

THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS
ACTION AGENDA SUMMARY

DEPT: Public Works *mlm*

BOARD AGENDA # *C-2

Urgent Routine

AGENDA DATE June 30, 2009

CEO Concurs with Recommendation YES NO
(Information Attached)

4/5 Vote Required YES NO

SUBJECT:

Approval to Consider and Adopt a Resolution of Necessity to Acquire Real Property or Interest in Real Property by Eminent Domain for the Hatch Road Channelization Project Phase I Parcel Owners Harold O. Miller and Sons, a California Limited Partnership, APN: 018-062-002

STAFF RECOMMENDATIONS:

1. Find that the public interest and necessity require the proposed project.
2. Find that the proposed project is planned or located in the manner that will be most compatible with the greatest public good and the least private injury.
3. Find that the subject property described in the attached Resolution is necessary for the proposed project.

(Continued on Page 2)

FISCAL IMPACT:

The cost associated with conducting the Resolution of Necessity hearings are funded by City/County Public Facility Fees. Although the costs have not been identified, it is anticipated that they will be minimal and will be absorbed within the Public Facility Fee program.

BOARD ACTION AS FOLLOWS:

No. 2009-462

THIS ITEM WAS REMOVED FROM THE AGENDA.
NO ACTION WAS TAKEN.

Approval to Consider and Adopt a Resolution of Necessity to Acquire Real Property or Interest in Real Property by Eminent Domain for the Hatch Road Channelization Project Phase I, Parcel Owners Harold O. Miller and Sons, a California Limited Partnership, APN: 018-062-002

4. Find that the offer required by Section 7267.2 of the Government Code has been made to the owners of record of the property to be acquired.
5. Adopt a Resolution of Necessity in the form attached hereto as Attachment A.
6. Authorize County Counsel to initiate eminent domain proceedings to acquire the subject property.

DISCUSSION:

In January 2004, the Board of Supervisors approved the Department of Public Works Road Congestion Relief Program. The Road Congestion Relief Program provides for the installation of traffic signals, left turn lanes and related improvements on selected roadways throughout the County. This program is funded by City/County Public Facility Fees.

As approved by the Board, the program included the installation of left turn lanes and through lanes on Hatch Road at the intersections of Faith Home Road, Gilbert Road, Parks Road, Washington Road and Clinton Road. To accomplish this, the County will need to acquire a 20,485 square foot right-of-way from the parcel on the northeast corner of Hatch Road and Faith Home Road (the "subject property"). The owner of the subject property is Harold O. Miller and Sons, a California Limited Partnership.

The County offered the owner of the subject property the sum of \$35,000 for a road easement. Pursuant to section 7267.2 of the Government Code, an appraiser hired by the County determined this to be the fair market value of the subject property. A copy of the offer letters is attached hereto as Attachment B. Steve Long, the County's right of way agent for this project, has been in negotiations with the property owners since August 2006, and they had agreed to settle for the \$35,000. After completion of the negotiations, one of the two members of the partnership died. The escrow agent that is handling the transfer of the partnership will not accept the remaining partner's signature on the documents that would allow the remaining partner to sell the right-of-way needed for this project. Staff, upon consultation with County Counsel, has determined that County should acquire right-of-way in fee, Grant Deed, instead of a road easement. In January 2007, legislation became effective that requires public agencies to pay for an independent appraisal up to \$5,000. After a meeting with the property owner, the property owner's adviser and County staff, Steve Long sent a letter dated August 27, 2007, to the property owner advising him that the County would pay up to \$5,000 for an independent appraisal, although the County is not required to do so. The property owner has not taken this offer.

Approval to Consider and Adopt a Resolution of Necessity to Acquire Real Property or Interest in Real Property by Eminent Domain for the Hatch Road Channelization Project Phase I, Parcel Owners Harold O. Miller and Sons, a California Limited Partnership, APN: 018-062-002

To authorize the use of the power of eminent domain, the Board must first adopt a Resolution of Necessity required by Section 1245.220 of the Code of Civil Procedure. Prior to adopting the Resolution of Necessity, the Board is required to conduct a hearing to allow the owner to be heard. The owner was given written notice of the hearing as required by Section 245.235 of the Code of Civil Procedure. A copy of the notice is attached as Attachment C.

The purpose of the Resolution of Necessity hearing is to provide the owners of the property the opportunity to be heard on the matters referred to in Section 1240.030 of the Civil Code as follows:

1. Whether the public interest and necessity require the project;
2. Whether the project is planned or located in the manner that will be most compatible with the greatest public good and least private harm; and,
3. Whether the property sought to be acquired is necessary for the project.

The Department of Public Works offers the following in support of each of the above-mentioned matters:

1. The Public Interest and Necessity Require the Project.

Hatch Road is one of the County's most congested roadways and carries significant volumes of traffic. The Road Congestion Relief Program identified that Hatch Road should have left turn lanes installed to relieve congestion and increase capacity to ensure a minimum level of service in the future.

