to the California Homebuilding Foundation. The non-residential construction valuation in 2019 was \$30,017,535. This compares to the 2018 figures which were 157 residential permits with no multi-family permits, and \$31,746,427 in non-residential construction valuation.

**Residential Market:** In 2019, 643 homes have sold through December for an overall median of \$402,000, which is 4% lower than the overall median of \$420,000 in 2018. The 2019 figures include 637 detached homes which sold for a median of \$405,000 compared to 2018’s detached median of \$420,800, and six attached homes which sold for a median of \$251,000 compared to 2018’s attached median of \$222,500. According to BAREIS, there were 4.8 months of inventory in the fourth quarter 2019, a measure of the current over or under supply of homes for sale. This compares to the high of 28.5 months in early 2008, but does represent a decrease from the 7.0 months of inventory as of the fourth quarter 2018.

The following table provides a comparison of median Mendocino County home prices from 1999 through 2020.

Mendocino County has consistently had much lower median home prices than in Sonoma and Napa Counties due to its northern location with longer driving times to Marin County, the East Bay and San Francisco. However, the same rapid appreciation and, from 2018 to 2020, depreciation, indicated in other Bay Area counties has been exhibited within Mendocino County as well.



All years are annual.

Sources: Mendocino County Multiple Listing Service and Ward Levy Appraisal Group, Inc.; December 2020

**Demography:** Mendocino County is the 38th most populous county in the state and has four incorporated cities, of which Ukiah is the largest with a 2019 population of 16,401, or 18.3% of the county's total population. The City of Ukiah is the hub of government, industry and health services. Population growth in Ukiah and in the county had been relatively rapid between 1970 and 1990, but has slowed considerably since that time.

Demographic Data - Mendocino County		
	2019	Projected 2024
Population	89,473	90,078
Household Population	87,501	88,106
Persons Per Household	2.44	2.44
Total Housing Units	41,027	41,687
Total Households	35,791	36,091
Vacant Housing Units	5,236	5,596
Owner-Occupied Housing Units	23,129	23,544
Renter-Occupied Housing Units	12,662	12,547
Median Age	43.2	44.1
Median Household Income	\$51,418	\$60,335

Sources: ESRI, U.S. Census

There is an average of 2.44 persons per household with a median income of \$51,418 and a median age of 43.2, according to the U.S. Census. Mendocino County has fewer people per household (relative to California's average of 2.92 persons) with a higher median age (compared to the state average of 36.3 years) and a lower income than the state as a whole (\$74,520).

Other cities in the county include Fort Bragg on the coast, with a 2019 population of 7,408, Point Arena, also on the coast, with a population of 452, and Willits with a population of 4,930. The major attractions to Mendocino County include its rugged coastline with many parks and small towns, and Lake Mendocino, which attracts over one million visitors each year for water sports and camping.

## **Conclusion**

The impact of the Great Recession resulted in a nationwide rise in unemployment and massive foreclosure activity. Unemployment in Mendocino County was at its highest levels since 1992, but has fallen back to pre-recession levels since then and remains within the lower half of all 58 California counties. Housing prices which fell over 45% during the recession have been steadily rising from 2017 through December 2020. Tourism and the wine industry, major draws to the area, are on the rise again and the outlook for the region is positive.

## **CORONAVIRUS (COVID-19)**

It is clear the novel coronavirus (COVID-19) has significantly impacted the health of people all around the world and significantly impacted the world economy. As of December 20, 2020, worldwide there are 76.9 million confirmed cases and 1.70 million deaths. In the United States there are 17.9 million confirmed cases and 318,000 deaths. California has the highest number of cases in the nation, 1.89 million with 22,736 deaths, and the statistics per 100,000 persons shows California near the top at 4th highest out of 50 states. California has 103.5 cases per 100,000 compared to Tennessee, the highest with 128.1 cases per 100,000. Since the vast shelter in place restrictions began in mid-March, significant portions of the economy were essentially mandated to close or significantly restrict their activity. After two months of significantly curtailed economic activity, the United States and the State of California were in the midst of re-opening many areas of the economy, a process that was designed to be slow and deliberate so as to minimize the chances of the outbreak overwhelming our healthcare system. Unfortunately, the re-opening preceded a stabilization of the spread, and outbreaks and spiking occurred both nationally and in California. New re-opening stages are just being discussed after a state-wide walk-back.

There are now four color-coded tiers ranging from most restrictive to least: purple, red, orange and yellow. Counties have been placed in a tier based on their recent new case numbers and positivity rates. They'll be able to reopen businesses that are allowed in their given tier. The most restrictive tier, the purple, applies to 55 counties, including Mendocino County, that are home to 99.9% of the state's population. The October 27<sup>th</sup> statistics for the purple tier applied to only nine counties, however, cases are continuing to rise in California, and counties that previously dropped to a lower risk tier are seeing a step back into a stricter tier. The next tier down can be achieved when both daily new cases are 4 – 7 per 100,000 and positive rates are 5 – 8% for at least two consecutive weeks. Mendocino County metrics are 26.2 new cases per 100,000 and the positivity rate is 6.1, as of December 15, 2020.

In these counties, many kinds of businesses must remain closed, unless they can operate outdoors, including restaurants. All bars, breweries and distilleries must stay closed, too, even if they have outdoor space. Hair salons, barber shops and malls can reopen indoors with modifications.

### **Economic Impacts**

For eight months, stores, restaurants, hotels and personal service businesses have essentially been shuttered or have had to reinvent their businesses in order to stay afloat. A substantial number of layoffs have already occurred leaving many households in a precarious financial position, reducing their purchasing power and further impacting the economy. In Mendocino County, unemployment had gone from 4.7% in February to 14.7% in April, but dropped to 6.8% by November according to the latest figures. This is compared to the 3.5% unemployment rate in November 2019. Job numbers have fallen from 32,940 jobs in the county in November 2019 to 29,070 jobs in November 2020, a drop of 11.7%. In terms of ranking among California's 58 counties, Mendocino County, which usually ranks about 26<sup>th</sup> or 27<sup>th</sup> lowest, ranked at 29<sup>th</sup>

lowest in November. Many businesses that have been closed have no income from which to pay rent or other fixed expenses and have approached landlords about rent deferrals or forgiveness. As a result, landlords have discussed mortgage forbearance with their lenders. These sorts of ripple effects could lead to prolonged weak national and local market conditions.

The Federal Reserve has responded and has cut interest rates to practically zero. Reduced interest rates may help homeowners and businesses to refinance their debts to offset this loss of purchasing power. Additionally, the CARES Act provided for one time stimulus payments to many taxpayers while also providing for forgivable loans (Paycheck Protection Program) and other loans that were designed to provide much needed capital for small businesses to stay afloat until conditions improve. The efficacy of these programs is still being analyzed.

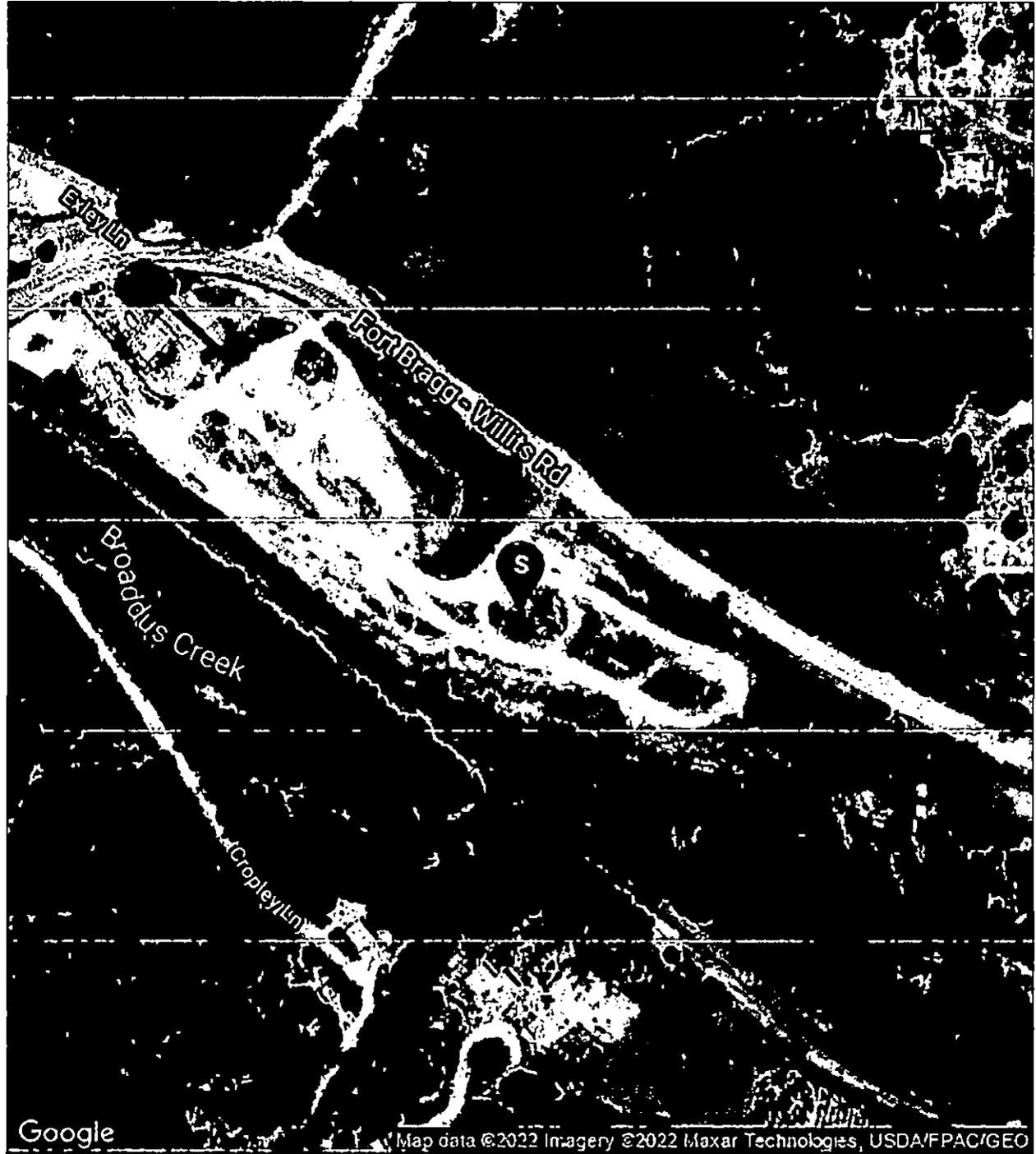
As the restrictions are eased and the economies slowly re-opened, the depth and breadth of the recession will begin to be more fully understood. There are various models for what happens in the economy going forward and terms such as "V-shaped", "U-Shaped" or "W-Shaped" are being used to describe the shape of the project shape of the ultimate recovery. Simply put, the economy is very interconnected, and conditions remain uncertain for many families and businesses and could remain uncertain for some time. Unfortunately, most models indicate that the economy will not stabilize until beginning in 2021.

### **Local Market and Conclusions**

During the California shelter-in-place order, discussions with market participants have already revealed a trend of investor buyers in particular taking a step back as they see what to make of things. Numerous agents have reported escrows being placed on hold or buyers demanding (and receiving) discounts generally in the 2.5% to 5% range. There have been other reports of escrows going forward without issue, but still others where escrows have fallen out completely. Investors are aware that many tenants may have problems being able to pay rent in the near future, and possibly beyond. The same trend has not been reported to nearly the same degree for owner-users, and banks are still reportedly happy to lend with an SBA commitment. Reports also indicate that multi-family and industrial are reportedly expected to be somewhat less impacted than office and retail. However, financing has become a major issue and a number of typically active lenders are either overwhelmed by existing loan workouts or are waiting for the economy to stabilize before offering credit. If the virus spread appears to be peaking and there is light at the end of the tunnel, investment activity is projected to pick up once again. As we progress further into re-opening it is possible that this optimism returns and conditions begin to improve, but with such high unemployment the recovery may take longer than many first hoped.

It is too early to tell of the longer-term impacts, but information on the Coronavirus as of the date of value has been considered in our opinions of value. However, given the near constant updates please remember that this appraisal expresses an opinion of market value as of a specific date (date of value) and that conditions can change quickly, and markets are susceptible to change.

### NEIGHBORHOOD MAP



## **NEIGHBORHOOD ANALYSIS**

The subject is located west of the incorporated limits of the City of Willits on West Highway 20 (Fort Bragg – Willits Road). Highway 20 is a state-maintained, asphalt-paved, two-lane highway that runs north to south along the western edge of Willits, and then west from Willits to the City of Fort Bragg on the coast.

The most notable recent development is the Willits Bypass which opened to the public in November 2016. Construction of the bypass was expected to cost \$210 million and take three years to complete when it began in 2012. It would take almost four years to finish and cost \$300 million. The bypass is a 5.9 mile, four-lane freeway skirting the eastern portion of the city with two interchanges at either end of the freeway. While hailed by many as a way to reduce traffic jams and air pollution from idling semi-trucks on Highway 101 as they passed through the city of some 5,000 residents, the project had faced vociferous criticism over its size, location and impacts on wetlands and Native American cultural sites. Some were concerned that the businesses that rely on the through town traffic would be harmed. Others felt that this would relieve congestion in the area, as only local traffic or cars that are heading to Highway 20 to the coast will come through the central area of Willits.

The 36.5-acre KOA Willits is to the west of the subject and includes active outdoor recreation with tents, RVs and cabins.

### **Access/Transportation**

The subject neighborhood is accessed from State Highway 20. Access to U.S. Highway 101 is available from either the northern or southern ends of Highway 20, within three to four miles in either direction. Municipal bus service is available via Mendocino Transit Authority, which provides intra-city service six days a week excluding Sundays, and inter-city service seven days a week. However, private automobile remains the primary means of transportation.

### **Demographics**

The following are the demographics for the subject's area.

DESCRIPTION	0 -1 MILE	1 - 3 MILE	3 - 5 MILE	DESCRIPTION	0 -1 MILE	1 - 3 MILE	3 - 5 MILE
<b>POPULATION</b>				<b>HOUSEHOLDS</b>			
2000 Total Population	4,558	8,011	11,474	2000 Households	1,701	2,959	4,316
2010 Total Population	4,360	7,744	11,215	2010 Households	1,688	2,995	4,448
2021 Total Population	4,307	7,679	11,186	2021 Households	1,682	2,993	4,472
2026 Total Population	4,263	7,610	11,108	2026 Households	1,667	2,969	4,447
Δ 2000-2010	(4.3%)	(3.3%)	(2.3%)	Δ 2000-2010	(0.8%)	1.2%	3.1%
Δ 2010-2021	(1.2%)	(0.8%)	(0.3%)	Δ 2010-2021	(0.4%)	(0.1%)	0.5%
Δ 2021-2026	(1.0%)	(0.9%)	(0.7%)	Δ 2021-2026	(0.9%)	(0.8%)	(0.6%)
Total Daytime Population	5,047	8,370	11,313	<b>HOUSEHOLDS BY INCOME (2021)</b>			
<b>HOUSING UNITS</b>				<\$15,000	21.2%	16.4%	14.7%
Total (2021)	1,850	5,133	10,042	\$15,000 - \$24,999	20.9%	17.3%	15.3%
Owner Occupied	43.9%	50.8%	55.9%	\$25,000 - \$34,999	8.0%	6.4%	7.6%
Renter Occupied	47.0%	42.1%	36.7%	\$35,000 - \$49,999	15.3%	17.6%	16.5%
Vacant Housing Units	9.1%	6.8%	7.8%	\$50,000 - \$74,999	13.9%	17.0%	19.0%
Total (2026)	1,872	5,193	10,158	\$75,000 - \$99,999	7.9%	12.0%	11.3%
Owner Occupied	43.7%	50.4%	56.1%	\$100,000 - \$149,999	10.0%	9.0%	10.6%
Renter Occupied	45.3%	40.6%	35.3%	\$150,000 - \$199,999	2.3%	2.8%	3.2%
Vacant Housing Units	11.0%	10.8%	10.6%	\$200,000+	0.4%	1.5%	1.8%
<b>AVERAGE HOUSEHOLD INCOME</b>				<b>AVERAGE HOUSEHOLD SIZE</b>			
2021	\$47,377	\$55,685	\$59,108	2021	2.53	2.54	2.48
2026	\$51,425	\$61,394	\$66,404	2026	2.53	2.54	2.48
Δ 2021-2026	8.5%	10.3%	12.3%	Δ 2021-2026	0.0%	0.0%	0.0%
<b>MEDIAN HOUSEHOLD INCOME</b>				<b>MEDIAN HOME VALUE</b>			
2021	\$34,766	\$42,126	\$45,244	2021	\$309,091	\$333,956	\$340,014
2026	\$35,969	\$44,018	\$49,388	2026	\$393,897	\$416,556	\$421,606
Δ 2021-2026	3.5%	4.5%	9.2%	Δ 2021-2026	27.4%	24.7%	24.0%
<b>PER CAPITA INCOME</b>				<b>AVERAGE HOME VALUE</b>			
2021	\$18,431	\$22,201	\$23,999	2021	\$345,762	\$388,979	\$414,577
2026	\$20,017	\$24,540	\$27,017	2026	\$443,093	\$479,157	\$500,904
Δ 2021-2026	8.6%	10.5%	12.6%	Δ 2021-2026	28.1%	23.2%	20.8%

Source: ESRI

Population growth is not anticipated within the subject’s neighborhood between 2020 and 2025. The median income in the subject’s one-mile radius is lower than the five-mile radius.

**Conclusion**

The subject is located west the City of Willits in a rural residential and agricultural area that turns to forested areas further to the west. Overall, the outlook for the neighborhood is considered typical for a rural market with no changes projected for the near future.

## PROPERTY DESCRIPTION

The property description includes a discussion of the larger subject parcel and the proposed acquisition. There are three criteria, or tests, for determining the larger parcel. These are: unity of ownership; contiguity; and unity of use.

The subject property owner purchased the adjoining parcel at 1605 West Highway 20, Willits (APN 038-180-40) on July 24, 2020. The property was not listed but the public records indicate that the price was \$200,000. The property is 0.71 acre and includes a 2BR/2BA manufactured home attached to a foundation. The site is serviced by the City of Willits for public water and has an approved, 3BR sanitary disposal system with 1,200-gallon concrete tank and leach field. The highest and best use of this property would be continuation of the current uses as the most probable buyer would demand no greater than a 3-bedroom perc. Adding land from the subject property would not change the marginal value of each square foot. Therefore, the unity of use test fails, and the subject property's larger parcel is only the 1401 West Highway 20 parcel intended for acquisition. Therefore, the larger parcel is defined below.

The areas proposed for acquisition include the fee simple interest in the entire subject parcel.

### Larger Parcel Description

<b>Address:</b>	1401 West Highway 20 Willits, CA 95490
<b>Location:</b>	The subject site is located south of West Highway 20, just west of the City of Willits, County of Mendocino, California.
<b>Assessor's Parcel Number:</b>	038-180-53
<b>Census Tract:</b>	106.00
<b>Shape:</b>	The site is irregularly shaped.
<b>Frontage:</b>	West Highway 20: 1,682 feet
<b>Access:</b>	Adequate from State Highway 20
<b>Site Visibility:</b>	Adequate as the site is below State Highway 20, but easily visible from both directions.
<b>Site Area:</b>	20.26 gross acres / 882,526 square feet 20.26 usable acres / 882,526 square feet
<b>Topography:</b>	Relatively level; elevations primarily within ~1,430 - 1,440 feet above sea level.

**General Plan Land**

**Use Designation:** Remote Residential 40 acre

**Zoning:** UR-40 (Upland Residential - 40 acre minimum)

**Zoning Description:** This district is intended to create and enhance farming and low density agricultural/residential uses. Typically the U-R District would be applied to non-prime production lands which have constraints to commercial agriculture, timber production or grazing but which are absent of such limitations as inadequate access, unacceptable hazard exposure or incompatibility with resource lands.

Permitted uses include single-family residential, cemetery, community recreation, essential services, fire and police protection services, minor impact utilities, animal sales and services, animal raising, forest production, horticulture, row and field crops, and tree crops. Uses permitted subject to a minor use permit include family residential dwelling group, day care facilities, group care, lodges, religious assembly, animal sales and services, cottage industries, and portable sawmills. Permitted uses subject to a major use permit include family residential cluster development, educational facilities, major impact facilities, services and utilities, transient habitation (campgrounds, limited lodging and resort and recreational facilities), animal waste processing, winery packing and processing, mining and processing.

**Development Standards**

**Minimum Lot Area:**

U-R 20: 20 acres  
U-R 40: 40 acres

**Maximum Density:**

U-R 20: 1 DU per 20 acres  
U-R 40: 1 DU per 20 acres

**Minimum Frontage:** 50 feet

**Minimum Rear:** 50 feet

**Minimum Side:** 50 feet

**Building Height:** 35 feet

**Flood Hazard Area:** The subject is located in an area mapped by the Federal Emergency Management Agency (FEMA). The subject is located in FEMA flood zone X, which is not classified as a special flood hazard area.

FEMA Map Number: 06045C1100F, -1111F & -1113F  
FEMA Map Date: June 2, 2011

A copy of the Flood Map is presented in the Addenda.

**Earthquake Hazard Area:** The subject site is not located in an Alquist Priolo Special Studies Zone.

**Public Utilities:**

**Electricity:** PG&E  
**Natural Gas:** None  
**Water:** Approved well permit  
**Sewer:** Approved 6-bedroom perc test

**Off-Site Improvements:** There are no curbs, gutters, sidewalks or streetlights along the subject's frontage.

**Improvements:** There are no structural improvements, however, there are approximately 17,000 cubic yards of fill that have been added after the date of value but before the most recent inspection. The fill makes the subject property less desirable to the most probable buyer. According to Joshua N. Kilgore, Senior Engineering Geologist, LACO Associates, the costs to remove the fill amounts to \$64,000 to \$83,000 plus the deposit fees and hauling.

**Soil Conditions:** The appraisers are not qualified as soil experts and do not possess the skills to determine if the site is contaminated in any manner which might have a negative impact on the overall value of the subject property. The reader of this report is advised to determine the development potential of the site and ensure that no soil contamination exists prior to making any financial commitments on the subject property. This appraisal assumes that the site can be improved to its highest and best use, and that no contamination exists which would negatively impact the subject property.

**Biotic Resources:** The appraisers are unaware of any identified biotic resources or wetlands on the subject site, but are not qualified biologists and do not possess the skills necessary to determine if the site is impacted in any manner which might have a negative effect on the overall value of the subject property. The reader of this report should satisfy himself/herself as to the accuracy of these assumptions before any loan commitments are made.

**Environmental Issues:** There are no known adverse environmental conditions on the

subject site. Please reference Limiting Conditions and Assumptions.

**Easements/CC&R's and  
Exceptions to Title:**

The Preliminary Title Report provided by the client was reviewed and no exceptions to title that would materially impact market value were found. There is a shared water source on a neighboring property that the owner indicated has not been utilized and is of unknown productivity.

**Encroachments:**

Physical inspection of the site indicated no observable encroachments.

