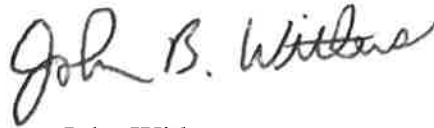


NOTICE OF SPECIAL MEETING
OF BOARD OF DIRECTORS OF
BARDEEN PARTNERS, INC.

To: Peer Swan, Doug Reinhart, Steve LaMar, and Mary Aileen Matheis, Members of the Board of Directors of Bardeen Partners, Inc.

Pursuant to the call of the President of Bardeen Partners, Inc., notice is hereby given that a Special Meeting of the Board of Directors of Bardeen Partners, Inc. has been called and will be held on Monday, January 11, 2016 at the hour of 5:30 p.m. of said day in the Board of Directors' meeting room of the Irvine Ranch Water District, 15600 Sand Canyon Avenue, Irvine, California, for the purpose set forth in Exhibit "A" attached hereto and by this reference made a part hereof.

This notice is given in accordance with the bylaws of Bardeen Partners, Inc. and Section 54956 of the California Government Code and Corporation Code Section 5211.

A handwritten signature in dark ink, appearing to read "John B. Withers". The signature is written in a cursive, flowing style.

John Withers
President

*Withers is the President and Swan is Vice President

AGENDA

BOARD OF DIRECTORS OF BARDEEN PARTNERS, INC. SPECIAL MEETING

JANUARY 11, 2016

CALL TO ORDER 5:30 PM Irvine Ranch Water District
Board of Directors Meeting Room
15600 Sand Canyon Ave., Irvine, Calif.

ROLL CALL Directors Matheis, Reinhart, Swan, LaMar
and President Withers

Bardeen Partners, Inc. was formed in March 1991 to act on behalf of IRWD in matching its real estate investments, and to segregate such investments from other activities of IRWD and other purposes relating to property.

1. APPROVAL OF MINUTES

Recommendation: Approve the minutes of Special Meeting of December 14, 2015.

2. ASSIGNMENT OF PURCHASE AGREEMENT – EATON PROPERTY

Recommendation: That the Board authorize the assignment to Irvine Ranch Water District of the original "Real property Purchase Agreement" dated December 4, 2015, relating to the purchase of the Eaton property, and authorize the Treasurer to execute an Assignment and Assumption of Real Property Purchase Agreement authorizing the assignment of the agreement from Bardeen Partners, Inc. to Irvine Ranch Water District.

3. ORAL COMMUNICATIONS

4. ADJOURNMENT

MINUTES OF SPECIAL MEETING OF
BARDEEN PARTNERS, INC.

December 14, 2015

The special meeting of the Board of Directors of the Bardeen Partners, Inc. was called to order by President Withers at 6:10 p.m. in the Board Room of the principal office of the Irvine Ranch Water District, 15600 Sand Canyon Avenue, Irvine, California.

Directors Present: LaMar, Matheis, Reinhart, Swan, and President Withers

Directors Absent: None

Also Present: Treasurer Rob Jacobson of Bardeen Partners, Inc., and Legal Counsel Arneson, and members of the IRWD staff and public.

APPROVAL OF MINUTES

On MOTION by Swan, seconded and unanimously carried, THE OCTOBER 26, 2015 MINUTES OF SPECIAL MEETING OF BARDEEN PARTNERS, INC. WERE APPROVED AS PRESENTED.

ORAL COMMUNICATIONS – None

CLOSED SESSION

President Withers said that a Closed Session will be held with real property negotiator (Government Code Section 54956.8) as follows:

Property: Parcels 830-150-002; 830-160-001, 002, 003, 004, 007; 830-170-001, 002, 003; 830-190-001; and 857-150-001, 002, County of Riverside
Negotiating Parties: Richard Eaton, Owner
Agency Negotiator: Paul Cook, General Manager
Purpose of Negotiations: Price and Term of Payment

OPEN SESSION

Following the Closed Session, the meeting was convened with LaMar, Withers, Swan, and Reinhart present. President Withers said that there was no action to report.

ADJOURNMENT

There being no further business, President Withers adjourned the meeting.

Dated: January 6, 2016

Leslie Bonkowski, Secretary

APPROVED and SIGNED this 11th day of January, 2016.

John Withers, President

APPROVED AS TO FORM:

Joan Arneson, Legal Counsel, Bardeen Partners, Inc.

January 11, 2016

Prepared By: K. Welch/F. Sanchez

Submitted By: R. Jacobson/P. Weghorst

Approved By: Paul Cook



BARDEEN PARTNERS

ASSIGNMENT OF PURCHASE AGREEMENT - EATON PROPERTY

SUMMARY:

Pursuant to Bardeen Partners, Inc.'s (Bardeen) Articles of Incorporation, Bardeen entered into a Real Property Purchase Agreement (Agreement) for the acquisition of 616.19 acres in Riverside County on December 4, 2015. IRWD has requested that the Agreement be assigned to IRWD so that IRWD may conclude the transaction. It is recommended that the Board authorize the assignment of the Agreement to IRWD and authorize the Treasurer to execute an Assignment and Assumption of Real Property Purchase Agreement authorizing the assignment of the Agreement from Bardeen to IRWD.