The consideration of "level of service", or LOS, is very important in traffic planning. The most common scale for measuring service describes traffic conditions in a range from A to F. Level "F", for example, describes delays in excess of 60 seconds per vehicle and arrival flow rates exceeding the capacity of the intersection. The minimum standard LOS the County seeks to maintain is "C".

Currently, the intersection of Hatch Road and Faith Home Road is operating at unacceptable LOS D during the AM and PM peak periods. To relieve current congestion and to maintain the minimum LOS in the future, the intersection needs to have left turn lanes and through lanes on Hatch Road installed.

2. The project is planned or located in the manner that will be the most compatible with the greatest public good and the least private injury.

To meet the minimum standard LOS, Public Works designers took into account the required design speed, the type of intersection, the configuration of the existing intersection and the alignment of the existing roads. The result of their analysis is

Approval to Consider and Adopt a Resolution of Necessity to Acquire Real Property or Interest in Real Property by Eminent Domain for the Hatch Road Channelization Project Phase I, Parcel Owners Harold O. Miller and Sons, a California Limited Partnership, APN: 018-062-002

the addition of left turn lanes on Hatch Road, and the addition of a through lane on the north side of Hatch Road. The north side of Hatch Road was selected as the existing Ceres Main Canal lies immediately south of Hatch Road and there is insufficient room to add a through lane between the existing roadway and the canal.

3. The property sought to be acquired is necessary for the project.

The addition of left turn lanes and through lanes cannot be constructed without the acquisition of the subject property.

On December 12, 2006, the Board of Supervisors Adopted the Mitigated Negative Declaration for the Hatch Road PFF Left Turn Channelization Project.

POLICY ISSUES:

The Board should consider if the recommended actions are consistent with the Board's priorities of providing a safe community, a healthy community and a well-planned infrastructure system.

STAFFING IMPACT:

There is no staffing impact associated with this item.

**RESOLUTION OF NECESSITY OF THE
STANISLAUS COUNTY BOARD OF SUPERVISORS
DECLARING CERTAIN REAL PROPERTY NECESSARY FOR PUBLIC
PURPOSES AND AUTHORIZING THE ACQUISITION THEREOF FOR THE
CONSTRUCTION OF THE HATCH ROAD CHANNELIZATION PROJECT
PHASE I**

WHEREAS, Article I, section 19 of the Constitution of the State of California and section 25350.5 of the Government Code authorizes the Board of Supervisors of any County to acquire by eminent domain any property necessary to carry out any of the powers or functions of the County; and

WHEREAS, the real property to be taken is described in Exhibits "A" and "B" attached hereto and made a part hereof; and

WHEREAS, the County proposes to construct left turn lanes at Hatch Road and Faith Home Road and at Hatch Road and Gilbert Road including a through lane and other miscellaneous related work.

WHEREAS, notice has been properly given as required by and accordingly to the provisions of section 1245.235 of the California Code of Civil Procedure, and a hearing has been held at which all persons whose property may be acquired by eminent domain and whose name and address appear on the last equalized County Assessment Roll have been given a reasonable opportunity to appear and be heard by the Board of Supervisors on the matters set forth in Code of Civil Procedures sections 1240.030 and 1240.510; and

WHEREAS, a four-fifths vote of all of the members of the Board of Supervisors is required for adoption hereof,

NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors of Stanislaus County that the following findings be made:

1. That the public interest and necessity require the acquisition of real property interests described in Exhibits "A" and "B" attached hereto and incorporated by this reference for the purpose of constructing a roadway.
2. That the property to be acquired and the project to be developed are planned and located in the manner that will be most compatible with the greatest public good and least private injury.
3. That the property sought to be acquired is necessary for the proposed project.
4. The offer required by Section 7267.2 of the Government Code has been made to the owners of record.
5. The County Counsel is hereby authorized to institute eminent domain proceedings in the Superior Court of the State of California for the County

of Stanislaus, for the purpose of acquiring the property described herein above, and is further authorized to institute proceedings for taking pre-judgment possession of said property and to deposit the probable amount of compensation therefore, in accordance with California Code of Civil Procedure Section 1255.010, as directed by the Superior Court as security for said possession. Counsel is further authorized to associate with, at its election, a private law firm for the prosecution of said proceedings.

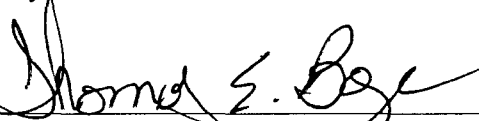
6. That the Auditor/Controller of Stanislaus County is directed to draw all necessary warrants payable to the State Treasurer or County Clerk in the amount specified in the Written Summary of Just Compensation prepared in accordance with the Code of Civil Procedure sections 1255.010, et seq. All warrants shall be drawn from the County Treasury. No warrant shall be drawn on that account for purposes of furthering the eminent domain action unless sufficient funds have been deposited to fund any such warrant.