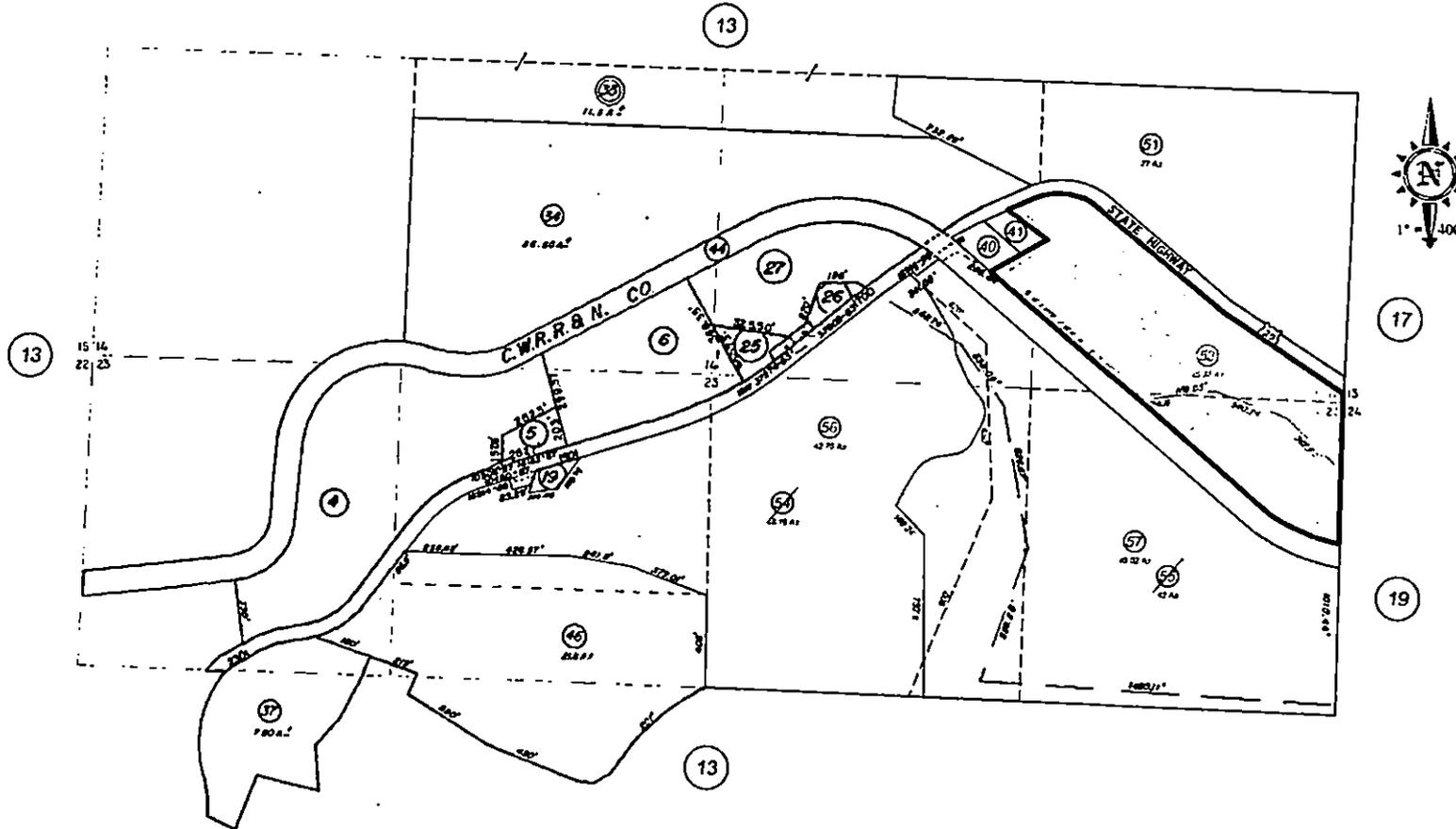
Copies of the Assessor's Parcel Map, Flood Map and Aerial View are contained on the following pages.

### Assessor's Parcel Map

N $\frac{1}{2}$  of N $\frac{1}{2}$  of Sec. 23, S $\frac{1}{2}$  of S $\frac{1}{2}$  of Sec. 14 T.18N. R.14W. M.D.B.& M.

153-004

38 - 18

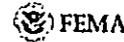


NOTE: This map was prepared for assessment purposes only. No liability is assumed for the data delineated hereon.

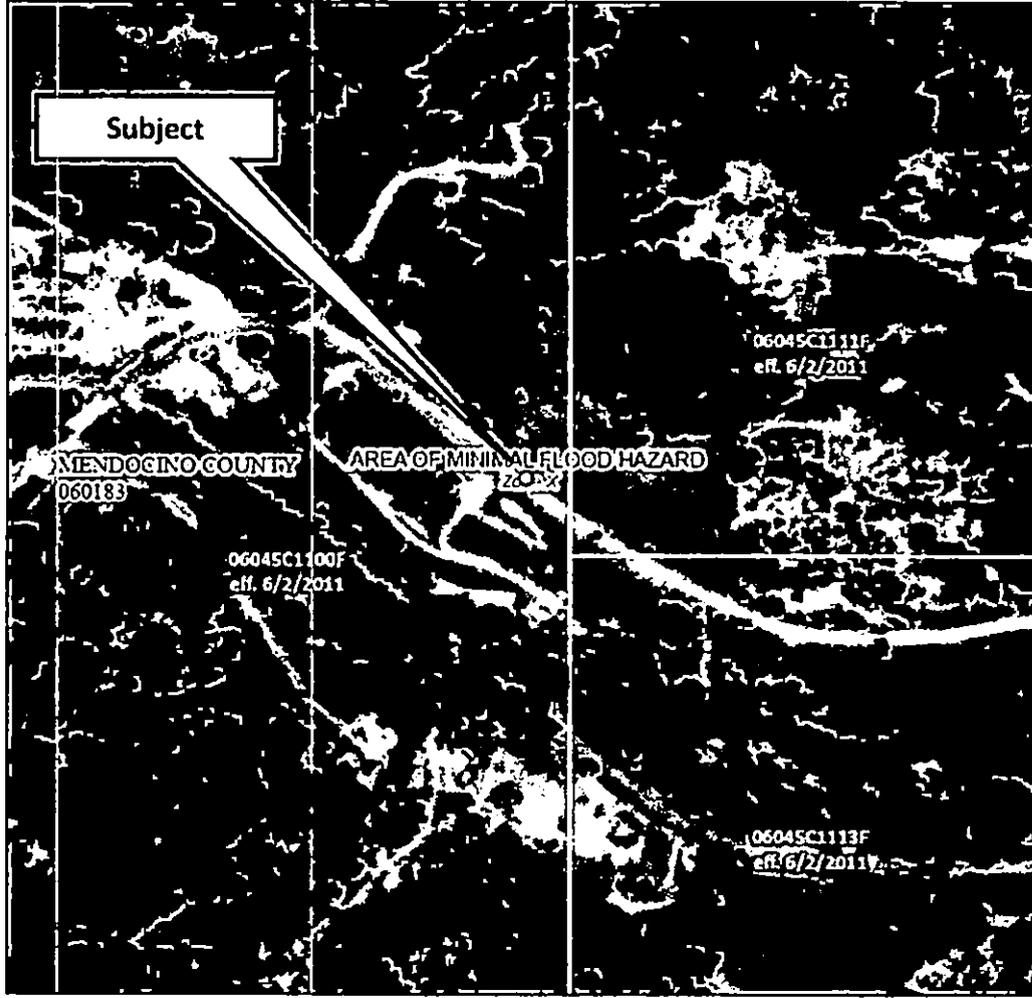
Assessor's Map  
County of Mendocino, Calif.  
Updated July 26, 2019

Flood Map

National Flood Hazard Layer FIRMette



123°22'50"W 39°24'38"N



0 250 500 1,000 1,500 2,000 Feet 1:6,000  
 Basemap: USGS National Map; Orthomagey; Data refreshed October, 2020

Legend

SEE THIS REPORT FOR DETAILED LEGEND AND INDEX MAP FOR FIRM PANEL LAYOUT

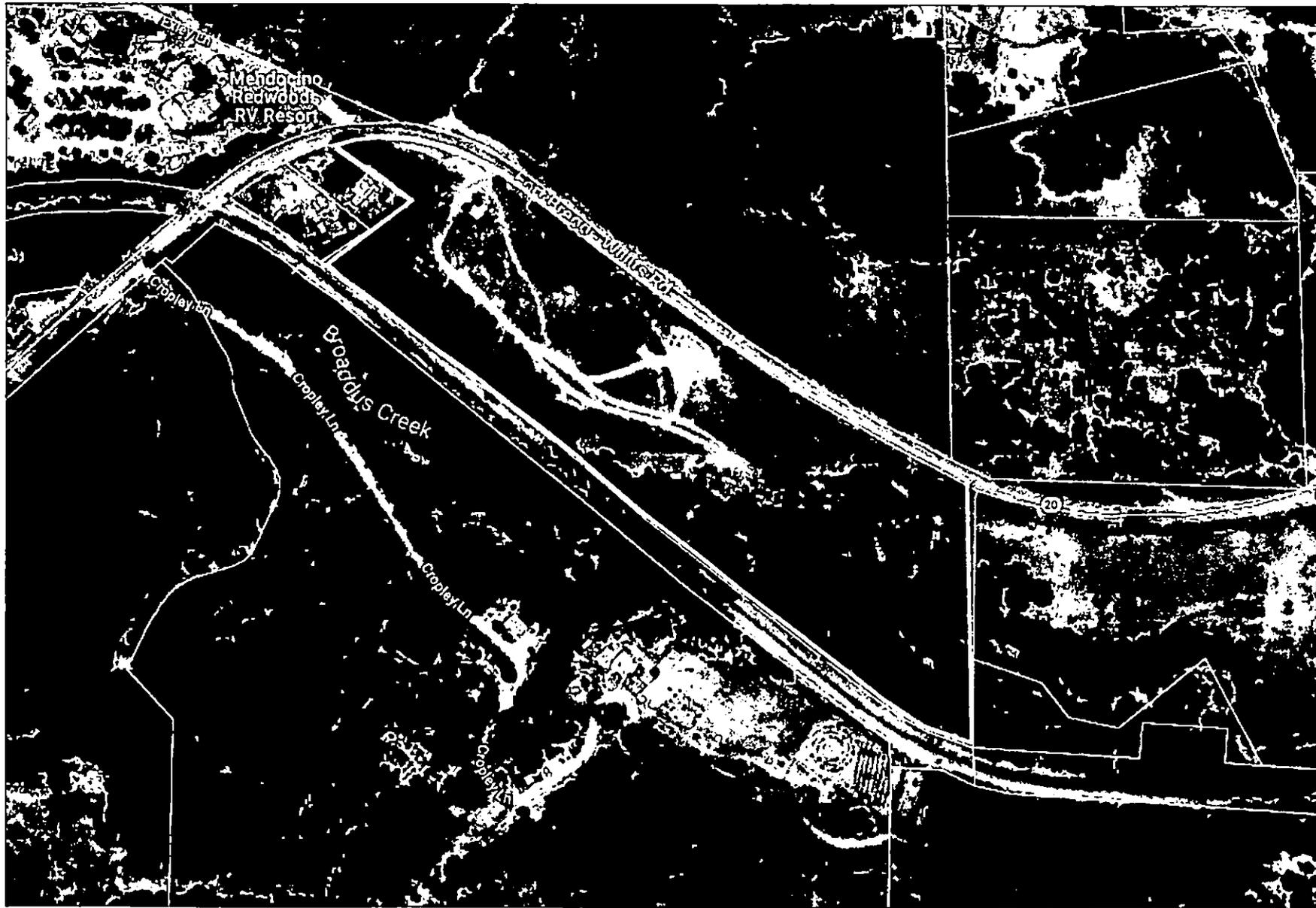
SPECIAL FLOOD HAZARD AREAS	Without Base Flood Elevation (BFE) Zone A, V, AE
	With BFE or Depth Zone AE, AO, AH, VE, AP Regulatory Floodway
OTHER AREAS OF FLOOD HAZARD	0.2% Annual Chance Flood Hazard, Areas of 1% annual chance flood with average depth less than one foot or with drainage areas of less than one square mile Zone 2
	Future Conditions 1% Annual Chance Flood Hazard Zone 1
	Area with Reduced Flood Risk due to Levees, See Notes, Zone 2 Area with Flood Risk due to Levee Zone D
OTHER AREAS	Area of Minimal Flood Hazard Zone D Effective LOMRs
	Area of Undetermined Flood Hazard Zone D
GENERAL STRUCTURES	Channel, Culvert, or Storm Sewer Levee, Dike, or Floodwall
	Cross Sections with 1% Annual Chance Water Surface Elevation Coastal Transect Base Elevation Line (BFE) Limit of Study Jurisdiction Boundary Coastal Transect Baseline Profile Baseline Hydrographic Feature
MAP PANELS	Digital Data Available
	No Digital Data Available
	Unmapped

This map complies with FEMA's standards for the use of digital flood maps if it is not void as described below. The basemap shown complies with FEMA's basemap accuracy standards.

The flood hazard information is derived directly from the authoritative NFHL web services provided by FEMA. This map was exported on 1/6/2022 at 1:20 PM and does not reflect changes or amendments subsequent to this date and time. The NFHL and effective information may change or become superseded by new data over time.

This map image is void if the one or more of the following map elements do not appear: basemap imagery, flood zone labels, legend, scale bar, map creation date, community identifiers, FIRM panel number, and FIRM effective date. Map images for unmapped and unmodernized areas cannot be used for regulatory purposes.

Aerial View



## HIGHEST AND BEST USE

Highest and best use of a property as improved pertains to the use that should be made of an improved property in light of its improvements. The existing improvement is compared with the ideal improvement. The use that maximizes an investment property's value, consistent with the rate of return and associated risk, is its highest and best use as improved. It is to be recognized that in cases where a site has an existing improvement, the highest and best use may very well be determined to be different from the existing use. The existing use will continue, however, unless and until land value in its highest and best use exceeds the total value of the property in its existing use. Thus, the highest and best use requires the estimate of the highest and best use of the land as if vacant.

Analysis of the highest and best use of land or a site as though vacant assumes that a parcel of land is vacant or can be made vacant by demolishing any improvements. The questions to be answered during the analysis of the highest and best use of the land as if vacant are 1) if the land is, or were, vacant, what use should be made of it, and 2) what type of building or other improvement, if any, should be constructed on the land and when?

Highest and best use is an analysis of those uses which are legally, physically and financially feasible. Once the potential uses are identified within these parameters, the most probable highest and best use can be identified.

### Highest and Best Use As Vacant

*Legally Permissible:* Legal uses of a site are governed by land use policies and regulations of local governmental entities. The subject site is zoned UR-40; Upland Residential - 40 acre minimum by the County of Mendocino and has a General Plan land use designation of Remote Residential 40 acre. The zoning does conform to the General Plan land use designation. The General Plan and zoning descriptions in the Land Analysis discussion detailed the types of uses that would generally be permitted on the subject site. Typically, based on the gross area of the larger parcel this would allow development of one single-family residence and accessory unit or agriculture.

*Physically Possible:* There are no physical features that would preclude any of the legally permissible uses. The subject is level but below street grade, has adequate access and is not located within a special flood zone or earthquake zone.

*Financially Feasible:* Financially, the subject site would lend itself to development with a single-family rural residence or utilized for agriculture. The market continued to appreciate over time during 2019 and 2020 with losses of homes from the 2020 fires and demand from cannabis growers seeking parcels in the subject size for indoor or outdoor plantings. Either or a combination of the two are considered feasible.

*Maximally Productive:* The test of maximum productivity is applied to the uses that have passed the first three tests. Of the financially feasible uses, the highest and best use is the use that produces the highest residual land value consistent with the market's acceptance of risk

and reward. Given the lack of any development plans or budgeted costs, I have not undertaken an in-depth analysis of comparative financial feasibility. However, based on interviews with market participants and confirmation of the comparable sales, either rural residential or agricultural development are maximally productive.

*As Vacant - Conclusion:* The highest and best use as vacant is for rural residential and/or agricultural development.

## **APPRAISAL PROCESS**

There are three basic approaches that may be utilized by appraisers in the estimating of market value for the subject improvements. These three approaches provide data from the market from three different sources when all are available. These three approaches include the Cost Approach, the Sales Comparison Approach and the Income Approach.

The Cost Approach is based upon an assumption that an informed purchaser would pay no more for a property than the cost of producing a substitute property with the same utility as the subject. In the Cost Approach, value is estimated by comparing the current cost of replacing the subject improvements, and then subtracting depreciation for physical deterioration and functional or economic obsolescence. The cost of replacing a property is generally estimated on a per square foot basis using a construction cost manual published by a recognized cost reporting service, and through continued cost updating by the appraisers to account for local conditions. The value of land is added to the depreciated cost of the improvements for the final value indication by this approach.

The Sales Comparison Approach is based upon the assumption that an informed purchaser will pay no more for a property than the cost of acquiring an existing property of the same utility. This approach estimates market value by comparing the sales prices of recent similar transactions with the various attributes of the property under appraisal. Any dissimilarities are resolved by making appropriate adjustments. These differences may pertain to time, age, location, construction, condition, size or external economic factors.

The Income Approach converts the anticipated future benefits of property ownership (dollar income) into an estimate of present value. The Income Approach is generally selected as the preferred technique for income-producing properties because it most closely reflects the investment rationale and strategies of typical buyers. To utilize the Income Approach, the appraisers must project net income, select an appropriate capitalization rate and then capitalize the net income into value, applying the proper discounting procedure.

Normally, these three approaches will each indicate a different value. After all of the factors in each of the approaches have been carefully weighed, the indications of value derived from each of the approaches are correlated to arrive at a final opinion of value.

### **Analyses Applied**

A **Cost Approach** was considered and was not developed because there are no improvements to analyze.

A **Sales Comparison Approach** was considered and was developed because market participants consider similar type properties when determining the subject's market value and thus the Sales Comparison Approach is utilized in the analysis.

An **Income Approach** was considered and was not developed because the subject is not a typical income producing property.

## **LAND VALUATION**

### **Value of The Whole Property Before the Acquisition**

The preferable method of determining the market value of the fee simple interest of the subject site is by comparison to properties that have recently sold, are listed for sale or are under contract. Comparable properties are analyzed and compared with the subject property.

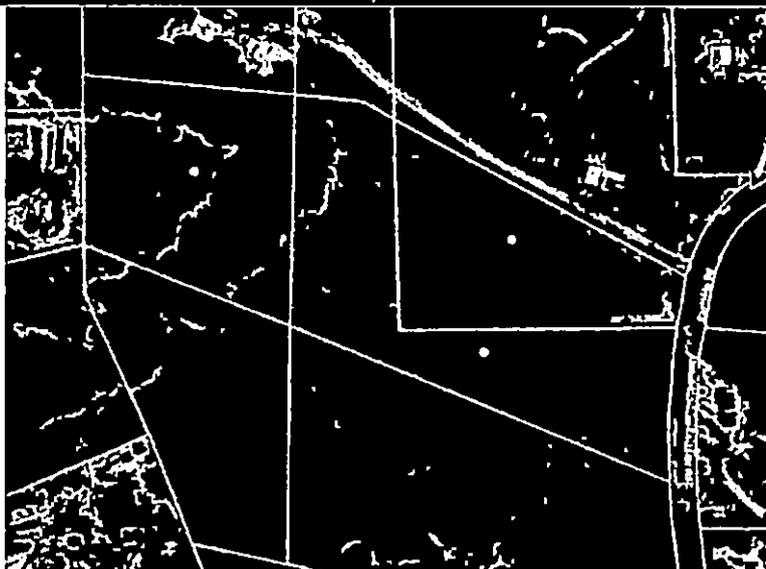
The comparative analysis performed in this approach focuses on similarities and differences among properties, and transactions that impact market value. These may include differences in the property rights appraised, the motivation of buyers and sellers, financing terms, market conditions at the time of sale, size, location, utility of the site, zoning and site conditions. The various attributes of comparison are tested against market evidence to determine their relative importance, if any. The analysis is performed on a per site basis as the most probable buyer would purchase rural residential and small agricultural properties such as the subject and comparables on a similar basis. The largest component of value for properties in the subject and comparable size range is the homesite with additional site area of marginally decreasing value.

The subject consists of a 20.26 acre site with a General Plan designation of Remote Residential 40 acre and a zoning of UR-40 (Upland Residential - 40 acre minimum). The local market area has been researched for sales of parcels with land use restrictions that are similar to the subject property.

The appraisers confirmed the sales with at least one party to the transaction and verified all characteristics discussed in the analysis with either public sources, such as site size from County Assessor's records, or from parties to the transaction, including buyers, sellers or agents.

Included below are the comparable site sales followed by a locational map, summary table and analysis and conclusion of value.

Comparable 1



Transaction

Property Type	Agricultural-Undeveloped	Date	4/29/2020
Address	Eastside Road	Transaction Type	Closed Sale
City	Willits	Days on Market	27
County	Mendocino	Actual Price	\$177,000
State	CA	Price Adjustment	\$0
Tax ID	103-170-10 & 103-180-14 & -15	Price	\$177,000
Grantor	Miller	Price per Usable Land SF	\$0.37
Grantee	Garrity	Sale Verification Source	Listing Agent
Document#	4729	Sale Data Source	Tammy Tengs

Site

Acres	11.13	Site Status	Raw
Land SF	484,823	Entitlements	None
Usable Acres	11.13	Topography	Rolling & Level
Usable Land SF	484,823	Utilties	Electricity
Zoning	AG-40	Shape	Irregular
GP Designation	AG-40	Improvements of Value	None

Sale Comments

Site is situated adjacent to the foothills several miles to the east of the Willits city limits. Topography is rolling hills and level. Electricity was at the site only. User intentions were unknown. The ability to put three residences on the three lots was not probably physically feasible, according to the listing agent. Site was not within a flood hazard area.