BACKGROUND:

The Eaton property is located within the Palo Verde Irrigation District (PVID) in Riverside County. The Agreement to purchase the real property was executed on December 4, 2015 pursuant to the Bardeen Articles of Incorporation, and permits Bardeen, without the consent of the seller, to assign its interests to IRWD as an entity under common control with Bardeen. To comply with the Agreement's requirement that IRWD assume all of Bardeen's obligations in writing, legal counsel has prepared an Assignment and Assumption of Real Property Purchase Agreement (Assignment Agreement) as shown in Exhibit "A". Upon approval by IRWD's Board to accept the assignment and assume Bardeen's interests in the Agreement on January 11, 2016, it is recommended that Bardeen authorize the assignment of the Agreement to IRWD and authorize the Treasurer to execute the Assignment Agreement.

FISCAL IMPACTS:

The land acquisition cost is \$10,200,000, plus approximately \$40,000 for closing costs.

ENVIRONMENTAL COMPLIANCE:

Any new lands purchased for water supply purposes would be subject to compliance with the California Environmental Quality Act of 1970 (as amended), codified at California Public Resources Code Sections 21000 et. seq., and the State CEQA Guidelines in the Code of Regulations, Title 14, Division 6, Chapter 3. Pursuant to direction by the IRWD Board, IRWD will file a Notice of Exemption for the purchase of the Eaton Property within the Counties of Orange and Riverside. The Notice of Exemption states that the District is not presently contemplating changes in the existing use of the land and therefore no environmental impacts associated with the property acquisition are expected. The Notice of Exemption states that the District specifically conditions any proposed future change in use of the Property on subsequent CEQA compliance actions.

COMMITTEE STATUS:

This item was not reviewed by a Committee.

RECOMMENDATION:

THAT THE BOARD AUTHORIZE THE ASSIGNMENT TO IRVINE RANCH WATER DISTRICT OF THE ORIGINAL "REAL PROPERTY PURCHASE AGREEMENT" DATED AS OF DECEMBER 4, 2015, RELATING TO THE PURCHASE OF THE EATON PROPERTY; AND AUTHORIZE THE TREASURER TO EXECUTE AN ASSIGNMENT AND ASSUMPTION OF REAL PROPERTY PURCHASE AGREEMENT AUTHORIZING THE ASSIGNMENT OF THE AGREEMENT FROM BARDEEN PARTNERS, INC. TO IRVINE RANCH WATER DISTRICT.

LIST OF EXHIBITS:

Exhibit "A" – Assignment and Assumption of Real Property Purchase Agreement

EXHIBIT "A"

ASSIGNMENT AND ASSUMPTION OF REAL PROPERTY PURCHASE AGREEMENT

WHEREAS, Bardeen Partners, Inc., a California nonprofit public benefit corporation, as buyer ("BUYER") and Richard E. Eaton, Trustee of Trust "A" and Richard Eugene Eaton, Trustee of Trust "B" under Article Fifth, Sixth and Seventh of the Will of Ray E. Eaton, dated March 10, 1982; Richard E. Eaton, Trustee of the Opal Dell Eaton Trust, dated December 15, 1986; Richard E. Eaton, Trustee of the Joyce A. Eaton Farm Trust, dated January 1, 2008; Richard E. Eaton, Trustee of the Richard E. Eaton Farm Trust, dated January 1, 2008; Richard E. Eaton, Trustee of the Joyce A. Eaton Trust under the Eaton 1992 Irrevocable Trust, dated December 31, 1992; Richard E. Eaton, Trustee of the Richard E. Eaton Trust under the Eaton 1992 Irrevocable Trust, dated December 31, 1992, collectively, as seller ("SELLER") have entered into that certain REAL PROPERTY PURCHASE AGREEMENT (the "Agreement") dated December 4, 2015.

WHEREAS, Section 8.13 of the Agreement permits BUYER's assignment of its rights and delegation of its duties and obligations under the Agreement, without the consent of SELLER, to an entity that controls, is controlled by or is under common control with BUYER, provided that such related entity shall assume in writing all obligations of BUYER under the Agreement and such assignment shall not release BUYER from BUYER's obligations under the Agreement; and

WHEREAS, BUYER wishes to assign all of its interests in the Agreement to Irvine Ranch Water District, a California water district organized under California Water Code Section 34000, *et seq.* ("IRWD"), and IRWD wishes to accept such assignment; and

WHEREAS, BUYER and IRWD are under the control of the same Board of Directors, pursuant to Section 7 of BUYER's bylaws, and BUYER was incorporated for specific purposes including the rendering of financial assistance to IRWD by, among other things, acquiring real property interests for the benefit of IRWD;

NOW, THEREFORE, for good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, BUYER, as assignor, does hereby assign, grant, bargain, sell, convey and transfer to IRWD all of BUYER's right, title and interest in and to the Agreement.

For good and valuable consideration, the receipt and adequacy of which are hereby acknowledged and further in consideration of the within assignment by BUYER, IRWD, as assignee, does hereby agree to its substitution for BUYER as buyer under the Agreement and agrees to assume and perform all covenants and conditions which are to be performed by BUYER pursuant to the Agreement, except to the extent any such covenants and conditions have been performed prior to the date hereof.

Executed and effective this 11th day of January, 2016.

BARDEEN PARTNERS, INC.

IRVINE RANCH WATER DISTRICT,

By: _____
Treasurer

By: _____
General Manager