The Board of Supervisors of the County of Stanislaus duly adopted the foregoing Resolution by a least a four-fifths vote of the members thereof on the 2nd day of June 2009 by the following-called vote:

AYES Supervisors: _____
NOES Supervisors: _____
ABSENT: Supervisors: _____

JIM DEMARTINI, Chairman of the Board
of Supervisors of the County of Stanislaus,
State of California

APPROVED AS TO FORM:
JOHN P. DOERING,
County Counsel

By: 
THOMAS BOZE, Deputy County Counsel

ATTEST:
CHRISTINE FERRARO TALLMAN
Clerk of the Board of Supervisors
Of the County of Stanislaus, State of
California

By: _____
LIZ KING, Deputy Clerk

EXHIBIT "A"

**Legal Description
(Hatch Road Right of Way)
A.P.N. 18-62-02 (Miller & Sons Property)**

A 10-foot wide strip of land being the north 10 feet of the south 43 feet of the following property:

All that portion of the Southwest Quarter of Section 6, Township 4 South, Range 10 East, Mount Diablo Base and Meridian, situated in the County of Stanislaus, State of California, more particularly described as follows:

BEGINNING at the Southwesterly corner of Section 6, Township 4 South, Range 10 East, Mount Diablo Base and Meridian; running thence North on the range line, 26 chains (1716 feet); thence South 87° East, 14.82 chains (978.12 feet); thence North 81½° East, 14 chains (924 feet); thence South 77¼° East, 2.60 chains (171.60 feet); thence South 26.75 chains (1765.50 feet) to section line, being south line of Section 6; thence west on section line, 31.19 chains (2058.54 feet) to the point of beginning.

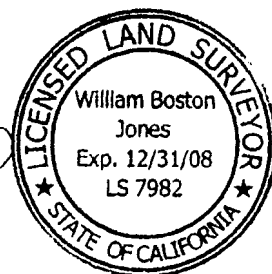
Excepting therefrom, the following described parcel:

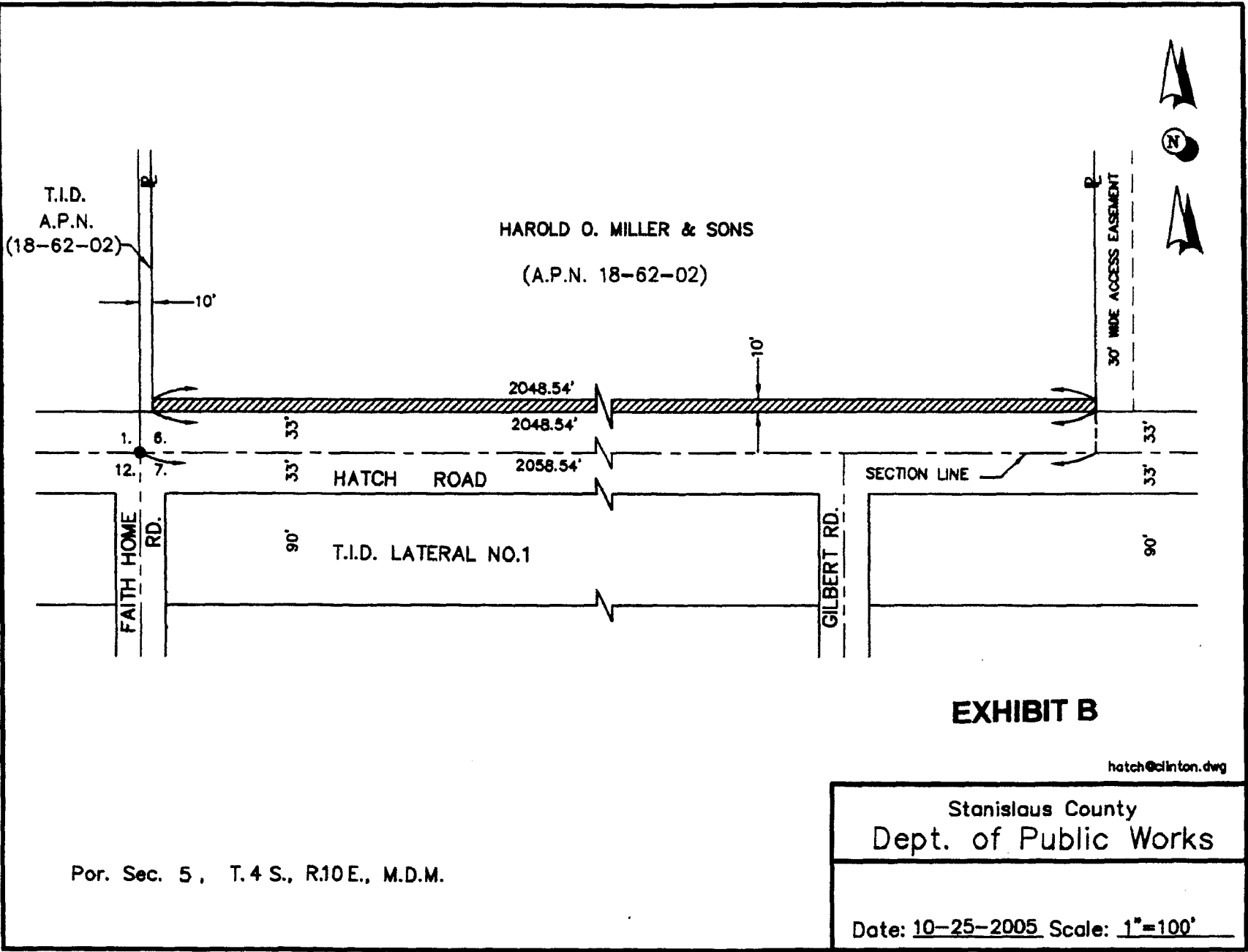
Beginning at a point 33 feet north of the Southwest corner of said Section 6; thence east 10 feet; thence north on a line parallel to and 10 feet distance from the west line of said Section 6, a distance of 1335 feet; thence North 2°40' East, a distance of 381 feet to an intersection with the U.S. Meander line; thence North 87°30' West along said Meander line to the Meander Corner on the west line of said Section 6; thence south to the point of beginning.