Year	Value	Year	Value	Year	Value
1970	100000	1971	105000	1972	110000
1973	115000	1974	120000	1975	125000
1976	130000	1977	135000	1978	140000
1979	145000	1980	150000	1981	155000
1982	160000	1983	165000	1984	170000
1985	175000	1986	180000	1987	185000
1988	190000	1989	195000	1990	200000
1991	205000	1992	210000	1993	215000
1994	220000	1995	225000	1996	230000
1997	235000	1998	240000	1999	245000
2000	250000	2001	255000	2002	260000
2003	265000	2004	270000	2005	275000
2006	280000	2007	285000	2008	290000
2009	295000	2010	300000	2011	305000
2012	310000	2013	315000	2014	320000
2015	325000	2016	330000	2017	335000
2018	340000	2019	345000	2020	350000

Comparable 7



Transaction

<b>Property Type</b>	Agricultural-Undeveloped	<b>Date</b>	11/7/2019
<b>Address</b>	1080 Hearst Willits Road	<b>Transaction Type</b>	Closed Sale
<b>City</b>	Willits	<b>Days on Market</b>	83
<b>County</b>	Mendocino	<b>Actual Price</b>	\$690,000
<b>State</b>	CA	<b>Price Adjustment</b>	\$0
<b>Tax ID</b>	103-010-05 & 103-030-01	<b>Price</b>	\$690,000
<b>Grantor</b>	Falcon Group	<b>Price per Usable Land SF</b>	\$0.27
<b>Grantee</b>	Schreck	<b>Sale Verification Source</b>	Listing Agent
<b>Document#</b>	13815	<b>Sale Data Source</b>	Roxanne Lemos-Neese

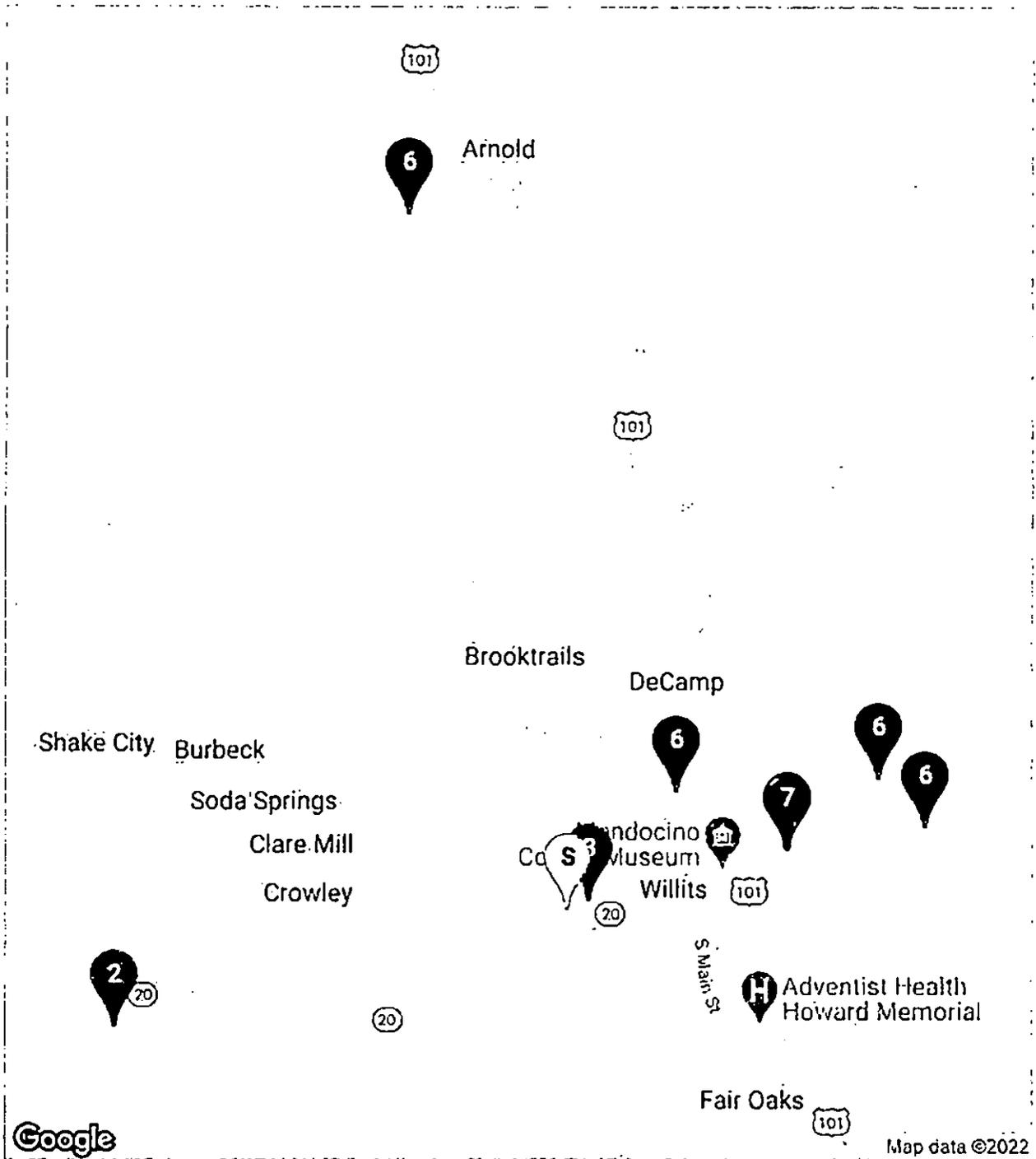
Site

<b>Acres</b>	59.26	<b>Site Status</b>	Raw
<b>Land SF</b>	2,581,366	<b>Entitlements</b>	None
<b>Usable Acres</b>	59.26	<b>Topography</b>	Level
<b>Usable Land SF</b>	2,581,366	<b>Utilities</b>	Electricity, Well
<b>Zoning</b>	AG-40	<b>Shape</b>	Rectangular
<b>GP Designation</b>	AG-40	<b>Improvements of Value</b>	None

Sale Comments

Site is situated in the valley just to the east of Willits city limits. The entire site is level. Electricity was at the site and there was one well. User intentions were to grow cannabis. The ability to develop two homesites was of no value, according to the selling agent. Site is within a flood hazard area, but selling agent stated the site never flooded and had no impact upon value. Seller financing of portion of the sale price at 6% interest for five years had no impact upon market value.

### Land Comparable Map



### Land Comparable Summary and Analysis

Comp	Address		Date	Usable Acres		Topography	Utilities	Zoning
	City			Usable Land SF				
Subject	1401 West Highway 20 Willits		12/21/2020	20.26 \$882,526			Electricity, Well, Septic	UR-40
1	Eastside Road Willits		4/29/2020	\$177,000	11.13 484,823	Rolling & Level	Electricity	AG-40
2	6100 W Highway 20 Willits		8/6/2020	\$299,000	44.24 1,927,094	Rolling	None	TP160
3	22040 Pepperwood Way Willits		7/31/2020	\$300,000	5.00 217,800	Level & Downward Sloping	Electricity, Public Water, Well, Septic	RR-5
4	23800 North Highway 101 Willits		8/15/2017	\$322,000	26.84 1,169,150	Rolling & Level	Electricity	AG-40 & SR
5	3001 Hearst Willits Road Willits		4/23/2020	\$325,000	14.85 646,866	Level	Electricity, Well, Septic	AG-40
6	28250 Skyview Road Willits		3/17/2020	\$440,000	17.41 758,380	Level	Electricity, Well, Septic	UR20 - SS
7	1080 Hearst Willits Road Willits		11/7/2019	\$690,000	59.26 2,581,366	Level	Electricity, Well	AG-40

### Analysis and Conclusion

All the comparable sales represent potential rural residential or agricultural sites near the city limits of Willits. Emphasis was placed on parcels with as similar attributes as the subject. For instance, Comparables 5, 6 and 7 were all level like the subject, while Comparable 3, while not entirely level, was located just to the north of the subject. These parcels sell infrequently and thus, one of the sales is dated. All sold unencumbered by any leases. Comparables 1 – 5 and 7 sold cash to the seller or with seller financing that had no impact upon market value, while Comparable 6 had a large private financing component that impacted market value. The comparables sold for \$177,000 to \$690,000.

Comparable 1 (\$177,000) is located in the foothills of the eastern range and further from the city center. The topography is inferior as well as the lack of well or septic. Site size is much smaller. Overall, the selling price is judged lower than projected for the subject property due to the inferior attributes.

Comparable 2 (\$299,000) is located further west than the subject and further west of the Willits city limits than the subject. The topography is inferior, but there were large areas of open relatively level areas for rural residential development or agriculture. The site lacked a well or

septic. Site size is much larger, but the buildable area is similar. Overall, the selling price is judged lower than projected for the subject property due to the inferior time of sale, location and lack of utilities offset slightly by the larger parcel size.

Comparable 3 (\$300,000) is located in the superior hill to the north of the subject with superior views and utilities. The site size is much smaller and the topography is inferior, however, there was ample level site area for a rural residence with surrounding yard area. Overall, the selling price is judged slightly lower than projected for the subject property due to the superior location, views and utilities, offset by the much smaller site size.

Comparable 4 (\$322,000) is located just to the north of the city limits with some future potential for subdivision. The time of sale, topography, and utility were far inferior to the subject. Site size is slightly larger. Overall, the selling price is judged slightly lower than that projected for the subject property due to the inferior time of sale, topography and utility, offset by the superior future potential and slightly larger site size.

Comparable 5 (\$325,000) is located to the east of the city limits with multiple parcels involved. Though this had no perceptible impact upon the current price, it does add some upside future potential. The location is considered more private than the subject for either rural residential uses or cannabis growers. There are ~5,000 vehicles per day on the subject's stretch of State Highway 20 and the subject is below the roadway. Comparable 5 is located on a rarely travelled rural roadway with more privacy and much less noise. The site size is inferior while utilities and topography are similar. Overall, the selling price is slightly lower than that projected for the subject property due to the superior location and upside potential, offset by the inferior site size.

Comparable 6 (\$440,000) is located just ten miles north of the city limits and is considered an inferior overall location due to its distance from city services. The time of sale is also inferior to the subject as well. Site size is slightly smaller. A large factor that impacted the selling price was the private financing that amounted to 90% of the purchase price, the year-round pond and licensed cannabis operation with greenhouses. Overall, the selling price is judged higher than that projected for the subject property due to the inferior time, offset more substantially by the superior infrastructure and private financing.

Comparable 7 (\$690,000) is located just to the east of the city limits with similar locational attributes as Comparable 4 with some future potential for multiple residences. Site size is much larger, a superior attribute. Topography is similar, while there was no septic on the comparable site. Overall, the selling price is judged higher than that projected for the subject property due to the superior location, future potential and site size offset somewhat by the inferior utilities.

### **Value of the Whole Property Before the Acquisition – Conclusion**

The comparables indicate a value of \$177,000 to \$690,000 before adjustment with an average of \$404,209. Based on the above analysis, it is projected that the subject would command a value of \$360,000. The subject was purchased six years ago for \$150,000. Comparable 7 sold

for \$440,000 three years prior to the most recent sale indicating a 16% per year compounded appreciation rate. Other market participants stated that the appreciation they observed in the market was much lower and closer to 10% per annum. The subject would indicate an approximate range of \$275,000 - \$375,000 as of the date of the appraisal utilizing a 10% - 16% per year compounded appreciation rate to its prior sale price. In addition, the subject site has since obtained materially significant well and perc tests, as well as a new driveway from the highway.

This indicates the following value for the subject.

**Whole Property – Before Condition**

	Estimated Value
Fee Simple Land Value	\$360,000
<b>Land Value of the Whole, Before Condition</b>	<b>\$360,000</b>

**Fee Simple Acquisitions**

The above market value sets the baseline value of the fee simple interest of the subject land. The Mendocino Railway seeks to acquire the entire fee simple interest as described previously. The table below presents the value of the fee simple acquisitions as a 100% interest in the whole property:

**Fee Simple Acquisition**

Property Rights	Estimated Value	Ratio	Estimated Value
Fee Simple	\$360,000	x 100%	= \$360,000
<b>Total Fee Simple Acquisition</b>			<b>\$360,000</b>

**Site Improvements**

The subject was inspected on March 2, 2022 while the date of value is December 21, 2020. Approximately 17,000 cubic yards of fill was deposited on the subject property between the two dates, according to the owner. The fill does not meet local regulations in terms of compacting, slope or runoff. Local agency permits for the fill are incomplete. The fill brings the subject site closer to the highway and is judged a detriment to the most probable rural residential user. The fill is not of sufficient nutrient composition to be utilized for agriculture and thus, is also considered a detriment to the most probable agricultural user.

The costs of removing the fill is estimated by Joshua N. Kilgore, Senior Engineering Geologist, LACO Associates to be \$64,000 to \$83,000. A copy of the report is contained in the Addenda. The cost estimate excludes the fees for depositing the soil on the receiver’s property and the payment to the hauler. The fees for depositing the soil are estimated utilizing the owner’s fee for receiving the fill, that is, \$3.00 per cubic foot. That would equate to \$51,000 for 17,000 cubic feet of soil. The hauling costs are unknown and would depend on the distance, another

unknown. Thus, it is projected the typical buyer would assume the higher end of the range estimate (\$83,000) plus a contingency/profit margin of 50% to consider the time to manage the removal and unknown costs associated with hauling. Thus, the total change in value due to the site improvements that occurred after the date of value is (\$125,000), rounded.

### Damages

Damages generally occur when the acquisition of a portion of a property result in the remaining property having less value after the acquisition. The subject interest appraised herein is the entire fee simple interest and thus, there is no remainder and no damages to the larger parcel.

### Benefits

When there are no damages as a result of a proposed acquisition, there is no need to quantify or study benefits, as they only serve to offset damages.

### Estimated Just Compensation

The estimated fair market value of the proposed acquisitions and estimate of just compensation is as follows:

<b>Estimate of Just Compensation</b>	
Permanent Fee Simple Acquisition	\$360,000
Site Improvements	(\$125,000)
Damages	\$0
Benefits	\$0
<b>Total Estimate of Just Compensation</b>	<b>\$235,000</b>
<b>Rounded To</b>	<b>\$235,000</b>

This appraisal was performed following public awareness that COVID-19 was affecting residents in the United States. At the time of the appraisal, COVID-19 was having widespread health and economic impacts. The effects of COVID-19 on the real estate market in the area of the subject property and the value opinions in this appraisal are based on the data available to the appraisers at the time of the assignment and apply only as of the effective date indicated. No analyses or opinions contained in this appraisal should be construed as predictions of future market conditions or value.



## **QUALIFICATIONS OF HOWARD R. LEVY, MAI, AI-GRS**

### **Education**

*University of Wisconsin - Madison*

- Master of Science, Real Estate Appraisal and Investment Analysis
- Bachelor of Business Administration, Finance

### **Appraisal Experience**

Of counsel to Ward Levy Appraisal Group, Inc., an independent real property valuation services firm (2017 – Present)

President of Ward Levy Appraisal Group, Inc., an independent real property valuation services firm (2014 – 2016)

President of Howard Levy Appraisal Group, Inc., formerly Hornsby Levy Appraisal Group, Inc., an independent real property valuation and right of way acquisition services firm (2002 – 2014)

Senior Appraisal Associate with the independent real property valuation and right of way acquisition services firm of G.F. Hornsby and Associates in Santa Rosa, California (1995 – 2002)

Associate Appraiser with the independent real property valuation firm of Crocker Hornsby in Santa Rosa, California (1988 – 1995)

Associate Appraiser with the independent real property valuation firm of William L. Hafner, MAI, in Santa Rosa, California (1987 – 1988)

Thirty-five years of experience that includes preparation of appraisal reviews, narrative, form and oral appraisal reports on unimproved lands, conservation easements, single and multi-family residential developments, affordable housing, PUD subdivisions, professional and medical office buildings, retail buildings, shopping centers, light and heavy industrial buildings, restaurants, senior care facilities, funeral homes, resorts, lodging, movie theaters, feasibility and marketability analysis for lending, sale, estate, legal and eminent domain purposes.

Qualified as an expert witness before the Superior Court of California and the United States Bankruptcy Court.

### **Professional Membership**

Designated Member of the Appraisal Institute (MAI)  
Appraisal Institute General Review Specialist (AI-GRS)  
Continuing Education Requirements Completed

### **Licensure**

California Certified General Real Estate Appraiser, License AG003852, Expires August 30, 2022



## **QUALIFICATIONS OF RYAN C. WARD, MAI**

### **Education**

*University of California – San Diego, California*

- Bachelor of Arts, Economics
- Bachelor of Arts, Urban Studies and Planning

Appraisal Institute

- Capitalization Theory
- Real Estate Valuation Theory
- Vineyard Valuation
- Highest and Best Use and Market Analysis
- Advanced Income Capitalization
- Advanced Cost and Sales Comparison Approach
- Advanced Applications
- Business Practice & Ethics
- Report Writing and Valuation Analysis
- Introduction to Green Buildings
- Residential and Commercial Valuation of Solar
- Case Studies in Appraising Green Commercial Buildings
- The Appraiser as Expert Witness
- Condemnation Appraising: Principles & Applications

### **Appraisal Experience**

President of Ward Levy Appraisal Group, Inc., an independent real property valuation services firm (2017 – Present)

Partner, Ward Levy Appraisal Group, Inc., an independent real property valuation services firm (2014 – 2016)

Senior Appraisal Associate with the independent real property valuation and right of way acquisition services firm of Howard Levy Appraisal Group, Inc., formerly Hornsby Levy Appraisal Group, Inc. (2004 – 2014)

Project Manager with the independent real property valuation firm of Carneghi-Blum & Partners, Inc. (Formerly Carneghi-Bautovich & Partners, Inc.), San Francisco, California (1996 – 2004)

Twenty-six years of experience that includes preparation of narrative appraisals for a variety of property types including single-family residential subdivisions, multi-family housing, office buildings, industrial properties, shopping centers, marinas, retail centers, hotels, lodging facilities, auto service stations and special uses.

### **Professional Affiliations**

Appraisal Institute (MAI) - Continuing Education Requirements Completed

### **Licensure**

California Certified General Real Estate Appraiser, License AG026338, Expires December 22, 2022

## **ADDENDA**



# Redwood Empire Title Company of Mendocino County

405 S. Orchard Avenue, P. O. Box 238  
Ukiah, CA 95482  
Phone: (707)462-8666 • Fax: (707)462-5010

Our No.: 20202206RB

Your No.:

Seller: John Meyer

Buyer:

When replying Please Contact:

ESCROW OFFICER: Rosanne Burlesci

[rburlesci@redwoodtitle.com](mailto:rburlesci@redwoodtitle.com)

## PRELIMINARY REPORT

Property Address: 1401 West Highway 20, Willits, CA 95490

In response to the above referenced application for a policy of title insurance, Redwood Empire Title Company of Mendocino County hereby reports that it is prepared to issue, or cause to be issued, as of the date hereof, a Policy or Policies of Title Insurance describing the land and the estate or interest therein hereinafter set forth, insuring against loss which may be sustained by reason of any defect, lien or encumbrance not shown or referred to as an Exception below or not excluded from coverage pursuant to the printed Schedules, Conditions and Stipulations of said Policy forms.

The printed Exceptions and Exclusions from the coverage and Limitations on Covered Risks of said Policy or Policies are set forth in Exhibit A attached. Copies of the Policy forms should be read. They are available from the office which issued this report.

Please read the exceptions shown or referred to below and the exceptions and exclusions set forth in Exhibit A of this report carefully. The exceptions and exclusions are meant to provide you with notice of matters which are not covered under the terms of the title insurance policy and should be carefully considered.

It is important to note that this preliminary report is not a written representation as to the condition of title and may not list all liens, defects and encumbrances affecting title to the land.

This report (and any supplements or amendments hereto) is issued solely for the purpose of facilitating the issuance of a policy of title insurance and no liability is assumed hereby. If it is desired that liability be assumed prior to the issuance of a policy of title insurance, a Binder or Commitment should be requested.

Dated as of August 25, 2020 at 07:30 AM.

Steve Burlesci  
Chief Title Officer

[sburlesci@redwoodtitle.com](mailto:sburlesci@redwoodtitle.com)

The form of policy of title insurance contemplated by this report is:

CLTA Standard 1990 Owners Policy  
Underwritten by Old Republic National Title Insurance Company

## SCHEDULE A

1. The estate or interest in the land hereinafter described or referred to covered by this Report is:  
a Fee
2. Title to said estate or interest at the date hereof is vested in:  
John Meyer, a single man
3. The land referred to in this report is situated in the State of California, County of Mendocino and is described as follows:

That portion of the lands described in the Quitclaim Deed to Mike C. Thornburg recorded April 15, 1996 in Book 2324 of Official Records, Page 197 lying within the north half of the northeast quarter of Section 23 and the south half of the southeast quarter of Section 14, Township 18 North, Range 14 West, Mount Diablo Meridian that lies northeasterly of the California Western Railroad.

APN: 038-180-53

The above description is pursuant to Mendocino County Boundary Line Adjustment #B 61-2008

## SCHEDULE B

At the date hereof exceptions to coverage in addition to the printed Exceptions and Exclusions in the said policy form would be as follows:

1. Taxes and assessments, general and special, for the fiscal year 2020 - 2021, a lien not yet due or ascertainable.
2. Said property having been declared tax defaulted for non-payment of delinquent taxes for the fiscal year 2019 - 2020 and any subsequent delinquencies.  
Amount to redeem prior to September 30, 2020 is \$2,182.98  
Amount to redeem prior to October 31, 2020 is \$2,211.32  
Amount to redeem prior to November 30, 2020 is \$2,239.66  
Default No.: 26467  
Assessor's Parcel No.: 038-180-53  
NOTE: A State fee of \$15.00 is to be added to the above amounts.
3. The lien of supplemental taxes, if any, assessed pursuant to the provisions of Section 75, et seq. of the Revenue and Taxation Code of the State of California.
4. Right to use one third of the water from springs and incidentals thereto as set forth in the Deed recorded May 2, 1960 in Book 539, Page 271 of Official Records.
5. Deed of Trust to secure an indebtedness of the amount stated below and any other amounts payable under the terms thereof,  
Amount : \$70,000.00  
Trustor/Borrower : John Meyer, a single man  
Trustee: Redwood Empire Title Company of Mendocino County  
Beneficiary/Lender: Sheppard Investments, a general partnership  
Dated: August 6, 2015  
Recorded: August 10, 2015 as 2015-10937, Official Records
  - a. The record beneficial interest under said Deed of Trust as a result of the last recorded assignment thereof is,  
Vested In: Maryellen Sheppard, a single woman  
Recorded: August 20, 2015 as 2015-11403, Official Records

## END OF SCHEDULE B

### INFORMATIONAL NOTES:

1. Taxes and assessments, general and special, for the fiscal year 2019 - 2020, as follows  
Assessor's Parcel No.: 038-180-53  
Code No.: 153-004  
1st Installment: \$944.54, Defaulted  
2nd Installment: \$944.54, Defaulted
2. NOTE: According to the public records, there have been no deeds conveying the property described in this report recorded within a period of 24 months prior to the date hereof except as follows: NONE

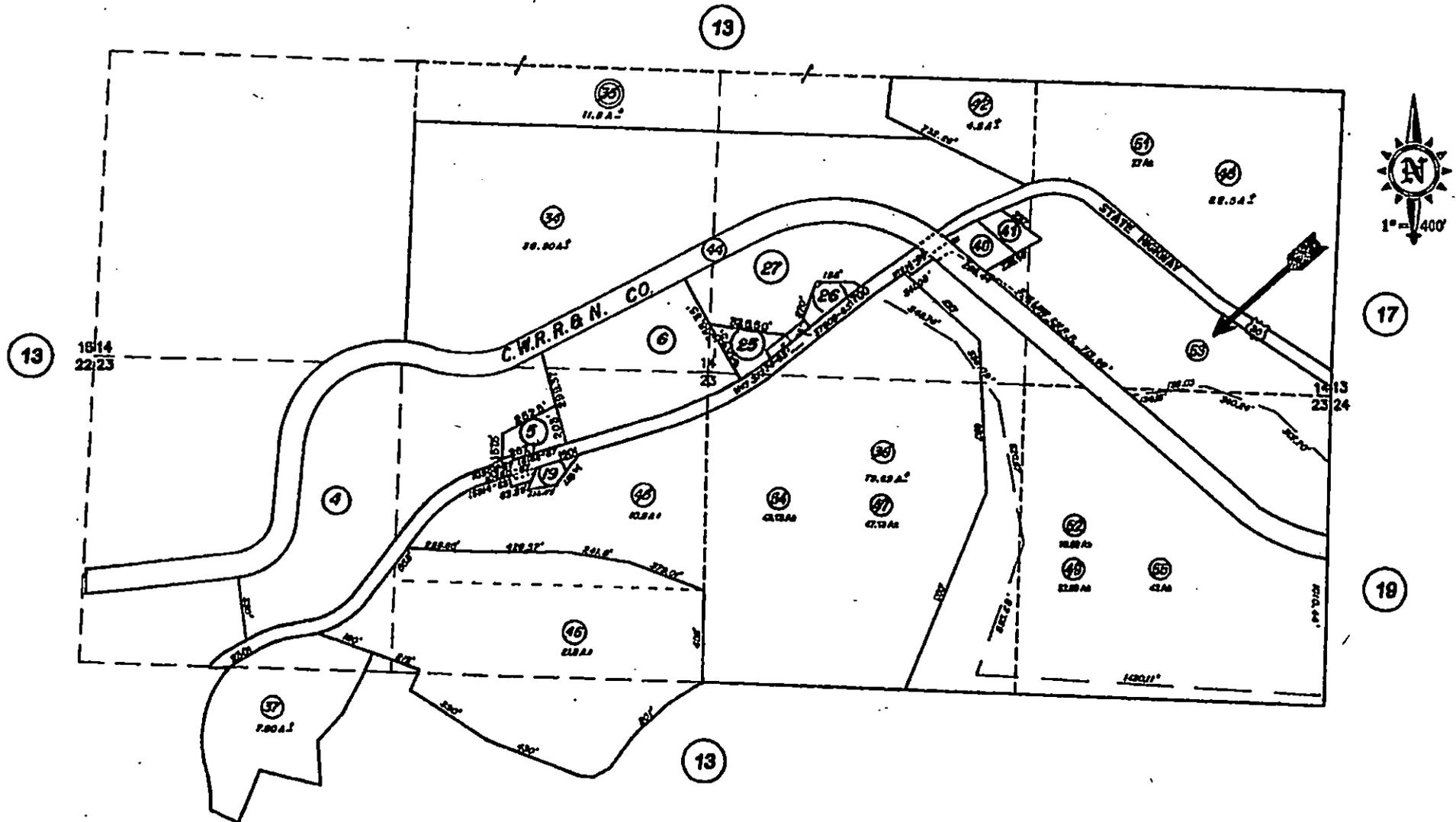
"Notice: This is neither a plat nor a survey. It is furnished merely as a convenience to aid you in locating the land indicated hereon with reference to streets and other land. No liability is assumed by reason of any reliance hereon."

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N1/2 of N1/2 of Sec. 23, S1/2 of S1/2 of Sec. 14 T.18N. R.14W. M.D.B.& M.

163-004

38-18



NOTE: This map was prepared for assessment purposes only. No liability is assumed for the data delineated hereon.

Assessor's Map  
County of Mendocino, Calif.  
Updated May 21, 2013

CLTA PRELIMINARY REPORT FORM (EXHIBIT A) (01-01-08)

CALIFORNIA LAND TITLE ASSOCIATION  
STANDARD COVERAGE POLICY - 1990

EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys' fees or expenses which arise by reason of:

1. (a) Any law, ordinance or governmental regulation (including but not limited to building or zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating (i) the occupancy, use, or enjoyment of the land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the land; (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien, or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
- (b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge.
3. Defects, liens, encumbrances, adverse claims or other matters:
  - (a) whether or not recorded in the public records at Date of Policy, but created, suffered, assumed or agreed to by the insured claimant;
  - (b) not known to the Company, not recorded in the public records at Date of Policy, but known to the insured claimant and not disclosed in writing to the Company by the insured claimant prior to the date the insured claimant became an insured under this policy;
  - (c) resulting in no loss or damage to the insured claimant;
  - (d) attaching or created subsequent to Date of Policy; or
  - (e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the insured mortgage or for the estate or interest insured by this policy.
4. Unenforceability of the lien of the insured mortgage because of the inability or failure of the insured at Date of Policy, or the inability or failure of any subsequent owner of the indebtedness, to comply with the applicable doing business laws of the state in which the land is situated.
5. Invalidity or unenforceability of the lien of the insured mortgage, or claim thereof, which arises out of the transaction evidenced by the insured mortgage and is based upon usury or any consumer credit protection or truth in lending law.
6. Any claim, which arises out of the transaction vesting in the insured the estate of interest insured by this policy or the transaction creating the interest of the insured lender, by reason of the operation of federal bankruptcy, state insolvency or similar creditors' rights laws.

EXCEPTIONS FROM COVERAGE - SCHEDULE B, PART I

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) which arise by reason of:

1. Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records.  
Proceedings by a public agency which may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the public records.
2. Any facts, rights, interests, or claims which are not shown by the public records but which could be ascertained by an inspection of the land or which may be asserted by persons in possession thereof.
3. Easements, liens or encumbrances, or claims thereof, not shown by the public records.
4. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other facts which a correct survey would disclose, and which are not shown by the public records.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b) or (c) are shown by the public records.
6. Any lien or right to a lien for services, labor or material not shown by the public records.

2006 ALTA LOAN POLICY (06-17-06)

EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy, and the Company will not pay loss or damage, costs, attorneys' fees, or expenses that arise by reason of:

1. (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
  - (i) the occupancy, use, or enjoyment of the Land;
  - (ii) the character, dimensions, or location of any improvement erected on the Land;
  - (iii) the subdivision of land; or
  - (iv) environmental protection;or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5.
- (b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 6.
2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.

3. Defects, liens, encumbrances, adverse claims, or other matters:
  - (a) created, suffered, assumed, or agreed to by the Insured Claimant;
  - (b) not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
  - (c) resulting in no loss or damage to the Insured Claimant;
  - (d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 11, 13, or 14); or
  - (e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Insured Mortgage.
4. Unenforceability of the lien of the Insured Mortgage because of the inability or failure of an Insured to comply with applicable doing-business laws of the state where the Land is situated.
5. Invalidity or unenforceability in whole or in part of the lien of the Insured Mortgage that arises out of the transaction evidenced by the Insured Mortgage and is based upon usury or any consumer credit protection or truth-in-lending law.
6. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction creating the lien of the Insured Mortgage, is
  - (a) a fraudulent conveyance or fraudulent transfer, or
  - (b) a preferential transfer for any reason not stated in Covered Risk 13(b) of this policy.
7. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the Insured Mortgage in the Public Records. This Exclusion does not modify or limit the coverage provided under Covered Risk 11(b).

The above policy form may be issued to afford either Standard Coverage or Extended Coverage. In addition to the above Exclusions from Coverage, the Exceptions from Coverage in a Standard Coverage policy will also include the following Exceptions from Coverage:

#### EXCEPTIONS FROM COVERAGE

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) that arise by reason of:

1. (a) Taxes or assessments that are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the Public Records; (b) proceedings by a public agency that may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the Public Records.
2. Any facts, rights, interests, or claims that are not shown by the Public Records but that could be ascertained by an inspection of the Land or that may be asserted by persons in possession of the Land.
3. Easements, liens or encumbrances, or claims thereof, not shown by the Public Records.
4. Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land and not shown by the Public Records.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b), or (c) are shown by the Public Records.

#### 2006 ALTA OWNER'S POLICY (06-17-06)

#### EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy, and the Company will not pay loss or damage, costs, attorneys' fees, or expenses that arise by reason of:

1. (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
  - (i) the occupancy, use, or enjoyment of the Land;
  - (ii) the character, dimensions, or location of any improvement erected on the Land;
  - (iii) the subdivision of land; or
  - (iv) environmental protection;
 or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5.
- (b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 6.
2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
3. Defects, liens, encumbrances, adverse claims, or other matters:
  - (a) created, suffered, assumed, or agreed to by the Insured Claimant;
  - (b) not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
  - (c) resulting in no loss or damage to the Insured Claimant;
  - (d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 9 and 10); or
  - (e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Title.
4. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction vesting the Title as shown in Schedule A, is
  - (a) a fraudulent conveyance or fraudulent transfer; or
  - (b) a preferential transfer for any reason not stated in Covered Risk 9 of this policy.
5. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the deed or other instrument of transfer in the Public Records that vests Title as shown in Schedule A.

The above policy form may be issued to afford either Standard Coverage or Extended Coverage. In addition to the above Exclusions from Coverage, the Exceptions from Coverage in a Standard Coverage policy will also include the following Exceptions from Coverage:

#### EXCEPTIONS FROM COVERAGE

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) that arise by reason of:

1. (a) Taxes or assessments that are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the Public Records; (b) proceedings by a public agency that may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the Public Records.
2. Any facts, rights, interests, or claims that are not shown in the Public Records but that could be ascertained by an inspection of the Land or that may be asserted by persons in possession of the Land.
3. Easements, liens or encumbrances, or claims thereof, not shown by the Public Records.
4. Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land and that are not shown by the Public Records.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b), or (c) are shown by the Public Records.

## **Privacy Statement**

**July 1, 2001**

We recognize and respect the privacy expectations of today's consumers and the requirements of applicable federal and state privacy laws. We believe that making you aware of how we use your non-public personal information ("Personal Information"), and to whom it is disclosed, will form the basis for a relationship of trust between us and the public we serve. This Privacy Statement provides that explanation. We reserve the right to change this Privacy Statement from time to time consistent with applicable privacy laws.

**In the course of our business, we may collect Personal Information about you from the following sources:**

- From applications or other forms we receive from you or your authorized representative;
- From your transactions with, or from the services being performed by us, our affiliates, or others;
- From our Internet web sites;
- From the public records maintained by governmental entities that we either obtain directly from those entities, or from our affiliates or others; and
- From consumer or other reporting agencies.

### **Our Policies Regarding the Protection of the Confidentiality and Security of Your Personal Information**

We maintain physical, electronic and procedural safeguards to protect your Personal Information from unauthorized access or intrusion. We limit access to the Personal Information only to those employees who need such access in connection with providing products or services to you or for other legitimate business purposes.

### **Our Policies and Practices Regarding the Sharing of Your Personal Information**

We may share your Personal Information with our affiliates, such as insurance companies, agents, and other real estate settlement providers. We may also disclose your Personal Information:

- to agents, brokers or representatives to provide you with services you have requested.
- to third-party contractors or service providers who provide services or perform marketing or other functions on our behalf; and
- to others with whom we enter into joint marketing agreements for products or services that we believe you may find of interest.

In addition, we will disclose your Personal Information when you direct or give us permission, when we are required by law to do so, or when we suspect fraudulent or criminal activities. We may also disclose your Personal Information when otherwise permitted by applicable privacy laws such as, for example, when disclosure is needed to enforce our rights arising out of any agreement, transaction or relationship with you.

One of the important responsibilities of some of our affiliated companies is to record documents in the public domain. Such documents may contain your Personal Information.

### **Right to Access Your Personal Information and Ability to Correct Errors or Request Changes or Deletion**

Certain states afford you the right to access your Personal Information and, under certain circumstances, to find out to whom your Personal Information has been disclosed. Also, certain states afford you the right to request correction, amendment or deletion of your Personal Information. We reserve the right, where permitted by law, to charge a reasonable fee to cover the costs incurred in responding to such requests.

All requests must be made in writing to the following address:

Privacy Compliance Officer  
Redwood Empire Title Company  
P.O. Box 238  
Ukiah, CA 95482

### **Multiple Products or Services**

If we provide you with more than one financial product or service, you may receive more than one privacy notice from us. We apologize for any inconvenience this may cause you.



**WARD LEVY**  
**APPRAISAL GROUP INC**

3510 Unocal Place, Suite 209  
Santa Rosa, CA 95403  
(707) 921-5052  
[ryan@wardlevy.com](mailto:ryan@wardlevy.com)

September 1, 2020

John Meyer  
5000 Mud Spring Road  
Branscomb, CA 95417

RE: Notice of Decision to Appraise

Dear Mr. Meyer:

The Mendocino Railway is considering the acquisition of your property for its railroad operations. We have been hired by California Eminent Domain Law Group on behalf of the Mendocino Railway to appraise your property located at 1401 West Highway 20, Willits, California (Assessor's Parcel Number 038-180-53). The public agency is interested in acquiring the fee simple interest of the entire parcel.

No decision has been made regarding the acquisition of your property. As part of the appraisal process we would like to meet with you and/or your designated property representative at the property to perform an inspection. This will allow us to view the property and its characteristics as well as giving you the chance to provide us with information about the property that may impact value. While we have been hired by the agency contemplating the acquisition, we are impartial and unbiased and seek only to provide the agency with a credible opinion of market value.

Please contact me at 707-921-5052 or at [ryan@wardlevy.com](mailto:ryan@wardlevy.com) to arrange for a time when we can meet at the property.

Sincerely,

A handwritten signature in black ink that reads "Ryan C. Ward". The signature is fluid and cursive.

Ryan C. Ward  
President of Ward Levy Appraisal Group, Inc.



April 11, 2022

10248.00

California Eminent Domain Law Group  
3429 Ocean View Blvd, Suite L  
Glendale, California 91208

Attention: Glenn Block

Subject: General Observation and Estimates Relating to the Stockpiled Material Located on the Meyer Property, 1401 West Highway 20, Willits, California Assessor's Parcel Number 038-180-53-00

Dear Mr. Block:

LACO Associates (LACO) was retained by California Eminent Domain Law Group (Client) as represented by yourself to provide general observations and estimates related to the existing stockpile and driveway areas identified within this letter and located at 1401 West Highway 20, Willits, California (Assessor's Parcel Number 038-180-53-00; Site). As shown on the Location Map (Figure 1), the Site is located on a 20.26-acre parcel that adjoins Highway 20, approximately 1.2 miles west of the intersection of South Main Street and Highway 20 in Willits, California.

## 1.0 PROJECT UNDERSTANDING

Based on conversations with you, it is our understanding that the project consists of assessments of the subject stockpile (Stockpile) (See Figure 2) and adjacent areas located at the Site at the time and date of our site review conducted on March 8, 2022. The assessment included observations on the in-situ density of the Stockpile material and general observations on the Stockpile conditions (dimensions, existing fill slope inclination, existing drainage conditions and observation of existing erosion control measures). In addition, at your request, we are providing general estimates of the anticipated scope and associated fees to improve and/ or remove the Stockpile according to current industry standards and our experience with similar projects. We have provided estimates of anticipated consulting and construction fees, however additional regulatory requirements may be required and would likely require additional services, studies, or construction activities. These cannot be anticipated at this time and have not been included as part of our general estimates. In addition, LACO has reviewed documents you provided that are associated with the placement of the fill at the Site, including a plan set titled Improvement Plans for Lands of Meyer, prepared by Pope Engineering (date illegible). These plans have been attached for reference (Attachment 1).

21 W. Fourth Street  
Eureka, CA 95501  
707 443-5054

1072 N. State Street  
Ukiah, CA 95482  
707 462-0222

1550 Airport Blvd., Suite 120  
Santa Rosa, CA 95403  
707 525-1222

1209 Esplanade, #4  
Chico, CA 95926  
530 801-6170

## 2.0 EXPLORATION

Our exploration consisted of reviewing published geotechnical reports and maps related to the surface topography and geology of the Site vicinity and performing a subsurface exploration in the location of the Stockpile. Our subsurface exploration was performed on March 8, 2022, and was limited to excavating seven test pits (TP1 through TP7) to a maximum depth of 10 feet below ground surface (bgs), of the approximate locations shown in Figure 2. Test pits were excavated by a LACO-provided excavator and operator, under the direction and observation of a LACO geologist. Our geologist logged the test pits and obtained disturbed soil samples for visual classification. Soils were logged in general accordance with the American Society for Testing and Materials (ASTM) Test Procedure D2488 Visual-Manual Procedures. Test pit logs are presented in Attachment 2.

## 3.0 OBSERVATIONS

### 3.1 Surface and Drainage Conditions

The Site is located on a 20.26-acre parcel that is bounded by Highway 20 to the north, Mendocino Railway and Broadus Creek to the south, two residential parcels each to the west and east. The stockpiles had been placed at some time prior to our investigation by unknown construction methods, including the Stockpile consisting of approximately 17,000 cubic yards of material located along the northern perimeter of the Site. It appears that some of the stockpiled material has been used to construct a new earthen driveway at the northern extent of the Site. General site conditions are indicated on Figure 2.

The Stockpile has an area of approximately 76,000 square feet and an estimated maximum thickness of 15 to 20 feet (estimated maximum thickness based on observation of maximum vertical fill slope height). In general, the Stockpile has been graded flat with 1:1 (horizontal to vertical) slopes forming its southern and western perimeter. A new earthen driveway was observed to the east of the stockpile to provide access to the Site via Fort Bragg-Willits Road. It is approximately 340 feet in length and 20 feet in width and has a grade of approximately 4:1. The slopes observed along the western and eastern extent of the new driveway were measured at approximately 1:1. The driveway appears generally consistent with the driveway layout described in the provided plans prepared by Pope Engineering (Attachment 1). The provided plans appear to be a scanned copy of the original plan set and as a result, the scale and elevations indicated on the plans are illegible. However, assuming current industry standards and the California Building Code (CBC), fill slopes associated with the driveway should be constructed at a stable configuration of 2:1.

Per the CBC (2019), steeper fill slopes would require engineered improvements to provide for stability. These improvements typically consist of the placement of geotextile stabilization fabric within the fill. We observed no evidence of stabilization fabric within the Stockpile or driveway fill slopes. The driveway is unsurfaced and appears to have been constructed using similar materials as those observed within the stockpile.

In addition, three stockpiles with areas of approximately 4,500, 2,500, and 400 square-feet, were observed adjacent to the Stockpile that appeared to be the result of recent grading in the stockpile area. Several smaller vegetated stockpiles were also observed at the Site that appeared to have been placed at some time prior to placement of the Stockpile. The subsurface conditions of these stockpiles were not evaluated.

An earthen V-ditch was observed along the northern and eastern extent of the Stockpile, and along the western extent of the new driveway. This drainage appears to collect surface runoff from Highway 20 and the Stockpile and driveway areas. The V-ditch terminates in a 24-inch diameter corrugated plastic pipe culvert which underlies the driveway and discharges to the south onto an unimproved grassy area. We observed evidence that at times of high flow, this area drains to an existing erosional gully that drains to Broaddus Creek. There is also a culvert at the southeastern extent of the property that drains onto the Site from Highway 20. Discharge from the culvert appears to drain by sheet flow toward the southwest. Southwest of the culvert, we observed an area of actively eroding and gullied terrain flowing towards Broaddus Creek, it is unclear if this actively eroding area is a result of concentrated flow from the previously identified culvert. Broaddus Creek transects the southwestern extent of the Site where we observed bank heights of approximately 5 to 20 vertical feet. These banks appeared to be actively eroding with slope gradients that approached vertical.

### **3.2 Subsurface Conditions**

#### **3.2.1 Stockpile**

The Stockpile is composed of generally homogenous material including yellowish-brown clayey sand with gravel, cobbles, and boulders. This is underlain by native material comprising dark brown lean clay with sand. General observations of the Stockpile and driveway areas indicate that the maximum depth of the fill ranges between 15 and 20 feet. Observations and in-situ pocket penetrometer readings indicate the density of the material fill ranged between loose and medium dense and likely was placed without significant compactive effort. Between 25 and 35 percent of the observed material appeared to consist of rocky debris greater than 3 inches in diameter and included boulders of up to 2 feet in diameter. Minor organics were encountered in fill material. In addition, decayed organic matter was encountered at the base of the fill indicating the stockpile material had likely been placed on unimproved terrain.

#### **3.2.2 New Driveway**

The new driveway appeared to be composed of similar material to the Stockpile. The material is composed of generally homogenous materials composed of yellowish-brown clayey sand with gravel, cobbles, and boulders. General observations indicate that the maximum depth of fill underlying the new driveway is approximately 20 feet in thickness. Observations and in-situ pocket penetrometer readings indicate the density of the material underlying the new driveway is medium dense to dense and likely received some compactive effort during placement. Approximately 35 percent of the fill material consisted of rock debris greater than 3 inches in diameter, and the maximum size of boulders encountered was 1.5 feet in diameter.

### **3.3 Existing Stormwater Pollution and Erosion Control Measures**

Disturbed soil areas of greater than 1 acre, including those associated with the stockpiling of material as observed on the subject property, require a Stormwater Pollution Prevention Plan (SWPPP) under California's Construction General Permit to minimize the potential for site erosion and subsequent delivery of sediment off the Site where it might have the potential to impact adjacent waterways. Typical best management practices (BMP's) employed to reduce erosion and sediment transport include:

- hydraulic mulch and/or hydroseeding of the stockpile
- Straw wattles along the toe, top, face and at grade breaks of exposed and erodible slopes of stockpile to shorten the slope length and distribute runoff as sheet flow.
- Silt fencing along streams and channels and below the slopes of stockpile
- Plastic sheeting or jute net coverings and perimeter sediment barriers around smaller stockpiles
- Check dams and/or sediment traps in swale and drainages located adjacent to the stockpiled material

At the time of our evaluation, we observed a fiber roll placed between the on-site culvert and the gully that drains to Broaddus Creek. The fiber roll did not appear to be embedded nor secured to the ground by staking or other means. No other erosion control measures or BMP's were observed

## **4.0 GENERAL ESTIMATES FOR CONSULTING AND CONSTRUCTION SERVICES RELATED TO REMOVAL AND/OR REPLACEMENT OF STOCKPILE**

At the Client's request we have provided estimates for services related to the removal and/or replacement of the Stockpile. These estimates do not address the smaller stockpiles observed at the Site. We anticipate that the earthwork and grading required to remove the existing Stockpile and replace it as properly compacted engineered fill suitable for future development would require consulting services suitable to support site grading and include planning, permitting, design and construction oversight phases. We anticipate that these services would consist of those needed to provide for planning and permitting consistent with current industry and governing agency requirements and would likely include:

- Permitting support services
- Survey and site mapping services
- Civil engineering services
- Stormwater services
- Geological services
- Construction support services

Our general estimate for these consulting services required to support the removal and replacement of the Stockpile and driveway areas is in the range of \$49,000 to \$64,000. This is a general estimate only based on our experience with similar projects and does not include long-term stormwater support

services. We estimate that the construction cost of the associated earthwork/grading could range from \$30,000 to \$36,000 dollars.

It is our estimate that similar scopes and fees would be required to remove the stockpile from the subject property. We anticipate that the consulting services required for removal would of a similar scope to that indicated above with the noted exception of a reduction of anticipated fees for construction support services. We estimate these fees could range from approximately \$44,000 to \$59,000. Construction costs for removal would largely depend on finding a suitable location to move or use the stockpiled material. We can provide no estimates on the costs associated with stockpiling the material elsewhere. Construction costs associated with the removal of the material can be estimated at between \$20,000 to \$24,000. These costs should be considered to reflect past pricing only and actual costs should be determined by detailed estimation at current market rates at the time of initiation of the project.

## 5.0 GENERAL CONCLUSIONS REGARDING THE CONDITIONS AND BUILDABILITY OF THE STOCKPILE AREA

Our Assessment of the Stockpile indicate that in its present condition, the material encountered is generally not suitable for use as structural fill suitable to support development. This is due to the significant amount of rocky debris present within the fill material that would have to be removed or processed prior to use. Based on our subsurface evaluation, the stockpile fill appears to have been placed without significant compactive effort and will likely settle erratically over time. This potential for settlement could be exacerbated by what appeared to be unimproved soil conditions underlying the stockpile. In addition, the fill slopes constituting the perimeter of the stockpile and driveway areas appeared to be oversteepened and in an unstable configuration according to CBC which, unless engineered and improved, generally limit to slopes of 2:1.

Our interpretations and analysis are based on observation and sampling at the locations and dates indicated in this letter and are limited to those areas observed and tested. Should future excavations expose stockpile conditions different than those described, additional testing will be required.

## 6.0 LIMITATIONS

This memorandum has been prepared for the exclusive use of the Client, their contractors, consultants, and appropriate public authorities for specific application to the Site and Stockpile. LACO has exercised a standard of care equal to that generated for this industry, so the information contained in this memorandum is current and accurate. The opinions presented in this memorandum are based upon information obtained from subsurface excavations, a Site reconnaissance, review of geologic maps and data available to us, and upon local experience and engineering judgment, and have been formulated in accordance with generally accepted geotechnical engineering practices that exist in California at the time of this letter report. In addition, geotechnical issues may arise that are not apparent at this time. No other warranty, expressed or implied, is made or should be inferred.

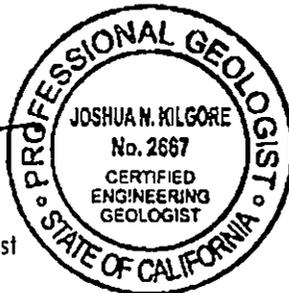
Data generated for this letter report represent information gathered at that time and at the widely spaced locations indicated. Subsurface conditions may be highly variable and difficult to predict. As such, the recommendations included in this letter report are based, in part, on assumptions about subsurface conditions that may only be observed and/or tested during subsequent project earthwork. Accordingly, the validity of these recommendations is contingent upon review of the subsurface conditions exposed during construction in order to check that they are consistent with those characterized in this letter report. Upon request, LACO can discuss the extent of (and fee for) observations and tests required to check the validity of the recommendations presented herein.