The north line of the North 10-foot wide strip being 43 feet north and parallel with the centerline of Hatch Road, said centerline also being the south line of said Section 6.

Contains 20,485 square feet (0.47 acres), more or less

William B. Jones
LS 7982
1.3.2008





T.I.D.
A.P.N.
(18-62-02)

HAROLD O. MILLER & SONS
(A.P.N. 18-62-02)



10'

2048.54'

2048.54'

10'

1.

12.

6.

7.

33'

33'

HATCH ROAD

2058.54'

SECTION LINE

33'

33'

FAITH HOME
RD.

90'

T.I.D. LATERAL NO.1

GILBERT RD.

90'

EXHIBIT B

hatch@clinton.dwg

Stanislaus County
Dept. of Public Works

Por. Sec. 5, T.4 S., R.10 E., M.D.M.

Date: 10-25-2005 Scale: 1"=100'



DEPARTMENT OF PUBLIC WORKS

Matt Machado, PE
Director

Laurie Barton, PE
Deputy Director, Engineering/Operations

Diane Haugh
Assistant Director, Business/Finance

Engineering & Operations Division
1716 Morgan Road, Modesto, CA 95358
Phone: 209-525-4130; Fax: 209-525-4140

**NOTICE OF HEARING ON PROPOSED
RESOLUTION OF NECESSITY**

DATE: JUNE 1, 2009

PROPERTY APN: 018-062-002

Owner: Harold O. Miller & Sons

Harold O. Miller & Sons
A California Limited Partnership
4243 E. Hatch Road
Hughson, CA 95326

The law provides procedures for public agencies to acquire private property for public use. It requires that every agency which intends to condemn property notify the owners of its intentions to condemn. California Code of Civil Procedures (CCP) Section 1240.030 provides that the power of eminent domain may be exercised to acquire property for a proposed project if the following three conditions are established:

1. Whether the public interest and necessity require the project.
2. Whether the project is planned or located in a manner that will be most compatible with the greatest public good and the least private injury.
3. Whether the property sought to be acquired is necessary for the project.

Also, CCP Section 1245.230 requires that the offer required by Section 7267.2 of the Government Code has been made to the owner of record.

YOU ARE HEREBY NOTIFIED pursuant to Code of Civil Procedure Section 1245.235 that the Board of Supervisors of the County of Stanislaus will conduct a public hearing pertaining to the adoption of a Resolution of Necessity for acquisition by eminent domain of the deed for right-of-way purposes on the parcel indicated in the attached legal description and the attached map.

It is the intent of the Board to adopt the Resolution of Necessity in connection with the public improvement known as the Hatch Road Channelization Project Phase I.

The hearing by the Board of Supervisors is set for June 30, 2009 at 9:00 A.M., (or as soon thereafter as the Board can hear said matter) at the Board of Supervisors' Chambers – Basement Level, 1010 10th Street, Modesto, California.

Each person or party who owns said parcel, or an interest therein, or whose name and address appears on the last equalized county assessment roll, is entitled to appear and be heard at said hearing. If you wish to appear and be heard by the Board at the public hearing, you must file a written request to appear and be heard within 15-days of the mailing of this Notice by filing or delivering a written request to:

SUBJECT: NOTICE OF HEARING ON PROPOSED RESOLUTION OF NECESSITY

Date: June 1, 2009

Page 2 of 2

The Honorable Board of Supervisors
1010 Tenth Street, Suite 6500
Modesto, Ca 95354

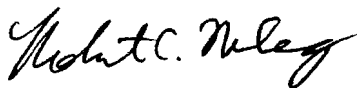
Your written request to appear should include statement indicating which of the conditions listed in the first paragraph above you contend have not been met. By designating which conditions form the basis of your challenge and explaining why you believe that they have not been met, you will enable the Board of Supervisors to authorize a full and expeditious review of the project's effect on your property. The Public Works Department will conduct the review on behalf of the Board of Supervisors and ask for your participation. Based on this review, the Public Works Department will then prepare a report to be presented to the Board of Supervisors at the meeting at which you intend to appear.

Your written request to appear must actually be on *file* with the Board of Supervisors within the 15-day period set forth above. Your failure to file a written request to appear and be heard within 15 days after the date of this Notice will result in a waiver of your right to appear and be heard.