The opinions presented in this memorandum are valid as of the present date for the property evaluated. Changes in the condition of the property can occur over time, whether due to natural processes or the works of man, on this or adjacent properties. In addition, changes in applicable standards of practice can occur, whether from legislation or the broadening of knowledge. Accordingly, the opinions presented in this letter report may be invalidated, wholly or partially, by changes outside our control. Therefore, this letter report is subject to review and should not be relied upon after a period of three years, nor should it be used, or is it applicable, for any property other than that evaluated. This letter report is valid solely for the purpose, Site, and project described in this document. Any alteration, unauthorized distribution, or deviation from this description will invalidate this letter report. LACO assumes no responsibility for any third-party reliance on the data presented. In addition, the data presented should not be utilized by any third party to represent data for any other time or location.

Should you have questions, please contact us at (707) 525-1222.

Sincerely,  
LACO Associates

  
Joshua N. Kilgore  
Senior Engineering Geologist  
CEG 2267; EXP 08/31/22



Observation and Material Testing of Stockpile Material  
Meyer Property  
1401 West Highway 20, Wilits, California  
California Eminent Domain Law Group; LACO Project No. 10248.00  
April 11, 2022

## 7.0 REFERENCES

California Building Standards Commission, California Building Code (CBC), 2019, California Code of Regulations, Title 24, Part 2, Volume 2. California Building Standards Commission.

Construction General Permit Order 2009-0009-DWQ (effective July 1, 2010). Construction Storm Water Unit, California Waterboards.

[https://www.waterboards.ca.gov/water\\_issues/programs/stormwater/constpermits.html](https://www.waterboards.ca.gov/water_issues/programs/stormwater/constpermits.html)

Google Earth Historical Imagery. Google Earth®. Imagery from 1985 to 2021.

Pope Engineering. Date illegible. Improvement Plans for Lands of Myer.

## FIGURES

**Figure 1**                      **Vicinity Map**

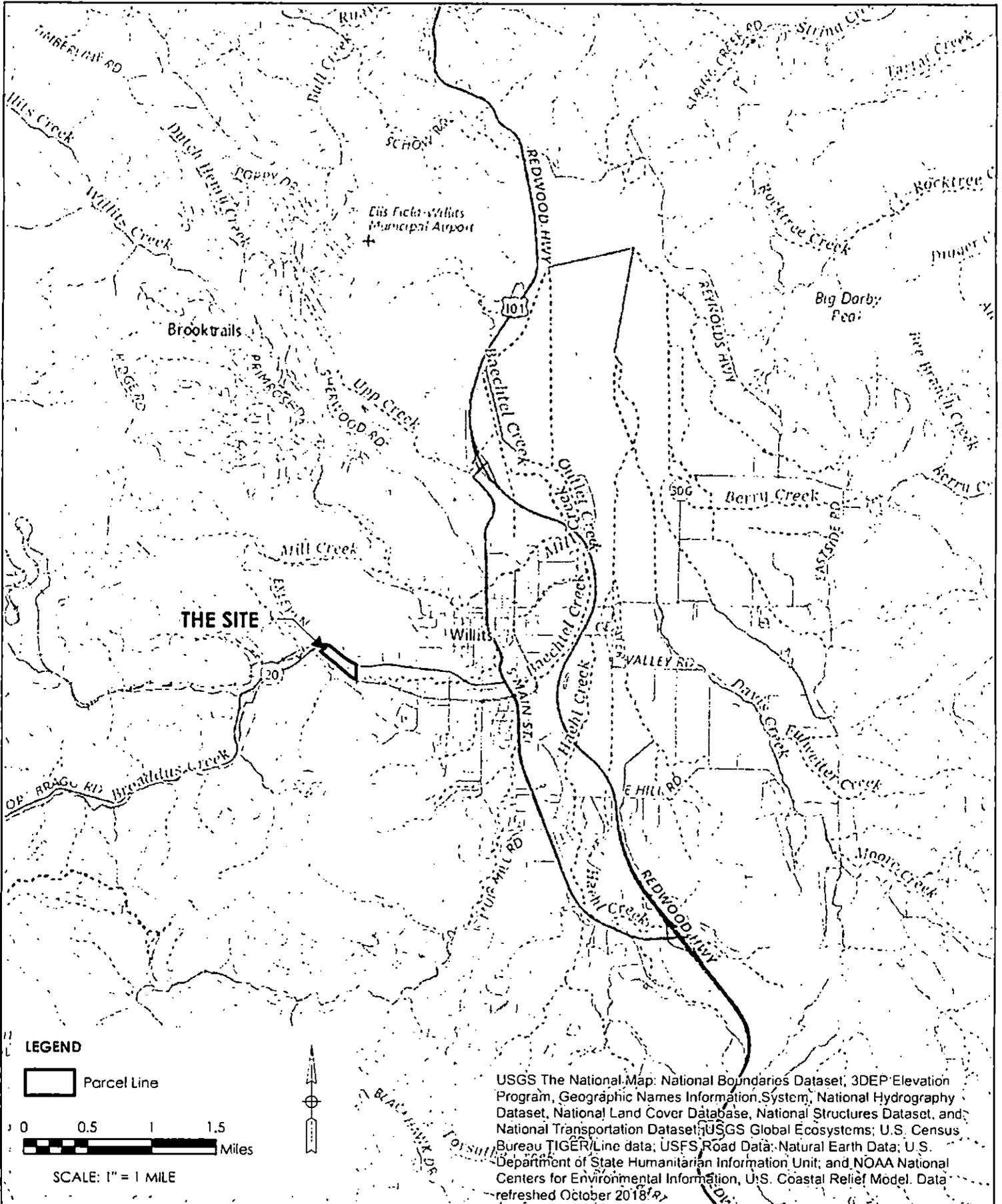
**Figure 2**                      **Site Map**

# LACO

Eureka | Ukiah | Santa Rosa | Chico  
1-800-515-5054 www.lacoassocofates.com

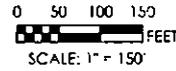
PROJECT	VISUAL ASSESSMENT	BY	JRG	FIGURE	1
CLIENT	CALIFORNIA EMINENT DOMAIN LAW GROUP	CHECK	JNK	JOB NO.	
LOCATION	1401 WEST HIGHWAY 20, WILLITS, CA	DATE	03/16/2022		
LOCATION MAP					10248.00

REUSE OF DOCUMENTS: This document and the ideas and design incorporated herein, as an instrument of professional service, is the property of LACO Associates and shall not be reused in whole or part for any other project without LACO Associates' express written authorization.

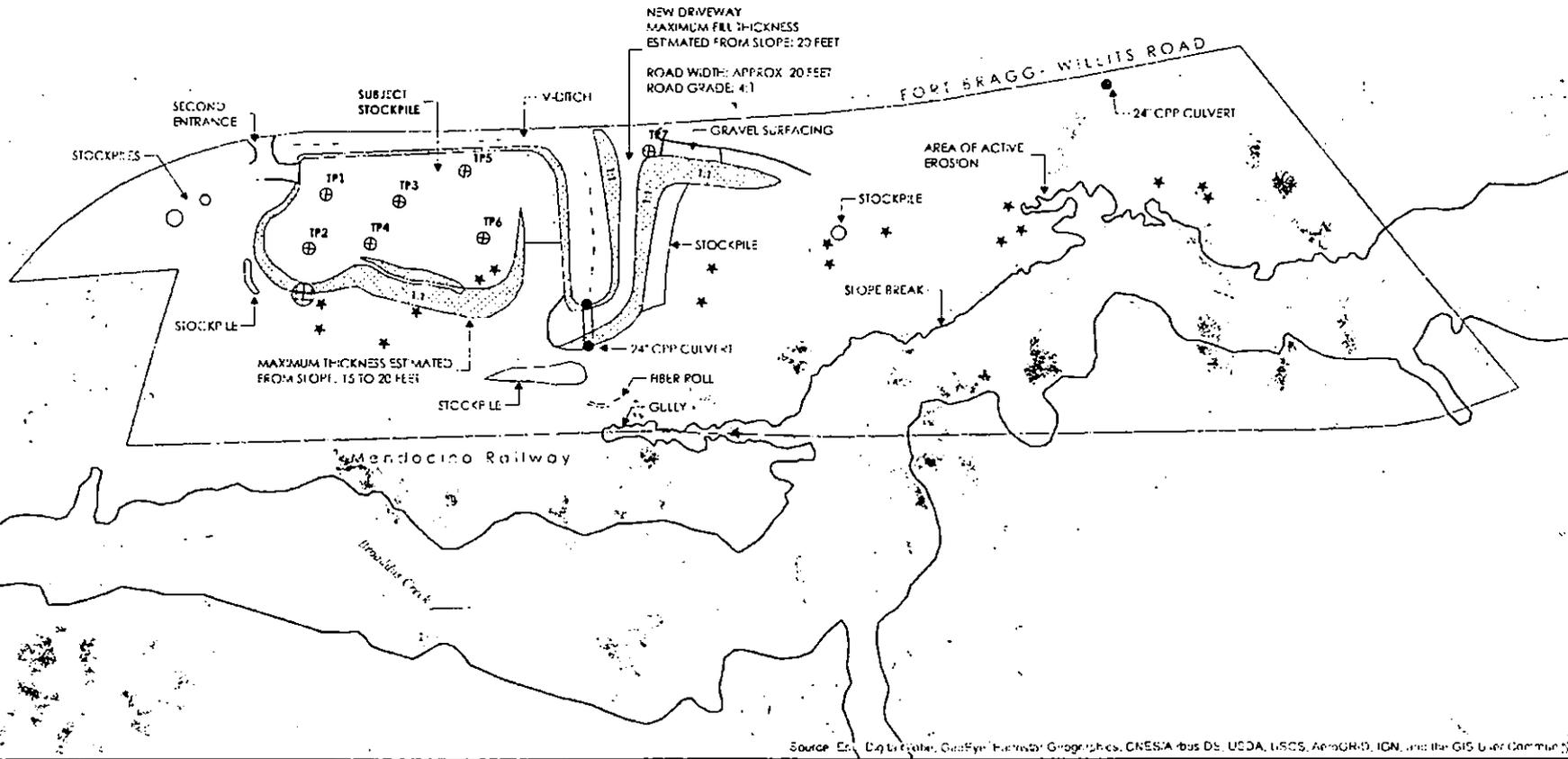


**LEGEND**

- ⊕ TEST PITS
- ★ EQUIPMENT/VEHICLES
- CORRUGATED PLASTIC PIPE (CPP) CULVERT
- SWALE
- CREEK
- FIBER ROLL
- ▨ STOCKPILE SLOPES
- ▩ WOODY DEBRIS STOCKPILE
- PARCEL LINE



ALL LOCATIONS ARE APPROXIMATE. SLOPE INCLINATIONS REPRESENTED BY HORIZONTAL TO VERTICAL (H:V) RATIOS



Source: Esri, DeLorme, GeoEye, Earthstar Geographics, CNES/Airbus DS, USDA, USGS, AeroGRID, IGN, and the GIS User Community

**LACO**  
EUREKA • UKIAH • SANTA ROSA  
415.933.9294  
www.lacoassociates.com

PROJECT NO.	
DATE	
SCALE	
DRAWN BY	
CHECKED BY	
APPROVED BY	

VISUAL ASSESSMENT  
1401 WEST HIGHWAY 20, WILLITS, CA  
CALIFORNIA EMINENT DOMAIN LAW GROUP  
3429 OCEAN VIEW BLVD, SUITE 1, GLENDALE, CA

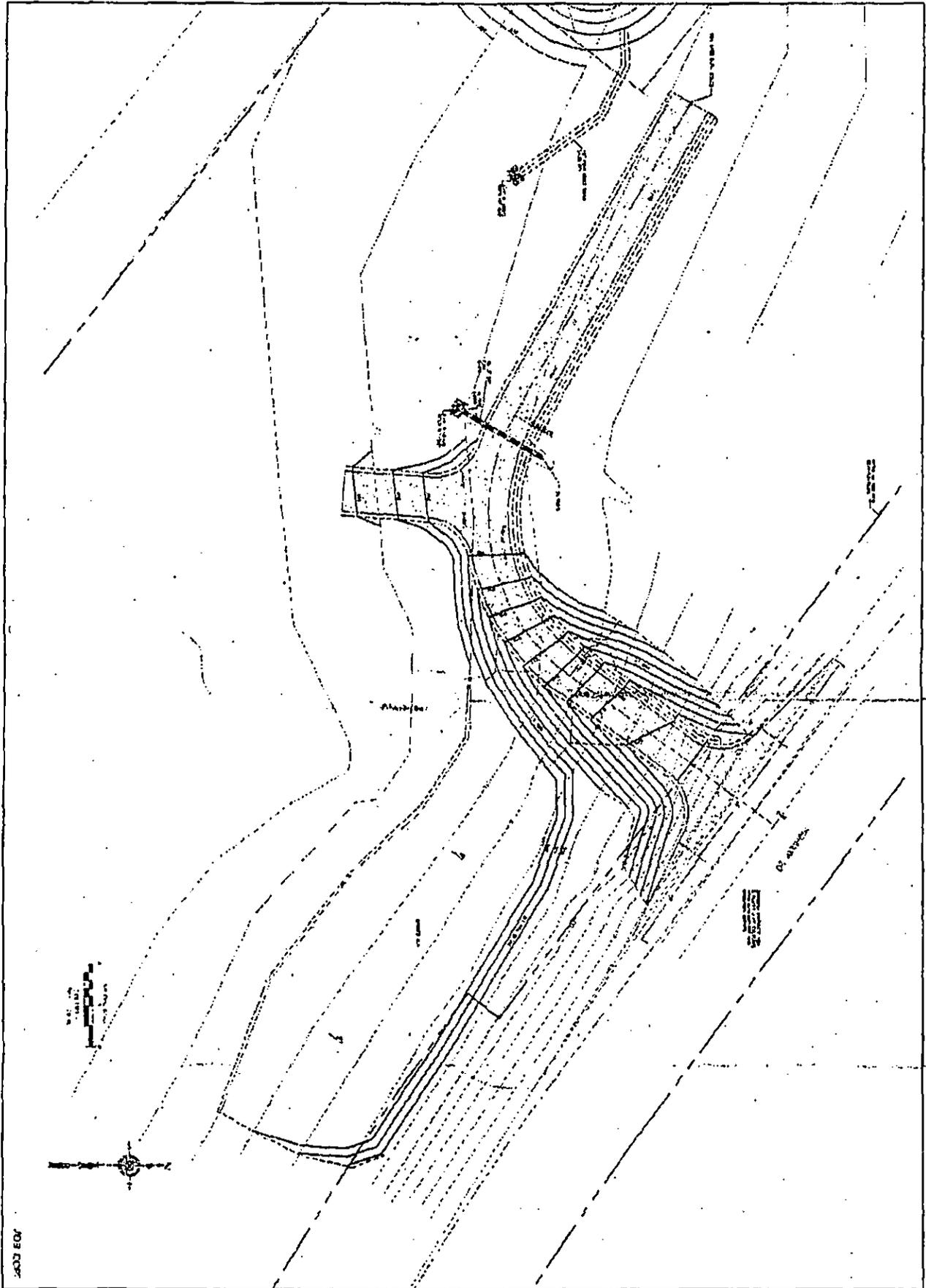
DATE	1/11/2011
PROJECT	11724701
SCALE	1\"/>

Observation and Material Testing of Stockpile Material  
Meyer Property  
1401 West Highway 20, Wilits, California  
California Eminent Domain Law Group; LACO Project No. 10248.00  
April 11, 2022

## ATTACHMENT 1

### **Improvement Plans for Lands of Myer, prepared by Pope**





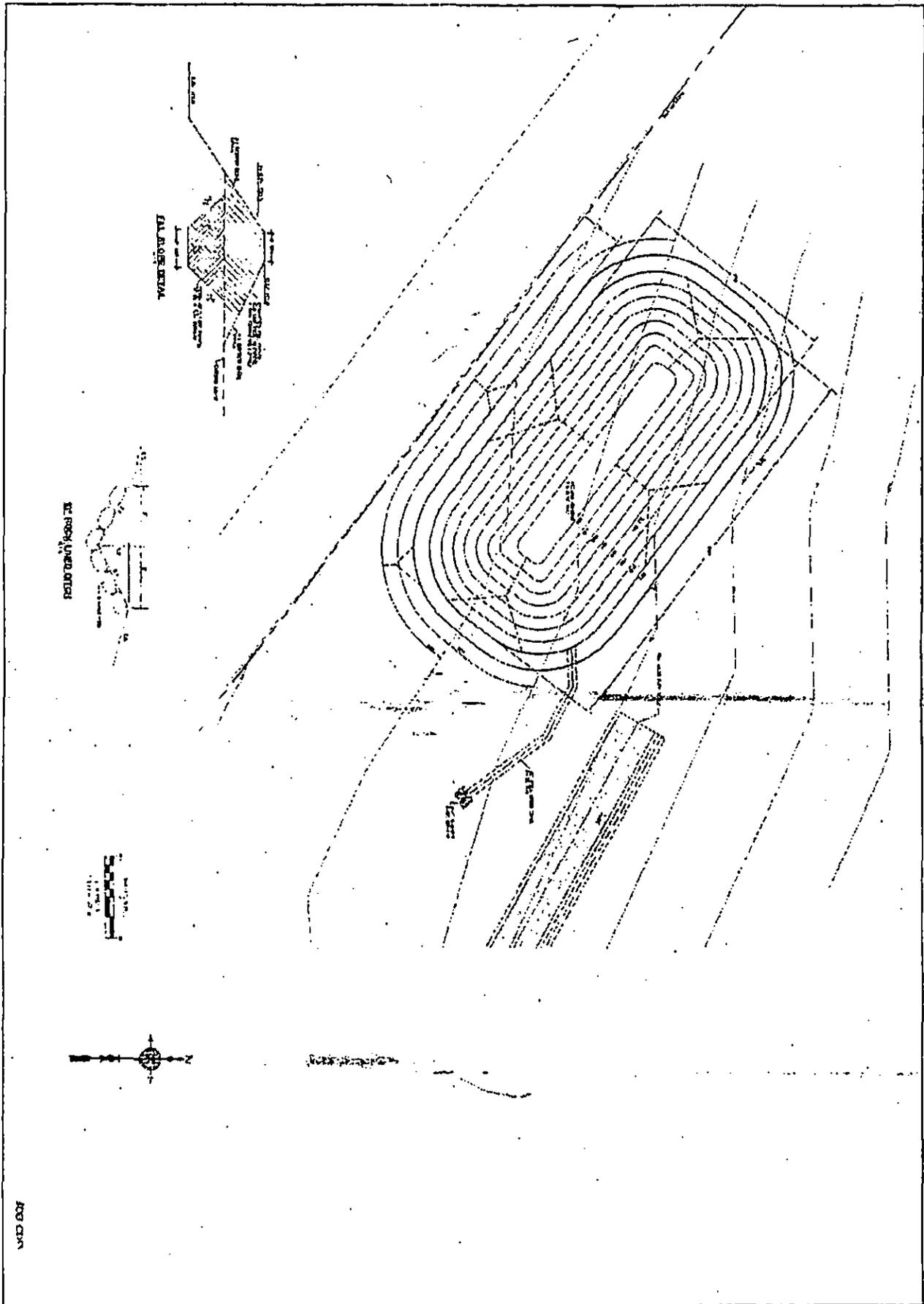
JOB NO. 0298

**POPE ENGINEERING**  
 CIVIL ENGINEERING - LAND SURVEYING  
 OFFICE: 1401 HIGHWAY 20, POST MILE 31.64  
 WILLITS, CALIFORNIA 94996  
 PHONE: (707) 438-1111  
 FAX: (707) 438-1112



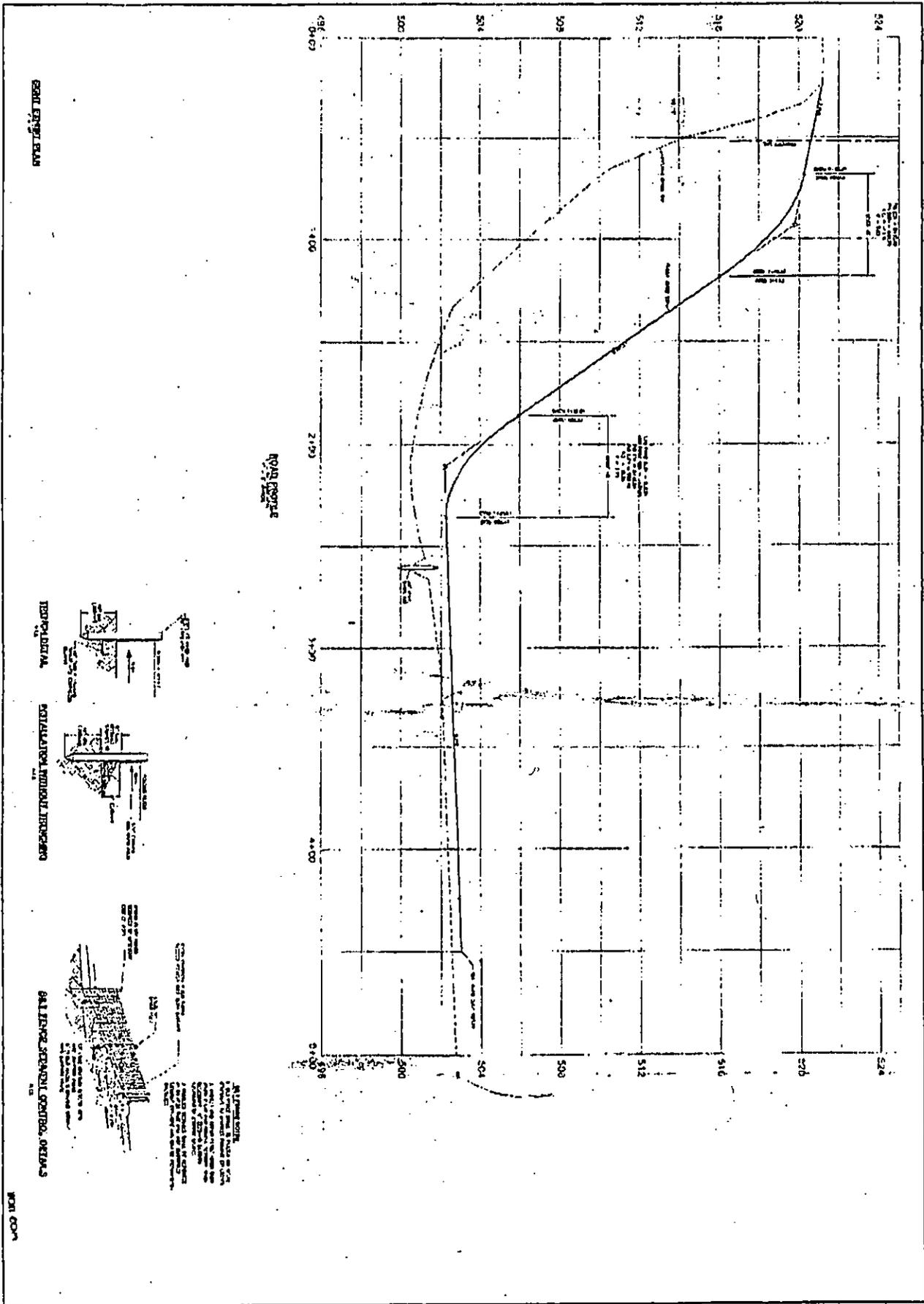
**GRADING AND DRAINAGE PLAN**  
 LANDS OF JOHN MEYER  
 1401 HIGHWAY 20, POST MILE 31.64  
 WILLITS, CALIFORNIA

REVISIONS	BY



NOV 1954

C-3 1/2" = 1'	<b>POP'S ENGINEERING</b> CIVIL ENGINEERING - LAND SURVEYING 1401 HIGHWAY 20, POST MILE 3104 WILLITS, CALIFORNIA			<b>POND PLAN</b> LANDS OF JOHN MEYER 1401 HIGHWAY 20, POST MILE 3104 WILLITS, CALIFORNIA	
				REVISIONS	BY



EXIST. EXISTING ROAD

PROPOSED ROAD

EXIST. EXISTING ROAD

PROPOSED ROAD

NOTE

**POPE ENGINEERING**  
 CIVIL ENGINEERING - LAND SURVEYING  
 1401 HIGHWAY 20, POST MILE 0184  
 WILLITS, CALIFORNIA

DATE: 10/1/80  
 DRAWN BY: J. POPE  
 CHECKED BY: J. POPE

C-4

*Pope Engineering*

**PROFILE AND EXHIBIT**  
 LANDS OF JOHN MEYER  
 1401 HIGHWAY 20, POST MILE 0184  
 WILLITS, CALIFORNIA

REVISIONS	BY

Observation and Material Testing of Stockpile Material  
Meyer Property  
1401 West Highway 20, Wilts, California  
California Eminent Domain Law Group: LACO Project No. 10248.00  
April 11, 2022

## ATTACHMENT 2

### **Test Pit Logs**

CLIENT Eminent Domain Law Group PROJECT NAME Visual Assessment  
 PROJECT NUMBER 10248.00 PROJECT LOCATION 1401 West Highway 20  
 DATE STARTED 3/8/22 COMPLETED 3/8/22 GROUND ELEVATION \_\_\_\_\_ TEST PIT SIZE 24 inches  
 EXCAVATION CONTRACTOR Bud Garman & Sons Construction GROUND WATER LEVELS:  
 EXCAVATION METHOD Excavator AT TIME OF EXCAVATION --  
 LOGGED BY JRG CHECKED BY JNK AT END OF EXCAVATION --

NOTES

GEOTECH BORING NEW - GINT STD US LAB.GDT - 3/31/22 08:04 - P:11020010248 CALIFORNIA EMINENT DOMAIN LAW GROUP\10248.00 1401 WEST HIGHWAY 20 VISUAL ASSESSMENT\108 GEOLOGY\FIELD DATA\10248.00 LOGS.GPJ

DEPTH (ft)	GRAPHIC LOG	MATERIAL DESCRIPTION	SAMPLE TYPE NUMBER	RECOVERY % (RQD)	BLOW COUNTS (N VALUE)	TESTS AND REMARKS	Pocket Penetrometer (tsf)	DRY UNIT WT. (pcf)	MOISTURE CONTENT (%)	ATTERBERG LIMITS (%)			FINES CONTENT (%)
										LIQUID LIMIT	PLASTIC LIMIT	PLASTICITY INDEX	
0.0													
2.5		(SC) Yellowish Brown Clayey Sand with Gravel (FILL) moist, loose to medium dense medium sand, angular gravels, cobbles and boulders, 25 percent material over 3 inches, boulders to 1.5 feet in diameter	GB				1.75, 3.0, 3.0 1.25, 2.75, 2.5 1.0, 1.5, 2.5						
5.0		(CL) Yellowish Brown Sandy Clay with Gravel (FILL) moist, soft to medium stiff medium sand, angular to subangular gravels, cobbles and boulders, 25 percent material over 3 inches, boulders to 1.5 feet in diameter	GB				1.75, 2.0, 2.0 1.5, 1.75, 2.0 2.0, 2.0, 2.0						
		(CL) Dark Brown Lean Clay with Sand (NATIVE) moist, medium stiff to stiff fine to medium sand, fine roots, porous	GB				3.5, 3.5, 4.0						

Bottom of test pit at 7.0 feet.

CLIENT Eminent Domain Law Group PROJECT NAME Visual Assessment  
 PROJECT NUMBER 10248.00 PROJECT LOCATION 1401 West Highway 20  
 DATE STARTED 3/8/22 COMPLETED 3/8/22 GROUND ELEVATION \_\_\_\_\_ TEST PIT SIZE 24 inches  
 EXCAVATION CONTRACTOR Bud Garman & Sons Construction GROUND WATER LEVELS:  
 EXCAVATION METHOD Excavator AT TIME OF EXCAVATION ---  
 LOGGED BY JRG CHECKED BY JNK AT END OF EXCAVATION ---

NOTES

GEOTECH BORING NEW - CINT STD US LAB.GDT - 3/31/22 08:04 - P:\10200\10248 CALIFORNIA EMINENT DOMAIN LAW GROUP\10248.00 1401 WEST HIGHWAY 20 VISUAL ASSESSMENT\08 GEOLOGY\FIELD DATA\10248.00 LOGS.GPJ

DEPTH (ft)	GRAPHIC LOG	MATERIAL DESCRIPTION	SAMPLE TYPE NUMBER	RECOVERY % (RQD)	BLOW COUNTS (N VALUE)	TESTS AND REMARKS	Pocket Penetrometer (tsf)	DRY UNIT WT. (pcf)	MOISTURE CONTENT (%)	ATTERBERG LIMITS (%)			FINES CONTENT (%)
										LIQUID LIMIT	PLASTIC LIMIT	PLASTICITY INDEX	
0.0		(SC) Yellowish Brown Clayey Sand with Gravel (FILL) moist, loose medium sand, subrounded to angular gravels, cobbles and boulders, 30 percent material over 3 inches, boulders to 1.5 feet in diameter, minor organics including medium sized roots, unstable hole (caving)											
2.5			GB				0.5, 0.5, 0.75, 0.5, 0.75, 0.5						
5.0							0.5, 0.5, 0.75						
7.5			GB										
		(CL) Dark Brown Lean Clay with Sand (NATIVE) moist, stiff fine to medium sand, organic layer, fine roots, porous					4.0, 4.0, 4.0						

Bottom of test pit at 9.0 feet.

CLIENT Eminent Domain Law Group PROJECT NAME Visual Assessment  
 PROJECT NUMBER 10248.00 PROJECT LOCATION 1401 West Highway 20  
 DATE STARTED 3/8/22 COMPLETED 3/8/22 GROUND ELEVATION \_\_\_\_\_ TEST PIT SIZE 24 inches  
 EXCAVATION CONTRACTOR Bud Garman & Sons Construction GROUND WATER LEVELS:  
 EXCAVATION METHOD Excavator AT TIME OF EXCAVATION --  
 LOGGED BY JRG CHECKED BY JNK AT END OF EXCAVATION --

NOTES

GEO TECH BORING NEW - CINT STD US LAB.GDT - 3/11/22 08:04 - P:11020010248 CALIFORNIA EMINENT DOMAIN LAW GROUP\10248.00 1401 WEST HIGHWAY 20 VISUAL ASSESSMENT\08 GEOLOGY\FIELD DATA\10248.00 LOGS.GPJ

DEPTH (ft)	GRAPHIC LOG	MATERIAL DESCRIPTION	SAMPLE TYPE NUMBER	RECOVERY % (RQD)	BLOW COUNTS (N VALUE)	TESTS AND REMARKS	Pocket Penetrometer (tsf)	DRY UNIT WT. (pcf)	MOISTURE CONTENT (%)	ATTERBERG LIMITS (%)			FINES CONTENT (%)
										LIQUID LIMIT	PLASTIC LIMIT	PLASTICITY INDEX	
0.0		(SC) Yellowish Brown Clayey Sand with Gravel (FILL) moist, loose medium sand, angular gravels, cobbles and boulders, 30 percent material over 3 inches. boulders to 2 feet in diameter, minor organics, unstable hole (caving)					4.0, 4.0, 4.5						
2.5			GB				1.5, 2.0, 1.75						
5.0								1.5, 1.25, 1.0					
		(CL) Dark Brown Lean Clay with Sand (NATIVE) moist, medium stiff to stiff fine to medium sand, abundant organics (grass and roots), strong organic smell					0.75, 0.75, 1.0						
				GB				2.0, 1.5, 2.0					
		Bottom of test pit at 7.0 feet.					3.0, 3.5, 3.0						

**CLIENT** Eminent Domain Law Group      **PROJECT NAME** Visual Assessment  
**PROJECT NUMBER** 10248.00      **PROJECT LOCATION** 1401 West Highway 20  
**DATE STARTED** 3/8/22      **COMPLETED** 3/8/22      **GROUND ELEVATION** \_\_\_\_\_      **TEST PIT SIZE** 24 inches  
**EXCAVATION CONTRACTOR** Bud Garman & Sons Construction      **GROUND WATER LEVELS:**  
**EXCAVATION METHOD** Excavator      **AT TIME OF EXCAVATION** ---  
**LOGGED BY** JRG      **CHECKED BY** JNK      **AT END OF EXCAVATION** ---  
**NOTES** \_\_\_\_\_

GEO TECH BORING NEW - GINT STD US LAB.GDT - 3/31/22 08:04 - P:11020010248 CALIFORNIA EMINENT DOMAIN LAW GROUP\10248 00 1401 WEST HIGHWAY 20 VISUAL ASSESSMENT\08 GEOLOGY\FIELD DATA\10248.00 LOGS.GPJ

DEPTH (ft)	GRAPHIC LOG	MATERIAL DESCRIPTION	SAMPLE TYPE NUMBER	RECOVERY % (RQD)	BLOW COUNTS (N VALUE)	TESTS AND REMARKS	Pocket Penetrometer (tsf)	DRY UNIT WT. (pcf)	MOISTURE CONTENT (%)	ATTERBERG LIMITS (%)			FINES CONTENT (%)
										LIQUID LIMIT	PLASTIC LIMIT	PLASTICITY INDEX	
0.0		(SC) Yellowish Brown Clayey Sand with Gravel (FILL) moist, loose to medium dense medium sand, angular gravels, cobbles and boulders, 35 percent material over 3 inches, boulders to 1 foot in diameter, minor organics, unstable hole (caving)	GB				1.5, 2.0, 2.0						
2.5			GB				2.25, 1.75, 2.0						
5.0								1.25, 1.5, 1.5					
7.5		(CL) Dark Brown Lean Clay (NATIVE) moist, medium stiff to stiff fine to medium sand, fine roots, porous	GB				>4.5						

Bottom of test pit at 9.0 feet.

# LACO

CLIENT Eminent Domain Law Group PROJECT NAME Visual Assessment  
 PROJECT NUMBER 10248.00 PROJECT LOCATION 1401 West Highway 20  
 DATE STARTED 3/8/22 COMPLETED 3/8/22 GROUND ELEVATION \_\_\_\_\_ TEST PIT SIZE 24 inches  
 EXCAVATION CONTRACTOR Bud Garman & Sons Construction GROUND WATER LEVELS:  
 EXCAVATION METHOD Excavator AT TIME OF EXCAVATION ---  
 LOGGED BY JRG CHECKED BY JNK AT END OF EXCAVATION ---  
 NOTES \_\_\_\_\_

GEOTECH BORING NEW - GINT STD US LAB.GDT - 3/31/22, 08:04 - P:\102001\10248 CALIFORNIA EMINENT DOMAIN LAW GROUP\10248.00 1401 WEST HIGHWAY 20 VISUAL ASSESSMENT\08 GEOLOGY\FIELD DATA\10248.00 LOGS.GPJ

DEPTH (ft)	GRAPHIC LOG	MATERIAL DESCRIPTION	SAMPLE TYPE NUMBER	RECOVERY % (RQD)	BLOW COUNTS (N VALUE)	TESTS AND REMARKS	Pocket Penetrometer (tsf)	DRY UNIT WT. (pcf)	MOISTURE CONTENT (%)	ATTERBERG LIMITS (%)			FINES CONTENT (%)
										LIQUID LIMIT	PLASTIC LIMIT	PLASTICITY INDEX	
0.0		(SC) Yellowish Brown Sandy Lean Clay (FILL) dry to moist, medium dense medium sand, angular gravels, cobbles and boulders, 5 percent material over 3 inches, boulders to 1.5 feet in diameter, layer of grass at 2 feet bgs	GB				4.0, 4.25, 3.75						
2.5		(SP) Brown Gravelly Sand (NATIVE) dry, medium dense fine to medium sand, rounded gravels	GB				4.5, 4.5, 4.5						
5.0		(CL) Dark Brown Lean Clay with Sand (NATIVE) moist, medium stiff fine to medium sand, some rounded gravels, fine roots, porous	GB										

Bottom of test pit at 6.0 feet.

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DEPTH (ft)	GRAPHIC LOG	MATERIAL DESCRIPTION	SAMPLE TYPE NUMBER	RECOVERY % (RQD)	BLOW COUNTS (N VALUE)	TESTS AND REMARKS	Pocket Penetrometer (tsf)	DRY UNIT WT. (pcf)	MOISTURE CONTENT (%)	ATTERBERG LIMITS (%)			FINES CONTENT (%)
										LIQUID LIMIT	PLASTIC LIMIT	PLASTICITY INDEX	
0.0		(SC) Yellowish Brown Clayey Sand with Gravel (FILL) dry to moist, loose medium sand, angular gravels, cobbles and boulders, 25 percent material over 3 inches, boulders to 1 feet in diameter											
2.5		unstable hole (caving), limited reach at 10 feet bgs	GB				3.5, 1.5, 1.25, 2.0, 1.0, 0.75, 1.25						
5.0							1.5, 1.25, 1.5, 2.0						
7.5													
10.0													

Bottom of test pit at 10.0 feet.

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DEPTH (ft)	GRAPHIC LOG	MATERIAL DESCRIPTION	SAMPLE TYPE NUMBER	RECOVERY % (RQD)	BLOW COUNTS (N VALUE)	TESTS AND REMARKS	Pocket Penetrometer (tsf)	DRY UNIT WT. (pcf)	MOISTURE CONTENT (%)	ATTERBERG LIMITS (%)			FINES CONTENT (%)
										LIQUID LIMIT	PLASTIC LIMIT	PLASTICITY INDEX	
0.0		(SC) Yellowish Brown Clayey Sand with Gravel (FILL) moist, loose to medium dense medium to coarse sand, angular gravels, cobbles and boulders, 35 percent material over 3 inches, boulders to 1.5 feet in diameter											
2.5			GB				2.5, 2.5, 3.0 2.0, 1.5, 2.5 3.0, 2.5, 3.5						
5.0							3.0, 2.5, 3.5 3.5, 4.0, 4.5						

Bottom of test pit at 6.0 feet.

GEOTECH BORING NEW - GINI STD US LAB.GDT - 3/31/22 08:04 - P:\102001\10248 CALIFORNIA EMINENT DOMAIN LAW GROUP\10248.00 1401 WEST HIGHWAY 20 VISUAL ASSESSMENT\08 GEOLOGY\FIELD DATA\10248.00 LOGS.GPJ

CLIENT Eminent Domain Law Group

PROJECT NAME Visual Assessment

PROJECT NUMBER 10248.00

PROJECT LOCATION 1401 West Highway 20

### UNIFIED SOIL CLASSIFICATION SYSTEM

MAJOR DIVISIONS			TYPICAL NAMES	
COARSE GRAINED SOILS More than Half > #200 sieve	GRAVELS MORE THAN HALF COARSE FRACTION IS LARGER THAN NO. 4 SIEVE	CLEAN GRAVELS WITH LITTLE OR NO FINES	GW	WELL GRADED GRAVELS, GRAVEL-SAND MIXTURES
			GP	POORLY GRADED GRAVELS, GRAVEL-SAND MIXTURES
		GRAVELS WITH OVER 15% FINES	GM	SILTY GRAVELS, POORLY GRADED GRAVEL-SAND-SILT MIXTURES
			GC	CLAYEY GRAVELS, POORLY GRADED GRAVEL-SAND-CLAY MIXTURES
	SANDS MORE THAN HALF COARSE FRACTION IS SMALLER THAN NO. 4 SIEVE	CLEAN SANDS WITH LITTLE OR NO FINES	SW	WELL GRADED SANDS, GRAVELLY SANDS
			SP	POORLY GRADED SANDS, GRAVELLY SANDS
		SANDS WITH OVER 15% FINES	SM	SILTY SANDS, POORLY GRADED SAND-SILT MIXTURES
			SC	CLAYEY SANDS, POORLY GRADED SAND-CLAY MIXTURES
FINE GRAINED SOILS More than Half < #200 sieve	SILTS AND CLAYS LIQUID LIMIT LESS THAN 50	ML	INORGANIC SILTS AND VERY FINE SANDS, ROCK FLOUR, SILTY OR CLAYEY FINE SANDS, OR CLAYEY SILTS WITH SLIGHT PLASTICITY	
		CL	INORGANIC CLAYS OF LOW TO MEDIUM PLASTICITY, GRAVELLY CLAYS, SANDY CLAYS, SILTY CLAYS, LEAN CLAYS	
		OL	ORGANIC CLAYS AND ORGANIC SILTY CLAYS OF LOW PLASTICITY	
	SILTS AND CLAYS LIQUID LIMIT GREATER THAN 50	MH	INORGANIC SILTS, MICACEOUS OR DIATOMACEOUS FINE SANDY OR SILTY SOILS, ELASTIC SILTS	
		CH	INORGANIC CLAYS OF HIGH PLASTICITY, FAT CLAYS	
		OH	ORGANIC CLAYS OF MEDIUM TO HIGH PLASTICITY, ORGANIC SILTS	
HIGHLY ORGANIC SOILS		Pt	PEAT AND OTHER HIGHLY ORGANIC SOILS	

### KEY TO TEST DATA

	Modified California (MC)	RV	R-Value	LL	Liquid Limit (%)		
	Standard Penetration Test (SPT)	SA	Sieve Analysis	PI	Plastic Index (%)		
	Pushed Shelby Tube (ST)	SW	Swell Test	Gs	Specific Gravity	Shear Strength (psf)	Confining Pressure (psf)
	Auger Cuttings	CP	Compaction	MA	Particle Size Analysis	320	(2600)
	Grab Sample (GB)	TC	Cyclic Triaxial	Tx	Unconsolidated Undrained Triaxial	320	(2600)
	Continuous Core Sample (CC)	EI	Expansion Index	TxCU	Consolidated Undrained Triaxial	320	(2600)
c	Cohesion	Perm	Permeability	DS	Consolidated Drained Direct Shear	2750	(2000)
$\phi$	Friction Angle	Consol	Consolidation	FVS	Field Vane Shear	470	
MC	Moisture Content	$\tau$	Shear Strength	UC	Unconfined Compression	2000	
DD	Dry Density	$\nabla$	Water Level at Time of Drilling	LVS	Laboratory Vane Shear	700	
PP	Pocket Penetrometer	$\nabla$	Water Level after Drilling				

NOTES: The lines separating soil layers are approximate boundaries.

Blow counts represent the number of blows of a 140-pound hammer falling 30 inches to drive an 18-inch sampler the final 12 inches.

Modified California Sampler blow counts have been converted to standard N-value blow counts using Burmister's energy input factor of 0.65.



April 11, 2022

10248.00

California Eminent Domain Law Group  
3429 Ocean View Blvd, Suite L  
Glendale, California 91208

Attention: Glenn Block

Subject: General Observation and Estimates Relating to the Stockpiled Material Located on the Meyer Property, 1401 West Highway 20, Willits, California Assessor's Parcel Number 038-180-53-00

Dear Mr. Block:

LACO Associates (LACO) was retained by California Eminent Domain Law Group (Client) as represented by yourself to provide general observations and estimates related to the existing stockpile and driveway areas identified within this letter and located at 1401 West Highway 20, Willits, California (Assessor's Parcel Number 038-180-53-00; Site). As shown on the Location Map (Figure 1), the Site is located on a 20.26-acre parcel that adjoins Highway 20, approximately 1.2 miles west of the intersection of South Main Street and Highway 20 in Willits, California.

## 1.0 PROJECT UNDERSTANDING

Based on conversations with you, it is our understanding that the project consists of assessments of the subject stockpile (Stockpile) (See Figure 2) and adjacent areas located at the Site at the time and date of our site review conducted on March 8, 2022. The assessment included observations on the in-situ density of the Stockpile material and general observations on the Stockpile conditions (dimensions, existing fill slope inclination, existing drainage conditions and observation of existing erosion control measures). In addition, at your request, we are providing general estimates of the anticipated scope and associated fees to improve and/ or remove the Stockpile according to current industry standards and our experience with similar projects. We have provided estimates of anticipated consulting and construction fees, however additional regulatory requirements may be required and would likely require additional services, studies, or construction activities. These cannot be anticipated at this time and have not been included as part of our general estimates. In addition, LACO has reviewed documents you provided that are associated with the placement of the fill at the Site, including a plan set titled Improvement Plans for Lands of Meyer, prepared by Pope Engineering (date illegible). These plans have been attached for reference (Attachment 1).

21 W. Fourth Street  
Eureka, CA 95501  
707 443-5054

1072 N. State Street  
Ukiah, CA 95482  
707 462-0222

1550 Airport Blvd., Suite 120  
Santa Rosa, CA 95403  
707 525-1222

1209 Esplanade, #4  
Chico, CA 95926  
530 801-6170

## 2.0 EXPLORATION

Our exploration consisted of reviewing published geotechnical reports and maps related to the surface topography and geology of the Site vicinity and performing a subsurface exploration in the location of the Stockpile. Our subsurface exploration was performed on March 8, 2022, and was limited to excavating seven test pits (TP1 through TP7) to a maximum depth of 10 feet below ground surface (bgs), at the approximate locations shown in Figure 2. Test pits were excavated by a LACO-provided excavator and operator, under the direction and observation of a LACO geologist. Our geologist logged the test pits and obtained disturbed soil samples for visual classification. Soils were logged in general accordance with the American Society for Testing and Materials (ASTM) Test Procedure D2488 Visual-Manual Procedures. Test pit logs are presented in Attachment 2.

## 3.0 OBSERVATIONS

### 3.1 Surface and Drainage Conditions

The Site is located on a 20.26-acre parcel that is bounded by Highway 20 to the north, Mendocino Railway and Broaddus Creek to the south, two residential parcels each to the west and east. The stockpiles had been placed at some time prior to our investigation by unknown construction methods, including the Stockpile consisting of approximately 17,000 cubic yards of material located along the northern perimeter of the Site. It appears that some of the stockpiled material has been used to construct a new earthen driveway at the northern extent of the Site. General site conditions are indicated on Figure 2.

The Stockpile has an area of approximately 76,000 square feet and an estimated maximum thickness of 15 to 20 feet (estimated maximum thickness based on observation of maximum vertical fill slope height). In general, the Stockpile has been graded flat with 1:1 (horizontal to vertical) slopes forming its southern and western perimeter. A new earthen driveway was observed to the east of the stockpile to provide access to the Site via Fort Bragg-Willits Road. It is approximately 340 feet in length and 20 feet in width and has a grade of approximately 4:1. The slopes observed along the western and eastern extent of the new driveway were measured at approximately 1:1. The driveway appears generally consistent with the driveway layout described in the provided plans prepared by Pope Engineering (Attachment 1). The provided plans appear to be a scanned copy of the original plan set and as a result, the scale and elevations indicated on the plans are illegible. However, assuming current industry standards and the California Building Code (CBC), fill slopes associated with the driveway should be constructed at a stable configuration of 2:1.

Per the CBC (2019), steeper fill slopes would require engineered improvements to provide for stability. These improvements typically consist of the placement of geotextile stabilization fabric within the fill. We observed no evidence of stabilization fabric within the Stockpile or driveway fill slopes. The driveway is unsurfaced and appears to have been constructed using similar materials as those observed within the stockpile.

In addition, three stockpiles with areas of approximately 4,500, 2,500, and 400 square-feet, were observed adjacent to the Stockpile that appeared to be the result of recent grading in the stockpile area. Several smaller vegetated stockpiles were also observed at the Site that appeared to have been placed at some time prior to placement of the Stockpile. The subsurface conditions of these stockpiles were not evaluated.