For your convenience, if you are unable to personally appear or choose to submit written objections in place of a personal appearance, the Board of Supervisors will consider any written objections so long as they are filed within the 15-day period set forth above. All written objections filed with the Board of Supervisors within the 15-day period will become part of the official record of the meeting at which the Board of Supervisors hears the Resolution. We recommend that if you intend to appear, or if you intend to submit written objections in place of an appearance, you mail your correspondence Certified Mail, Return Receipt Requested to confirm that your response was received within the 15-day period.

If you have any questions, please give Robert Meleg at (209) 567-4883.

Sincerely,



Robert Meleg
Associate Civil Engineer

Attachments: Legal Description and Map

EXHIBIT "A"

**Legal Description
(Hatch Road Right of Way)
A.P.N. 18-62-02 (Miller & Sons Property)**

A 10-foot wide strip of land being the north 10 feet of the south 43 feet of the following property:

All that portion of the Southwest Quarter of Section 6, Township 4 South, Range 10 East, Mount Diablo Base and Meridian, situated in the County of Stanislaus, State of California, more particularly described as follows:

BEGINNING at the Southwesterly corner of Section 6, Township 4 South, Range 10 East, Mount Diablo Base and Meridian; running thence North on the range line, 26 chains (1716 feet); thence South 87° East, 14.82 chains (978.12 feet); thence North 81½° East, 14 chains (924 feet); thence South 77¼° East, 2.60 chains (171.60 feet); thence South 26.75 chains (1765.50 feet) to section line, being south line of Section 6; thence west on section line, 31.19 chains (2058.54 feet) to the point of beginning.

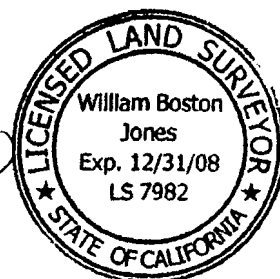
Excepting therefrom, the following described parcel:

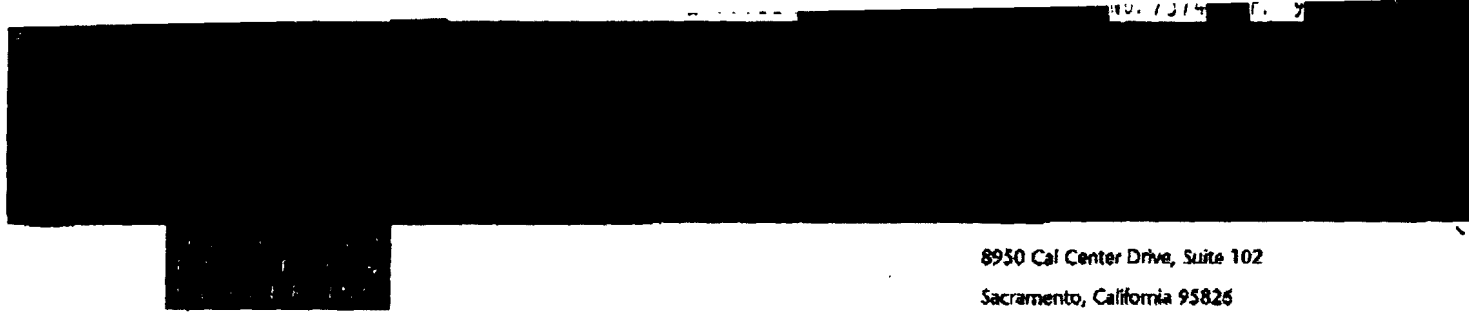
Beginning at a point 33 feet north of the Southwest corner of said Section 6; thence east 10 feet; thence north on a line parallel to and 10 feet distance from the west line of said Section 6, a distance of 1335 feet; thence North 2°40' East, a distance of 381 feet to an intersection with the U.S. Meander line; thence North 87°30' West along said Meander line to the Meander Corner on the west line of said Section 6; thence south to the point of beginning.

The north line of the North 10-foot wide strip being 43 feet north and parallel with the centerline of Hatch Road, said centerline also being the south line of said Section 6.

Contains 20,485 square feet (0.47 acres), more or less

William B. Jones
LS 7982
1-3-2008





8950 Cal Center Drive, Suite 102
Sacramento, California 95826
916.857.1520 ph
916.857.1525 fax
www.OPCservices.com

REVISED: October 16, 2007

Harold O. Miller & Sons,
a California Limited Partnership
4243 E. Hatch Road
Hughson, CA 95326

Regarding: County of Stanislaus ~ PFF-Left Turn Channelization Project (Hatch Road)
Easement portion of APN: 018-062-002

Dear Property Owners:

The County of Stanislaus is currently finalizing plans for a public improvement project for the widening along Hatch Road near Ceres. As discussed with you, this project will require the acquisition of an easement portion of your property. The County seeks to acquire a permanent easement of 20,485 sq. ft. or approximately 0.47 acres on your parcel (APN: 018-062-002).