An earthen V-ditch was observed along the northern and eastern extent of the Stockpile, and along the western extent of the new driveway. This drainage appears to collect surface runoff from Highway 20 and the Stockpile and driveway areas. The V-ditch terminates in a 24-inch diameter corrugated plastic pipe culvert which underlies the driveway and discharges to the south onto an unimproved grassy area. We observed evidence that at times of high flow, this area drains to an existing erosional gully that drains to Broaddus Creek. There is also a culvert at the southeastern extent of the property that drains onto the Site from Highway 20. Discharge from the culvert appears to drain by sheet flow toward the southwest. Southwest of the culvert, we observed an area of actively eroding and gullied terrain flowing towards Broaddus Creek, it is unclear if this actively eroding area is a result of concentrated flow from the previously identified culvert. Broaddus Creek transects the southwestern extent of the Site where we observed bank heights of approximately 5 to 20 vertical feet. These banks appeared to be actively eroding with slope gradients that approached vertical.

## **3.2 Subsurface Conditions**

### **3.2.1 Stockpile**

The Stockpile is composed of generally homogenous material including yellowish-brown clayey sand with gravel, cobbles, and boulders. This is underlain by native material comprising dark brown lean clay with sand. General observations of the Stockpile and driveway areas indicate that the maximum depth of the fill ranges between 15 and 20 feet. Observations and in-situ pocket penetrometer readings indicate the density of the material fill ranged between loose and medium dense and likely was placed without significant compactive effort. Between 25 and 35 percent of the observed material appeared to consist of rocky debris greater than 3 inches in diameter and included boulders of up to 2 feet in diameter. Minor organics were encountered in fill material. In addition, decayed organic matter was encountered at the base of the fill indicating the stockpile material had likely been placed on unimproved terrain.

### **3.2.2 New Driveway**

The new driveway appeared to be composed of similar material to the Stockpile. The material is composed of generally homogenous materials composed of yellowish-brown clayey sand with gravel, cobbles, and boulders. General observations indicate that the maximum depth of fill underlying the new driveway is approximately 20 feet in thickness. Observations and in-situ pocket penetrometer readings indicate the density of the material underlying the new driveway is medium dense to dense and likely received some compactive effort during placement. Approximately 35 percent of the fill material consisted of rock debris greater than 3 inches in diameter, and the maximum size of boulders encountered was 1.5 feet in diameter.

### **3.3 Existing Stormwater Pollution and Erosion Control Measures**

Disturbed soil areas of greater than 1 acre, including those associated with the stockpiling of material as observed on the subject property, require a Stormwater Pollution Prevention Plan (SWPPP) under California's Construction General Permit to minimize the potential for site erosion and subsequent delivery of sediment off the Site where it might have the potential to impact adjacent waterways. Typical best management practices (BMP's) employed to reduce erosion and sediment transport include:

- hydraulic mulch and/or hydroseeding of the stockpile
- Straw wattles along the toe, top, face and at grade breaks of exposed and erodible slopes of stockpile to shorten the slope length and distribute runoff as sheet flow.
- Silt fencing along streams and channels and below the slopes of stockpile
- Plastic sheeting or jute net coverings and perimeter sediment barriers around smaller stockpiles
- Check dams and/or sediment traps in swale and drainages located adjacent to the stockpiled material

At the time of our evaluation, we observed a fiber roll placed between the on-site culvert and the gully that drains to Broaddus Creek. The fiber roll did not appear to be embedded nor secured to the ground by staking or other means. No other erosion control measures or BMP's were observed

## **4.0 GENERAL ESTIMATES FOR CONSULTING AND CONSTRUCTION SERVICES RELATED TO REMOVAL AND/OR REPLACEMENT OF STOCKPILE**

At the Client's request we have provided estimates for services related to the removal and/or replacement of the Stockpile. These estimates do not address the smaller stockpiles observed at the Site. We anticipate that the earthwork and grading required to remove the existing Stockpile and replace it as properly compacted engineered fill suitable for future development would require consulting services suitable to support site grading and include planning, permitting, design and construction oversight phases. We anticipate that these services would consist of those needed to provide for planning and permitting consistent with current industry and governing agency requirements and would likely include:

- Permitting support services
- Survey and site mapping services
- Civil engineering services
- Stormwater services
- Geological services
- Construction support services

Our general estimate for these consulting services required to support the removal and replacement of the Stockpile and driveway areas is in the range of \$49,000 to \$64,000. This is a general estimate only based on our experience with similar projects and does not include long-term stormwater support

services. We estimate that the construction cost of the associated earthwork/grading could range from \$30,000 to \$36,000 dollars.

It is our estimate that similar scopes and fees would be required to remove the stockpile from the subject property. We anticipate that the consulting services required for removal would of a similar scope to that indicated above with the noted exception of a reduction of anticipated fees for construction support services. We estimate these fees could range from approximately \$44,000 to \$59,000. Construction costs for removal would largely depend on finding a suitable location to move or use the stockpiled material. We can provide no estimates on the costs associated with stockpiling the material elsewhere. Construction costs associated with the removal of the material can be estimated at between \$20,000 to \$24,000. These costs should be considered to reflect past pricing only and actual costs should be determined by detailed estimation at current market rates at the time of initiation of the project.

## 5.0 GENERAL CONCLUSIONS REGARDING THE CONDITIONS AND BUILDABILITY OF THE STOCKPILE AREA

Our Assessment of the Stockpile indicate that in its present condition, the material encountered is generally not suitable for use as structural fill suitable to support development. This is due to the significant amount of rocky debris present within the fill material that would have to be removed or processed prior to use. Based on our subsurface evaluation, the stockpile fill appears to have been placed without significant compactive effort and will likely settle erratically over time. This potential for settlement could be exacerbated by what appeared to be unimproved soil conditions underlying the stockpile. In addition, the fill slopes constituting the perimeter of the stockpile and driveway areas appeared to be oversteepened and in an unstable configuration according to CBC which, unless engineered and improved, generally limit to slopes of 2:1.

Our interpretations and analysis are based on observation and sampling at the locations and dates indicated in this letter and are limited to those areas observed and tested. Should future excavations expose stockpile conditions different than those described, additional testing will be required.

## 6.0 LIMITATIONS

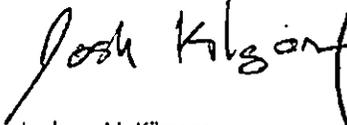
This memorandum has been prepared for the exclusive use of the Client, their contractors, consultants, and appropriate public authorities for specific application to the Site and Stockpile. LACO has exercised a standard of care equal to that generated for this industry, so the information contained in this memorandum is current and accurate. The opinions presented in this memorandum are based upon information obtained from subsurface excavations, a Site reconnaissance, review of geologic maps and data available to us, and upon local experience and engineering judgment, and have been formulated in accordance with generally accepted geotechnical engineering practices that exist in California at the time of this letter report. In addition, geotechnical issues may arise that are not apparent at this time. No other warranty, expressed or implied, is made or should be inferred.

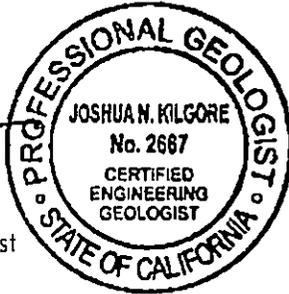
Data generated for this letter report represent information gathered at that time and at the widely spaced locations indicated. Subsurface conditions may be highly variable and difficult to predict. As such, the recommendations included in this letter report are based, in part, on assumptions about subsurface conditions that may only be observed and/or tested during subsequent project earthwork. Accordingly, the validity of these recommendations is contingent upon review of the subsurface conditions exposed during construction in order to check that they are consistent with those characterized in this letter report. Upon request, LACO can discuss the extent of (and fee for) observations and tests required to check the validity of the recommendations presented herein.

The opinions presented in this memorandum are valid as of the present date for the property evaluated. Changes in the condition of the property can occur over time, whether due to natural processes or the works of man, on this or adjacent properties. In addition, changes in applicable standards of practice can occur, whether from legislation or the broadening of knowledge. Accordingly, the opinions presented in this letter report may be invalidated, wholly or partially, by changes outside our control. Therefore, this letter report is subject to review and should not be relied upon after a period of three years, nor should it be used, or is it applicable, for any property other than that evaluated. This letter report is valid solely for the purpose, site, and project described in this document. Any alteration, unauthorized distribution, or deviation from this description will invalidate this letter report. LACO assumes no responsibility for any third-party reliance on the data presented. In addition, the data presented should not be utilized by any third party to represent data for any other time or location.

Should you have questions, please contact us at (707) 525-1222.

Sincerely,  
LACO Associates

  
Joshua N. Kilgore  
Senior Engineering Geologist  
CEG 2267; EXP 08/31/22



Observation and Material Testing of Stockpile Material  
Meyer Property  
1401 West Highway 20, Willits, California  
California Eminent Domain Law Group; LACO Project No. 10248.00  
April 11, 2022

## 7.0 REFERENCES

California Building Standards Commission, California Building Code (CBC), 2019, California Code of Regulations, Title 24, Part 2, Volume 2. California Building Standards Commission.  
Construction General Permit Order 2009-0009-DWQ (effective July 1, 2010). Construction Storm Water Unit. California Waterboards.  
[https://www.waterboards.ca.gov/water\\_issues/programs/stormwater/constpermits.html](https://www.waterboards.ca.gov/water_issues/programs/stormwater/constpermits.html)  
Google Earth Historical Imagery. Google Earth®. Imagery from 1985 to 2021.  
Pope Engineering. Date illegible. Improvement Plans for Lands of Myer.

## FIGURES

**Figure 1**                      **Vicinity Map**

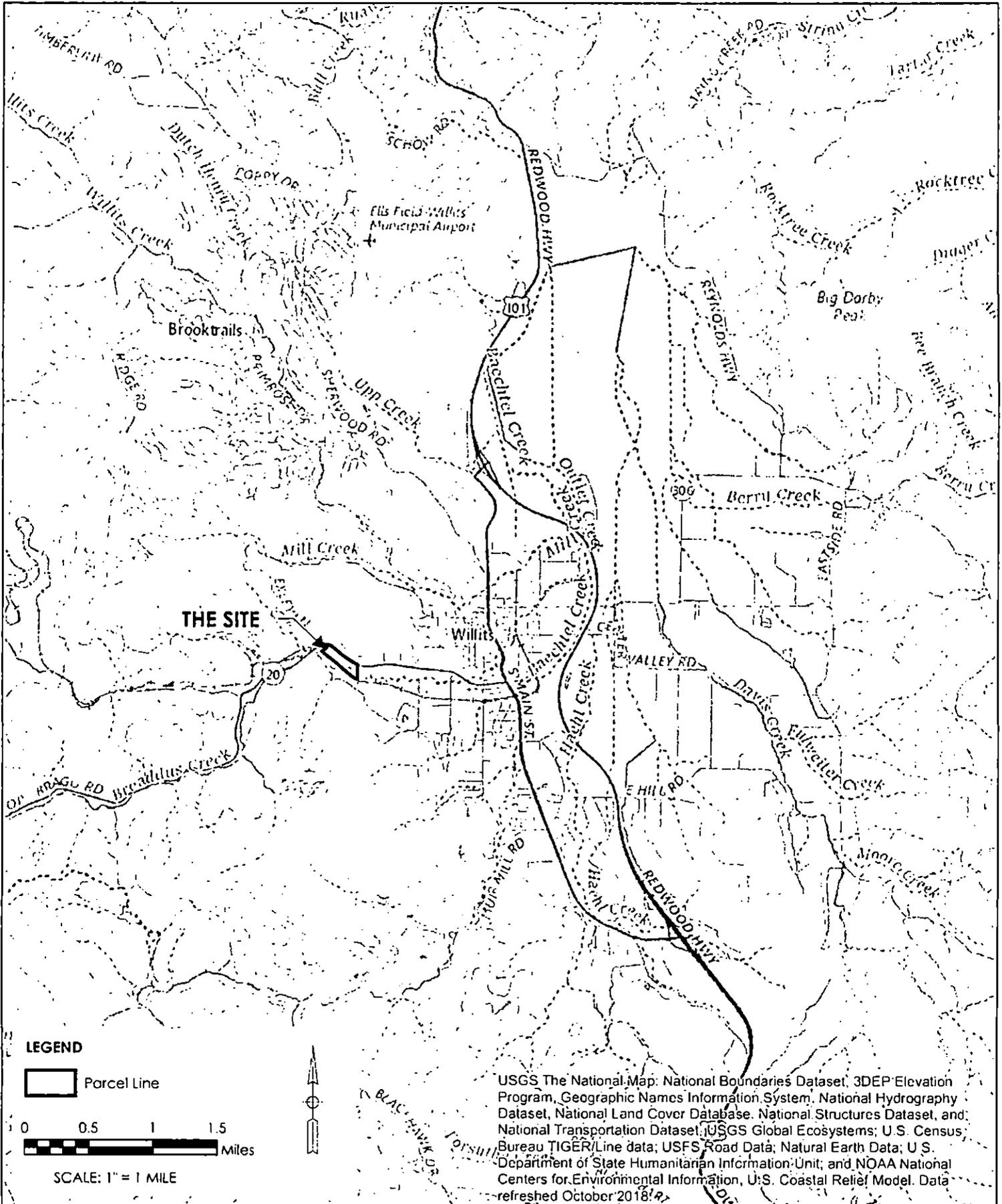
**Figure 2**                      **Site Map**

# LACO

Eureka | Ukiah | Santa Rosa | Chico  
 1-800-515-5054 www.lacoassociates.com

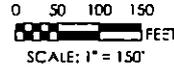
PROJECT	VISUAL ASSESSMENT	BY	JRG	FIGURE	1
CLIENT	CALIFORNIA EMINENT DOMAIN LAW GROUP	CHECK	JNK		
LOCATION	1401 WEST HIGHWAY 20, WILLITS, CA	DATE	03/16/2022	JOB NO.	10248.00
LOCATION MAP					

REUSE OF DOCUMENTS: This document and the ideas and design incorporated here in, as an instrument of professional service, is the property of LACO Associates and shall not be reused in whole or part for any other project without LACO Associates express written authorization.

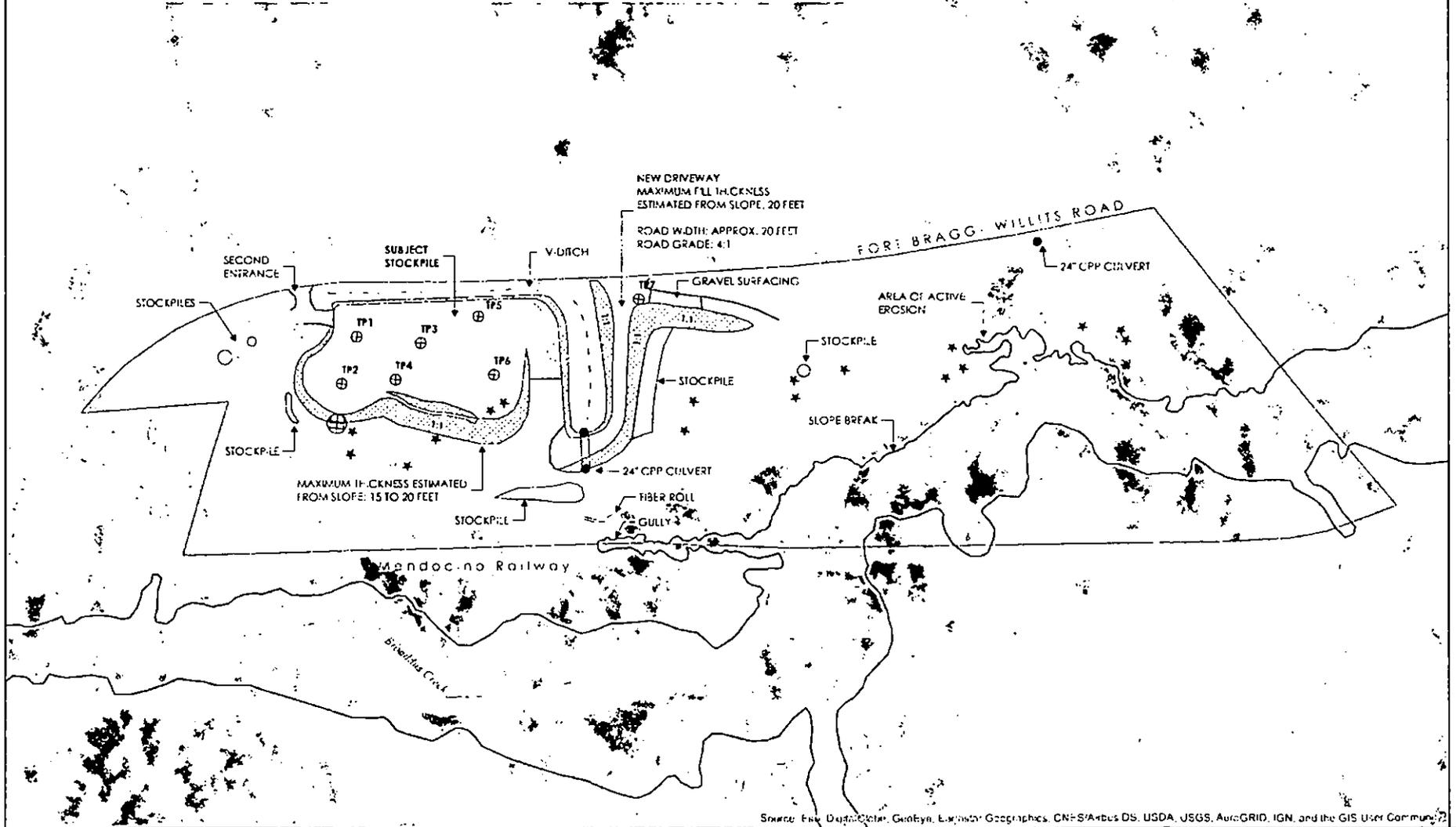


**LEGEND**

- ⊗ TEST PITS
- ★ EQUIPMENT/VEHICLES
- CORRUGATED PLASTIC PIPE (CPP) CULVERT
- SWALE
- CREEK
- FIBER ROLL
- ▨ STOCKPILE SLOPES
- ▩ WOODY DEBRIS STOCKPILE
- PARCEL LINE



ALL LOCATIONS ARE APPROXIMATE. SLOPE INCUNATIONS REPRESENTED BY HORIZONTAL TO VERTICAL (H:V) RATIOS.



Source: Field Data; Color, GeoEye, Earthstar Geographics, CNR/SARbus DS, USDA, USGS, AeroGRID, IGN, and the GIS User Community

**LACO**  
EUREKA • UKIAH • SANTA ROSA  
1-800-915-5234

NO.	DATE	DESCRIPTION	BY	CHKD

VISUAL ASSESSMENT  
1401 WEST HIGHWAY 20, WILLITS, CA  
CALIFORNIA EMINENT DOMAIN LAW GROUP  
3429 OCEAN VIEW BLVD, SUITE 1, GLENDALE, CA

DATE	2/27/2022
APPROVED	JK
NO. NO.	10248-00
SCALE	2

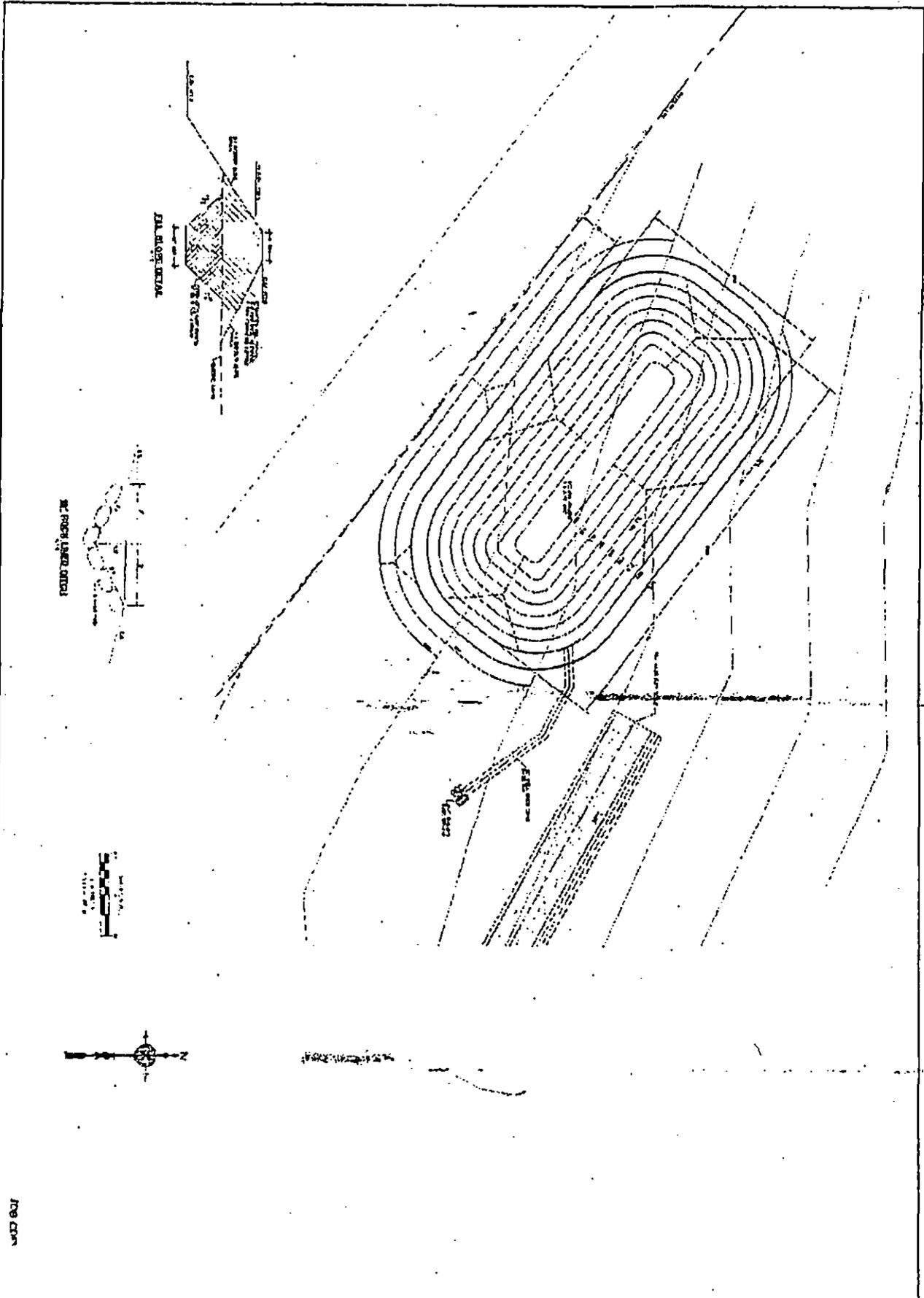
Observation and Material Testing of Stockpile Material  
Meyer Property  
1401 West Highway 20, Willits, California  
California Eminent Domain Law Group; LACO Project No. 10248.00  
April 11, 2022