Accordingly, the County hereby makes an offer for the acquisition of a permanent easement on a portion of your property located at 4243 E. Hatch Road, Hughson, California, for the sum of \$35,000.00, which is segregated as follows:

\$ <u>14,135.00</u>	Permanent Easement (20,485 sq. ft.)
\$ <u>20,000.00</u>	Loss of trees on remainder
\$ <u>1,150.00</u>	Improvements (mailbox relocation/300sf asphalt paving)
\$ <u>N/A</u>	Severance Damages
\$ <u>35,000.00</u>	Total (rounded)

The County's offer is the full amount determined to be just compensation for the property interest. The basis for that determination is explained in the attached Information and Appraisal Summary Statements. It is the County's hope that this price is agreeable to you and that the acquisition can begin immediately.

I, Steve Long of Overland, Pacific & Cutler, Inc., the County's acquisition agent, will work with you in this acquisition. If you have any questions regarding this Notice and accompanying statements, please contact me at (916) 857-1520 or (800) 385-0244.

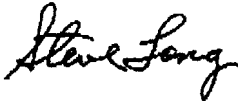
If this offer is acceptable, please contact Mr. Long to open escrow services.

Harold Miller & Sons, LP
October 16, 2007
Page 2 of 2

Alternatively, it is requested that you acknowledge receipt of the County's offer by signing a copy of this letter and returning same in the enclosed self-addressed stamped envelope. Your signature on the copy does not signify acceptance of the offer to settle the acquisition by the County, it only acknowledges receipt of the County's offer.

Your cooperation in this matter will be greatly appreciated.

Sincerely,



Steven F. Long
Senior Acquisition Agent

SL:dm

cc: Scott Anderson – Stanislaus County
Jerry Marquis

OFFER RECEIVED

By Harold C. Miller

Date 10-19-07

Receipt of Offer Does Not
Constitute Acceptance

INFORMATION STATEMENT

This offer is presented in settlement of the acquisition of an easement interest on a portion of your property at 4243 E. Hatch Road, Hughson, California.

<u>\$ 14,135.00</u>	Permanent Easement (20,485 sq. ft.)
<u>\$ 20,000.00</u>	Loss of trees on remainder
<u>\$ 1,150.00</u>	Improvements (mailbox relocation/300sf asphalt paving)
<u>\$ N/A</u>	Severance Damages
<u>\$ 35,000.00</u>	Total (rounded)

The value of the easement portion of your property being purchased is based upon a market value appraisal prepared by an independent appraisal firm in accordance with accepted appraisal procedures. Valuation of your property is based upon an analysis of, where applicable, recent sales of comparable sites and similar properties in this locality with consideration to the highest and best use for development of the property; an income approach based on the potential fair rental for your property has been considered where applicable; and a replacement cost approach considering the estimated depreciated cost of the improvements, together with the value of the land, has been considered where applicable. Any diminution in value of the remainder parcel, or costs to mitigate same, have also been considered.

Before arriving at a conclusion of value, the appraiser conducted an investigation in order to obtain the information necessary. The investigation generally includes an inspection of the property and improvements, and review of the improvements, a review of the immediate surrounding and regional influences, the property zoning and uses permitted, a study of the highest and best use to which the property can be put, easements which may exist on the property, the availability of utilities, access and street improvements. The appraiser conducted interviews with knowledgeable persons, collect comparable data, information relating to fair rental value of the property and the cost of reproducing the improvements on the property.

The offer is the full amount believed by the County of Stanislaus to be just compensation for the easement portion of your property. It is not less than the County's approved appraisal of the Market Value of the property. Any decreases or increases in the Market Value of the real property to be acquired prior to the date of the valuation caused by the public improvements or project for which the property is to be acquired, or by the likelihood that the property would be acquired for such improvement or project, other than that due to physical deterioration within the reasonable control of the owner, has been disregarded by the County and its appraiser in making their determination of the Market Value of such property.

MARKET VALUE, as used in the appraisal, is ".....the highest price in terms of money which a property will bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus.

Implicit in this definition is the consummation of a sale as of a specified date and the passing of

title from seller to buyer under conditions whereby:

1. Buyer and seller are typically motivated.
2. Both parties are well informed or well advised, and each acting in what he considers his own best interest.
3. A reasonable time is allowed for exposure in the open market.
4. Payment is made in cash or its equivalent.
5. Financing, if any, is on terms generally available in the community at the specified date and typical for the property type in its locale.
6. The price represents a normal consideration for the property sold unaffected by special financing amounts and/or terms, services, fees, costs, or credits incurred in the transaction.

The determination of just compensation does not reflect any consideration of or allowance for relocation assistance and payments to which you may be entitled to receive under applicable State or Federal Law or of the County's agreement to pay certain settlement costs.

This summary of the basis of the amount offered as just compensation is presented in compliance with State, and where applicable, Federal Law. Attached is an Appraisal Summary Statement including information pertinent to our offer to acquire an easement portion of the property.

In the event you are the owner of a business conducted on the property being acquired by the County, you may be entitled to compensation for loss of goodwill, if any, if you are able to make a showing of such loss pursuant to the requirements of California Code of Civil Procedure Section 1263.510. For your information, Section 1263.510 is reprinted below in its entirety.

- (A) The owner of a business conducted on the property taken, or on the remainder if such property is part of a larger parcel, shall be compensated for loss of goodwill if the owner proves all of the following:
- (1) The loss is caused by the taking of the property or the injury to the remainder.
 - (2) The loss cannot reasonably be prevented by relocation of the business or by taking steps and adopting procedures that a reasonably prudent person would take and adopt in preserving the goodwill.
 - (3) Compensation for the loss will not be included in payments under Section 7262 of the Government Code.

(4) Compensation for the loss will not be duplicated in the compensation otherwise awarded to the owner.

- (B) Within the meaning of this article, "goodwill" consists of the benefits that accrue to a business as a result of its location, reputation for dependability, skill or quality, and any other circumstances resulting in probable retention of old or acquisition of new patronage.

BASIS OF APPRAISAL
 (4243 E. Hatch Road, Hughson, California)

The market value for the easement portion of property to be acquired by the County is based upon an appraisal prepared in accordance with accepted appraisal principles and procedures.

Recent sales of comparable properties and income data are utilized as appropriate. Full consideration is given to zoning, development potential and the income the property is capable of producing.

1. The Sales Comparison approach is based on the consideration of comparable land sales.

Value of the easement portion of Property pursuant to Sales Comparison approach (See attached sheet for Exhibit "C" principal transactions)	\$14,135.00
---	-------------

2. The Cost approach is based in part on a replacement cost new of improvements less depreciation.

Total Replacement Cost New	\$ N/A
Depreciation from all causes	\$ N/A
Value of Improvements in Place	\$ N/A
Land (estimated by direct sales comparison)	\$ N/A
Indicated value of the larger parcel (entire Property) by Cost approach	\$ N/A

3. The Income approach is based on an analysis of income and expenses to the property.

Overall Capitalization Rate	N/A
Net Operating Income	\$ N/A
Indicated value of the larger parcel by Income approach	\$ N/A

Valuation Conclusion

Market Value of Property: \$14,135.00

NO. 1517 - 11-10

APPRAISAL SUMMARY STATEMENT (Easement)

PROJECT: PFF-LEFT TURN CHANNELIZATION PROJECT (Hatch Road)

Date of Valuation: April 25, 2006

Assessors Parcel Number: 018-062-002 (portion thereof)

Property Owners: Harold O. Miller & Sons, a California Limited Partnership

Owners Mailing Address: 4243 E. Hatch Road, Hughson, CA 95326

Subject Property Address: 4243 E. Hatch Road, Hughson, CA 95356

Legal Description: See Exhibits "A" and "B" attached hereto

Site Area: 78.66 Acres

Permanent Easement Area: 0.47 Acres (20,485 sf)

Improvements to be acquired: Relocation of a mailbox, and a portion of an asphalt drive (approx. 300 sf)

Zoning: General Agricultural (A-2-40)

Present Use: A homesite/farming operation

Highest & Best Use Determination: A homesite/farming operation

Interest Being Valued: Fee Simple Estate

VALUATION APPROACHES USED:

Market Data Approach: Yes

Cost/Data Reproduction Approach: No

Income Approach: No

Damage to Remainder (Severance Damage): No

BASIS FOR CALCULATION:
Permanent Easement: 20,485 sf x \$0.69/sf = \$14,135 (rounded)

EXHIBIT "C"

RANCHETTE SALES SUMMARY
(20 - 50 Acres)

Sale No.	Location APN	Sale Date	Sale Price	Size (Acres)	Improve.	Highest & Best Use	Price Per Acre
1	Waring Road Hughson, CA 018-011-005	Sep-05 + Time	\$1,400,000	50.00	Old Trees Now Open	Farm	\$28,000 \$29,680
2	Albers Road Modesto, CA 009-014-033	May-05 + Time	\$725,000	46.90	Peaches Open	Farm	\$15,458 \$17,312
3	Hopper Road Modesto, CA 009-028-010	Apr-05 + Time	\$1,340,000	43.50	Peaches Ranch House	Farm	\$30,805 \$34,039
4	Yosemite Blvd. Modesto, CA 009-013-022	Jan-06 + Time	\$1,032,000 (Listing)	25.80	Vines	Ranchette	(\$40,000) (\$40,000)
5	Faith Home Road Ceres, CA 023-002-001	Mar-05 + Time	\$665,000	34.76	None Modular Home	Ranchette	\$19,131 \$22,000
6	Moffett Road Ceres, CA 022-019-006	Aug-05 + Time	\$1,000,000	35.66	None	Ranchette	\$28,043 \$30,146
7	Whitmore Avenue Hughson, CA 018-012-066	Apr-05 + Time	\$650,000	21.01	1/2 Almonds 1/2 Walnuts	Ranchette	\$30,938 \$35,114

NO. 12/14 P. 13

EXHIBIT "A"**Legal Description
(Hatch Road Right of Way)
A.P.N. 18-62-02 (Miller & Sons property)**

The South 10 feet of the south 43 feet of the following described property:

All that portion of the Southwest quarter of Section 6, Township 4 South, Range 10 East, Mount Diablo Base and Meridian, being more particularly described as follows:

Beginning at the Southwesterly corner of Section 6, Township 4 South, Range 10 East, Mount Diablo Base and Meridian; running thence North on the range line, 26 chains (1716 feet); thence South 87° East, 14.82 chains (978.12 feet); thence North 81 1/2° East, 14 Chains (924 feet); thence South 77 1/4° East, 2.80 chains (171.80 feet); thence South 28.75 chains (1785.50 feet) to section line, being South line of said Section 6; thence West on section line, 31.19 chains (2058.54 feet) to the point of beginning.