## ATTACHMENT 1

### **Improvement Plans for Lands of Myer, prepared by Pope**





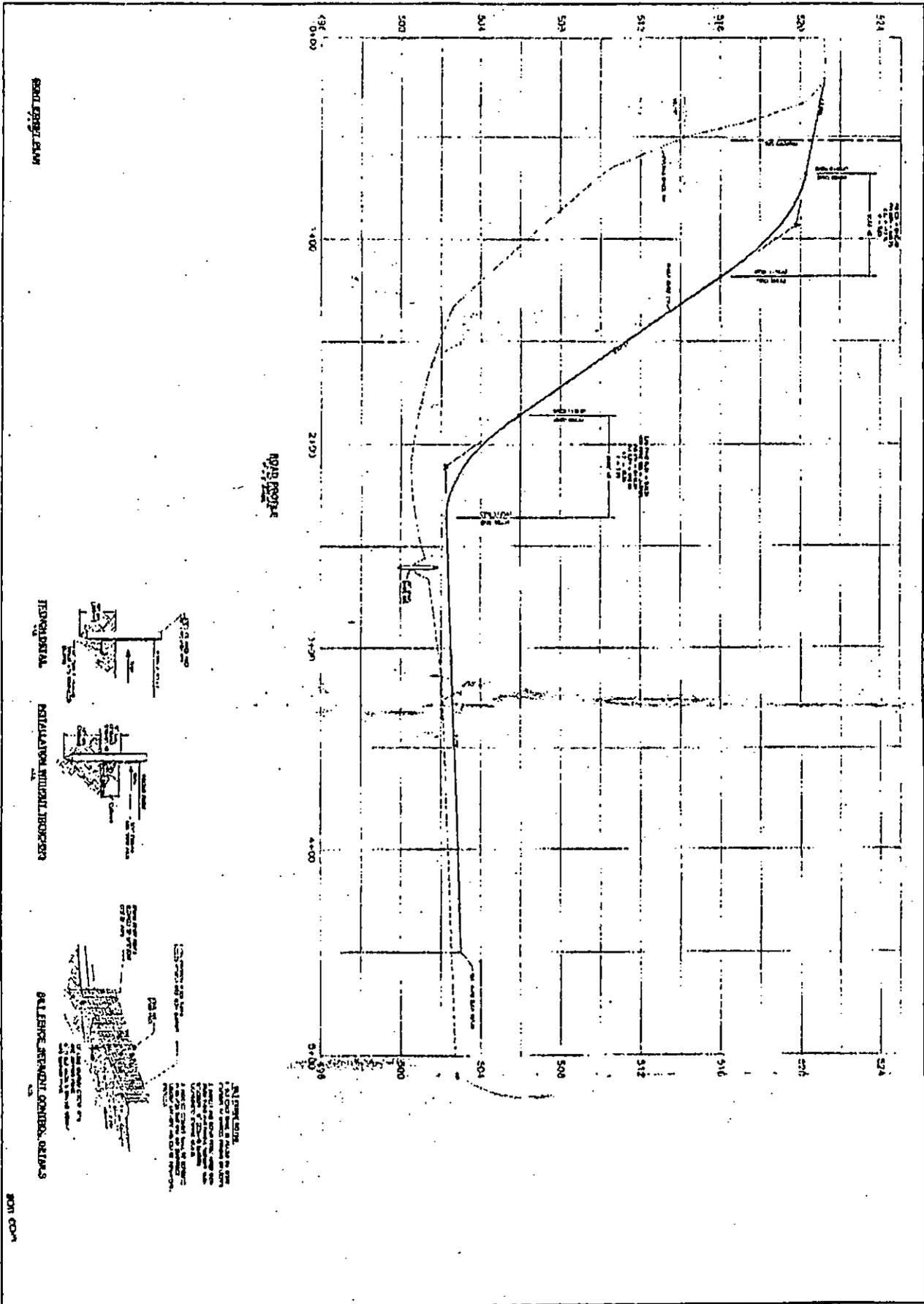


POP & ENGINEERING  
 CIVIL ENGINEERING - LAND SURVEYING  
 1401 HIGHWAY 20, POST MILE 31.64  
 WILLITS, CALIFORNIA



**POND PLAN**  
 LANDS OF JOHN MEYER  
 1401 HIGHWAY 20, POST MILE 31.64  
 WILLITS, CALIFORNIA

REVISIONS	BY



WEST ELEVATION

TRANSVERSE

SECTIONAL ELEVATION

SECTIONAL ELEVATION

<p>SOPE ENGINEERING CIVIL ENGINEERING - LAND SURVEYING DRAWN &amp; PLOTTED BY JLS</p> <p>ALL RIGHTS RESERVED. NO PART OF THIS DRAWING IS TO BE REPRODUCED OR TRANSMITTED IN ANY FORM OR BY ANY MEANS, ELECTRONIC OR MECHANICAL, INCLUDING PHOTOCOPYING, RECORDING, OR BY ANY INFORMATION STORAGE AND RETRIEVAL SYSTEM.</p>		<p><b>PROFILE AND EXHIBIT</b> LANDS OF JOHN MEYER 1401 HIGHWAY 20, POST MILE 0184 WILLITS CALIFORNIA</p>	REVISIONS	BY

Observation and Material Testing of Stockpile Material  
Meyer Property  
1401 West Highway 20, Willits, California  
California Eminent Domain Law Group; LACO Project No. 10248.00  
April 11, 2022

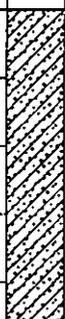
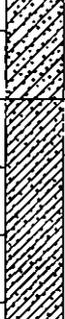
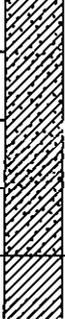
## ATTACHMENT 2

### **Test Pit Logs**

**CLIENT** Eminent Domain Law Group **PROJECT NAME** Visual Assessment  
**PROJECT NUMBER** 10248.00 **PROJECT LOCATION** 1401 West Highway 20  
**DATE STARTED** 3/8/22 **COMPLETED** 3/8/22 **GROUND ELEVATION** \_\_\_\_\_ **TEST PIT SIZE** 24 inches  
**EXCAVATION CONTRACTOR** Bud Garman & Sons Construction **GROUND WATER LEVELS:**  
**EXCAVATION METHOD** Excavator **AT TIME OF EXCAVATION** ---  
**LOGGED BY** JRG **CHECKED BY** JNK **AT END OF EXCAVATION** ---

**NOTES** \_\_\_\_\_

GEOTECH BORING NEW - GINT STD US LAB.GDT - 3/31/22 08:04 - P:11020010248 CALIFORNIA EMINENT DOMAIN LAW GROUP\10248.00 1401 WEST HIGHWAY 20 VISUAL ASSESSMENT\08 GEOLOGY\FIELD DATA\10248.00 LOGSS.GPJ

DEPTH (ft)	GRAPHIC LOG	MATERIAL DESCRIPTION	SAMPLE TYPE NUMBER	RECOVERY % (RQD)	BLOW COUNTS (N VALUE)	TESTS AND REMARKS	Pocket Penetrometer (tsf)	DRY UNIT WT. (pcf)	MOISTURE CONTENT (%)	ATTERBERG LIMITS (%)			FINES CONTENT (%)
										LIQUID LIMIT	PLASTIC LIMIT	PLASTICITY INDEX	
0.0													
0.0 - 2.5		(SC) Yellowish Brown Clayey Sand with Gravel (FILL) moist, loose to medium dense medium sand, angular gravels, cobbles and boulders, 25 percent material over 3 inches, boulders to 1.5 feet in diameter	GB				1.75, 3.0, 3.0 1.25, 2.75, 2.5 1.0, 1.5, 2.5						
2.5 - 5.0		(CL) Yellowish Brown Sandy Clay with Gravel (FILL) moist, soft to medium stiff medium sand, angular to subangular gravels, cobbles and boulders, 25 percent material over 3 inches, boulders to 1.5 feet in diameter	GB				1.75, 2.0, 2.0 1.5, 1.75, 2.0						
5.0 - 7.0		(CL) Dark Brown Lean Clay with Sand (NATIVE) moist, medium stiff to stiff fine to medium sand, fine roots, porous	GB				3.5, 3.5, 4.0						

Bottom of test pit at 7.0 feet.

CLIENT Eminent Domain Law Group PROJECT NAME Visual Assessment  
 PROJECT NUMBER 10248.00 PROJECT LOCATION 1401 West Highway 20  
 DATE STARTED 3/8/22 COMPLETED 3/8/22 GROUND ELEVATION \_\_\_\_\_ TEST PIT SIZE 24 inches  
 EXCAVATION CONTRACTOR Bud Garman & Sons Construction GROUND WATER LEVELS:  
 EXCAVATION METHOD Excavator AT TIME OF EXCAVATION --  
 LOGGED BY JRG CHECKED BY JNK AT END OF EXCAVATION --

NOTES

GEOTECH BORING NEW - GINT STD US LAB GDT - 3/31/22 08:04 - P:110200\10248 CALIFORNIA EMINENT DOMAIN LAW GROUP\10248.00 1401 WEST HIGHWAY 20 VISUAL ASSESSMENT\08 GEOTECH\FIELD DATA\10248.00 LOGS.GPJ

DEPTH (ft)	GRAPHIC LOG	MATERIAL DESCRIPTION	SAMPLE TYPE NUMBER	RECOVERY % (RQD)	BLOW COUNTS (N VALUE)	TESTS AND REMARKS	Pocket Penetrometer (tsf)	DRY UNIT WT. (pcf)	MOISTURE CONTENT (%)	ATTERBERG LIMITS (%)			FINES CONTENT (%)
										LIQUID LIMIT	PLASTIC LIMIT	PLASTICITY INDEX	
0.0		(SC) Yellowish Brown Clayey Sand with Gravel (FILL) moist, loose medium sand, subrounded to angular gravels, cobbles and boulders, 30 percent material over 3 inches, boulders to 1.5 feet in diameter, minor organics including medium sized roots, unstable hole (caving)											
2.5			GB				0.5, 0.5, 0.75, 0.5, 0.75, 0.5						
5.0			GB				0.5, 0.5, 0.75						
7.5		(CL) Dark Brwn Lean Clay with Sand (NATIVE) moist, stiff fine to medium sand, organic layer, fine roots, porous					4.0, 4.0, 4.0						

Bottom of test pit at 9.0 feet.

CLIENT Eminent Domain Law Group PROJECT NAME Visual Assessment  
 PROJECT NUMBER 10248.00 PROJECT LOCATION 1401 West Highway 20  
 DATE STARTED 3/8/22 COMPLETED 3/8/22 GROUND ELEVATION \_\_\_\_\_ TEST PIT SIZE 24 inches  
 EXCAVATION CONTRACTOR Bud Garman & Sons Construction GROUND WATER LEVELS:  
 EXCAVATION METHOD Excavator AT TIME OF EXCAVATION —  
 LOGGED BY JRG CHECKED BY JNK AT END OF EXCAVATION —

NOTES

GEOTECH BORING NEW - GINT STD US LAB.GDT - 3/31/22 08:04 - P:11020010248 CALIFORNIA EMINENT DOMAIN LAW GROUP\10248.00 1401 WEST HIGHWAY 20 VISUAL ASSESSMENT\08 GEOLOGY\FIELD DATA\10248.00.LOGS.GPJ

DEPTH (ft)	GRAPHIC LOG	MATERIAL DESCRIPTION	SAMPLE TYPE NUMBER	RECOVERY % (RQD)	BLOW COUNTS (N VALUE)	TESTS AND REMARKS	Pocket Penetrometer (tsf)	DRY UNIT WT. (pcf)	MOISTURE CONTENT (%)	ATTERBERG LIMITS (%)			FINES CONTENT (%)
										LIQUID LIMIT	PLASTIC LIMIT	PLASTICITY INDEX	
0.0		(SC) Yellowish Brown Clayey Sand with Gravel (FILL) moist, loose medium sand, angular gravels, cobbles and boulders, 30 percent material over 3 inches. boulders to 2 feet in diameter, minor organics, unstable hole (caving)	GB				4.0, 4.0, 4.5						
2.5							1.5, 2.0, 1.75						
5.0		(CL) Dark Brown Lean Clay with Sand (NATIVE) moist, medium stiff to stiff fine to medium sand, abundant organics (grass and roots), strong organic smell	GB				1.5, 1.25, 1.0						
							0.75, 0.75, 1.0						
							2.0, 1.5, 2.0						
							3.0, 3.5, 3.0						

Bottom of test pit at 7.0 feet.

CLIENT Eminent Domain Law Group PROJECT NAME Visual Assessment  
 PROJECT NUMBER 10248.00 PROJECT LOCATION 1401 West Highway 20  
 DATE STARTED 3/8/22 COMPLETED 3/8/22 GROUND ELEVATION \_\_\_\_\_ TEST PIT SIZE 24 inches  
 EXCAVATION CONTRACTOR Bud Garman & Sons Construction GROUND WATER LEVELS:  
 EXCAVATION METHOD Excavator AT TIME OF EXCAVATION --  
 LOGGED BY JRG CHECKED BY JNK AT END OF EXCAVATION --

NOTES

GEOTECH BORING NEW - GINT STD US LAB GDT - 3/31/22 08 04 - P:1020010248 CALIFORNIA EMINENT DOMAIN LAW GROUP:10248.00 1401 WEST HIGHWAY 20 VISUAL ASSESSMENT:08 GEOLOGY:FIELD DATA:10248.00 LOGS.GPJ

DEPTH (ft)	GRAPHIC LOG	MATERIAL DESCRIPTION	SAMPLE TYPE NUMBER	RECOVERY % (RQD)	BLOW COUNTS (N VALUE)	TESTS AND REMARKS	Pocket Penetrometer (tsf)	DRY UNIT WT. (pcf)	MOISTURE CONTENT (%)	ATTERBERG LIMITS (%)			FINES CONTENT (%)
										LIQUID LIMIT	PLASTIC LIMIT	PLASTICITY INDEX	
0.0		(SC) Yellowish Brown Clayey Sand with Gravel (FILL) moist, loose to medium dense medium sand, angular gravels, cobbles and boulders, 35 percent material over 3 inches, boulders to 1 foot in diameter, minor organics, unstable hole (caving)	GB				1.5, 2.0, 2.0						
2.5			GB				2.25, 1.75, 2.0						
5.0								1.25, 1.5, 1.5					
7.5		(CL) Dark Brown Lean Clay (NATIVE) moist, medium stiff to stiff fine to medium sand, fine roots, porcus	GB				>4.5						
Bottom of test pit at 9.0 feet.													

**CLIENT** Eminent Domain Law Group      **PROJECT NAME** Visual Assessment  
**PROJECT NUMBER** 10248.00      **PROJECT LOCATION** 1401 West Highway 20  
**DATE STARTED** 3/8/22      **COMPLETED** 3/8/22      **GROUND ELEVATION** \_\_\_\_\_      **TEST PIT SIZE** 24 inches  
**EXCAVATION CONTRACTOR** Bud Garman & Sons Construction      **GROUND WATER LEVELS:**  
**EXCAVATION METHOD** Excavator      **AT TIME OF EXCAVATION** --  
**LOGGED BY** JRG      **CHECKED BY** JNK      **AT END OF EXCAVATION** --  
**NOTES** \_\_\_\_\_

GEOTECH BORING NEW - GINT STD US LAB.GDT - 3/31/22 08:04 - P:110200110248 CALIFORNIA EMINENT DOMAIN LAW GROUP 10248.00 1401 WEST HIGHWAY 20 VISUAL ASSESSMENT 08 GEOLOGY FIELD DATA 10248.00 LOGS.GPJ

DEPTH (ft)	GRAPHIC LOG	MATERIAL DESCRIPTION	SAMPLE TYPE NUMBER	RECOVERY % (RQD)	BLOW COUNTS (N VALUE)	TESTS AND REMARKS	Pocket Penetrometer (tsf)	DRY UNIT WT. (pcf)	MOISTURE CONTENT (%)	ATTERBERG LIMITS (%)				FINES CONTENT (%)
										LIQUID LIMIT	PLASTIC LIMIT	PLASTICITY INDEX		
0.0		(SC) Yellowish Brown Sandy Lean Clay (FILL) dry to moist, medium dense medium sand, angular gravels, cobbles and boulders, 5 percent material over 3 inches, boulders to 1.5 feet in diameter, layer of grass at 2 feet bgs	GB				4.0, 4.25, 3.75							
2.5		(SP) Brown Gravelly Sand (NATIVE) dry, medium dense fine to medium sand, rounded gravels	GB				4.5, 4.5, 4.5							
5.0		(CL) Dark Brown Lean Clay with Sand (NATIVE) moist, medium stiff fine to medium sand, some rounded gravels, fine roots, porous	GB											

Bottom of test pit at 6.0 feet.



CLIENT Eminent Domain Law Group PROJECT NAME Visual Assessment  
 PROJECT NUMBER 10248.00 PROJECT LOCATION 1401 West Highway 20  
 DATE STARTED 3/8/22 COMPLETED 3/8/22 GROUND ELEVATION \_\_\_\_\_ TEST PIT SIZE 24 inches  
 EXCAVATION CONTRACTOR Bud Garman & Sons Construction GROUND WATER LEVELS:  
 EXCAVATION METHOD Excavator AT TIME OF EXCAVATION --  
 LOGGED BY JRG CHECKED BY JNK AT END OF EXCAVATION --

NOTES

DEPTH (ft)	GRAPHIC LOG	MATERIAL DESCRIPTION	SAMPLE TYPE NUMBER	RECOVERY % (RQD)	BLOW COUNTS (N VALUE)	TESTS AND REMARKS	Pocket Penetrometer (tsf)	DRY UNIT WT. (pcf)	MOISTURE CONTENT (%)	ATTERBERG LIMITS (%)			FINES CONTENT (%)	
										LIQUID LIMIT	PLASTIC LIMIT	PLASTICITY INDEX		
0.0		(SC) Yellowish Brown Clayey Sand with Gravel (FILL) moist, loose to medium dense medium to coarse sand, angular gravels, cobbles and boulders, 35 percent material over 3 inches, boulders to 1.5 feet in diameter												
2.5			Hand icon	GB				2.5, 2.5, 3.0 2.0, 1.5, 2.5 3.0, 2.5, 3.5						
								3.0, 2.5, 3.5						
5.0								3.5, 4.0, 4.5						

Bottom of test pit at 6.0 feet.

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CLIENT Eminent Domain Law Group

PROJECT NAME Visual Assessment

PROJECT NUMBER 10248.00

PROJECT LOCATION 1401 West Highway 20

## UNIFIED SOIL CLASSIFICATION SYSTEM

MAJOR DIVISIONS				TYPICAL NAMES
COARSE GRAINED SOILS More than Half > #200 sieve	GRAVELS MORE THAN HALF COARSE FRACTION IS LARGER THAN NO. 4 SIEVE	CLEAN GRAVELS WITH LITTLE OR NO FINES	GW	WELL GRADED GRAVELS, GRAVEL-SAND MIXTURES
			GP	POORLY GRADED GRAVELS, GRAVEL-SAND MIXTURES
		GRAVELS WITH OVER 15% FINES	GM	SILTY GRAVELS, POORLY GRADED GRAVEL-SAND-SILT MIXTURES
			GC	CLAYEY GRAVELS, POORLY GRADED GRAVEL-SAND-CLAY MIXTURES
	SANDS MORE THAN HALF COARSE FRACTION IS SMALLER THAN NO. 4 SIEVE	CLEAN SANDS WITH LITTLE OR NO FINES	SW	WELL GRADED SANDS, GRAVELLY SANDS
			SP	POORLY GRADED SANDS, GRAVELLY SANDS
		SANDS WITH OVER 15% FINES	SM	SILTY SANDS, POORLY GRADED SAND-SILT MIXTURES
			SC	CLAYEY SANDS, POORLY GRADED SAND-CLAY MIXTURES
FINE GRAINED SOILS More than Half < #200 sieve	SILTS AND CLAYS LIQUID LIMIT LESS THAN 50		ML	INORGANIC SILTS AND VERY FINE SANDS, ROCK FLOUR, SILTY OR CLAYEY FINE SANDS, OR CLAYEY SILTS WITH SLIGHT PLASTICITY
			CL	INORGANIC CLAYS OF LOW TO MEDIUM PLASTICITY, GRAVELLY CLAYS, SANDY CLAYS, SILTY CLAYS, LEAN CLAYS
			OL	ORGANIC CLAYS AND ORGANIC SILTY CLAYS OF LOW PLASTICITY
	SILTS AND CLAYS LIQUID LIMIT GREATER THAN 50		MH	INORGANIC SILTS, MICACEOUS OR DIATOMACIOUS FINE SANDY OR SILTY SOILS, ELASTIC SILTS
			CH	INORGANIC CLAYS OF HIGH PLASTICITY, FAT CLAYS
			OH	ORGANIC CLAYS OF MEDIUM TO HIGH PLASTICITY, ORGANIC SILTS
HIGHLY ORGANIC SOILS			Pt	PEAT AND OTHER HIGHLY ORGANIC SOILS

## KEY TO TEST DATA

	Modified California (MC)	RV	R-Value	LL	Liquid Limit (%)		
	Standard Penetration Test (SPT)	SA	Sieve Analysis	PI	Plastic Index (%)		
	Pushed Shelby Tube (ST)	SW	Swell Test	Gs	Specific Gravity	Shear Strength (psf)	Confining Pressure (psf)
	Auger Cuttings	CP	Compaction	MA	Particle Size Analysis	320	(2600)
	Grab Sample (GB)	TC	Cyclic Triaxial	Tx	Unconsolidated Undrained Triaxial	320	(2600)
	Continuous Core Sample (CC)	EI	Expansion Index	TxCU	Consolidated Undrained Triaxial	2750	(2000)
c	Cohesion	Perm	Permeability	DS	Consolidated Drained Direct Shear	470	
$\phi$	Friction Angle	Consol	Consolidation	FVS	Field Vane Shear	2000	
MC	Moisture Content	$\tau$	Shear Strength	UC	Unconfined Compression	700	
DD	Dry Density	$\nabla$	Water Level at Time of Drilling	LVS	Laboratory Vane Shear		
PP	Pocket Penetrometer	$\nabla$	Water Level after Drilling				

NOTES: The lines separating soil layers are approximate boundaries.

Blow counts represent the number of blows of a 140-pound hammer falling 30 inches to drive an 18-inch sampler the final 12 inches.

Modified California Sampler blow counts have been converted to standard N-value blow counts using Burmister's energy input factor of 0.65.

**PROOF OF SERVICE**

Mendocino Railway v. John Meyer, et al.  
Mendocino Superior Court Case No.: SCUK-CVED-20-74939

I am a resident of the State of California, over the age of eighteen years, and not a party to the within action. My business address is 3429 Ocean View Boulevard, Suite L, Glendale, CA 91208. On May 4, 2022, I served the within document(s):

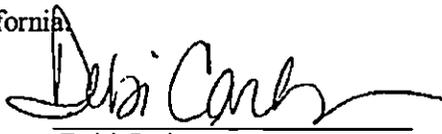
**PLAINTIFF MENDOCINO RAILWAY'S MANDATORY SETTLEMENT CONFERENCE STATEMENT**

- ELECTRONIC MAIL:** By transmitting via e-mail the document listed above to the e-mail address set forth below.
- BY MAIL:** By placing a true copy of the document(s) listed above in a sealed envelope with postage thereon fully prepaid, in the United States mail at Glendale, California addressed as set forth in the attached service list
- OVERNIGHT DELIVERY:** By overnight delivery, I placed such document(s) listed above in a sealed envelope, for deposit in the designated box or other facility regularly maintained by United Parcel Service for overnight delivery and caused such envelope to be delivered to the office of the addressee via overnight delivery pursuant to C.C.P. §1013(c), with delivery fees fully prepaid or provided for.
- PERSONAL SERVICE:** By personally delivering the document(s) listed above to the person(s) listed below at the address indicated.

I am readily familiar with the firm's practice of collection and processing correspondence for mailing. Under that practice it would be deposited with the U.S. Postal Service on that same day with postage thereon fully prepaid in the ordinary course of business. I am aware that on motion of the party served, service is presumed invalid if postal cancellation date or postage meter date is more than one day after date of deposit for mailing in affidavit.

I declare under penalty of perjury under the laws of the State of California that the above is true and correct.

Executed on May 4, 2022, in Glendale, California



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**SERVICE LIST**

Mendocino Railway v. John Meyer, et al.  
Mendocino Superior Court Case No.: SCUK-CVED-20-74939

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In Pro Per