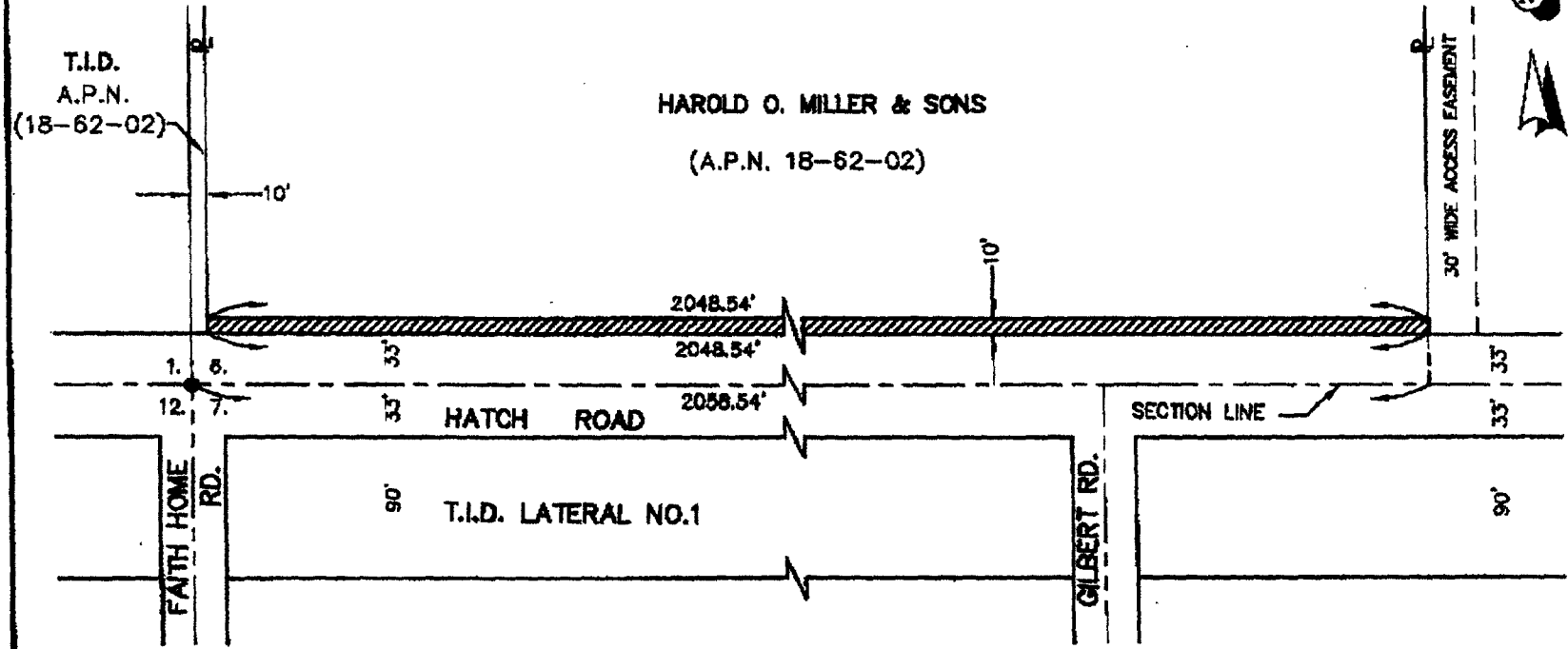
Excepting therefrom, the following described parcel:

Beginning at a point 33 feet North of the Southwest corner of said Section 6; thence East 10 feet; thence North on a line parallel to and 10 feet distant from the West line of said Section 6, a distance of 1335 feet; thence North 2°40' East, a distance of 381 feet to an intersection with the U.S. Meander line; thence North 87°30' West along said Meander line to the Meander Corner on the West line of said Section 6; thence South to the point of beginning.

The north line of the south 10 feet being 43 feet north of and parallel with the centerline of Hatch Road said centerline also being the south line of said section 6.

Contains 20,485 square feet (0.47 acres), more or less.

EXHIBIT "B"



T.I.D.
A.P.N.
(18-62-02)

HAROLD O. MILLER & SONS
(A.P.N. 18-62-02)

FAITH HOME
RD.

T.I.D. LATERAL NO.1

HATCH ROAD

GILBERT RD.

30' WIDE ACCESS EASEMENT

SECTION LINE

hatch@clinton.dwg

Per. Sec. 5, T.4 S., R.10 E., M.D.M.

Stanislaus County
Dept. of Public Works

Date: 10-25-2005 Scale: 1"=100'

NO. 13/4 P. 1/1